

## NEWS RELEASE

# Digital Garage Group Provides OMO Solution Based on Point Membership Infrastructure for JR Kyushu's "JR Kyupo App"

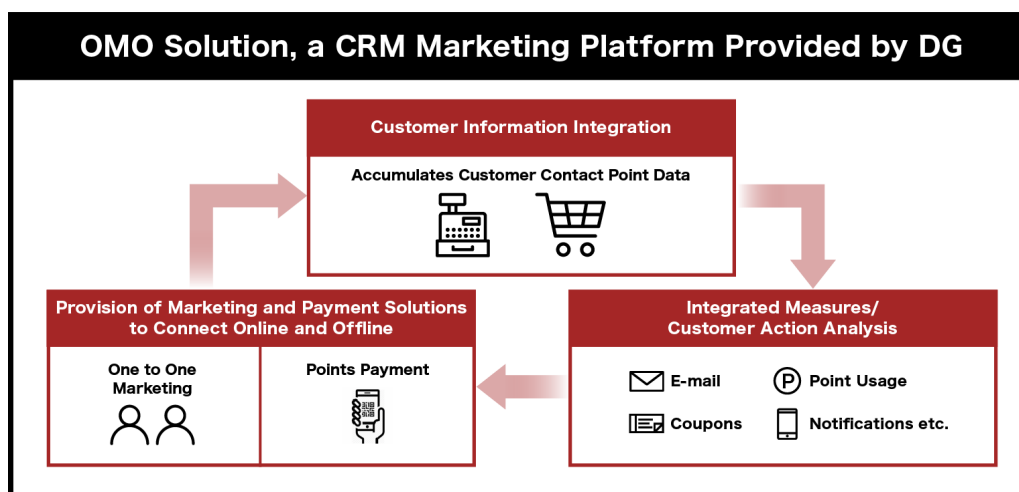
~Implementing Various Functions for Marketing and Points Payment through QR Code~

The DG Group, centered on Digital Garage, Inc. (TSE first section: 4819; HQ: Tokyo; Representative Director, President Executive Officer and Group CEO: Kaoru Hayashi; DG) provides an Online Merges with Offline (OMO) solution based on its point membership infrastructure to the "JR Kyupo App", a smartphone service to be launched on March 3, 2020 by Kyushu Railway Company (TSE first section: 9142; HQ: Fukuoka; President and CEO: Toshihiko Aoyagi; JR Kyushu). This solution will contribute to the JR Kyushu Group's strategic, customer-centric customer relationship management (CRM).

### ■ Outline

DG's OMO solution is a CRM marketing platform that integrates various types of customer contact point data possessed by companies. The customer information is centralized to conduct highly precise one-to-one marketing, both online and offline; points payment and more.

This platform comprehensively incorporates the assets of the DG Group, which provides both digital marketing and payment gateway businesses. The user can carry out various measures such as sending emails to customers and notifications to their account, conducting surveys, providing after-support, and other functions. Through this platform, users can also analyze actions taken by customers, creating a cycle connected to further measures.



Up until now, customers could only use "JR Kyupo" (points) for online point redemption or point exchange for gift and meal tickets. This application will make it possible to use points at all participating merchants that handle the JR Kyushu Group's "JR Kyupo App". The customer can earn "JR Kyupo" points just by showing the application screen, and can also make payments with points (one point can be used as one yen). The participating merchant installs an app provided by VeriTrans Inc., a payment service provider and subsidiary of DG, on their tablets or smartphones. The merchant uses the device to read the QR Code or barcode on the customer's smartphone, which makes it possible to use "JR Kyupo"

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points. Future options will include providing coupons based on customer information, special benefit services according to customer rank (such as number of points earned), partner point redemption, the Online Train Reservation service, and linkage with the “JR Kyupo Point Mall”.

### ■ Background

In July 2017, JR Kyushu integrated its three point services (“Online Train Reservation”, “JQ CARD”, and “SUGOCA”) into the “JR Kyupo” point system. It also launched the “Omatome Toroku” service for combining points earned through each service. In March 2018, DG provided\*<sub>1</sub> the system for the “JR Kyupo Point Mall”, a member-preferential shopping site, utilizing its mall business expertise for the “JR Kyupo” service. With the “JR Kyupo Point Mall”, JR Kyushu is further carrying out its comprehensive digital marketing, such as working to create more opportunities for JR Kyushu online members to earn points and enliven communication with members. DG has been developing\*<sub>2</sub> the “JR Kyupo App” since March 2019.

### ■ Future developments

Through this solution, the DG Group will continue to offer OMO strategies to companies with customer bases that are seeking customer engagement over the mid-to-long term. It will leverage the Group’s synergy in its three principal domains (marketing, payment, and investment) to expand its one-stop marketing solutions spanning from advertising to payment and CRM.

\*1: Related release “Digital Garage Launches ‘JR KYUPO Point Mall’, a Member-Preferential Shopping Site of JR Kyushu” (3/27/2018)

<https://www.garage.co.jp/en/pr/2018/03/20180327.html>

\*2: Related release “Digital Garage Group and Kyushu Railway Company to Build a CRM & Payment Platform for JR Kyushu Group and Jointly Develop the JR Kyupo App” (3/19/2019)

<https://www.garage.co.jp/en/pr/2019/03/20190319.html>

\* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.