Even as the Structure of Society Changes, We Support Abundant Lifestyles through the Expansion of Digital Technologies Enabling Life to Continue

# Takahisa Nojima

PC DEPOT Corporation Representative Director, President & CEO

Takahisa Nojima Profile

**DEPOT Corporation**)

1959 Born in Sagamihara City, Kanagawa Prefecture

1982 Joined Nojima Denki Shokai Co., Ltd. (now Nojima)

1994 Independently established PC Merchandise (now PC

Launched a PC specialty store in anticipation of personal

computers becoming commonplace in ordinary households. At

the time, the company became the fastest retailer to go public

in the over-the-counter market (formerly the JASDAQ market). Having anticipated the digitalization of households in line with

the changing times, the company has 136 stores nationwide

(including Key Station, as at the end of October 2022) with the

mission of being the "Bring digital consultants to all homes."

PC DEPOT Corporation (PC DEPOT) has published its first SMARTLIFE REPORT (PC DEPOT Integrated Report). In this report, we share our thoughts on how to resolve issues so that PC DEPOT members' families can enjoy convenient and comfortable lifestyles unique to individual families through the utilization of digital technologies. We hope all our members read this report, and that it will serve as a guideline for our employees as they engage in their work. We also hope that members will consult with PC DEPOT home digital consultants regarding matters affecting their daily lives.



2022 new graduate training group photo

#### Integrating Digital Technologies into Family Life in Small Steps without Rushing or Forcing

When I founded the company in 1994, computers were transitioning from use in specialized fields to the lives of individual people, and we were engaged in the business of selling computerrelated products to individual users. With the subsequent release of Windows 95 and widespread Internet connectivity, the popularity of home computers spread, and we began receiving inquiries such as "My computer stopped working-what do I do?" In response, PC DEPOT launched a members-only, monthly fee-based maintenance service in 2006. At present, as the world is changing at a dizzying pace, the advance of digital technologies in all aspects of life have created new challenges for customers. At the same time, the use of digital technologies facilitates changes that expand possibilities and enrich lifestyles. In 2018, PC DEPOT created the position of "Digital Life Planner" for those assigned to assist with customer issues via a subscriptionbased service.



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Since its inception, PC DEPOT has made it its business to help people who use the Internet. We sell the necessary equipment and repair it when it breaks down-and will continue doing so in the future. That being said, what is critical going forward is that everyone benefit from the potential for digital technologies to enrich their lives by resolving everyday inconveniences and problems. Although digitalization is advancing in workplaces, schools, public services and a variety of other settings, permeating our daily lives, there are still some people who "can no longer use what used to work," "want to use it but can't" or "don't know what is available to use." This is one of the problems facing society. PC DEPOT is currently undergoing a major business transformation in an effort to resolve these social issues as a business. I have no intention of providing unprofitable solutions to social issues. This is because, regardless of how effective a solution is, if it does not make money, we cannot continue to offer it. We are attempting to provide value that members are willing to pay for. Digital Life Planners must be intermediaries between members and their digital devices to provide them with plans that enrich





their lives-in other words, to provide a solid knowledge base that accompanies members in their daily lives.

In 2018, I clearly stated the concept and direction we are targeting as PC DEPOT's Five Values, which were widely communicated to everyone within and outside the company. In 2020, I reconstituted those values as our Vision and Mission to enable employees to take more concrete actions and ensure a thorough understanding among our members.

> <Vision> Eliminate the digital divide. <Mission> Bring digital consultants to all homes.

At a 2021 meeting attended by all PC DEPOT employees, we decided on a new definition of customer-family. At present, we are transitioning to a system in which several Digital Life Planners team up to provide services to each family. Now that digital technologies permeate all aspects of our lives, PC DEPOT makes forward-looking proposals regarding which products are necessary and when services should be implemented in light of individual family lifecycles to ensure everyoneincluding those who are unable to use or are unaware of these technologies-has the opportunity to experience their benefits. At the same time, when riding a bus, I see elderly people taking out coins to pay and worry that they might fall down. The use of digital money eliminates the

risk of falling, and in this way, digital technologies are able to immediately provide peace of mind in everyday life.

There is no need to feel at a loss or panicked if one is unable keep up with the speed of digitalization. Everything will be fine if we don't force it and gradually transition to the digital world. We provide support ensuring that family life does not suffer amid the digitalization of society. In using the products and services proposed by PC DEPOT, member families provide us with the funding required to maintain our business going forward. I think this is the only way for PC DEPOT to continue providing solutions to social issues while making money, which is something only we are able to do.



Showa Era-style booth at the Autumn Appreciation Festival



April 2022 new employee welcome ceremony

#### Aiming for "Educated" and "Resourceful" Employees

Employees supporting members and business are indispensable for PC DEPOT operations. At the same time, we face challenges in terms of how to increase member numbers and educate human resources, both of which are major issues for PC DEPOT.

As PC DEPOT views customers not as individuals but as families of connected people, the increasing number of nuclear families and single-person households in modern society are very worrisome problems that cannot be solved by our company alone. However, even when families are living apart from one another, we can connect them digitally. We want to care for families as customers, rather than as individual users.

To this end, employees recognized by members as a "trustworthy presence integrated with their digital lifestyles" are essential. It is no longer possible to create manuals instructing employees how to interact with and support members, nor can we simply educate them by saying "Study this."



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For this reason, I am always telling employees to educate themselves (acquire the ability to solve problems and address issues for which there are no clear answers) and to improve their resourcefulness. The "abundant lifestyle enhanced using the potential of digital technologies" PC DEPOT attempts to provide is beyond the problems currently facing customers, which makes it somewhat difficult for them to see an immediate need. This is why I want our employees to possess the knowledge necessary to provide plans that enrich people's lives, as well as the education and resourcefulness that will enable them to be a part of members' lives. Although we still have work to do in order to achieve this goal, I see positive changes in the ways employees talk to one another about how their member families are doing, rather than being focused on sales.

Further, my sense is that our employees will play a role in supporting people's daily lives. Have you ever heard people in their living room talking about how the bank account they always used has closed, or that consolidation has moved the post office far away? digitalization, labor shortages, the pandemic, and other factors have led to



a decrease in transportation, municipal functions, and other services throughout society. I think this crisis is a big problem from the consumers' perspective, although it is not recognized as being very serious. "Now that service is gone, what do we do?" I believe that researching the information necessary to solve these problems and providing it to the public is one way we can address these social issues.

At present, PC DEPOT is actively hiring young employees from what is known as Generation Z, including recent graduates, as well as mothers and fathers raising children, who are being trained as digital life planners. For this younger age group, it is no longer important for the company to provide instructions of any kind. This generation has grown up enjoying video games, they can think for themselves in terms of how to interact with others and "complete the mission." Rather than instructing them to say "Thank you" after eating a meal, it is easier for them to understand and comply when told why they should show appreciation to the person who provided the meal. Understanding that young people have different





values than older Japanese, managers and I will work to nurture Generation Z by assigning missions rather than providing instruction.

#### PC DEPOT Is Driven by Member Feedback

In June 2022, PC DEPOT revised its management structure from management led by eight directors (six men and two women) to a five-director structure (three women and two men). These directors, who include myself, are entrusted with the management of PC DEPOT as individuals who, like all of you, have firsthand experience with everyday life and are also well-versed in corporate management. Those of us on the management team will rapidly make decisions on what products and services to provide based on a broad overview of your everyday lives. Employees and executives in charge of existing services will create better services based on their professional knowledge. Further, I believe that member feedback will lead to PC DEPOT becoming a



Inaugural edition of the SMARTLIFE JOURNAL



Business partner get-together at the Yokohama Key Station

better company. My ideas, the direction of the company, and the products and services we must provide are communicated through the member magazine *SMARTLIFE JOURNAL* and other publications, and if employee proposals deviate from this, members will feel uncomfortable. I invite members to have these conversations with each other at the Yokohama Key Station, a place where members can gather as if it were their own home to ask questions and frankly discuss any concerns. This is a tremendous learning opportunity for our employees.

In a year's time, my hope is that rather than discussing sales, employees will be asking "How is that member's home doing?" and "How many members did you support in transitioning to the digital lifestyle this month?" while declarations such as "Fewer members quit the digital lifestyle this month!" become commonplace. Further, I believe that when the management team discusses not only sales and profit at its meetings, but also asks "Why are so many of this store's members quitting the digital lifestyle?" stronger performance will inevitably follow.

Having transitioned from a merchandise retailer to one of the first companies in the industry to launch member-only services, PC DEPOT has established robust backbone systems and accumulated a wealth of know-how. We have also transformed our business from maintenance

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services for individual customers to digital lifestyle support for entire families, taking our efforts one step further than the competition. I am proud to say that no other company can offer similar services in the same price range. Another great feature of PC DEPOT is that we can provide additional services and products when members need them. We will continue being the digital consultant for every home, making proposals that meet current family needs and consider future lifestyles. Digital technologies have made it possible for us to carry our former lifestyles around in our pockets. Let's enjoy these times.

