

## STRATEGIES FOR DIRECT MARKETING



Direct marketing business operations are tasked with fueling the Wacoal Group as it advances into a new growth phase. In the coming three years, we will balance growth and profit – investing strategically to continue business expansion and stepping up initiatives focused on earnings generation.

“We will change the shop development paradigm from a single-brand approach to brand mixes suited to respective locations... attracting a larger group of customers.”

Tatsuya Kondo  
*Director, Wacoal Holdings Corp.;*  
*Director, Senior Corporate Officer, Wacoal Corp.,*  
*General Manager of Direct Marketing Business*  
*Operations, responsible for Wellness Department*  
*and Promoting Business in China*

Comprising the sales channels of wholesaling operations, the market that has supported the Wacoal Group’s growth is maturing. In response, we are creating fresh growth opportunities by developing new sales channels and launching new businesses.

In mainstay SPA operations, we have established a network of 100 SPA shops. Now, we must improve profitability. Accordingly, we will shift focus to growing shop revenues and realizing profit. We aim to put SPA operations in the black from the coming fiscal year. Specifically, we will change the shop development paradigm from a single-brand approach to brand mixes suited to respective locations. By creating shops that attract a larger group of customers, we aim to increase revenues and operational efficiency. In Internet sales and mail-order catalog sales operations, we have focused on improving profit structures. As a result, although sales were lower than in the previous fiscal year, those operations moved into the black in the fiscal year under review. Given the growth that the market for Internet sales operations promises, we intend to expand and improve product lineups and systems for these operations.

Further, we will bolster our three-pronged Wacoal retailing and marketing system, which integrates SPA shops, Internet sales, and mail-order catalog sales. This system unifies the management of information on customers’ purchasing histories and attributes gathered by each sales channel, thereby enabling more finely tuned marketing. The system also heightens convenience for customers by allowing them to buy our products from any sales channel. In the coming one to two years, our aim is to build a solid business model that will yield significant benefits in three years.