First Quarter of the Fiscal Year Ending September 30, 2022 Financial Results Briefing Materials

Plus Alpha Consulting Co., Ltd.
(Tokyo Stock Exchange Mothers 4071)

February 10, 2022

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01 Company outline

Company outline

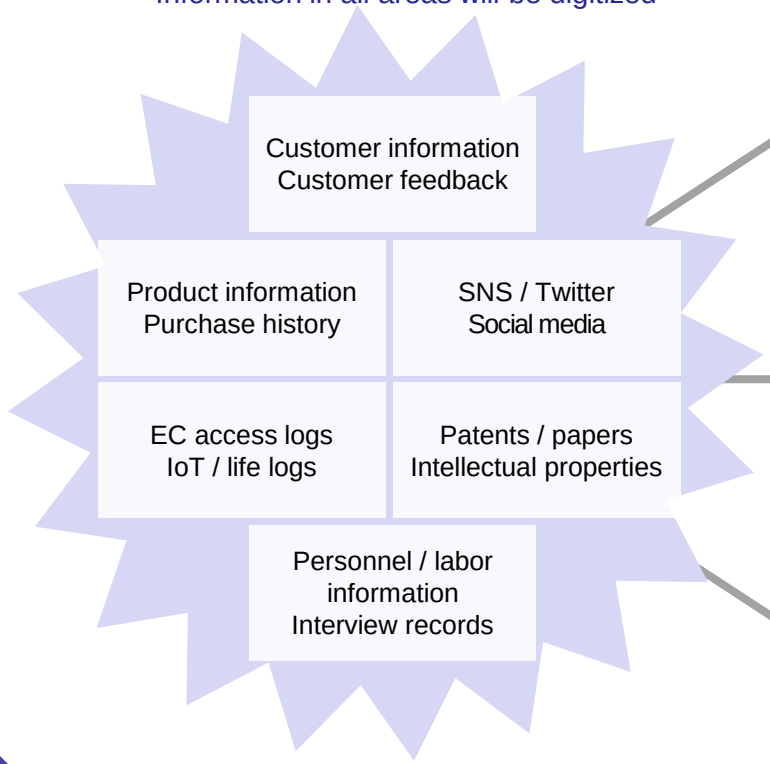
Company name	Plus Alpha Consulting Co., Ltd. (Tokyo Stock Exchange Mothers: 4071)
Representative	Katsuya Mimuro, Representative Director and President
Headquarters location	Sumitomo Hamamatsucho Building, 1-18-16 Hamamatsucho, Minato-ku, Tokyo
Osaka Branch	13F Osaka Nakanoshima Building, 2-2-2 Nakanoshima, Kita-ku, Osaka-shi, Osaka
Fukuoka Branch	4F Grand Cabin Tenjin-minami, 3-3-33 Yakuin, Chuo-ku, Fukuoka-shi, Fukuoka
Established	December 25, 2006
Capital	85,911 thousand yen (as of January 31, 2022)
Business content	Providing cloud services for data analysis platforms
Number of employees	192 (as of December 31, 2021)
URL	https://www.pa-consul.co.jp/

Business concept

Platform to visualize big data

Explosive information growth = Creation of big data

Information in all areas will be digitized



Visualize

enormous information through technology

Text mining
Data mining
Natural language processing
AI / machine learning
+
Consulting Operational knowledge

Serving various sectors

Marketing area

Visualizing customer needs

見える化エンジン

CRM area

Visualizing client information and actions

CustomerRings
カスタマーリングス

HR/personnel area

Visualizing personnel information / employees

Talent Palette
タレントパレット

Main services

Developing profitable SaaS businesses in multiple areas

Marketing solutions



Text mining analysis for the use of customer feedback data from call logs, Twitter, etc.

Monthly subscription according to the amount of analyzed data

CRM solutions



Customer analysis using purchase histories, web access logs, etc., and automation of marketing initiatives

Monthly subscription according to the number of customers/e-mails delivered

HR solutions



Analysis of employee information for HR measures such as personnel development and optimal placement

Monthly subscription according to the number of employees

Subscription products

Technology and expertise behind the services

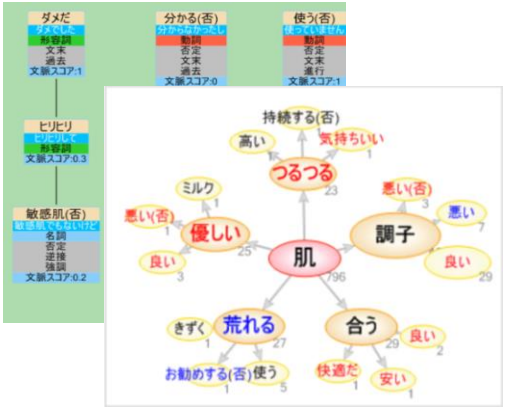
Language processing technologies	Visualized mining technologies	Mass data analysis expertise	Industrial / operational knowledge	Utilization support consulting

Business strengths

Advanced technologies to visualize big data for practical use

見える化エンジン

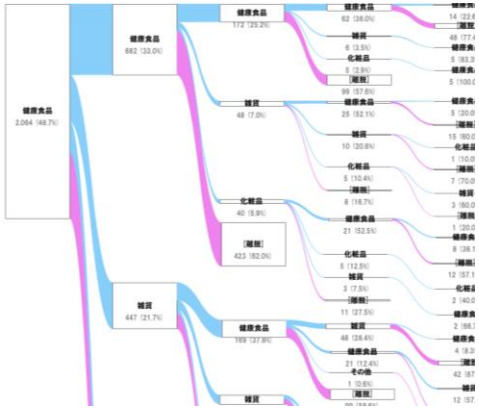
Syntax analysis, word maps



Analyze Japanese text to create maps for subjects / predicates and positive /negative sentiment to see customer feedback at a glance

CustomerRings カスタマーリングス

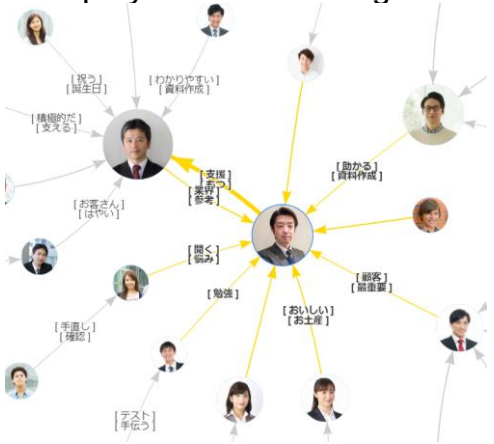
Purchasing pattern analysis



Analyze product purchasing data, etc., to visualize purchasing patterns and ascertain how customers become loyal customers

Talent Palette タレントパレット

Employee network diagram

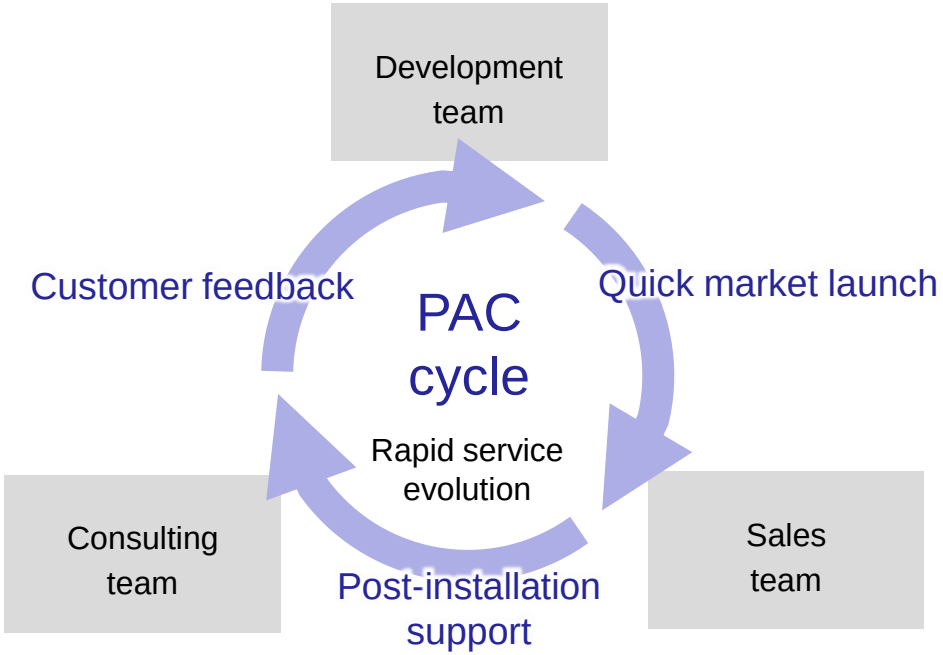


Through collaborative data between employees such as Thanks Points, ascertain volume and quality of communication between employees and departments

Business strengths

Organizational capabilities to realize rapid service evolution

We realize rapid implementation of general-purpose functions by ascertaining needs through consulting services for leading companies



Culture and framework to support the PAC cycle

PAC cycle realizes:

Differentiation
by rapid functional evolution

ARPU improvement
by creating high added value

Cancellation prevention / LTV improvement
through a concerted effort by the entire team

Partner relationships
on equal footing with clients

Early market launch
of new functions and businesses

Business strengths

Capabilities to develop multiple businesses and create new businesses based on the SaaS business foundations

Rapid launch of new businesses such as Talent Palette by utilizing approximately 15 years of accumulated expertise in the SaaS business

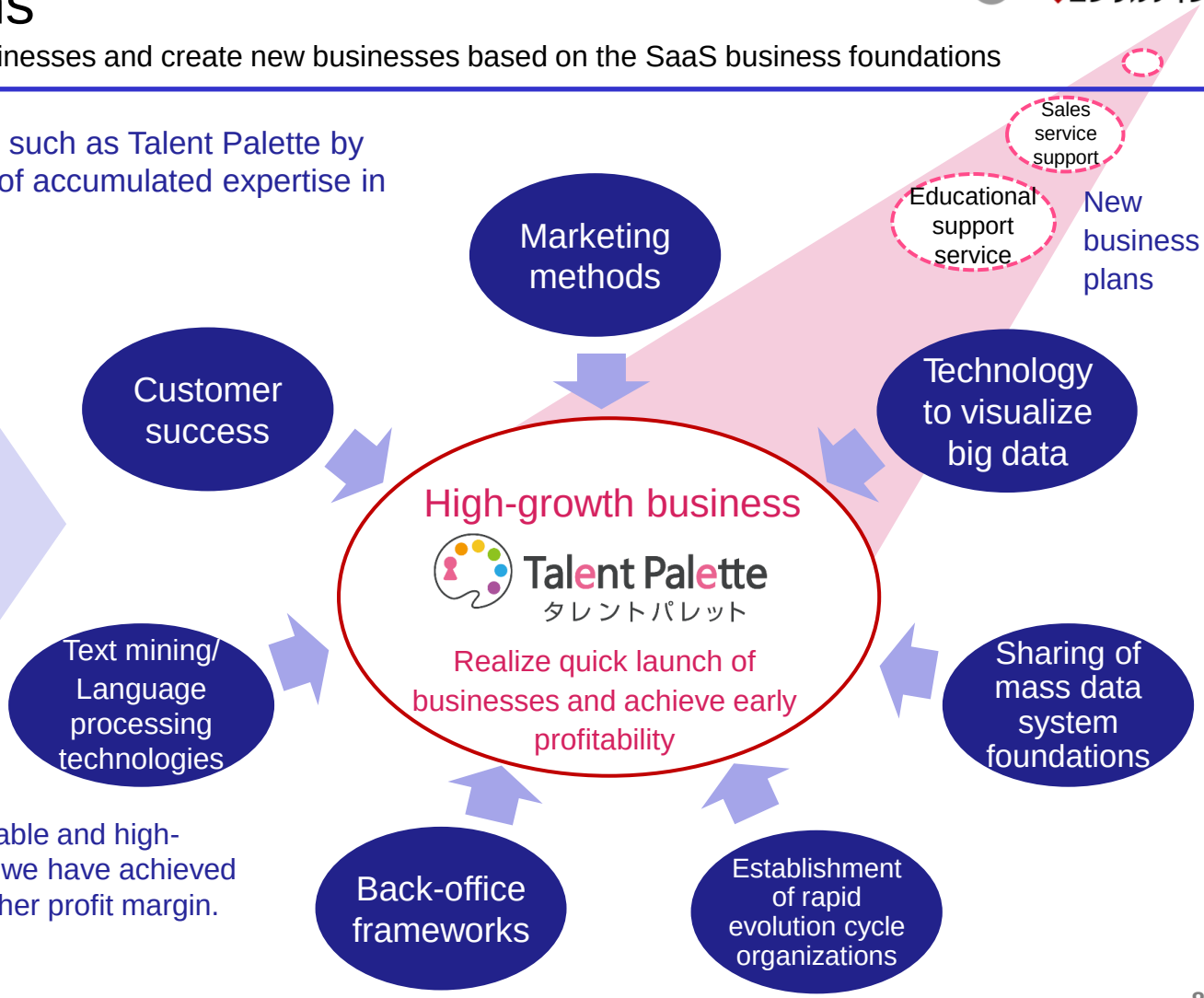
Accumulated SaaS expertise through existing services

Highly profitable business

見える化エンジン

Stable growth business

CustomerRings
カスタマーリングス



By developing multiple highly profitable and high-growth businesses simultaneously, we have achieved both a higher growth rate and a higher profit margin.

Characteristics of Talent Palette

Entering the HR sector leveraging our expertise in “scientific personnel management”

By applying our marketing analysis method to the HR sector, we not only increase efficiency in HR operations but also support the decision-making process.

Marketing strategy	HR / personnel strategy
Ascertain customer needs	Ascertain employee needs Self-reporting, ES surveys
Develop loyal customers	Develop employee skills Succession planning
Prevent customer defection	Prevent employee resignations Motivation management
Capture new customers	Employee hiring activities
Visualizing customers	Visualizing employees



Revolutionized personnel management by thinking of employees as customers and using various analysis methods in personnel strategy

Characteristics of Talent Palette

Over 3,000 functions installed as standard over approximately five years through consulting for a variety of leading companies

- Creation of evaluation operations flow
- Evaluation data analysis, etc.

Improvement of efficiency of personnel operations
(136 cases)
22.4%

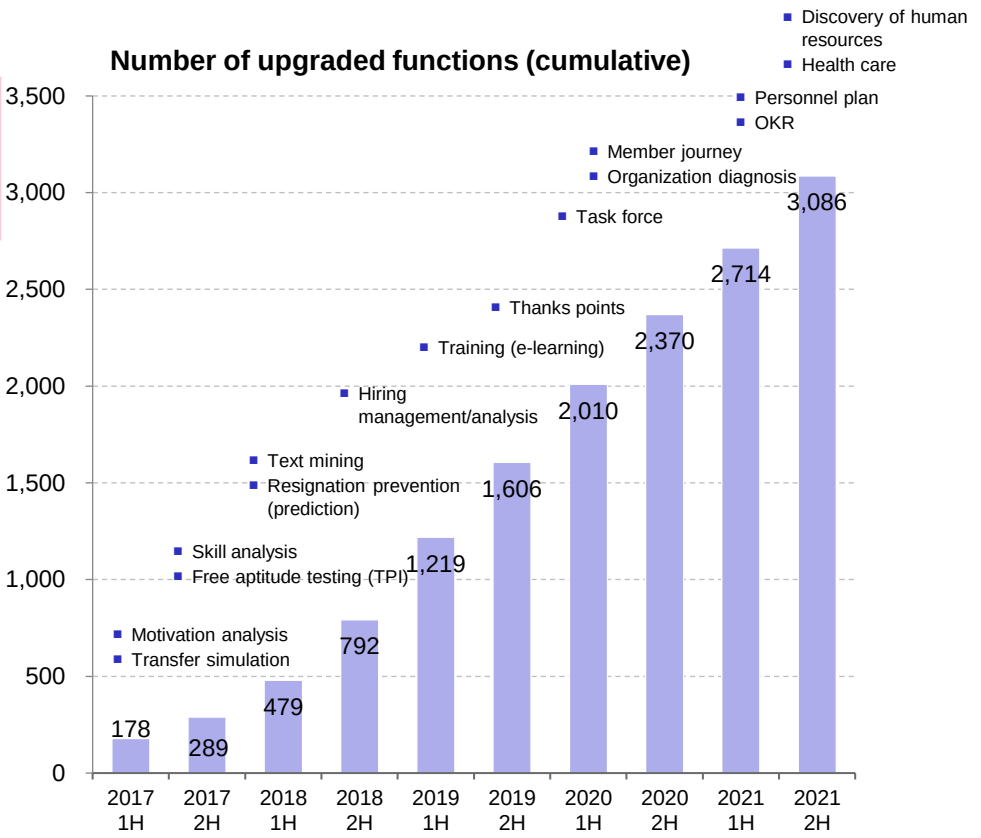
- Human resource development (skill analysis)
- Optimal assignment, consideration of transfers
- Succession planning
- Optimal assignment, consideration of transfers

Scientific personnel management
(257 cases)
42.4%

Creation of human resource databases
(213 cases)
35.1%

- Consolidation of human resource information
- Personnel portfolio analysis
- Creation of HR dashboard
- Creation of group portal, etc.

Around 40% of the approx. 300 consulting projects and approx. 600 themes per year are related to scientific personnel management



Note) Annual delivery basis. Duplicates counted if a single project includes two or more themes

Characteristics of Talent Palette

Integrated personnel information platform

Evolved into a one stop service for various personnel measures by rapidly functionalizing the needs of leading companies

Active data

Data that can be collected by Talent Palette
- Free aptitude tests
- One-on-one interview
- Self-reporting
- Various surveys
- 360-degree evaluations
- Hiring data
- E-learning training history

Data already managed by each company
- Skills / qualifications
- Personnel information
- Work hour data
- Retiree data
- Health checkups / stress checks

Improve efficiency of personnel data management

Unification

HR dashboard



Grasp employee information instantly
- -Sales skills
- -Achievements, career records
- -Training history and results

Drill down (Insect's-eye)

Overview of organization (Bird's-eye)

Organization dashboard



Grasp organization status instantly
- -Skill/personnel analysis
- -Personnel portfolio
- -Personnel plan
- -Resignation prediction

Support advanced analysis / decision-making (Scientific personnel management)

Analysis / sharing / utilization

Manage appropriate evaluations	Analyze HR
Prevent hiring mismatches	Develop HR strategically
Improve engagement	Place HR optimally
Manage / promote health	Prevent resignation of talented staff

Skill analysis / training function



Visualize employee skills / experience

Text mining function



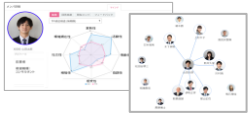
Analyze employee feedback (qualitative data)

Personnel transfer simulation



Realize strategic HR placement

Hiring management function



Match applicants with actively working employees

Maximize employee performance

Management
- ✓ Grasp current status of organizations and HR
- ✓ Identify the gap between ideals and reality
- ✓ Improve accuracy of decision-making

Personnel
- ✓ Improve efficiency in operations by eliminating use of Excel
- ✓ Collect, accumulate, grasp, and extract HR information
- ✓ Implement and improve various personnel management strategies
- ✓ Develop new strategies

Managers, ordinary employees
- ✓ Easy-to-use interface to reduce the burden of data input
- ✓ Promote mutual understanding of employees
- ✓ Invigorate HR development by sharing information
- ✓ Enhance autonomous HR development (training function)

Characteristics of Talent Palette Response to the Japanese Job-based Employment System

プラスアルファコンサルティング

- There has been an increase in the number of companies making the transition to a job-based employment system as a personnel measure for supporting management strategy
- Provision of enterprise functions and consulting supporting the Japanese job-based system



Basic functions of job-based employment

Definition of human resource requirements and optimal assignment of necessary positions (jobs)

- **Position management**: Definition of necessary positions for realization of management strategy
- **Human resource requirement definitions**: Definition of experience and skills required for jobs (duties)
- **Assignment simulation**: Selection and assignment of potential human resources matching positions

+

Applying functions of Japanese job-based employment

Support for the acquisition of positions through autonomous growth of employees

- **Recommendation through internal job posting**: Encouraging motivation to voluntarily embrace challenge
- **Matching of human resource requirements**: Understanding the gap between one's own desired career and skills
- **Autonomous career building**: Recommendation of training content for filling the skill gap

Further development of Talent Palette Business

Expand services to sectors surrounding HR

By utilizing HR data accumulated in Talent Palette, we have improved the accuracy of services surrounding personnel.

Staffing / hiring
Matching of HR similar to employees working actively at a company

Training / development
Recommend appropriate training for employee evaluations, skills, and aptitudes

Benefit programs / events
Propose measures including benefit programs to solve organizational issues

Health care
Offer health-promoting measures tailored to employee health checkups and working patterns

Labor management
Improvement of efficiency of various application operations

Expand business into a new subscription model that combines and optimizes various personnel information

Talent Palette
タレントパレット

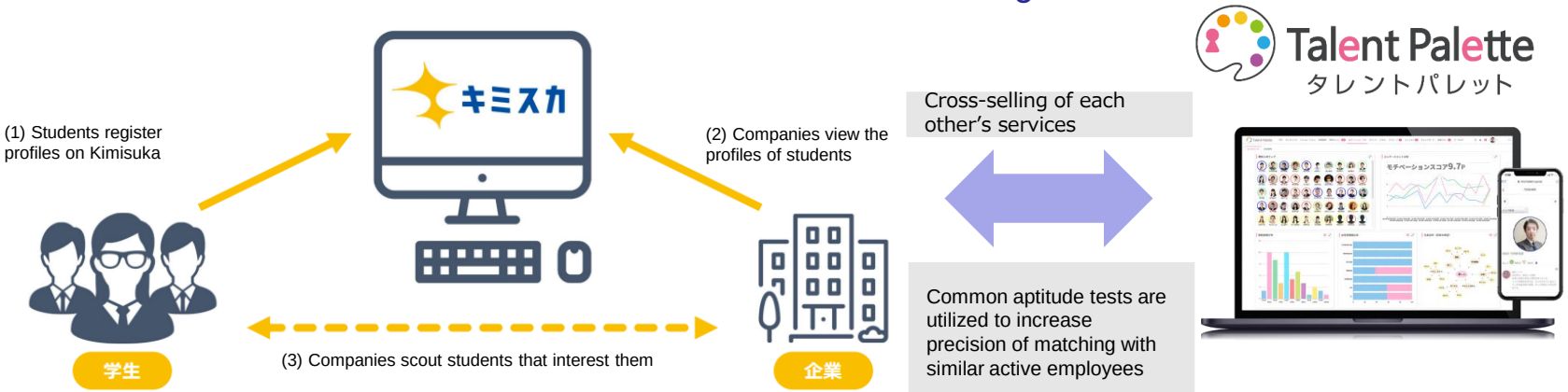
Personnel information platform
(Evaluations, skills, aptitude, motivation, career, etc.)

Expand service to surrounding fields

Cancellation prevention, ARPU improvement
Capture customers in new markets

Further development of Talent Palette Business Staffing / Hiring

- Capital and business alliance with Grow Up Co., Ltd. (GU) (35% of shares issued by GU to be acquired on April 1, 2022)
- GU operates the “Kimisuka” direct recruiting service for new graduates



Synergies expected through the capital and business alliance

(1) Increase of added value through the enhancement of hiring operations

Linking of hiring management and analysis functions of Talent Palette with Kimisuka. Recommendation of candidates that match job specs

(2) Promotion of cross-selling of each other’s services

Expansion of sales through cross-selling of each other’s services utilizing each other’s customer base

(3) Sharing of knowhow on functional development and the hiring business

Functional development and sharing of knowhow for accelerating expansion in the hiring area through a high level of coordination of each other’s services

Further development of Talent Palette Business Training / Development

Using human resource information to realize optimal recommendation of learning content matching employees from among approx. 6,500 items



Talent Palette タレントパレット × Schoo

DX skills

- DX introduction
- How to proceed with DX projects
- Hiring of DX personnel
- Digital shift process
- DX through RPA and IoT
- Latest ICT aimed at realization of DX

IT skills

- Programming
- AWS
- System design
- Data science
- IoT/ AI utilization
- App development
- Blockchain

Leadership skills

- Team management
- Subordinate development
- Motivation management
- Stress management
- Leadership
- Ability to communicate with subordinates

Marketing skills

- Marketing strategy
- PR
- Visual design
- Branding
- Access analysis
- Statistics
- Content marketing

Sales skills

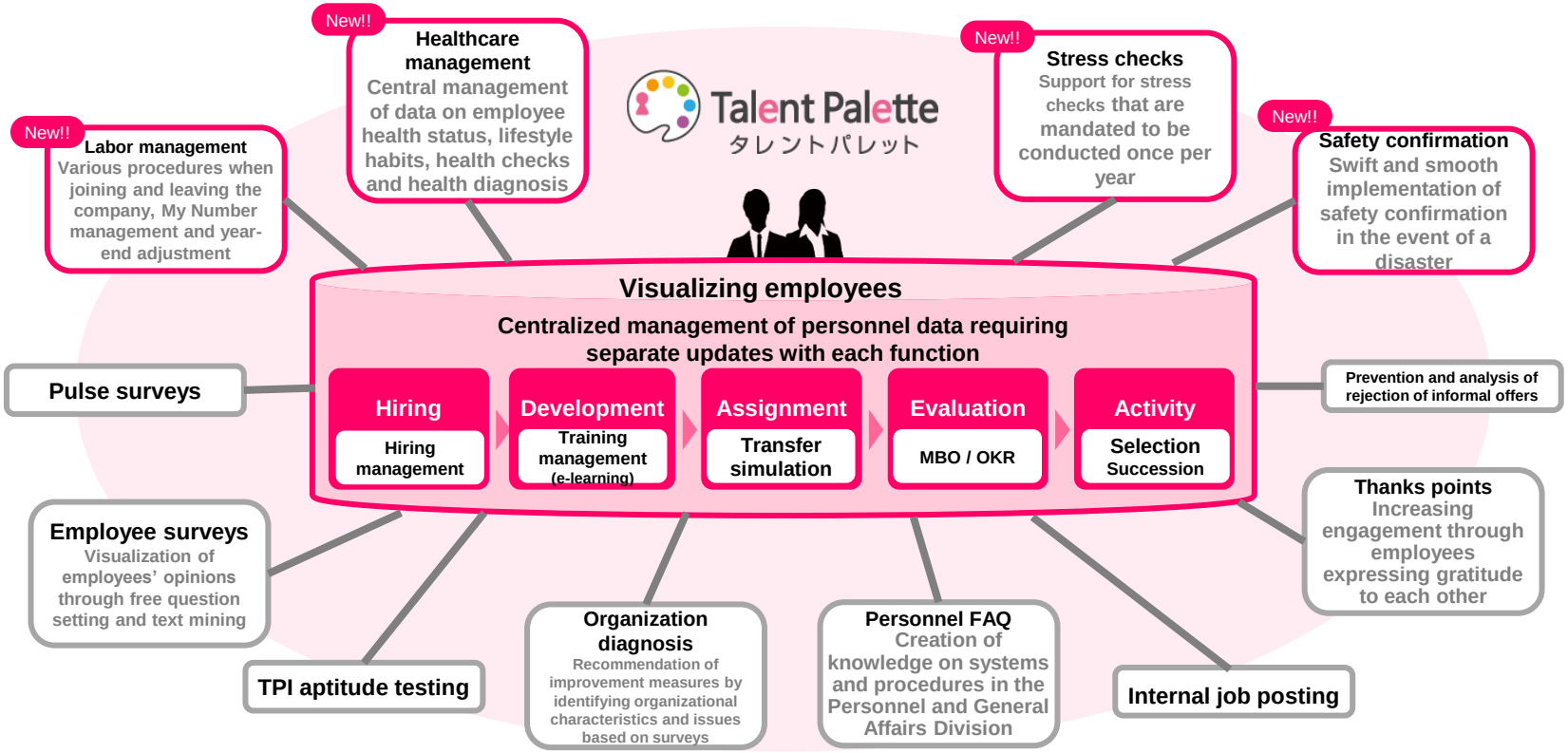
- Basic sales training
- Information gathering ability
- Interview skills
- Ability to hypothesize
- Creation of relationships of trust
- Ability to identify issues
- Enhancement of proposal ability

Business skills

- Communication techniques
- Work techniques
- Improvement of efficiency of operations
- Utilization of information
- Presentation
- Problem solving ability
- Business framework

Further development of Talent Palette Business Labor Management / Healthcare

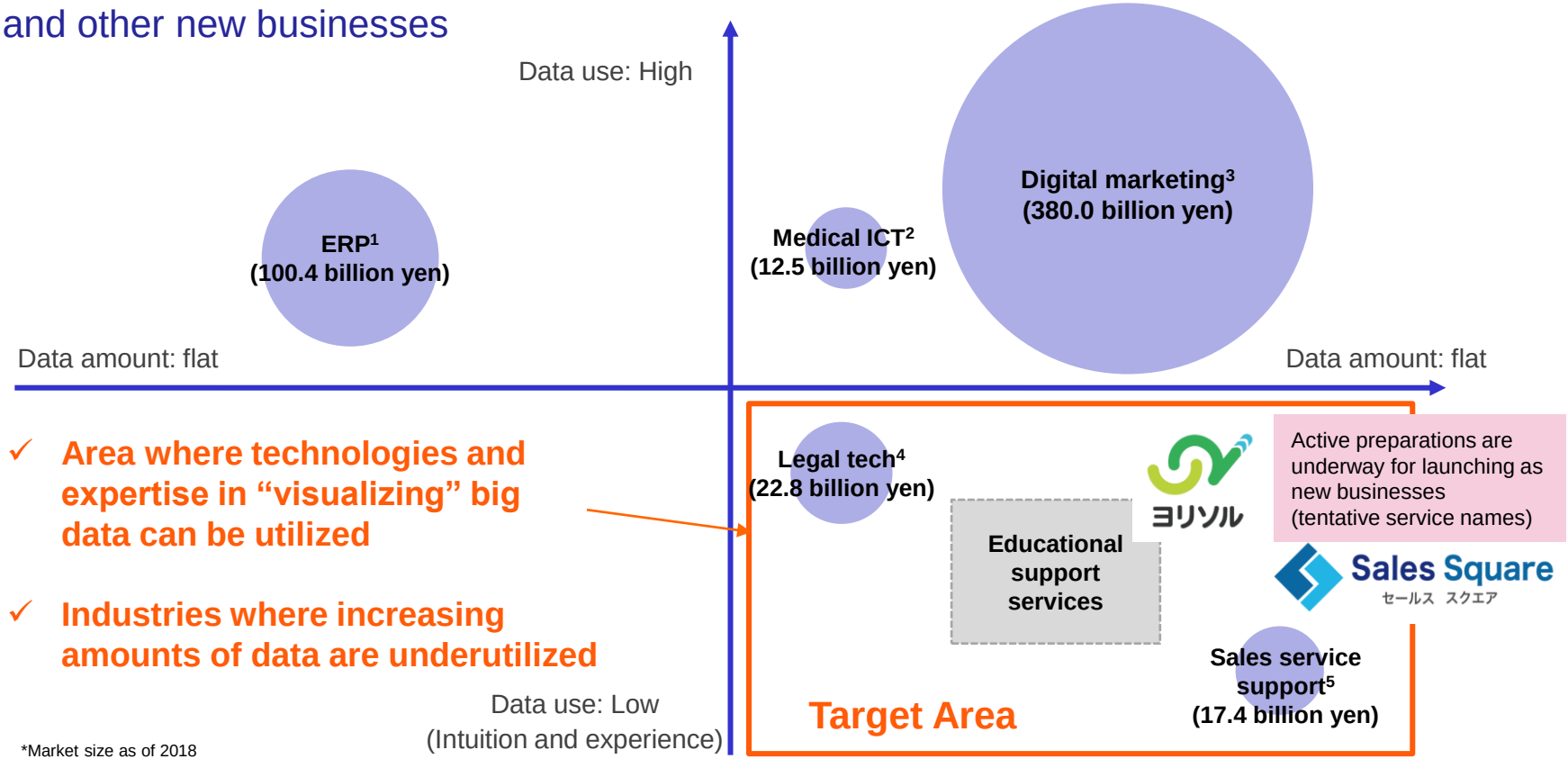
Expand sales to SMBs by providing functions such as labor management and healthcare, and offering all-in-one functions for improving efficiency of personnel operations



Approach to new business creation

New sector of “visualizing” big data

Currently planning educational support services, sales force automation (SFA) services, and other new businesses



- ✓ **Area where technologies and expertise in “visualizing” big data can be utilized**
- ✓ **Industries where increasing amounts of data are underutilized**

*Market size as of 2018

Note 1: “ERP Market 2020,” ITR
Note 2: “Current State and Future of the Next Generation Medical ICT Market, FY2020 Edition,” Yano Research Institute
Note 3: “Domestic Digital Marketing-related Service Market 2020 - 2024,” IDC
Note 4: “2019 Legal Tech Watch,” Yano Research Institute
Note 5: “Integrated Marketing Support Market 2020,” ITR

02 Financial results for the three months ended December 31, 2021

Highlights

Overview

- Talent Palette Business continues to perform well. The number of customers continued to grow in 1Q, and performance exceeded targets
- Visualization Engine and Customer Rings made progress generally as planned

Financial results for the three months ended December 31, 2021 (1Q)

- Financial results for the three months ended December 31, 2021, showed a **33.4**% increase in net sales and a **42.7**% increase in operating profit from the same period of the previous fiscal year, with an operating profit margin of **37.8**%.
- Recurring revenue (MRR) for the company as a whole grew steadily to **534** million yen (up **31.6**% year on year)
- The Talent Palette Business continued to perform well, showing a **66.1**% increase in net sales and a **70.3**% increase in operating profit
- The Talent Palette business continued to expand in terms of the number of customers due to an increase in new customers and the revenue churn rate remaining low, and average revenue per user (ARPU) also continued to rise, with the steady accumulation of recurring revenue contributing to strong performance

Earnings forecasts for the fiscal year ending September 30, 2022

- There is no change to the initial full-year forecast due to the steady performance in the three months ended December 31, 2021 (1Q).
- We forecast net sales of **7,650** million yen (up **25.0**% year on year) and operating profit of **2,500** million yen (operating profit margin of **32.7**%)

Financial results highlights

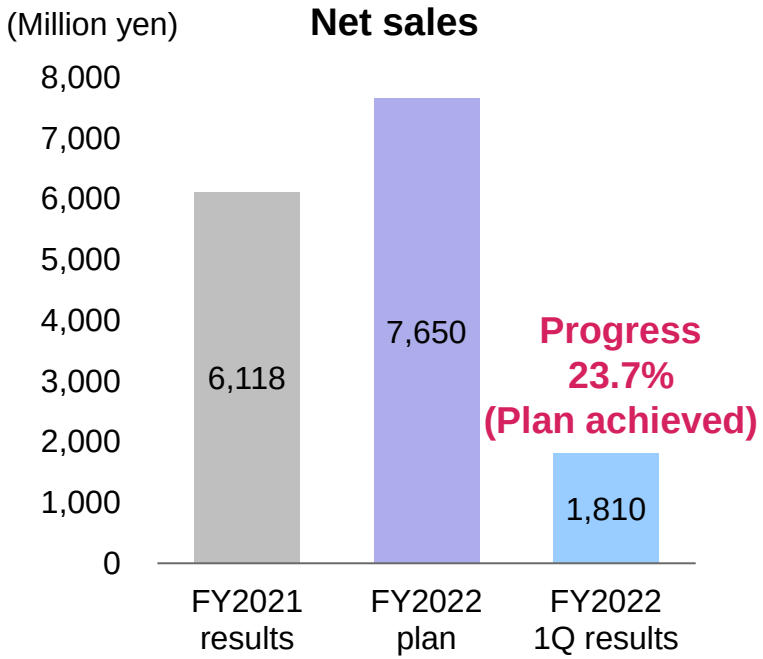
- Financial results for the three months ended December 31, 2021 (1Q), showed a 33.4% increase in net sales and a 42.7% increase in operating profit from the same period of the previous fiscal year.

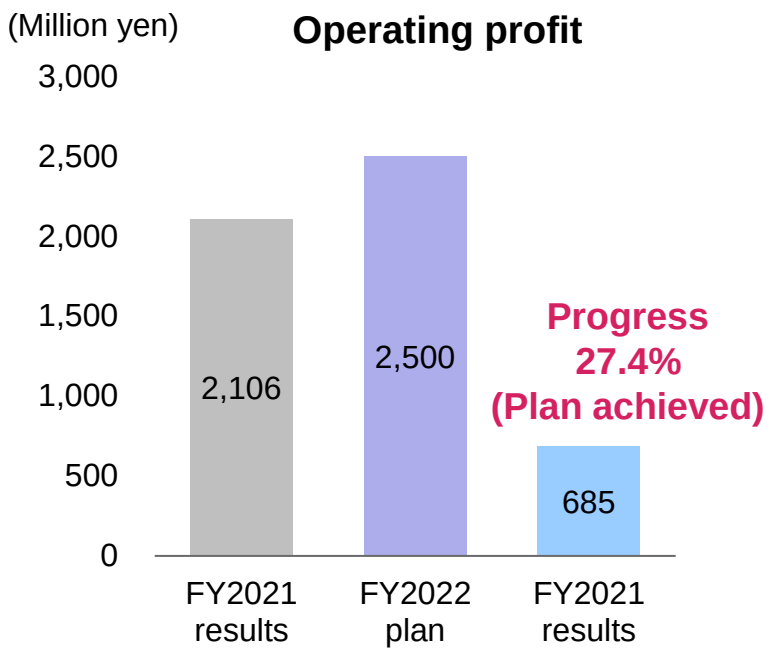
<1Q>

Net sales	1,810	million yen	YoY change	33.4	% up
Operating profit	685	million yen	YoY change	42.7	% up
Ordinary profit	686	million yen	YoY change	40.9	% up
Profit	448	million yen	YoY change	40.9	% up

Financial results progress (companywide) for the three months ended December 31, 2021 (1Q)

- Net sales in 1Q were 23.7% of the full-year plan, proceeding smoothly in excess of the planned level.
- Operating profit made a high level of progress at 27.4%, but there are plans to increase expenses for marketing and strengthening the organization in the future.





Financial results summary (companywide)

- Net sales and operating profit continued to increase in 1Q
- Performance was steady, with a 33.4% increase in net sales, a 42.7% increase in operating profit and an operating profit margin of 37.8%

Million yen	FY2022 (Oct.-Dec.)			FY2022 (Oct.-Dec.)	
	1Q	1Q, FY2021		FY2022 plan	
	Results	Results	YoY	Plan	Progress
Net sales	1,810	1,357	33.4%	7,650	23.7%
Cost of sales	496	407	21.9%		
Gross profit	1,314	950	38.4%		
Selling, general and administrative expenses	629	469	33.9%		
Operating profit	685	480	42.7%	2,500	27.4%
Ordinary profit margin	*37.8%*	*35.4%*	-	*32.7%*	-
Ordinary profit	686	487	40.9%	2,450	28.0%
Profit	448	318	40.9%	1,600	28.0%

Financial results highlights (Talent Palette Business)

- The Talent Palette Business continued to perform well, showing a 66.1% increase in net sales and a 70.3% increase in operating profit

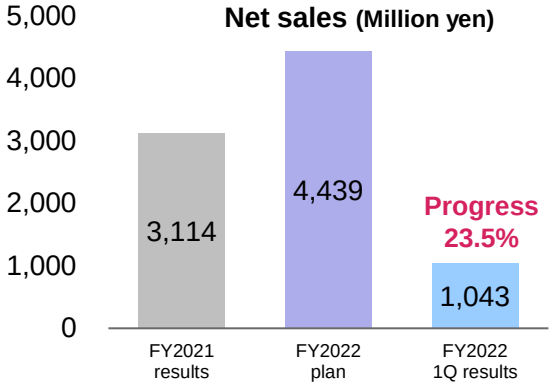
<Talent Palette Business -1Q>

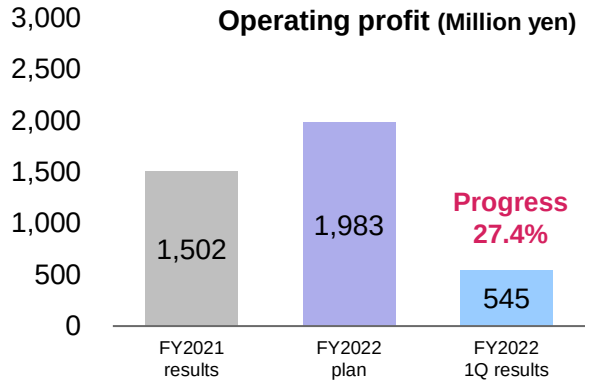
	FY2021 1Q		FY2022 1Q		YoY change	
Net sales[1]	628	million yen	1,043	million yen	66.1	% up
Operating profit[2]	320	million yen	545	million yen	70.3	% up
Ordinary profit margin	50.9	%	52.3	%	1.4	points up
MRR[3]	171	million yen	291	million yen	69.8	% up
Number of customers[4]	499	cases	765	cases	266	cases up
Revenue churn rate[5]	0.55	%	0.38	%	0.17	points down
ARPU[6]	340	thousand yen	376	thousand yen	10.6	% up

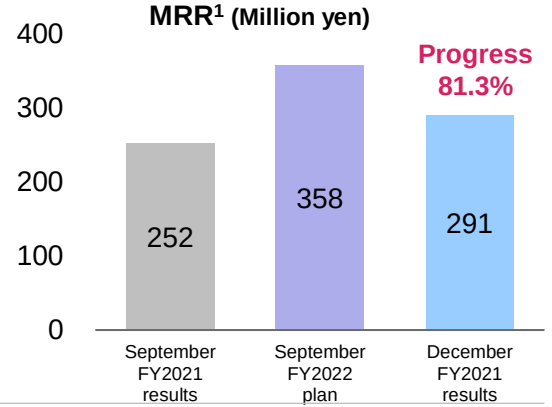
Note 1: Results for 1Q of FY2021 and 1Q of FY2022 (cumulative)
Note 2: Amount of operating profit of the segment in 1Q of FY2021 and 1Q of FY2022 (before elimination of shared expenses)
Note 3: Monthly Recurring Revenue. Total of the monthly fee of contracted subscription users in December 2020 and in December 2021
Note 4: Number of monthly billed contracts as of December 31, 2020 and December 31, 2021
Note 5: Ratio of reductions as a result of cancellations to total monthly billed amounts as of December 2020 and December 2021 (average for the past 12 months). This ratio is calculated as the reduced subscription fee due to cancellations divided by the sum of the monthly fee revenue of the former month.
Note 6: Average Revenue Per User. Calculated by dividing the average MRR for 1Q of FY2021 and 1Q of FY2022 by the average number of paid billing enterprise users of each month for the same period.

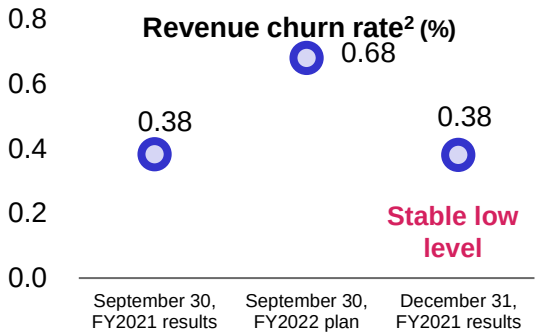
Financial results progress (Talent Palette Business)

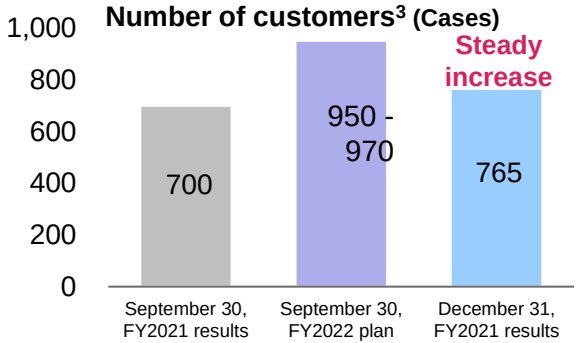
- In the Talent Palette Business, all major KPIs exceeded initial plans.
- In particular, robust orders at the end of the previous fiscal year contributed to growth in MRR and ARPU.

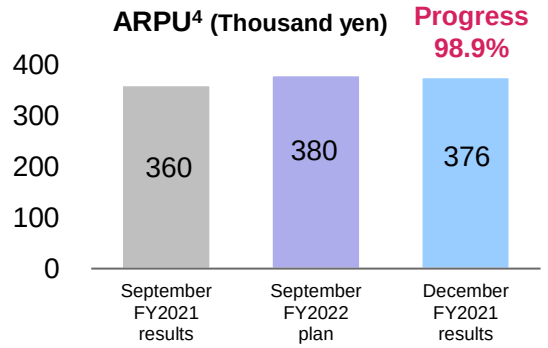








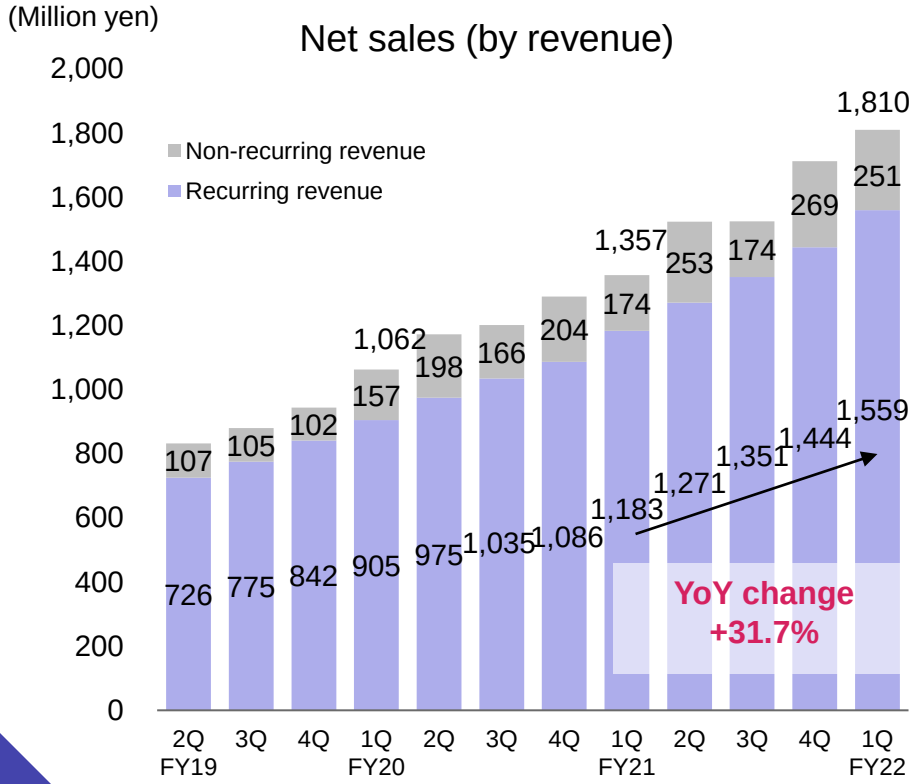


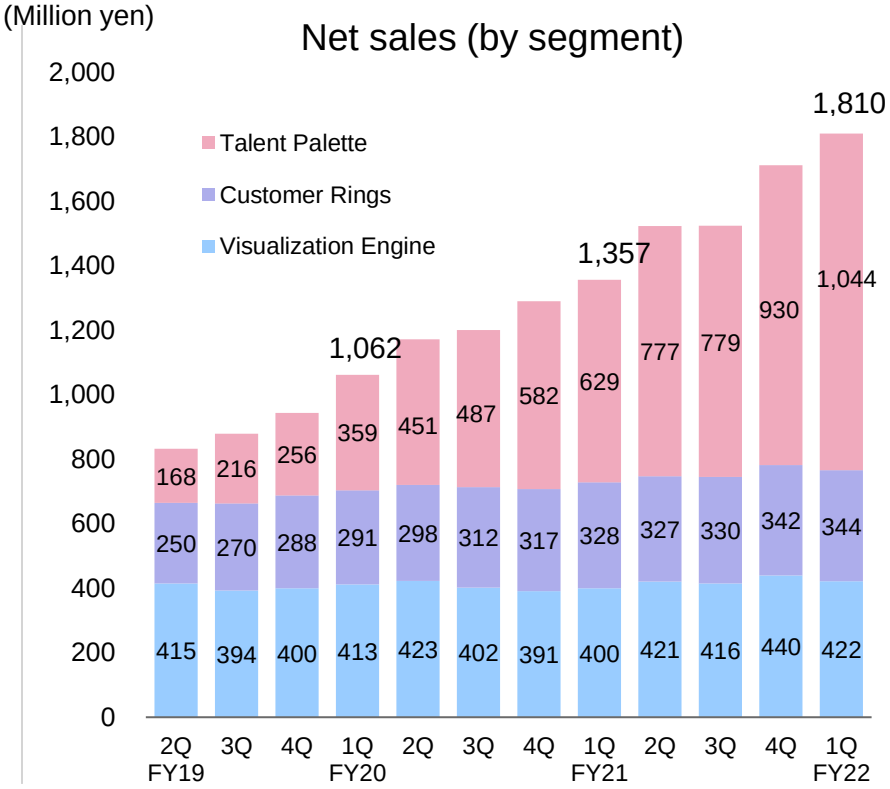


Note 1: Monthly Recurring Revenue. Total of the monthly fees of contracted subscription users.
Note 2: Ratio of reductions as a result of cancellations to total monthly billed amounts (average for the past 12 months)
Note 3: Number of monthly billed contracts
Note 4: Average Revenue Per User. Calculated by dividing MRR by the number of customers at the end of the month.

Net sales trends (companywide)

- Sales in each business exceeded those of the previous fiscal year, and expanded to 1,810 million yen in 1Q (up 33.4% year on year)
- Net sales increased by 5.7% from the previous quarter, driven by steadily accumulated recurring revenue



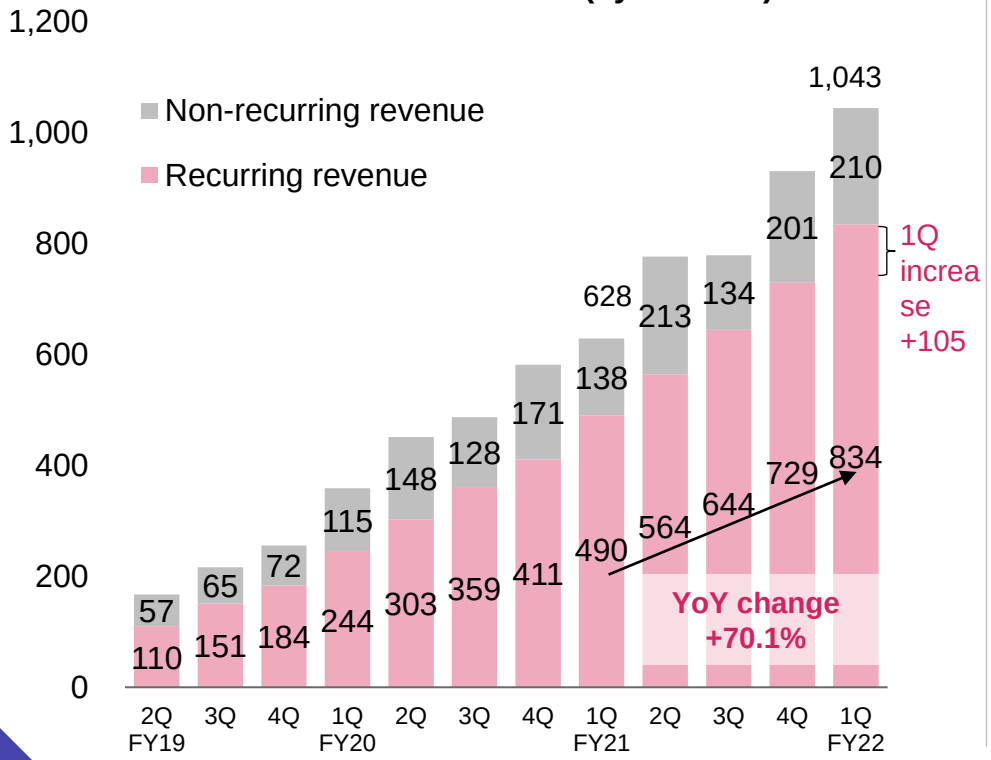


Net sales trends (Talent Palette)

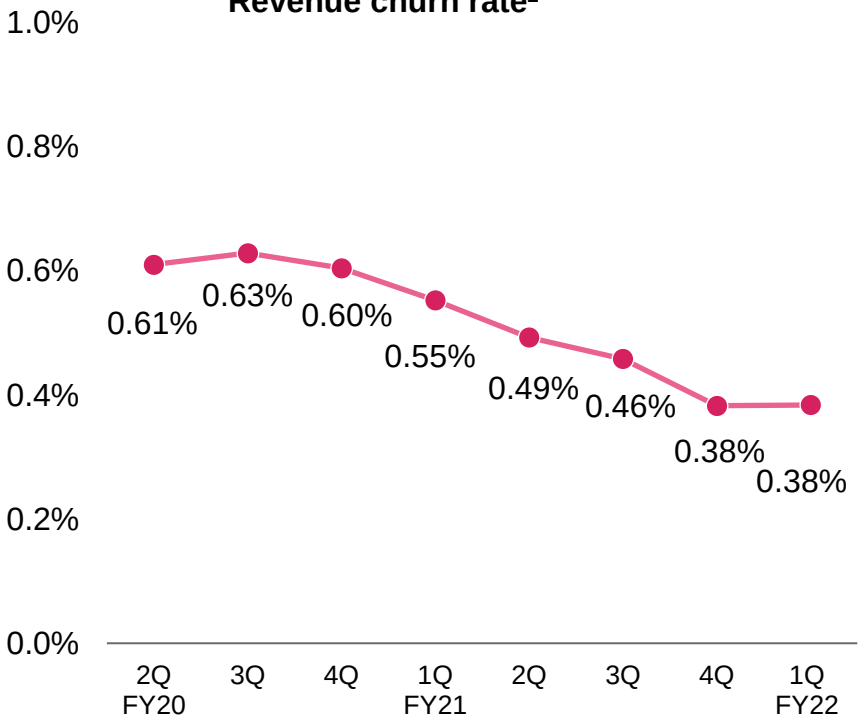
- Recurring revenue steadily increased and expanded to 834 million yen (+70.1% year on year) in 1Q
- Net sales increased 12.2% from the previous quarter due to the non-recurring revenue tending to center on 2Q/4Q also remaining steady in 1Q

(Million yen)

Net sales of Talent Palette (by revenue)



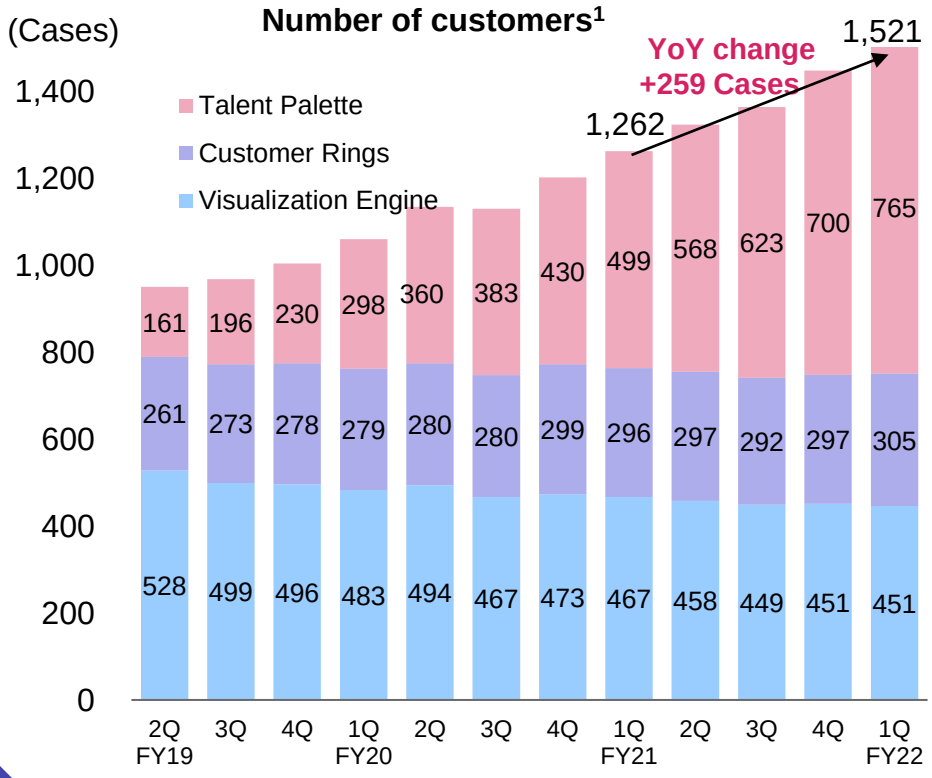
Revenue churn rate[1]

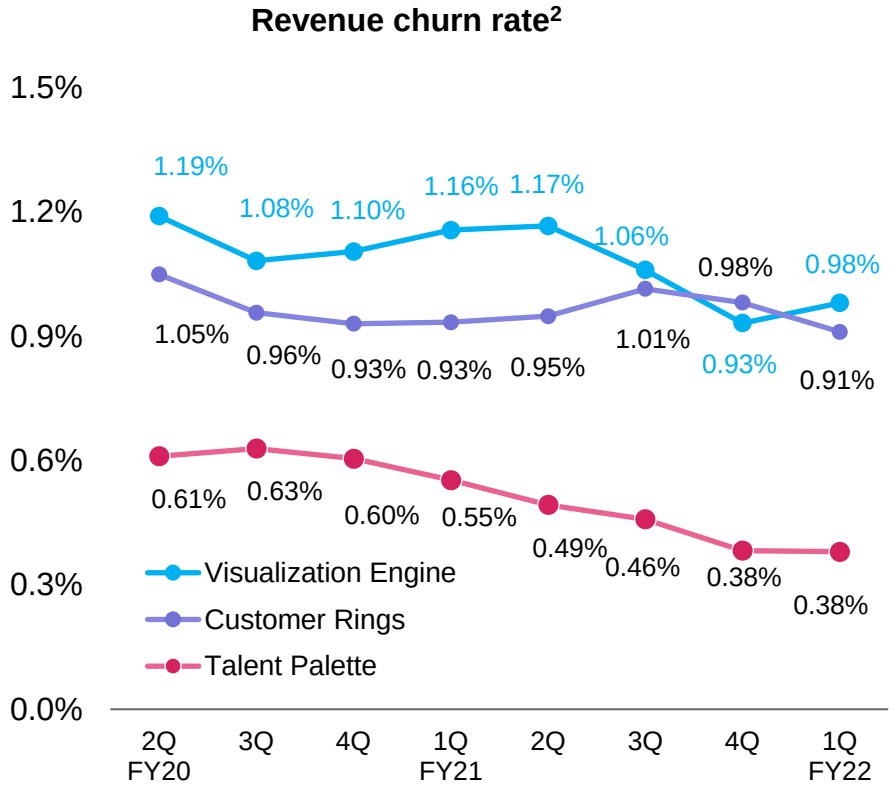


Note 1: Ratio of reductions as a result of cancellations to total monthly billed amounts (average of the past 12 months at the end of each quarter)

Trends in number of customers and revenue churn rate

- The number of customers has continued to grow due to increased introduction of Talent Palette and a lower revenue churn rate
- Customer Rings shifted toward new acquisitions, and Visualization Engine continued to be affected by COVID-19



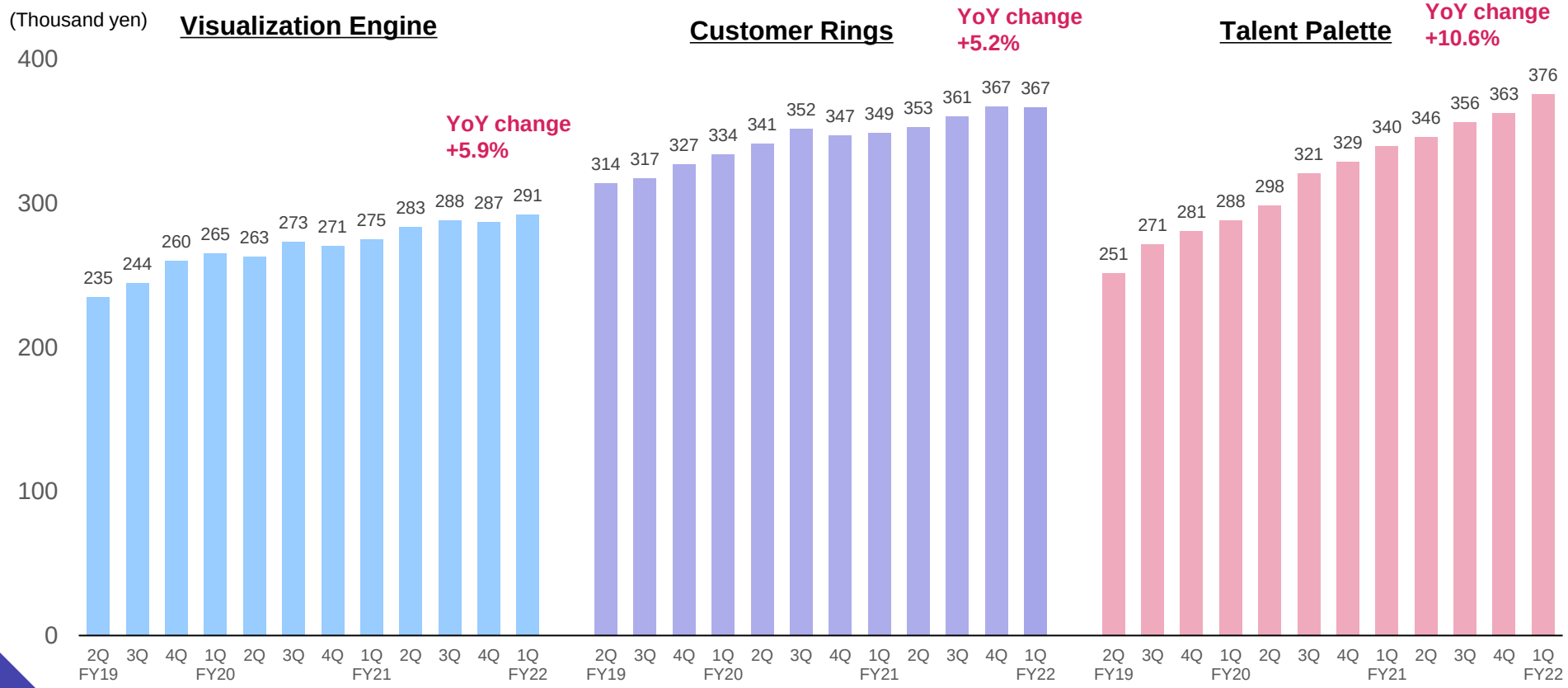


Note 1: Number of monthly billed contracts

Note 2: Ratio of reductions as a result of cancellations to total monthly billed amounts (average of the past 12 months at the end of each quarter)

Trends in average revenue per user (ARPU)

- All solutions continued to be on an upward trend in ARPU[1]
- Up-selling and large scale projects continued for Talent Palette, with ARPU increasing more than anticipated.



Note 1: Average Revenue Per User. Average monthly revenue per paid billing enterprise user. Calculated as dividing the average MRR for each quarter by the average number of paid billing enterprise users of each month for the same period.

Major KPIs for 1Q of FY2022

MRR[1]

Companywide

534 million yen

- Visualization Engine 131 million yen
- Customer Rings 112 million yen
- Talent Palette 291million yen

MRR growth rate[2]

Companywide

31.6%

- Visualization Engine 1.1%
- Customer Rings 6.7%
- Talent Palette 69.8%

Average monthly revenue churn rate[3]

Companywide

0.68%

- Visualization Engine 0.98%
- Customer Rings 0.91%
- Talent Palette 0.38%

Number of users[4]

Companywide

1,521 companies

- Visualization Engine 451 companies
- Customer Rings 305 companies
- Talent Palette 765 companies

Recurring ratio[5]

Companywide

86.1%

- Visualization Engine 93.5%
- Customer Rings 96.0%
- Talent Palette 79.9%

ARPU[6]

Companywide

348 thousand yen

- Visualization Engine 291 thousand yen
- Customer Rings 367 thousand yen
- Talent Palette 376 thousand yen

Note 1: Monthly Recurring Revenue. Total of the monthly fee of contracted subscription users in December 2021 (excluding temporary sales).
Note 2: MRR growth rate from December 2020 to December 2021
Note 3: Ratio of reductions as a result of cancellations to total amounts of the existing monthly billed contracts as of December 2021 (average for the past 12 months). This ratio is calculated as the reduced subscription fee due to cancellations divided by the sum of the monthly fee revenue of the former month.
Note 4: Number of monthly billed contracts as of December 31, 2021
Note 5: Calculated as dividing total monthly billed amounts for the first quarter of the fiscal year ending September 30, 2022 by net sales for the same period.
Note 6: Average Revenue Per User. Calculated as dividing the average MRR for the first quarter of the fiscal year ending September 30, 2022 by the average number of paid billing enterprise users of each month for the same period. Companywide result is calculated by dividing total amounts of the average MRRs of the three businesses for the same period by the average number of total enterprise users for the three businesses of each month for the same period.

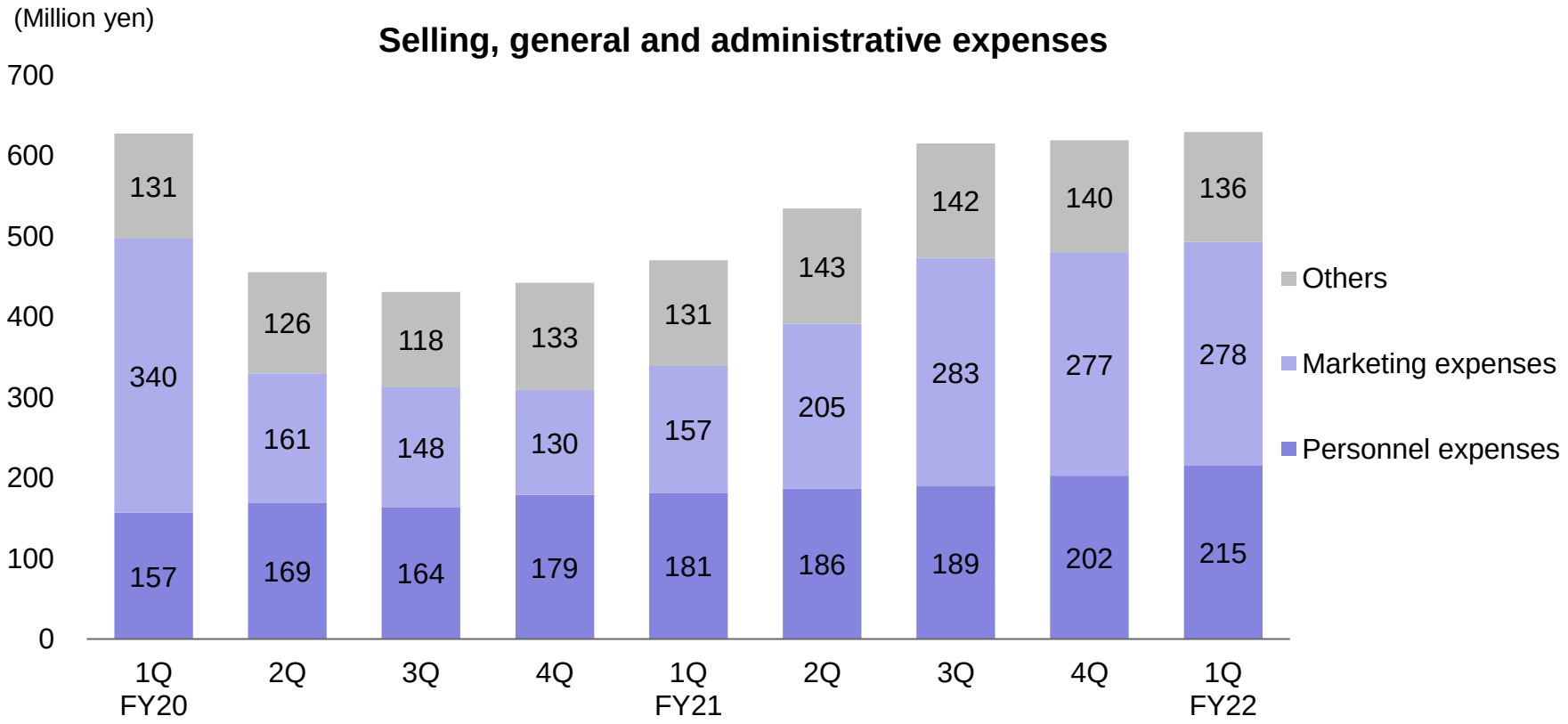
Major KPIs: Year-on-year change

<Companywide 1Q>	FY2021 1Q		FY2022 1Q		YoY change	
Net sales[1]	1,357	million yen	1,810	million yen	33.4	% up
Operating profit[2]	480	million yen	685	million yen	42.7	% up
Ordinary profit margin	35.4	%	37.8	%	2.5	points up
MRR[3]	406	million yen	534	million yen	31.6	% up
Number of customers[4]	1,262	cases	1,521	cases	259	cases up
Revenue churn rate[5]	0.88	%	0.68	%	0.20	points down
ARPU[6]	318	thousand yen	348	thousand yen	9.7	% up

Note 1: Results for 1Q of FY2021 and 1Q of FY2022 (cumulative)
Note 2: Results for 1Q of FY2021 and 1Q of FY2022 (cumulative)
Note 3: Monthly Recurring Revenue. Total of the monthly fee of contracted subscription users in December 2020 and in December 2021
Note 4: Number of monthly billed contracts as of December 31, 2020 and December 31, 2021
Note 5: Ratio of reductions as a result of cancellations to total monthly billed amounts as of December 2020 and December 2021 (average for the past 12 months). This ratio is calculated as the reduced subscription fee due to cancellations divided by the sum of the monthly fee revenue of the former month.
Note 6: Average Revenue Per User. Calculated by dividing the average MRR for 1Q of FY2021 and 1Q of FY2022 by the average number of paid billing enterprise users of each month for the same period.

Trends in selling, general and administrative expenses

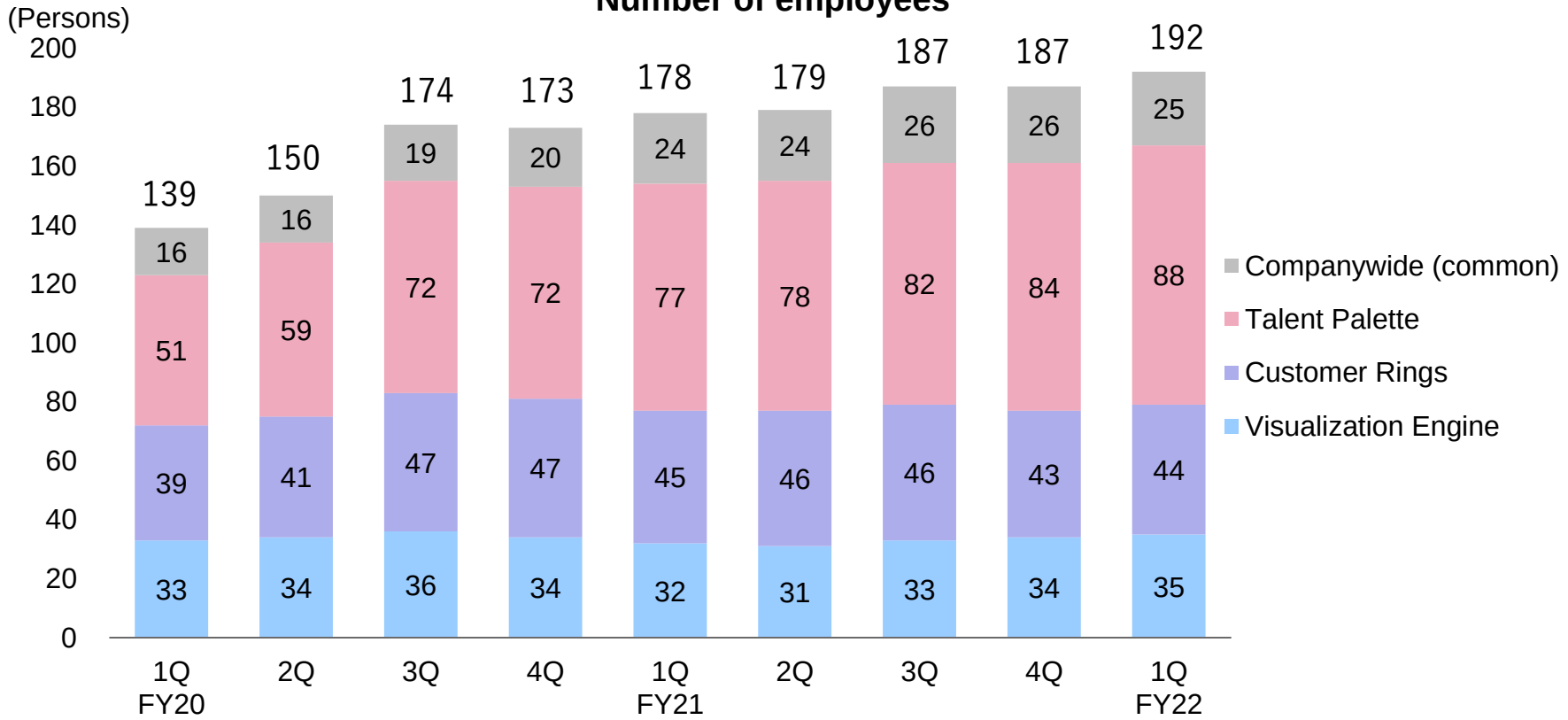
- Marketing expenses remained on par with the last half of the previous fiscal year, and personnel expenses increased due to an increase in personnel



Trends in the number of employees

- We reinforced the workforce, especially in consultant positions, due to the need to respond to the increasing number of Talent Palette customers
- Going forward, there are plans to proceed with the strengthening of the inside sales organization for promoting sales to SMBs

Number of employees[1]



Note 1: The number of permanent employees as of the end of each quarter

Status of Balance Sheets

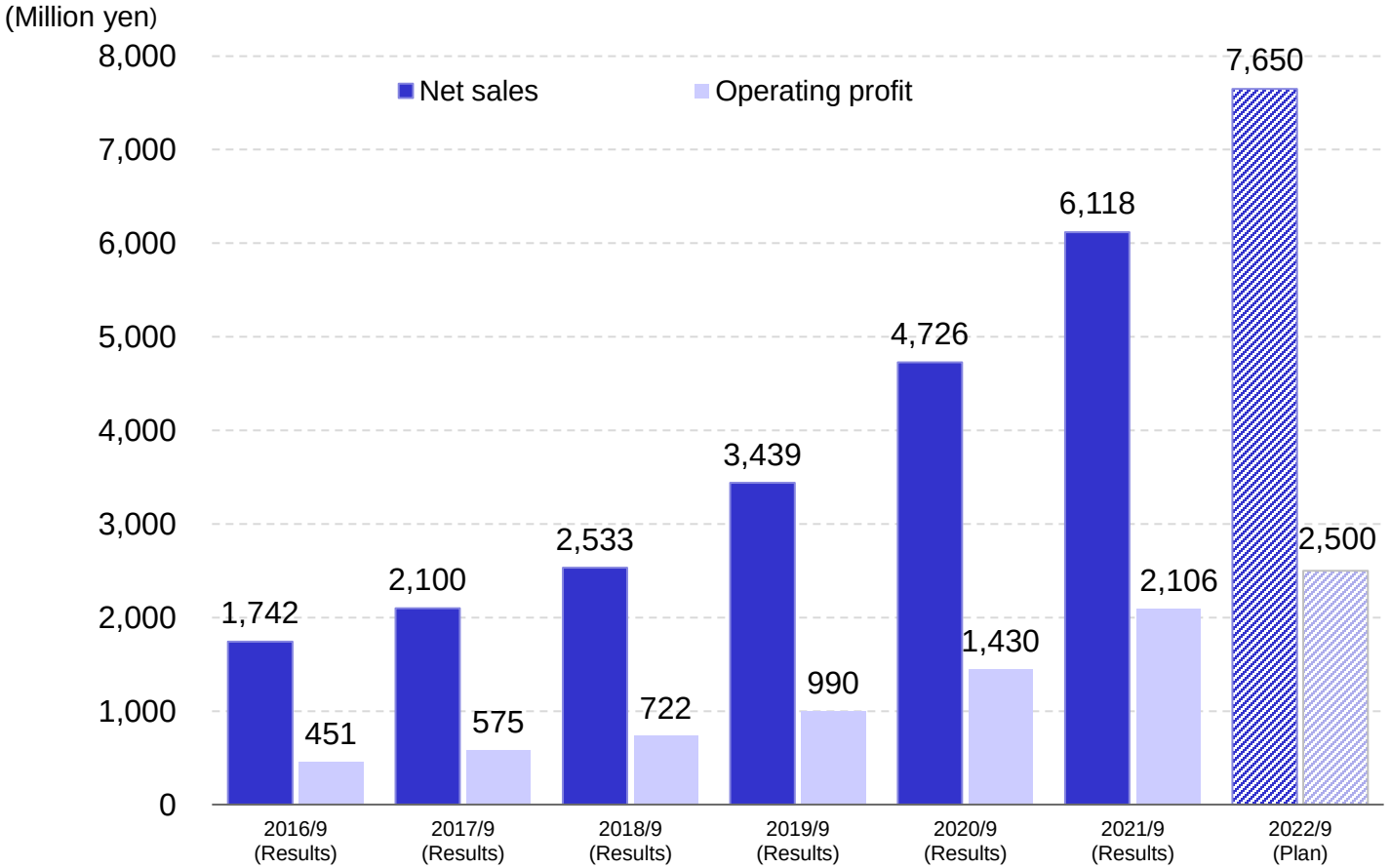
- As of December 31, 2021, net assets were 5,108 million yen, an increase of 201 million yen from September 30, 2021 due to an increase in retained earnings, despite 288 million yen in dividends paid in 1Q
- The slim financial structure was maintained, and the equity ratio was 85.1%

(Million yen)	Sep. 30, 2020	Dec. 31, 2021	Changes from Sep. 30, 2021
Current assets	5,498	5,275	down 223
(Cash and deposits)	4,614	4,406	down 208
(Accounts receivable - trade)	751	776	up 25
Non-current assets	636	718	up 82
Total assets	6,135	5,993	down 142
Current liabilities	1,227	884	down 343
Non-current liabilities	-	-	-
Net assets	4,907	5,108	up 201
Equity ratio	79.8%	85.1%	

03 Earnings forecasts for the fiscal year ending September 30, 2022

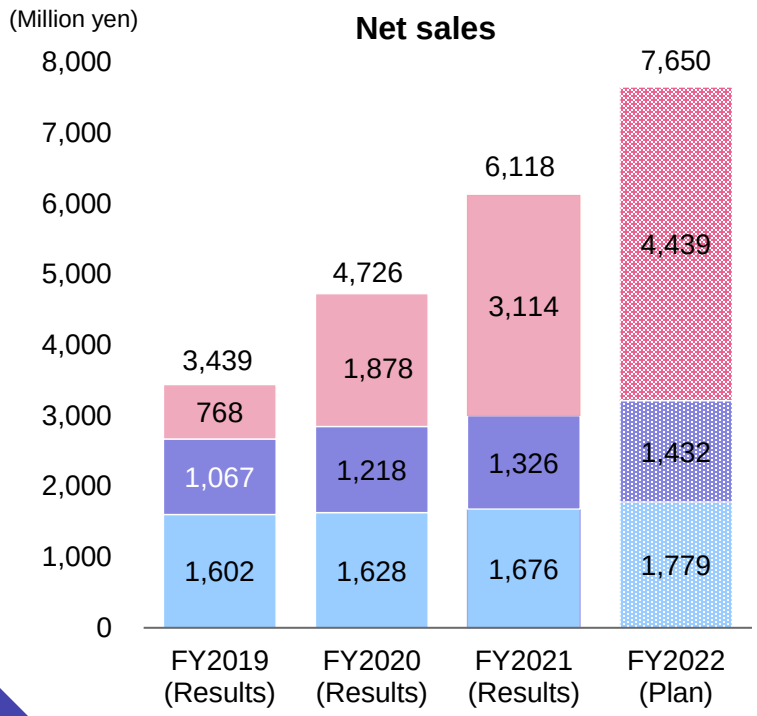
Earnings forecasts for the fiscal year ending September 30, 2022

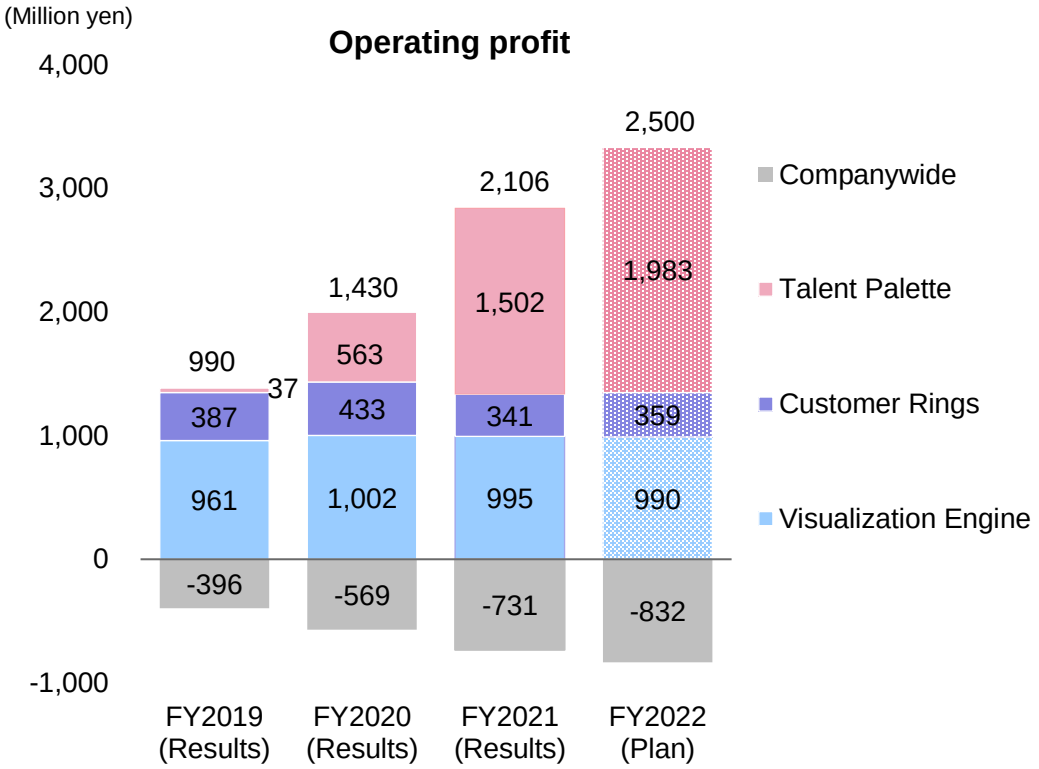
- Revenues and profits are expected to increase year-on-year in the fiscal year ending September 30, 2022, with sales growth mainly in the Talent Palette Business
- We are aiming for a 25% growth in net sales and an operating profit margin of 32.7%



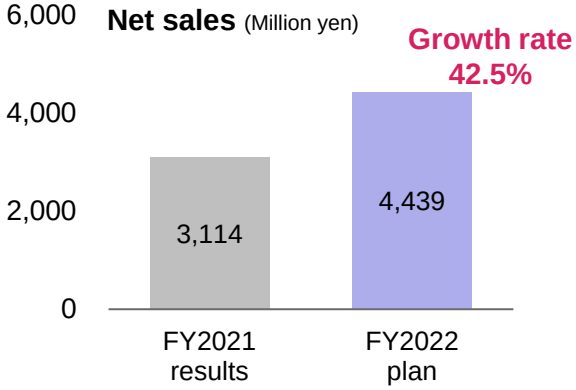
Earnings forecasts for the fiscal year endied September 30, 2022 (By segment)

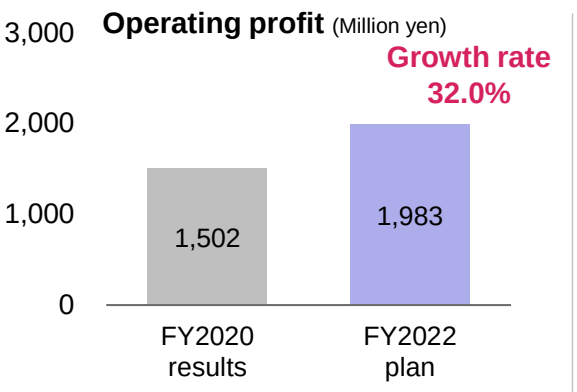
- Companywide growth in revenues and profits driven by sales and profit growth in Talent Palette
- Net sales increased for Visualization Engine and Customer Rings, but profit is expected to remain the same due to increases in marketing expenses and system expenses

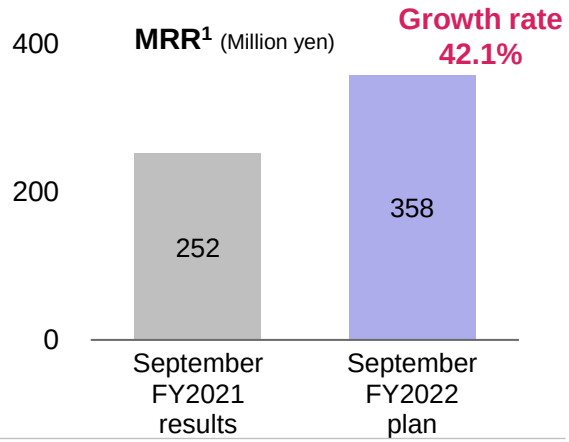


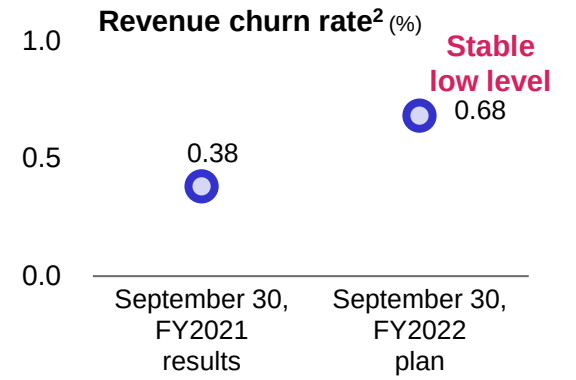


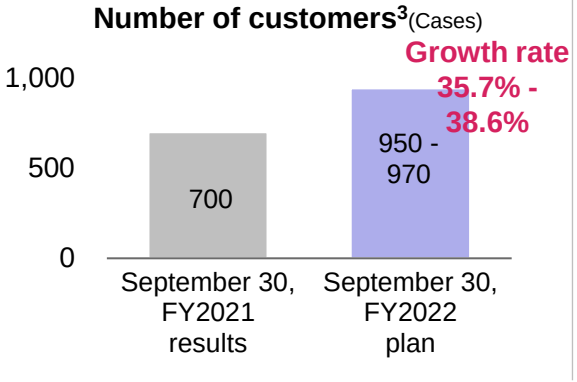
Earnings forecast assumptions (Talent Palette Business)

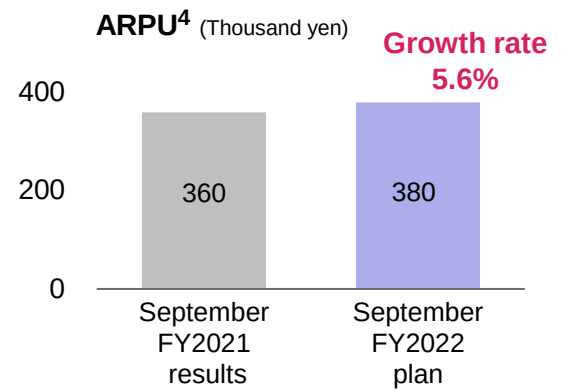








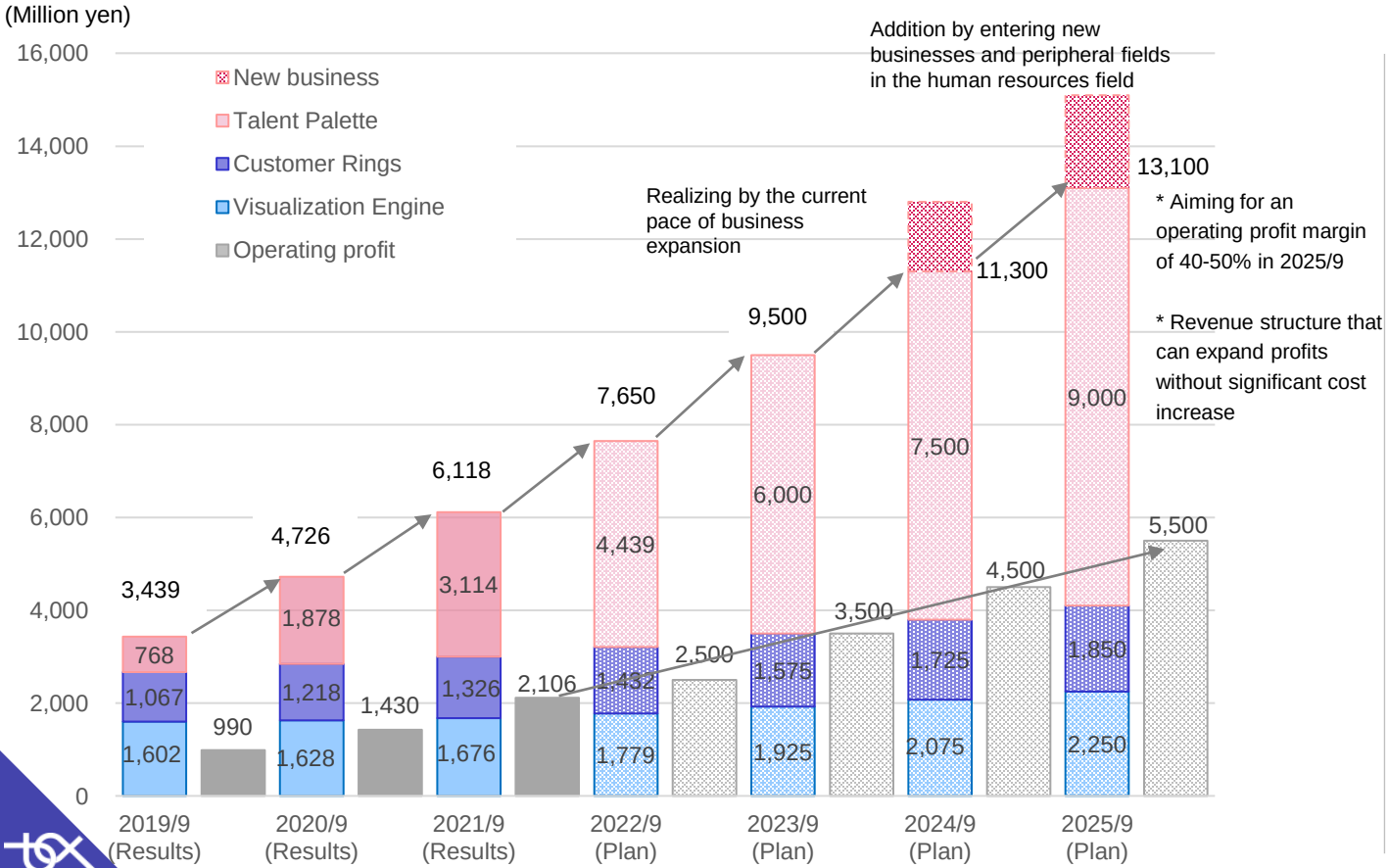




Note 1: Monthly Recurring Revenue. Total of the monthly fees of contracted subscription users.
Note 2: Ratio of reductions as a result of cancellations to total monthly billed amounts (average for the past 12 months)
Note 3: Number of monthly billed contracts
Note 4: Average Revenue Per User. Calculated by dividing MRR by the number of customers at the end of the month.

Medium-term growth image

- Sales of 13 billion yen or more and operating profit of 5.5 billion yen or more expected as an extension of existing business in 2025/9
- Aim to further increase sales by making a full-scale entry into new businesses and peripheral fields in the human resources field



* Aiming for an operating profit margin of 40-50% in 2025/9

* Revenue structure that can expand profits without significant cost increase

Key performance indicators

・Number of customers

	2022/9 (plan)	2025/9 (increase)
Visualization Engine	467	+100
Customer Rings	319	+100
Talent Palette	950 - 970	+900

・ARPU (thousand yen)

	2022/9 (plan)	2025/9 (forecast)
Visualization Engine	305	330
Customer Rings	370	370
Talent Palette	380	395

04 Reference materials

Service characteristics

	Visualization platform	Marketing automation tool	HR utilization platform
	見える化エンジン	CustomerRings カスタマーリングス	Talent Palette タレントパレット
Service overview	Text mining analysis of massive amounts of customer feedback from surveys, call logs, social media, etc.	Support for optimal communication with customers based on analysis results gained from integrated data for customer attributes and action histories	Utilized for talent management by visualizing personnel information such as employee skills, aptitude, evaluations, and survey results and hiring related data
Users and usage	Introduced mainly into companies' contact centers and marketing divisions Used for improving clients' services and developing new products	Introduced mainly into companies in EC (apparel, health foods, cosmetics, general goods, etc.) and retail industries Used for planning and implementing measures for online marketing	Introduced mainly into personnel divisions Used for personnel planning and strategies to improve employee performance by utilizing human resources
Major characteristics	No. 1 market share in the text mining tool area with functions of supporting a wide range of data sources, highly accurate natural language processing, an intuitive user interface, etc.	Intuitive interface, various functions to analyze and visualize customer actions, and support for multiple channels such as e-mail, social media, chat, and apps	Personnel database on employee information, evaluations, and skills. Support for optimal placement, HR selection, resignation analysis/prediction, and improvement in matching efficiency
Fee system	Monthly fee: Monthly subscription plan according to data amount, etc. Initial cost: For establishing system at service introduction, etc. Fee for on demand services: Paid consulting, etc.	Monthly fee: Monthly subscription plan according to the number of members and distribution, etc. Initial cost: For establishing system at service introduction, etc. Fee for on demand services: Paid consulting, etc.	Monthly fee: Monthly subscription plan according to the number of employees Initial cost: For establishing system at service introduction, etc. Fee for on demand services: Paid consulting, etc.
Number of users[1] Rate of recurring revenue[2]	Number of users (451 companies) Rate of recurring revenue (93.5%)	Number of users (305 companies) Rate of recurring revenue (96.0%)	Number of users (765 companies) Rate of recurring revenue (79.9%)

Note 1: Number of contracts as of September 30, 2021
Note 2: Ratio of total monthly billed amounts to net sales (average of the fourth quarter of the fiscal year ending September 30, 2021)

Characteristics of Visualization Engine

見える化エンジン

プラスアルファ コンサルティング

Service characteristics

- Instantly visualize big data (customer feedback and actions) in the digital age
- Tool with No. 1 installation share, used by over 1,500 companies
- Intuitive user interface and high usability
- Highly accurate natural language processing that can handle free-form remarks and comments

ここがポイント！

- Text mining analysis of massive amounts of customer feedback from social media such as Twitter, call logs, and even surveys
- Visualization of sentiments such as requests, dissatisfaction, and satisfaction
- One-stop support for customer feedback-oriented improvement activities on a companywide basis using the dashboard function

A “customer experience feedback management system” to maximize a company’s customer experience (CX) by understanding consumer voices

Customers

Changing environment

- Diversifying needs
- Digitalization
- New normal

Establishing a “customer experience feedback management system” with the Visualization Engine

Feedback (feeling) on CX (customer experience) felt by customers

- Call centers
- SNS (Twitter, etc.)
- Surveys
- …

Improvement in products / services (CX) provided

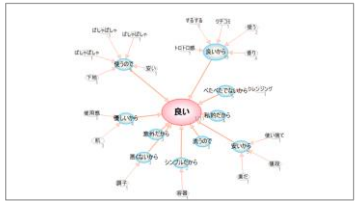
Companies

Ascertain wants and feelings toward products and services	Discover and create ideas for new products	Ascertain effects of new products, promotions, etc.	Detect risks early

Visualization of customer feedback = Text mining

Establish an organizational improvement and planning cycle

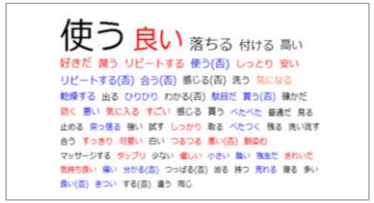
Visualized output of customer thoughts and wants (proprietary text mining technology)



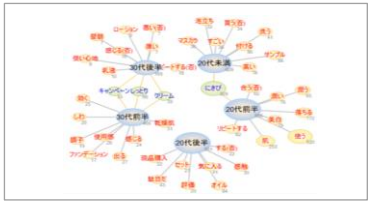
Reason map (Ascertain elements linked to central word)



Extract needs (Understand feelings at a glance)



Word cloud (Ascertain frequency of word occurrence)



Characteristic map (Compare characteristics by age group)

Companies that have introduced visualization engine

プラスアルファコンサルティング

見える化エンジン

Introduced to many companies as a tool that can visualize the voices of a large number of customers.
No.1 share for 10 consecutive years[1]



Manufacturing

SUNTORY | 雪印メグミルク | SUBARU | YAMAHA | PHC
Nestlé Good Food, Good Life | おいしさと健康 Glico | 湖 KOIKEYA | SHISEIDO | LION
Panasonic | KOKUYO | TOTO | KAI | nippn

Retail distribution business

LAWSON | BELLE MAISON | SHOP CHANNEL | ADASTRIA Play fashion!
ORBIS | ハンバーグレストラン びっくりドンキー | CO・OP 日本生活協同組合連合会 |

Pharmaceutical

NEVER SAY NEVER ロート製薬 | P!
Daiichi-Sankyo | SARAYA

Corporate support

SPN Security Protection Network
WOWOW COMMUNICATIONS

Infrastructure (aviation, railroad, communication)

ANA | SKY | 阪神高速道路株式会社 | Designing The Future KDDI | NTT東日本

Note 1: Fuji Chimera Research Institute, Inc. “New Markets in the Software Business”

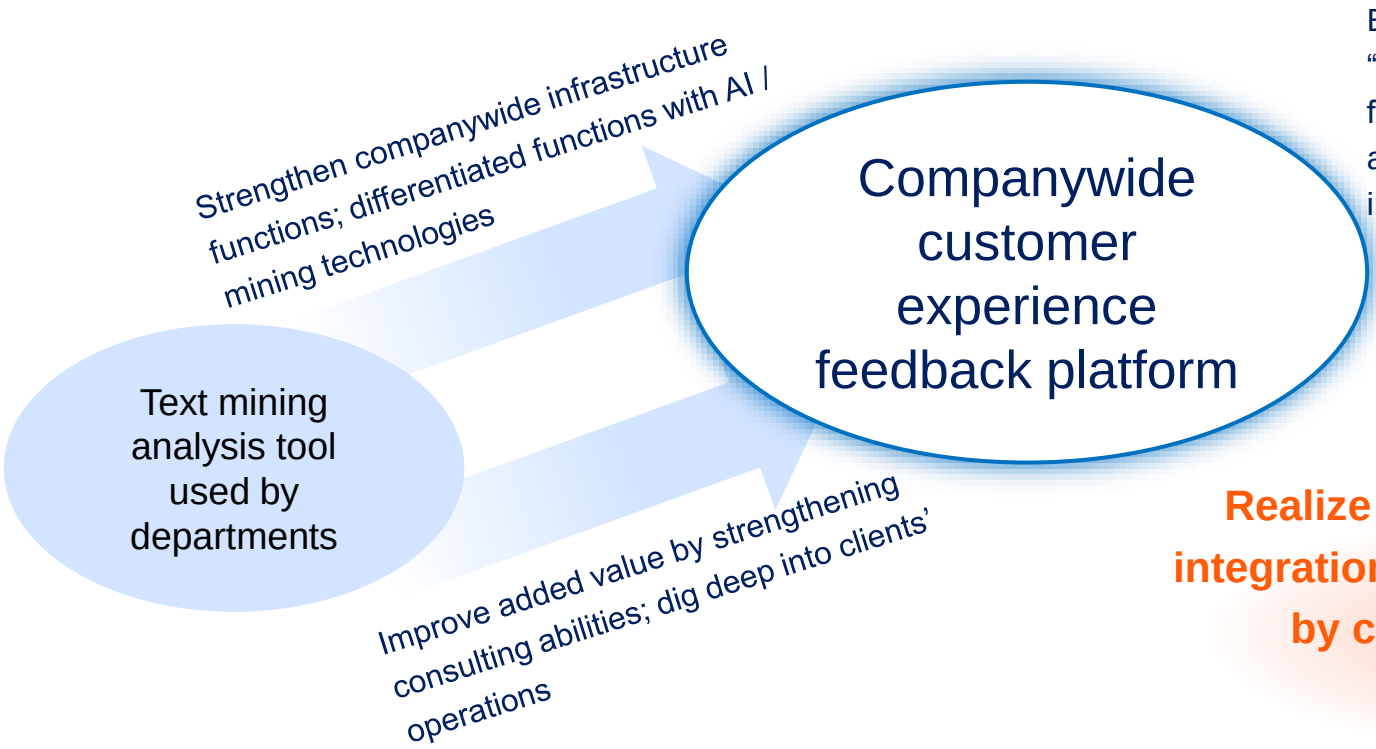
*Some of the companies’ logos are shown here with permission. (In no particular order)

Growth strategy for Visualization Engine Business

見える化エンジン

プラスアルファ コンサルティング

Strengthen infrastructure functions that facilitate customer experience feedback, expand the scope of applicable data, build intimate relationships with customers through high value-added consulting services, and raise LTV.



Establish framework for "customer experience feedback," from expanding analysis data to improvement operations

Realize higher LTV via deep integration into client operations by companywide use

Characteristics of Customer Rings

CustomerRings カスタマーリングス

プラスアルファ コンサルティング

Service characteristics

- A CRM/MA tool that realizes optimal communication with customers by integrating and analyzing massive amounts of customer information and purchase histories
- An intuitive interface that does not hamper users' thinking
- Enables timely approaches to customers through optimal channels, ranging from e-mail, LINE, SMS, web customer support, app notifications, direct mails, etc

ここがポイント！

- Supports the planning and execution of marketing initiatives via diverse analysis functions and a wealth of visualized output that allow users to gain a firsthand understanding of each customer's behaviors and preferences.
- Supports digital marketing strategies in any industry or business type, including EC, finance, and retail businesses.
- Consultants provide comprehensive support by aiding in strategy and analysis.

Automates the optimal communication with customers by directly understanding customers with big data
An essential marketing automation system for the digital marketing age

Data integration (CDP) | Analysis (BI: understanding customers) | Use (MA)



Automation (allows users to focus on more creative work)

Companies that have introduced Customer Rings

CustomerRings カスタマーリングス

プラスアルファコンサルティング

Supporting digital marketing / CRM enhancement of more than 600 growing companies in total

健康食品業界

everlife / Q'SAI / わかさ生活 / 健康家族 / 株式会社あじかん / 金氏高麗人参 / 株式会社九州自然館 / Eat Well, Live Well. Aji AJINOMOTO / Otsuka / KAGOME / フジッコ / 株式会社エミネット / ワダカルシウム製薬 / ZENCARE / 株式会社 京福堂 / Sixth sense Lab. / OM-X

コスメ業界

POLA / SUNSTAR / 新日本製薬 / fracora / ACRO / euglena / AA mandom / jimos one to only one / DECENCIA / NATURE'S WAY / NEAL'S YARD REMEDIES / FAITH Beauty / Vitabrid C12 / エステティック MISS PARIS / MT METATRON / comfort japan inc. / Beautiful Skin / 小豆島ヘルシーランド株式会社 / CHURACOS / ALAVITA / tattva

コンタクト業界

Mbrand / TeAmo / Lcode / G-move

雑貨業界

SARAYA / I.D.E.A international / 藤巻百貨店 / DESIGNPHIL

ヘアケア業界

アンファー / アートネイチャー / BOTANIST / MILBON / REDVision

食品業界

morinaga / LeTAO / TeaLife / 博多華味鳥 / 築地の海鮮市場 / MURATAEN / 餃子の王将 / HORIGUCHI COFFEE

アパレル業界

PAL GROUP / It's a beautiful day. The SAZABY LEAGUE / WEGO YOUR FAN / PUNYUS / はるやま / FAST RETAILING / ITOKIN Styling the Next / J Lounge online store / RENOWN / BENEXY / BATH CORPORATION / PUMA / MIZUNO / FIGO CO., LTD. / finetrack / FELISSIMO / NEUVEA / TAKAGI / HRC

保険/金融業界

ポケットカード株式会社 / au 損保 / りそな銀行 RESONA

新聞業界

中國新聞社 / 西日本新聞

会員サービス業界

JAL JAPAN AIR LINES / いずみ市民生協 / CCC

総合通販業界

EVERYTHING FROM JP / 虎ノ門市場 / B-to-ps

BtoB通販業界

カスタムジャパン / EXEA 配管部品.com / TAT / ストア・エキスプレス

人材業界

マイナビ / KRASYS / NDSO 日総工産株式会社

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Growth strategy for Customer Rings Business

Expand differentiated “customer feeling” functions, create high added value for analysis consulting, and evolve into a marketing platform that can be linked with various marketing actions.

Differentiation via analysis functions from AI / mining technologies and “customer feeling” functions

Expand industries by expanding services through high value-added consulting

Create a platform that also enables various marketing actions

A digital marketing platform highly sensitive to customer needs

- LINE linkage App linkage
- EC website linkage Web customer
- Sending e-mail Sending SMS
- Inventory management Various core systems

Shift from EC centric to expand the scope of industries and realize higher MRR and ARPU

Characteristics of Talent Palette

Talent Palette タレントパレット

プラスアルファ コンサルティング

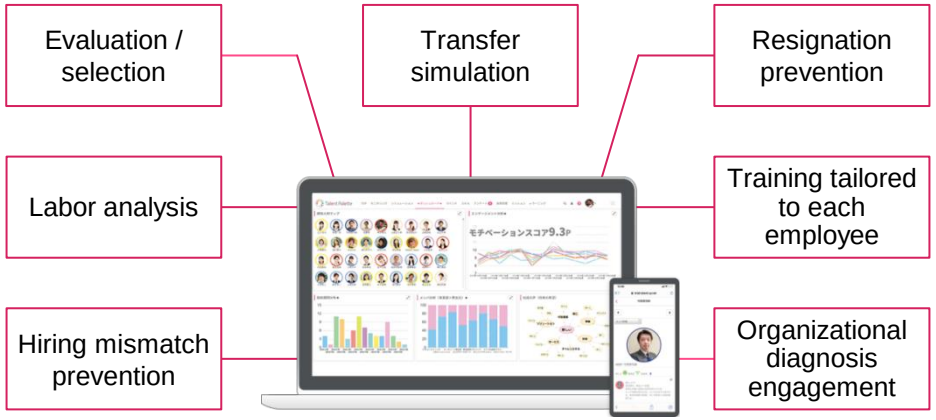
Service characteristics

- Realizes data-based scientific personnel management strategy to enable users to succeed in an age of labor shortage
- Employee visualization functions that can be used for optimal employee placement or human resource selection
- Hiring functions including increasing efficiency of hiring operations, mismatch prevention, and performance forecasting
- Employee performance analysis and learning facilitation functions such as e-learning
- Resignation prevention functions such as resignation analysis and prediction and motivation measurement

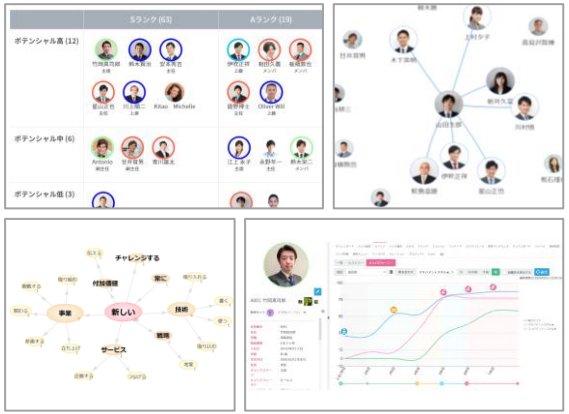
ここがポイント！

- A first in the industry, we took our approach to analyzing massive amounts of data in marketing, an area in which we excel, and applied it to the HR field.
- A human resource platform that realizes “scientific personnel management,” including data-driven optimal placement, appropriate evaluations, discovering and hiring more talents, and resignation prevention.
- Analyzes employees’ aspirations and requests to the company using text mining technology. Enables management to reflect previously untapped “employee voices.”

Realizes proprietary scientific personnel management that incorporates marketing thinking



Intuitive visualization of human resources and organization status

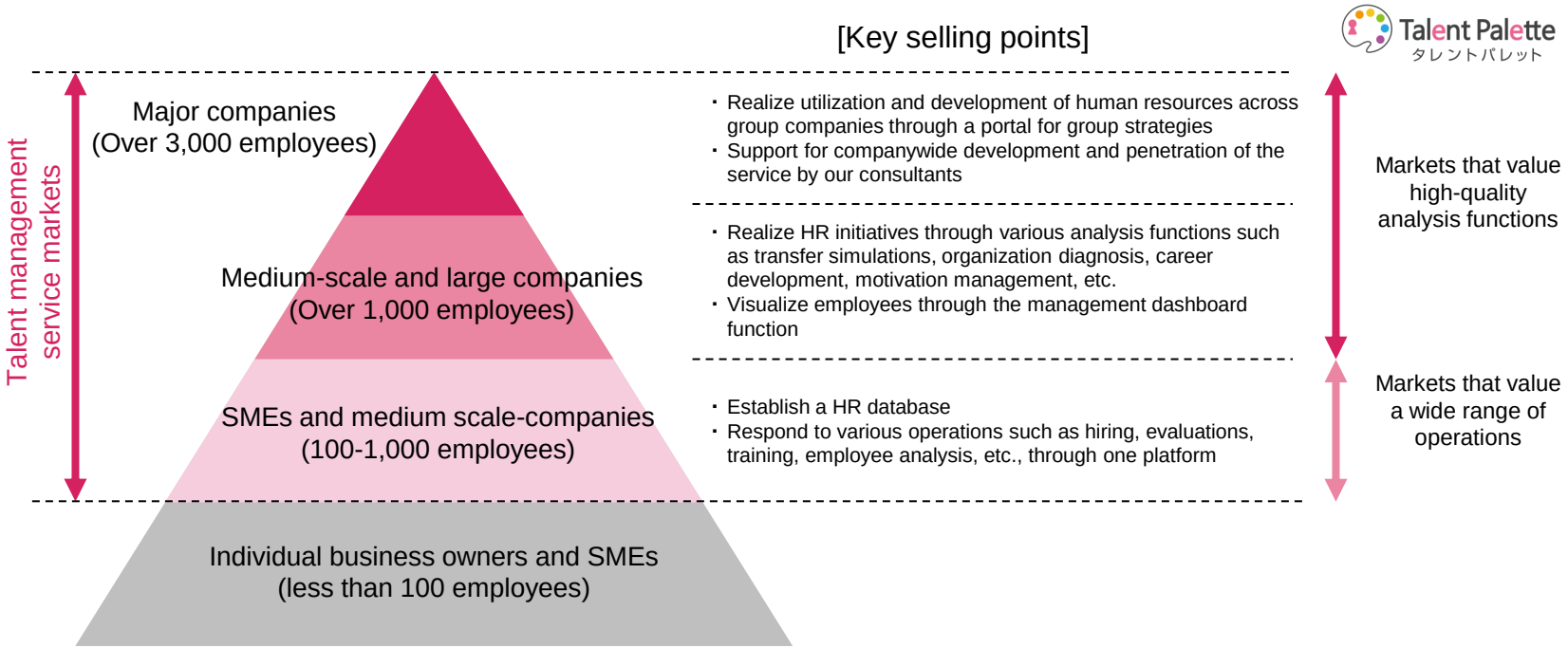


Experience and intuition × Visualization of employee information = **Realize scientific personnel management strategy (Data-driven creative personnel strategy)**

Talent Palette's target market

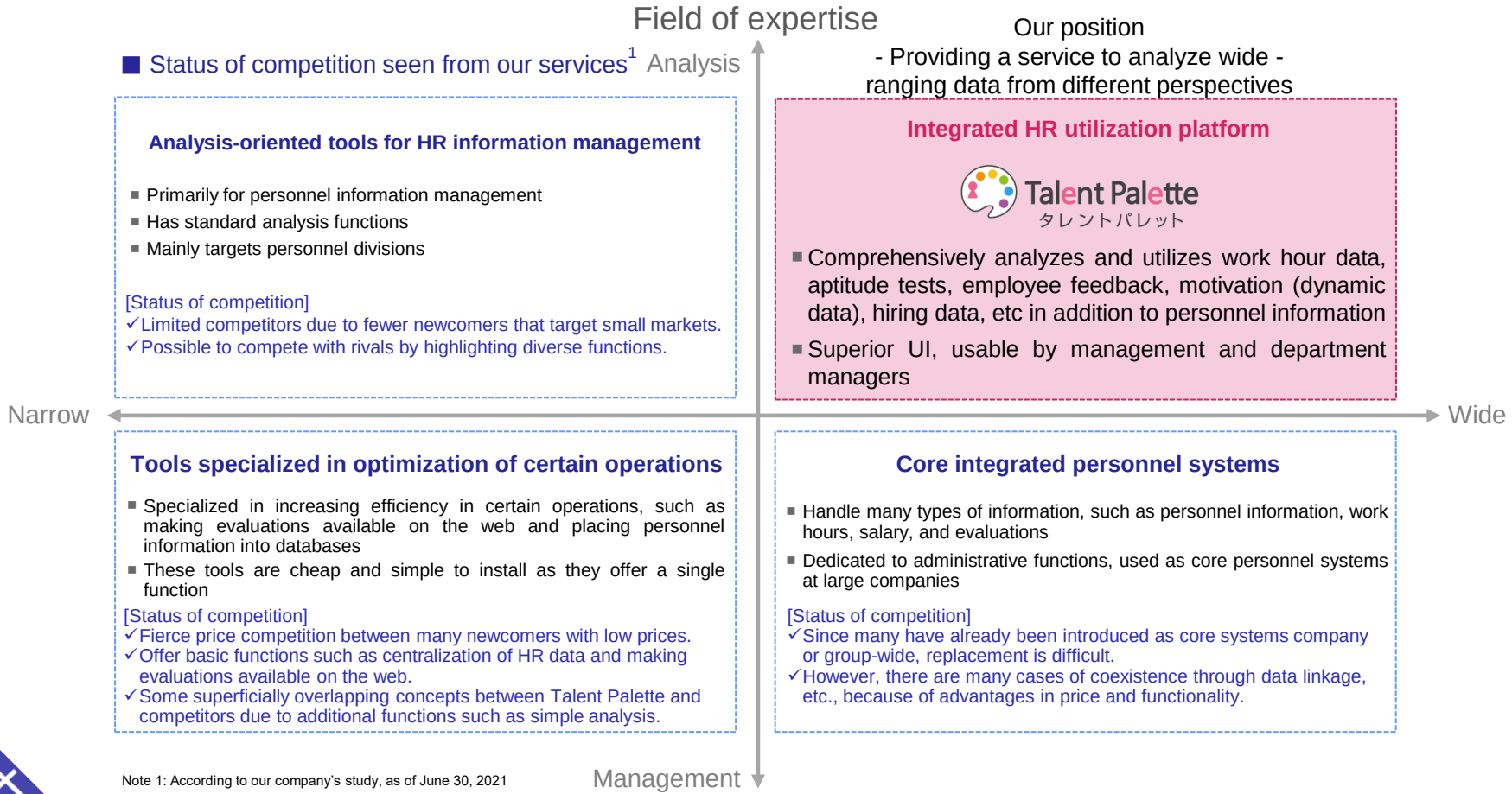
The talent management service is targeted for companies with 100 or more employees.
Since market characteristics differ depending on the number of employees, we adopt a method of approach focusing on selling points suitable for each market.

Target markets and selling points of the talent management service



Unique position as an integrated human resource platform

Differentiate Talent Palette from competing services by supporting a wide range of operations with integrated and accumulated personnel data, and enriching analysis functions



Note 1: According to our company's study, as of June 30, 2021

Accelerating use of Talent Palette at leading companies

プラスアルファ コンサルティング

Talent Palette タレントパレット



※許諾いただいた企業様のロゴを掲載を一部抜粋して掲載しております。（順不同）

Growth strategy for Talent Palette Business

Talent Palette タレントパレット

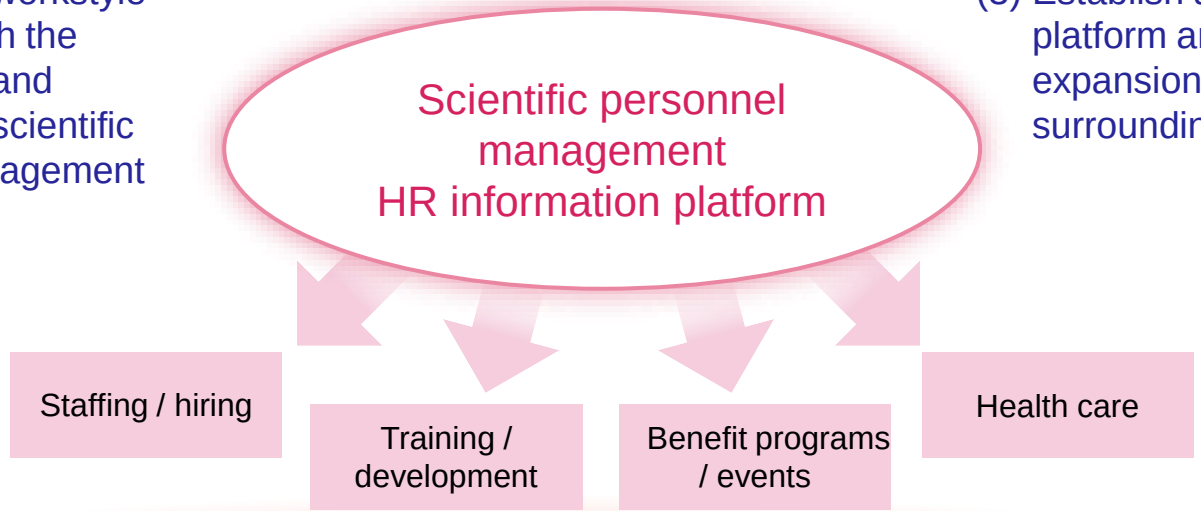
プラスアルファ コンサルティング

Expand the methodology and functions of “scientific personnel management,” advance expansion in services for sectors surrounding HR, and realize an HR information platform that promotes use of new human resources and workstyle reforms.

(1) Expand scientific personnel management analysis methods and functions from a marketing viewpoint

(2) Promote human resource utilization and workstyle reforms through the entrenchment and penetration of scientific personnel management

(3) Establish an HR information platform and full-scale expansion into sectors surrounding HR



Acquire a dominant market share in the HR space by acquiring core personnel data

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