

# Marketing Support

Consumer Goods & Services

**Business Results** In fiscal 2020 ended June 2020, panel surveys – a main business of the segment – performed well. In custom research areas, demand for online surveys was brisk, whereas offline surveys were affected by the spread of COVID-19, resulting in cancellation or postponement of some operations. Sales from overseas operations were strong up until 4Q, but from 5Q onward, sales in China and other Asian countries remained dampened, affected by COVID-19. Profits were affected mainly by a decline in sales attributable to COVID-19 and an increase in development investment related to the renewal of SRI+.

## Main Business Activities

The Marketing Support (Consumer Goods & Services) segment supports marketing activities of companies mainly via an operating company INTAGE Inc. Marketing research is the scientific research and analysis conducted to support the decision-making that is effective for addressing every marketing issue of companies.

### Panel Research

#### SCI® Nationwide Individual Consumer Panel Research

What do different types of households and individuals purchase, where and at what prices?

Using specialized scanners, smartphones and apps, the SCI collects data on purchases of food products, beverages and miscellaneous daily items, consumed both inside and outside the home, from 52,500 male and female panelists aged 15 to 79 nationwide. It is Japan's largest consumer panel, and provides insight based on high-quality data that gives a detailed picture of consumer purchasing behavior.

#### SRI® Nationwide Retail Tracking Research

What kinds of products are selling when, where and at what prices?

The SRI collects POS data on a variety of product categories, such as food products, beverages and miscellaneous daily items, from approximately 4,000 supermarkets, convenience stores and drugstores and other major retailers nationwide. It has unrivaled strength in this field, and is used as the standard index in various industries.

### Custom Research

INTAGE's research is customized to address issues of our clients in Japan and abroad. Using various research methods and unique analytical abilities, we provide valuable information that reflects the real market situation to our clients.

#### Major research methods

**Online research** Internet research, location-based research (survey distribution service based on geospatial information)

**Qualitative research** Group and one-on-one interviews, remote interviews

**Non-verbal research** Eye tracking research, evaluation of ad creative content using expression analysis, neuro-research

**Offline research** Postal survey, mystery shopping, in-store observational survey, central location tests (CLT), in-store interviews, door-to-door interviews

The industry's largest Internet research monitor in Japan



Mighty Monitor Access Panel

4.47 million people\*

Multi-device monitor

#### Point 1

The largest monitor field in the industry

#### Point 2

Valuable information that reflects the real market situation

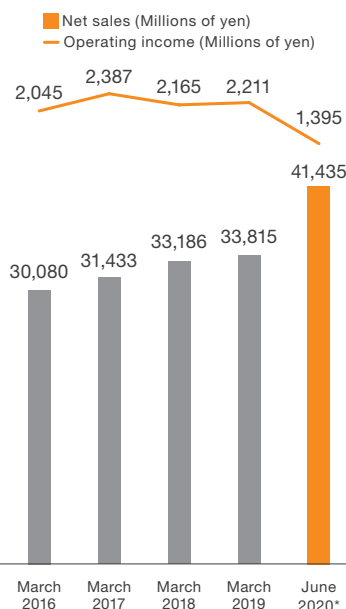
#### Point 3

High-quality data

INTAGE discloses the number of monitors who completed at least one research project or updated their profile data within the last 12 months, with the purpose of appropriate panel management according to the international standards.

\* As of October 2020

### Net Sales and Operating Income



### Competitive Advantages

SCI (Nationwide Consumer Panel)

52,500 people

SRI (Nationwide Retail Store Panel)

4,000 stores

INTAGE Single Source Panel

30,000 people

Mobile space research monitors

76 million people

Smart TV viewing data

2.23 million sets

### Future Strategy

In addition to a launch of SRI+, an advanced version of SRI to be launched in January 2021, we will promote further advance of core products, which will not be limited to use of research and provision of data, and convert the Marketing Support Segment into a business that contributes to clients' desired and favorable outcome.

\* Due to a change in the fiscal year end from March 31 to June 30, the results of the fiscal year under review are for a 15-month period from April 1, 2019 to June 30, 2020. Thus the text did not state the year-on-year comparison and the graph shows results for a 15-month period.



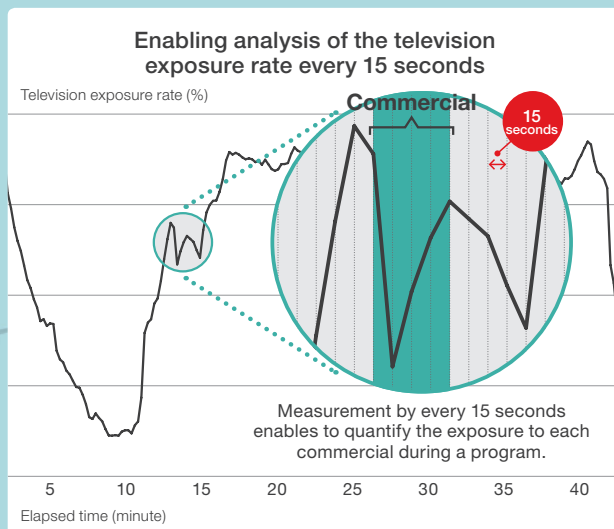
## A new TV audience measurement service based on large-scale sophisticated smart TV data

Smart TVs are conventional TVs with internet functionality. They are becoming popular and one in seven TV sets in Japan are connected to the internet. Smart TVs are projected to keep increasing going forward.

In addition to TV broadcasts such as terrestrial broadcasting and BS/CS satellite broadcasting, users can enjoy on their home smart TVs video content that has been viewed on PCs and smartphones, such as internet on-demand broadcasts and online videos. In addition, their functionality can be extended by adding applications and they can work with other equipment via home network connections. By utilizing smart TV, INTAGE obtains new consumer data and makes it useful for its marketing activities.

### Media Gauge® TV

Media Gauge® TV is a new TV audience measurement service: viewing log data is collected from 2.23 million smart TVs and 840,000 video recorders across Japan each month. This data can be collected and indexed by prefecture and by segments of 15 seconds.



### Media Gauge® Dynamic Panel®\*

Media Gauge® Dynamic Panel® is a new TV viewing measurement service that provides human-based viewing data analysis of smart TV data collected by use of the Media Gauge TV.

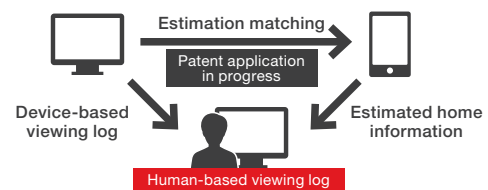
The Dynamic Panel technology enables sophisticated measurement based on detailed attributes and behavior history of target persons.



TV viewing measurement service by use of smart TV log  
\* Has been approved for marketing use



Data Management Platform (DMP) with data of INTAGE and Docomo  
\* Has been approved for marketing use



#### Media Gauge Dynamic Panel

New TV viewing measurement service of human-based viewing data analysis of smart TV device log

\* Media Gauge® Dynamic Panel® is a service that calculates audience data by linking "Media Gauge® TV" with the estimates derived from di-PiNK (DMP) owned by DOCOMO InsightMarketing, INC. (DIM), breaking it down into person-based data using attributes such as estimated home information, gender, and age, and performing statistical processing for each specified target. Estimation matching of Media Gauge data and di-PiNK data is outsourced to DIM by INTAGE Inc. and the processing & aggregation is carried out inside DIM. As DIM is not a business operator in possession of personal information, Media Gauge Dynamic Panel data will never be linked to personal information. The product of Media Gauge Dynamic Panel will be a deidentified statistical report. This product will never lead to identification of individuals.

#### Examples of usage

##### AREA Optimizer

AREA Optimizer is a service that calculates an optimal reception area allocation of TV commercials. Use of the Media Gauge® Dynamic Panel® (the reach simulation model) prepared for each area, enables calculation of an optimal area allocation of TV commercial placements for the purpose of maximizing target reach. For example, we expect to have, as clients for this, manufacturers who do TV commercial planning, and to provide them with data to be used for enhancing effects or optimizing of their commercial placement budget.

##### AREA TV

Area TV is a service that enables a check to be made of "which viewers" "how much" watch TV programs of terrestrial broadcasting and BS/CS satellite broadcasting stations in Japan. By using Media Gauge® TV and Media Gauge® Dynamic Panel®, the exposure rate, the target viewer content rate, and the expanded number of exposed viewers can be collected by time, program, and target. For example, we expect to have TV broadcasting stations as clients, who would analyze the exposure rate and the expanded number of exposed viewers of a specific target group, or compare and analyze viewers of a specific program with viewers of other programs by various attributes. This can assist proving the media value of these stations and be used for TV program marketing and sales.

# Marketing Support

Healthcare

**Business Results** In the fiscal year ended June 2020, INTAGE Healthcare Inc. had a solid performance in custom research on ethical drugs and medical equipment such as online questionnaire surveys on physicians as well as panel surveys on drugs sold without prescriptions. Meanwhile, sales from post-marketing surveillance conducted as a CRO (contract research organization) decreased on account of downscaled projects and stagnation of MR activities from 5Q onward owing to COVID-19. Sales from the promotion and convention businesses at KYOWA KIKAKU Ltd., which became a subsidiary in the previous fiscal year, were weak from 5Q onward due to COVID-19. Profits were adversely affected by the decrease in sales of the CRO business and stagnant sales of the promotion business.

## Main Business Activities

The Marketing Support (Healthcare) segment provides services to support contracted drug development and marketing activities of pharmaceutical companies, mainly via an operating company INTAGE Healthcare Inc.

### Market survey of over-the-counter (OTC) drugs



OTC drugs are nonprescription drugs or household medicines, familiar to consumers' daily lives, that do not require doctors' prescriptions. INTAGE Healthcare supports marketing activities of pharmaceutical companies with custom research as well as collecting sales data of retailers, such as pharmacies and drug stores, and data of consumers with purchase history.

### Market research of prescription drugs



Prescription drugs are mainly drugs prescribed based on the diagnoses of doctors working in hospitals and medical institutions. By understanding the behavior and awareness of doctors, medical workers, and patients, INTAGE Healthcare supports fact-finding surveys on drug treatment and prescription by physicians, fact-finding surveys on medical consumers and patients, and evaluation of promotional activities for drugs, using its abundant solutions and tools.

### CRO (Contract Research Organization)



Developing a new drug involves numerous phases, starting with basic research, and takes a long time of more than 10 years and enormous effort and expense. In that process, contract research organizations (CROs) perform and support various related work for pharmaceutical companies, such as clinical trials and post-marketing surveillance. INTAGE Healthcare has over 25 years of performance in contracting services and also IT infrastructure with in-house developed systems.

### Other (Promotion, prescription information analysis, etc.)

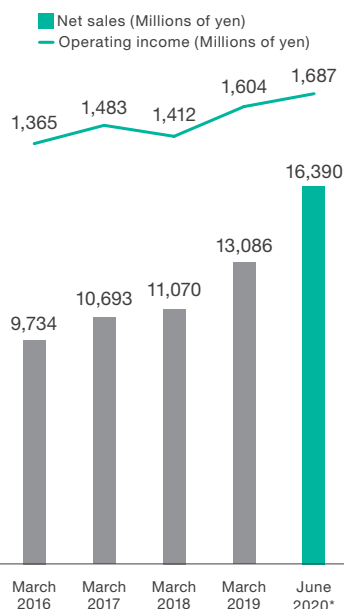
**Promotion** KYOWA KIKAKU Ltd., a member of INTAGE's healthcare group, engages in medical promotion business. It engages widely from planning to implementation of advertising of various medical societies and institutions, pharmaceutical companies, etc., intended for medical personnel and consumers. It also operates various seminars and symposiums for medical workers.



**Prescription Information Analysis** Japan Medical Information Research Institute, Inc., a member of INTAGE's healthcare group, holds a database that stores large quantities of prescription data collected from dispensing pharmacies nationwide, and supports the pharmaceutical companies' patient-oriented marketing and strengthening of product strategy with its highly quick reporting and abundant analytical abilities. It also provides information obtained from retail pharmacists' hearings with patients, which are effective for the proper use of medical products and product marketing activities.



## Net Sales and Operating Income



## Future Strategy

The INTAGE healthcare group has strength in a wide range of business and assets, such as research, data sales, post-marketing surveillance, and promotion, as well as the understanding of conditions related to consumers and patients. Based on these strengths, we aim at becoming a corporate group that can create new business opportunities by expanding and combining core businesses according to changes in customers.

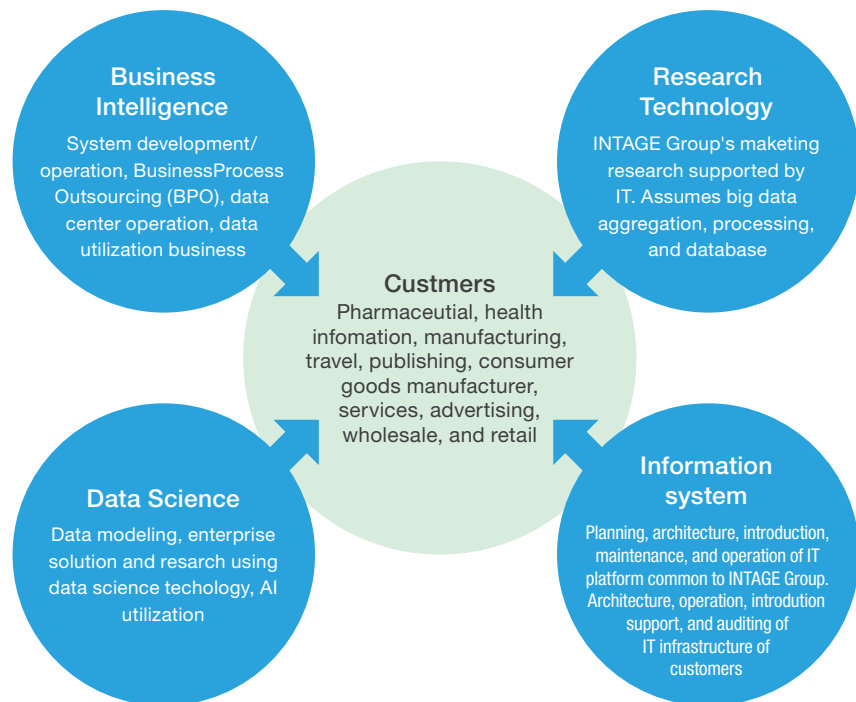
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# Business Intelligence

**Business Results** In the fiscal year ended June 2020, performance of solutions provided by INTAGE TECHNOSPHERE Inc. to existing customer industries was robust through 4Q. In 5Q, sales declined, affected by COVID-19, mainly in the travel industry. Sales of Buildsystem Co., Ltd. and NSK Inc., which became subsidiaries in the previous fiscal year, were firm. With regard to AI solutions, we were able to deepen our relationships with key customers in the automotive industry, public sector, etc. and are now working to win projects for the next fiscal year. Profits grew steadily supported by favorable sales.

## Main Business Activities

The Business Intelligence segment develops data analysis systems and provides solutions by industry, mainly via an operating company INTAGE TECHNOSPHERE Inc. In recent years, the Business Intelligence segment is also expanding into areas of data utilization making use of AI technology, based on its many years' experience in data business. The segment also provides IT support for the entire INTAGE Group in construction, operation, and maintenance of infrastructure and software for business promotion.



The so-called system integration business of system architecture, operation, etc. Customers vary from a wide range of industries, such as pharmaceutical, manufacturing, travel, publishing, consumer goods, and services. In particular, since its establishment in 1960, the INTAGE Group has been engaged in the business related to systems and data, and, based on many years of experience and knowhow, has continued to provide services especially in areas of pharmaceutical, transportation, and health management.



**Medical**  
Sales information/  
sales support/  
progress  
management  
systems, BPO  
services



**Transportation  
(travel, sightseeing)**  
Settlement systems  
of travel agencies,  
questionnaire systems  
for customer-satisfaction  
survey, etc.

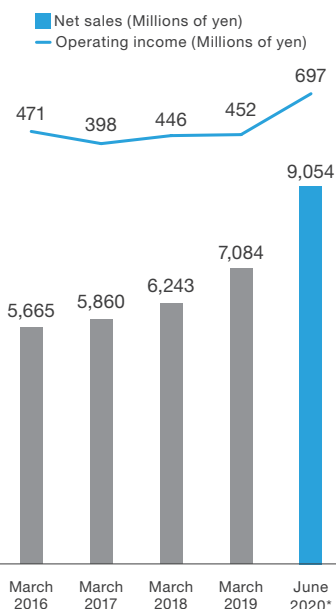


**Health  
Management**  
Business support  
solutions for  
corporate health  
management

## Future Strategy

We aim at becoming a partner who supports customers' promotion of DX, based on our technologies, such as data handling know-how and AI/machine learning, and our long-accumulated in-depth understanding of the industries and customers' businesses.

## Net Sales and Operating Income



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