

Asurion Japan Holdings G.K.

Asurion Japan Holdings G.K. is the Japanese subsidiary of Asurion, LLC, a US company providing mobile phone protection services. The company opened a call center in Chiyoda Ward of Tokyo in August 2017. It provides meticulous and comprehensive services, including prompt repair and replacement of mobile phones and consultative support, to users of major mobile carriers in Japan, with the aim of spreading its services throughout Japanese society. We talked with Masaaki Maeda, Strategic Advisor at Asurion, LLC, about the company's Japan market entry and business development plans.

Asurion Japan Holdings G.K. is the Japanese subsidiary of Asurion, LLC, a company providing mobile phone protection services in the US. It was established in Minato Ward of Tokyo in July 2012. Asurion, LLC, based in Nashville, Tennessee, started operation in 1994.

Asurion's protection service consists of device repair and replacement if the device is ever damaged (e.g., by water or being dropped), lost, stolen or defective. In partnership with leading mobile carriers, the company provides full insurance coverage. A dedicated call center provides consultation about the usage of smartphones and application set-up. Users can also receive a replacement in as little as 24 hours by making a request through the call center or the company's website. Asurion says 96% of replacement phones are sent the very next business day.

In a tie-up with major Japanese mobile carriers, including NTT Docomo and KDDI, Asurion's Japanese subsidiary has expanded its operation to about 60 million users in the country.

The parent company has sales offices and call centers in 14 countries and regions, including South American countries such as Brazil and Columbia, European countries such as England and France, and Asian countries including China and Singapore. Worldwide 17,000 employees provide 24-hour support, serving 30 million users every year. The number of worldwide end-users has reached about 280



Various IoT devices at Asurion Japan Holdings G.K.

million.

Meticulous and comprehensive services, including prompt replacement and operation support, are greatly appreciated by users. A satisfaction survey of over 2 million users showed that its performance was rated 4.7 on a 5-point scale (Asurion data, January 2016).

Incorporation in mobile-developed Japan

The first Japanese subsidiary, Asurion Japan K.K., was established in Minato Ward of Tokyo in February 2004 and started to promote business partnerships with a leading Japanese mobile carrier, NTT Docomo. "Japan is one of the major mobile-developed countries," explained Mr. Maeda, "and so we decided to enter this mature market."

In 2012, the US headquarters established Asurion Japan Holdings G.K., which in turn made the previous Japanese subsidiaries of Asurion working with NTT Docomo and KDDI its own subsidiaries.

Tony Detter, Chief Commercial Officer (CCO)

at Asurion, LLC and former Chief Executive Officer (CEO) at Asurion Japan Holdings G.K. and Asurion Japan K.K., spoke about the company's approach in an interview with JETRO in April 2017 as follows: "We do not enter any market without establishing a physical presence. Our business is built upon a close relationship of trust with local partners and a firm understanding of the local market. With no physical presence, we believe it impossible to build such foundations. Physical presence is critical to doing business in Japan."

Mr. Maeda said, "Repair and replacement services and call center support in Japan are provided based on the US business model," and added, "We are creating a service structure while reflecting the differences between the US and Japan." Asked about the expanding services in Japan, he said, "We have entered the age of the smartphone, and as the value of the device itself increases, users have become increasingly nervous about the potential for damage to the body or the LCD screen. This has provided a boost to our business."

Focus on employee education for proper support

To provide fine-tuned services to Japanese customers, the company opened a call center in Tokyo's Chiyoda Ward in August 2017 which provides consultation on the usage and set-up of various devices related to the Internet of Things (IoT). Mr. Maeda explained that the call center was established in Tokyo "to secure talented, quality people." The 1,200 m2 call center holds about 90 people, including IT engineers and operators who were newly hired.

The company's strength is the finely detailed responses it provides through the center. "Repair services existed before the entry of Asurion in Japan, but there few if any services dispatching replacement phones within 48 hours," Mr. Maeda said, looking back at that time. The company focuses on employee



Masaaki Maeda
Strategic Advisor, Asurion, LLC

education to give proper responses to various customer inquiries. To improve training programs for advisors engaging in an operator job at the Chiyoda call center, the center is well equipped with a dedicated training room and 200 smart home devices. It takes six weeks for advisors to complete the training on the usage and set-up of IoT devices and customer responses before they begin taking calls.

Mr. Maeda said, "Most of the inquiries at the Chiyoda call center are centered on smartphone usage, as well as inquiries about how to set up and use customer-purchased IoT devices." The company boasts a resolution rate of 98%.

Toward the penetration of Asurion services in Japanese society

Mr. Maeda said, "There are many US companies who sell 'things' in Japan, but not so many who successfully sell 'services'."

The company strives to provide one-stop solutions to any inquiry. "For example, if you call an auto maker when you want to connect something to your car, the maker will probably refer you to a distributor. But we take care of such inquiries. It seems obvious that such a service would exist, but it did not. For this reason, our customers see great value in utilizing our services at a few hundred yen per month," Mr. Maeda said.

In the future the company hopes to provide protection services for IoT devices such as

smart home products as well. Mr. Maeda emphasized the fact that call centers and the IT/software industry in general is environmentally friendly and provides employment opportunities for both men and women. Mr. Maeda claims that Asurion's services "fit Japanese society well in terms of both environmental protection and employment promotion." He expressed his hopes for the future, saying, "IoT devices are likely to become more widespread from here on out. Through the services we provide to Japanese customers at this call center we hope to play an even larger role in Japanese industry and society."

Asurion Japan Holdings G.K., JETRO provided various information on the market, regulations and relevant legal systems and subsidy programs conducted by municipalities to attract call centers. In addition, it conducted an interview with Mr. Detter at Asurion, LLC and broadcast the footage on JETRO's US website for PR purposes. About JETRO's services, Mr. Maeda said, "Their detailed information about municipalities was helpful for location selection." In his interview, Mr. Detter also said, "JETRO provided information that would have been difficult for us to obtain on our own, allowing us to make prompt decisions."

JETRO's support

(Interview in October 2017)

For the establishment of the call center by

History of Asurion, LLC

1994	Establishment of predecessor company in Nashville, Tennessee, US
2001	Change of company name to Asurion
2002	Establishment of technology and logistics center
2003	Entry into Asian market (establishment of Asurion Asia-Pacific Pte. Ltd. in Singapore)
2010	Development of protection program for iPhone
July 2012	Establishment of Asurion Japan Holdings G.K. in Minato Ward, Tokyo
August 2017	Establishment of call center in Chiyoda Ward, Tokyo

Asurion Japan Holdings G.K.

Establishment:	July 2012
Business:	Provision of protection services for mobile phones
Parent company:	Asurion (US)
Address:	Ark Hills South Tower 11 F, 1-4-5, Roppongi, Minato, Tokyo, 106-0032
URL:	http://www.asurion.jp

Support from JETRO

- Provision of information on the market, regulations and relevant legal systems
- Provision of information on prefectural and municipal incentives
- PR support