## **Development of Co-Creation Private Brands Together with Customers**

MARUI GROUP is involving customers in the process of developing private brand products with the goal of responding to the lifestyle needs of all customers. Only those products that meet the demanding standards of customers taking part in the co-creation process are commercialized.

Shoes: Marui Rakuchin series shoes (Japanese only) voi.0101.co.jp/voi/webshop/collabo\_product/index.jsp

Pants: ru apparel brand (Japanese only)



The origin of MARUI GROUP's co-creation product development can be found in its Rakuchin Kirei Pumps, which were launched in 2010. The development process started with a survey of customers indicating that around 90% of them had felt discomfort with their shoes. Moreover, it was discovered that customers were unable to find pumps that satisfied all of their needs with regard to fashion, comfort, and affordability. We thus vowed to create just such pumps. We began by measuring customers' feet and analyzing the results to make original shoe trees. We then held product development meetings together with customers who had expressed dissatisfaction with the comfort of their shoes. Approximately 1,000 customers participated in the 60 meetings held each year, at which they tried on shoes and helped us in an ongoing cycle of checks and revisions. In addition, we expanded the number of sizes of these shoes; although prior shoe lines had only been available in seven sizes, Rakuchin Kirei Pumps are offered in 12 sizes, ranging 20.5 cm to 26.0 cm, providing an option for customers who had previously been unable to purchase such shoes due to a lack of sizes. As a result, Rakuchin Kirei Pumps proved to be a massive hit, selling an aggregate total of more than 3.0 million pairs<sup>\*1</sup> as of August 2016. Furthermore, we recently learned that many women feel similarly dissatisfied with pants sizes. We took action to address this issue by expanding the number of pants sizes offered in the Group's ru apparel brand from 10 to 12. This move won substantial customer support, thanks to which Hakata has been posting sales figures for women's pants that are six times higher than those at existing stores (as of June 30, 2016).

\*1 Total aggregate sales of Rakuchin Kirei Pumps as well as sandals, boots, and other shoes in the Rakuchin Kirei series

¥4.5 billion ¥3.6 billion ¥2.7 billion ¥1.6 billion ¥0.7 billion ¥70 million FY2010 FY2011 FY2012 FY2013 FY2014 FY2015 FY2016









Sales of Women's Shoes: Co-Creation Private Brands

¥4.7 billion