

# Press Release



November 26, 2019

transcosmos inc.

## transcosmos releases “KAGARI,” a self-developed service to acquire new customers effectively by “Future LTV”

### KAGARI enhances digital ads in terms of LTV by identifying continuous high-value customer segments

transcosmos inc. (Headquarters: Tokyo, Japan; President and COO: Masataka Okuda) has developed and released “KAGARI,” its self-developed service specifically designed for customer acquisition via digital ads. With the power of AI, KAGARI builds predictive models based on customer purchase data owned by clients, predicts each customer’s “Future Lifetime Value (LTV)” with the models, lists up and analyzes customers with a higher LTV and contribution, and ultimately delivers ads targeting customers with a higher “Future LTV.” By identifying long-term value of customers and running digital ads focused on their “Future LTV,” transcosmos will help clients acquire high-value customers effectively on their marketing strategies.

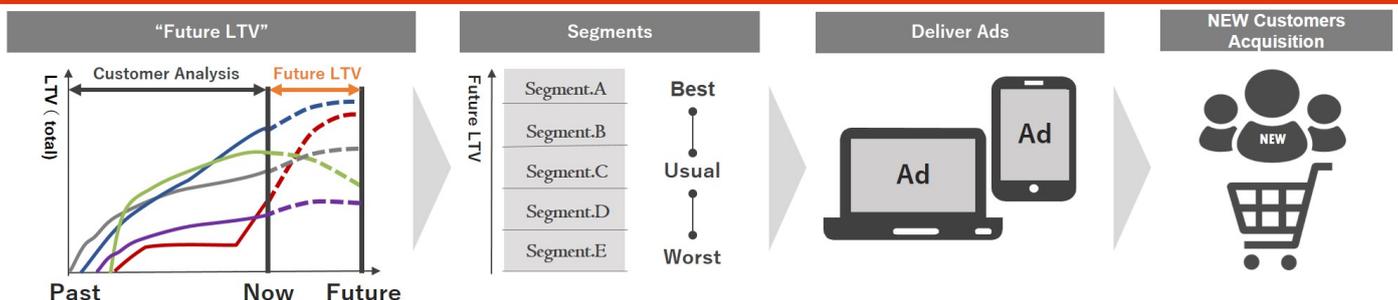


#### ■ “KAGARI,” a service that predicts “Future LTV” to approach new high-value customers effectively

Over the past few years, various strategies for nurturing customer loyalty have become key in marketing with the 5A’s model at the top of the list. Although the fact that LTV, one of the metrics in such strategies, has been drawing market attention for a long time, there has been no effective ad delivery method that is based on LTV. In fact, publishers and agencies have been delivering ads based on “traffic volume,” “CVR” and other indirect metrics. Then, transcosmos’s new service KAGARI calculates customers’ “Future LTV” with its proprietary AI-powered analytics technology, prioritizes and segments existing customers based on the value measured by the metrics, and ultimately delivers ads targeting “customers with real value.” By applying this process, KAGARI enables clients to effectively approach “new high-value customers with a higher LTV” that were otherwise difficult to identify.

Moreover, by assessing various customer segments with KAGARI, it can make a list to segment high value customers across multiple brands as well as execute initiatives to improve existing customers’ LTV in order to nurture such customers into loyal customers and to reactivate dormant customers. Furthermore, as purchase data is not allowed to include personal information, KAGARI makes it easier for clients to address data security issues and deploy the service smoothly.

### KAGARI Service Flowchart



### ■ About “Future LTV,” KAGARI’s proprietary metrics

By using AI-powered technology, KAGARI first builds its proprietary predictive models such as “expected purchase probability” and “expected purchase amount,” then calculates LTV based on such predicted data and ultimately comes up with the new metrics, “Future LTV.” In addition, clients can utilize KAGARI to reach customer segments that are expected to grow rapidly by grasping the gap between the current LTV and the “Future LTV.”

transcosmos will continue to improve the level of KAGARI’s LTV prediction accuracy while building knowledge and experience. At the same time, with the aim of offering integrated marketing services that match client needs, transcosmos will expand the areas where it applies the new prediction metrics “Future LTV,” going beyond advertisement service to e-commerce, digital experience and to contact center (call center) services.

\*transcosmos has filed trademark application for “KAGARI.” Current status: registration pending.

\*transcosmos is a trademark or registered trademark of transcosmos inc. in Japan and other countries.

\*Other company names and product or service names used here are trademarks or registered trademarks of respective companies.

### About transcosmos inc.

transcosmos launched its operations in 1966. Since then, we have combined superior “people” with up-to-date “technology” to enhance the competitive strength of our clients by providing them with superior and valuable services. transcosmos currently offers services that support clients’ business processes focusing on both sales expansion and cost optimization through our 167 bases across 30 countries/regions with a focus on Asia, while continuously pursuing Operational Excellence. Furthermore, following the expansion of e-commerce market on the global scale, transcosmos provides a comprehensive One-Stop Global E-Commerce services to deliver our clients’ excellent products and services in 48 countries/regions around the globe. transcosmos aims to be the “Global Digital Transformation Partner” of our clients, supporting the clients’ transformation by leveraging digital technology, responding to the ever-changing business environment.

<https://www.trans-cosmos.co.jp/english/>

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