

Japan Post Co., Ltd.

Supporting better postal service in Vietnam through hands-on consulting and big data analysis

Service: Enterprise Cloud



Yuichiro Hara
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"NTT Com, with its vast expertise in global business, is a highly reliable partner in the execution of overseas consulting service."



Shiro Uchiyama
Specialist
International Business Division
Japan Post Co., Ltd.

"The cloud based system is flexible enough to meet future business expansion needs and can be horizontally applied to other countries."

Customer profile

Name: Japan Post Co., Ltd.

Revenue: JPY 3,627,007 millions (as of March 31, 2016)

Business: Using resources that include post offices and delivery networks in every corner of the country, Japan Post Co., Ltd. provides services tailored to the needs of each community. The company's major businesses (postal, banking and insurance) contribute to the realization of closer ties between people and better lifestyles.

URL: www.post.japanpost.jp

- Challenges**
 - Share post office operation know-how based on knowledge of local situations
 - Find a global vendor of systems and networks to help grasp situations abroad
- Solution**
 - Use NTT Com's one-stop infrastructure, systems and network service
 - Use the performance and scalability of NTT Com's broadband networks and cloud
- Benefits**
 - More accurate operational planning through the correction of mail delivery problems
 - Higher customer satisfaction through higher quality postal service in Vietnam

Challenges

Share advanced postal technologies with other countries via consulting service

Japan Post Co., Ltd. is a member of the Japan Post Group and operates approx. 24,000 post offices nationwide that provide universal postal, banking and insurance service. Through community-based services, Japan Post Co., Ltd. aims to be "an integrated lifestyle-support corporation" that helps customers realize better lifestyles.

While reinforcing operations domestically, Japan Post Co., Ltd. is also making efforts to strengthen its business overseas. For example, it is actively selling vast accumulated postal service know-how to countries abroad. This includes postal operation consulting services that are currently being offered to emerging Asian countries.

"Japan has nearly 140 years of postal service history. Our fast and accurate postal system is praised as one of the world's best, and some countries are committed to raising the standards of their postal systems by employing our technology," explains Mr. Yuichiro Hara at Japan Post.

In January 2015, the governments of Japan and the Socialist Republic of Vietnam signed a Memorandum on Cooperation (MOC) in the Postal Field in which Japan Post agreed to provide consulting services to Vietnam Post (hereafter VN).

Specialists from Japan Post conducted field studies on local postage systems in Vietnam and uncovered various issues.

One example was the piling up of huge numbers of untouched packages at mail sorting centers. Mr. Shiro Uchimura of Japan Post explains, "delivery of an increasing number of packages was delayed due to such issues as the rapid growth of e-commerce. Sorting machines existed in these centers, but they were left unused and covered with dust. Almost all services had problems that required improvement and VN was seriously concerned."

To improve the services, Japan Post proposed fundamentally redefining everything from facilities and organization to handling procedures. Above all, Japan Post prioritized “shortening the delivery time of mail and packages” to increase user satisfaction. Based on this goal, Japan Post began planning a system that would visualize delivery status.

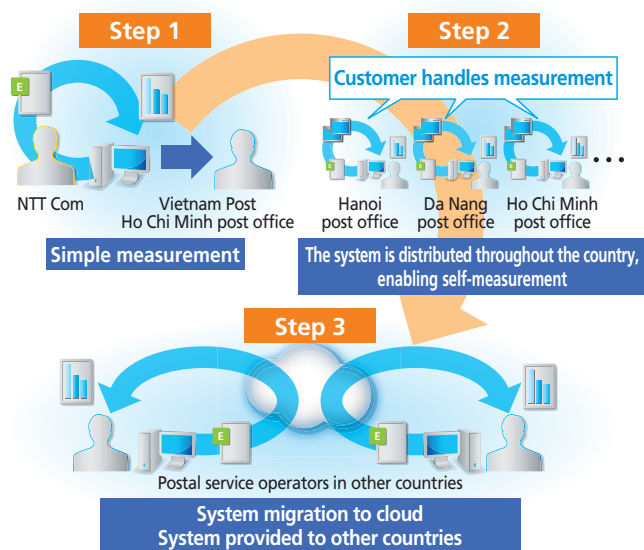
“Fortunately, much like Japan Post, VN had kept detailed records on their customers’ registered mail and small parcel. So a database infrastructure was already in place. Japan Post planned to use VN’s tracking data to analyze delivery speed between post offices. Since this would require additional systems and solutions, Japan Post began searching for the right partner,” Mr. Hara said.

Solution

Construct systems operated locally via NTT Com’s integrated global solutions

In the partner selection process, Japan Post had two major requirements. First, the vendor had to be capable of deploying services globally because the client was a company in Vietnam. Second, the vendor had to be capable of providing integrated services including IT infrastructure, networks and BI (business intelligence) systems because the enormous volume of daily tracking data would require seamless, secure processing. “The decisive factor in choosing NTT Com was its integrated capacity to provide one-stop service covering systems, infrastructure and all related

Diagram: The present and future of JP Consulting services



Through consulting service, JP helps customers improve their postal services and run them autonomously. In the future, JP will similarly apply this system in other countries.

services. In the consultation business, our ultimate goal was to build a framework that could be operated by our customers autonomously. This meant VN should eventually be able to deal directly with the vendor. As a one-stop service vendor, NTT Com could meet this requirement. NTT Com’s ownership of data centers and offices in Vietnam also meant we could rely on its on-site trouble-shooting service. We felt we could trust NTT Com to carry on with our project with VN,” said Mr. Hara.

Needless to say, the outstanding quality of NTT Com’s solutions was also highly valued. NTT Com’s broadband networks and Enterprise Cloud, the IaaS offering scalability only possible through cloud service, could sufficiently handle the massive data. Moreover, NTT Com’s worldwide network in over 200 countries would flexibly support Japan Post’s future plans to apply the system built for VN in other countries as well.

Benefits

Optimized logistics, labor allocation and more by taking advantage of data

In collaboration with NTT Com, Japan Post constructed a system for analyzing the delivery speed of domestic mail in Vietnam. The final checking stage is now underway and a roadmap is being prepared towards the official launch of service.

“The database that accumulates postal tracking data has migrated to Enterprise Cloud. There is also a BI system on Enterprise Cloud that analyzes the data and displays it as charts, etc., for easy visualization of planning and implementation of improvements,” explains Mr. Hara. Japan Post will continue to provide VM with postal operation know-how for an agreed upon period of time, but VM will ultimately manage the BI system, check NTT Com’s reports and operate autonomously. Through the visualization of delivery speed, it becomes easier to improve various tasks, such as the optimization of logistics channels between post offices, and adjust the allocation of labor by time zone and workplace.

“When introducing new ideas to workers accustomed to a traditional workflow, objective data is absolutely necessary to convince them to accept the idea with minimal resistance. We are hoping the system we constructed this time will help Vietnam Post improve service quality and become a strong asset in Japan Post’s consulting service,” Mr. Uchimura remarked.

Currently, the average postal delivery time between Hanoi City in the north and Ho Chi Minh City in the south is 6 days. After optimizing the infrastructure and operations, we expect to reduce the delivery time by 2 days. Mr. Hara explains, “This will no doubt greatly improve evaluations of Vietnam Post by the Vietnamese people”.

Crossing national borders, Japan Post is working to improve postal service with the support of NTT Com.