

Hakuhodo forms a capital and business partnership with AI experts

Laboro.AI

Offers made-to-order AI solutions for a host of marketing challenges

Tokyo—August 03, 2022—Hakuhodo Inc., a leading integrated marketing and innovation company headquartered in Tokyo, is pleased to announce that it has formed a capital and business partnership with Tokyo-based Laboro.AI Inc., through a stock acquisition. Laboro.AI possesses a high level of expertise in artificial intelligence (AI), including supplying custom AI systems. The partnership will enable Hakuhodo to offer faster support to clients seeking to grow their business through digital transformation (DX).

Thanks to advances in digital technology, *sei-katsu-sha*¹ now constantly interact with everything around them. That has led to an increase in the types and volume of *sei-katsu-sha* data. Companies are starting to leverage the resulting big data. Marketers too need to take their marketing to a new level by using new technologies like AI to better understand *sei-katsu-sha* insights and enhance the value of the customer experience.

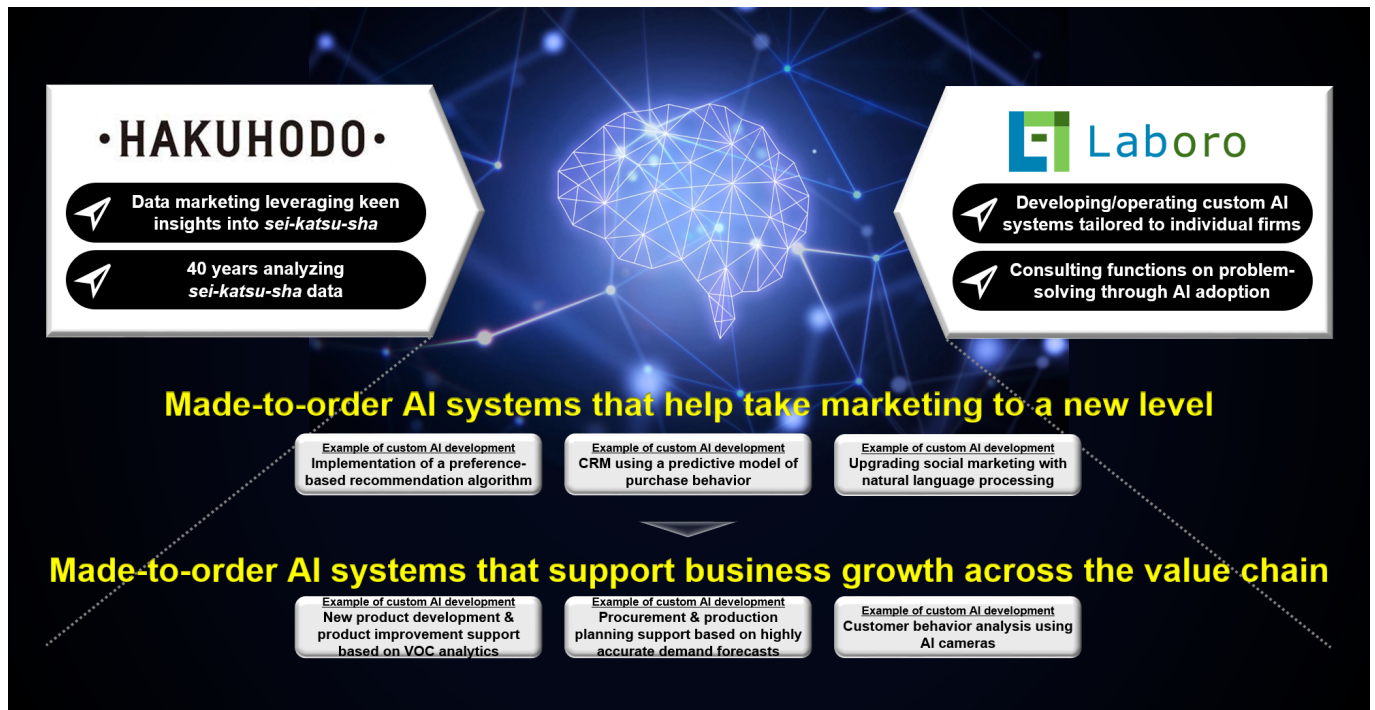
Hakuhodo has a track record of helping clients grow their business by applying full-funnel, data-driven marketing to deliver one-stop solutions, from identifying marketing challenges to finding answers to them.

Laboro.AI develops custom AI systems in a wide range of technical fields, including image recognition, natural language processing, and voice recognition. It also offers consulting on AI rollout and implementation. By leveraging its technical knowledge of AI, coupled with its understanding of how business is actually done, it has built a track record of supporting clients in transforming their business across the value chain. It helps them with problem-solving, developing new business ventures, and more.

Under the new partnership, the two companies will organize a team dedicated to delivering made-to-order AI solutions to marketing challenges confronting clients in many different industries. By combining Hakuhodo's marketing prowess with Laboro.AI's AI expertise, this team will offer a full range of services, from using AI to identify and define challenges and recommend solutions, to development, commercial implementation, and operation of AI systems matching each company's requirements. It will deliver made-to-order solutions tailored to the individual client's challenges and *sei-katsu-sha*'s needs. One example: developing and implementing a preference-based recommendation algorithm. Another example: upgrading CRM using a predictive model of customer behavior.

¹ “*Sei-katsu-sha*” is a term we use to describe people not simply as consumers, but as fully rounded individuals with their own lifestyles, aspirations and dreams.

In the future, besides helping clients take their marketing to a new level, the two companies intend to deliver made-to-order AI systems across the value chain. They will also deliver advanced AI services designed to support business growth across all sections of the supply chain. These include, for example, production planning support using demand forecasts, new product development support based on VOC analytics, and customer behavior analysis using AI cameras.



• About Laboro.AI Inc.

Laboro.AI Inc. is in the business of developing and supplying made-to-order AI solutions in the form of custom AI systems. Its mission is to transform industry across the board by bringing businesses cutting-edge AI and machine-learning technologies being researched in academia. It helps companies reform their core business regardless of what sector they operate in. This crack team of AI specialists is widely recognized in Japan for its expertise.



Location: 3rd Fl., Ginza GS Bldg. 2, 8-11-1 Ginza, Chuo-ku, Tokyo

Established: April 1, 2016

Co-founders: Tetsuo Shiihashi, CEO, and Hiromasa Fujihara, COO and CTO

Business: Development of made-to-order machine-learning-based AI systems, consulting on installation of custom AI systems

About Hakuhodo

Founded in 1895, Hakuhodo is an integrated marketing solutions company headquartered in Tokyo, Japan. With offices in 20 countries and regions, and over 10,000 specialists working in Japan and around the world, Hakuhodo is the world's second largest advertising agency according to *Ad Age's* "Agency Report 2022." The company is the core agency of the Hakuhodo DY Group.

Sei-katsu-sha insight is the foundation for Hakuhodo's thinking, planning, and brand building. It reminds us that consumers are more than shoppers performing an economic function. They have heartbeats. They are individuals with distinct lifestyles. Hakuhodo introduced this term in the 1980s to emphasize its commitment to a comprehensive, 360-degree perspective on consumers' lives.

With *sei-katsu-sha* insight as its cornerstone, Hakuhodo combines creativity, integrative capabilities, and data and technology to play a leading role in evolving companies' marketing activities and generating innovation for the completely digitalized era. This enables the company to impact and provide value to *sei-katsu-sha* and society.

Renowned for its creativity, Hakuhodo has won the Grand Prix at Cannes Lions International Festival of Creativity twice, and was named Network of the Year at ADFEST 2021.

To learn more, visit: www.hakuhodo-global.com

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