DELIGHT

[Report] Report on the achievement of automation and decentralization of company operations by DX
To an automated and decentralized management model for the next 10 years

DELIGHT,Inc. (Chiyoda-ku, Tokyo, CEO: Hiroyuki ANNO), a sports platform business, has been practicing an automated and decentralized management model for the next 10 years since November 2016, and realized the management model on Thursday, November 11, 2016. some of the findings from the 5 years of practice are shared today. We will share some of the insights we have gained during our five years of practice today.

■**Background**
According to the "SaaS Usage Survey Report(in Japan market)" released by Metaps Inc. in December 2020, "Companies with less than 10 SaaS installations account for 80% of all companies, but there are companies that use nearly 100 services." This is the result.
SaaS Usage Survey Report: https://www.metapscloud.com/report_20201229.html

■**Content**
Our company has no so-called employees at the moment, only "professionals" such as the CFO, except for the CEO. As a result of actively promoting the structuring and automation of the company's operations since November 2016, we have gained the following insights through the use of SaaS, which we would like to share with you. Salesforce, which covers all processes from the front desk to management, is the most important IT infrastructure in our company and we have been using it since 2007.

Number and subscription fee ratio of SaaS essential for company operation that we have implemented

business process	Number of SaaS infrastructure	Percentage of annual subscription fee
Front Desk(PR/Marketing/Sales/CS)	22	74.1%.
Operations / Back Office	14	24.0%.
management	8	1.9%.
	Total 44	100.0%

Qualitative and quantitative effects in each business

business process	qualitative effect	quantitative effect
Front Desk(PR/Marketing/Sales/CS)	Realization of a wider range of sales activities ・Improvement in the frequency ofsales	Changes in sales are difficult compare simply because of the Corona disaster so we are currently conducting trials .
Operations / Back Office	Strengthen management system ・Increase efficiency and reduce costs ・Reinforce expertise	In some cases work time was reduced by more than 90%.
management	Improvement ofquality of management Reinforcement of management know-how Strengthen the OODA Loop ・Efficiency	Reduction of work hours by 80% Yes

Employee training under this management model
We have external professionals but no employees, so there is no need for training to improve business knowledge or skills, which costs time and money

Each of the service providers that provide SaaS upgrades their versions several times a year from the perspective of customer success and by listening to the requests of the companies that use their services, including us, so our ability to execute automatically improves.

Comment from Hiroyuki ANNO, CEO of DELIGHT,Inc. :
The introduction of SaaS has dramatically shortened the time we need to search for something. Instead of looking for a system that fits our traditional workflow, we found a reliable and scalable SaaS solution, and changed our processes to fit the knowledge we gained from it, which is a patterned approach. We've been able to augment our accounting and finance expertise by learning from SaaS. When it comes to creative, such as video, we've been able to differentiate between what's important and what we want to produce quickly, and how we produce it, depending on our objectives. Our company's goal is an "**automated and decentralized management model.** That's why we're going to continue to look for and experiment with advanced SaaS around the world. We also want to put even more emphasis in the future on people who can ask us to do things that SaaS can't do, or who can bring new ways of thinking and diversity to the table.

[About the future direction of DELIGHT, Inc.]
The term "Full Stack CEO" was mentioned by Greg Sands of *Costanoa Venture Capital* in 2016. We will further refine our management model and implement a new model of company management as a globally active startup.
https://venturebeat.com/2016/03/19/were-entering-the-era-of-the-full-stack-ceo/

[About DELIGHT, Inc.]
Founded in 2000 and established in 2011. With the mission of "Solving social issues through sports", we will solve social issues through our know-how cultivated in the sports business. The AI phone "DELIGHT Assistant" introduced in this release is a cloud system created for the company's own use to respond to inquiries about marathon events we organize.

[About Hiroyuki ANNO]
In 1994, he majored in neural networks (AI) at the Department of Electrical Engineering, Faculty of Science and Technology, Keio University. After graduation, he joined Itochu Corporation, where he was engaged in planning, management and development of IT core systems(ERP). In 2000, he founded DELIGHT, Inc. and started the sports platform business. In addition to working as an agent for athletes and organizing sporting events, he also spent six years in the marketing department of a major foreign food manufacturer, using his technological strengths to provide support services.

For inquiries regarding this press release, please contact the following
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Detailed report follows:

(Reference)
About Front Desk (RR/Marketing/Sales/CS)

We get most of our leads from press releases, direct mail and videos. Now that we can send out many press releases, we can broaden the scope of our PR activities, and it is easier for us to measure the effectiveness and adjust our strategy.

business process	Previous Situation	Current Status	Factors for achievement and numerical effects
Press Releases	Domestic: Cost burden is too heavy and delivery is limited to a few times a year Overseas:Not possible due to high cost not yet established the request method and effectiveness measurement method	Domestic: Several times a month. Automated to ad conversion value Overseas: Can be distributed with the same frequency as in Japan	**Factors for achievement:** - Introduction of multiple SaaS according to the purpose Establishing a method to convert Japanese to foreign languages using translation tools, and then re-convert foreign languages to Japanese to check for correctness. **Numerical effect:** Can be distributed as many times as you want for a fixed cost of less than several hundreds of USD per month, including overseas distribution
new business	Search on the Internet and phone call Participation in social events, etc. Referrals from friends and acquaintances Response from press releases, advertisements, etc.	Make a list of companies through various searches, and conduct individual sales. The contact history is centrally managed on SaaS, and sales are focused on high-priority customers based on AI scores and other factors. Classification of high touch, low touch and tech touch sales	**Factors contributing to the achievement** prepare a highly accurate list of companies to sell to **Number effect:** Number of new clients per sales person per month Before: dozens to hundreds new account per person Now: up to several thousand account per person

marketing analysis	If necessary, refer to the management screen of each advertisement and social tool to understand the effect, consider countermeasures, and implement them. Log data is imported into the data warehouse by engineers for cross analysis	Centralized management of SEO, SEM, and social with analysis tools, and immediate grasp of the current status on the management screen	**Factors for achievement:.** Introduction of SaaS for centralized management of online activities **Numerical effect:** · SEO/SEM analysis Before several hours / times Now 2 minutes / times Competitor analysis on the Internet Before: Several hours/time Now: 2 minutes/time

Corporate site, EC site	Server monitoring, barge
	
	  up, secu
	
	  Response to the needs of customers, etc.
	
	  system operation load
	
	Customer data is stored internally.
	
	  CRM and EC are managed separately
		No system operation load
		
		Customer information is centrally managed on salesforce.
		
		New functions can be realized without development by including apps.
			Factors for achievement Introduction of the EC platform shopify
			
			There are several methods of data integration between the world famous salesforce and shopify, and we were able to achieve it by researching in English.
			
			Numerical effect:
			Engineer operating hours
			
			Before: 10 hours per month
			Now: Less than 1 hour per month

Videos, Banners	The process of finding outside creators, getting quotes, placing orders, and revising, even for simple video creation. It's expensive, time-consuming, and a huge burden.	Create with templates on SaaS. Less important items can be released as is, and can be used as many times as you like, so you can work on them easily and modify them easily. Select creators for important videos and take the time to	**Factors for the achievement:.** The ability to use SaaS and creators according to the level of importance. **Numerical effect:** Number of videos produced Before: A few per year Now: A few per month

		commission them	
answering machine	I had to forward calls to my company phone or my cell phone. I also spent a lot of time answering sales calls.	The AI phone provides the first response, and depending on the situation, the call is transferred to a human or the call is returned.	**Factors for achievement:.** Introduction of "[DELIGHT Assistant"](#) AI phone for our service **Numerical effect** Before: Outsourcing to call center Now: More than 90% of answered by in-house AI phones (including messages)
schedule coordination	We corresponded with the coordinating party by email or phone, contacting them several times about the date, time, and meeting place. The same flow applies to schedule changes.	Prepare and send a link to adjust your schedule by online, offline, or meeting time. Even when you change your schedule, you can complete it online.	**Achievement factor:** Use of SaaS that supports multiple languages, multiple time zones, and even automatically issues video conference URLs **Numerical effect:** Before: 5 minutes/case Now: t 30 seconds/case
Inquiry Response	Dedicated support email address	Respond to each customer based on their inquiry history, purchase history and sales history Currently promoting to improve customer success	**Factors contributing to the achievement: - Sales force implementation** [Salesforce](#) implementation **Numerical effect:** not yet evaluated

About Operations

business process	Previous Situation	Current Status	Factors for achievement and numerical effects
Services Site Management	We run our own cloud servers. There is little respite in terms of server resources or anti-hacking measures.	We use managed services and blockchain. Therefore, the server never stops and automatically recovers in case of failure For important IT infrastructure, we use multi-cloud to prevent system down time even if one company has a system failure. Respond to hacking and DDoS attacks with a platform provider that possesses the most advanced technology	**Factors for achievement:.** Introduction of multiple platforms for different purposes such as HEROKU. **Numerical effect:** Before: more than a dozen hours per month, Now: 0 hours per month
ISO27001 (ISMS) maintenance and management	It seems to be difficult to acquire and maintain and operate, so I gave up acquiring it.	The system has been successfully acquired and maintenance and operation has been automated and labor-saving.	**Factors for achievement:.** Gathering information on the latest security-related incidents, confirming the current status of security at business partners, and purchasing for administrators is handled by Seculio **Numerical effect:** Before: Gave up acquisition Now: certified and being maintained

Business Manual	Create in word or powerpoint. Share by email distribution. Some issues with version control, etc.	You can create manuals not only in the office, but also at events and other sites where manuals are needed, using a smartphone. We have introduced multilingual tools and are sharing our know-how and procedures with foreign staff living overseas in just a few clicks using text, photos and videos.	**Factors behind the achievement of** Introduction of teachme Biz **Numerical effect:** ・Time required for updating and distribution Formerly 60 minutes / time Currently about 20 minutes / time Update frequency Before: Several times a year Now: Whenever necessary (12 times a year or more)
project management	Select and utilize Excel, spreadsheets, and various progress management tools for each project	Regardless of the project, we divide it into four layers: "Project," "Job," "Todo," and "Schedule" resource planning, progress management, and various visualizations	**Achievement factor:** implementation of teamspirit running on salesforce infrastructure **Numerical effect:** Before: Only project-specific status monitoring was possible Now: Company-wide and project-specific status monitoring is possible on the dashboard.

About Back Office

business process	Previous Situation	Current Status	Factors for achievement and numerical effects
invoicing	Post the details of the quotation to the accounting system that issues the invoice, affix your seal, and mail it.	Transmit negotiation data from sales force to accounting system when making quotation. No need to post invoice details. Invoices can be mailed or emailed in a few clicks.	**Factors for achievement:** ・Introduction of the accounting system "freee" ・Changes in the times **Numerical effect:** time to prepare and send invoices Before: 25 minutes/case Now: 5 minutes/case

Payment status confirmation and internal sharing	Log in to each bank system to download statement data and import it into the accounting system manually.
	
	Transactions that have not been received after being posted in the accounting system listed and communicated to the sales person in charge
		Each bank statement is linked to the accounting software API, and can be automatically imported with a few clicks. Routine processes can be registered in advance and sorted automatically.
		
		Invoicing and payment information can be checked on the sales force used by sales staff.
			Factors for achievement: introduction of the accounting system freee
			
			Numerical effect:
			- Frequency of bank statement importing
			  Before: Several times a month
			  Now: Every day
			
			Payment status sharing
			  Formerly: 10 minutes / case
			  Current: 3 minutes / case

payment	Download the payment information from the accounting system and set it in the banking system. When the number of cases is smallremittance can be booked manually handledby financial institutions	Since the financial institution's Internet banking system and the accounting software are linked by API processedthe information on the accounting system	**Factors for achievement:** introduction of the accounting system freee **Numerical effect:** standard time to complete payment booking Before: 10 minutes per case Now : 2 minutes per case

| demand for payment | When acquiring new customers, search for company information and representatives on the Internet and check various information.

When payment is late, we email, call, or visit to collect. | For new customers in Japan, we have introduced a tool that semi-automates the credit and anti-corruption check processes and completes them online.

In the event that domestic accounts receivable become difficult to collect, the guarantee company will pay within a few business days, allowing you to concentrate on your business with peace of mind.

However, we have rarely had difficulty collecting accounts receivable in Japan, and when credit is not available, we ask for advance payment.

As for SaaS, there is no credit risk due to prepayment. | **Achievement factor:** Introduction of accounts receivable guarantee system

Numerical effect: Before**:** Accidents once every few years.

Now: When credit approval is not granted we ask for advance payment to avoid risk

No accidents cases accounts receivable guarantees approved |
| tax filing duties | Manually input financial data into tax software and submit after preparation. In some cases, we provide consultation services at the tax office. | After closing the accounts, the electronic application is completed in a few clicks. | **Factors for achievement:** introduction of freee tax return

Numerical effect Before: Approximately 3 weeks from posting of financial data to completion of tax returns

Now: A few days after the close of accounts |

Social insurance, income tax payment, etc.	Visit social insurance offices, etc., and write down the information on a piece of paper while discussing it at the counter. Income tax is paidvisiting the bank	Process according to the information about what needs to be done next on SaaS. Great know-how reinforcement effect. Income tax can be applied and paid by e-Tax.	**Factors for achievement:** implementation of [freee HR](#) and [smartHR](#) **Numerical effect** Before: Time spent on monthly processing15 hours or more Now: 2 hours.
Conclusion of contract	After agreeing on the contents of the contract, it is printed, bound with paper tape stamped in-house After that, we visit the post office and send two copies by registered mail. After return, manage by file Contracts with overseas customers areconductedby fax	After agreeing on the contents, confirm the person in charge of the destination, and send it by SaaS with electronic signature.	**Factors for achievement:** introduction of e-signature SaaS **Numerical effect:.** Time taken to conclude a contract Before: 45 minutes per case Now: 5 minutes per case

About corporate management

business process	Previous Situation	Current Status	achievement factor
Business planning and forecast management	Business plans are created by piling up figures in Excel and other formats. For forecast and actual management, data from accounting software is posted to Excel.	The business plan is processed by calculating backward from the goal to be achieved. When there is a change in the plan, the latest data is reflected instantly. Compare your company's sales	**Achievement factor:** adoption of [projection-ai](#) **Numeric effect.** Frequency of updating and reflecting on the business plan Before: Once or twice a month

		and other data with those of other successful companies to see where you stand	Now: Every day
Management of shareholders' register and convocation of general meetings of shareholders, etc.	Manage shareholder names in Excel. Create a notice of convocation and agenda for a shareholders' meeting from scratch in Word	Achieve labor saving by managing the history of shareholdings and handling everything from convocation to proxy processing on SaaS. Convocation of general meetings of shareholders and various processes are created from templates to reinforce know-how and save labor. You can compare your company's position with the data of other companies that have successfully increased their capital.	**Achievement factor:** adoption of smartround **Numeric effect.** Shareholders' Meeting Convocation and Proxy Statement processing Before: 15 hours per session Now: 2 hours per session