



# The “FamilyMart Feel” Campaign

*Strengthening brand identity and implementing organizational reforms*

Amid intensifying competition in the convenience store industry, clear branding is essential for us to remain the convenience store of choice.

In this Special Feature section, we provide an overview of the various branding activities that have been implemented since fiscal 2005 under the “FamilyMart Feel” campaign.



**Q** What was the background to the “FamilyMart Feel” campaign?

***The establishment of a clear identity is crucial to success.***

Intensifying competition with rival convenience store chains, growing popularity of online shopping, and a diversification in customer values have made it difficult to win customer loyalty merely on the basis of convenience, which has been the most attractive feature of convenience stores until now. Faced with these circumstances, some younger employees raised the question of which features give FamilyMart its competitive strengths and enable it to clearly differentiate itself from its rivals. The employees then proposed the “FamilyMart Feel” campaign. The key point is that this campaign began as a “bottom-up” initiative, rather than in response to orders from the top.

## The Value Provided by FamilyMart

### Convenience

The basic value (function) of convenience stores

*Convenient & easily accessible*



### Friendliness and Fun

FamilyMart’s added value (emotional value)

*“Touching people’s hearts”*



**Hiroshi Iwasaki**  
General Manager  
Marketing Department  
Corporate Planning Division

**Q** What are the unique features of FamilyMart — what you call the “FamilyMart Feel?”

***We are building a brand identity centered on friendliness.***

For a convenience store chain, the brand identity is a composite of impressions customers receive from the store’s products, retail environment, friendly service, and advertising. Thus, we must clarify what FamilyMart aims to provide its customers as a convenience store, and then ensure that all its corporate activities are working in the same direction.

We undertook a review of FamilyMart’s positioning in the industry. In the fall of 2004, we conducted a large-scale image survey for convenience stores. What we found is that an overwhelming majority of customers indicated “Friendly” as their main impression of FamilyMart. This may be partly due to the fact that “Family” is part of the Company’s name. Leveraging the strength provided by this positive image and the company name, we aim to establish a genuine heart-to-heart connection with our customers, rather than merely offer convenience. We have identified the value we can provide as being “Convenience, Friendliness, and Fun.” It is the spirit of “hospitality” (treating visitors as guests) that makes this possible. We will be required to continue providing convenient services, which is the basic function of convenience stores, along with friendliness and fun. The value-added that FamilyMart provides are features not usually found in conventional convenience stores — a sense of healing and happiness. These are positive, emotional value — added qualities that touch people’s hearts.

It is not that we enjoy being different, but rather that as a member of the service industry when we do what is expected of us the customer is sure to be satisfied. At the same time, by maintaining an awareness of the importance of “touching people’s hearts” through the extension of hospitality, we aim to continue to promote the “FamilyMart Feel” as our brand image.

## Main Points

1. "Bottom-up" branding activities (stemming from employees' initiatives)
2. We aim to communicate the distinctive features of FamilyMart by providing convenience, friendliness and fun
3. The "FamilyMart Feel" campaign is increasing customer loyalty and helping to transform our corporate culture



**Q** What activities are being implemented as part of the "FamilyMart Feel" campaign?

*The following are our strategies for differentiation and the drivers of our future growth.*

These activities can be divided into two categories. One category is outward-looking, focused on the customer. Such activities, as examples of "outward branding," require that the "FamilyMart Feel" campaign be reflected in all of our corporate activities. The other category is inward-looking, the priority of which is to get employees and franchise store staff to understand our corporate vision and improve the quality of communication. These efforts not only facilitate the implementation of the "FamilyMart Feel" campaign, but also invigorate our chain as a whole and contribute to the transformation of our corporate culture.

Inward-focused and outward-focused branding activities have been undertaken through concerted efforts for over four years. Below is an explanation of the types of results that have been achieved through these efforts.

With regard to the overall customer response, FamilyMart was rated No. 1 among convenience store chains in a survey of 20-year-olds conducted in 2009. Thus, we are seeing a steady rise in the support rate for the FamilyMart chain, backed by a protracted upward trend in the average number of customers over the past two years.

Within the Company, these activities are bringing new energy and enthusiasm to our corporate culture by allowing individuals to make proposals and take action based on their own assessment of the situation. To respond to our customers' growing expectations, we are seeking greater cooperation from our employees and franchise store staff in our pursuit of the "FamilyMart Feel" and are thus creating a virtuous cycle.

In short, our "FamilyMart Feel" campaign is a strategy for differentiation aimed at raising our enterprise value. We also expect that this campaign will continue activating our organization and serving as a driver of sustainable growth.

To remain the "convenience store chain of choice" among our customers and continue to be a rewarding chain for which to work for both our employees and our franchise store staff, we will make further efforts group-wide to implement our "FamilyMart Feel" campaign.



# Incorporating the “FamilyMart Feel”

## Our primary differentiation strategy

All of our corporate activities are aimed at successfully incorporating the “FamilyMart Feel” — to realize our vision of offering “Convenience, Friendliness and Fun” with the aim of remaining the convenience store of choice. The following is a partial list of the “FamilyMart Feel” campaign guidelines, as well as examples of actual initiatives being undertaken.

### Products that aim to embody the “FamilyMart Feel”

Eight product concepts that “touch people’s hearts”

- Products that instill a sense of “family” and “home”
- Products that are not for one’s own pleasure alone, but to be shared with others
- Products that promote relaxation, a general sense of well-being and refreshment
- Products that offer genuine quality at affordable prices
- Products with a nostalgic appeal, that evoke a memory or an experience
- Products embodying playfulness
- Products that customers helped to create, and which they can enjoy
- Products that are eco-friendly or that somehow make a contribution to the community

### Developing products that represent the FamilyMart Chain

We have focused on the strengthening of the three priority product categories of pasta, fast food, and desserts, based on the preceding eight concepts. In fiscal 2008, sales in all three of these categories exceeded the previous-year levels, and products in these categories have won a loyal following among FamilyMart customers. In fiscal 2009, we aim to bolster chilled-cup drinks as a fourth priority product category.



“Welcome Home”



### Creating products that completely capture the “FamilyMart Feel”

To further clarify these eight core concepts, we have devised a list of 50 key words to guide actual product development. Products developed using these key words are evaluated by members from all departments in our Merchandising Division from the viewpoint of third parties. Assessments are made as to whether each product adequately conveys the spirit of our motto “Convenient, Friendly, Fun.” Only those products which fulfill this requirement are recognized as “FamilyMart Feel” products. In addition, once every three months a follow-up evaluation is conducted to confirm the degree to which each product matches the keywords, and to note each product’s sales performance. The results of evaluations are reported back to product representatives, and this feedback is taken into consideration in the further development of “FamilyMart Feel” products.

### Advertising that captures the “FamilyMart Feel”

Our priority is to create uplifting ads that communicate to customers the attractive features of our products and services.

### Confirmation of consistent use of slogan and uniformity of our message

In the Corporate Message Survey 2008 conducted by Nikkei BP Consulting, Inc., the FamilyMart slogan in Japanese “Anata to Combi ni, FamilyMart” (English version: “FamilyMart, Where You are One of the Family”) placed second among 290 companies in terms of the corporate name recognition rate, which indicates the fondness with which people regard FamilyMart.

## Main Points

1. Reflecting the "FamilyMart Feel" in all of our corporate activities
2. Specifying products, retail environments, advertisements, and friendly service as points for direct contact with customers, we have drafted guidelines and are making a consistent, ongoing appeal
3. Rather than implement the campaign in a uniform manner nationwide, we are tailoring the message to match the character of individual stores



## Retail environments that capture the "FamilyMart Feel"

Our priority is the provision of stores that function as comfortable, inviting places in which customers can relax and spend an extended period of time, while receiving genuine hospitality.

### Examples of how we work to create stores that are pleasant and inviting

- POP displays with friendly messages.
- Use displays that convey the changing seasons.
- Renovate the restrooms to make them more attractive and pleasant for customers.

## FamilyMart aims to provide opportunities for interaction with customers and the local community

Valuing the opportunity for interaction between individuals, we welcome our customers warmly — like family.

### Examples of showing sincerity in interactions with customers

- During the summer, present customers who purchase *bento* products with a cool, moist paper napkin.
- Understand the importance of making small talk with customers.
- Make available shopping baskets for children at stores where a high proportion of customers are accompanied by children.

### Examples of promoting interaction with the local community

- Sponsor fun events including a portrait contest at the local day-care center.
- Set up a booth at local sports events for elementary school children to promote interaction with the local community.
- Set up a booth at neighboring nursing homes.
- Conduct cleanup campaigns at neighboring parks.



Air pump for refilling bicycle tires



Small shopping baskets for children

## We regularly receive warm messages of thanks from our customers

At FamilyMart franchise stores, we are putting increasing emphasis on hospitality. We are pleased to note that there has been a rise in letters to the FamilyMart headquarters praising our products and services as well as expressing words of appreciation. In fiscal 2008, there was a 40% rise in such correspondence from the previous year. Furthermore, in terms of store development, such examples of hospitality are well received, and tend to have a ripple effect, leading to the opening of new stores.

*Today, I bought a liquid cold-remedy. The girl at the register called out to me "I hope you'll feel better soon" as I left the store. For someone like me who lives alone, it was heartening to hear her words, and I left the shop feeling very happy. I am writing to you now because I was impressed by the employee training at FamilyMart. For someone like me, living far from my hometown, those words were truly heartwarming. Thank you.*

*I pushed my child in a stroller to FamilyMart. After paying at the register the employee who rang me up promptly disappeared from behind the counter. I thought to myself "Wow, he must be busy!" But in fact, the cashier walked straight over to the door and held it open for me, so I could push the stroller through. The store does not have automatic doors, and he must have noticed me struggling to get the stroller through the door when I entered the store. It was a very kind gesture, and it made me very happy. Thank you very much.*



# Raising awareness of employees and franchise store staff and achieving widespread implementation of the “FamilyMart Feel” campaign

## Activities to promote organizational transformation

To successfully implement the campaign and truly convey the spirit of the “FamilyMart Feel,” it is crucial that all the Company’s employees and franchise store staff understand the true meaning of this concept and make a proactive effort to reflect this spirit in all of their daily work-related activities. We must create various opportunities and environments to ensure that all staff at the Company and franchisees fully support this campaign. By raising the awareness of Company employees and franchise store staff we are strengthening our organization and making it easier for them to act on their own initiative. We encourage them to “Listen, Decide, and Act.”



## The “FamilyMart Feel” Promotion Project

### *The engine driving promotional activities*

The success of any project is contingent on gaining the understanding and full cooperation of all employees and franchise store staff. But when a project is implemented in a “top-down” manner, employees and other store staff tend to refrain from taking the initiative, and their understanding is rather superficial. With this in mind, we have established the “FamilyMart Feel” Promotion Project, and have created a team consisting of one representative from every department of the Company. The team considers the desired direction for the project as well as the role to be played by each department, and serves as a facilitator for the companywide promotion of “FamilyMart Feel” project-related activities.

Team members meet periodically to conduct passionate discussions about the best way to capture the “FamilyMart Feel.” The group includes members from both front-line marketing departments and supporting departments, transcending the usual divisional boundaries, and sometimes even includes the President. The group publicizes status reports on the project via the Company’s Intranet, and is making progress in ensuring that the information is available companywide. Since the team’s establishment in fiscal 2005, nearly 400 people have participated in this project.



## “Famimaship”

### *FamilyMart’s Action Guidelines, created by Company employees*

In fiscal 2006, we took the opportunity of our 25th anniversary to revise our FamilyMart Basic Principles. We drafted action guidelines aimed at conducting daily operations in a way that incorporates the concept of the “FamilyMart Feel.” These action guidelines, which have been named “Famimaship,” were compiled during a six-month period, based primarily on employee feedback. The guidelines are easy to understand and touch the heart. The guidelines consist of five expressions that communicate our employees’ enthusiasm.

## “Famimaship”

“Listen, Decide, Act”  
“Wholehearted Hospitality”

- Exceeding customers’ expectations
- Growing together, through mutual trust
- Cultivating an aesthetic sensitivity
- Enjoying new challenges
- Acting with integrity

## Main Points

1. Instead of "top-down" management, we encourage the participation of all employees and franchise store staff
2. We emphasize the importance of autonomous decision-making, and give employees at every level the authority to make decisions
3. We put priority on two-way communications



## "FamilyMart Feel" Day

### A daylong workshop on the "FamilyMart Feel" campaign

For this campaign, there is no established manual. To embody FamilyMart's values of convenience, friendliness and fun, it is necessary for each employee to approach this project with great sensitivity. Thus, in fiscal 2008, we held a companywide, daylong workshop. During one full day, participants consider such questions as: "What was your peak experience on the job?" and "What do you consider to be the features most representative of FamilyMart?" No distinctions are made in age or work experience. Participants are encouraged to speak freely and enjoy the brainstorming process.

In the future, we will continue to hold this type of workshop periodically, with the hope that participants will share the values of the "FamilyMart Feel" campaign. We will encourage quality relationships among our employees, and thereby work to create a stronger organization.

## Initiatives Targeting Franchise Stores

### Further means for capturing the "FamilyMart Feel"

Our customers usually get their first exposure to the "FamilyMart Feel" at one of our franchise stores nationwide. For this reason, we provide opportunities for franchise store managers and staff to deepen their understanding of the various aspects of this campaign. One activity is an exhibition aimed at franchisees entitled, "The Famimaship Forum." At this event, each franchise store provides examples of hospitality. The workshop gave franchise store staff a chance to meet and speak with one another, exchanging views on the theme "What is genuine hospitality and customer satisfaction?" Drawing on their experiences from the workshop, franchise store managers and staff work to undertake various initiatives at their stores nationwide.



Creating a balloon sculpture that symbolizes the "FamilyMart Feel"



Generating themes to be addressed by individual divisions



Franchisees carefully consider case studies provided by other stores



This event is a chance for lively discussion and new insights

## Campaign to raise employee awareness

The results of an employee awareness survey conducted at the start of our "FamilyMart Feel" campaign in fiscal 2005 showed that awareness of the campaign was generally low. However, the results of a similar survey conducted in fiscal 2008 indicated that approximately 90% empathized with the campaign, while 80% said they thought the campaign was helping to energize the Company's in-house activities. The percentage of people who said they were proud to be working at FamilyMart rose by approximately 10 percentage points over the previous year. The "FamilyMart Feel" campaign has become a source of motivation for people who work at FamilyMart, and we will continue to foster a corporate culture that emphasizes autonomy, allowing Company employees and franchise store staff to act more on their own initiative.