

Intellectual Capital



Combining our accumulated knowledge and expertise with digital to create new value

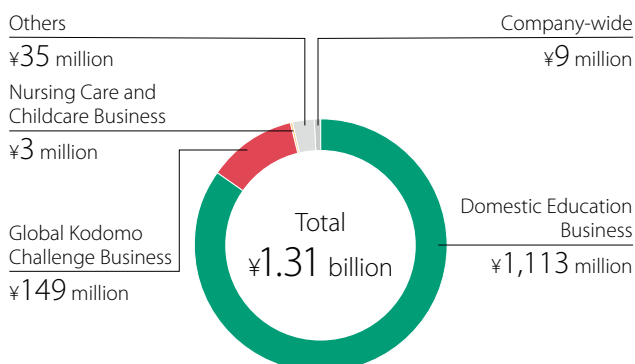
Diverse intellectual capital as a foundation for value creation

Leveraging intellectual capital for the growth of the Benesse Group

In the 1960s, the Benesse Group began offering simulated exams and correspondence courses. Since then, the Group has gone on to expand its business into many other fields including languages and nursing care, thereby creating new markets. The marketing knowledge and expertise in product and service development that we have acquired along the way in these different fields constitute valuable intellectual capital for the Group. We are currently engaged in a variety of R&D activities including business research and questionnaire surveys, through which we will create superior products and services while growing our intellectual capital.

The Benesse Group has also accumulated big data from children's learning histories and residents' life records, in addition to a wealth of implicit expertise-type knowledge based on long years of business operations. Using advanced digital technology to analyze, verbalize, and systematize this big data and implicit knowledge, we aim to create new value that drives the growth of the Group.

Breakdown of Group R&D expenditures (Benesse Group, FY2018)



Leveraging digital technology to create even more value

We have been producing a variety of achievements by leveraging digital technology to further enhance the value of the intellectual capital we have accumulated. For example, in education we are providing products and services that have strong competitive advantage, such as Level-Specific English Four Skills Training materials which allows students to learn the four skills of English in a balanced manner through computers and tablets, Challenge Touch tablet-based learning materials, and Classi cloud service that supports operations in educational settings. Going forward, we are determined to continue making our products and services even more sophisticated, actively incorporating the functionalities and user interfaces that only digital can deliver, plus using AI to analyze the learning status of individual course takers in order to offer them the optimal advice.

Competition has intensified in the education business with digital technologies in recent years as more and more companies from other industries have entered the market. Benesse Corporation is working toward filing patent applications in order to differentiate ourselves from the competition and preemptively avoid the risk of rights infringements.



Students can take courses on Challenge Touch tablets

Think tanks complement the Group's intellectual capital

The Benesse Educational Research and Development Institute and the Benesse Senior/Nursing Care Research Institute are our two laboratories which serve as think tanks, carrying out original surveys and research based on knowledge the group has accumulated in the education and nursing care businesses. These

laboratories not only utilize their research findings for the development of business in the Benesse Group, but they also widely disseminate their findings in society through reports, websites, and symposiums, thereby contributing to solutions for social problems involving education and the elderly.

Benesse Educational Research and Development Institute (BERD)

Giving back to society the results of multifaceted surveys and research

This in-house think tank came into being in 2013 through the merging of the Benesse Group's several research departments. Taking a comprehensive view of parenting and the educational environment, the BERD conducts multifaceted surveys and research in the field of education regarding a wide range of people, covering everyone from infants to college students, working adults, parents, and teachers.

The BERD is made up of four different research offices, each of which maintains collaboration with educational institutions and researchers in Japan and abroad. The research offices carry out research in their particular areas of specialization, e.g., the talents and abilities that will be needed in society in the future, ways for acquiring those talents and abilities, and assessment based on testing theory. Since the founding of the predecessor to this research institute in 1980, more than 400 studies have been carried out, the results of which are presently being put to

actual use in parenting and education. In recent years BERD has also been dedicating efforts to supporting cross-organizational projects in the education business.

Examples of survey reports



Ability to Design Children's Learning Fostered by Visualizing the Learning Process (Joint research project with the Gifu City Board of Education)



International Survey on Early Childhood Home Education [2018]



2017 Parent and Child Survey on Children's Lifestyles and Learning (Joint research project with the Institute of Social Science at the University of Tokyo)

Panel surveys to visualize parent-child growth factors from infant age to high school graduation



Satoshi Okabe

Child Sciences and Parenting Research Office
Benesse Educational Research and Development Institute

Breaking from traditional fixed-standpoint observation surveys that are conducted every few years, our panel surveys follow the same individuals year by year to identify when and through what events children grow and develop. For example, we have already known that on average, motivation to learn declines from higher grades of elementary school through junior high school. However, when we look at changes in individual students, we discover cases in which some of them have maintained or even increased their motivation despite entering junior high school. In what ways are children

like these learning, and what are their parents focusing on in their upbringing? Issues that parents and children are facing and hints toward solving them are lying hidden within our vast data remaining from roughly 20,000 groups of parents and children all over Japan. Conducting joint research with the University of Tokyo, we are academically analyzing and visualizing this information and sharing it with the world through academic conferences, projects, and the media.

We are currently conducting two panel surveys—one for infants and another for students in elementary, junior high, and senior high schools, with our plan being to connect the two surveys in 2023. Doing so, we will have an unprecedented survey that can trace the development and learning process from infancy all the way up to high school graduation. We intend to contribute even more toward improving the quality of evidence-based education.