The Nikkan Kogyo Shimbun

Daiohs, expanding in the United States and Asia Great performances in "Subscription Business Model"

Daiohs, providing office beverage and cleaning services, has been growing sales in its space sterilizer system, while being economically damaged from the recent worldwide pandemics.

Mr.Ohkubo, president and CEO insists, "Our strength of subscription business model worked very well in this current situation." The reporter interviewed Mr.Ohkubo about future prospects of United States and Asia, which account for half of total sales.

(Reporter:Teruyuki Morishita)

Interview 1: Recent effect from coronavirus

"Daiohs is a total office service company which provides beverage services from coffee to tea and cleaning services. In urban areas, offices are closed from May and new styles of work from home have rapidly increased. As a result, the total consumptions of office beverages have decreased."

"On the other hand, the sales of cleaning services are growing from the increased awareness. Especially, space sterilizer system is so popular that it often becomes out of stock."

Interview 2: The sales in past 3 years are consecutively increasing. How is it possible?

"We stepped ahead on services with continuous contracts and monthly payment before the word subscription became popular. We only served products and services with continuous sales, which created fixed amount of interest. By specializing its target to company, Daiohs is hardly affected from economic trends."

"We are now working on additional values of products. First, we made an agreement of sales contract towards office clients with the latest coffee machine. In addition, we started providing premium quality coffee, supervised by a world champion coffee ballista."

Interview 3: About Beverage Services expanding abroad

"The total sales shares of west coast in the United States are relatively high, but east coast is still low. Our mid to long term goal is advance in all 50 states in the United States. Moreover, we are currently expanding to Asian region through joint ventures. Our future prospects in Asian region is to introduce tea beverage since it is highly demanded."

Interview 4: Current Challenges and Future Business Plans

At shared office spaces, their recent trend is introducing expensive beverage server to differentiate from competitors. This is a big chance for our business. For office cleaning business, we will further develop space sterilizer system and related products."

"Recruitment is one of our current challenges. Our plan is to increase mid-carrier hiring from housewives to senior workers. We will boost our productivity and aim for our mid-term goal, annual sales of 50 billion Yen. (500 million USD)"

