

# Case Study

Ryohin Keikaku Co., Ltd. **MUJI** 無印良品  
<http://ryohin-keikaku.jp/>

## Smart Content Delivery satisfying MUJI's discerning eye

Ryohin Keikaku Co., Ltd. which develops and provides branded MUJI products, started internet retailing in 2000. MUJI's internet store's sales kept growing at the rate of around 120% a year, and in 2006, recorded greater sales than those of any of MUJI's other brick-and-mortar shops in Japan. That was when the company faced the problem of a line bandwidth shortage due to the significant growth of online shoppers. After examining cost-effectiveness, the company decided on the introduction of the "Smart Content Delivery" (SCD), which would solve the bandwidth shortage with cache servers.



<http://www.muji.net/store/>

Sharp rise in the number of users led to a bandwidth shortage. Cost for upgrading the line presented a challenge.

With the idea of "lower priced for a reason," MUJI products are known for their homely goodness and simple design. Ryohin Keikaku is a company that develops and promotes MUJI products. MUJI, which made its debut as a private brand of Seiyu in 1980, has now grown to be a global brand, providing more than 8,000 products. Right now, it is operating 342 stores nationwide. It also provides products through other stores such as FamilyMarts across the country while managing 98 stores in 16 overseas markets, including the UK, France, and Hong Kong. MUJI's internet store, which was launched in 2000, recorded the greatest sales in 2006, surpassing all other brick-and-mortar stores in Japan. That was when a shortage of bandwidth became a big issue. The company's line bandwidth was 100Mbps, which was on the verge of blowing out due to the growing number of users. There were two alternatives with which to tackle the situation then, as Mr. Toshiharu Yasuda, chief of the operational administrative section who is in charge of information system, recalls. "One of the choices was to upgrade the line. The other was



Mr. Toshiharu Yasuda  
 Manager, System Maintenance and Control Department Information

to install cache servers such as "SCD." We chiefly used time and cost as the criteria with which we made our decision and SCD was clearly the winner in that sense. We had been informed that upgrading the line would cost about 10 million yen as an initial cost. That was because routers and other devices would have to be renewed as well. Another appeal of adopting SCD was that it would save the company from having to make changes to the internet store system. The company would not have to stop the internet store operation for the adoption either. Installation of SCD was a breeze. In fact, there was not much to remember upon its installation as Mr. Yasuda says.

The adoption of SCD distributed load better on the line, making the trouble go away.

The adoption of SCD has produced the desired effect. Operation is no hassle. All you need to do is regularly monitor at what bandwidth SCD is delivering. "As I observe, a considerable amount seems to have been switched from our origin server to SCD. SCD uses a bandwidth of 80 Mbps at most while our origin server, around 60 Mbps. That amounts to a bandwidth of a total of 140 Mbps, which used to concentrate in a single line of 100 Mbps before. This extra 40 Mbps indicates that our online customers used to have to wait." Mr. Yasuda illustrates the effect of SCD introduction with real data. Even if load increases on the origin server in the future, the company can be rest assured, of course, that SCD will take over just the right amount.

### Challenges

- A bandwidth shortage occurred at the internet store's line due to a sharp rise in the number of users.
- Upgrading the line would require an initial cost far greater than an estimated amount because routers and other devices would have to be renewed as well.

### Solutions

- Adopting "Smart Content Delivery" of NTT Communications
- Necessitates neither changes in the system nor suspension of the internet store operation.
- Takes over the load from the internet store's line with the cache servers of SCD.
- Maximizes performance by caching images, PDF files, and other content with a large file size, such as Flash.

### Measured Successes

- Upgrading the website becomes possible without worrying about a bandwidth shortage. It becomes easier to introduce rich content such as Flash, which provides greater amount of information per screen and more usability.
- A variety of choices becomes available thanks to SCD being free of vendor lock-in, providing abundant possibilities upon renewing the system in the future.

Among all content for the internet store, the company currently uses SCD to cache images, PDF files, and rich content such as Flash. This way, a better caching effect can be expected, because these kinds of data tend to have a larger file size compared to HTML. Mr. Yasuda hopes to further build up rich content in their e-commerce site using Flash and other types of data.

"A screen with a Flash component is superior on every count, including the amount of information that a single screen can provide and usability, for instance. This is especially true of websites for mobile phones. While we wish to increase Flash content in our internet store upon its renewal, we would be putting the cart before the horse if that generates a bandwidth shortage. SCD lets us keep our minds on developing rich content rather than worrying about the bandwidth shortage issue, which we also appreciate as another benefit of adopting SCD."

It would be fair to say that "SCD" is providing a solution essential to improving the presentation of the internet store.

internet store. Every registrant will get his/her own My Page, where products will be recommended, and receive email newsletters that will be customized to his/her taste. The company also hopes to bolster cooperation between its brick-and-mortar stores and the internet store. It wants to let customers who have purchased products at the internet store receive them at a local store. System renewal is under review at the company right now, to which end SCD again will provide a benefit.

"Upon considering a new system, compatibility of SCD has come to our attention; it works with any kind of system under certain rules. It is somewhat free of vendor lock-in, thus allowing us to examine systems proposed by any kind of vendor without SCD usage on our mind."

At Ryohin Keikaku, they do not hesitate to adopt a solution from a provider that has never done business with them as long as it provides high quality. SCD was also chosen for what it provided, not its brand, Mr. Yasuda comments.



"The size of a company is unimportant when we choose a vendor. We tend to favor a simple solution that is easy to understand. This was true when we developed the MD system\* ourselves without making it unnecessarily complicated. We will continue to develop just right systems that are not too fancy

**SCD selected for its quality, not its brand —SCD will open up new possibilities**

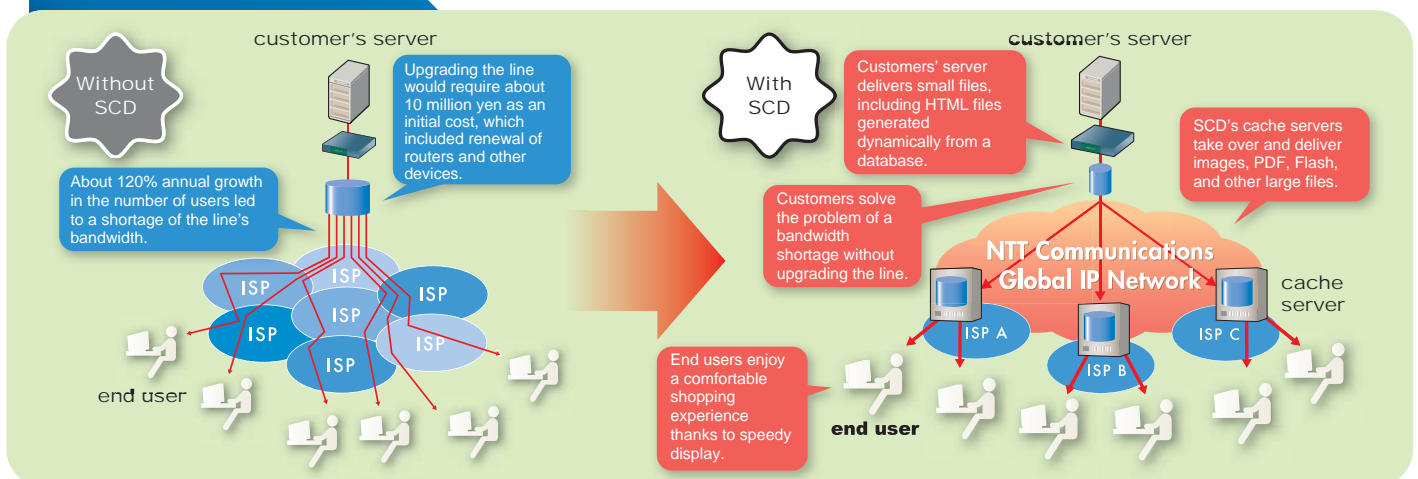
Ryohin Keikaku wishes to drive one-to-one marketing in the future, which will be based on the profiles and shopping history of the registrants of its

**Company profile**

**Ryohin Keikaku Co., Ltd.**

Location of the Headquarters: 4-26-3 Higashi-Ikebukuro, Toshima-ku, Tokyo, 170-8424  
 Representative: Masaaki Kanai (President and Representative Director)  
 Established: June 1989 (registration: May 1979)  
 Business: Operation of exclusive stores of MUJI / product planning / development / production / wholesale / retail  
 URL: <http://ryohin-keikaku.jp/>

**Case Study of Smart Content Delivery**



**Can provide users with an excellent shopping environment inexpensively.**

**Can enjoy comfortable online shopping experience that lives up to consumers' expectations on "MUJI" brand.**