

Growing with Our Customers

The Ricoh Group always takes a customer perspective, seeking to discover customer needs even before the customers realize themselves. From the development of products through manufacturing, sales, and after-sales services and support, our overriding objective is to create new value for our customers through ingenuity and solutions not available from any other company.

Anticipating and responding to customers' latent needs

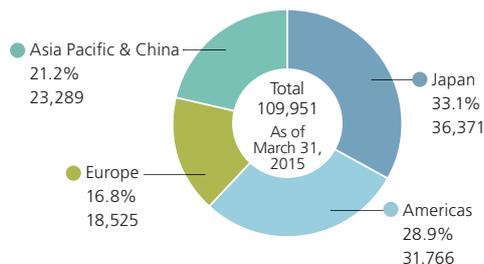
We listen to our customers to know them better. By thinking and acting along with our customers, we can articulate future needs even before customers themselves are aware of such needs—and create new value by anticipating those needs. The Ricoh Group always strives to create value from a customer perspective.

Today's socio-economic environment is vastly different from what it used to be and the transformation process continues, driven by increased globalization, growth of emerging economies and a wider embrace of network technologies. Customers' business environments are changing and so are customers' needs, with management attention turning in various directions, including approaches to enhance operating efficiency or boost productivity.

Customer needs, however, are not always clearly defined. We have to perceive feelings and expectations not yet expressed in words and proactively shape solutions from a customer standpoint.

To pinpoint customer changes and expectations, we bring together all the capabilities of "One Global Ricoh" and draw closer to customers while reshaping our own business model.

• Composition of workforce by region



Business activities characterized by both a global perspective and community ties

The value that customers seek is shifting from "ownership of products" to "use of services," with an emphasis on access to new added value derived from services and solutions. Customers' concerns are also diversifying, with a focus on workflow reform, reduced total costs and compliance practices. Within the Ricoh Group, we strive to offer services and solutions that address these concerns while enhancing profitability.

In sales and services, we have built a global network stretching across some 200 countries and maintain a four-point regional headquarters structure—Japan, the Americas, Europe and Asia Pacific & China. In addition, we constantly work to expand the service business and strengthen the structure through M&As while taking steps to foster local harmony and consistency in our global strategies.

• Structure-strengthening M&As (January 2014–July 2015)

2014 January	Saral Buro Pazarlama Limited Sirketi, Merkezi	Turkey
February	mindSHIFT Technologies, Inc. Ofisteknik A.S. Ofisteknik LTD.	United States Turkey Turkey
June	Commonwealth Legal Inc.	Canada
July	FutureTech Ltd. FutureWare Ltd.	South Korea South Korea
October	Npo Sistemi S.r.l.	Italy
December	PTI Marketing Technologies, Inc.	United States
2015 May	Ridgian Limited	United Kingdom
June	Graycon Group Inc.	Canada
July	NASSION Systems Capa 4 Impromat CZ spol. s.r.o. Impromat Slov spol. s.r.o.	Malaysia Mexico Czech Republic Slovakia

Global R&D and supply-chain management

To ensure that we are able to provide leading-edge technologies to customers around the world, we have set up R&D hubs in Japan, the United States, China and India, and pursue development of technologies attuned to local market characteristics and globally strategic technologies. Technology centers and printing innovation centers all over the world act as a direct channel to customer comments, and the feedback received goes into subsequent product development.

In delivering products and services to customers, we utilize four global production hubs and maintain an optimum production structure emphasizing the most favorable location for maximum efficiency. This approach combines two production formats: “intensive production,” which outputs core modules common to many products as economically and

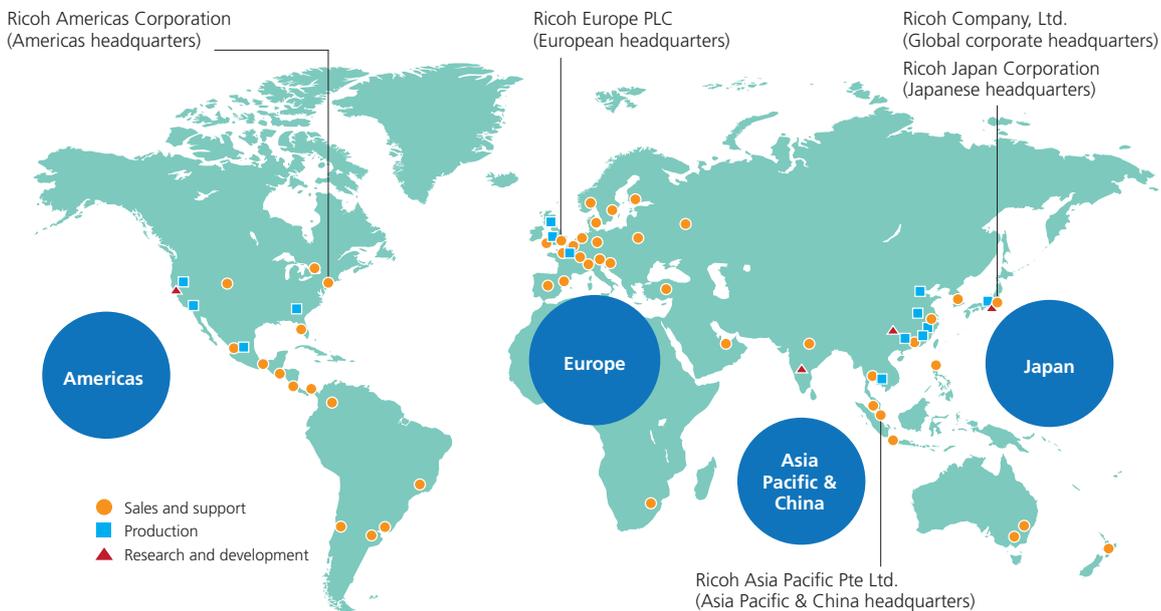
efficiently as possible, and “local production for local consumption,” which swiftly addresses the needs of customers close to the point of production.

Meanwhile, we have worked to achieve a supply chain that remains uninterrupted even in a disaster or other emergency situation so that customers will never have to halt operations. Within the Ricoh Group, we ask suppliers to reinforce business continuity capabilities through redundant production bases and parts procurement channels and larger material and component inventories, and we encourage them to be socially responsible and take a rigorous stance on CSR procurement and issues of child labor and conflict minerals.

These efforts underpin our commitment to customer satisfaction through supply-chain management implemented from a customer perspective while simultaneously pursuing profit opportunities.

► WEB 1, 2, 3, 4

• Global network



- WEB 1 Supply-chain management: www.ricoh.com/sustainability/report/action/supplychain.html
- WEB 2 CSR: www.ricoh.com/csr/
- WEB 3 Business continuity plan of the Ricoh Group: www.ricoh.com/governance/risk.html#bcp
- WEB 4 Addressing the conflict minerals issues: www.ricoh.com/csr/fair/index.html#minerals

Products that consistently delight and inspire customers

The Ricoh Group believes it is important to provide products and services that customers can use with confidence and that deliver a sense of value that exceeds expectations. This ideal is captured in the RICOH Quality declaration with the words “consistently delight and inspire our customers,” and we strive to ensure quality, particularly the aspects of safety and reliability. > WEB 1

Standards/Frameworks to ensure confidence and safety

- Basic Policy for Product Safety Activities
- Action Policy for Product Safety Activities
- Multifaceted market quality information management
- Quality management system

Constant improvements in pursuit of customer satisfaction

Sales companies in each country have opportunities for direct contact with customers. It is these companies which operate and maintain customer relationship management (CRM) databases and track customer equipment information and maintenance histories. Customer contact sites utilize CRM databases, repeatedly survey and analyze customer needs, pinpoint issues, and suggest products and solutions based on future predicted customer needs in mind. Our support continues after delivery, as well, through the 24-hour @Remote on-site maintenance and remote monitoring system, which executes automatic diagnostics and enables quick servicing for worry-free equipment use with little to no downtime for customers.

With @Remote, we can verify the operating status of equipment and provide continuous improvements and suggestions fine-tuned to each customer based on captured status data, which

contributes to greater management efficiency at customer sites.

In addition, we have established and utilize systems to apply feedback gleaned from customer satisfaction surveys conducted periodically on a global basis to measure how well we have achieved RICOH Quality, and then apply the feedback to make products and services even better. ➔ p. 22

> WEB 2, 3

Systems for collecting and applying customer feedback

- CRM databases
- @Remote
- Customer satisfaction surveys
- Call centers
- Customer centers
- Technology centers
- Printing innovation centers

More extensive, in-depth responses to customer needs

The Ricoh Group’s Global Value Proposition Conference takes place once a year to refine value proposition capabilities. Here, excellent customer case studies selected from operations worldwide are presented and evaluated by participants. The goals are to share knowledge, boost morale and link our efforts to higher sales throughout the Group.

We also hold an invitation meeting—Technology Advisory Council—with personnel in charge of IT infrastructure at customer companies. Here, customers participate in group discussions and exchange information, which promotes greater insight into common issues. Our objective is to visualize latent customer needs and reflect comments in future products and services.

Through these opportunities to reinforce customer contact, we will meet customer needs while growing our businesses.



Technology Advisory Council

Visualizing issues overlooked by customers: The Vodafone Group case study



The U.K.-based multinational Vodafone Group PLC, one of the world’s largest mobile communication companies, was keen to optimize equipment in the office and shrink its carbon footprint through reduced output of printed documents. They required a highly eco-efficient, sustainable, green IT “Less Paper Office.”

Ricoh Europe PLC (RE), Ricoh’s regional headquarters in Europe, stepped up to address this request, performing site-level print audits at locations throughout the Vodafone Group and preparing detailed environment metrics of usage

and even actual environmental burden caused by CO₂ emissions. Next, RE developed a highly eco-efficient, globally standardized print infrastructure matched to regional needs. This solution presents various benefits that support the Vodafone Group’s flexible work and mobility strategy by dramatically cutting CO₂ emissions and trimming costs through lower total cost ownership.



Vodafone head office

Issues

Print output control

- Mixed landscape of printers, faxes, scanners and copiers installed one at a time at each location and office deemed necessary; little control over print output
- More equipment than required for workforce of 86,000

Reducing environmental impact

- Carrying environmental load caused by excessive print output
- Unable to realize a sustainable “Less Paper Office”



Solution and Result

- Dramatic reduction in the number of machines—to 1/30th of the previous level—through global rationalization and standardization
- Through global print output control and machine-related support using @Remote, annual print cost per user has dropped 50%. Groupwide CO₂ emissions from print output down about 0.3 million kilograms annually
- Created a secure and pleasant cloud printing environment

Understanding the customer leads to winning results

Prior to the signing of this contract, the Vodafone Group and Ricoh had no business history for office solutions. To make our proposal, Ricoh staff in each region visited Vodafone Group sites in the respective regions and gathered information using a globally standardized questionnaire. Concerted efforts were made to understand the Vodafone Group’s business and requirements. Using this information, a report was put together on the status of equipment usage and other details at each site—information that local Vodafone Group personnel were not even aware of—and the data was then used to deliver a fine-tuned proposal. These customer-oriented

efforts caught the attention of the Vodafone Group and were a key factor in winning the contract. The Vodafone Group also gave Ricoh high marks for being able to offer hardware and software, for setting up a maintenance monitoring network, and for a realistic, clear-cut presentation of the pricing structure. Our approaches to understanding the customer became a model in other business discussions and have also been used in securing contracts.

Going forward, we will continue to pinpoint trends and address issues for the Vodafone Group, further strengthening the relationship.



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