



AEON Credit Service shifts to secure and flexible remote work environment

AEON Credit Service Co., Ltd. (ACS) is one of Japan's largest payment and credit card companies. ACS is a company under AEON Financial Services, a regional retail financial group, and part of AEON, Japan's largest retail group. ACS handles AEON Financial Services' best-known brand, AEON Card. It also provides personal loans, web services and apps and develops business support services for merchants.

Industry

Financial services

Strategic priorities

- Reduced dependence on on-premises VDI operations and management
- Flexible and secure work-from-home experience

VMware Footprint

- VMware Horizon® Cloud™ on Microsoft Azure

Driven by the 2020 Tokyo Olympics and Covid-19 pandemic, AEON Credit Services moved forward with its digital transformation and now provides a safe and efficient remote work environment for employees while improving productivity, speed of operations and cloud applications' performance with VMware Horizon Cloud on Microsoft Azure.

A credit card and transactions giant

The AEON Group is Japan's largest retail group with seven diversified businesses. ACS is the core operating company of AEON Financial Service, a regional financial services company operating in 12 Asian countries. The company provides payment services throughout Japan and across the AEON Group's network. As consumer payment methods have become more diverse, the company has expanded its services to support a wide range of digital payment options such as electronic and QR code-based payment, which it administers through its WAON system. It also has a card rewards program, WAON POINT.

“Because customer demand is changing rapidly, we must focus not only on building a faster system environment, but also on digital transformation initiatives that utilize AI and cloud services,” said Mr. Hirofumi Mitsuishi, Executive Officer, System Development Division Head of AEON Credit Service.

To pursue a digital transformation (DX) strategy, ACS believed it was necessary to build a secure remote work environment for its employees and to provide more secure payment options for customers.

“VMware guarantees highly-flexible and agile cloud services. With VMware's solutions, we were able to respond quickly, even during the pandemic.”

Hirofumi Mitsuishi, Executive Officer, System Development Division Head, AEON Credit Service Co., Ltd.

Remote work and safe transactions

ACS hoped to implement a DX strategy, but it faced several obstacles, primarily the reluctance to shift to remote work. ACS processes a huge volume of payments in Japan, with credit card transactions totaling more than 5.6 trillion yen (US\$49 billion) and electronic transactions totaling more than 2.2 trillion yen (\$19.3 billion). For this reason, ACS considered data security and compliance paramount, and believed it would be more secure to perform work on-premises.

The 2020 Tokyo Olympics proved a turning point. The government began encouraging work from home arrangements ahead of the Olympics to alleviate anticipated overcrowding on Tokyo's public transportation during the games. The Olympics were postponed, but the COVID-19 pandemic created even greater urgency to shift to remote work.

Cloud solutions for better outcomes

ACS also needed to meet changing customer expectations during the pandemic, according to Mr. Mitsuishi.

"There was a need to create a safe store environment to allow staff to sell products without worry and let customers purchase products with peace of mind. Cash transactions are risky. Cashless or contactless payments are much better at preventing infection. In addition, through digitalized services such as the AEON Wallet app, the automatic chatbot Mirai-san, and online-only campaigns, we have tried hard to enhance customer convenience while avoiding closed spaces, crowded places, and close-contact settings," he said.

Although the pandemic accelerated ACS's digital transformation, the company had already realized the need to modernize its IT systems. ACS had been using VMware Horizon since 2012, but saw opportunities to upgrade its on-premises virtual desktop infrastructure (VDI). They needed to upgrade to Windows 10, which also required an upgrade of ACS's existing VDI in order for it to remain compatible. In addition, maintenance due to aging hardware was proving to be a heavy burden. The company believed a cloud-based solution would provide better services with less maintenance and without compromising security.

Furthermore, ACS had to move quickly in order to ensure that there weren't any disruptions or shutdowns of its payments services, which are essential to the business and operate 24/7.

Greater efficiency and flexibility

ACS decided to adopt VMware Horizon Cloud on Microsoft Azure because it would enable the company to securely provide the necessary access to its employees working from home while effectively managing its internal infrastructure.

VMware Horizon Cloud on Microsoft Azure helped ACS reduce its VDI maintenance costs while it started to implement remote work environments on a small scale.

"Desktop as a Service (DaaS) is easy to set up. It starts from a small scale at a low cost and can scale quickly to meet changing challenges arising from remote work. In addition, we like the stability and reliability of DaaS. Some might take it for granted, but for us, these are the most important features. We are using VMware's DaaS across the entire company and are happy with it," said Jun Takahashi, General Manager, System Development Division of AEON Credit Services.

A cloud-first strategy involving many connected devices tends to complicate security management and increase potential points of failure, but VMware provides robust security solutions that meet the needs of ACS.

"VMware has taken a more comprehensive approach by providing security as a built-in distributed service. We are now able to confidently, quickly and precisely respond to incidents," says Mr. Takahashi.

ACS's PC environment is divided into Office Automation (OA) terminals, which run general office applications, and a financial business system to handle confidential financial information.

All 4,500 OA terminals have now been migrated to VMware Horizon Cloud on Microsoft Azure and can now be used securely at home or remotely. As a result, work that was once restricted to the office can be done anywhere. Some employees have remarked that their productivity has improved as a result.

In addition, the company also saw improvement in the use and efficiency of cloud applications like Microsoft 365. The improvement in performance was immediately evident to employees because they could access cloud-based apps more quickly using Horizon Cloud on Microsoft Azure than by using the previous system, which went through an on-premises data center.

Work Platform

- Digital Platform
- Telephony
- Settlement Platform
- Information Platform
- Production Platform

Isolation

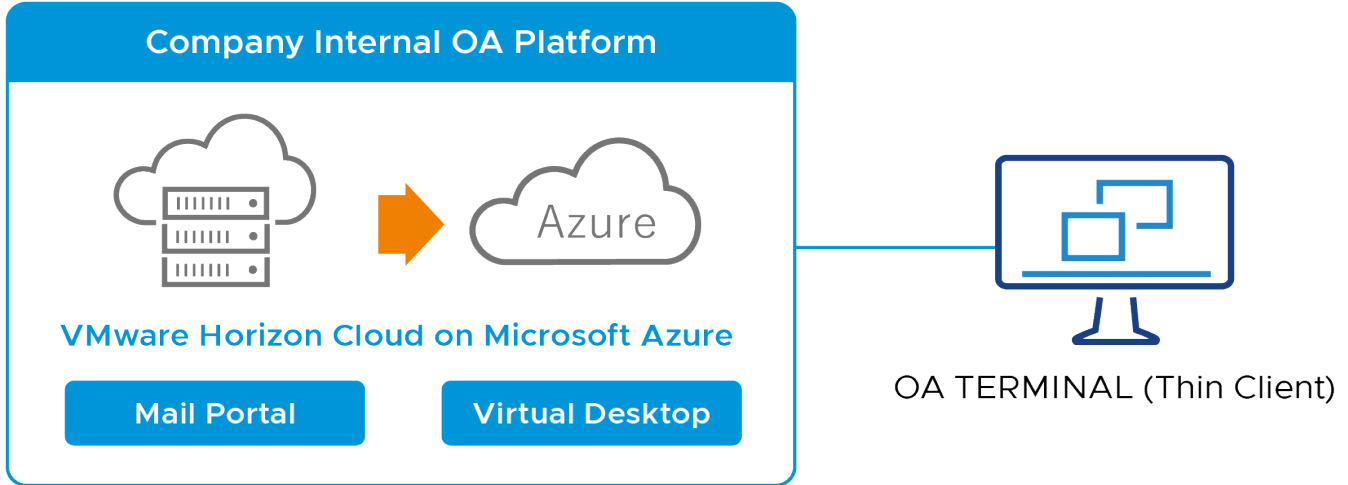


Figure: Transforming General OA terminal into DaaS using VMware Horizon Cloud on Microsoft Azure

“Employees are spending their time more effectively, focusing on gathering information while working from home and organizing and analyzing documents in the office. Work-life balance has also improved, as some employees no longer need to commute. By successfully overcoming the challenges posed by remote work, we can now get rid of old-school ways of thinking, leading to greater flexibility in collaboration and creative thinking. This is a huge and tangible impact,” said Mr. Takahashi.

More DX with VMware technology

Cashless transactions in Japan are growing, and ACS hopes to use its DX to further increase its market share. ACS also plans to explore whether or not existing regulations would allow remote workers to do more, such as sales promotion and data analysis activities.

ACS will also promote what it has learned about remote work to the other companies in the AEON group. It is also considering digitizing customer contact points in preparation for a post-COVID future.

“We continue to think about what we can change and how we can make those changes. At the same time, we’re beginning to see the results of our improvements to customer service. With services such as cashless payments and other digital services, we expect things will become more and more creative. We expect VMware to offer new business proposals on top of the stable systems and services that we had in the past,” said Mr. Mitsuishi.