

## Extending Service Areas to Sea, Sky, and Digital Space with the Same Enthusiasm as When I Joined the Company



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### **Abstract**

As a member of the new DOCOMO Group, NTT Communications provides clients with one-stop-shop services and solutions by combining the Group's resources and offerings under the enterprise-business brand "docomo business." We interviewed Toru Maruoka, president and chief executive officer of NTT Communications, who is promoting digital transformation in society and industry, about the direction and strategies of NTT Communications.

*Keywords: digital transformation, co-creation, customer experience*

### **Go Together Project: Create new value and culture by respecting each other**

*—The new DOCOMO Group began full operations in 2022. How is the new organization going?*

In January 2022, NTT Communications and NTT COMWARE became subsidiaries of NTT DOCOMO, forming the new DOCOMO Group. In July 2022, the new DOCOMO Group integrated the management policies and business functions of the three companies, and has been striving to increase revenues in the enterprise and smart-life (finance and payment services, etc.) businesses and accelerate structural reform in the telecommunications business. As a member of the new DOCOMO Group, NTT Communications is responsible for the Group's enterprise business. We play a role in promoting the digital transformation (DX) of society and industry by pro-

viding one-stop-shop services to all clients ranging from large to small and medium enterprises.

We have been very productive since becoming a member of the new DOCOMO Group. We have been preparing for the "Go Together Project" since before the full-scale launch of the Group in July, and now that the new organization has been fully formed, we are working hard to understand each other's culture and business. This project is based on "respect" for the other party, which is the basis for developing global business, and we are aiming to create new value and culture together.

In fact, synergy between each company has been created, and although we face certain issues, each workplace is stimulating each other with its own originality and ingenuity. I believe the fact that we are physically working in the same office is a major factor. Having people who used to work at different locations right in front of you will make communication



smoother and collaboration easier.

*—Is your business off to a good start?*

The Go Together Project has helped to integrate corporate cultures and methods of the three companies. As a result, the content of our proposals to clients changed, and the speed of creating proposals increased, which generated orders and enabled us to start our new business smoothly. Under our new enterprise-business brand “docomo business,” we have begun to see results from our efforts to create innovations that promote structural reforms in society and industry through cutting-edge solutions, such as the 5th-generation mobile communication system (5G) and Internet of Things (IoT), as well as fixed-mobile-convergence (FMC) services that we can now offer by combining the resources of each company.

In the new DOCOMO Group, the businesses of NTT Communications and NTT DOCOMO are complementary. NTT Communications specializes in enterprise business for large corporations and corporations in metropolitan areas, and we have been providing information and communication technology (ICT) solutions, such as datacenters, clouds, and security, in addition to telecommunications services. As a top mobile communication brand in Japan, NTT DOCOMO has established a foothold in enterprise business throughout the country by using its ability to reach small and medium-sized corporations. By com-

binning their areas of expertise in enterprise business, we have expanded our sales coverage to include small and medium-sized corporations as well as large corporations nationwide. Toward future growth areas, we will integrate its existing solutions with mobile solutions such as IoT/FMC, applications, and the vast amount of market data held by NTT DOCOMO to provide “integrated solutions” in a one-stop-shop manner.

**We hope people experience the future society at  
OPEN HUB Park**

*—Beneficial synergies have been created, right?*

The new DOCOMO Group intends to reach out to small and medium-sized corporations in particular. In accord with our “Start Dash Program,” we are currently visiting these clients to listen carefully to their requirements. We have approximately 1.6-million clients, and those requirements vary widely. Since circumstances differ according to region, the top management of each regional base plays a central role in these efforts while combining the skills of NTT Communications and NTT DOCOMO, each of which has its own strengths.

Toward the next generation of ICT solutions, the new DOCOMO Group has established NTT QONOQ, which is engaged in the extended reality (XR) business, and has started work on the technological

development and social implementation of Web3, which is the next-generation Internet that uses blockchain and other technologies. By incorporating these new areas into our integrated solutions, we aim to transform our business structure by increasing the percentage of sales in these areas from the current 35% to 50% or more in two years (2025). The enterprise business of the new DOCOMO Group is targeting operating revenues of two-trillion yen in FY2025. It will be very challenging, but it is not impossible, so I want to strive to achieve the target.

*—NTT Communications has opened OPEN HUB Park in Otemachi Place, where its head office is located.*

OPEN HUB Park is a place for co-creation that aims to create a Smart World—a sustainable future society in which social issues are solved through DX. As a symbol of the transformation of NTT Communications, one of the floors used as office space was transformed into a new workplace for co-creation. At OPEN HUB Park, our clients and partners, our 400 employees who are experts in their respective fields, and catalysts who are experts from



outside the company collaborate to create new businesses and implement them in society by combining their technologies and knowledge. To date, approximately 1000 corporations and 2500 people have visited and used OPEN HUB Park.

Visitors can experience things that will stimulate their imagination. For example, state-of-the-art ICT infrastructures such as 5G, software-defined wide area network/local area network, and the All-Photonics Network, a key service of the NTT's Innovative Optical and Wireless Network (IOWN), are installed, and experiments on robot control using them are conducted on a daily basis. In this setting, engineers from various backgrounds can collaborate through XR. By bringing their own technologies and assets to OPEN HUB Park and fusing them with the latest ICT solutions from the DOCOMO Group, clients and partners can not only create business ideas but also conduct various experiments to implement those ideas in society.

*—Expectations for IOWN are also growing, right?*

I sense that our clients' expectations for IOWN are very high. The roadmap for implementing IOWN services was presented at NTT R&D Forum 2022. Our role in this initiative is to implement the next-generation ICT infrastructure for services such as Remote World and Digital Twin Computing by using technologies developed at NTT's laboratories. We are working daily to build a society that the IOWN concept envisions, namely, the "smart society," "low-carbon society," and "well-being society."

IOWN can dramatically reduce and curb power consumption while accommodating the increasing amount of traffic in communication networks. The NTT Group has released a new environmental and energy vision called "NTT Green Innovation toward 2040," which aims to achieve carbon neutrality by FY2040 by using IOWN and other technologies. In datacenter sectors, the Group aims to achieve carbon neutrality by 2030 by accelerating the conversion to renewable energy and introducing low-power-consumption technologies.

Our clients' awareness of the need to "go green" has increased significantly, and we are working with NTT Anode Energy to make various proposals to our clients. For example, we have seen positive feedback from our clients for (i) off-site power purchase agreements with parties such as convenience stores and other companies, under which we install new renewable-energy power plants and supply the power



generated to those parties, and (ii) “docomo Denki Green,” a retail electricity service that uses renewable energy and enables customers to earn more d POINTs, a customer loyalty program, for each electricity bill than those with “docomo Denki Basic.” At some of our datacenters, we offer multiple green energy solutions so that customers can choose a renewable energy source according to their needs.

### **Fulfilling our social responsibility by harnessing the collective strengths of the DOCOMO Group**

*—What is important when communicating with clients?*

As IoT becomes ever more pervasive, becoming a member of the DOCOMO Group has increased the number of our projects in the IoT field, and I have come to recognize the greater social responsibility of telecommunications carriers than ever before. In the event of a failure, the DOCOMO Group must demonstrate its collective strengths and resolve it quickly. At NTT Communications, we will thoroughly pursue the customer experience (CX) that is unique to our enterprise business and continue to improve the value we offer at customer contact points across the company. In other words, I believe it is important to comprehensively enhance CX from the entrance to the exit of the customer journey—from the time a service is proposed and introduced to the operation and problem-solving phases.

The key to enhancing CX is the employee experience (EX) of every employee. With that in mind, we

have been promoting work-style transformation such as flexible and hybrid work. Our remote-work ratio is constantly 70 to 80%, and we have put tools and rules in place to enable employees to work regardless of time and location. As we are seeing some sort of normality return after the COVID-19 pandemic and social activities become more prevalent, I also understand the importance of face-to-face communication for team building and co-creation with clients. Rather than simply setting a goal of the remote work ratio, we ask each department to pursue a balance that enables employees to achieve their best performance and maintain their well-being. I believe that we can contribute to society by applying the knowledge gained through this process to improve EX.

*—Lastly, could you give some words of encouragement to everyone in charge of research and development (R&D) as well as other employees?*

I joined NTT 40 years ago. At that time, Nippon Telegraph and Telephone Public Corporation was working on the information network system (INS), with which the familiar service of telephony is changed from the traditional analog basis to a digital basis, and all types of information, voice as well as data and images, are transmitted. INS also envisioned a paradigm shift in society as the subject of communication expands from person-to-person to person-to-machine and machine-to-machine. The excitement and enthusiasm I had back then, just prior to the privatization of the Corporation, has not wavered.

We take on challenges of extending our service

areas from land to sea, sky, and digital space by leveraging the capabilities of the NTT Group, which includes the technology of NTT laboratories. In addition to providing FMC services on land, we successfully achieved 1-Mbit/s undersea transmission over a 300 m and developed a wireless underwater drone that can be controlled remotely at the end of 2022. Since 2021, NTT laboratories and Regional Fish Institute, Ltd. have been conducting demonstration tests of carbon-dioxide conversion technology that applies genome editing to algae and fish/shellfish to reduce the amount of carbon dioxide dissolved in the ocean. Regarding the sky, space infrastructure development, high-altitude platform stations, and drones are other themes we are focusing on. We have high expectations for the expansion of services accompanying the deregulation of drones. Through these efforts, we are enthusiastic about developing communication services across land, sea, and sky to achieve the “extreme coverage extension<sup>\*</sup>”—a goal of 6G/IOWN.

NTT’s R&D capabilities are among the best in the world. The products and services that emerge from those efforts are of high interest to our clients. Since I oversaw the voice business in my previous job, I have a particular attachment to voice-recognition technology. I have helped in the advancement of contact centers for our company and our clients by combining ForeSight Voice Mining and artificial-intelligence chatbots, which use voice-recognition technol-

ogy. A recent example is NTT sonority’s MWE001 earphones, which were commercialized using Personalized Sound Zone technology for creating a sound space that enables you to hear only the sounds you want to hear. The timing of this product was right to launch worldwide as remote activities were increasing. I believe that this type of R&D will contribute to improving all NTT’s business, and I want to see more of such R&D.

The success of our business depends on all our employees, and the growth of our employees is the growth of our business. While practicing a new way of working that combines face-to-face and remote work in the era of living with COVID, I hope that each of you will grow through your own career development. Our aim is to create a virtuous cycle in which you and the company grow together. I want all employees to think about how they can gain the trust of clients and satisfy them. Let’s use our cutting-edge technology to create an exciting world.

#### Interviewee profile

##### ■ Career highlights

Toru Maruoka joined NTT in 1982. In his career at NTT Communications, he became senior vice president in 2012 and senior executive vice president in 2018. He has been in his current position since June 2020.

\* Extreme coverage extension: Extending the area in which base stations can communicate with mobile terminals to all areas, such as the sky, sea, and space, not covered by current mobile communication systems.