

# Heading with the World toward a Better Future

## —Using *Monozukuri*\*1 to Make a Better World and Enrich the Future of Children—

KidZania fuses entertainment and education in a facility where children can explore through role-playing the fun of working in different occupations and enjoy a sense of social responsibility. What follows is a record of a conversation between KidZania founder Xavier López and Chairman & CEO Tadahiro Yoshida. Both participants were privileged to have received training under a man widely regarded as the father of modern marketing, Professor Philip Kotler\*2 of the Kellogg School of Management, Northwestern University. They exchanged views on what a corporation should be and considered the contributions companies can make through business.



### A Child's Creative Sensibility Begins with the Child's Own Thoughts and Feelings

**Yoshida:** During my overseas studies in America, I constantly felt a strong affinity between the teachings of Professor Kotler and the "Cycle of Goodness," which underlies the YKK philosophy. Simply put, the professor believes that business has to stay in tune with the values of society. I feel the same way. I sense that KidZania follows a similar philosophy, and this makes me wonder: Where did you get your inspiration for your business?

**López:** I was in charge of a private equity business in Mexico when an old friend asked for advice about setting up a new business in the field of daycare for children. Role-playing was mentioned in the business model and, since that early consultation, we've worked with the idea that children can learn lots of different things by playing roles.

**Yoshida:** The combination of learning and entertainment is a very appealing notion.

**López:** I'm glad you agree. Fun is the best incentive for kids. If something is fun, children learn faster and get more from the experience. Even so, trends are fickle and, to find out what children like, we have to carry out analysis on a daily basis. Recently, girls have become increasingly interested in becoming veterinarians, so this occupation has been added to our program. Boys have simpler aspirations: we've found out that many would love to be footballers.

**Yoshida:** Yes, sports do play an essential role in the growth of children. That's why, since 1980, we have maintained our special sponsorship of the Japan U-12 Football Championship.\*3 While sports are understood to train minds and bodies, I think they also give rise to the urge to improve performance, that is, to better oneself. To me, that's the great value of sports. I've also heard of many cases where footballers achieve higher performance when they think for themselves and spontaneously display some sort of creative sensibility.

**López:** You're right about that. At KidZania we also want children to think for themselves and decide what they want to do. We want the parent to be surprised when they see the variety of choices we offer. Personal inclinations discovered in early childhood become lifetime assets. We hope to effectively complement home and school with experiences that would otherwise be unavailable. By giving kids more choices, we want to awaken their potential and broaden their sense of possibility.

### Business that Makes the World Better by Exploring Technology

**Yoshida:** I see what you mean. We have also been running various workshops since autumn 2015 when "Craft Lab by YKK" really got underway. Through this project we hope to communicate to the younger generation some of the joy that comes from manufacturing. Moreover, since YKK is first and foremost a manufacturing enterprise and will always stay that way, we have placed Technology Oriented Value Creation at the center



Zipper Week at KidZania Tokyo

### Xavier López

President, KidZania

Born 1964, Mexico City. Having obtained a degree in Management from Anahuac University, he started his master's studies at IPADE in Mexico City and completed his MBA at Kellogg School of Management, Northwestern University. In 1997, he established KidZania by successfully combining the concept of entertainment through role-playing and education. KidZania was designed to create a safe place to foster creativity, independence, responsibility, solidarity, and other values that engender a strong sense of community. Since opening in Mexico City in 1999, KidZania has spread to 24 locations in 19 countries.

### Tadahiro Yoshida

Chairman & CEO, YKK Corporation and YKK AP Inc.

Born 1947, Toyama Prefecture. He graduated from the Law Faculty of Keio University. In 1972, he completed his MBA at Kellogg School of Management, Northwestern University and joined YKK Corporation (then known as Yoshida Kogyo K.K.). In 1990, he became president of YKK AP Inc. and, in 1993, president of YKK Corporation. In 2011, he assumed his current duties as Chairman & CEO of YKK Corporation and YKK AP Inc.

of our Fifth Medium-Term Management Vision. By realizing the deep potential of technology, as well as creating "new value," we are strongly committed to creating "value that can help to solve social problems."

**López:** That's a worthy goal. Since our founding, a major part of our content has also been manufacturing. We appreciate YKK's sponsorship of KidZania Tokyo since 2014, and have been impressed by the enduring popularity of the content you provide.\*4

**Yoshida:** It's kind of you to say that. I've been struck by how well KidZania reflects the actual economic system. Rather than presenting each occupation in isolation, I'm constantly impressed by the way your model interlinks everything in a miniature economy.

**López:** Well, along with the pleasure of working, we also want to get across the sense of being rewarded for doing work. Naturally, KidZania has banks and credit cards, but things are also set up so that kids can contribute some of their rewards back to society.

### Grappling with Social Problems as a Corporate Citizen

**Yoshida:** I understand that KidZania has now spread around the world to 19 countries. How are operations carried out in each location?

**López:** We are actively building alliances with local companies. Since role-playing is a universal idea that draws on our human instincts, I am confident that it transfers even across national boundaries. Culture and values, however, vary from country to country, so the content has to be locally adapted. KidZania responds to such challenges by integrating globally understood concepts in local partnerships. The important thing is to go forward by building, at a local level, to create win-win relationships.

**Yoshida:** I think our business goals have much in common. YKK has a fastening business that mainly deals in such items as zippers and snap-and-button products, and AP business



\*1. Japanese-style manufacturing process.

\*2. Professor at the Kellogg School of Management, Northwestern University, Chicago, Philip Kotler is a "legend in marketing" and recognized as a world authority.

\*3. Under the auspices of the Japan Football Association, approximately 6,000 teams from all over Japan compete in the knockout stages.

\*4. Annually since 2014, YKK has taken the opportunity to get kids interested in making things by sponsoring a time-limited Zipper Week at KidZania Tokyo.

