



CASE STUDY

# Casio Creates New Ways to License and Monetize its Software using Gemalto Sentinel

## Background

A worldwide manufacturer of consumer electronics and business equipment solutions, Casio has introduced digitalization in its business, starting with software licensing model for its renowned scientific calculators. As technology has progressed, so too have the market and the needs of individual calculator users. To meet the needs of these diverse markets and curriculums and better monetize its software products, Casio chose Gemalto as its partner for digital transformation.

What began as physical handheld calculators for students and physical teaching aids for educators, is evolving to digital classroom software-based teaching methods. Casio offers a calculator simulator software used by educators during class as an educational aid. Laptops and tablets are becoming an integral part of smart classrooms, and in some countries, instead of using a physical calculator, students and educators are shifting to calculator software for learning and teaching.

## Challenges

- > **Drive business growth with new licensing models** – “Our main business is still hardware,” said Tomoaki Satoh General Manager, Product Planning Department, Educational Computer Business Unit Business Strategy Headquarters for Casio. “But the shift to software-like business models has already happened and the trend is continuing to grow. We needed a way to expand and enrich our business to develop these new markets. And we also needed to evolve our products from ‘calculator simulators for teachers,’ to ‘educational tools for students.’ At the same time, it became necessary for us to monetize our software through licensing.”
- > **Customize offerings for new markets** – Casio offered its calculator hardware and software, including a perpetual license, whereas competition was offering free software. To differentiate the value of its software, from that of its competitors, Casio knew it was critical to be able to offer free trials and customize commercial licensing terms to suit individual customer and market needs.
- > **Provide electronic software distribution** – To meet the needs of today’s classroom, Casio also needed to evolve its business model from delivering a perpetual license for its calculator software on physical CD-ROM to providing more licensing options and downloads via the internet. “We needed a way for users to purchase and download the calculator software online because many are using laptops or tablets and don’t have access to CD drives,” said Tomoaki.

## Challenges

- > Drive business growth with new licensing models
- > Customize offerings for new markets
- > Provide electronic software distribution

## Solutions

- > Sentinel RMS for Secure & Flexible Licensing
- > Sentinel EMS for Licensing Operations & Reporting

## Results

- > Expanded monetization options
- > Increased market share
- > Improved customer experience
- > Streamlined operations

## Solutions

**Gemalto’s consulting services and Sentinel RMS and EMS.**

Mr. Tomoaki assembled a cross-functional team to define Casio’s requirements and evaluate various commercial licensing technologies. The team encompassed staff from product development including product planning, specifications, user interface design and software design. Also included, were staff members from sales, accounting, and internal systems.

After careful consideration, Casio chose Sentinel RMS, to enable secure and flexible licensing based on individual needs, and Sentinel EMS, which manages the back-office licensing operations, software downloads, activations and reporting.

“We chose Sentinel RMS with EMS because when we compared Gemalto to competing solutions, Sentinel came out on top. It was the most cost-effective licensing solution introduced and the ongoing licensing fees were the best. Sentinel was easy to install and Gemalto’s technical support were committed to the success of the project, which facilitated the complex process of implementing a licensing management solution,” said Tomoaki.

The entire process from determining requirements to evaluating vendors to full implementation of Sentinel, took about 10 months. The first five months were dedicated to product evaluations and internal discussions prior to entering into a contract with Gemalto. Gemalto provided the developmental/testing environment, and from there it took three months to implement Sentinel RMS with EMS and add more licensing options. It took an additional two months to finalize the authorization to sell licenses through the existing sales channels and for development of the website for electronic distribution.

## Results

- > **Expanded monetization options** – Implementing Sentinel RMS and EMS, has enabled Casio to offer a variety of flexible licensing terms for its scientific calculator software, including 90-day trials and single to multi-year licensing options. Trial versions enable users to understand the benefits of the software and determine if they want to upgrade to the paid version. Then based on individual preference, users can purchase a single or multiple-year license to use the software. In addition, thanks to Sentinel solutions, Casio's offer also includes the extension of software license validity date.
- > **Increased market share** – Sentinel has enabled Casio to license its calculator software in an appealing way to each individual market and math curriculum. "Sentinel is allowing us to be more competitive and capture more business," said Tomoaki. "For example, since deploying Sentinel to customize licensing, we've been able to launch distribution of our software to students in Scandinavian countries; a market we previously couldn't penetrate before."
- > **Improved customer experience** – Sentinel enabled Casio to move from physical software distribution on CD-ROM to a customer self-service business model. Now Casio customers can purchase, download, activate and renew their scientific calculator software via Casio's website. This significantly improved customer experience alongside optimizing Casio's operational efficiency.

"Now, thanks to Gemalto's advanced technology and insights, we've been able to address new markets, put our customers in control, streamline our fulfillment process, improve efficiency and reduce operational costs," said Tomoaki. "We're looking forward to growing together through collaboration and cooperation."

## Future Plans

When asked about future plans, Tomoaki responded: "Our next target is to integrate Sentinel EMS licensing operations with our other back-office systems to fully automate the purchase, activation and upgrade process. Beyond that, as software and web services continue to grow, Sentinel for cloud licensing would be the next solution to test," said Tomoaki.

## About Casio

Founded in 1957, Casio is a worldwide leading manufacturer of consumer electronics and business equipment solutions. Casio's businesses include the manufacture and sale of consumer electronics products, including watches, dictionaries, calculators, and musical instruments, and electronic system devices such as page printers and handheld terminals. For more information, visit: [www.casio.com](http://www.casio.com)

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## About Gemalto

Gemalto is the market-leading provider of software licensing and entitlement management solutions for on-premises, embedded, and cloud-based software vendors. Gemalto Sentinel is the most trusted brand in the software industry for secure, flexible, and future-proof software monetization solutions. For more information, visit: [www.gemalto.com/software-monetization](http://www.gemalto.com/software-monetization)

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