

# **FY94 Strategic Objectives Presentation to O&M**

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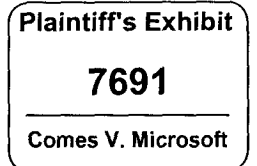
## **FY94 Strategic Objectives**

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- ◆ **Expand Operating System Profitability**
- ◆ **Gain Office Share**
- ◆ **Build Higher Profit, Ongoing End User Relationships**
- ◆ **Develop a Solutions Platform Business**
- ◆ **Enhance the Microsoft Image**

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## **FY94 Strategic Objectives**

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### **How MRMA is Approaching Each Objective:**

- ◆ **What We're Trying to Do--What This Objective is All About**
  - *Steve Ballmer's/Product Marketing Objectives*
- ◆ **What We've Studied, What We've Learned, What We Should Do to Achieve This Objective**
  - *MRMA studies*

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## **FY94 Strategic Objectives**

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### **How MRMA is Approaching Each Objective:**

- ◆ **What Are Others Saying About this Objective/Topic**
  - *Analysts, Popular Press, Industry Press*
- ◆ **What Key Components are Included in the Objective's Framework**
  - *Each Objective is "Owned" by a MRMA manager, who has developed a Framework for his/her Objective*

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## **FY94 Strategic Objectives**

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**For Each Objective, This Presentation Will Give You:**

- ◆ **Steve Ballmer's FY94 Objectives**
- ◆ **Product Marketing Objectives**
- ◆ **MRMA Manager's Framework**
- ◆ **A Glimpse of What We're Learning**

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## **Expand Operating System Profitability**

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# Expand Operating System Profitability

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Per Steve Ballmer's FY94 Objective

## ◆ Grow, Protect, Leverage Windows Market Share

- Grow Windows Market Share

» Increase Windows penetration as customers convert from MS-DOS to Windows

» Expand profitability of OS business

- ◆ put MS-DOS and Windows on every PC that ships
- ◆ generate more revenue from each sale of Windows, Windows sale is an *add-on sale opportunity*
- ◆ OEM is primary channel for full Windows units
- ◆ drive sales of higher priced Windows versions: WFW, NT

- GAIN NEW CUSTOMERS  
- PROTECT CUSTOMERS

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# Expand Operating System Profitability

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Per Steve Ballmer's FY94 Objective

## ◆ Grow, Protect and Leverage Windows market share

- Protect Windows Market Share

- » Gain new customers
- » Secure existing customers

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## Expand Operating System Profitability

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Per Steve Ballmer's FY94 Objective

- ◆ **Grow, Protect and Leverage Windows market share**
  - Leverage Windows Market Share
    - » Incremental revenue opportunity will shift to the installed base
      - ◆ gain new customers
      - ◆ secure existing customers
    - » *An ongoing relationship with customers*
      - ◆ relationship is valued by a broad set of customers
      - ◆ cross-selling products and add-ons to existing customers
      - ◆ informing, upgrading, supporting the customer

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## Expand Operating System Profitability

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Per Operating Systems Marketing Plans

- ◆ **Make Windows for Workgroups successful (?)**
- ◆ **Build infrastructure for and with Windows NT**
- ◆ **Prepare for Chicago**

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## **Expand Operating System Profitability**

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Per Bob Foulon's (owner) Framework

- ◆ **Consumer attitudes and behavior regarding illegal software acquisition**
- ◆ **Evidence of illegal operating system distribution**
- ◆ **Projections of operating system market share among specific target audiences**
- ◆ **Barriers and motivations to upgrading/changing operating systems**
- ◆ **Consumer awareness, attitudes, and perceptions regarding operating systems**
- ◆ **Consumer attitudes/behavior regarding purchase of new PC hardware (including RAM upgrades)**

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## **Expand Operating System Profitability**

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A Glimpse of What We're Learning

- ◆ **Data That Provides Evidence of Illegal Operating System Distribution**
  - The MS 3.1 Piracy Study shows that none of the outlets inspected in 5 metropolitan areas were selling illegal copies of Windows 3.1. There was a problem, however, of selling of OEM product unbundled.

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## Expand Operating System Profitability

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### A Glimpse of What We're Learning

#### ◆ Consumer Awareness, Attitudes and Perceptions Regarding Operating Systems

- The MS DOS 6 Direct Mail Study shows that the direct mail postcard had no impact on consumer awareness and purchase of MS DOS 6.0

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## Expand Operating System Profitability

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### A Glimpse of What We're Learning

#### ◆ Projections of operating system market share among specific target audiences

- The 1993 AAU study asks respondents which operating systems will dominate in two years (of currently available operating systems)
- Respondents from all end user segments (comp. pro., IEU, Fringe, and GU) predicted that DOS using G.U.I. or Windowing would dominate by 1994
- Macintosh came in second with Fringe and GU's
- Unix came in second with computer professionals

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# Expand Operating System Profitability

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## A Glimpse of What We're Learning

### ◆ Consumer Awareness, Attitudes and Perceptions Regarding Operating Systems

- The Windows Logo Research shows that the flag is not immediately recognizable as the symbol for MS Windows, although it has a positive perception

- Do we want to extend this?

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# Expand Operating System Profitability

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## A Glimpse of What We're Learning

### ◆ Consumer Awareness, Attitudes and Perceptions Regarding Operating Systems

- The Windows NT "Tire Kicker" Potential research gauges awareness of Windows NT and Windows NT Advanced Server with Corporate PC software evaluators
- 39% of those interviewed were at least somewhat familiar with NT
- Of those familiar, 40% are considering purchasing NT or Advanced Server when released
- Of those considering purchasing, the majority (53%) are considering both the desktop and server versions. 44% are considering the desktop only, and only 4% are considering the server version only

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## Gain Office Share - FY94 = "YEAR OF THE OFFICE"

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## Gain Office Share

Per Steve Ballmer's FY94 Objective

◆ **Grow, Protect and Leverage Office market share:  
Selling Office SKU's is primary focus; sell value-added versions of Office**

- Grow: Aggressively pursue market share gains -- 60-80% shares

- » Shift customer purchasing criteria to benefits of Office as customers convert from MS-DOS to Windows
- » Windows penetration varies by geography and industry type

MAKE CUSTOMERS THINK ABOUT SWITCHING TO WINDOWS

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## Gain Office Share

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Per Steve Ballmer's FY94 Objective

- ◆ **Grow, Protect and Leverage Office market share:  
Selling Office SKU's is primary focus; sell value-added versions of Office**
  - **Protect: Defend against potential market share losses**
    - » Gain new customers
    - » Secure existing customers

EXISTENT USERS BUY MORE SOFTWARE THAN  
DO NEW USERS → SO UPGRADES IS  
THE WAY TO GO

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## Gain Office Share

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Per Steve Ballmer's FY94 Objective

- ◆ **Grow, Protect and Leverage Office market share:  
Selling Office SKU's is primary focus; sell value-added versions of Office**
  - **Leverage**
    - **Incremental revenue opportunity will shift to installed base**
      - more effective marketing of upgrades
      - cross selling other products and add-ons
    - **An ongoing relationship with customers**
      - relationship is valued by a broad set of customers
      - cross selling other products/add-ons to existing customers
      - informing, upgrading, supporting the customer

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## **Gain Office Share**

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### **Per Office Marketing Plan**

- ◆ **Establish and maintain Office leadership**
- ◆ **Move the MS installed base to office**
- ◆ **Win the DOS to Windows upgrade battle with Office**
- ◆ **Research out to smaller businesses**
- ◆ **Target the Solution Provider market**

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## **Gain Office Share**

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### **Per Mike Foley's (owner) Framework**

- ◆ **Share or penetration numbers for Office/Office competitors**
- ◆ **Intent to purchase Office/Office competitors**
- ◆ **Awareness of Office/Office competitors**
- ◆ **Imagery related to Microsoft/Lotus/Borland offering "products that work together"**
- ◆ **Imagery/perceptions related to Office/Office competitors**
- ◆ **Purchase criteria shifting to Office Type Products or "products that work together"**

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## Gain Office Share

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### A Glimpse of What We're Learning

- ◆ **Purchase criteria shifting to Office Type Products or "products that work together"**
  - The WinOffice 3.0 Registered Owner Survey tells us that there are several reasons for buying Office
    - » Windows apps
    - » Consistency of how the apps work
    - » The word processor
    - » The ability to move between apps or programs
    - » Price
    - » The spreadsheet
  - The same study tells us that a single set-up program and a backup program could potentially increase the appeal of the office

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## Gain Office Share

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### A Glimpse of What We're Learning

- ◆ **Awareness of Office/Office competitors**
  - About one-fourth of the respondents in the WinOffice 3.0 Registered Owner Survey considered another suite or package of apps, but few competitive suites made it to the final evaluation set

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## **Gain Office Share**

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### **A Glimpse of What We're Learning**

#### **◆ Imagery/perceptions related to Office/()office competitors**

- From an article in PC Week for August 23, users are "gobbling up" suites offered by Lotus, Borland, and Microsoft, *not* realizing that only the registered user can legally use the application in the bundle
- Many users buy the bundles to break it up and share it, while about one-quarter say they're not aware that suites can't be broken up
- Some users are saying they may reconsider suite purchases because of these licensing rules, which could dampen this rapidly growing market

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## **Gain Office Share**

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### **A Glimpse of What We're Learning**

#### **◆ Imagery related to Microsoft/Lotus/Borland offering "products that work together"**

- The Office Promo Focus Groups show that the concept of having applications work together better and easier is an appealing one
- However, participants must have a need for all three applications to motivate a purchase
- Aligned with this need must be the ease of converting existing documents

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## **Gain Office Share**

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### **A Glimpse of What We're Learning**

- ◆ **Awareness of Office/Office competitors**
  - Awareness of bundled applications was low among the participants in the Office Promo Focus Groups
  - Typically, one or two participants in each group had heard of Microsoft's Works and Office
  - To a lesser extent, they had heard of Lotus' SmartSuite and Symphony

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## **Build Higher Profit, Ongoing End User Relationships**

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## **Build Higher Profit, Ongoing End User Relationships**

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Per Steve Ballmer's FY94 Objective

- ◆ **Capture Customer names and information**
  - Make product registration valuable and meaningful
  - Customer views on registration
  - Acquire 2.8MM new Windows and MAC names
  - Increase reg rate from 38% to 50%
  - Expand, segment and leverage reg base
  - Pay for support

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## **Build Higher Profit, Ongoing End User Relationships**

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Per Steve Ballmer's FY94 Objective

- ◆ **Communicate with Customers in a Meaningful  
Way**
  - How do customers view our communications?
  - We convince customers that we understand their needs and go the extra mile for them
  - Supply them with product info, offers, and services relevant and tailored to their needs

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## **Build Higher Profit, Ongoing End User Relationships**

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Per Steve Ballmer's FY94 Objective

- ◆ **Increase Customer Satisfaction and Build Stronger Equity in the Microsoft Brand Name**
  - Decrease customers "at risk" from 36% to 34%
  - Gather all info regarding customer satisfaction regarding MS, products, services
  - Info re: "Customers look to MS first as their key point of reference as they make purchase decisions in an increasingly complex environment"

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## **Build Higher Profit, Ongoing End User Relationships**

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Per Angela Pierce's (owner) Framework

- ◆ How customers view registration, and what would make registering a more valuable thing to do
- ◆ How customers view our communications, and communications efforts in general
- ◆ Information related to end user customer satisfaction with regard to MS as a company, our products and services
- ◆ Information that supports or refutes the idea that customers look to MS first as their key point of reference as they make purchase decisions

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## Build Higher Profit, Ongoing End User Relationships

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### A Glimpse of What We're Learning

- ◆ **How customers view our communications, and communications efforts in general**
  - The DM Communication Eval research tells us what we can do to get end users to read our direct mail pieces. (This research was done for upgrade announcements)
    - » Communicate Microsoft name
    - » Quality features (i.e. color, textured paper, graphics, etc.)
    - » Simple and uncluttered layout
    - » The 800 number, price, version number, and expiration date should be highly visible for upgrade announcements

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## Build Higher Profit, Ongoing End User Relationships

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### A Glimpse of What We're Learning

- ◆ **How customers view registration, and what would make registering a more valuable thing to do**
  - Registration Focus Groups done in October of 1992 shed some light on attitudes towards registering software and incentives to register
  - Respondents see very little benefit in registering
  - Fear of junk mail and confusion about sending the card in add to a low registration rate
  - Respondents were mixed on what incentives could be offered to get them to register. Some suggestions:
    - » large discounts and/or rebates
    - » free upgrades

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## **Build Higher Profit, Ongoing End User Relationships**

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### **A Glimpse of What We're Learning**

- ◆ **How customers view our communications, and communications efforts in general**
  - The Focus on MS Windows Newsletter Research shows that the Focus newsletter is well received, highly rated, and a very satisfying newsletter
  - Respondents preferred a shorter format (less than 40 pages)
  - Respondents like "hot tips" articles and broader interest articles

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## **Build Higher Profit, Ongoing End User Relationships**

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### **A Glimpse of What We're Learning**

- ◆ **How customers view our communications, and communications efforts in general**
  - The Amplitude Focus Groups shows that most respondents saw benefits to the proposed program, but most were unwilling to pay \$49 a year for them
  - Respondents felt that the following elements were valuable
    - » Notification of maintenance releases
    - » MS magazine
    - » Express Access
  - But, respondents were nearly unanimous that a software company had an obligation to notify users of maintenance releases and provide fast and free product support

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## **Build Higher Profit, Ongoing End User Relationships**

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### **A Glimpse of What We're Learning**

- ◆ **Information related to end user customer satisfaction with regard to MS as a company, our products and services**
  - The End User Support Quality Focus Groups identified what end users want from PSS
  - Technical support is a key element in the overall benefit customers seek from software
  - End users want support that provides fast, accurate resolutions to problems
  - MS should tailor support to each segment's needs--different segments face different challenges
  - MS should try to reduce the demand for support by developing special relationships with 3rd party support providers, more complete on-line help, and better *documentation* and educational literature

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## **Develop a Solutions Platform Business**

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## **Develop a Solutions Platform Business**

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**Per Steve Ballmer's FY94 Objective**

- ◆ **Drive Sales of server and desktop products**
  - Drive development of business solutions that include them

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## **Develop a Solutions Platform Business**

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**Per Steve Ballmer's FY94 Objective**

- ◆ **Provide the solutions platform and the stimulus necessary for value-added partners and large accounts to build, implement and support business solutions using our server and desktop products**
  - Solutions platform products, tools, and methodologies, information and support
  - Stimulus education, certification, marketing
  - Success measured by our ability to drive solutions that utilize Microsoft server and desktop products
  - We must win solutions platform business in companies of all sizes to lead in this market

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## **Develop a Solutions Platform Business**

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**Per Steve Ballmer's FY94 Objective**

- ◆ **Expand our existing solution provider channel**
  - Create a partnership asset (i.e. OEM)
  - Implement programs to bootstrap solutions business around MS products
  - Recruit and mobilize a strong community of value-added solution providers
  - We can realize incremental gains in Office sales only if we ensure that business solutions are built using Office

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## **Develop a Solutions Platform Business**

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**Per Steve Ballmer's FY94 Objective**

- ◆ **We're in business to sell:**
  - Server products (WFW, NT, Advanced Server, SQL Server, etc)
  - Desktop products (Windows, DOS, Office, productivity apps)

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## Develop a Solutions Platform Business

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Per Steve Ballmer's FY94 Objective

◆ **Implications:**

- Marketing -- success stories, developers/supporters
- Certification -- the new MCP
- Education -- MSU, certification courseware
- Education -- MCS, knowledge transfer
- PSS -- SPs get inside info; Delta rolled out
- MSIN -- Info distribution machine
- Recruiting -- valuable integrators, methodology developers, vertical and small ISV's, top consultants, solution providers

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## Develop a Solutions Platform Business

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A Glimpse of What We're Learning

- ◆ **Provide the solutions platform and the stimulus necessary for value-added partners and large accounts to build, implement and support business solutions using our server and desktop products**
- The ExecNet Concept Feature Test gauged MIS reaction to ExecNet
    - » ExecNet was clearly supported, but MS's sponsorship pulled in the other direction (bias)
    - » The preferred media was a combination of on-line electronic access and CD-ROM disks, supported by mailings of brief index summaries

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## **Develop a Solutions Platform Business**

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### **A Glimpse of What We're Learning**

#### **◆ Drive Sales of server and desktop products**

- The Desktop Apps MIS Focus Groups show that MIS should be considered as a potential target for marketing desktop apps
- MIS is gaining control over desktop apps because they control LANs
- MIS is unlikely to initiate changes, they are primarily motivated by a desire to avoid problems
- An appropriate message to MIS seems to be that a change to Windows will not be as painful as they think
- Consider offering support, build-in help for users, and assurances of backward compatibility

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## **Develop a Solutions Platform Business**

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### **A Glimpse of What We're Learning**

#### **◆ Drive Sales of server and desktop products**

- Research on Hermes shows us how MIS views networks and Hermes
- All features of Hermes were viewed favorably, especially "Performs remote diagnostics and control"
- The most accepted category description for this product is "Centralized support for networked PC's" OR "Centralized desktop management"

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## **Develop a Solutions Platform Business**

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### **A Glimpse of What We're Learning**

- ◆ **Provide the solutions platform and the stimulus necessary for value-added partners and large accounts to build, implement and support business solutions using our server and desktop products**
  - The NT SDK Follow Up research shows us the types and number of apps in development or planned
  - Of those either using or planning to use the kit to develop software, 3/4 are targeting both Windows and Windows NT
  - 62% plan to develop at least one application
  - The average number of applications in development is 3.21
  - 1/3 of the companies are developing or planning to develop mission critical applications

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## **Develop a Solutions Platform Business**

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### **A Glimpse of What We're Learning**

- ◆ **Drive Sales of server and desktop products**
  - The Upgrade Your World Promotion, which offered a free upgrade to those purchasing \$350 of MS products was very successful among Computer Professionals
  - Half of the redeemers in this promotion were classified as Computer Professionals
  - The \$350 upgrade offer tended to appeal to a higher level end user

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## **Enhance the Microsoft Image**

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## **Enhance the Microsoft Image**

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**Per Steve Ballmer's FY94 Objective**

- ◆ **Microsoft as a Partner -- case studies, success stories**
- ◆ **US Mktg is driving development of a worldwide company brand equity measurement plan**
- ◆ **Our new worldwide strategy and image positioning will leverage our industry leadership.**

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## Enhance the Microsoft Image

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### Per Steve Ballmer's FY94 Objective

- ◆ **Microsoft's positioning is evolving and expanding**
  - "A constant cycle of creating software innovations that work for you because we listen to you"
  - Key concepts: "Easier"; "Best family of products"; "A vision of personal computing that delivers a constant flow of innovation"; "with you after the sale"

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## Enhance the Microsoft Image

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### Per Steve Ballmer's FY94 Objective

- ◆ **Brand Image Communication Objectives**
  - Increase value of MS trademark in purchase decisions
  - Increase secured customer rating to 50% in FY94
  - Improve the perception of Microsoft among all audiences
  - Increase *top of mind awareness and image attribute ratings* among GU's
  - Create positive perception of Microsoft among large accounts and industry partners
  - Significantly reduce negative attributes of arrogance, industry dominance and competitiveness

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## Enhance the Microsoft Image

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Per Steve Ballmer's FY94 Objective

### ◆ Brand Image Communication Strategies

- Articulate the benefits of Microsoft leadership and innovation to all audiences
- Establish Microsoft as the preferred brand of software for users
- Establish the new dimension of MS as an important element of family daily life.
- Establish trust in MS among large accounts based on strategy, products and services
- Establish among all industry partners that you can succeed with Microsoft
- Continually articulate Microsoft's vision for computing and technology

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## Enhance the Microsoft Image

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Per Steve Ballmer's FY94 Objective

### ◆ Master Product Brands to be Defined Around the Key Basic Businesses

- Microsoft Windows -- systems and platform businesses
- Microsoft Office -- desktop productivity products/services
- Microsoft Solutions or Tools -- development products and services
- Microsoft Home -- products and services for the home

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## Enhance the Microsoft Image

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### Per Steve Ballmer's FY94 Objective

- ◆ **Manage the interrelationships of multiple brands**
  - Microsoft, the master product brands
  - Individual products (e.g., Mouse)
  - Emerging technology brands (e.g., Microsoft at Work)
  - Relationship brands
    - » Amplitude for end users
    - » Select for large accounts
    - » TechNet for solutions partners/providers

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## Enhance the Microsoft Image

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### Per Steve Ballmer's FY94 Objective

- ◆ **PR communications objectives**
  - Establish broad awareness for Microsoft's vision for the future of the information industry and the benefits of that vision for everyday users of computer technology
  - Communicate the role of Microsoft in the industry as it translates into a benefit for the hardware and software manufacturers

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## Enhance the Microsoft Image

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Per Linda Lybeck's (owner) Framework

### ◆ Company and Brand Awareness

- TOM, Unaided and Aided Awareness
- *Impact of specific marketing components on Microsoft's awareness*
- Where to allocate resources towards building awareness--where strong/weak
- Best way to build awareness in segments where MS awareness is low
- Advertising impact on awareness, purchase and market share

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## Enhance the Microsoft Image

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Per Linda Lybeck's (owner) Framework

### ◆ Brand Image

- Credibility/relevancy of Microsoft's new positioning
- Microsoft's current brand image vis-a-vis competitors and our image objective
- Microsoft/competitors' strength/weaknesses on important attributes
- Microsoft/competitors' overall image strength/consistency across key attributes
- Impact of marketing programs, merchandising presence, other communication vehicles on Microsoft's image
- Persuasiveness of Microsoft's current image/positioning among audiences
- Other brand strategies (sub-product, master product, relationship) effect on corporate image

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## Enhance the Microsoft Image

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Per Linda Lybeck's (owner) Framework

- ◆ **Brand Image--Press Communication**
  - Questions 1-5 in Brand Image (previous slide) for Editor audience
  - Correlation of Editors' perceptions of Microsoft on press content
  - Effective communication of key messages
  - Other positive/negative messages about Microsoft; general press tone by pubs
  - Consistency of press generated MS image with MS image objectives
  - Similar questions for competitors

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## Enhance the Microsoft Image

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Per Linda Lybeck's (owner) Framework

- ◆ **Brand Preference**
  - Market share--key products/categories and/or master brand categories
  - "Best of breed" comparisons--audience perceptions; product review "wins"
  - Key product associations that impact customer decision making
  - Relationship of sub-brand images to overall corporate image

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## Enhance the Microsoft Image

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Per Linda Lybeck's (owner) Framework

### ◆ Brand (Customer) Loyalty

- Corporate, key product and service satisfaction relative to competition
- Key attributes of customer satisfaction
- MS strengths/weaknesses on key attributes relative to competitors
- MS customer "gots" vs "wants"
- Customer vs General market perceptions of Microsoft
- Impact of satisfaction on re-purchase and recommendation
- Impact of key marketing components on satisfaction; effect of "one-to-many" strategy
- Customer measures/attributes for "quality"

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## Enhance the Microsoft Image

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Per Linda Lybeck's (owner) Framework

### ◆ Proprietary Assets and Liabilities

- Identify Microsoft's unique assets/liabilities--effect on image objectives
- Identify competitors' unique assets/liabilities
- Strength of association between Microsoft and Windows

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## **Enhance the Microsoft Image**

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### **Per Linda Lybeck's (owner) Framework**

#### **◆ Other**

- Level of leverage with Microsoft's current name (franchise strength) -- new products, new industries, etc.

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## **Enhance the Microsoft Image**

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### **A Glimpse of What We're Learning**

#### **◆ Brand Image**

- The MS Mail Ad Eval study shows us that ads used to "attack" competitors reflects negatively on the ad sponsor and its products.
- Respondents agreed that for an ad to reflect positively on the ad sponsor, it needs to:
  - » provide relevant information
  - » highlight product features/provide true product comparisons

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## **Enhance the Microsoft Image**

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### **A Glimpse of What We're Learning**

#### **◆ Brand Image**

- The Delta Concept Testing and Positioning Research is important in this area as PSS is linked with company image.
- Paid product support received a lukewarm reception
- MS must manage communications about Project Delta to insure a positive press reaction. A negative press reaction could sway neutral customers against the company

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## **Enhance the Microsoft Image**

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### **A Glimpse of What We're Learning**

#### **◆ Company and Brand Awareness**

- The 1993 AAU study gives us Top of Mind and Unaided Awareness For Microsoft
- Top of Mind Company Awareness:
  - » 36% Mac
  - » 32% DOS
- Total Unaided Company Awareness:
  - » 44% Mac
  - » 40% DOS

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## Enhance the Microsoft Image

### A Glimpse of What We're Learning

#### ◆ Brand Image

- The Focus on MS Windows newsletter shows us that a good newsletter can affect company image
- Focus is well received, highly rated, and a very satisfying newsletter
- *Over half of the respondents stated more favorable perceptions about Microsoft after receiving Focus*

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## Enhance the Microsoft Image

### A Glimpse of What We're Learning

#### ◆ Brand Image--Press Communication

- The Delahaye Monthly Press Coverage Analysis is a "content analysis" of Microsoft's press coverage in specific publications
- The most recent report, June 1993, shows that Microsoft continues to receive *far lower levels of positive coverage, and more negative coverage, than the average for Delahaye's clients*
- In June, some 11% of impressions were positive, down from 12% last month, and below the Delahaye 1992 average of 38%
- Negative impressions accounted for 10.5% of June coverage, up 10% from last month and above the Delahaye average of 7%
- The bulk of Microsoft coverage remains neutral

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## **FY94 Strategic Objectives In Conclusion**

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### **Expand Operating System Profitability**

- ◆ **We want to grow, protect, and leverage Windows market share**
- ◆ **To accomplish this, we're gathering information regarding:**
  - **Illegal software acquisition**
  - **Operating system market share**
  - **Barriers and motivations to upgrading/changing operating systems**
  - **Consumer awareness, attitudes, and perceptions regarding operating systems and purchasing new hardware**

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## **FY94 Strategic Objectives In Conclusion**

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### **Gain Office Share**

- ◆ **We want to grow, protect, and leverage Office market share**
- ◆ **To accomplish this, we're gathering information regarding:**
  - **Market share of Office/competitors**
  - **Intent to purchase**
  - **Awareness**
  - **Imagery related to office/competitors and "products that work together"**
  - **Purchase criteria shifting to Office type products**

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## **FY94 Strategic Objectives In Conclusion**

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### **Build Higher Profit, Ongoing End User Relationships**

- ◆ **We want to:**
  - Capture Customer Names
  - Communicate with Customers in a Meaningful Way
  - Increase Customer Satisfaction/Build Stronger Equity in the Microsoft Name
- ◆ **To accomplish this, we're gathering information regarding:**
  - Customer registration
  - How customers view *our communications*
  - End user customer satisfaction with company/products/services
  - Do customers look to MS first as their key point of reference when making a purchase decision

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## **FY94 Strategic Objectives In Conclusion**

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### **Develop a Solutions Platform Business**

- ◆ **What we want to:**
  - Drive Sales of Server and Desktop Products
  - Provide the solutions platform and the stimulus for value-added partners and large accounts to build, *implement and support* business solutions using our server and desktop products
  - Expand our existing solution provider channel
- ◆ **To accomplish this, we're gathering information regarding:**
  - How to sell server and desktop products to Solution Providers
  - How to educate Solution Providers
  - How best to meet Solution Providers' needs

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## FY94 Strategic Objectives

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### Enhance the Microsoft Image

◆ We want to:

- Give Microsoft as a partner
- Drive a new worldwide strategy and image positioning which will leverage our industry leadership
- Improve brand image and PR communications
  - Foster product brands to be defined around the key basic businesses
- Manage the interrelationships of multiple brands

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## FY94 Strategic Objectives

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### Enhance the Microsoft Image (cont.)

◆ To accomplish this, we're gathering information regarding:

- Company and Brand Awareness
- Brand Image
- Brand Image-Press Communication
- Brand Preference
- Brand (Customer) Loyalty
- Proprietary Assets and Liabilities

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