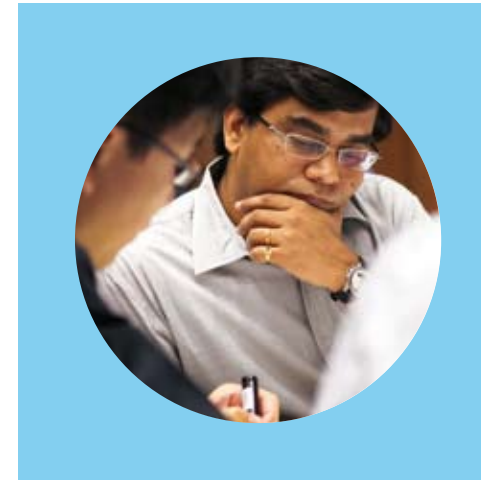


Three events in Three regions introducing Three pillars



Philips' brand positioning will have far-reaching implications for the company as a whole. Stefano Marzano, CEO and Chief Creative Director at Philips Design, talks about the Triple Event, an initiative intended to foster a deeper understanding of the brand positioning throughout the global Design community. He also discusses the role Design can play in helping implement the brand positioning Philips-wide.





There is an ongoing drive to establish a higher degree of market-driven focus in the Philips organization. Several steps have been taken to create a set of values, while the scope of our operations has been defined; technology, lifestyle and healthcare. There is now a greater sense of clarity about what we are doing and why we are doing it. What was missing was the how we are going to do it, and that gap has now been filled by the new brand positioning. Consisting of the three brand pillars, it tells us that we will differentiate ourselves from our competitors by making everything we do Easy to Experience, Advanced and Designed around You.

Towards market leadership

However, the brand positioning still exists on a certain level of abstraction. It requires qualification, a more tangible visualization that starts to articulate issues such as aesthetics, user interface and technology. This will enable us to

actually give substance to the things that will make us different and support our drive towards market leadership.

Triple event

The so-called Triple Event, which took place at Philips Design sites in Asia, Europe and the USA, was arranged to address this. It was held over a period of four weeks in June and July, addressing the global Philips Design community more or less simultaneously. Designers took part in creative workshops to develop material representative of their local cultures and markets. The objective was to build an understanding of what the new brand positioning means to us and our business partners, so we can offer the necessary support in implementing it. This is not particularly straightforward. The notions of Designed around You, Easy to Experience and Advanced are all open to interpretation. Take Designed around You as an example. Does that mean you, the reader of

this article? You in the sense of a particular demographic group? Or you as in consumers in general? By creating awareness that these notions are relative, Philips Design can develop a number of indicators and measurement tools that can help translate the brand pillars in a more effective way. In doing so we can help with product creation, business creation, marketing, development and other areas by promoting a common understanding of what are we communicating to the outside world as a company. When we talk about creating a proposition that is easier to experience, no one disagrees. The challenge now is to actually specify what that means.

Of course, it's all about what the market says, not what we claim. And the market will develop expectations faster than we can implement and communicate our new messages. It was therefore imperative to get the global Philips Design community moving as quickly as possible.

The Triple Event was arranged and carried out in a very short space of time.

Applying Personas

During the event we looked at comparable examples from other industries, business areas and categories in order to contextualize our own activities. Participants were given the opportunity to express their interpretation of the brand pillars individually and in groups. We then took this a step forward by applying Personas, a tool developed at Philips Design that makes use of rich and illustrative data from everyday life to create a common language for understanding people's needs and values.

Various groups each took two different Personas - which illustrate the background, key values and context of a fictional character - and visualized what this character's expectations may be with respect to the new brand positioning.

These expectations covered everything from products to experience, design and communication. Using Personas not only helps the process of understanding the new brand foundation, it can also lead to the creation of other tools capable of supporting discussion or measurement in areas that are subjective, such as aesthetics and taste. Some of these tools are used in the design process as well as during briefing and discussion with our partners in the businesses. These tools are therefore very helpful for others within the Philips organization who are confronted by the new brand positioning.

Driving future value propositions

The brand positioning can be seen as a filter that will drive future value propositions and that will also be used as a means of evaluating the current portfolio. That might well lead to Philips renouncing some propositions in its portfolio or adapting certain others. But in order to see what fits and

what doesn't, there has to be an effective framework in place for measuring compliance. Each business has to define for itself what the new brand positioning means in terms of target markets, technology, competitors etc.

Some of the tools they will use for this have been developed by marketing or development people, and some have been developed by Philips Design. Each function within Philips has a responsibility to link the relatively high level of abstraction present in the brand foundation to the promises the company can deliver. Clearly the pace is set by the marketing community, both at corporate and business level, in quantifying what is within the scope of the three brand pillars. But to do this there first has to be an understanding that the brand positioning is a means of projecting a more consistent proposition onto the market. Consistent in the context of offering the same qualitative proposition,



the same attitude toward the consumer; meeting a constant level of expectation, while building trust and loyalty.

We have concentrated on providing support in areas such as aesthetics, design and usability. Items like taste matrices and the strategic footprint will be very useful to the businesses in giving more substance to what actually matches the brand positioning and what doesn't. Again, not as an exact science, but as an investigation of, for instance, what does Designed around You mean in the context of medical systems?

Customer-centric

The brand positioning is clearly customer-centric. The three pillars of Designed Around You, Easy to Experience and Advanced are all in line with an approach very much championed by Philips Design. Advanced is all about being engaged in technological innovation only when it has a positive

impact on people's lives. Easy to experience says we have to make sure these innovations are simple to access. Designed around You encapsulates our intention to be market-driven.

We have emphasized the importance and relevance of people-focused, user driven innovation for a number of years also in our brand foundation, which is the expression of the intimate soul of the company. It tells of our beliefs, our ethics, our integrity.

Logical development

The new brand positioning is a logical development and a real opportunity to further the transformation of our company. Much has changed in the last 15 years. First we changed the paradigm: technology that effects people's life positively, then we re-established our financial reputation. Then we set company values and the brand foundation. All this went hand-in-hand with a portfolio

redefinition. We have reorganized and realigned, as can be seen by the fact that our business has been distilled into five divisions and three focus areas; Health, Lifestyle and Technology. And now we start to use the brand strategically, having shifted our marketing focus from products to concepts and finally to the brand itself.

Philips Design is currently determining what the brand positioning means for itself, and we are also defining just how we can offer support to our business partners where required. Not just in terms of the brand positioning, but also in terms of its implications. We are already developing solutions that can help continue the transformation of Philips into a truly market-driven company and brand of preference.

