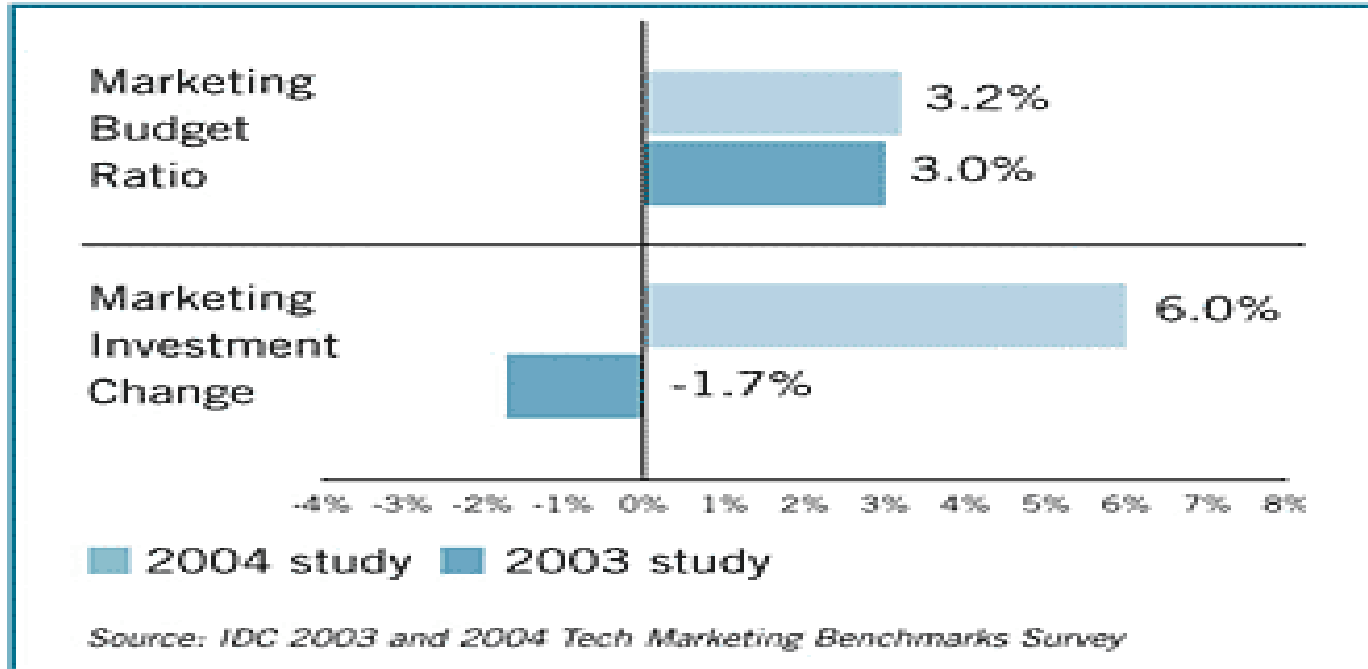


David Aaker on Technology Brands

- “The problem high-tech brands have is too many brands and too much confusion. They don’t know how to focus their brands”
- Dell: “A successful organizational brand around an innovative business model”
- IBM: “A model brand. They stopped doing all this product stuff and shifted their resources into the IBM brand”
- Intel: "It was just a marvel what they did with 'Intel Inside.' They developed it and then converted it into an endorser brand. They didn't walk away from it. They are pretty disciplined."
- Google: "The fact that they are not building the brand in a conventional way does not mean they don't have a strong brand. They stick to their knitting, making their product better and better."

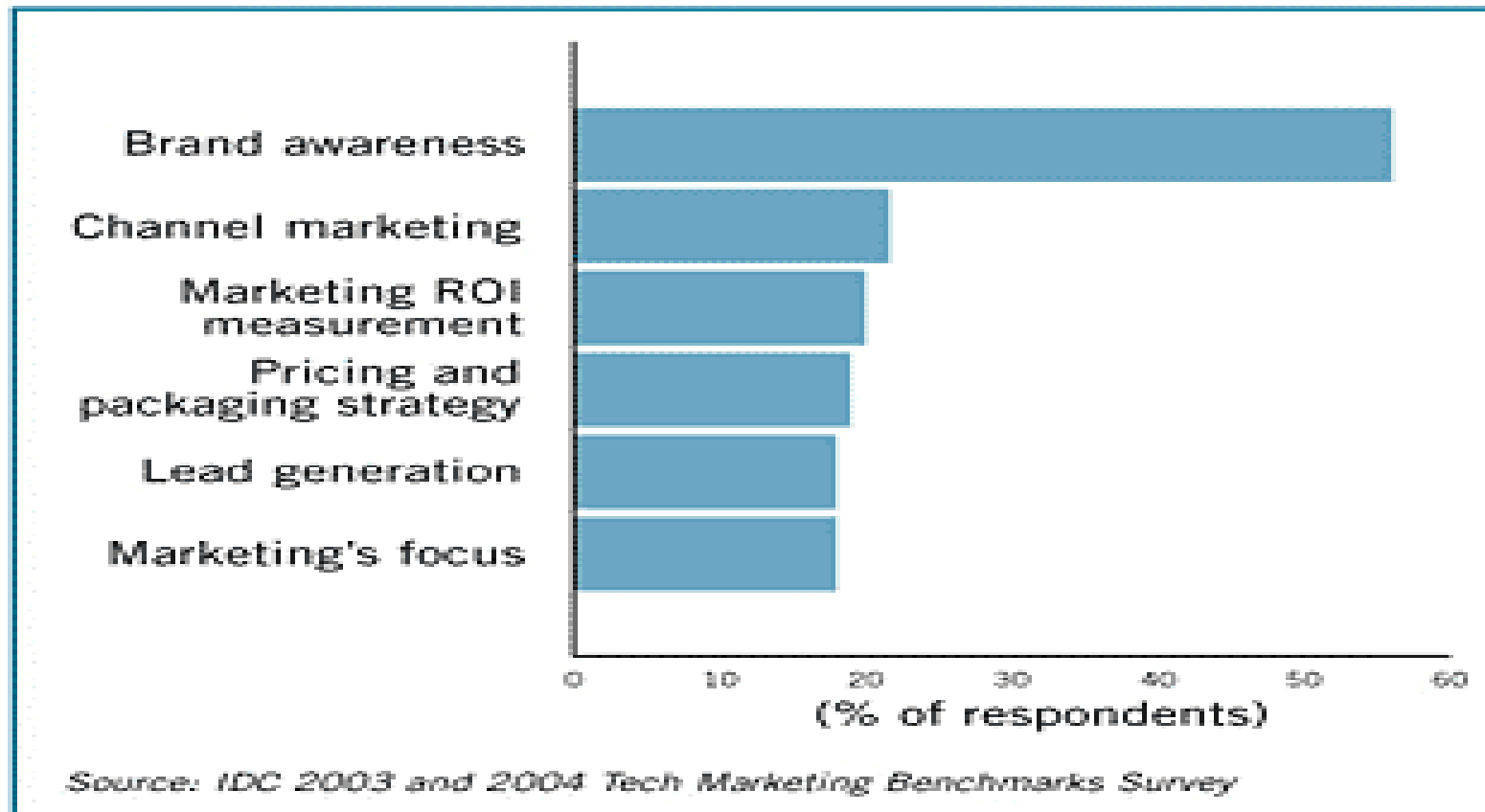
CMO's Dilemma

Figure 1 Tech Marketing Investment Will Increase By 6% in 2004



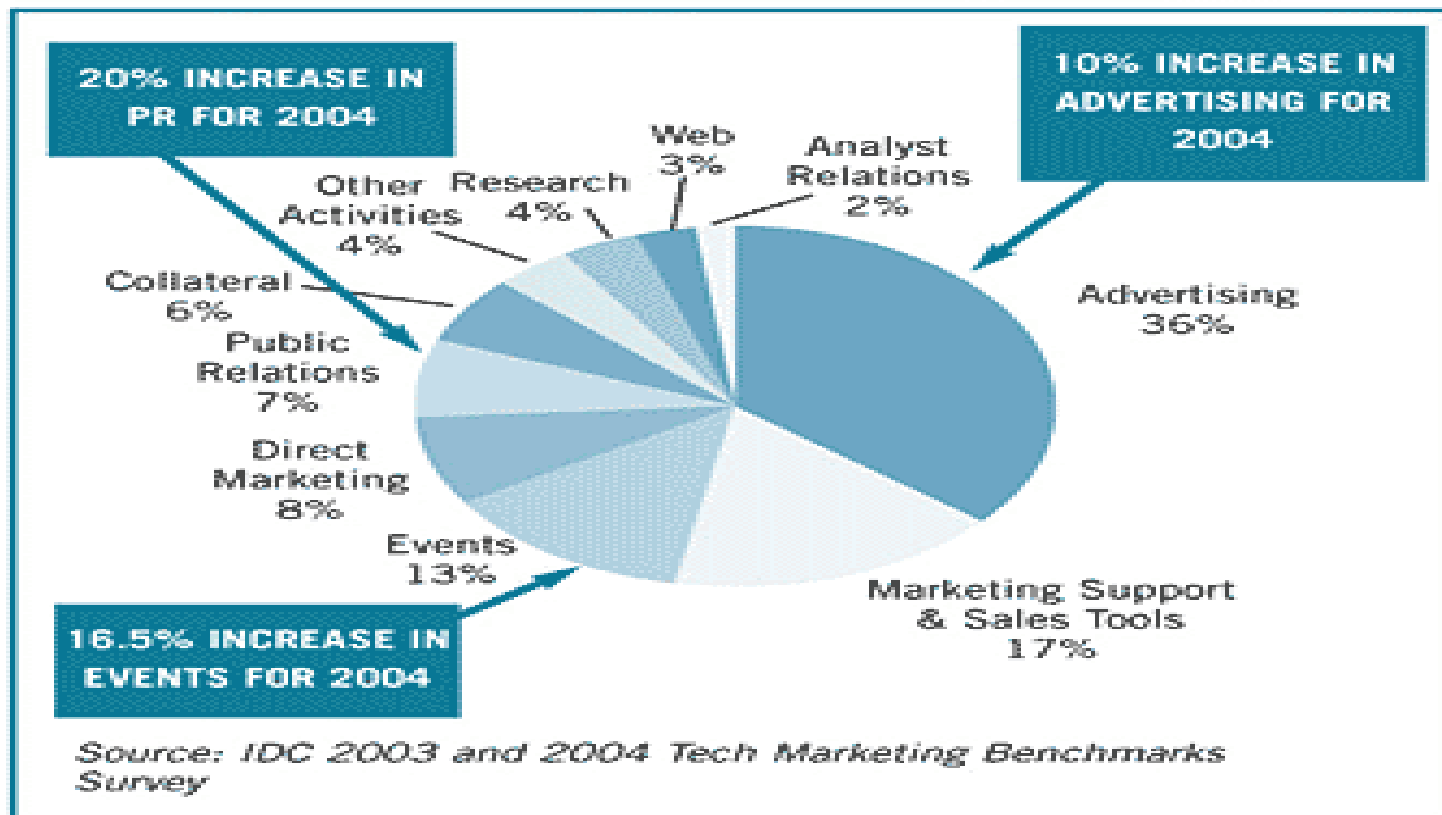
CMO's Dilemma

Figure 2 Brand Building is the #1 Challenge Facing Technology CMOs



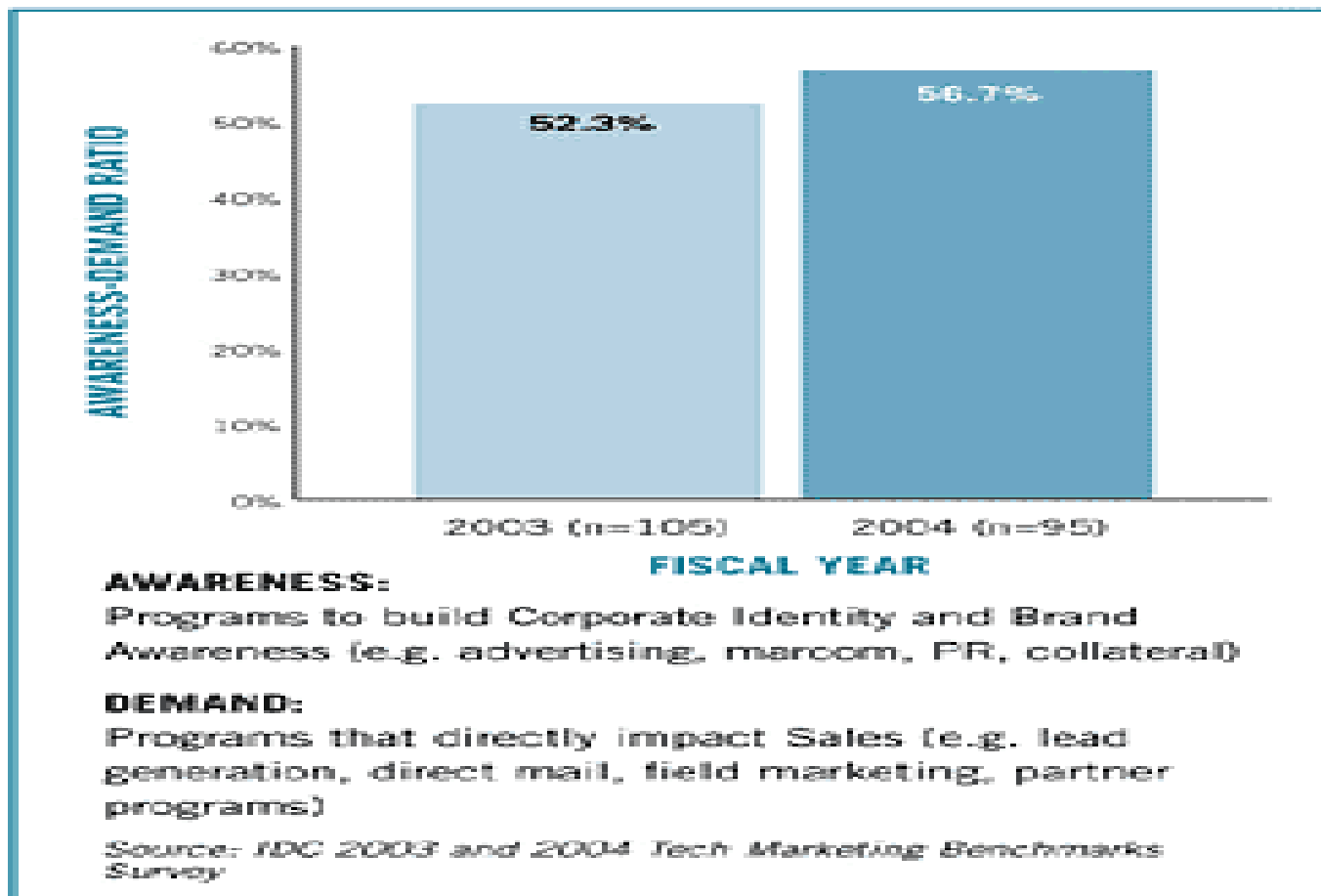
CMO's Dilemma

Figure 3 Spending for Brand Awareness Programs Shows Healthy Increase in 2004



CMO's Dilemma

Figure 4 Awareness-Demand (A-D) Ratio Increase is Consistent with Top Priorities



Putting Branding into Perspective

- Branding conventionally recommends maintaining buyer 'mindshare' in between or prior to buying cycles
- But how many of us maintain awareness of product or service characteristics if we are not in the buying cycle?
- We fine-tune our radar once we decide to begin the buying process
- 'Brand' image will have to be created and validated during sales cycle
- Branding message has to be focused on:
 - Why the customer is buying?
 - Establishing competitive distinction
 - Delivering (all in the mind of the buyer) on those competitive distinction promises

Intel

- The *Intel* position has always been based on authenticity, quality and performance, supported strongly by consistent global campaigns
- Tackles consumer technophobia for a product that cannot be seen with *Intel Inside* campaign
- Individual product brands like Pentium, Celeron
- Crisis management in the case of defective brands helped regained consumer trust
- Effectively managed 'assembly' threat

Closer to Home



- Infosys
 - Infosys Predictability
 - Active liasoning with Gartner and Forrester researches
 - “Infosys strong in Client Satisfaction” (2005 IT Service Provider Scorecard, Forrester)
 - Website storehouse of intellectual capital
 - Infosys-Wharton Business Transformation award
 - Forbes: “Brand with a conscience”
 - Internal Branding: “Human Company”

IBM: Re-branding necessitates Re-engineering & Vice-Versa

- 1993 – IBM in shambles
 - A loose confederation of independent business units
 - Unwieldy management structure
 - Redundant operations and disconnected information systems
 - Colossal Brand Erosion
 - US\$8.1 billion loss
 - Stock price was at a 20-year low

IBM

- Test of Leadership
 - Then IBM Chairman and CEO Lou Gerstner
 - Under tremendous pressure to break up the company
 - Orders Brand Audit
 - Process Audit for experiences of IBM customers, partners and employees ordered
 - Audit Results: Disarray and confusion

IBM

- Test of Leadership (1999 – 2002)
 - Re-engineering of processes
 - Integration in place of de-centralization
 - Focus on “Leveraging collective strength of single IBM”
 - Orders Re-Branding (Phase I)
 - Unity of message to stakeholders
 - Staying in touch to build differentiation
 - Result: Impressive amount of \$ savings, unity of purpose, substantial brand image enhancement

IBM

- Test of Leadership (2002 - ..)
 - Chairman, CEO, Sam Palmisano
 - Focus shifts from Re-engineering (survival) to Re-inventing (growth)
 - Re-Branding (Phase II)
 - Birth of the On-Demand concept
 - Intent to provide integrated “Business Solutions” to clients by offering end-to-end portfolio

IBM

- The Changing Face
 - Aggressive media campaign hits right notes
 - Seamless integration of consulting services with hardware/software offerings
 - e-Enablement providing transparency and ease of use for clients, partners and employees
 - Acquires PWC consulting to increase domain expertise for all industry sectors
 - 40% growth in BTO
 - Customer satisfaction, perception jumps