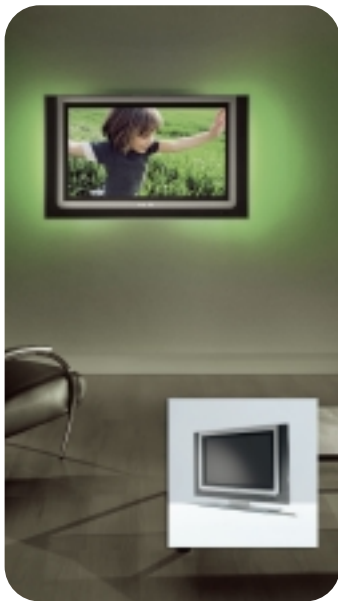


Brand repositioning and communications

Introduction

Philips is a world leader in high-tech products. It provides products in:

- ▶ Healthcare. It provides top medical equipment.
- ▶ Lifestyle. It makes new types of TVs, DVDs and lighting. It brings out new products like the Senseo coffee concept.
- ▶ Technology. Many Philips products are used in cars and offices. Philips lights many sports stadia. It also lights sites such as the Eiffel Tower and events like the 2004 Olympics.



Brands

Almost anything can be branded. A product, group of products or a company can all carry a brand. A brand is unique. It must be easy to recognise. Often it is strengthened through logos, packaging and advertising. From time to time the success of a brand may be reviewed. If the image needs changing, the brand may be repositioned. This means changing the way that consumers view it. Philips has repositioned its brand using the terms: 'sense and simplicity'. Philips is technology based with over 100,000 patents to its name.

Research

Philips research was designed to help it with its brand positioning. It showed that a brand change was needed. Research is both:

- ▶ Market research. This is talking to customers to find out what they want.
- ▶ Product research. Making sure they are getting what they want.

There are two main types:

- ▶ Qualitative research involves working with fairly small groups to get detailed information.
- ▶ Quantitative research involves bigger samples. Often it uses questionnaires.

The research found many strengths but also some weakness. People liked new technology but felt it was starting to become too complex. They wanted it kept simple. This is why Philips went for the new brand image.

Brand positioning

Philips' vision is to make products that put the customer first. Philips' new brand positioning is about giving them a simpler relationship with technology. New technology should be seen to make life simpler. New and exciting products should be easy to use. Philips aims for products that are:

- ▶ Designed around you.
- ▶ Easy to experience.
- ▶ Advanced.

Communicating the brand

Philips used a global advertising campaign to promote the new brand. It features Philips products that fit the new brand positioning. Philips staff and the press and TV were also put in the picture.

Conclusion

The new brand position helps consumers. It lets them know that Philips is not just a high-tech producer, but one that is concerned for the way consumers see and use its products.

