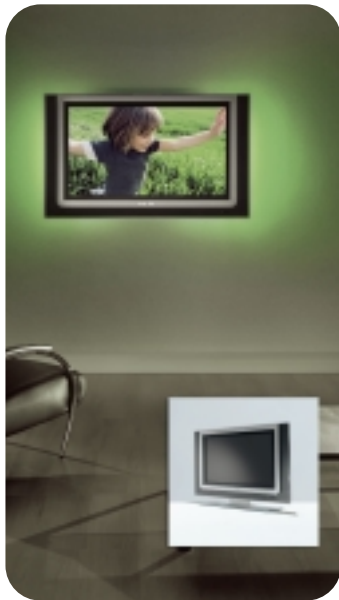


Brand Repositioning and communications



Introduction

A product, group of products or a company can all carry a brand. A brand is unique, easy to recognise and may be used to project a particular image. Usually it is reinforced through logos, packaging and advertising. From time to time organisations review the success of their brand. In some cases they will decide that it is no longer succeeding in projecting the right image and reposition it to alter customers' perceptions of the brands market position. Philips is a technology-based company with over 100,000 patents registered, selling more than a million products a day in three main areas.

- ▶ Healthcare. Philips is the leader in top-of-the-range medical diagnostic equipment.
- ▶ Lifestyle. Philips innovates with its Ambilight TV and DVD recorders, lighting and exciting new products such as the Senseo coffee concept.
- ▶ Technology. Philips' semiconductor and lighting products are prevalent in cars, offices and sports stadia. Philips illuminates monuments such as the Pyramids, the Eiffel Tower and events like the 2004 Athens Olympics.

Research

Good research is essential to the success of a business. Market research includes talking to customers to find out what they want and then carrying out product research to make sure that they are getting it. Philips used both qualitative and quantitative research to help it with its brand positioning.

Findings

The research found many strong points but also some weaknesses. In particular, customers like new technology, but find that it is becoming too complex for them. Philips has repositioned its brand on the basis of two main characteristics: 'sense and simplicity'. Sense and simplicity characterises everything that Philips does and reflects that it is market oriented – i.e. everything is designed to meet customers' needs.

Brand positioning

Philips' vision is to produce products that always put the customer first. Philips' new brand positioning promises customers a more comfortable and straightforward relationship with technology. It involves new and exciting products that are simple to use. Products are:

- ▶ designed around you;
- ▶ easy to experience;
- ▶ advanced.

Communicating the brand

Philips used a global advertising campaign to communicate the brand. It featured existing Philips products that fit the new brand positioning. Communication was to a range of audiences including Philips' employees, the media and the marketing community.

Conclusion

Philips repositioning exercise helps it to better provide what its customers want. The new brand position shows that Philips continues to provide appropriate simple-to-use products incorporating the latest technology.

