

North America Marketing Plan FY06/07

Purpose

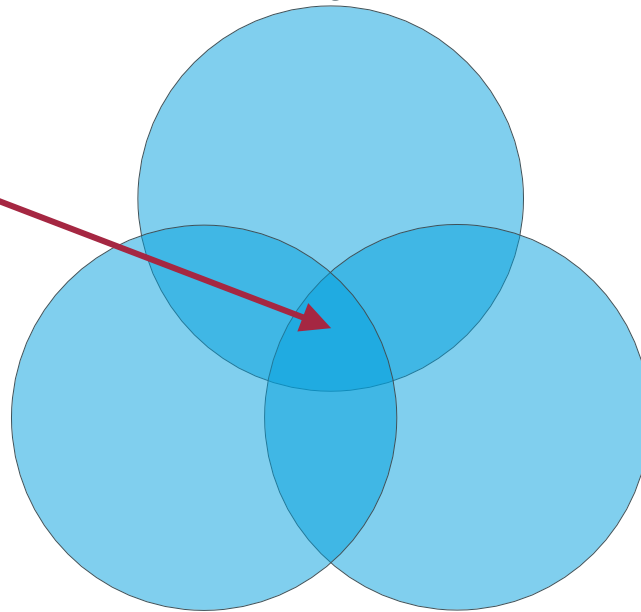
- **Increase revenue, grow market share and expand customer base using marketing resources**
 - ◆ Need to grow by promoting our company's and our products' capabilities
 - ◆ Extend capabilities into new areas – appropriately deploy our talent and technology
- **Modernize our approach to Marcomm and Product Marketing**
 - ◆ Move past just brand awareness
 - ◆ Re-define our media mix and implement innovative marketing programs
- **Focus our efforts in the right direction**
 - ◆ Set some structure around marketing by aligning PM and Marcomm teams
 - ◆ Have marketing programs directly influenced by market and product experts
- **Provide needed sales tools**
 - ◆ Respond to the demands of our sales force and our customers for information
 - ◆ Create a set of consistent tools and common messages to present a unified vision
- **Quantify and measure**
 - ◆ Objectively evaluate our marketing effectiveness
 - ◆ Drive marketing decision making using quantitative metrics and real-world data

Identifying Growth Areas

Opportunity area

- ◆ WHAT: technologies and applications
- ◆ WHERE: key market segments
- ◆ HOW: communicate benefits, features and value

WHAT
trends would enable growth?



HOW
can we make a difference?

WHERE
can we make a difference?

Market Segment Identification

- **High-value market segments cross portfolios and allow us to get the most return on our marketing investment**
 - ◆ More product line-specific segments will be addressed but not within this program

- **Market segments to be targeted align with RSA corporate programs and provide the most opportunity for growth**
 - ◆ Wireless Network Operators
 - ◆ Mil/Aero
 - ◆ New Technologies
 - ◆ Commercial Mobile Communications
 - ◆ Education and Automotive (more niche markets to be secondary priority)

Media Mix

- **Re-evaluate and re-distribute the use of marketing resources**
 - ◆ We want to bring innovative ideas to our marcomm activities
 - ◆ New media, messages and activities to communicate better internally and externally

- **E-mail newsletters**
 - ◆ Stay connected with our customers and prospects
 - ◆ Should not be a sales sheet but should provide valuable information about products or services

- **Other electronic media**
 - ◆ For training, news, demos
 - ◆ Computer-based training, DVDs, improved web presence, Team Rooms, etc.

- **More and better press usage**
 - ◆ Announcements should be tied to NPI to build momentum at introduction
 - ◆ Our product and application experts will publish in trade journals

- **Live events**
 - ◆ Our seminar programs have been excellent and we want to expand them
 - ◆ More half-day in-territory presentations of specific applications is planned

Resources

➤ Internally focused materials and activities

- ◆ Primarily from PMs with some support from Munich
- ◆ IT will play a critical role
- ◆ Marcomm will most likely be asked to help with templates, formats, etc.

➤ Externally focused

- ◆ Primarily Marcomm with content supplied by PMs
- ◆ Activities like seminars and other “educational” programs will be led by Matt Hershfeld with extensive Marcomm team support
- ◆ Leverage Munich as much as possible but give everything a North American feel

➤ Measuring success

- ◆ PM team member, Marcomm team member, maybe Finance team member need to set metrics and consistently evaluate against them
- ◆ Once plan is complete Marcomm should proactively solicit information from PM team
 - Some kind of project plan or timeline with deadlines for content submission

Metrics

- **Prioritize activities based on impact**
 - ◆ ROI on marketing spending? – Incremental revenue directly related to marcomm costs
- **For each suggested activity we will define an outcome metric**
 - ◆ Improve our quantitative analysis by measuring against Prime Data figures and using Accpac data
 - ◆ Rely less on costly surveys but don't eliminate them where they can be valuable
 - ◆ Metrics may be intermediate – i.e. Activity = trade show, metric = # of leads
 - ◆ Or more long-term – i.e. Activity = trade show, metric = resulting revenue from leads
- **Customer acquisition metrics**
 - ◆ Measure awareness levels using surveys as we have in the past
 - ◆ View overall T&M and market segment growth – including our growth compared to the whole market
 - ◆ Measure market share in terms of **revenue** and **unit** share, our growth compared to the market
 - ◆ How many customers do we have per segment (customer counts) and how much revenue per segment
 - ◆ Relative market share = our share/largest competitor share
 - ◆ CAGR (compound annual growth rate)
 - ◆ Rate of customer acquisition - # of new customers this year vs. last
- **Product metrics**
 - ◆ Satisfaction vs. expectations determination via survey
 - ◆ First time user experience evaluation

Metrics (cont'd)

➤ Customer retention metrics

- ◆ Repeat customers - Who is buying or not buying this year that bought last year?
- ◆ Spending changes from key customers or market segments

➤ Trade show metrics

- ◆ Create a value equation to measure the effectiveness of trade show participation
- ◆ Include:
 - # of attendees, # of visitors to the booth, # of leads
 - \$ spent on the show
 - % of floor space occupied (only using competitor booths)
 - \$ revenue generated
 - Other?

➤ Can we evaluate and change purchase decision drivers?

- ◆ Example: move away from price objections to focus more on long-term cost to own

➤ Costs

- ◆ More accurately break down marketing spending by product line

Implementation Steps

- **Discuss the plan and agree on the resource allocation**
- **Identify measurement team and process**
- **Develop a project timeline and coordinate new processes**
 - ◆ Marcomm team to set a calendar for content submission from PMs
- **Get started!**
- **Communicate our plan to Munich**
 - ◆ Let the product lines know what areas we are focusing on in order to get their support
- **Revisit the plan on a regular basis**
 - ◆ Minimum once a year ask what customer needs will drive the growth of our business
 - ◆ Top ten needs list for each product line
- **Measure and evaluate**