

- [Company Profile](#)
- [Businesses](#)
- [Our Brand](#)
- [Design](#)
- [Research](#)
- [Sustainability](#)
- [News Center](#)
- [Investor Relations](#)
- [Careers](#)

## Brand positioning: measuring progress

While the new brand campaign introduces Philips' Brand Positioning to the public, its internal rollout continues. And while consumers are watching the ads, Philips will be keeping a close eye on how well the Brand Positioning and its three pillars are understood and implemented across the company, with three different measurement projects. It will track reactions in the outside community too.

Working from the premise that what gets measured gets done, the company will be focusing on a number of indicators, as it wants to track progress and address issues if needed. These indicators include employees' knowledge and understanding of the Brand Positioning, the success of its deployment, whether business processes are being modified accordingly and whether products are being re-examined and designed in line with the Brand Positioning. It will also be measuring the performance of the company's top 8,000 managers in keeping with the 'Sense and Simplicity' promise.

Global Brand Management's Marjolein van Nieuwkastele, who leads the measurement exercise as head of Market Intelligence, says that it is essential to assess how well everyone in the company understands the Brand Positioning and to regularly set targets for its internal implementation. "It's the only way to see whether you're really making progress," she explains. "We're such a big organization that we need to all work in the same direction towards the same targets." Gary Raucher, responsible within GBM for Brand Realization, agrees: "You can develop the best strategy in the world, but it's not worth the paper it's written on if it just winds up on a shelf somewhere."

### Article options

- [Printable version](#)
- [Send article](#)



### Internal checks

Some elements of the timeline for measuring the Brand Positioning's implementation are based on key dates in Philips' recently introduced marketing calendar: 'top-down checks', for example, where the Board will assess the progress being made by the PDs and the marketing organization. These checks will be performed during annual strategic reviews, half-yearly marketing reviews and quarterly barrel meetings.

The Brand Positioning Deployment Survey will begin assessing the levels of awareness and understanding throughout the company at the end of October. Although everyone who is surveyed will be asked similar questions about how much they know and how effectively they are applying the Brand Positioning, the targets set for 2004 vary according to their position in the company. "We've set stronger targets for top management and the marketing community," says Van Nieuwkastele. "We'll also compare various target groups and countries at PD and business group levels. The results will enable managers to take action and concentrate on specific groups as necessary."

### Three core elements

Internally the measurement has three core elements:

1. Tracking the deployment of the Brand Positioning in the company's Marketing and Sales processes. This will be measured using the Process Survey Tool, Marketing & Sales (PST M&S). Already in use for several years, the tool has now been updated to include the Brand Positioning. The first measurement using the updated version will take place in November.
2. Measuring how well new products deliver on the Brand Positioning. To do this, GBM, together with the Product Divisions, is developing a Brand Positioning module that will be embedded



in all PST business creation processes. With this tool on hand Philips will be able to conduct proactive checks on how well new products are delivering on the Brand Positioning promise.

3. Assessing how well employees are living the Brand Positioning. Philips will field the Brand Positioning deployment survey at the end of October to assess levels of awareness, understanding and buy-in of the promise. The company will also measure whether its processes are adapting to the Brand Positioning and what it is doing to live up to it in the eyes of its employees. This research will give the company a diagnosis of Product Divisions, Business Groups, geography and function axis.

Product Development and Marketing are the first internal business processes that Philips will be checking against the Brand Positioning and its three pillars. Although the Process Survey Tool for measuring the marketing performance of PDs and BGs has been in place for some time, it has been thoroughly updated, Raucher points out. "Simplicity and the pillars have been incorporated in each of the marketing competencies being measured," he says. "The scores will now also reflect how well we're delivering on them."

### External tracking

Meanwhile, Philips will do more than measure the progress of the Brand Positioning internally. Externally, the company will be testing how the Brand Promise is being received by consumers, business customers, opinion leaders and other stakeholders. Although external measurements are made continuously, there are three important dates during the year, tracking external progress in three different ways:

1. The 'brand value measure' is taken from the annual InterBrand survey, which ranks top 100 global brands and is published in Business Week magazine in July.

2. Long-term changes in consumer perceptions are measured using 'Heart BEAT' - the brand equity assessment tool that has been used by Philips for the last three years. "We've recently completed a survey giving us a 'zero measure' against which we'll be tracking progress, and we'll be repeating this again next summer," says Van Nieuwkastele.

3. The third is a 'customer satisfaction' measure of the perception of business customers and opinion leaders. This will be conducted by the businesses themselves and reported back in December, with the analyses being collected by Global Brand Management.

### Campaign effectiveness

"The new brand advertising campaign is a subset of the whole Brand Positioning," says Van Nieuwkastele, "and we'll also be measuring its effectiveness on our external stakeholders." Before the launch of the campaign, a series of pre-tests was carried out. "As we have ten different television commercials, the latest pre-test results are giving us the ability to adjust our media weights," explains Raucher. "If we find that some commercials are doing better than others, we can ensure our audiences see those more often."

Further testing is being carried out during the campaign, and a final survey will be ready in January. In addition to testing the ads themselves, the effectiveness of complementary PR and other communication activities, such as on-line advertising, will be assessed.

### Raw feedback

A core feature of the Brand Positioning is that the commitment to delivering on simplicity is a long-term goal. This is clearly stated in the ad campaign and the 'simplicity' microsite presents yet another opportunity to measure progress. "Both external site visitors and our employees are invited to give us their feedback on the three pieces of information we're collecting there," adds Raucher. "They can tell us how relevant the simplicity positioning is for them, how well we're delivering, and what more we can do. It's another way for us to track our progress and help us move towards our objective." We expect to have the first in-house measures to set objectives for 2005 in December. The objectives will be included in the PDCA cycle, in PPMs and BBSCs.

**You can find the 'Simplicity' microsite at  
[www.simplicity.philips.com](http://www.simplicity.philips.com)  
For more on the Brand Positioning, go to  
[pww.ourbrand.philips.com](http://pww.ourbrand.philips.com)**



NYSE | [US\\$ 39.13](#)

[Careers](#) | [Philips](#) | [Privacy policy](#) | [Terms of use](#) | [Site Map](#)

©2004-2007 Koninklijke Philips Electronics N.V. All rights reserved.

 Global / English 