

From Lewisl Thu Feb 21 16:37:26 1991
To: billg peteh
Cc: bobga frankga garygi jeffr jeremybu jons mikelhal mikemap richmac richt
scotto steveh
Subject: RE: market share of applications
Date: Thu Feb 21 16:35:48 PDT 1991

Levin

Likewise, I have done an R on Pete's mail.

1. I agree that we should be more aggressive on Office. I do share Pete's concerns that the decision for most accounts is to change their wp or spreadsheet. Office is a great incentive if the acct. is pretty sure about buying 2 of 3 apps already.

We can make Office much more accessible as a product. Right now it is incredibly ungainly if you have ever tried to open it and install it. Even our reg rate is lower than for other apps. This is easy to fix.

EXHIBIT # 13
10/25/91
Annamarie Spangrud

2. We may have a short term opportunity to advertise \$129 without even extending. We have a big ad for Win line which will break in late March. The first 1 or 2 insertions which are still during the current run of the promotion could include \$129. We would need to have go ahead on Monday to do this. (Still might not be able to)

I believe that we need some more data to be sure about extend \$129. We need to make sure that the basic market share bet works. Assuming it does: when we planned it back in Nov. we thought WordPerfect might be shipping, soon followed by Lotus. One of the points we talked about was matching their upgrade offers. Now we have some breathing room, but I think we should continue the pre-emptive offer and expect to match their upgrade offers.

For Word and Excel, \$129 should also become THE swap program for corp. accts.

3. With the much more aggressive program to encourage trial for the installed base, I don't think you gain much with the \$199 Excel street price. The committed customer doesn't have much of a problem with Excel.
4. I think this trial idea could help breakdown the inertia that makes share shifts so hard. It really gives the dealers a shot at it if they are up to it. While it would be quickly imitated, the co. with the best distribution (not us) and the most interesting products (us) wins.

In response to the earlier mail on how we might boost Excel and Word, here are a couple of suggestions:

Advertising:
Definitely do an Excel ad touting wins in InfoWorld and S'ware Digest.

To spend more money, follow that page with another page which says "more winners for Windows from Microsoft". No fancy theme or visuals—just big boxes of Word, Project, and PowerPoint with callouts identifying what the app does and why it is best of breed, including wins (Word, Project, quotes for PPT).

In biz press this would be about \$2 mil.

Support:
This is way more than \$2 mil.
Increase analysts in PSS for Win and Win apps even more than we are already. Get them trained and experienced on the existing phone lines. Then announce 1-800-WIN-LINE for 6 mos. Advertise it with a big headline. It'll be hard to go back to toll call, but this could be

an effective way to use the money.

PST seminars:

Down had to scrounge for a measely \$300,000 to expand PST,
a really proven and cost effective program. We could
get more aggressive and go from 5-6 presenters to 10-12
presenters and do more regular schedules in major cities.
We are still packing them in in most cities. Cost: \$800,000

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