PLAINTIFF'S EXHIBIT 1293 Comes v. Microsoft

EXHIBIT # 76 Lewis 10/25/01 Annamarie Spangrud

Excel 4.0 Marketing Plan

CONFIDENTIAL

MS-PCA 1278825

Executive Summary

- This plan is primarily about Excel 4.0 launch plans, but also references many of the sustaining marketing programs for Excel 3.0--Windows and Macintosh versions.
- Win Excel 4.0 RTMs on 3/23/92, ships first week of April; Mac Excel approximately four to six weeks later, no PM Excel 4.0
- SRP $495, competitive upgrade $129, version upgrade price $129 + "special offer", free upgrade grace period for recent purchasers (likely to be 1/1/92 for Windows version, 2/15 for Mac version).
- Key new features are in the following areas: basic usage, analysis, printing and presentation, moving to Excel for Windows (Windows version only).
- Positioning unchanged: "Power Made Easy", but supported with new features and competitively oriented arguments that position Excel as the best spreadsheet relative to new competition
- Marketing strategy still centered around marketing to and through IEUs, but rounded out to include the programs in four key areas:
  - ⇒ Impactful awareness programs to reach more IEUs and "the rest of the workgroup" (GBUs)
  - ⇒ Sustained trial programs to continue to "activate" IEUs
  - ⇒ New and improved tools to facilitate workgroup adoption.
  - ⇒ A care and feeding proposal to ensure satisfaction, brand loyalty, and recommendation
- Launch will be concurrent with Windows 3.1, several launch marketing programs will be executed jointly

Launch Objectives

Excel for Windows

- Increase unit share of DOS/Windows based spreadsheets to 40% by Sept. 1992
- Increase penetration of Excel on Windows machines from 17% to 25%
- Make Excel the natural Windows spreadsheet upgrade in the minds of DOS spreadsheet users

Excel for Macintosh

- Maintain leading market share position of 85-90% of Mac spreadsheets.
- Refocus market attention on Excel and away from new competitors.
- Create the perception in the mind of Mac purchasers that it's not a Mac without Excel.

Table of Contents

1. Overview and Key Contacts 3
2. Situation Analysis 4
3. Strategic Objectives 7
4. Business Objectives 11
5. Product Strategy 13
6. Customers and Segments 14
7. Marketing Strategy 17
8. Positioning and Marketing Messages 19
9. Competition 21
10. Marketing Programs Overview 23
11. Appendix 24

CONFIDENTIAL

1. Overview and Key Contacts

This marketing plan summarizes the marketing objectives, strategies and tactics for the upcoming launch of Excel 4.0 for Windows and the Macintosh. Some parts of this document apply to both products; others are separate and noted as such. This plan covers a breadth of topics and is supplemented by several detailed plans for specific marketing programs. See the organizational chart below for a list of key contacts for each program.

Hank Vigil
Group Product Manager
Excel Marketing

Bill Johnson Team Lead, Push Team	Michael Pinckney Team Lead, Mac Team and Excel for OS/2	Mark Kroese Team Lead, Windows Team
Sam Hobson (samh) Product planning (cross-platform)	*Dave Malcom (davema)* Updates/Direct Mail, End User Care and Feeding, Competition (Lotus Mac), OS/2 Manufacturing issues	*Renee Watremez (reneew)* Reseller marketing programs OEM marketing Manufacturing issues, third party co-marketing
Alee Spencer (alees) Telesales, IEU recommendation, CA marketing issues, District launch	*Denise Rabius (deniser)* International (cross-platform)	*Cris Wittress (criswit)* Research (cross platform) Trial programs
Mike Hard (mikehard) Transition tools, end user training, field communications and training	*Tina Chen (tinac)* Reseller programs, Sales Tools/Field Communications, Govt, Education, Competition (Claris), Marketing Demo & Files	*CJ Liu (cjliu)* Direct Marketing: seminars (cross platform), direct mail, program measurement
Dan Williams (danw) ISV, consultant, trainer relations. (cross-platform)	*Noah Trait (noaht)* Mac Manufacturing issues, Mac Telesales issues	*Joan Morse (joanmo)* PR programs and events, communications strategy (cross-platform)
Kelli West (kelliw) Sales tools, beta		*Tim Lebell* End user care and feeding (Excel Champs), event marketing, technical marketing (Q+E, SQL/C, EIS builder, etc.)

MS-PCA 1278827

2. Situation Analysis

Excel for Windows

The past twelve months in review

After 3 years of market share in the 10-12% range, Win Excel's share has increased to around 30%. The shipment of Windows 3.0, followed by the shipment of Excel 3.0, are the two key factors that have caused this change. Excel 3.0 was the right product for the market, a refined, innovative, 3rd generation product that offered users a uniqe blend of power and ease of use. A focus on IEUs in workgroups proved to be the right marketing strategy for developing beachheads in workgroups.

The market today

There are several key dynamics in the today's market that will shape our strategy for the next twelve months. The first and major dynamic is that Windows sales continue to skyrocket. As a result, "the edge" has moved, meaning the broader spreadsheet market is now ready to move to Windows. The shipment of 1-2-3 for Windows has activated the spreadsheet market. Many spreadsheet buyers were waiting until Lotus shipped (although some are still waiting for Borland) before making a long term graphical decision.

Competition has arrived

After 16 months as the only significant spreadsheet for Windows 3.0, Excel for Windows now faces serious competition from 1-2-3 for Windows and, soon, even more serious competition from Quattro Pro for Windows.

1-2-3 for Windows has stumbled out of the gates with mediocre reviews, but still represents formidable competition for Excel because of the latent 1-2-3 inertia in the market and the low awareness of the product's shortcomings. For many DOS 1-2-3 users, no relevant comparison exists. Relative to Excel, 1-2-3 for Windows is an inferior product. But relative to previous versions of 1-2-3, it may be a very attractive product. The market perception is that choosing Lotus 1-2-3 for Windows is the low risk way to move to Windows and protect your spreadsheet investment. We must create the perception that *Excel is the low risk Windows spreadsheet choice* by creating more widespread awareness of a 1-2-3 for Windows' shortcomings.Spreadsheet buyers who don't accept at this assertion must at least evaluate both products--"Dare to Compare". We need to invite comparison and teach customers how to buy by changing the buying criteria to include factors beyond compatibility and "1-2-3ness".

Quattro Pro for Windows, expected to ship in March '92 time frame, will be a very good product and our primary competitor over the long term. Borland will challenge our role as the technology leaders and innovators. The press already has strong positive feelings about the product. For more information about the competition, see the section on positioning.

Opportunity

Usability a key to differentiation. By the time Excel 4.0 ships, Borland, Lotus and Microsoft will all have Windows spreadsheets. Unlike previous marketing efforts that stressed the advantages of Excel as a Windows spreadsheet, we will now have to differentiate Excel as one of several Windows spreadsheets. On the surface they will all look the same. In a 15 minute marketing demo, they will all look impressive. Product features will be important to differentiating products, but that won't be

enough for low involvement users. True product differentiation will be found in *usability* and the perception of which product strategy best meets the needs to the spreadsheet market, today and in the long run. We have already started marketing usability and have found the message to be well received. Excel 4.0 marketing programs should amplify this effort.

Beating 1-2-3 for Windows is really beating Lotus Development Corporation. The battle of Excel vs. 1-2-3 also represents a strategic company mission of reducing Lotus Development Corporation's ability to compete with Microsoft in other product categories. By cutting into the 1-2-3 cash cow, we reduce their ability to invest in new product categories (Ami, Notes, Freelance, cc:Mail, Mac 1-2-3). If we want Lotus to be the Ashton-Tate of the '90s, growing Excel's share to 40% (at Lotus' expense) is the way to do it.

Turn up the heat now. We can't wait unit Excel 4.0 to get agressive against Lotus. When we launched Excel 3.0, we developed a marketing framework that allowed us to map various marketing programs to specific marketing objectives such as awareness, trial, adoption and satisfaction. Prior to the Excel 4.0 launch (asap), we will increase the scale of many of these programs (seeding, direct marketing, seminars, competitive advertising, etc.). As we launch Excel 4.0, we will pilot new programs (awareness and trial programs for the "rest of work group", using resellers to facilitate work group adoption, end user care and feeding, IEU recommendation) that fit into our evolving marketing framework. These programs will be adjusted to accommodate the Excel 4.0 launch, but will continue in full force well into the next fiscal year.

Reach GBUs, leverage IEUs. Converting the rest of the workgroup is the next step. A recently completed segmentation study of the entire spreadsheet market confirms that Excel has been most successful among spreadsheet enthusiasts and early adopters. As Excel attempts to follow Windows into the mainstream, it's important that we learn how to market to the "next segment" of business users that are less involved and less enthusiastic about their spreadsheet. More detail on market segmentation can be found in the target audience/market section. In addition, it's important that we learn how to leverage a currently underutilized asset: our installed base of satisfied Excel users.

Excel for the Macintosh

The market today

Since its inception in 1985 Excel for the Macintosh has enjoyed rapid growth in volume and market share. Both Full Impact and Wingz appeared with a flourish and disappeared as significant competitors. Excel continues to enjoy an 85-90% market share. Excel 3.0 was launched in April and has enjoyed widespread acceptance. Sales significantly exceed forcast and over half of our registered users have updated.

Future sales of Excel will be a function of three factors: Apple CPU sales, the spreadsheet penetration rate, and our market share. Apple CPU sales are very strong and the announcement of the Classic II, Notebooks and Quadra series machines should ensure continues high sales of Excel capable machines. While their was concern that our penetration was declining, recent analysis suggests that this was a temporary aberation. While the first two factors are positive, the third is changing dramatically.

Competition has arrived

After 6 years as the dominant Mac spreadsheet, Excel now faces serious competition from Claris Resolve and, soon, even more serious competition from Lotus 1-2-3 for Macintosh. Claris Resolve is technolgically inferior to Excel, but represents a threat in the burgeoning low-end Macintosh cateogory. 1-2-3 Mac is a good product and a serious threat; it's expected to ship in December.

Resolve will be a threat due to the presence Claris has in the reseller channel and their support from Apple. Apple pushes their authorized resellers to sell Resolve and features them along with Lotus in promotions. 1-2-3 for Macintosh will also debut with a splash. Apple is firmly commited to the success of this product because it is expected to dramatically enhance their credibility in the corporate marketplace, and because it should diminish their reliance on the enemy (Microsoft) to fuel their hardware sales. They feature them in print, radio and television advertising along with our other competitors such as Wordperfect.

We must convince the spreadsheet buying public that we are the *best* spreadsheet. We must reinforce the perception that Excel is the Macintosh spreadsheet standard because we have listened to our users and leveraged our experience to build a superior product. Excel 4.0 will be a vastly superior product to Resolve and a superior product to 1-2-3. Our message is that the competition simply hasn't provided users with a reason to switch.

Our Challenge

The entrance of Windows based spreadsheet competitors puts Win and Mac Excel in the same position for the first time. It is a choice between graphical spreadsheets. Unfortunately, a key benefit of Mac applications in general is their usability so the Win Excel usability argument won't work. To succeed we must make transition an issue for our Mac competitors while proving that we are the best in terms of our features and design. We can also sell against Lotus based on our (expected) superior performance, however we must be careful not to let Claris leverage Resolve's limited performance advantage.

3. Strategic Objectives

(What will it take to win in the Windows spreadsheet category and sustain 90% share on the Macintosh)

Summary of strategic objectives for Excel for Windows

1. Be perceived as the best Windows spreadsheet
2. Expand awareness and trial to the GBU market
3. Force comparison among spreadsheet users moving to Windows.
4. Establish the belief that migration to Excel is easy
5. Maximize customer satisfaction
6. Leverage channels of distribution
7. Entrench Excel in the ISV and corporate development communities
8. Link the purchase of Excel to betting on Microsoft vs. Lotus

Discussion of Win Excel's strategic objectives

1. BE PERCEIVED AS THE BEST WINDOWS SPREADSHEET

Even though best is a relative term, we want users and decision makers to feel that Excel is the best spreadsheet for their specific needs. Accomplishing this objective will require that we define and own the concept of spreadsheet usability, teach the field and the channel to sell comparatively, win with the press, sustain the highest ratings, continue to be considered the "natural upgrade" from 1-2-3 for DOS. , and create the perception that the dynamics of the spreadsheet market have changed forever--Lotus standard no longer drives the market.

2. EXPAND AWARENESS AND TRIAL TO THE GBU MARKET

We need to expose more general business users to Excel. In the process, we must undermine GBU's blind faith in the Lotus standard by increasing their awareness of Lotus' questionable future. This is important since these GBUs will be at the receiving end of recommendations made IEUs in their organizations, or may be faced with a personal spreadsheet choice. Our marketing efforts to GBUs will not attempt to make them proactive agents of change; rather, we just want them predisposed to Excel. GBUs must believe that Excel is the spreadsheet leader in the brave new world of Windows computing and the "natural upgrade" for their DOS spreadsheet.

3. FORCE COMPARISON AMONG SPREADSHEET USERS MOVING TO WINDOWS.

Our biggest fear is that the millions of Lotus 2.x and 3.x users simply view 1-2-3 for Windows as nothing more than the next logical upgrade in world of Lotus spreadsheets, and never compare 1-2-3 for Windows to Excel. Comparative marketing and comparative selling by our sales force and the channel will be also be key, since recent focus group research confirms that most Lotus users view the move the Windows as an application neutral decision, ascribing the perceived benefits of a Windows spreadsheet to the Windows environment vs. the application vendor.

4. ESTABLISH THE BELIEF THAT MIGRATION IS EASY

We will keep pushing the "natural upgrade" message. This message will be supported by tools that will facilitate a smooth transition from, and coexistence with, the 1-2-3 standard. We will market these tools directly to end users as well as through the corporate account and reseller channels. We will also develop an infrastructure of training organizations and programs to facilitate this transition.

We also need to be more agressive about making compatibility a "non-issue" by stressing file, keystroke and macro compatibility. If we don't do this, many users won't even consider a comparison.

5. MAXIMIZE CUSTOMER SATISFACTION

After the initial sale, we need to create a relationship with our customers to ensure satisfaction with Excel. Depending on the type of user, this satisfaction will translate into everything from future upgrades to recommending Excel to other users. Customer satisfaction is mostly a function of building great products, but we will attempt to galvanize this satisfaction with a still to be developed end user care and feeding program. We will also train PSS to ensure continued quality support.

6. LEVERAGE CHANNELS OF DISTRIBUTION

We have many challenges in the channel. In addition to broad distribution, we need to make sure the RSPs are aware of, use and recommend Excel as much as possible. We need to link Excel sales to Windows 3.0 sales as much as possible and ensure Excel is viewed as the "low risk" Windows spreadsheet to sell and support.

7. ENTRENCH EXCEL IN THE ISV AND CORPORATE DEVELOPMENT COMMUNITIES

Excel should be the development platform of choice for corporate developers that are creating EIS systems and ISVs who are developing add-on products that extend Excel's functionality into key vertical and niche markets.

8. ASSOCIATE CHOOSING EXCEL WITH BETTING ON MICROSOFT VS. LOTUS

If we are successful repositioning 1-2-3 for Windows, we can undermine user's confidence in Lotus' long term viability. And, by selling Excel as the premier Windows spreadsheet and as part of our line of Windows applications, spreadsheet buyers should feel that they are buying into the future of Microsoft as much as they are buying the best spreadsheet.

Summary of strategic objectives for Excel for the Macintosh

1. Continue to be perceived as the best Macintosh spreadsheet, and SS standard
2. Expand awareness to the GBU market
3. Create perception that the competition is not a reason to switch
4. Leverage channels of distribution
5. Leverage our equity in the Mac marketplace to position the Mac with Excel, inspite of Apple's allegiance to our competition
6. Leverage our family of applications
7. Maximize customer satisfaction and leverage it into longterm brand loyalty

Discussion of Mac Excel's strategic objectives

1. CONTINUE TO BE PERCEIVED AS THE BEST MACINTOSH SPREADSHEET

Excel is the standard on the Macintosh platform. Nine out of ten Mac spreadsheet users have chosen Excel because we built a superior product and enhanced it over time based on user input. We must leverage this heritage to prevent Lotus from becoming perceived as the "spreadsheet people" to Mac users. To do this we must win with the press and sustain the highest ratings in spreadsheet comparisons and awards. We must not only continue to be perceived as the best Mac spreadsheet, but proliferate the notion that "it's not a Mac without Excel". We must also be perceived as a necessary upgrade by installed base, despite the relatively short (14 month) upgrade cycle and the price sensitivity of the Mac community.

2. EXPAND LOYALTY TO THE GBU MARKET

The same analysis applies here as does for the Windows market. While Excel for the Mac probably enjoys a greater GBU awareness than does Excel for Windows, it is just as important that we influence GBUs since Lotus has such high mind share among Mac users. They will be targeting new users as well as corporate accounts

MS-PCA 1278832

where they are the PC standard. Claris has a very strong presence in the channel where appealing to new users is particularly important. We need high GBU awareness to neutralize these threats.

3. CREATE THE PERCEPTION THAT THE COMPETITION IS NOT A REASON TO SWITCH

Unlike the situation with 1-2-3 for Windows where Lotus has shipped an inferior, buggy, product that isn't optimized to the Windows environment, 1-2-3 for Macintosh is a quality, presumably clean, "Mac-like" product. It is a fine first effort and a worthy competitor. Claris Resolve is an old and unsuccessful product (Wingz) with a new interface (Claris). It does not offer a superior interface to Excel and lacks many Excel features, however it is appealing to those who are very price sensitive or who have bought into the Claris line.

Our strategy is to reposition 1-2-3 Mac and Resolve as simply not being a reason to switch. "They're 'nice little applications'". Organizations using Excel have a large investment in training, experience, files, macros, custom applications etc., and there is nothing about 1-2-3 or Resolve that justifies making a change from the proven standard, nor minimizes the costs of switching. Again we must leverage our heritage and communicate that there is a transition for Excel users to move to Lotus or Resolve.

4. LEVERAGE CHANNELS OF DISTRIBUTION

We have many challenges in the channel. In addition to broad distribution, we need to make sure the RSPs are aware of, use and recommend Excel as much as possible. We need to link Excel sales to Mac sales as much as possible and make sure Excel continues to be viewed as the obvious spreadsheet to sell and support.

5. LEVERAGE OUR EQUITY IN THE MAC MARKETPLACE

Historically we have had a close working relationship with Apple. We were very helpful to them in getting the Mac established by providing applications that drove their hardware sales. The success of Windows and our role as a windows applications vendor has caused them to identify us as *the enemy*. Therefore we must leverage our heritage on the Macintosh to wrest control of Mac positioning. We must not let them position the Mac as a "great DOS machine running Lotus and Wordperfect" and instead must position the Mac as the Mac you've come to know and love running Excel.

6. LEVERAGE OUR FAMILY OF APPLICATIONS

Claris has a strong line of applications which share the same user interface. This is an advantage and perhaps their most compelling benefit. Lotus has a single Mac application with no basis for a family story. We must use our family of applications to counter the Claris threat and gain a competitive advantage over Lotus.

7. MAXIMIZE CUSTOMER SATISFACTION & LEVERAGE IT INTO LONGTERM BRAND LOYALTY

After the initial sale, we need to create a relationship with our customers to ensure satisfaction with Excel. Depending on the type of user, this satisfaction will translate into everything from future upgrades to recommending Excel to other users. Customer satisfaction is mostly a function of building great products, but we will attempt to galvanize this satisfaction with a still to be developed end user care and feeding program that will show our appreciation of our users. We will also train PSS to ensure continued quality support. We must also convince the channel that recommending Excel will result in satisfied customers.

CONFIDENTIAL

4. Business Objectives

Excel for Windows

Excel's business objectives are very aggressive. Our objectives should not be confused with our official forecast, which is more conservative. We have raised our expectations based on Lotus' disappointing release of 1-2-3 for Windows.

Units and Share	• FY'92 unit forecast = 447,092 units, not including version upgrades. • April - June forecast is 123,367 units, not including version upgrades. • This equates to 22.5% unit share of FY'92 spreadsheet sales. • Q1 FY'92 rate is averaging about 50,000 units/month, or 151% of forecast. This equates to 30% share. • **Our *goal* is grow share to 40% of run rate by September of 1992. This equates to an annual run rate of about 875,000 units, or a run rate of 73,000 units per month.**
Revenue	• FY'92 forecast = $94, 302, 541, including version upgrades • April - June forecast = $26,125,269, including version upgrades
Windows penetration	• Increase Windows penetration from 17% to 25% (This equates to a monthly run rate of 75,000 units/month, or 25% of the 300,000 units/month of retail and OEM Windows shipments).
Reseller Channel	• IMS goal of 45% in participating resellers • 50% of upgrades sold thru the channel • Grow distribution breadth to everywhere Window is in depth • Grow unaided RSP awareness to 75%, aided awareness to 100% • Grow RSP usage by 20% • Increase RSP recommendation by 30% • Enhance technical support training at leading resellers
District Launch Events	• Reach 3000 CA and reseller influentials • Double reach in named and gunslinger accounts to 6000 attendees, increase percentage of Lotus users to 50% (from 30%)
Corporate accounts and inside sales	• Win 50% of formal corporate account evals • Seed 13,000 qualified IEUs. rapid fire 6000 in April-June timeframe; 75% coversion, mean multiplier> 10 units per seed. • Convert 800 workgroups (>= 20 users), achieve 50% purchase rate, pilot tools for vertical workgroups
Version upgrades	• Upgrade 50% of the installed base by September 1992
Registration rates	• Increase registration from 25% to 50% by September 1992
Direct end user programs	• Continue agressive direct mail to hot lists; test cold lists, achieve 2.5% response rate, yeilding 20k units • Seminars (Nov-Jun): 220k attendees, 14k units, .4/attendee • Demo Excel at all major user groups and SIGs • Launch name aquisition program • Launch care and feeding program (Excel Champs)
PSS goals	• Make sure PSS is fully trained and staffed at launch
Awareness	• Increase unaided IEU awareness from x to y • Increase unaided GBU awareness from x to y
Press	• Secure 3 cover articles in PC pubs, 11 dedicated reviews, 9 awards, 5 major switcher stories . Biz/general press goals TBD.

MS-PCA 1278834

Excel for Macintosh Business Objectives

Unlike the Windows platform, Lotus will ship a fine product and Claris is discounting heavily and appealing to a low end audience. Our expectations reflect the change from having little significant competition to having two serious competitors. Maintaining our current 85-90% market share will be an extremely challenging objective.

Units and Share	• FY'92 unit goal = 214,768, not including version upgrades. • Mac Excel's April - June forecast is 43,838 units, not including version upgrades. • Q1 FY'92 rate is averaging about 21,739 units/month, or 185% of forecast.
Revenue	• FY'92 revenue forecast is $40,241,972 including version upgrades • Mac Excel's April - June revenue forecast is $9,804,017 including version upgrades • Current revenue is $18,092,988 or, 197% plan of plan
Mac penetration	• Maintain current penetration of approximately 21%
Distribution	• Increase depth of distribution in top resellers
Corporate accounts	• Increase Mac Excel mind share in field sales force
Version upgrades	• Upgrade 50% of the installed base by November 1992
Registration rates	• Determine accurate registration rate and set/achieve goal
End user programs	• Seminar goals • Trade show and user group sales
PSS goals	• Same as Win Excel
Press	• Win major spreadsheet reviews • Coverage goal? How many front covers

5. Product Strategy

While it's impossible to characterize any software release in just one word, Excel 4.0 is going to be the "usability" release. Excel is chock full of awesome new "power" features, but the real magic of this release is its ability to make everyday spreadsheet usage dramatically easier and faster for the average spreadsheet user, Lotus 1-2-3 user included. Excel 4.0 delivers on "Power Made Easy" offering even more power even more easily. It's code name, *Encore*, characterizes the release: we are offering users more of what they liked about Excel 3.0: innovative features that map to what spreadsheet users do everyday, implemented in an easy to use way.

Excel 4.0 will ship about 15 months after Excel 3.0 shipped. We have accelerated our release schedule due to competitive pressures and the belief that new releases drive market share gains. Excel's spec is driven by research on how people use spreadsheets. Excel program management has distilled the wide range of spreadsheet activities into the following 18 "activities".

Basic Usage, Switching from 1-2-3, Scenario Analysis and Modeling, Creating Presentations and Reports, Printing, List Management, Roll-Up and Data Capture, Data Distribution and Access, Data Analysis, Charting, Application Development, Customization, Learning, Installation, Using Excel with Other Applications, Localizing Excel, Getting Support, Trial, Recommendation.

Excel 4.0 focuses on four key activity areas:

Activity Area and Definition	Key Features by Activity Area
Basic Usage The most common spreadsheet tasks, such as the top 20 commands, basic worksheet building, entering data and formulas.	Drag and Drop™, Shortcut Menu, customizable toolbar, Autofill, AutoSelect, Projects, other little stuff
Analysis Calculation of numerical data, such as what-if scenario analysis; modeling, break-even analysis, forecasting.	Scenario Manager, Analysis Tool Pak, new chart types, Cross Tabs, Solver improvements
Printing and Presentation Formatting a spreadsheet for presentation and the process of getting it onto paper.	Auto Format, report sequencer, spell check, zoom, print-to-fit, header/footer, Slideshow
Switching from 1-2-3 (Win Excel only) The steps in a users conversion from 1-2-3, such as trial, conversion of files, usage of existing macro, learning Excel commands	Lotus Macro Interpreter (LMI), read and write FMT/FM3 file formats.

6. Customers and Segments

Customer Types

The marketing strategy for Excel 4.0 will build on much of what we learned during the Excel 3.0 launch and other marketing activities during the past year. We now understand how change occurs in organizations, and what the dynamics of this change are between the audiences listed below.

The influential end user (IEU). As much as one-third of all users. IEUs range from the extremely technical power user to the intermediate user. The common characteristic is that IEUs have influence at some point in the purchase process (anything from initiating change, recommending, evaluating, authorizing, purchasing). We will focus on IEUs that are proactive evangelists of change.

The general business user (GBU). About two thirds of all users. GBUs generally comprise the rest of the work group. GBUs range from being extremely adept at spreadsheet usage to intermediate and novice users. The common characteristic among GBUs is that they do not have influence in the purchase process. Since they tend to be risk averse and the least likely to want change, they can block or stall the entrance of new software in their work group. Our goal with GBUs is to get them to be aware of and predisposed to Excel. We also want to cast doubt about Lotus' long term credibility in their minds. As Windows moves into the mainstream, and Excel attempts to move beyond 30% share, understanding and catering to GBUs will become increasingly important.

GBUs probably are a smaller percentage of Mac users than PC users and are probably more involved with computers. Nevertheless, Mac GBUs are of increasing importance to us as both Lotus and Claris will be focusing on new users/Mac buyers in their marketing efforts. Additionally, Lotus will target corporate accounts who have Lotus on their PCs and try and steal our Mac business. By catering to GBUs we will make it much harder for Lotus to win over work groups.

PC Coordinators (PCC). The technical support organization that is in touch with the end users. PCCs tend to understand the issues and user concerns, but tend to react to user demand. They are also the group most interested in issues such as cross-platform compatibility, training and transition, product families, etc. They will be an important target for some of our transition and adoption tools.

MIS professionals (MIS). The floodgates of change. MIS tends to be driven by the PCCs and the end user community. They are in the impossible position of trying to please all users. MIS is looking for simplicity and control. Corporate developers are a subset of this group. They will be a target for Excel's customization capabilities.

The Corporate decision maker (CDM). CDMs are generally also end users, but tend to focus on the business aspects of change. They are influenced by solid business arguments. When not also IEUs, we reach CDMs through IEUs (whom we arm with tools for talking to CDMs).

Summary of Customer Interactions

- Change occurs in organizations at the work group level; IEUs drive this change
- Marketing to MIS and getting on the standards list is necessary but not sufficient
- Once "activated", IEUs must be "armed" with tools to convince management that change is worthwhile and to help their work group move to Excel

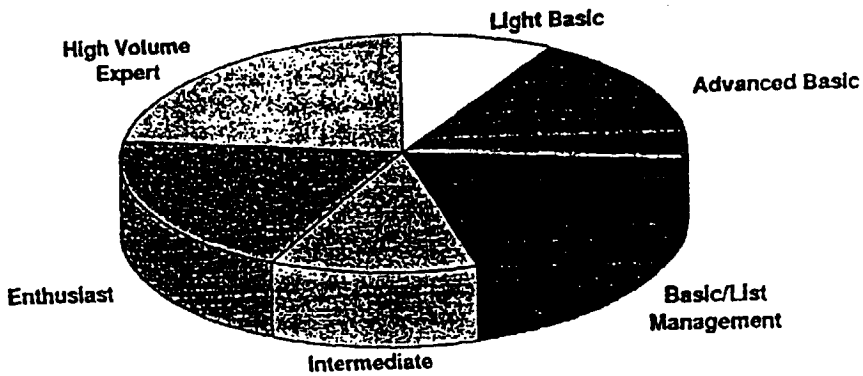
MS-PCA 1278837

- IEUs support Excel better when we "make them smart" about Excel and related issues
- A formal spreadsheet evaluations in corporations is often prompted by the successful transition of several work groups
- GBUs don't drive change, but can stop the transition to Excel if the benefits of the transition are not properly presented, and if the transition is not well managed. Similarly they can stop the transition away from Excel on the Mac platform.

Customer Segments

The Excel marketing group just completed a comprehensive segmentation study of the entire spreadsheet market. The results were enlightening and surprising. A copy of the complete report can be obtained from *criswit*. A brief summary of the findings:

By doing cluster analysis, the spreadsheet market segmented itself into six segments:



LIGHT BASIC, 9% OF THE MARKET

Typified by lack of computer and spreadsheet expertise. 90% have only basic knowledge, spending only 3 hours per week doing spreadsheet tasks, most don't read PC publications. 51% male, 49% female, (vs. overall market of 55% men, 45% women) lower than average educational attainment, lots of administrative/clerical, average age 38 years, least influential segment, low Win Excel penetration in this group, lots of word processing users, tend to work in small and medium companies.

ADVANCED BASIC, 18% OF THE MARKET

Fairly even mix of basic and intermediate users. Nearly all do some file sharing. Low level of comfort with personal computing. 57% women, 43% men, tend to work in larger companies, most don't read PC publications, low level of influence, tend to access external data more than Light Basic users, low level of Excel representation in this group too.

BASIC/LIST MANAGEMENT, 19% OF THE MARKET

This group, as the name implies, does lots of list management and not much else. Lots of women (58%), highly administrative and clerical, low on education and income (relative to overall spreadsheet market), least likely to stay on top of PC technology, least likely to advocate switching spreadsheets, low PC publication readership, low level of influence, infrequent advice givers. Very low representation of Win Excel in this group (2%).

INTERMEDIATE, 12% OF THE MARKET

Involved with a variety of spreadsheet tasks, mostly intermediates, but lots of macro writing. More men than women (58% men), higher education and income than previous groups, higher use of laptops and laser printers, tend to do lots of charting and changing of user interface, rate power features important, 8% of them use Win Excel.

ENTHUSIAST, 20% OF THE MARKET

This groups starts to characterize the traditional Excel customer. 66% men (Vs. market average of 55%), highly educated, lots of scientists, many PC hobbyist types, 40% have influence in the purchase process, tend to give lots of advice, use of software still tends to be intermediate.

HIGH VOLUME EXPERT, 22% OF THE MARKET

64% men, highly educated, highest level of income, lots of engineers, most are PC hobbyists, 53% claim to have purchase influence, 22% use Macs, use a spreadsheet an average of 12 hours per week, do a breadth of tasks(database, graphing, consolidation, formatting, database access, customization, etc.), high use of Win 3.0 and Excel (11%). Excel is most represented in this segment of the market.

Implications of segmentation research on Excel marketing

We are already using the segmentation study data to help us make business decisions on a day to day basis. The complete list of projects is too numerous to mention, but two key conclusions continue to guide our strategy:

- Excel is very well represented in the two most advanced segments of the market that tend to be early adopters and influencers. We should continue to invest in this core base of users to grow Excel's presence within workgroups and defend other products from entering the workgroup.

- Excel is very underrepresented in the four medium to lower end segments of the market. In order to gain another 10 share points, we must reach into this population of Lotus users and convert them to Excel customers. Doing this will require that we learn more about marketing to general business users.

7. Marketing Strategy

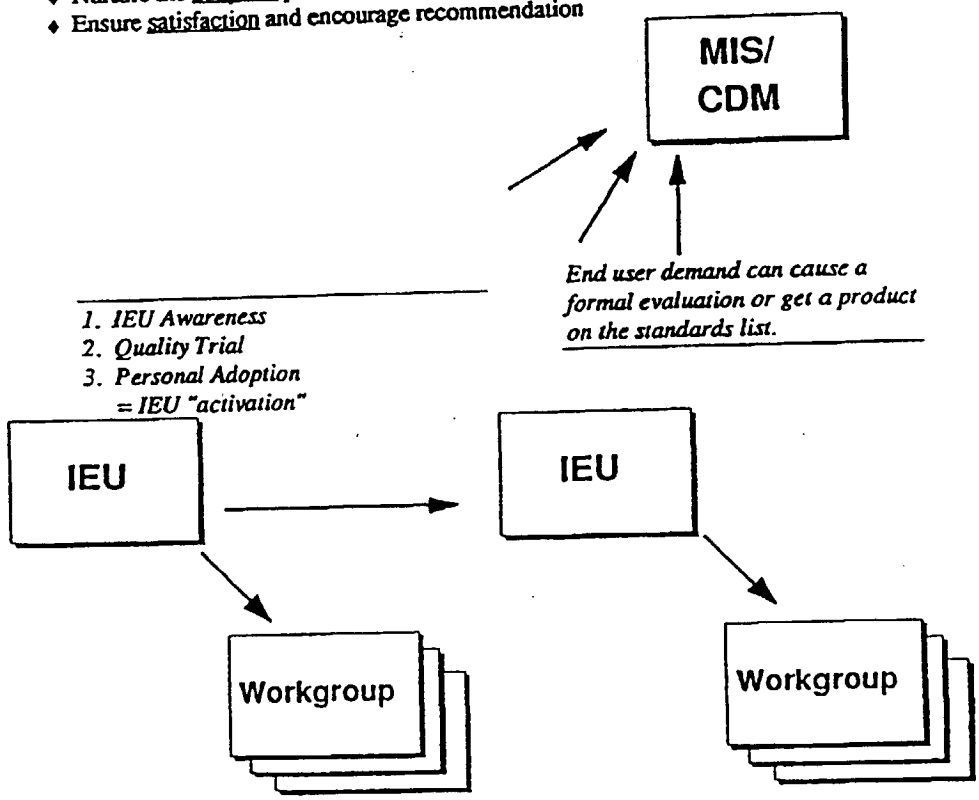
Excel for Windows: "Winning the Work group"

The Excel 3.0 marketing strategy focused on activating champions with quality trial programs and arming them to ensure successful work group adoption. The infrastructure of marketing programs that support this strategy is now in place (direct mail, seeding, seminars).

The Excel 4.0 marketing strategy is to continues to *refine* and *amplify* these activation (trial) and adoption programs, but also seeks to develop new programs that will significantly increase IEU and GBU awareness of Excel and ensure customer satisfaction.

Hence, the Excel 4.0 marketing strategy focuses on all aspects of winning the work group. This translates to marketing programs in four areas:

- Broaden awareness to reach more IEUs and the right GBUs
- Activate IEUs and "rest of work group" with quality trial programs
- Nurture the adoption process for the rest of the work group
- Ensure satisfaction and encourage recommendation



4. "Armed" IEU manages work group adoption

Excel 4.0 marketing strategy expands to two new areas: 1. Increasing work group awareness and predisposition to Excel and, 2. Increasing user satisfaction and loyalty to Excel.

Excel for Macintosh: "Defending the Work group"

The Macintosh marketplace is similar to the Windows marketplace in the terms of the way that work groups function. What differs however, is that we are the leaders in the Mac work groups and our goal is to entrench our users in Excel and maintain our dominance. We must leverage our position to maximize loyalty and evangelism among IEUs and awareness among GBUs. To do so we must communicate how and why Excel has earned the position we have. End user care and feeding is also a key lever. Similarly, we must maximize customer satisfaction.

8. Positioning and Marketing Messages

Positioning - "Power Made Easy"

Microsoft Excel is the best Windows/Macintosh spreadsheet designed to give you easy access to powerful features, or "Power Made Easy".

There are three important ideas in our positioning statement:

- *Best spreadsheet.* Excel is the best spreadsheet, period. Introduced in 1987, it has been refined over the course of four versions.
- *Power.* The cornerstone of our positioning from day one. Excel is the most powerful spreadsheet for end users and corporate developers.
- *Easy.* Excel's refined interface makes the power accessible, and makes everyday tasks dramatically easy. For virtually any spreadsheet task, Excel is more usable.

Support Points

Positioning support falls into four categories:

- Easy for everyone
- Powerful analytic tools
- Great output and reports
- Easy transition from 1-2-3 (Windows only)

DISCUSSION OF SUPPORT POINTS AND FEATURES

Support Point	Supporting Features
Easy for everyone	Most features supported by an overall design theme of direct manipulation: New features include Drag and Drop, Shortcut Menu, customizable Toolbar, Autofill, Projects; existing favorites include AutoFit Column Width, Autosum, most recently used file list. This stuff proves that we are focused on what people do with spreadsheets on a day to day basis
Powerful analytic tools	New power features include Scenario Manager, Analysis Tool Pak, cross tabs. Existing favorites include Solver (with improvements) Data Consolidation, Outlining, Goal Seek, Camera Tool, Arrays, Graphical Goal Seek.
Great output and reports	New features include Auto Format, report sequencer, spell check, zoom, print-to-fit, header/footer, slideshow, new chart types. Existing favorites include Styles, font selection, drawing tools, 3-D charting, Print Preview, drawing on sheets.
Easy Transition from 1-2-3 (Windows only)	The big new features here are Lotus Macro Interpreter (LMI), read and write FMT/FM3 file formats. Existing favorites are 1-2-3 Help, file compatibility.

Key Messages and Arguments (competitively oriented issues, not product features)

- Excel is the best graphical spreadsheet
- Customer focus results in usability
- Win Excel is the natural, low risk upgrade for DOS spreadsheet users
- Unlike earlier versions of 1-2-3, 1-2-3 for Windows is a disappointing and compromised product

DISCUSSION OF KEY MESSAGES AND ARGUMENTS

Message	Support/Discussion
Excel is the best graphical spreadsheet	There should be no question: Excel is the best spreadsheet on the market. This has been proven over and over by the press, and current market momentum. Excel is, and will continue to be, the only spreadsheet designed for graphical platforms from the begining.
Customer focus results in usability	It's been a feature race for too long. It's not how many features you have (even though we have more), but how accessible each feature is to the end user. Excel has been refined through the course of four years and three versions. Extensive market research and usability testing brings the customer into the development process and make Excel a more usable product.
Excel is the natural upgrade for DOS spreadsheet users (Windows only)	Moving to the Windows environment does require some transition, and Excel offers the best combination of performance and transition aids for spreadsheet users moving to Windows. Compatibility and co-existence with the Lotus standard is important, but should not be the dominant evaluation criteria--"adequate" should not be good enough. With Excel 4.0, we take compatibility off the table as a point of comparison and refocus the issue on performance and usability.
Unlike earlier versions of 1-2-3, 1-2-3 for Windows is a poor and compromised product	We need to focus the battle on 1-2-3/W, not the entire 1-2-3 family. Since strong and positive associates exist with earlier versions of 1-2-3 and Lotus the company, we can't attack them that broadly. We need to acknowledge that buying earlier versions of 1-2-3 was a smart decision, but that these users should re-examine their unconscious assumptions 1-2-3 for Windows will also be a high quality product--because it's not. Excel for Windows is the "natural upgrade".

9. Competition

Lotus

Lotus is positioning 1-2-3 for Windows as "Eveything a Windows spreadsheet was meant to be". Their message is brilliant: Pure Windows and Pure 1-2-3. This suggests to users that they can have their cake and eat it too. They are waging a classic political campaign by doing the following:

- Their goal not to win; it's to "not lose". A tie between Excel and 1-2-3 for Windows goes to them. Not losing, for them, is victory.
- They are confusing the issue by bonding 1-2-3 to Windows, not Lotus (hence the product name 1-2-3 for Windows, not Lotus 1-2-3 for Windows). They are using their Working Together strategy to show diversification and reduce the focus on their hemorrhaging 1-2-3 business.
- They are keeping a low profile. They are sidestepping key issues and hoping voters decisions will be made on generalities, imagery and confusion that favors Lotus.
- They are playing for time. They continue to sell futures by annoucing new features and versions. They will try to run out the clock vs. risk a fumble.

We need to call them out and raise awareness of the incumbent's shortcomings.

- Repositioning 1-2-3 for Windows: version 3.1 wrapped in Windows. No new features or innovation. A disappointing and compromised product.
- Repositioning Lotus the company: lagging behind, running scared, the next Ashton-Tate.

Borland

Borland is innovative, aggressive and bold. Their strategy clearly centers around developing products to manage a sea of data (Paradox), analyze and present it (Quattro Pro). They are also becoming the darlings of the press. Lotus has little to get really excited about, and Microsoft is, well, Microsoft. Given this, it's easy for the press to love Borland and their innovative products. The are the underdog with big potential.

Quattro Pro has historically had an enthusiast appeal and is product for the mainstream market. Given their obsession with Object Orientation, it's not clear that Quattro Pro is a product for the average end user. Furthermore, Quattro Pro is not part of a complete line of applications, like Excel.

We need to make sure Quattro Pro does not become a mainstream product and is viewed as a product for "enthusiasts".

- Repositioning Quattro Pro for Windows: A wizzy, enthusiast product for people obsessed with "objects" Not a mainstream spreadsheet.

Repositioning Lotus - Macintosh

Lotus is positioning their product as a "high performance and truly innovative spreadsheet designed exclusively for the macintosh environment." This claim is supported on their datasheet by the quote from John Sculley "This is a spectacular product." Their initial marketing seems focused on supporting this claim and on targeting Excel, as opposed to highlighting its value for spreadsheet tasks. For example their ads and datasheet show features that Excel lacks and high end features,

not features that appeal the the average user. On the other hand, their trade show demonstrations focus on being "Mac-like", on usability and on protecting their users's investments in 1-2-3. It appears that their message is evolving.

They have articulated a strategy of trying to expand the spreadsheet category and win the new user, a strategy which makes sensge given our market share and the very high awareness on the part of Mac users they enjoy. It is clear that they will also target large accounts where DOS based 1-2-3 is the standard and try to sell 1-2-3 for Windows and 1-2-3 for Macintosh.

- Repositioning 1-2-3 for Macintosh: A reasonable first effort but hardly a reason to switch.
- Repositioning Lotus the company: Newcomers to the Macintosh platform lacking a line of applications.

Repositioning Claris

Claris is positioning Resolve as an easy to use but powerful spreadsheet that's part of its family of products. Their support points are "Accessible Spreadsheet Performance: (ease of use), "Expressive Worksheets and reposts' (output and presentation), "Unparalleled Extendibility" (customizability and scripting language), and "Optimized for Apple System 7". Their strengths are their ease of use, family of products sharing one interface, presentation capability, and price. They promote thier product aggressively in the channel and discount heavily.

Our goal is to remove them from the considerations set of full function spreadsheets. We must not let them be viewed as a direct competitior of Excel.

- Repositioning Claris Resolve: An old spreadsheet (Wingz) with a new interface (Claris), which is hardly a reason to switch.

10.Marketing Programs Overview

Win Excel 4.0 Marketing activities by audience type

Audience	Awareness	Trial	Adoption	Satisfaction
IEU	• Trade and biz press ads • Ongoing PR • Shootouts and user groups • Local marketing • Launch event • District launches	• Seeding • Direct mail • MCSS/MRSS seminars • On site seminars • Microsoft Days • Working Model or autodemo • Win 3.1/Excel launch tour	• Evaluation Kit • Migration Kit II • Macro guarantee • Training offer and materials • Migration seminars	• Care & feeding • Reg. Drive • Excel technical workshops
GBU	• "Broad based" political campaign against 1-2-3/W	• Working Model and/or autodemo • Direct mail	• Training offer and materials	• Care & feeding • Reg Drive
Channel	• All of above + Local marketing	• Training Tour	• Channel adoption pilot	• Profits
ISV and corporate developer	• 3rd Party directory		• Excel 4.0 SDK	• Excel 4.0 developers conf.

Mac Excel 4.0 Marketing activities by audience type

Audience	Awareness	Trial	Adoption	Satisfaction
IEU	• Trade and biz press ads • Ongoing PR • Shootouts and user groups • Local marketing • Launch event • District launches	• Direct mail • MCSS/MRSS seminars • On site seminars • Microsoft Days • Working Model and/or autodemo	• Training offer and materials	• Care & feeding • Reg. Drive
GBU		• Working Model and/or autodemo • Direct mail	• Training offer and materials	• Care & feeding • Reg Drive
Channel	All of above + Local marketing	Training Tour		
MS field	RKO presentations	RKO training		
ISV and corporate developer	TBH	TBH	TBH	

11. Appendix

Included in this appendix:

- Packaging, pricing, requirements
- Excel 4.0 Layman's Spec
- Excel marketing staff responsibilities and assignments
- Win Excel FY'92 forecast

MS-PCA 1278847

Packaging & pricing

Package	Price	Part Number	Media
Win 3.1/Excel 4.0 upgrade (proposed)	TBD, would be a short term promotion	TBD	TBD
Retail	$ 495.00	065-050v400	5 1/4 single media-HD
Retail	$ 495.00	065-051v400	3 1/2 single media-HD
Promo	n/c ($50 for resellers)	065-550v400	5 1/4 single media-HD
Promo	n/c ($50 for resellers)	065-551v400	3 1/2 single media-HD
MLP	$ 395.00	0654050v400	license only-no media
MLP upgrade	$ 103.00	p/n coming	license only-no media
Reseller Upgrade	$ 129.00	065-150-005	5 1/4 single media-HD
Reseller Upgrade	$ 129.00	065-151-005	3 1/2 single media-HD
Direct Upgrade	$ 129.00	065-150-400	5 1/4 single media-HD
Direct Upgrade	$ 129.00	0650151-400	3 1/2 single media-HD
Academic Edition	$ 189.00	065-350v400	5 1/4 single media-LD
Academic Edition	$ 189.00	065-351v400	3 1/2 single media-LD
ACIS	$ 94.50	065-651v400	3 1/2 single media-LD
360K Conversion Kit	n/c	p/n coming	5 1/4 single media-LD
720K Conversion Kit	n/c	p/n coming	5 1/4 single media-LD
1.2 MB Cust. Service	n/c	p/n coming	5 1/4 single media-HD
1.44 MD Cust. Service	n/c	p/n coming	3 1/2 single media-HD

System Requirements:

80286 or higher processor required, 80386 recommended
One hard disk and one floppy disk drive
2 MB memory
EGA or higher resolution monitor

MS-DOS operating system version 3.1 or higher
Microsoft Windows version 3.1 or higher

Hard disk space needed
Minimum installation = 5 MB
Full installation = 113 MB

Options

Microsoft Mouse or compatible pointing device (recommended)

Printers, plotters and networks supported by

Microsoft Windows (no special network version of this product is required.)

CONFIDENTIAL

MS-PCA 1278848

Win Excel Layman's spec

This part of the appendix has been written as a complement to the marketing demo for anyone who has to describe or understand any of Excel 4.0's new features.

Excel 4.0 is the spreadsheet that makes powerful things easy. In designing & building Excel 4.0 we focused on understanding the user's spreadsheet activities and then we designed features to address those activities. We focused on four main activities: Basic Usage, Switching from Lotus 1-2-3, Printing & Presentation, and Analysis.

Feature	Description	Benefit
Basic Usage: these features address the most-common commands & procedures in spreadsheeting. We did research to understand how spreadsheet users worked and then built features to make the most-common tasks as easy as possible. A common thread is giving the user *direct access* to his spreadsheet. Every user will benefit from dramatically-improved ways to perform the most-common tasks.		
Drag & Drop	Direct manipulation of cells and cell ranges. Just click & drag with the mouse to move or copy.	Direct access to worksheet data. Saves time & effort over going through the menu and/or keyboard to move or copy data. Copying & moving are among the most-frequently used commands in spreadsheeting. Why cut & paste when you can just Drag & Drop? This is a "microwave feature"; once you've tried it, you can never go back!
AutoFill	Copy/fill data from one cell to many. Or extend a data series. Just click & drag on the fill handle in the lower right corner of the selection.	Direct access to worksheet data. Saves time & effort over going through the menu and/or keyboard to copy/fill/extend data. AutoFill is intelligent; it recognizes patterns and fills in appropriately. For example, if you select 1991 and perform an AutoFill, Excel will fill in 1992, 1993, etc. (We should make the tie among AutoSum, AutoFill, AutoFormat, and AutoSelect. The Auto... features make common tasks incredibly easy.)
Shortcut Menu	A popup menu that appears when the right mouse button is clicked (Ctrl+click on the Mac)	The Shortcut Menu saves time & effort over going through the menu and/or keyboard to choose commands. The Shortcut Menu is intelligent; it presents the most-common commands depending on the object/range selected.

CONFIDENTIAL

MS-PCA 1278849

New Improved Toolbar	More toolbars to choose from. User can tear off toolbars by clicking & dragging. Toolbars are customizable. User can create his own tools.	More toolbars mean more actions can be carried out in one-step simply by clicking a tool. Tearing off toolbars allows the user to bring the tools right to the task at hand. Customizable toolbars mean the user can construct his favorite set of tools. The user can record & attach a macro to any tool to create his own custom tools.
Projects	A project is a new Excel document type. Projects are "workspaces on steroids." In addition to the functionality of workspaces, Projects allow the user to bundle lots of documents and save into one file. Also, Projects provide an easier way to navigate through a set of documents.	Users often work on projects that involve multiple documents. The Project document type lets them work more easily with such projects. Users can bundle all related documents in a Project; this way, all the documents reside in a single file for easy tracking & sharing. The Project window makes it easy to page through the documents in a Project by clicking on the paging buttons in the lower right corner of the window. (Projects provide the benefits of 123's 3-D spreadsheets in a more-convenient way.)
AutoSelect	AutoSelect allows the user to double-click on the border of a cell/range to extend the selection to include the next "logical" set of cells. The user can also double-click on the corner of a cell/range to extend the selection in two directions.	AutoSelect saves time & effort. Often, a cell is selected and the user wants to select a larger, related region. For example, the active cell may be on the upper left corner of a table of data, and the user wants to select the entire table for formatting. Instead of dragging the selection to include all the date, the user just double-clicks the lower right corner of the active cell and Excel extends the selection intelligently, going as far down and as far right as necessary to select all the table.
Wizards	Wizards automate common tasks by prompting the user through the process in a friendly way.	Some spreadsheet tasks take many steps. We've used Microsoft's exclusive "Wizards" technology to automate these tasks. Excel 4.0 features a ChartWizard and a CrosstabWizard. (We should look at how Publisher and Project are describing/positioning Wizards.)
CheckUp	A special macro sheet which checks & displays technical information about Excel and the environment under which it is running (eg version, memory, workspace settings, DOS version, etc.)	When customers call PSS, they want quick & efficient support. CheckUp reduces the amount of time customers have to spend on the phone and allows PSS to give better support. PSS simply asks the caller to open CheckUp, and all key information is presented.

Named Views	Named Views saves display settings such as window size, position, splits, gridlines, zoom %, hidden rows, page setup options. Multiple views per document are possible.	Users often want to look at a worksheet in several different ways for several different purposes. For example, a user may want a detailed view when he is analyzing data, but a summary view for printing. Named Views allow the user to create different views and easily switch among them.
Miscellaneous	Improved dialogs for format number & paste function. Nicer formatting in formula bar. A Help tool in the toolbar. Help buttons in all dialogs and alerts.	We've added lots of smaller features and made lots of improvements to existing features so that they're easier to use. Again, we focused on the improving the most-commonly used features.
Switching from Lotus 1-2-3: these features address the activity of moving from Lotus 1-2-3 to Excel. This activity involves transferring files, keystroke knowledge, and macros from 1-2-3 to Excel. We recognize the transition obstacles and have improved Excel to make the transition painless; the user preserves his investment in files, keystroke knowledge (Lotus Help), and macros.		
Macro Interpreter for Lotus 1-2-3 Users	This feature allows Lotus 1-2-3 macros to run in Excel. Simply open the 1-2-3 worksheet that contains the macros. Press Ctrl+(letter identifying macro) and the macro will run. This feature works for Release 2.01-compatible macros.	Users can preserve their investment in Lotus 1-2-3 macros. Move to Excel without paying a penalty.
Better file importing	Excel now reads the FMT and FM3 formatting files created by the Impress WYSIWYG addin that shipped with Lotus 1-2-3 releases 3.1, 3.1+, and 123/W.	Excel 3.0 reads WK3 files, but cannot read any formatting on these files because the formatting is saved in separate files, called FMT and FM3 files. Excel 4.0 allows the user to read these files.
Basics CBT lesson Switching from 123 lesson	CBT lessons that introduces the former CUI spreadsheet user to Excel.	Gets the user up-to-speed quickly.
Printing & Presentation: these features address the activities of making worksheets look great and getting them printed out. Most users share their work with others, and these features help them to get their work looking its best.		
AutoFormat	AutoFormat applies a professionally-designed set of formatting attributes to the selected table. The user selects a range and clicks on the AutoFormat tool or chooses AutoFormat from the Format menu.	AutoFormat saves time & effort over using the menus/keyboards to format a range one attribute at a time. Just select the range, and format it in one click. Plus, you're guaranteed it will look good because the AutoFormat styles were professionally designed.

Print Report (Report Sequencer)	Users can define a report consisting of a number of "sections." Choosing Print Report from the File menu allows the user to print all the sections at once.	Saves time & effort in printing reports. Users often want to print multiple sections of a worksheet. The Print Report feature allows them to save and print all the sections into one report. The sections can have different print settings such as titles, print area, margins, etc.
ChartWizard	[see above]	[see above]
Zoom	Worksheets can be viewed and edited at a range of scales from 12.5% to 200% magnification.	Viewing a sheet at different scales is useful for navigating, arranging the placement of data & objects, print setup, and getting an overview of the worksheet.
Spellcheck	Allows spellchecking of the worksheet	Helps make sure the user's worksheet is presentation-ready. No more embarrassing spelling errors.
Print-to-fit	Automatically scales the print area to fit on any MxN pages of paper.	Gives the user total control of printing. Not only can the user fit a single page onto a sheet of paper, but also the user can specify reductions across multiple pages. For example, the user can tell Excel 4.0 to fit his printout on 4 pages wide and 3 pages long. Or he can specify 2 pages wide and 3 pages long.
Sound Notes	User can annotate cells with sound notes, similar to cell notes.	Users can annotate cells with voice notes.
Slideshow	User can create on-screen, desktop presentations from within Excel. There are dozens of transition effects. In addition, sounds can be attached to slides and played when the slide comes up.	Allows the user to create sophisticated on-screen presentations incorporating dozens of transition and sound effects.
Analysis: these features address the activity of analyzing numerical data. These new analysis tools address the most-common types of analysis requested by our users.		
Analysis ToolPak and additional worksheet functions	Excel 4.0 offers extensive statistical, financial, engineering, and scientific functionality. Among the highlights are many statistical distributions, correlation coefficients, covariance, regression, ANOVA, histograms, forecasting, net worth & loan analysis, Bessell functions, Fourier transforms.	Excel 4.0 offers by far the most-comprehensive set of technical analysis tools of any spreadsheet. These are the most-commonly requested analysis features, and we've put them all in Excel 4.0.

CONFIDENTIAL

MS-PCA 1278852

Scenario Manager	Scenario Manager allows the user to more effectively manage what-if scenarios involving multiple, varying inputs and outputs.	Scenario Manager makes it easier & faster to do the kind of "what-if" analysis that spreadsheets are known for. Most users need to create a variety of scenarios (best/worst/likely) when they do their analysis. Scenario Manager is the best what-if tool available to spreadsheet users.
Crosstabs	Excel 4.0 allows the user to create cross-tabulation tables from a defined database by using a Wizard to prompt him through the steps.	Crosstabs are a very-common analysis of a database of information. For example, the user may want a summary of sales by month by product type (eg a table with months across the top and product names down the left side of the table.) The Crosstab Wizard makes it easy to create these crosstabs.
New analysis chart types	Excel 4.0 offers new chart types for analysis: surface charts, wireframe charts, and radar charts.	These new chart types allow for more sophisticated graphical analysis of data.
3D Rotator	Excel 4.0 allows users to directly rotate 3D charts in 3D space. Just click & drag on the chart.	Direct access to charts. Saves time & effort over going to the menu to rotate 3D charts.
Solver improvements	Solver now handles integer programming and is faster than before.	The most-advanced spreadsheet solver is now even better. It handles integer programming and it's faster.
Other		
Apple Events	Excel 4.0 for the Mac will include full support of the core Apple Events	Application developers can use Apple Events for two-way communication and data sharing with other Apple Event-aware Mac applications.
Pen Windows support	Excel 4.0 is a pen-aware application. In addition, we've added a freehand "scribble" tool.	Excel 4.0 supports Pen Windows.
DEC All-in-One support	Excel 4.0 supports DEC's All-in-One features, including: file formats, DEC Mail, File Cabinet services, and data access to RDB databases.	Excel 4.0 is the spreadsheet of choice for users in a DEC VAX All-in-One environments.
Developer-Oriented Features	[see danw for "marquee-level" features]	

CONFIDENTIAL

MS-PCA 1278853

Excel 4.0 Marketing Programs Detail

Program	Objective
COMMUNICATIONS	
ADVERTISING	
Strategic positioning ads	Position Excel, increase awareness from x to y (need SMSD help)
Tactical "Rolling Thunder" ads	Capitalize on third party endorsements of Excel, reposition Lotus
Transition ads	Create the belief that switching to Excel is easy
Upgrade ad?	To solicit non registered users to upgrade
Other ideas?	(These are just ideas, we will need SMSD council on specifically what to do)
Mac Excel launch ad	Introduce and position the product, focus the dialog on Excel vs. the competition.
PUBLIC RELATIONS	
Long lead press tour	Ensure heavy coverage of Excel during launch
Launch event	Generate excitement about Excel, formally launch product
Reviewers Guide	Provide reviewers with a product description and guided tour
Press materials	Provide press with comprehensive information on Excel
Launch video	Tells the "Excel story"
"Exchange" case study	Shows how a major company is using Excel 4.0 in cool ways
"Reach" plan (beyond the trade)	Reach beyond traditional media with Excel message. Need big idea here.
Marketing Materials	
CORPCOM MATERIALS	
Datasheet	Provide users/.purchasers with overview of Excel, summarize positioning, highlight key features and benefits.
Fast facts card	Provide resellers, and MS sales people with quick overview of features and benefits of Excel.
Packaging	Position and describe Excel, our most important piece of collateral!
Autodemo	Fulfillment item to introduce low involvement spreadsheet users to Excel. Need to get crisp on how this will be used. Ditto for WM.
Working model	To be used as a tool for use by sales force, OEM deals, user groups, technical IEUs, VARs, resellers, etc. Not a mass marketing tool.
Trash-n-trinkets	Create T&T with utility. Will offer 3 giveaways at 3 price levels.
GBU White Papers	Educate customers about "advanced" functionality, e.g. Consolidation, Linking, Solver.
Reseller Intro kit	Provide reseller channel with overview of Excel 4.0, how to sell, etc. Need SMSD advice on best way to do this given new channel realities.
RSP product usage incentive	Provide resellers with templates or other tools to encourage them to use Excel. Assumption is that they sell what they use.
In store materials	Provide inbound resellers with easy way to merchandise Excel.
Other ideas?	We need SMSD council on other ways to accomplish our business objectives in the channel.
DIRECT MARKETING	
CURRENT USERS	
Version upgrade	Upgrade 50% of domestic Excel 3.0 (or below) installed base to Excel 4.0 by September 1992

MS-PCA 1278854

Reg. Rate increase	Increase from 25% to 50% for Win Excel. Maintain 50% ?? registration for Mac Excel.
One to one newsletter	Create product focused dialog with self-selecting response mechanism (there will be separate efforts for Mac and Windows)
Mac end user care and feeding	Develop program to supplement 1:1 and Mac connection.
Win Excel Champs program	Develop program that fosters satisfaction and recommendation among end users. (a la Win Champions)
User Groups	Present Excel to x user groups and spreadsheet SIGs. (we are currently working with SIGs to schedule Excel presentations, specific number TBD).
NEW USER DEMAND	
Win Excel competitive upgrade direct mail	Current budget allows for additional 2.1 million pieces of mail, or 16,000 units new units at 0.76% response rate. If incremental funds are made available, we will continue to harvest "hot" lists until we fall below the break even response rate of 0.76%.
Seminars	Expose 228,000 people to Excel message via MCSS and MRSS seminars in FY'92. Assuming .4 units/attendee sold, and 30% of those being Excel units, we expect to sell an incremental 27,000 units of Excel via seminar program. Mac seminar goals TBD.
Recommendation plan	Develop program that incents users to recommend Excel to other users. Considering MSFT shares of stock as an incentive. Applies to both Mac and Win Excel users.
CORPORATE ACCOUNT PROGRAMS (ALL WIN EXCEL)	
Formal eval program	Target 500 MIS evaluators and track results (WinWord and Excel)
District Launches	Reach 6000 corporate account IEUs and trigger recommendation and work group trial.
Seeding program	Free copy of Excel to 13,000 qualified IEUs
Departmental wins	Convert 750 departments to WinExcel
Share Drive	Currently discussing merits of doing a second share drive
ADOPTION/MIGRATION	
Migration kit	Aid migration by providing work group oriented tools
Transition Guide	Update existing transition guide
Switcher's Panel	Define a local field activity which involves migrating users.
BETA PROGRAM	
Beta	Get feedback in early stages from small group of key accounts
CHANNEL PROGRAMS	
Reseller tour	Increase Internal Market Share and influence RAXs use of marketing funds to increase awareness, channel upgrades, IMR and full product sales.
Direct mail	Enlist MORs and CARS to direct mail their/our reg bases to increase upgrade sales through channel

CONFIDENTIAL

MS-PCA 1278855

Promotional ideas/programs	Increase RSP awareness, usage and recommendation of Excel, and increase full product sales
Intro materials/POP materials	Increase RSP awareness and usage, and help resellers merchandize Excel.
Train reseller tech support personnel.	Increase Excel sales and customer satisfaction
Win Excel Adoption Pilot	Maximize Lotus switchers in unnamed accounts
Additional misc. programs	All of the above
ISV & 3RD PARTY PLAN	
Software Development Kit	Ship an SKU which provides materials needed to create applications and systems based on Excel.
MS Press books	Help create a Macro Step-by-Step book.
Third party books	Contact all major publishers and encourage more Excel focus. Track publication activities.
MSDN	Create support materials for MSDN distribution
MS CRP	Sell x units through consultant activities.
RESEARCH	
Segmentation study/Installed base profiles	Do competitive analysis by segment, and develop profiles by vertical market in order to drive marketing plans.
Launch program measurement	Measure effectiveness of marketing programs in order to measure cost effectiveness.
Launch focus groups	Understand how to expand trial to broader base of influentials (Win Excel) and better understand competitive threat (Mac Excel).
Excel usage study	Gain broader understanding of how Excel users are using Excel.
TRAINING	
TECHNICAL PRODUCT TRAINING	
SE training	Introduce at Fall SE Forum.
PSS training	Train all PSS techs on Excel 4.0. Create video training series.
ISV/Consultant training	Train important third party developers on Excel 4.0
MCS training	Train all interested MCS consultants
FIELD SALES TRAINING	
Winline classes	Update Winline classes
Training video/audio	Provide sales demo, advanced sales demo videos.
Sourcebook	Ship Sourcebook at district training
RKOs	Hands on product training for entire sales force
District training	Train sales force on selling Excel 4.0
INTERNATIONAL	
Beta program	Eliminate bugs in international versions of Excel
Corp Preview Programs	Enable subs to better market Excel 4.0 to key corporate accounts
Press materials	Enable subs to leverage US materials to facilitate PR efforts
Press Tour	Increase international visibility of Excel
Launch materials:	Enable subs to leverage US materials (launch video, demo, data sheet, sales tools, etc.) to facilitate effective launch
Global Announcement ??	Maximize impact of Excel launch here and abroad

CONFIDENTIAL

MS-PCA 1278856

Promotional ideas/programs	Increase RSP awareness, usage and recommendation of Excel, and increase full product sales
Intro materials/POP materials	Increase RSP awareness and usage, and help resellers merchandize Excel.
Train reseller tech support personnel.	Increase Excel sales and customer satisfaction
Win Excel Adoption Pilot	Maximize Lotus switchers in unnamed accounts
Additional misc. programs	All of the above
ISV & 3RD PARTY PLAN	
Software Development Kit	Ship an SKU which provides materials needed to create applications and systems based on Excel.
MS Press books	Help create a Macro Step-by-Step book.
Third party books	Contact all major publishers and encourage more Excel focus. Track publication activities.
MSDN	Create support materials for MSDN distribution
MS CRP	Sell x units through consultant activities.
RESEARCH	
Segmentation study/Installed base profiles	Do competitive analysis by segment, and develop profiles by vertical market in order to drive marketing plans.
Launch program measurement	Measure effectiveness of marketing programs in order to measure cost effectiveness.
Launch focus groups	Understand how to expand trial to broader base of influentials (Win Excel) and better understand competitive threat (Mac Excel).
Excel usage study	Gain broader understanding of how Excel users are using Excel.
TRAINING	
TECHNICAL PRODUCT TRAINING	
SE training	Introduce at Fall SE Forum.
PSS training	Train all PSS techs on Excel 4.0. Create video training series.
ISV/Consultant training	Train important third party developers on Excel 4.0
MCS training	Train all interested MCS consultants
FIELD SALES TRAINING	
Winline classes	Update Winline classes
Training video/audio	Provide sales demo, advanced sales demo videos.
Sourcebook	Ship Sourcebook at district training
RKOs	Hands on product training for entire sales force
District training	Train sales force on selling Excel 4.0
INTERNATIONAL	
Beta program	Eliminate bugs in international versions of Excel
Corp Preview Programs	Enable subs to better market Excel 4.0 to key corporate accounts
Press materials	Enable subs to leverage US materials to facilitate PR efforts
Press Tour	Increase international visibility of Excel
Launch materials:	Enable subs to leverage US materials (launch video, demo, data sheet, sales tools, etc.) to facilitate effective launch
Global Announcement ??	Maximize impact of Excel launch here and abroad

CONFIDENTIAL

MS-PCA 1278857