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Subject:	Desktop Marketing Summary -- Through April 15th
Date:	Wednesday, April 20, 1994 12:47PM

Our efforts over the past few weeks have been centered around launching the WordPerfect response programs, gearing up for several PR tours/initiatives, developing FY95 plans and forecasts, and preparing for the WWSMM. Most of the "juggling" from the reorg is now over and work is proceeding to develop full plans for each group. Here is some detail on the various activities related to Desktop Marketing:

1) DEMAND GENERATION
* PR activity: Over the past several months, we have implemented an "editor buddy" program where we have designated various MS marketing people and executives as the primary contact for key editors and analysts. Calls are made to these press people about once every two weeks. We've gotten good feedback from the editors on our "increased availability", and have generally improved our ability to have some influence over stories. Recently, this generated generally positive coverage for our Notes FX plans and our NT apps plans. In addition, we spent the past two weeks preparing for tours to launch the "Office Compatible" program and to position our workgroup strategy (tied to EMS long leads and BillG speech this week). Expected coverage over the next two weeks includes:
  --CRN will have a major story this week on Office Compatible based on a leak from an ISV.
  --Apps angles on BillG's EMA/workgroup speech.
  --MacWeek story about our approach to licensing across 68K and PowerMac platforms.
  --Follow-up stories on Lotus' decision to drop the Mac platform (see below).
  --Complete "official" coverage of Office Compatible (press release due at end of April).
  --Office Assistant announcement.
  --NSTL suite review should be released shortly; should be good with a few workgroup dings
  --Monthly Access 2.0 first looks should hit shortly.

*Advertising update: We continue to roll-out our business press awareness campaign supported by both launch ads (Access and PPT) and leadership/momentum ads (Word, XL, Office) in the PC press. Over the last 6-8 weeks O&M has been getting us better placement in the pubs, including several in-side covers in Time and BusinessWeek along with good Section A placements in the WSJ. Note that our WordPerfect response ads (pushing the $30 rebate on competitive upgrades) have started running in the WSJ and USA Today. Local and radio ads plus CRN/CRW channel ads for this promo will begin running this week.

*Access launch: Feedback from the Access launch event has been very positive so far. Over 6,000 people attended and the preliminary data on the evaluations shows 80 + % giving the event a "5 out of 5" rating. Lotus and Borland have been making lots of noise about the fact that the product isn't available yet but this will be put to rest shortly as units reach the channel. We have a large number of database comparative reviews coming up so this is a key focus of our work right now. We are also assisting with the International launches of the product over the next couple of weeks. Finally, the Focus magazine and direct mail upgrade pieces will drop at the end of the April.

*We will be dropping the Proj 4 upgrade mailing in the U.S. on 5/11. We are blanketing North America (U.S., Canada, Mexico) w/ launch seminars on Proj 4, many of which are joint seminars w/ PowerPoint. Danielq is on loan to MS France for 3 months to help them put together an infrastructure for selling and supporting Project.

2) VITALS

We just recieved the January 94 Office Market Share data, which shows that Office continued to rule in January. Excessive inventory in the channel by both Lotus and Borland resulted in low shipments in January. Our market share figures are as follows:

US & Canada	Jan 94	3 mos avg Jan94

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units		89%	75%
dollars		87%	79%
International			
units		91%	81%
dollars		97%	86%
Worldwide			
units		90%	78%
dollars		93%	83%

*Word and XL sales: Overall, the past 45 days have been slow for Word and Excel (Win and Mac). On the Mac side, this is directly related to the product cycle and our early announcement of new versions. On the Win side, based on channel inventory information, Word sales should be picking up but we have seen no upswing yet -- we will monitor this closely. XL inventory is still a bit high so we don't expect much sales pickup until Mid May.

*Draft forecast: We are now finalizing our unit forecast for FY95 and have put preliminary information in Budget Workbench. Based on some early estimates of rev/unit and mix, this forecast will generate roughly 7-8% revenue growth over FY94 in the US. We will work with MSUS to finalize the mix, seasonality, and rev/unit estimates over the next 10 days. For anyone who has not already seen it, here is a copy of the FY95 overview marketing plan that was prepared for the WWSMM. Detailed plans to follow over the next 3-4 weeks.
< <File Attachment: OFC95PLN.DOC > >

3) COMPETITIVE UPDATE
*Lotus news: Two major pieces of information from Lotus this week. First, a WSJ article claims (and Lotus basically confirms) that they have decided to drop their Mac desktop apps development efforts. They will continue to do interop work for Notes and cc:Mail. This is great news for our Mac apps AND for our Win apps which can now claim to be the only Win/Mac cross platform choice. We are working this story with several other press contacts to generate follow-on articles. Second, Doug Barney from InfoWorld broke a story about SmartSuite 3.0. As expected, this will include a new version of Approach and minor updates to the other component apps. Lotus will also introduce a workgroup edition of SmartSuite that will probably include the Notes client and some special Notes applets that rely on SmartSuite. Only Approach will support OLE2 with this release and none of the apps are expected to have LotusScript. They will probably also integrate their setup program and fix their equivalent to MOM so that it works when AmiPro isn't running. Overall, this is good news for us, and with the exception of the workgroup area, should give us a product lead through the Chicago launch.

*Novell/WP news: Two pieces of news on the Novell front as well. First, CRN reported that WP will lower their channel discounts to levels roughly similar to ours -- which will lower the current street price gap between our products. While in the short-term, this means that the channel will stock up (and perhaps not stock as much Word), longer-term this is a positive for us. Second, PCWeek reports that WP will ship an update to the Borland Office in August/Sept. This will probably include the new QPro (assuming it gets done), WP's presentations product, and OLE2 support. It could also include their InfoCentral PIM and some doc mgmt/workgroup tools. Article notes that WP has not decided if they will keep Paradox in the office suite, which is odd given that Novell bought 1M copies.

4) INTERNATIONAL
*WWSMM: We participated in several sessions at the WWSMM, including a "main tent" presentation plus an End User (general directions) and Org (smorg) breakout sessions. Overall, we received good feedback on our preliminary FY95 plans and on our early efforts at working out worldwide planning issues. We will continue this process over the next 3-4 weeks so that we can produce solid worldwide plans by mid-May. We did receive consistently negative feedback on the names "Office 95" and "Chicago 95" -- people agreed that some form of link between the naming is good but did not like the specificity of the "model year" approach. We also got several broad localization strategy questions along with some specifics about certain languages and products. We are working now to address these quickly so that everyone understands the plans.

5) PRODUCT INFORMATION
*Access and Office Pro: Access 2.0 and OfficePro 4.3 are now in Mfg and will be shipping to the channel shortly. The official channel availability date for Access 2.0 is 5/6 and the official availability date for OfficePro is 5/13.

*Office 4.x(c)/FX release: We are currently planning an Office 4.x (c) release (for Office Std, Pro, and the individual apps) that will RTM in June. The primary purpose of this release is to add Notes FX functionality into Word/XL/PPT -- we will also include some bug fixes for Excel and possibly PowerPoint at the same time. In addition to the same FX stuff that SmartSuite has, we will include 3 new file filters that integrate XL and Notes (view import, view export, XL table import), and an installation option which overwrites your SmartSuite icons in Notes with Office icons. A couple of other specifics:
   --There are no UI changes except the Help\About dialog changes to reflect the "c" version.
   --We will position this as a patch or maintenance release....only really needed by Notes users.
   --We will have maintenance disks available for existing users for a "shipping/handling" charge
   --Goal is to win with this in corporate account selling situations...not a huge retail priority for us.

*NT Office: Word and XL for NT will go into beta 3 weeks after Daytona beta and will ship a few weeks after Daytona releases. Note that we plan to do an "NT Office Standard" that will include 32-bit Word, 32-bit XL, and 16-bit PPT. We are still working out some issues (integrated setup, MOM, etc.) to finalize our release date.

*We had English RTM on 4/14, we expect to be in the U.S. channel starting 4/29. Our goal is to RTM German by 5/4 and French by 5/18.

*Ren focus groups: We conducted Ren focus groups from April 11-13, 6 groups in 3 cities. We spoke with MIS, smorgs, corporate users, and Office users. Here are the topline results and recommendations based on the research. A complete (and long) summary of the focus groups' comments is attached below.
   --People thought that it made complete sense to include Ren in an office suite
   --Ren definitely needs to coexist with paper planners.
   --Printing is incredibly important with everyone agreeing that this is critical functionality.
   --Ren can be the user's "homebase", particularly in an office suite.
   --All focus groups voiced the same barriers to using an electronic PIM over a paper planner:
         + Inputting information is a hassle (particularly address book info).
         + Updating information is a problem because people don't want to retype written notes.
         + Portability of PIMs is a problem (even with laptop computers).
   --We still need to work on the name since no name tested exceptionally well.
   --Workgroup functionality seen by most as a key part of product; would pay more for this.
   --No clear concensus yet on positioning and pricing; we need to close on these quickly.
< <File Attachment: RSCHSUMM.DOC > >

6) PROGRAMS STATUS
*WP response plan: Very early feedback on our efforts to move WP users to Word through the $30 rebate program and increased ad/promotions presence has been positive. Its still to early to say how this will effect sales, but we've been pretty successful signing up resellers, and expect another $200K of commiments from CompUSA, ElecTek and Best Buy (see doc attached for reseller plans thus far). 10 senior partners have also submitted plans for telemarketing efforts, and we've had reasonable telephone call volume from the WSJ ads. We have made proposals to CompUSA, Packard Bell, and ComputerCity on the idea of special bundles of Word with their hardware sales in exchange for strong promotional pushes from them. Final decisions are pending at PB and ComputerCity -- have not had direct feedback from CompUSA yet. We'll provide a more numeric summary of progress in our next status report.
< <File Attachment: WORDSUP.XLS > >

*Envision: We will be participating heavily in the 10 Envision locations over the next 3 months. This will include major reseller training sessions plus horizontal and vertical smorg presentations. The vertical sessions will cover Insurance, Legal and Accounting and will be done jointly with appropriate SPs (AMS, Mead, and Great Plains, respectively). Biggest concern so far is ensuring solid attendance (and thus bang for the buck) across all sessions and locations.

*Power Guarantee promo: This promotion, which allows current Mac apps purchasers to get free upgrades to either our 68K or PowerMac apps when they ship, began on April 1st and will run until our Mac apps ship. Early feedback has been pretty solid with MORs and other channel partners advertising it. POS materials should start appearing in stores over the next 10 days. More detailed data in our next status report.

Office FY95 Plan

Executive Summary

Our mission is to develop the most successful desktop productivity tools in the world, marketed both as suites and standalone applications. Our worldwide market share goal is 80% for office suites and 60% for apps including spreadsheet, word processing, presentation graphics, database, and project management. Achieving these goals hinges on our ability to sustain product development momentum, leverage other Microsoft technology (e.g. Chicago, EMS, Ren, etc.) and non-technology assets (e.g. registered base, PSS, etc.), and create innovative marketing approaches to help differentiate MS from competitors like Lotus, Borland and now Novell/WordPerfect. At the same time, we have aggressive internal goals for reducing costs – particularly cost of goods sold and documentation and localization costs – and increasing development and marketing efficiency.

Our overall FY95 revenue forecast for Office and the component applications is $2.1-2.3B.[1] We will achieve this performance in FY95 through several key initiatives: aggressive promotions and merchandising to sustain Office applications through the launch of Office 95[2] with Ren; leveraging the launch of Chicago, EMS and other Microsoft technologies; creating an efficient and profitable upgrade engine; penetrating new markets and geographies to drive share growth; building a third-party infrastructure to leverage Office as a development platform; testing potential distribution and sales tools such as CD Unlock and Microsoft Online Services (MOS), and fighting piracy with compliance checking (CCP). Outlined below is a high-level view of the market today, the competition, and the product and marketing strategies needed to continue to grow the business profitably in the next fiscal year.

FY95 Revenue and Share Objectives

Our initial worldwide Desktop Apps forecast for FY95 shows a revenue increase of 7%, including an upgrade business which we forecast at 13% of revenues. The major upside opportunities in this outlook are growth in the Access business, economic recovery (and growth) outside the US, higher upgrade/cross-grade sales, Ren standalone sales, and a higher percentage of OfficePro in the mix. Although overall unit category growth for new users in FY95 is projected to be 75% for suites and roughly 25% for component applications, we are anticipating continued price pressure and increased OEM units in the mix. This price/mix effect, combined with the fact that we will not see much revenue from Office 95 in FY95, lead us to be conservative about overall revenue growth. See Appendix I for projected revenue and mix percentage for the various Office SKUs.

Our goal is to hold worldwide Office share at 80%. Within Office sales, our OfficePro target is 25% of our overall mix worldwide. These goals will require an incredibly strong push as Lotus continues to challenge with a new version of SmartSuite, aggressive pricing, and OEM bundling. The Novell acquisition of WP and Borland Quattro Pro promises to make the Borland Office a more credible player in the office suite category as well. We must fight hard and look for new markets to help us gain and defend share.

At the same time, we must increase individual product share. Our goal is to increase worldwide share for Word, Excel, Access and PowerPoint to at least 60% by the end of FY95. Focused switching campaigns combined with broader distribution, instore merchandising and targeted small organization (SMORG) marketing will enable us to achieve these gains. We must aggressively launch and market Ren both in the Office and as a standalone app to penetrate the PIM/workgroup information management category[3].

FY95 Product Strategy

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[1] Numbers are draft estimates that will be refined over the next several weeks.
[2] This is a tentative name for the product which still needs to be finalized.
[3] A separate Ren marketing plan and forecast will be distributed in May.

The office suite category is the fastest growing in the business and is an area of competitive advantage for Microsoft. We have moved to a "12/24" release schedule that allows for major architectural releases every 24 months and competitive releases every 12. Individual releases will be synchronized beginning with Office 95, making it easier to code, design and market products together. Although Office 95 is technically a 12 month release, the inclusion of Ren represents a major addition to the product. Office product strategy for FY95 centers on several key events and principles summarized below:

- **Release Office 4.2 (c) to counter SmartSuite/Notes workgroup message.** We are currently working on a slipstream "Office 4.2 (c)" release which will support Application Field Exchange (FX) and save documents into a Notes database.[*] We are counting on this release to neutralize or at least slow any Notes/SmartSuite momentum until we have EMS shipping. We currently plan to localize this release for the tier 1 languages and are evaluating whether it should be localized for tier two languages.

- **Ship Office 4.2 for the Mac, PowerMac and NT platforms.** We will ship a 68K version of Mac Office (and the component apps) early in Q1 of FY95 and versions optimized for the PowerMac approximately 30 days thereafter. We will ship 32-bit NT versions of Word and Excel in the May/June timeframe along with an NT Office (which will have 16-bit PowerPoint).

- **Launch Office 95.** Microsoft's ability to set industry direction is a key asset for the company and the productivity applications mission. We will work to time apps releases with the release of other MS products for maximum benefit. Specifically, we will focus on leveraging:

  - *Chicago:* We expect a March 1995 RTM of Office 95, a release designed to exploit Chicago capabilities. Office 95 will be an outstanding Chicago app, providing more robust support for OLE 2.0 (since Chicago has OLE built in), better crash protection, support for long filenames, true multi-tasking, improved system security and a better memory model so that users can *really* work with all of our apps together. The current plan calls for a 32-bit version (only) for Chicago and NT with separate versions for RISC platforms TBD. The focus of this release is on exploiting Chicago and integrating Ren (see below); there will be more modest additions (e.g. 4-5 competitive features) to the individual applications. Note: the current plan of record calls for *no* 16-bit or Mac versions of Office 95.

  - *Ren:* The most significant addition to Office 95 will be Ren, an integrated workgroup information manager (some would say "PIM") that will be included in Office 95. Ren will give Office 95 significant new breadth functionality and bring real email functionality into the Office (as opposed to today's license). It will also provide a new level of integration between our applications and messaging products and will leverage EMS, taking advantage of stronger security and information sharing scenarios. Although we are still completing initial projections of Ren sales, early estimates of standalone sales run between 300-500K units during the first 12 months. Pricing and retail/OEM mix assumptions will be finalized within 30-60 days.

  - *EMS:* When EMS ships,[5] Office 4.x users will experience richer message and file handling capabilities and find sharing documents easier. Users will be able to integrate Office both with the EMS server (e.g. sending documents from within applications to public folders) and with the Capone client (e.g. to directly drag and drop objects from applications into mail). With Office 95 and EMS, users will be able to do visual editing, browse public folders (tbd) from within applications and add custom properties to Office doc files for easier message management.

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[*] This release is scheduled for May/June 1994.
[5] We are assuming fall 94.

- **Add value to Office.** We will continue to add value in the form of additional product depth functionality and value-added data and services. Possible bits for Office include Word Assistant, Office Assistant (templates, wizards, etc.) and other SMORG-oriented bits. Add-on bits should be localized for all markets where Office is sold (or at least Tier 1 countries. We are currently exploring ways to leverage other Microsoft applications—such as Publisher and Money—to benefit both the Office and the individual applications.

- **Be the best platform for business solutions.** Productivity applications are increasingly being used as part of company-wide solutions, including solutions that automate important business processes. Office 95 will provide a better solutions platform: PowerPoint will expose an OLE-based object model; Excel will offer an improved version of VBA which will feature better data access capabilities; Excel and Word will let users build custom solutions with EMS through richer support for MAPI 1.0 and ODBC. Word, Ren and Access will support OLE automation but not have internal VBA until the Office 96 timeframe (March 1996).

- **Localization.** Our goal is localize into all Tier 1 languages within 60 days; Tier 2 and Far East within 90 days, and Tier 3 within 120 days. We are currently working to get Office localized in every country where we have a subsidiary on the ground but this is pending approval.

FY95 Marketing Strategy

To continue to grow the Desktop Applications business, we must build new marketing assets and strategies that specifically address several key challenges coming in FY95. These challenges include:

- No major DAD applications releases until Q4 FY95
- The launch of Chicago and other key Microsoft technologies (Ren, EMS, etc.)
- Slowing category growth, saturation of traditional markets and opportunity in new markets
- Changing business models of our major competitors
- Growing potential of new distribution channels (e.g. superstores) and vehicles (e.g. CD, MOS)
- Evolving customer segments with different influence and purchase behavior
- Erosion of pricing and revenue/unit due to OEM bundling and competitive pressure
- Ongoing cannibalization of retail sales from piracy

In light of these business challenges, the Office marketing team will focus on several key initiatives in the next fiscal year. The following initiatives map to the above challenges and are the "core strategies" around which we will target most of our spending and resources:

- **Run sustaining marketing programs to maintain product momentum through Chicago launch.** This will be a key focus through most of FY95 as there will not be a major new Windows apps release until Q4. In addition, we need to use this sustaining marketing activity to address the share we have lost (at least in the US and some other markets) on individual apps sales, excluding Office. Although strategies and tactics will vary from subsidiary to subsidiary, all regions must work to create marketing noise and excitement until the launch of Chicago and Office 95. In the US, we will split marketing resources roughly 65:35 between Office and the individual apps while focusing on these sustaining activities:

    - *Continue aggressive switcher campaign:* We will continue to run very aggressive switcher campaigns focused on WP and Lotus users. In the WP case, we have a great, short-term opportunity to gain share, and we plan to capitalize on the market uncertainty created by the Novell/WordPerfect merger to switch WP users.
    - *"Counter-launch" to neutralize new SmartSuite.* When Lotus introduces the new version of SmartSuite this summer, we will be ready with a detailed counter-launch program to slow their momentum. Johngab will provide this plan separately by 5/15.

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Office FY95 Plan   Page 3   *John Sage*

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- *Distribution push:* We believe that this is an important objective for the US, particularly given efforts to sustain Office momentum and to win share in the SMORG market. This objective may not be relevant for all subs but we will design programs that can be scaled worldwide.
- *Retail push:* The Office marketing team will launch a fall enduser promotion (details forthcoming) for Office and the individual applications that can be leveraged worlwide. We will invest in building a better merchandising presence in key retail accounts (e.g. superstores and office supply in the US) and MORs.
- *Mac apps efforts:* We need to generate significant momentum in the Mac market as we launch the 68K and PowerMac apps. This is a major transition point for Mac users with Apple aggressively pushing new hardware, and we need to map to their efforts closely to maintain/regain mindshare as the leader in Mac apps. Increasingly, we need to link/combine our Mac and Win sustaining efforts so that we talk to segments like SMORGs in a unified way.
- *Office Compatible program*[6]: Introduce the Office Compatible program to attract third-parties and build momentum behind the Office platform.
- *PSS Marketing:* We will continue to emphasize PSS (both quality and unlimited/no charge) as a key differentiator. This will include building PSS messages into all of our materials (Ads, PR, etc.) and evaluating how we can make this more relevant for users. Note that this message will have to be adjusted for various regional differences given that there may be some countries where we have to charge for support.

- **Leverage Chicago momentum (PR, channel, etc.) to accelerate sales of Office 95.** We will work closely with Personal Systems Group to ensure that the positioning, PR, packaging, promotions and overall marketing direction for Office 95 leverages and builds from Chicago. The integration of Ren in Office 95 will provide excellent value-add for the product and open up new co-marketing activities for Office (e.g. with Franklin Planner, Day Runner, Covey Leadership, etc.)

- **Build an efficient and profitable engine for selling to the installed base.** We must generate more revenue from our installed base on a regular basis by upgrading a higher percentage of them and by moving more to Office. This includes not only moving people from Word or Excel to Office but also moving a significant percentage of Works users up to Office. In FY95 we will begin to turn our upgrade business into a "circulation machine," testing programs (including personal maintenance or "subscription" selling) to sell more product to our installed base. Our goal is to increase our overall upgrade rates and drive more of our version upgrade business through subscription by FY96. New offer strategies in FY95 will give us a way to move single app owners to Office ownership and help us lead customers to the appropriate channels (e.g. direct, instore, MOR, OEM, etc.) and purchase mechanisms (e.g. subscription, Select, MOLP, etc.). We will also develop and test alternative selling vehicles (e.g. catalogs, online, CD, etc.) to maximize exposure and sales.

- **Penetrate new markets to grow worldwide share and revenue.** The initial focus will be to raise awareness among SMORG influencers with business press advertising; increase visibility and availability of products in selected retail environments, and leverage SPs who develop solutions within targeted segments (accounting, legal, real estate and insurance).

- **Focus additional resources on high-growth international markets.** We will provide additional localization resources and product marketing attention on key growth markets. Areas to be given special attention in FY95 include the Far East (esp. Japan, Taiwan, Korea), Latin America and Eastern Europe. Our plan is to provide Office 4.2 and Office 95 in all markets and to work more closely with each region to implement appropriately scaled Office marketing plans.[7]

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[6] This program will be announced in the US the week of April 25th. Judych will provide guidelines for scaling to subsidiaries.

[7] Localization plans still being finalized by Mattmi team; English PPT or Access will round out Office 4.2 in some cases.

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- **Leverage CD to increase distribution, trial and more profitable sales of Office.** The expected proliferation of CD-ROM drives creates an opportunity for increasing our mix of CD Office sales and increasing profitability per unit. Our goal in FY95 is to increase our CD unit mix from 10% to 20%, thereby contributing more than $14MM to the bottom line[*]. The dramatic increase in CD adoption opens up new distribution and packaging opportunities as well. We will begin testing "CD Unlock" this fall with the hope that it will be a useful tool for promoting trial and broadening distribution (e.g. through OEM seeding, etc.). It will also likely change the model for purchasing software, enabling users to buy the functionality they want as they need it and giving us a means for selling incremental bits to our users. We will also look to test Microsoft Online Services as a potential mechanism for delivering on-line registration, support, vertical solutions, documentation, easy upgrades, and add-ons.

- **Increase efforts to recruit and train third-parties/ISVs to sell and support Office and Office-based "business value" solutions.** Our overall strategy is to: 1) foster the creation of Office-based solutions by evangelizing our development approach to solution providers and developers, equipping them with the right tools, and providing those who resell to other organizations with a compelling business model for selling solutions built with our products; 2) create enduser demand for Office-based solutions in large and small companies by arming SPs and by reaching them directly through MS field, PR and vertical marketing activities, and 3) reinforce Office solutions positioning through ongoing PR. Our VAR and SP efforts are especially important given the strength of Novell's CNE network. Additional tactics for meeting these strategies will be published separately.

- **Accelerate push for CCP to reduce piracy.** We will rollout localized versions of compliance checking that will detect competitive versions. Note: this will require an incremental commitment of sub or HQ resources to gather competitive product information and ensure smooth implementation of localized CCP.

- **Reduce product costs by improving development and marketing efficiencies.** Our goal is to reduce Office COGS by more than 10% in FY95 by streamlining and simplifying packaging and manuals. The Office team is working to drop the number of Office SKUs and Johngab is driving these efforts and can provide details as required.

Positioning and Communication

Office positioning will remain largely unchanged in FY95. We will continue to describe Office in advertising and collateral as "full-featured applications that work together as one" and emphasize three key dimensions to Office leadership with what we call the "beyond messages" and the corresponding technologies that make the messages credible.

1. "Beyond ease of use" with IntelliSense (e.g. autofeatures, Wizards, etc.)
2. "Beyond cut and paste" with OfficeLinks (e.g. consistent design, OLE 2.0)
3. "Beyond personal productivity" with Microsoft Office solutions (VBA, OLE, Access Basic, etc.)

The only change to Office positioning is in the change in the third support message from "beyond macros" to "beyond personal productivity." This change enables us to incorporate several points about our workgroup story (EMS, FX support, Ren, etc.) and to speak more broadly about our range of VB-based solutions development technologies.

Target Markets

There are four target markets that the above marketing programs and initiatives are designed to reach:

- **Large accounts** will remain an important segment, although our message will evolve to be more solutions-oriented; productivity apps will be used increasingly as components in business solutions.

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[*] Assumes [3.5 million new licenses x 10% increase] x $~40/unit COGS savings = $14MM

We need to develop the infrastructure (SPs, tools, programs, etc.) to promote our products as a development platform and to get design and standardization wins. Finally, we need to position Office as a key component of any downsizing strategy.

- Small and medium organizations represent more than 50% of the desktops in N. America and are growing faster than the market overall. Many of the larger subs have reported similar data, and we think there is an opportunity to roll-out plans that can be scaled/adjusted to meet needs in many countries.
- Existing users of Microsoft and competitive products are the target for the many programs that will test or rollout in FY95. Note that while the characteristics of these two groups are different, we will experiment and use many of the same vehicles for reaching them. Our existing users will become increasingly important as we move to generate upgrade revenue in late FY95 and early FY96. By the end of FY97, we hope to generate 25+% of our revenue from upgrades.
- Solution Providers and VARs are a critical target market given our need to work with leveraged partners to penetrate both small and large accounts.

Competition

Our competition in FY95 and beyond will be Lotus and Novell. Although there are a few other companies challenging us in specific categories (e.g. Claris, Borland), we are focusing on the two best able to challenge us on an enterprise-wide basis. Below is a "snapshot" of the key strategies and marketing tactics we expect each to deploy over the coming year.

Lotus: Lotus will position Notes as an operating platform and their apps as the products that best exploit it. As part of this strategy, they will focus on leveraging the equity in 1-2-3 as a means of generating SmartSuite acceptance. They are also pricing aggressively to capitalize on OEM bundling and retail channel opportunities. Lotus is spending heavily (est. $34M in 1994) on a corporate ad campaign and will certainly continue to position themselves as a "technology and groupware pioneer." We expect them to release a new version of SmartSuite in the summer which will include a major update to Approach, possibly a major update to AmiPro (still not clear), and minor updates to 123 and Freelance. In addition, we expect them to split the product into two SKUs—the existing one plus a higher-end, Notes-enabled version. We also anticipate a Chicago version of the SmartSuite apps around the time Chicago ships. Lotus has several strengths or strategic assets to leverage, including a large installed base; strong share and awareness among small and medium businesses; potentially strong alliances (e.g. AT&T); perception as workgroup leader; and aggressive retail marketing. Their weaknesses include perception as single product company; weaker individual apps with low market share (AmiPro, Approach, Organizer); lack of Mac line; slower introduction of some key technologies (common macro language, OLE 2.0, etc.); integration of disparate product elements; and workgroup challenge from Novell and MS.

Novell: Clearly, we are still evaluating Novell's strategic options as a result of the acquisition (as is Novell), but here are some initial thoughts on their likely activities. Novell's strategy is to leverage operating system and applications assets to challenge Microsoft directly. They will undoubtedly tighten the integration of their apps suite and seek to win the workgroup battle by leveraging the strength of Netware and their strong VAR channel. It's possible they will bundle Netware Lite with their suite and initiate aggressive retail and OEM pricing in an effort to quickly gain share. Novell is likely to create links with WordPerfect Office, a solid messaging and workgroup product, while exploiting strengths such as a very large installed base and a strong, geographically diverse CNE base. Their weaknesses include a short-term defocusing while the manage the merger, inexperience with enduser business and support and the challenge of integrating disparate products.

Deliverables/Action Items

The Office team will produce the following deliverables. If subsidiary managers can provide feedback on the respective plans, we will consolidate feedback and distribute final documents by dates indicated below.

Deliverable	Description	Distributed	Comments Back	Final Out
Office Marketing Plan	PPT drill down on tactics and specific programs to support FY95 Office goals	April 18	May 2	May 16
Office Fall Promo plan	Short doc to define goals and objectives of fall promotion	May 2	May 11	May 30
Office 95/Chicago launch plan	Doc describing oppty's for leverage/synergy with Chicago	June 1	June 15	June 27
Ren Marketing plan	Doc describing Ren positioning, pricing, selling strategy, etc.	May 9 (first draft)	May 23	June 6 (second draft) final: June 11

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Appendix I
DRAFT Desktop Applications FY95 Forecast

The data below provides a preliminary look at the Desktop Applications business in FY95. This forecast, which shows 7% revenue growth, does not yet include any Ren revenue nor does it include the Access business (which we are forecasting in DAD for the first time). Note that this forecast was developed "top down" based on early estimates of US revenue and units. Regional forecasting and roll-up still needs to be done to understand the differences in our business across different geographies and to get more precise about a worldwide revenue number. Having said that, it is clear that FY95 will be a challenging year since we will not have significant upgrade revenue until late in the year and our competition will continue to be aggressive.

We will have more fine-tuned forecasts (and data for Ren and Access) over the next two weeks.

DRAFT Worldwide FY95 Forecast
Worldwide Licenses in Thousands, Revenue in Millions

	FY94				FY95 Forecast				Growth		
	Lic	$/unit	Rev	Mix	Lic	$/unit	Rev	Mix	Lic	$/unit	Rev
Office New Users	2,578	$ 355	$ 915	46%	4,116	$ 264	$ 1,086	51%	60%	-26%	19%
Other Apps* New Users	4,371	$ 161	$ 702	35%	4,257	$ 165	$ 703	33%	-3%	3%	0%
Office Existing Users	543	$ 139	$ 75	4%	581	$ 129	$ 75	4%	7%	-7%	-1%
Other Apps* Existing Users	2,371	$ 89	$ 210	11%	2,670	$ 74	$ 197	9%	13%	-17%	-6%
Other (DOS, other)			$ 83	4%			$ 62	3%			-25%
Total DAD revenue			$ 1,986	100%			$ 2,123	100%			7%

* Word, Excel, PowerPoint, Project

DRAFT $/Unit and Product Mix
Worldwide Data

		FY94		FY95	
		$/Unit	Mix	$/Unit	Mix
Office					
	FPP	$440	46%	$420	28%
	CUP	$284	18%	$280	17%
	License	$290	31%	$270	28%
	Academic	$209	4%	$92	7%
	OEM	$332	1%	$100	20%
Total		$355	100%	$264	100%
Indiv Apps*					
	FPP	$272	30%	$265	34%
	CUP	$101	14%	$95	21%
	License	$187	15%	$180	17%
	Academic	$75	25%	$61	23%
	OEM	$55	16%	$50	5%
Total		$151	100%	$157	100%

*Word, Excel, and PPT.

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Ren Focus Groups
April 11-13

Executive Summary

Ren definitely needs to coexist with paper planners.

- Printing is very important with everyone agreeing that this is critical functionality since many people aren't at their desk all the time.
- Users need to customize printing and have extensive preset report formats.

People generally recognized that they need organizational help. All focus groups voiced the same barriers to using a PIM over a paper planner, which we will need to address in the product and marketing:

- Inputting information is a hassle (particularly address book info).
- Updating information is a problem because people don't want to retype written notes and doubt that they have the discipline to keep information current.
- Portability of PIMs is a problem (even with laptop computers) since people need to schedule meetings while at meetings.
- Accessibility of PIMs is an issue since many people said that they don't always turn on their computers.

We still need to work on the name since no name tested incredibly well. We got clear feedback that the name should be simple and should reflect the workgroup functionality since this aspect of the product resonated the strongest among all focus groups.

- Of all the names that we tested, Team and Time fared the best. Even so, no consensus was ever reached on these names.
- Synchrony and Office Manager tested well with about half of the people identifying functionality correctly and agreeing that these names worked well in an office suite.
- Portfolio and Compass put people on the wrong track (investment package and mapping package, respectively).
- PIM+ had strong negative connotations and a lot of people had no idea what it stood for.

Direction on pricing was inconclusive. A lot of people (particularly users in large organizations) were unfamiliar with software prices) so we got a huge array of prices, ranging from S49-1300. It is clear, however, that people will generally pay more if they know of the workgroup functionality.

No one wanted just the *personal* information manager functionality. Instead, almost everyone, including smorgs, wanted to have the workgroup functionality. Of the workgroup functionality, people particularly saw value in group scheduling. However, workgroup features posed problems for people because not everyone in their organizations use a PC or are networked.

- Ren may slow down Office's evaluation cycle since it's a workgroup product

Ren can be the user's homebase, particularly in an office suite. People thought it was reasonable to start their day with Ren, and then branch into their other office suite tasks from the product. The product also makes complete sense to include in an office suite, so we need to make sure that this is reflected in the product positioning or support points.

Design ideas:

- Sliding bar for start and end time - OR choose of start and duration .5 hr., 1hr, 1.5 hr, 2 hr.
- Condense so it fits and prints on 8.5" x 11"
- Weekly/monthly planning wizard asks user to designate available time for meetings.

LEGEND:
Group 1:   Chicago, MIS, large organizations   Group 4:   Boston, Large business users
Group 2:   Chicago, Win Apps users, large organizations   Group 5:   LA, Office owners. Large business users
Group 3:   Boston, Smorg   Group 6:   LA, Smorg

- Provide MRU for short notes in phone log for telesales people where the responses are all the same. OR something like AutoResponse, "Not interested", "No money."

PRODUCT NAME: INITIAL EXPOSURE

What would this product do?

Portfolio

Group 1	financial management (6/9)
Group 2	investments (6/9)

Compass

Group 1	don't know (4)
	mapping software
	comunications router
	AI
Group 2	Travel planner
	Project info manager
	Graphics
Group 3	don't know (4)
	database
	travel guide
	mapping software (2)
	accounting?
	Mathematical/engineering
	scheduler/project manager
Group 4	Relational database
	Car software to locate addresses
	File finder (2)

Time

Group 1	scheduling program
	perfect name for a Microsoft product
	time management
	tracking hours worked
Group 2	Scheduling
	Personnel time tracker
	Time management/calendar
	Speed performance enhancer
Group 3	calendar (8)
	time tracker
	implies less than deskbook
	to do list
	musical application, composition
Group 4	calendar, scheduling
	billing for CPAs, lawyers
Group 5	calendar, date planner (majority)
	project management
	timesheet for construction
Group 6	appointment books
	home use
	personal or group info
	electronic time clock

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	scheduling manhours

PIM+

Group 1	project management infomation management (2) manufacturing materials management
Group 2	Personal information manager (2) Time/task management Don't know Sounds like "pimples"
Group 3	don't know (4) database printer interface manager "project in mind" + more personal information manager financial planning real estate property information
Group 4	personal information manager don't know ("something I probably wouldn't use", sounds like "pimp" *hated* the name) manufacturing
Group 5	personal info manager don't know (6/10) ("have to be computer literate to know this")
Group 6	spreadsheet (PIN number) personal info manager (3) personal inventory manager don't know

Synchrony

Group 1	email +schedule (3) project 4 said that it didn't suggest anything multimedia integration network control
Group 2	organize info, synchronize Symphony? Files synchronization Integrated package with modules windows access to files
Group 3	don't know (1) office calendaring tools for group scheduling (2) integrated: database, spreadsheet (2) coordination in multiple packages
Group 4	synchronize files, servers multiplan software graphics pert chart scheduling software that works with other PCs
Group 5	database

Ren Focus Group Summary   3/10/95

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LEGEND:

Group 1.	Chicago, MIS, large organizations	Group 4:	Boston, Large business users
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Group 3:	Boston, Smorg	Group 6:	LA, Smorg

	helped other products work together
	integrated/suite of products
	multitasking utility
	critical path product
Group 6	database
	scheduling
	shared file system
	groupware, contacts, scheduling
	don't know but liked the name

Office Manager

Group 1	everything and anything to get office to run
	correlate/integrate file system
	office automation (email, schedules, tasks)
	organizer, tracking employee time (2)
	low end integrated product
Group 2	Organizer (like Lotus)
	Coordinate software
	Integrated dtp & ss
Group 3	bookkeeping
	accounting/word processor
	scheduler/calendar (4)
	mail merge
Group 4	acctg, tax, record keeper
	timesheets, calendars, scheduling (3)
	small business package for calendars
Group 5	Microsoft Office or office suite (3)
	Smallcompany payroll and billing
	Time management
Group 6	bookkeeping
	payroll
	accounting
	task/personnel/administrative/calendar (3)

DeskBook

Group 3	simple word processor to write notes
	collection of things on desk: rolodex, calendar (2)
	desktop publisher
Group 4	Datebook, Personal organizer, Address book, calendar (3)
	Word processing
	Desktop publishing software for Windows
	Workflow organizer
Group 5	dayplanner
	time management
	task management
	Microsoft association since has workbooks
	laptop: can take it on the plane; portable computing software
Group 6	itinerary
	word processing for writers, desktop publishing (2)
	organizer, schedule (3)
	accounting

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Team

Group 5	office suite
	integrated productivity tools (daytimer, planner, email) (6)
	people oriented: coordinating team on projects
	project management
	org chart
Group 6	LAN system software
	end users to contribute on a document
	project tracking, organizational program(2)
	groupware like Lotus Notes (2)
	don't know

SCHEDULING/INFO MANAGEMENT/WORKGROUP NEEDS

What do you use today to manage addresses/appts/calendars/meetings?

Group 1	• Depts have their own way to organize time
	• Syncing info with paper planner is a challenge particularly for people on the go
	Product Mentions:
	Organizer - evaluated, but not adopted
	WPO 4.0 - one using, one evaluating with Notes, MS Office. WPO 4.0 benefits are its remote ports to update calendar, has everything, flexible, cheap
	PROFS
	On-Time (I like it a lot)
Group 2	• 3x5 cards
	• Calendar/tickler file
	• Pocket daytimer: geting info into computer is hard on a busy day
	• Used to use Agenda, but hard to keep up
	• Organizer, to do lists, Casio, post-it notes
	• Many used post-it notes
Group 3	• Electronic rolodex, daytimer (write in), writes on blotter with calendar, secretary. Too many info stores makes it hard to store information
	• Primary looseleaf notebook tracks to do list & conversation logs. Multiple other notebooks track other people's timesheets, logs, & calendars.
	• Electronic daytimer: jots down notes; limitations since wants weekly views and alarm
	• Database (dBASE Cams?): prints out to do list but if things aren't done, the tasks are lost and can't retrieve previous data. So she writes them in a notebook.
	• Daytimer: 16 months ahead of time. Writes appts for each day and things that have to be done. Secretary types 3x5 card for appts and to do lists. Don't use PC since schedules meetings at meetings.
	• Lotus Organizer: hard to maintain since she doesn't turn on computer everyday. Takes awhile to boot up.
	• Maximizer: integrates with other ACT; easier to do things. Used to use Organizer.
	• Creates to do list every Friday and recopies it for the next week
Group 4	• Creates to do lists, write notes on paper at meetings, then files away, and tosses contact info. Tried to use Lotus Agenda but creating to do lists on PC didn't work. Organizer is corporate standard to facilitate communication in different

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	locations.
	• Wang system: write notes/to dos organizes all projects on paper. Away from desk too much at meetings to use PC to plan and type up lists.
	• Uses Sched+ and Mail along with databases. Prints schedules in morning and takes it with him, and then types notes into PC.
	• Phone calls: primary way of doing business and uses ACT to log phone calls and schedule them. He needs phone integration.
	• No system (engineer): Program management takes notes, and he's disorganized
	• Office/Mail user: project management in paper and electronic files, but cross-referencing in history is hard. Company uses an electronic organizer.
Group 5	• Franklin paper planner: meetings and prefer it to a computer since it's a pain to turn on PC to see schedule. Uses post-it notes. Abandoned handheld organizer.
	• Time Management paper planner & software: takes to meetings, group scheduling, secretary reminds her of things, major meetings in PC and alerts as reminders.
	• Lotus Organizer: Windows Startup, likes it since his handwriting isn't neat, has long to do list and can prioritize and carries over, and gives him a record
	• Used ACT but since her needs are task/project oriented, nothing meets her needs. Franklin software isn't close to the paper planner & too closely knit to Franklin philosophy.
	• Calendar & paper planner: uses post-its extensively.
	• Admin schedules his time on PC. Uses Franklin planner, but very manual process.
	• Doesn't have his dayrunner all the time, and people want to do ad hoc meeting scheduling in the hall
Group 6	• Post-it notes on phone and calculator
	• Franklin: try to use it; not with her all the time. QBX software for scheduling
	• DayTimer: phone log, expense list, notes. Usese binders for different categories (references, medications, lead, in, work notes, reports)
	• Desk calendar: phone numbers, things to do, bills, reminders, doesn't write down everything when busy or writes notes on the wrong date, which causes problems.
	• Post-its, paper files, tried to use Organizer but when PC's not on, inconvenient. Keeping appts synchronized a problem since sometimes works on it at home
	• Calendar on wall and personal calendar & tape recorder on road
	• Email used extensively and post its
	• Yellow pad: write everything then types in word processing list for to do and phone calls (sometimes can't read her handwriting or misses a meeting). Easier since PC not always accessible
	• Paper: write project list and try to prioritize

What do you think about electronic PIMs?

Group 1	• Not as flexible as paper
	• Problem: input on paper and then transfer to computer: why bother?
	• Everyone has to be on it for this product to work
Group 3	• Getting people to use this would be difficult especially given insufficient hardware
	• Senior managers, other colleagues aren't wired
	• Need paper planner at meetings to schedule future meetings.
	• Data input problem
	• Keeping up to date hard
Group 5	• Software is too slow, takes to long to load program
	• 6 have tried electronic PIMs but they're *inflexible particularly printing*. Can't customize, told would cost him $15K.

Ren Focus Group Summary   3/10/95

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Group 1:	Chicago, MIS, large organizations	Group 4:	Boston, Large business users
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Group 3:	Boston, Smorg	Group 6:	LA, Smorg

	• ACT enables flexible views, but insufficient. Uses paper planner and desk planner. • Ascent didn't interface with Franklin paper planner. Not as friendly to use. • Paper costs can be huge if want to print on special paper sizes • Organizer is integrated in its modules Calendar Creation +: good monthly view, gives nice symbol for days that are gone, and place icons (planes)
Group 6	• Need to get people to use it, problem since people don't check email now. • Don't have the accessibility to get to PC all the time. Still need to write down info • Typing up discussion is harder since handwriting is freeflowing • Wouldn't use since he doesn't like computers.

How do you need to improve time management?

Group 2	• Want a record of what you did • Rejected Newton since no integration with PC and expensive, but wants this • Want alarms • Problems updating address books and rolodex • Import and export from database to addresses for labels • PORTABILITY is key: hard to update on paper then put it on PC • Wants business card scanner
Group 4	• Group meeting scheduling is too cumbersome • Email is great for messages, but not enough human contact • People are all organized differently with different systems • Hard to cross-reference info and look back historically to compile statistics.
Group 5	• Needs to manage list of tasks & tracking projects • Interface with Gantt chart • Needs to carry it with him • Needs recurring meetings & to delete if don't need it • People don't carry PC with them, maybe have an IHV that can be linked to PC • Wants to search for dates

How would you evaluate a PIM?

Group 1	• 30 day evaluation cycle with small test group • Works with current software • Ease of use • Need to have tangible benefits (group scheduling decreases phone tag) • Senior manager needs to want it (this makes adoption easier)
Group 3	• Could purchase it themselves, but may not get reimbursed • Would research it and then convince the president/controller that group needs it • Evaluate by themselves (never buy before try), not a demo • Need to be convinced themselves that would save time & money • Play with it at other law firms
Group 4	• Could purchase for workgroup, dept and for themselves (but this type of functionality is best for the organization)
Group 5	• Top down • Engineers evaluate first • IS have to buy into this • Evaluate by himself and then recommend • 30 day evaluation & then get sent an invoice
Group 6	• Determine if company would use • Ask influentials for their opinion Technical people to evaluate

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Group 4:   Boston, Large business users
Group 5:   LA, Office owners, Large business users
Group 6:   LA, Smorg

What would the product have to do for you to consider purchasing it?

Group 1	• Prove that it works better than status quo
	• Win product reviews in trade press
	• Easy to use (most commonly cited)
	• Cheap (second most commonly cited)
	• Company reputation
	• Work with other software, including major email: MHS, cc:Mail, MS Mail
	• Windows-based
	• Work with major email packages (including cc:Mail)
	• Be fast to get to info while on the phone
	• Easy to implement and support
	• Notes + WordPerfect Office 4.0 all in one or Notes + Organizer. (Notes is hard to implement and program)
	• Increase productivity (if everyone uses it)
	• From admin to CEO will use
Group 2	• Easy to learn: don't want to spend more on a seminar than on the product
	• Easy to use
	• Afford to have it on every PC
	• Easy installation
	• Easy to import and export formats
	• System requirements
Group 3	• Easy to use
	• Work on the network
	• Cost
	• System requirements
	• Easy to convert from existing system
	• Quality (no bugs)
	• Alerts for the next meeting
Group 4	• Easy to use and learn
	• Able to switch between modules quickly
	• Company has to support it
	• Windows or OS/2
	• Has to run on lowest common denominator hardware
	• Reliable vendor for support
	• Licensing and cost
	• Integrates with what company has
	• Vendor's strategic direction & do co-development
	• Be a beta site
	• Have to prove that this is better than a paper planner
Group 5	• Attractive
	• Easy to use (MS Office is easy and draws people into it)
	• Economical (need small workgroup license packs)
	• Compatible with other software
	• Able to access PIM from any product
	• System requirements
	• Cross-platform (PC, Mac and workstation) 5 had PC/Mac
	• Security

Other product issues

- *How important is printing?*

Group 1	• Very important

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Group 6:   LA, Smorg

	• As many options as possible
	• Needs to fit into current planning books
	• Put in exact formats
Group 2	• Need to be able to print labels
Group 3	• Very important
	• Need color printer
	• Labels (from single to hundreds)
	• Ability to print different views (day, week, month)
	• Needs to fix 8 1/2 x 11
Group 4	• Very important
	• Many standard configs
	• 8 1/2 x 11
Group 5	• Absolutely important
	• Franklin formats
	• Want multiple options
	• 8 1/2 x 11
Group 6	• Printing is important (Organizer printing isn't customizable)
	• 8 1/2 x 11
	• FiloFax, Daytimer sizes

- *How would you learn about this product?*

Group 1	• Word of mouth
	• Not influenced by advertising
Group 3	• Demo disks (all had experience with this)
	• Word of mouth (clients and competitors using)
	• Testimonials from large organization
	• Testimonials from same industry segment & size. Smaller companies prefer to hear success stories of competitors or similar small companies
Group 4	• Testimonials from same industry (1 person relies on it)
Group 5	• Sales person
	• PC press review
	• Word of mouth
	• Business press
Group 6	• Word of mouth from customers, organization IEUs (definitely an influence)
	• TV commercials, reseller radio ads
	• PC press magazines & order info from them
	• Industry trade magazines, business press
	• Direct mail
	• Demo disk (1) but most thought not likely would look
	• MIS (but a lot of them don't have)

PRODUCT CONFIGURATION

- *Which functions have you put together for your products?*

Group 1	Personal + Workgroup + Management tool
	Personal + Project Manager
Group 3	Personal + Workgroup + Document Management
	Managers schedule + document organizer
	Sales + Manager
	Personal + Workgroup + Manager tools
Group 4	Document database + Personnel info manager
	Personal

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Group 5	Group Scheduling + Project
	Personal + other
	PIM + Workgroup
Group 6	Personal + Scheduler for Management
	Personal + Workgroup
	Desktop + Network

- *Which of these products would you be most interested in?*

PIM

Group 1	0
Group 2	0
Group 3	1
Group 4	0
Group 5	1
	Email already is a standard and probably wouldn't be great in this PIM
Group 6	0

PIM + Information Manager

Group 1	4>5
	• Once company goes to office automation, will consider this.
	• Don't have enough PCs, too hard to get everyone up to speed on email/group scheduler, and depts aren't on network
	• Current system has everything that they need for workgroups
	• Want this to be modularized to make it less complex
Group 2	0
Group 3	1
	• Already have some of this workgroup functionality in Novell.
Group 4	1
	• The third has too much, too overwhelming
Group 5	0
Group 6	2

PIM + Information Manager + Workgroup

Group 1	4
	• No different from Lan based system, too hard to implement, training is an issue
	• This is total workflow and office automation
	• Group scheduling is great since you can't do this manually, but requires people to be on net
	• Document organizer means everything has to be on net, which is a problem for capacity planning
	• Functions should be modular and broken into different versions
	• Task delegation will be resisted due to corporate politics
Group 2	7
	• Email & calendar is really important
	• Group scheduling
	• Booking resources
Group 3	7
	• Current system has these components.
	• One software package makes it easier to move between modules
	• One stop shopping and economical

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LEGEND:
Group 1: Chicago. MIS. large organizations   Group 4:   Boston. Large business users
Group 2: Chicago. Win Apps users, large organizations   Group 5:   LA. Office owners. Large business users
Group 3: Boston. Smorg   Group 6:   LA. Smorg

	•	Everything at one place especially for working with group on projects
	•	Some wouldn't use all (certain functionality for supervisor only)
Group 4	5	
	•	Email, share info (could already use Windows for calendar and address book)
	•	Ideal way of conducting business: contact, organize, route, find
	•	Maybe will grow into this product since has lots of functionality
	•	Workgroup communication is the most important functionality
Group 5	8	
	•	Workgroup functionality is critical (but this assumes that all are wired)
	•	Group scheduling is most important
	•	Wouldn't use PIM since not portable but would use the project mgmt
	•	Hard copy document based, so would have to change corp culture
Group 6	7	
	•	Liked communications, group scheduling
	•	Would like to be on network and have email/group scheduling (track oofs)
	•	This will keep youcompetitive since computing is important. (All agreed)
	•	But companies may be slow to embrace this.

NAMES: SECOND EXPOSURE/PRODUCT COMMUNICATION

• *Which of these names fit the product you like best for PIM/Information Manager?*

Group 1	PIM+ (4)

• *Which of these names fit the product you like best for PIM/Information Manager/Workgroup?*

Group 1	Office Manager (3)
Group 2	Synchrony (2) PIM+ (3)
Group 3	Office Manager (3) PIM+ (3)
Group 4	Compass PIM+ (1) Synchrony
Group 5	Team (only describes if you know what the product does, but doesn't describe PIM type functionality) DeskBook (1) Companion
Group 6	Office Manager (2) DeskBook (2) Team needs more words PIM+ (2) Synchrony (liked but it's too "cute")

PRICING

• *What would you expect to pay for PIM + Information Manager if it were from Microsoft?*

Group 1	$49 $300 $100
Group 2	$295 $150-250

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Group 6: LA, Smorg

	$300-400 Cheaper than Lotus Same as Lotus

- *What would you expect to pay for PIM + Information Manager if it were from Lotus?*

Group 1	$139 same as Microsoft
Group 2	$300 (2) Since a lot of different functionality; as much as a word processor $600 $150 Half as much as Excel and Word $200 (2)
Group 4	$50-75 (compared to office suites, this is a *personal* product)

- *What would you expect to pay for PIM + Information Manager if it were from Mainstream Software?*

Group 1	Less than Microsoft & Lotus
Group 2	Less than Microsoft & Lotus

- *What would you expect to pay for PIM + Information Manager + Workgroup if it were from Microsoft?*

Group 1	$129 $200 $300 $2-300 (3)
Group 3	Same price as Lotus
Group 4	Same price as Lotus Less since Lotus has a huge share of workgroup software. (1) More since you see better products from MS.
Group 5	Higher than Lotus Lower than Lotus (2)
Group 6	$30-50 $400 (3) Lotus is $400 alone, but workgroup functionality is worth alone. Should cost more than a database since it does more. $700-1300 (2) Free since a lot of functionality already in operating system

- *What would you pay for PIM + Information Manager + Workgroup if it were from Lotus?*

Group 1	Less than $200 Same as MS
Group 3	$400-500 $299 (2) Priced around or less than MS Office $399 (2) Similar to SmartSuite pricing; If cost less, then worry about the quality $120-150 Didn't need workgroup functions
Group 4	$50-100 (1) Already in WFW, for a huge company's got to be priced here $400-500 (3) About the same price for Agenda and compared to other software
Group 5	Less than $200 (Notes & other PIMs are at this price, SmartSuite includes Organizer and costs about $300) $299 $169 $450
Group 6	Should be equal to what Notes costs Same as MS

	Less than MS
	Under $200

- *What would you pay for PIM + Information Manager + Workgroup if from Mainstream Software?*

Group 3	Cheaper than Microsoft since don't have the name
	More expensive since won't sell as much and needs to make more
Group 4	More than Lotus/Microsoft since don't have the name
	Less than Lotus/Microsoft (2) since MS has higher support quality
	Same as long as it was a good value
Group 5	Higher price since no market share
Group 6	Less than MS and Lotus (but might question quality if too low)

OFFICE ISSUES

Which name fit best if the product were offered as part of an office suite?

Group 1	No conclusive agreement
Group 2	Synchrony
	Integrator
Group 3	Office Manager
	PIM+ doesn't work since it's not "personal" but workgroup
Group 4	Compass doesn't work
	Sychrony too funky
	Office Synchrony could work?
Group 5	Team
Group 6	Office Manager (works with Microsoft) (2)
	Synchrony (works with Lotus)
	PIM+ (1) (works with Borland Office)
	Time

What do you think about including this product in an office suite?

Group 1	Definitely makes sense
Group 2	Makes sense to include
	Needs to be standalone since already own spreadsheet and word processor
Group 3	Yes.
	Synchronize with others based on consistency
	Learning process is easier
Group 4	Yes. Would probably purchase it through this.
	Critical for another person
	It's the glue for the office suite since the rest are standalone products
	Would be easier to learn (since know how to use Word, can easily pick up this new product)
Group 5	Yes. Definitely would fit in Microsoft Office
Group 6	Yes.

How should this product work with the other products in an office suite?

Group 1	• DDE/OLE
	• Mail merge
	• Import/export address book with database
	• Work with email
	• Consistent (keystrokes)
	• Work with DOS programs (WordPerfect 5.1 and Paradox for Dos)

LEGEND:
Group 1   Chicago, MIS, large organizations   Group 4:   Boston, Large business users
Group 2:   Chicago, Win Apps users, large organizations   Group 5:   LA, Office owners, Large business users
Group 3:   Boston, Smorg   Group 6:   LA, Smorg

Group 2	• Compatible with Quattro Pro and WordPerfect
	• Consistent (commands)
	• Mail merge
	• Import/export address book with database
	• Work with email and attach files
Group 3	• Switch between apps
	• Link dates to documents (to remind when a project is due)
	• Word searches
	• Mail merge
	• Track last sent merged document
	• Have due date on files
Group 4	• Send mail/fax/route from any app
	• Share info
	• Mail merge based on criteria in address book
	• Search info in a database
Group 5	• Consistency
	• OLE
	• Cut & paste
	• Search for key words based on projects
	• Want to do list always on screen & collapsable into an icon
	• Use schedule to create outlines for presentations
Group 6	• Email
	• Alert regardless of app using
	• To do list/notes should be in word processing format by default
	• PIM has to be always there

DEMONSTRATION

We showed a 5 minute video demo of Instant Recall.

What is your overall impression?

Group 1	• Liked links to word processor
	• Some said easy, others said people will need to be familiar with PC to navigate
	• Inputting info is still a concern
	• Wants integration with WordPerfect and 123
Group 2	• Similar but easier to use than WFW and Agenda
	• Looks hard with a lot of mouse movement
	• Like how scheduler, task list, address book, mail merge interact together
	• Scared since it ties her closer to PC
	• System requirement concerns
	• Are defaults intuitive?
Group 3	• Some won't allow anyone to do their planning or see schedule.
	• Hard to update info. Meetings usually scheduled at other meetings. Plan the week on paper at home, and don't have a computer at home.
	• Would be beneficial for secretaries to use this product since not networked
	• Already satisfied with Maximizer
	• Getting people to use this consistently will be a challenge
	• Group scheduling cool, but don't want to tied to PC
	• Scheduling away from the office and updating is a problem.
Group 4	• Not sure if have enough time to be that organized
	• Wants closure on outstanding tasks (follow up on delegated tasks)

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LEGEND:
Group 1:   Chicago, MIS, large organizations   Group 4:   Boston, Large business users
Group 2:   Chicago, Win Apps users, large organizations   Group 5:   L.A. Office owners, Large business users
Group 3:   Boston, Smorg   Group 6:   L.A. Smorg

	• Functionality seems familiar, but liked phone log and task sorting • Liked the way dates handled and recurring tasks • Wants phone integration • Liked to see at a glance people's schedules, too many dialogs • Better on screen than on paper • Looks like ACT, if I can program it to keep track of what I am doing and print out a report.
Group 5	• Most people liked it except one who said it didn't really organize documents • Liked to see other people's schedule • Liked phone log, need a hot key to access this module • Didn't like people seeing her to do list • Liked the way the modules worked together • Liked the tickler file • Calendar section looked plain, add tabs to be more like a paper planner (Organizer has better UI) • Liked rich text
Group 6	• Liked calendar, reminders, task delegation, phone log • UI bad and should be more metaphoric. Too hard to use, too many dialogs • Getting everyone to use this will be hard, but peer pressure may mitigate this • Need to be disciplined to use it

- *How interested would you be in this product?*

Group 1	All liked package and would evaluate for their company
Group 2	5/9 would be interested Others want to test drive it Concern about inputting data
Group 3	6/9 would be interested
Group 4	5/6 would be interested But would still need to coexist paper planners since away from PC frequently
Group 5	8/9 would be interested
Group 6	6/9

- *How much would you pay?*

Group 1	$100-150 $150-200 $75 (Lots of PIMs on market at this lower price range)
Group 2	some would raise, some would stay about $150 because add-on to suite $300 - looks like it should be same price as WordPerfect
Group 3	Same price about $300 $400 $150-200 (a lot of products that already do this type of work) $450-500 Should be less than spreadsheet (1) Same as a spreadsheet?
Group 4	$100 to have it if in Office Not as high as first prices $100-150 $50-75 standalone, $50 in office suite
Group 5	Add-in to office suite so $199 $150 since tapping into other products' functionality (a couple)

LEGEND:
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Group 3:   Boston, Smorg   Group 6:   LA, Smorg

Group 6	$79
	$300-600

- *Which vendor do you think this would come from?*

Group 1	Microsoft
Group 3	Microsoft
	Could be Lotus
Group 4	Microsoft (implies that it's easy)
	Apple?
Group 5	Microsoft
	ISV since the demo didn't look slick like Microsoft products

- *Do the names still work?*

Group 1	MOM doesn't work (1 person) since already exists
Group 3	MOM still works (one doesn't like since it's "blah")
	PIM+ works for some
Group 4	PIM+ still works
	Synchrony seemed to work
	One thought name needed to be short and easy
Group 5	Not really a "Team" anymore, but more of a personal organizer
	Time
	Office Organizer
Group 6	Office Manager (not a PIM), 2
	Time (3)

- *Other ideas for names?*

Group 1	Winning Team
	Ballet
	Organizer
Group 2	OnTrack
Group 4	RealTime
	Synergy
Group 5	Team Manager
	Teamwork
	Team Players
	Screenings
	Companion
	Organizer
Group 6	Your Work

- *What about Details/Prism?*
  First four groups didn't like this name

- *Could this product be homebase?*

Group 1	Yes, it's possible.
Group 2	Yes. This makes sense
	Would be great to have it on as background
Group 3	Yes. 6/9 thought it would be homebase.
	Getting info in and keeping it up will be hard.
	This will be useful for secretaries.
Group 4	Yes. This is how Wang is set up like that. I would have to use it as a homebase.

LEGEND:
Group 1:   Chicago, MIS, large organizations
Group 2:   Chicago, Win Apps users, large organizations
Group 3:   Boston, Smorg

Group 4:   Boston, Large business users
Group 5:   LA, Office owners, Large business users
Group 6:   LA, Smorg

	Click one button and have it automatically print out.
	Always there and everything runs within it and around it.
	This doesn't have to be totally work related—maybe have kids pictures.
Group 5	Yes to organize your day at beginning or end of the day.

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Eligible Accounts	Acct Mgr	# subs	Description of Project	Promotional endcap			Advertising/flyers		Catalogs/Direct Mail			Instore Events/Demo's	Trng	Grand total (approved)	PMO transfer
				$'s	Duration	# Units/mnth	$'s	Circulation	$	Timing	Circulation	#'s			
Best Buy	Randy Byrne	151	Advertising and endcaps			4800	$20,000							$ 20,000	
Computer City	Mike Eigsmeyer	37	June endcap with POP, Direct mail campaign, VIP mem, Ad	$27,000	one month	2400	$12,000		$22,000	May 9th	60,000			$ 61,000	
CompUSA	Susan Paradiso	65	Three vendor weeks, endcaps, training RSP, and instore demo's	198	3 wks	25-30	$195,000					x	x	$ 195,000	
Egghead	Monica Schultz	184	10th anniversary pkg, flaus with endcaps & incremental POP	198	7/21-8/3	7	$78,000	3,000,000	$192,500	5/15-6/30	350,000	x		$ 270,500	
Elek Tek	Gary Heller	5	Chicago Tribune/Infobank Star Ad				$2,500					$3,000		$ 5,500	
Fry's	Lynne Banning	5	Endcap, Newspaper advertising	5,000	one month	800-1500	$51,977							$ 59,977	
Microcenter	Pat Pudas	8													
Software Etc	Doug Brennan		Endcaps, Catalog Advertisement	3,720	May-Augus	460	$18,000	50,000	$25,840	4/15-8/14	1,800,000	x		$ 50,560	
Office Depot	Randy Byrne	331												$ —	
	Ruben College	355	Office Depot Business Journal-bus endusers				$78,000		$39,000	?	2,500,000			$ 104,000	
Total		1183		$ 44,730		7,860	$374,477	3,966,000	$240,340		2,010,000			$ 766,537	$5

Mag Metzger

3/10/95