



PHILIPS

Philips Norelco Nivea
Moisturizing
Shaving System

High Definition Shaving Tour
2007 Summary

Historical recap

- In May 2007 DAP was preparing for the launch of a new additive electric razor
 - Lower price point than the previous Advantage or Cool Skin models
 - Targeting “indulgent blade shaving” males 18-35
- DAP asked TTFM to evaluate robot skin campaign elements for their buzz-worthiness
- TTFM advised DAP the campaign could be adapted for use as an activation platform and DAP requested TTFM to:
 - Test its adaptation recommendations via focus groups
 - Develop a comprehensive activation plan informed by research findings
 - Execute the activation plan

TTFCM's analysis of Robot Skin campaign

- Entertaining and complicated - asked too much of the consumer and did not deliver enough usable information
- Did not communicate the core product benefits fast enough

Our recommendations:

- Use the robot girl was a metaphor for an enhanced shaving experience vs.... the star attraction
- Test a modified and more streamlined campaign approach that was a faster delivery of a product-focussed message and validate the key positioning premise of the product

Key findings of the May focus groups

- Consumers found the incumbent robot skin campaign entertaining but confusing and disjointed and felt it did not address the key facts they would want to know about a new shaver
- They were reluctant to participate in an online game or refer their friends - they wanted product information pure and simple
- When asked how they wanted to be messaged to consumers suggested a more direct and product-focussed approach that involved sampling and messages that were centered in product performance
- Consumers also made note of the three strong brands inherent in MSS - Philips Norelco and Nivea

Unique consumer insight

- Our “Jack” is a man systematically upgrading his life and caught in between aspiring executive and his recent collegiate past
- Waits, saves and splurges on key items
- Beginning to buy more expensive things for himself
- Shaving is unpredictable and expensive and he is open to new ideas...

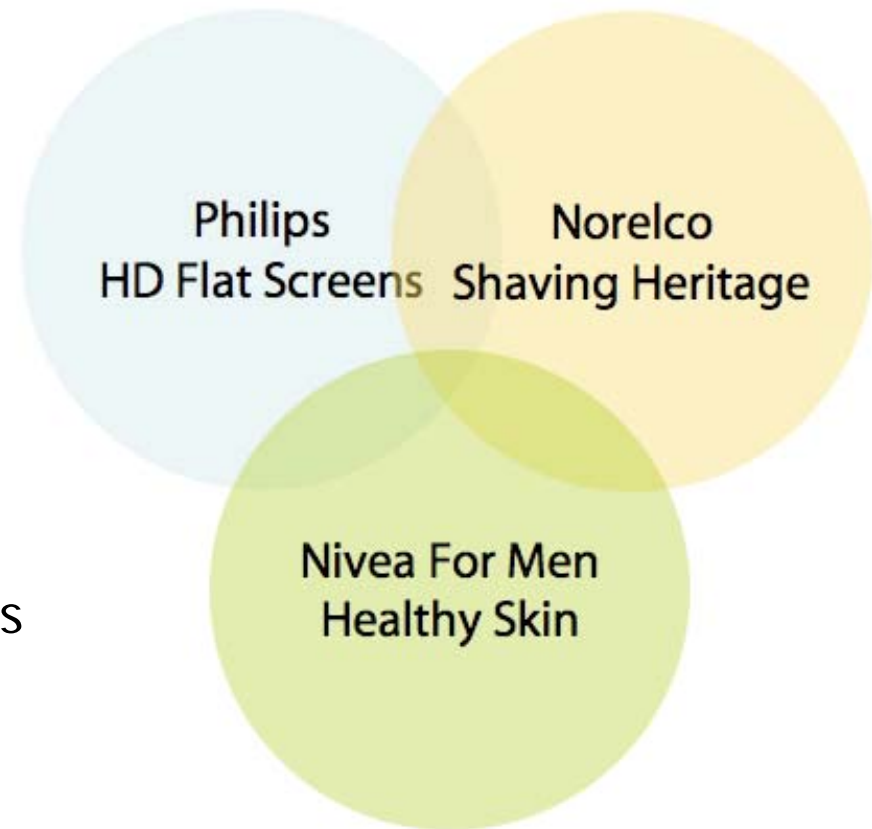


Unique marketplace insight

- The entire shaving category is full of look-alike, sound-alike campaigns
- MSS is a totally different kind of shaving experience and its benefits and innovation stand on their own
- What MSS communications were lacking was “connective tissue” back to the lifestyle aspirations of our Jacks

Unique brand insight

- MSS is triad of three brands each brand brings its own equity
- The Philips brand brings a key lifestyle badge that our Jacks aspire to...a high definition lifestyle
- The combination of the three is a proposition that is different, relevant and rooted in brand heritage...



Our strategic recommendation

- Following the focus groups, we proposed a national tour where we could put MSS into the hands of consumers and use a unique street stunt to generate buzz
 - The product could stand on its own
 - The demonstration of MSS was its best salesperson
 - We knew consumers would share their experiences with friends
- We often recommend event strategies like this because we feel that unlike traditional media which is reach intensive, experiential marketing achieves a depth-of-interaction that creates excitement and spurs sales
- While a tour like ours cannot reach the number of consumers that a TVC does, among our target audience of tivo-loving, spot skipping, always on the go Jack's we felt that bringing the brand to them made the most sense for the money

HIGH DEFINITION SHAVING 2007 TOUR



**FEEL
different**

Experience High Definition Shaving.
The High Definition Shaving Tour presented by Philips, Norelco and Nivea for Men. Introducing the revolutionary new Moisturizing shaving system from Philips Norelco and Nivea for men. The new sleek design has a built in NIVEA FOR MEN shaving conditioner for a moisturizing and soothing shave. You can be confident that your skin stays healthy looking and that you always look your best.

You won't just see the difference it makes to you and your skin, you'll feel the exciting difference of high definition shaving.

For more information visit
www.philips.com www.philips.com/feeldifferent

Moisturizing shaving system

**NIVEA
MEN** | **PHILIPS**

- 44 foot custom designed trailer and tow vehicle featuring robot girl
- Innovative “sink scenes” street team marketing program
- ePrize sweepstakes that incentivizes trial and builds database for remessaging o
- Fully integrated with ACIS sponsorship and trade marketing for retailer specific dates and events

The High Definition Touchpoint Strategy



High Definition Shaving Tour Objectives and KPIs

- Objectives for the MSS tour:
 - Increase awareness of MSS
 - Build a sense of buzz around the product
 - Increase sales

- KPIs we were asked to use to measure our performance:
 - Increase awareness of MSS and stimulate trial
 - Measures: Visitors and number of shaves
 - Shift attitudes about MSS
 - Measures: Pre/Post Quantitative Study
 - Increase in sales
 - Measures: Research to be conducted by client

Experiential marketing and ROI...

- A recent survey, conducted by Intellitrends of sales and marketing executives, found that events beat out advertising (cited by 32 percent), sales promotion (29%), and PR (15%) when it comes to best ROI.
- The survey found that 50 percent of healthcare marketers plan to boost event spending, 45.8 percent of automobile executives, 46 percent of media, 36 percent of technology, and 30 percent of consumer electronics
- The ROI that marketers are using for tours like ours is not a simple CPM comparison but a new measure called CPID - cost per impression depth because experiential marketing touches fewer people but makes a deeper and more personal impact

Tour at a glance

| Market | Visitors | Shaves | PVWS | Cards Dist. |
|---------------|---------------|---------------|------------------|---------------|
| Minn | 1128 | 407 | 36.1 | 1554 |
| Chicago | 1152 | 496 | 3.06 | 1368 |
| Toronto | NA | 340 | NA | NA |
| Boston | 1687 | 1130 | 66.98 | 1994 |
| New York | 1706 | 1157 | 67.82 | NA |
| Philadelphia | 1953 | 1258 | 64.41 | 2296 |
| Atlanta | 1560 | 1168 | 74.87 | 1935 |
| DC | 1396 | 824 | 59.03 | 1657 |
| Austin | 1438 | 1073 | 74.62 | 1864 |
| Dallas | 1360 | 987 | 72.57 | 1865 |
| Phoenix | 1819 | 1263 | 69.43 | 2159 |
| San Diego | 1290 | 751 | 58.22 | 1598 |
| Totals | 16,489 | 10,854 | 58.82 Avg | 18,290 |

ePrize Program

- Registrants: 13,283
- Referred friends: 4.52%
- % of Opt-in: 39.58%
 - % of "opt-ins" that use electric shavers: 38.16%
 - % of "opt-ins" that use Norelco shavers: 20.95%

HIGH DEFINITION SHAVING TOUR
Presented by Philips Norelco and Nivea for Men

Put yourself in high definition.
Thanks for submitting your code. You're one step closer to entering for a chance to win a Philips HDTV or other great prizes!

First Name: _____ Last Name: _____
 Email Address: _____ Confirm Email: _____
 Address (No P.O. boxes, please.): _____ Apt/Suite*: _____
 City: _____ State: _____ ZIP Code: _____ Age: _____

Yes! Please send me future notifications on new products and events from Philips*

Do you currently use an electric razor?*: _____
 Do you currently use a Philips Norelco electric shaver?*: _____

HIGH DEFINITION SHAVING TOUR
Presented by Philips Norelco and Nivea for Men

Thanks for trying the newest shaver from Philips Norelco. Here is another high definition opportunity from Philips. Visit us online for a chance to win a new Philips HDTV or a new Moisturizing Shaving System like the one you've just tried!
feeldifferent.eprize.net/shavetour

Moisturizing shaving system
 

Official Rules | Powered by ePrize | FAQ | Nivea Privacy Policy | Philips Privacy Policy

NO PURCHASE NECESSARY. A PURCHASE OF ANY KIND WILL NOT INCREASE YOUR CHANCES OF WINNING.

NO PURCHASE NECESSARY. LEGAL RESIDENTS OF THE 50 UNITED STATES (INCLUDING D.C. EXCLUDING FL AND NY) AND CANADA (EXCLUDING QC), 18 AND OLDER, VOID IN FLORIDA, NEW YORK, QUEBEC AND WHERE PROHIBITED. Promotion ends 12/18/07. For Official Rules, prize descriptions and odds disclosure, visit <http://feeldifferent.eprize.net/shavetour>. Sponsor: Philips Domestic Appliances and Personal Care Company A Division of Philips Electronics North America Corporation 1600 Summer Street - 5th floor Stamford, CT 06905-9991

YOUR CODE **12345**

Deep impressions were made...

- 90.14% of VIP Card recipients visited the trailer
- 65.83% percentage of visitors trialed the product
- 83% of our visitors registered for our online sweepstakes
- 20.94% of our registrants opted in for recontact

- Google “shave tour” and we are #1 result!
- TV, Newspaper, blog coverage - buzz

Research Presentation

Objectives

- Measure the impact that The High Definition Shaving Tour had on:
 - Awareness of the the Moisturizing Shaving System
 - Awareness of the three brands
 - Awareness of the high definition theme and its relevance
 - Awareness of product attributes, functionality and benefits
 - Intent to purchase

Research Design

- 3 waves of quantitative research; a baseline wave prior to the September launch and two waves post launch.
- Study conducted among nationally representative sample of men 18-35 (N=250 per wave).
- Sample augmented with a readable base of men 18-35 who live in the markets where event marketing will take place (N=250 per wave).
- “Event Participants” recruited from database of ePrize registrants
- Total sample size: N=1,500 (500 per wave X 3 waves). Participants who attended an event will be incremental to this sample size.

Timing and Markets

- Wave 1: Fielded Prior to September 12

- Wave 2: To Field after October 21 including the following “test” markets:
 - Minneapolis
 - Chicago
 - Toronto
 - Boston
 - New York
 - Philadelphia

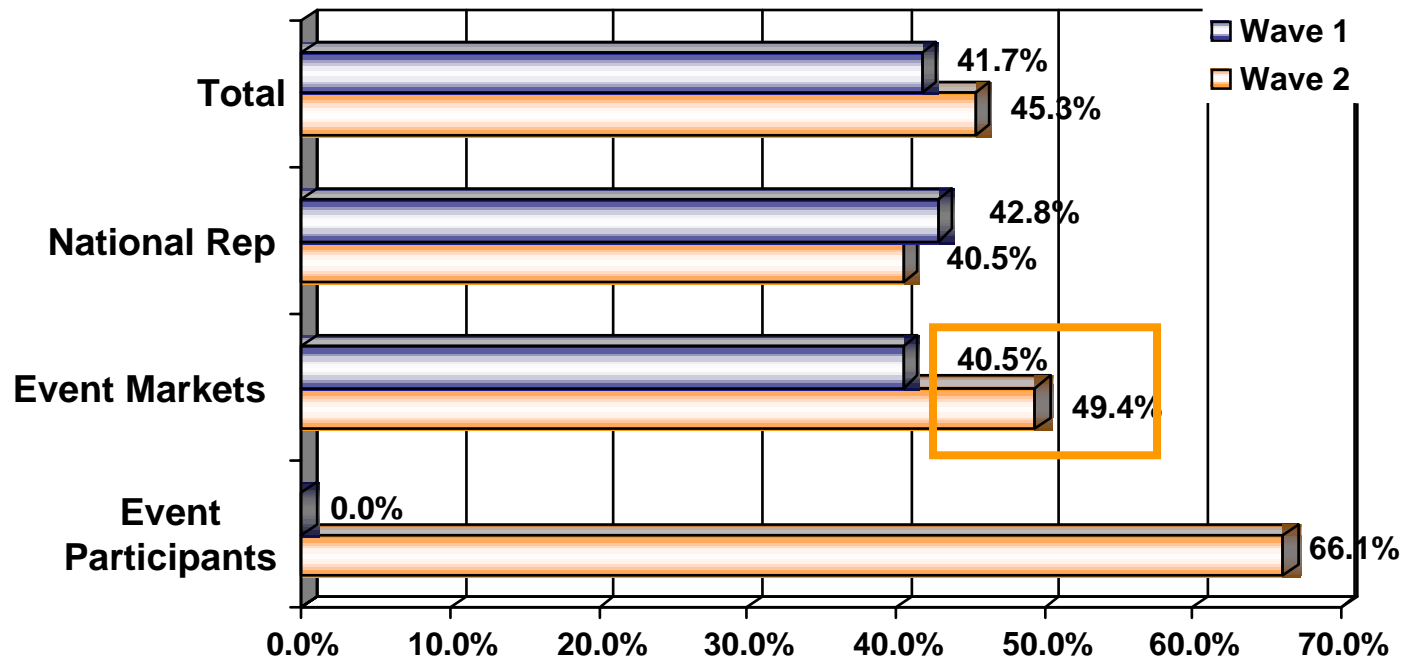
- Wave 3 to field after December 10th including the following “test” markets:
 - Washington, DC
 - Atlanta
 - Austin
 - Dallas
 - Phoenix
 - San Diego
 - Los Angeles
 - San Francisco

Key learning summary

- Events are having a significant impact on increasing unprompted awareness of Philips/Norelco, aided awareness of the MSS, and purchase intent for the MSS.
 - Respondents who live in test markets where events were taking place saw statistically significant increases on these metrics while other subgroups remained flat.
 - Of particular interest, purchase intent was significantly higher amongst those who attended an event vs.. our national sample.
- Hearing about the MSS via word of mouth is also significantly higher amongst people in markets where events were taking place suggesting that events create a buzz about the MSS which reaches beyond the event itself.
 - In other words, the event itself has value beyond touching only those who attend it.

Unaided Awareness

- Unaided Awareness for Philips/Norelco increases significantly between Wave 1 and Wave 2 for those in event markets.
- Unaided Awareness is strongest amongst those who participated in the event.

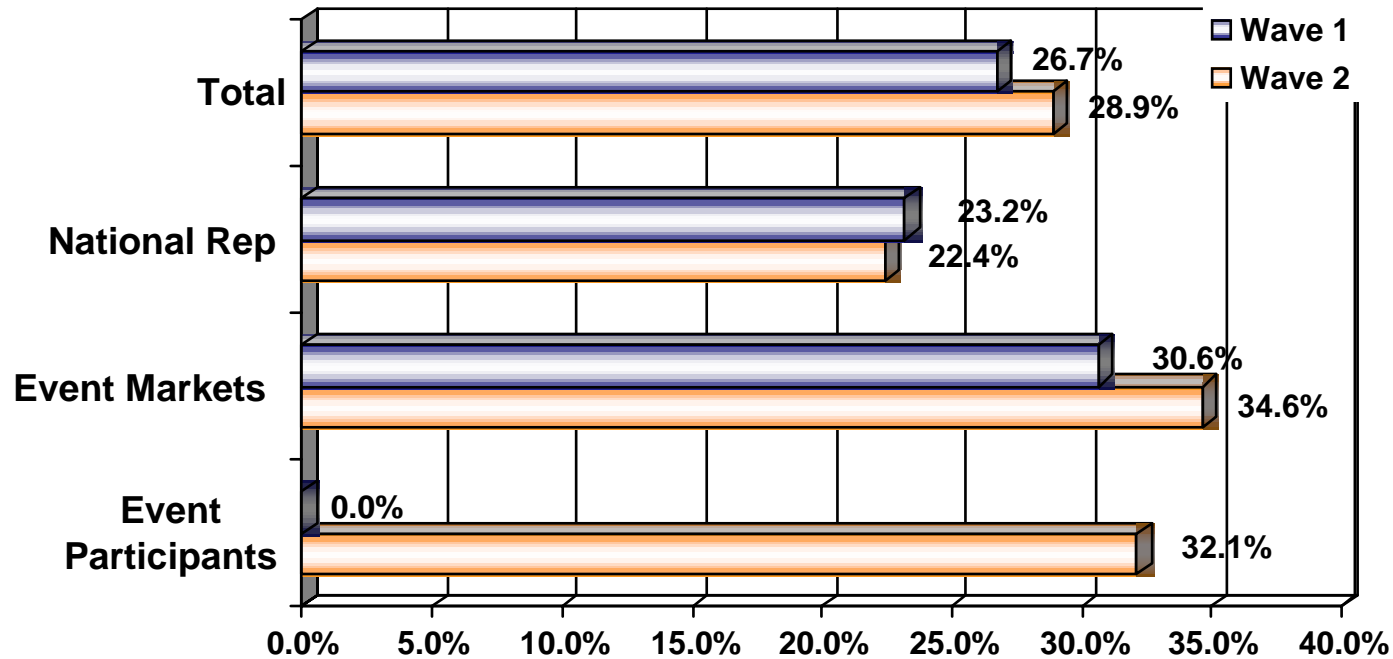


Q. Please list for us all the brands of electric shavers you can think of. (Open End)

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Product Recognition

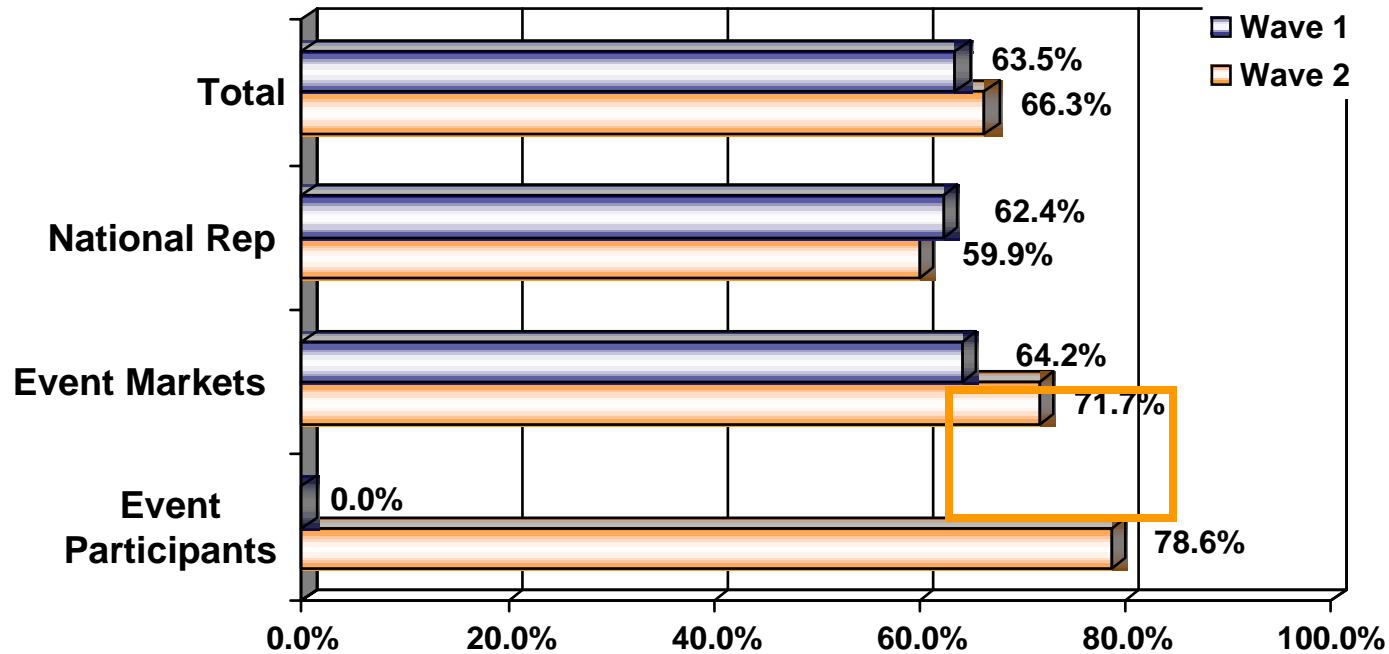
- There is a strong lift between waves 1 and 2 in product recognition for respondents in the event markets.



Q. We'd like to show you some pictures of a few different electric shavers and we would like to know if you recognize any of them.

Aided Product Awareness

- There is a significant increase in aided awareness between waves 1 and 2 for respondents living in test markets where events were held.
- The highest levels of aided awareness were seen amongst those who attended an event.



Q. Please use the following scale to let us know your familiarity with each of the following brands of electric shavers:

- I have not heard of this product
- I have heard of this product
- I have heard of this product and currently use it

Source of Awareness

- Word of mouth awareness of the MSS is highest amongst those who live in the markets where events were taking place.
- This suggests that those who attended the events helped to spread the word about the MSS to others in the network of friends (I.e. the events had impact beyond those who attended).

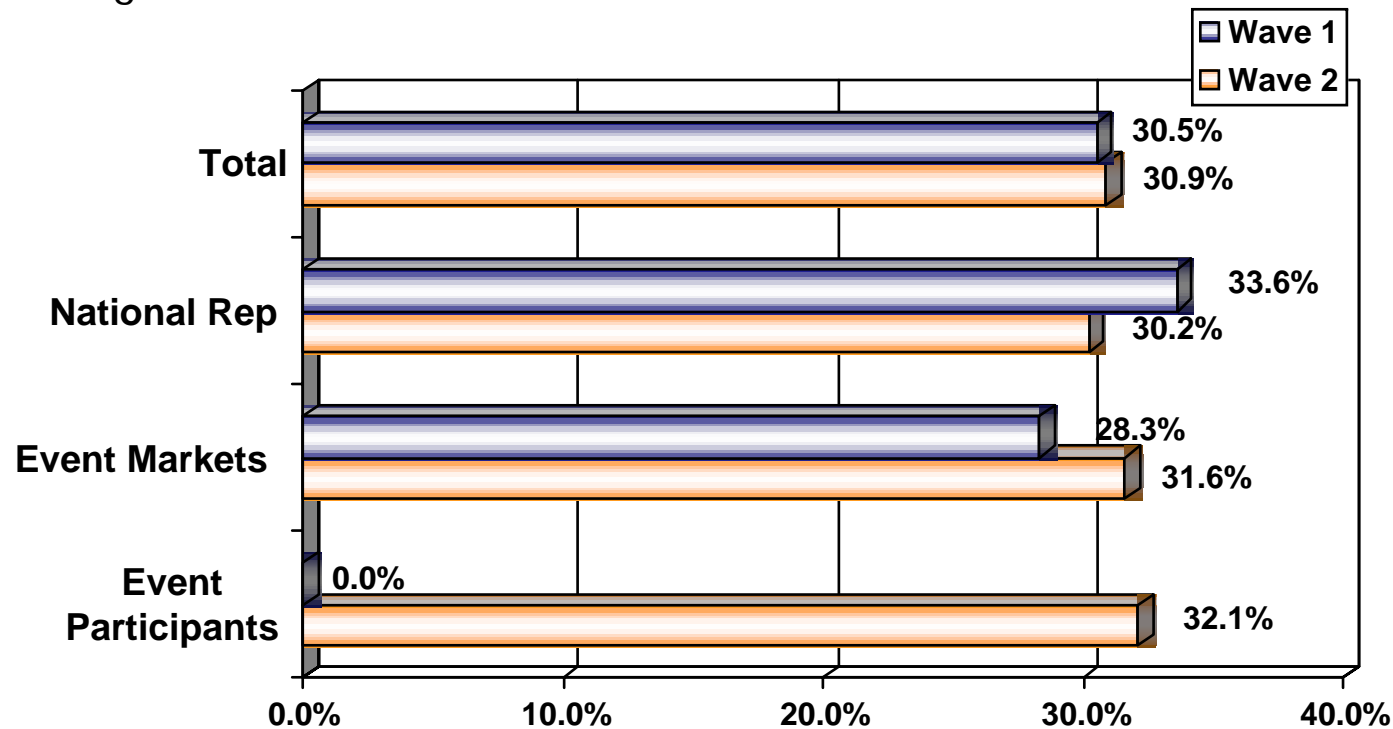
| Sources | Total | | | Opt-In |
|---|-------|--------------|-------------------|--------|
| | | Total US Rep | Total Test Market | |
| N= | 501 | 232 | 269 | 56 |
| Through an advertisement I saw online | 19.6 | 10.7 | 27.1 | 21.5 |
| Word of mouth from a friend | 12.4 | 6.5 | 17.5 | 12.5 |
| I attended an event sponsored by this company/product | 3.0 | 1.3 | 4.5 | 10.7 |
| I saw an advertisement in a magazine | 12.0 | 8.2 | 15.2 | 19.6 |
| I saw a TV commercial | 36.7 | 40.9 | 33.1 | 26.8 |
| Other | 4.6 | 4.3 | 4.8 | 3.6 |

Q. How did you first hear about the Moisturizing Shaving System?

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Product/Brand Opinions

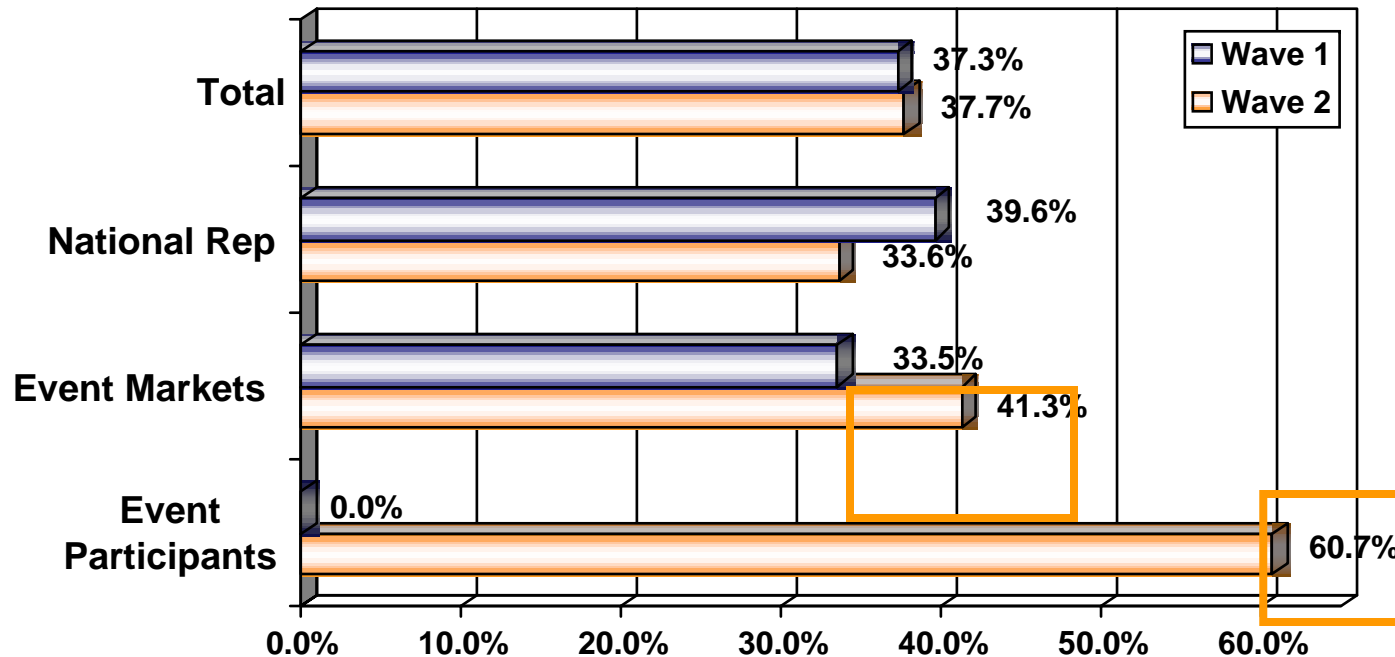
- There is a slight shift in the ability to play back product benefits amongst those who live in markets where events were taking place.
- In Wave 2, event attendees play back product benefits at a higher rate than any other segment.



Q. You mentioned that you are familiar with the Moisturizing Shaving System. Please tell us what you know about this product. (Open End)

Purchase Likelihood

- Those who live in test markets are more likely to purchase the MSS than they were in Wave 1.
- The highest purchase likelihood is seen amongst those who attended an event.



- Even with a small sample size, the difference in purchase likelihood amongst those who attended an event and the national sample is statistically significant!

Q. Assuming you were in the market for an electric shaver, how likely are you to consider purchasing each of the following:

Summary

- 2007 program was highly successful!
- Achieved significant increases in Awareness and Purchase Intent attributed to the tour
- Demonstrated network effect as awareness increased in tour markets even among those who did not attend
- KPIs were achieved
 - ✓ Built buzz
 - ✓ Shifted attitude
 - ✓ Incented sales