

Consumer Care Book Air Humidifier Frog

HU4801

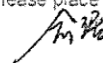
HU4802

HU4803

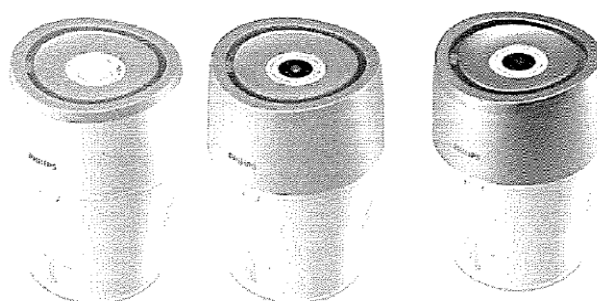
Approved by:

CMM: Jun Yu

(Please place a signature)



Date: 2012.9.3



Author: John Li
Date: Sep-03-2012
AKB: CSR-01-401- 12015
Version: CR

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Product Introduction

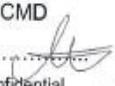
VPH

PHILIPS

V.5.0

VPH Air humidifier (Frog SKU 1)

sense and simplicity

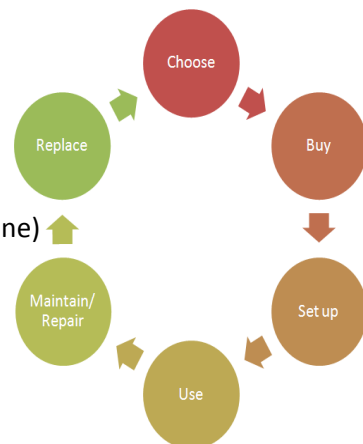
1. Target <ul style="list-style-type: none"> Families with children (75%) worried about health implications of breathing dry air Communication focused on: female 25-45 yrs aged Wanting to improve indoor air Q (70%) Income mid to high (above 50k RMB/yr) Living in urban area 	2. Consumer Insight <p>Maintaining a healthy life for my family is important for me, but often the air in the house is dry causing skin allergy, a sore throat or an itchy nose. To increase the humidity level, I have a humidifier. However, it is difficult to clean the whole device properly as I can not remove the white dust from the water tank and I can not clean the internal parts to make it germ-free. As a result, I am concerned about the germs and white dust that can be spread into the air. I wish there was a solution that could give me the confidence that the humidified air is really healthy.</p>	3. Competitive Environment <p>Leading (regional) brands offering both air purification and humidification like:</p> <ul style="list-style-type: none"> -Yadu: market leader in humidification (+80% MS) -Midea: Nr 2 in humidification (+32% MS, vol) <p>Majority of technology used is ultrasonic evaporation (86%) with an average NNP price point of 14 Euro (sept 2010 YTD) with prices erode fast, 10% down vs last year. Evaporation humidification (13% MS) has an average NNP of 56 Euro, up 7% from last year.</p>														
4. Benefits <p>Only a Philips humidifier guarantees healthy humidified air</p>	5. Reasons to Believe <ul style="list-style-type: none"> Hygienically safe, 99.9% less bacteria spreading into your room compared with ultra sonic humidifiers Homogenous distribution of the humidity in the room Zero white dust emission and no wet floor due to cold evaporation technology With easy cleaning concept design for easily and properly cleaning of the water tank and the internal parts. Has a HealthyAirProtect Alert, which will warn you when the water tank is empty to keep optimal performance. 	6. Discriminator <p>Only Philips guarantees a healthy humidified air</p>														
Brand positioning : Healthy air guaranteed																
Distanced around you: <ul style="list-style-type: none"> Insight validated with 460 target audiences in China with promising result: - Purchase interest (unprompted): upper tertile - Purchase intent at low price side (349) : top 20 - Uniqueness: above average - Need fulfillment: Top 20 	Easy to Experience: <p>Product validated with 75 target consumers in Home Placement Test. Target for all below criteria is >=4 (5-point scale):</p> <ul style="list-style-type: none"> - Users are satisfied with the out of the box experience and installation - Users are satisfied with the way being alerted when it is time to clean the device. - Users are happy about the cleaning method suggested 	Advanced: <p>Product validated with 75 target consumers in Home Placement Test. Target for all below criteria is >=4 (5-point scale):</p> <ul style="list-style-type: none"> - Users are satisfied with auto air control system - Users are satisfied with air humidity after humidification 														
Owner name / date CMD  Confidential 12/13/2012	Aligned name / date <table border="1"> <tr> <td>F&A</td> <td>T&D</td> <td>Cat MDI</td> <td>BU MI</td> </tr> <tr> <td>.....</td> <td>.....</td> <td>.....</td> <td>.....</td> </tr> </table> <p style="text-align: center;">Water & Air, Drachten, July 1st 2011</p>	F&A	T&D	Cat MDI	BU MI	Approved name / date <table border="1"> <tr> <td>Cat leader</td> <td>MCI: CMO</td> <td>MCI: CEO</td> </tr> <tr> <td>.....</td> <td>.....</td> <td>.....</td> </tr> </table>	Cat leader	MCI: CMO	MCI: CEO
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VPH Air humidifier (Frog SKU 2 and 3)		sense and simplicity	
1. Target <ul style="list-style-type: none"> Families with children (75%) worried about health implications of breathing dry air Communication focused on: female 25-45 yrs aged Wanting to improve indoor air Q (70%) Income mid to high (above 50k RMB/yr) Living in urban area 	2. Consumer Insight <p>Maintaining a healthy life for my family is important for me, but often the air in the house is dry causing skin allergy, a sore throat or an itchy nose. To increase the humidity level, I have a humidifier. However, it is difficult to clean the whole device properly as I can not remove the white dust from the water tank and I can not clean the internal parts to make it germ-free. As a result, I am concerned about the germs and white dust that can be spread into the air. I wish there was a solution that could give me the confidence that the humidified air is really healthy.</p>	3. Competitive Environment <p>Leading (regional) brands offering both air purification and humidification like: -Yadu: market leader in humidification (+60% MS) -Midea: Nr 2 in humidification (+32% MS, vol) Majority of technology used is ultrasonic evaporation (86%) with an average NNP price point of 14 Euro (sept 2010 YTD) with prices erode fast, 10% down vs last year. Evaporation humidification (13% MS) has an average NNP of 56 Euro, up 7% from last year.</p>	
4. Benefits <p>Only a Philips humidifier guarantees healthy humidified air</p>	5. Reasons to Believe <ul style="list-style-type: none"> Hygienically safe, 99.9% less bacteria spreading into your room due to cold evaporation tech compared with ultra sonic humidifiers. Additional one for SKUS: 99.9% bacterial removal due to the anti bacterial cartridge Homogenous distribution of the humidity in the room Zero white dust emission due to cold evaporation technology Optimizes the humidity level, using a SmartHumidity Control, that measures and moistens the air until the right level and automatically shuts off when it gets too humid and warn you when the humidity filter must be cleaned/replaced to keep optimal performance With easy cleaning concept design for easily and properly clearing of the water tank and the internal parts. Has a HealthyAirProtect Alert and lock, which will warn you when the water tank is empty and stop the fan after 30 mins of alerting to keep optimal performance 	6. Discriminator <p>Only Philips guarantees a healthy humidified air</p>	
Brand positioning : Healthy air guarantee			
Designed around you: <ul style="list-style-type: none"> Insight validated with 450 target audiences in China with promising result: Purchase intent (unpriced): upper tertile Purchase intent at high price side(999): above average Uniqueness: above average Need fulfillment: Top 20 	Easy to Experience: <p>Product validated with 75 target consumers in Home Placement Test. Target for all below criteria is >=4 (5-point scale):</p> <ul style="list-style-type: none"> Users are satisfied with the out of the box experience and installation Users are satisfied with the way being alerted when it is time to clean the device Users are happy about the cleaning method suggested Air humidity feedback is clear and sufficient. 	Advanced: <p>Product validated with 75 target consumers in Home Placement Test. Target for all below criteria is >=4 (5-point scale):</p> <ul style="list-style-type: none"> Users are satisfied with auto air control system Users are satisfied with air humidity after humidification 	
Owner name / date CMD Confidential 8/3/2012	Aligned name / date F&A T&D Cat MDI BU MI Water & Air, Drachten, July 1st 2011		Approved name / date Cat leader MCI: CMO MCI: CEO 2

Consumer care focus

For this product we carry out the standard consumer care package +

- Choose:
 - Clear functional description product
 - FAQs
- Buy: FAQs
- Setup: Quick start guide
- Use:
 - What and how to refill water/humidity setting. (DFU/recipe book inbox/online)
 - Consumer Feedback loop. (Call center/Web)
- Maintain/repair: service manual
- Replace: Quick start guide



CRM strategy:

Integration CRM (compelling reason for registration, in box communication, follow up upon registration)

Sales introduction and IPD milestone planning

Model	Region	Month of introduction	Sales Volume (k)			
			2012	2013	2014	2015
HU4801	China	Oct-2012	14	48	77	91
HU4802			9	29	46	55
HU4803			6	19	31	37



PPC: Wk1212
 PV: Wk1230
 IR: Wk1233
 CR: Wk1237

Warranty and service policy

- 2 Years warranty
- Carry in, repair by component swap.

Accessories & Consumer Replaceable Parts

Accessories	Consumer Replaceable Part	Commercial Accessory
Humidification filter HU4102	Yes	Yes
Anti-bacterial filter HU4112 (only for HU4803)	Yes	Yes

Consumer touch points for consumer care

China	<ul style="list-style-type: none"> • In-box • Web (.com / .care) • Call Center • Service Centers
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Fast Feedback Program

FFB Plan

Type number	FFB Planned (pcs)	FCP (CNY)	IIP (CNY)	Sample cost (CNY)	Handling cost (CNY)	Total Cost (CNY)	
HU4801/00	50	137.15	160.47	8023.28	2500	10523.28	
HU4802/00	50	182.89	213.98	10699.07	2500	13199.07	
HU4803/00	50	213.25	249.50	12475.13	2500	14975.13	
150				31197.465	7500	38697.47	Total

Note: IIP = FCP with 17% tax
 Handling cost per unit is 50 CNY.

CoNQ prediction & cost driver assumption

CoNQ as % of sales: **0.83%**

FCR: **2.1%**

CPI: **10.71** EUR

Consumer care package

Item	Detail	Applicability	Availability timing	Owner	Cost (T.I.C) / Marcom budget
In-box					
	User Manual	Y	PV (text) IR (final)	PRC/CMM	
	Quick Start Guide	Y	IR	PRC/CMM	
	Warranty card	Y	IR	CMM	
Web					
	Leaflet and Photo's	Y	CR	CMM	
	Technical info on leaflet (size, dimensions, weight etc.)	Y	CR	CMM	
	Accessory information linked to CTN's /	Y	CR	CMM	

	online				
	Pre-purchase FAQ's	Y	CR	CC	
	Post-purchase FAQ's	Y	CR	CC	
	Call Center				
	Training package - technical and soft skills	Y	IR	CC	\
	Training execution (on site)	Y	CR	CC	\
	Commercial Product samples	Y	IR	CC	\
	Call center Feedback	Y	CR	CC	\
	Service Centers				
	Service Manual	Y	CR - 2WK	CC	
	Service Bill of Material, incl. spare parts Purchasing Master data	Y	CR - 2WK	CC	
	Training package diagnostics & repair	Y	CR	CC	

Consumer experience feedback loop

Consumer feedback program (Call center/Web forums)