

Consumer Care Book HR2095/HR2096/HR2097 Avance Blender

CMM: Sungho Moon

Approved by

Author: Fanny Kwok (Please place signature)

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Product picture:

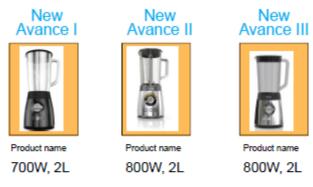




Product introduction

Avance Blender HR2095/HR2096/HR2097 is to continue current strong position (world-wide No.1 brand) in both application level and High-End segment level. It is the successor of HR2094 ALU Blender

- HR2095 equipped with glass jar, plastic body, target price at €85
- HR2096 equipped with glass jar, stainless steel body, target price at €99
- HR2097 equipped with stainless steel jar and body, target price at €115



| HR2095 | HR2096 | HR2097 |
|---|---|---|
| Euro 85 | Euro 99 | Euro 115 |
| Glass Jar (Effective 1.5L) | Glass Jar (Effective 1.5L) | Stainless steel jar (Effective 1.5L) |
| Various speed/ Pulse/ lce/Smoothie/Easy cleaning | Various speed/ Pulse/ lce/Smoothle/Easy cleaning | Various speed/ Pulse/ Ice/Smoothie/Easy cleaning |
| 6 star detachable Blade | 6 star detachable Blade | 6 star detachable Blade |
| Spatula | Spatula | Spatula |
| More plastic Dark /Light 1 Color versions | More metal 1 color version | Viewing window More metal 1 color version |



VPH - Twister Blender

| 1. Target | 2. End-user Insight | 3. Competitive Environment |
|---|--|---|
| Guidance & Support, 35-55 year-olds MiF head of Households with children. They are pragmatic, not perfectionists and approach new things with a healthy scepticism. Cooking is all about caring for others, but they also enjoy the process. They are looking for more options to live a healthy lifestyle, however to prepare healthy recipes they are looking for help to evercome their main dilemmas (time, inspiration, navigation and confidence). They use different sources of information, such as intermet, cooking magazines and TV shows. | I love to make homemade drinks and food for my family and friends, I want to make sure my family and friends like the food and drinks that I prepared. Blender is a great help in preparing a variety of recipes. However, blenders often leave chunks and do not give a perfectly smooth result. I wish there is a blender, can always assure best blending result, so my family and friends enjoy homemade food and drinks any day! | Other KA brands active in liquid health categories (e.g., Kenwood, Breville, BORK, Magimix, Moulinex, Arno, Joyoung, Midea). They innovate on products in a medium pace and on communication in a slow pace, but all have a clear heritage. Other non-KA organizations (e.g. juice bars, FMCG food & drink players, supermarkets, etc.) |
| 4. End- user benefit | 5. Reasons to Believe | 6. Discriminator |
| Philips blender always guarantee perfectly smooth blending result with any ingredients. You can enjoy homemade drinks and food any day. | New blender technology guarantees best blending performance Deep blending(new blade, jar design, higher motor speed) Various accessories(filter, mill) for variety of recipes Easy of use on (dis)assembling and cleaning Easy assembly of motor unit and jar, new spout design for easy pouring, Smooth surface and less parts for easy cleaning Best quality appliance from world-wide No.1 blender brand Boroclass extra strong glass jar | Only Philips blenders offer you the best blending result you can count on!! -Will be fine tune during claim workshop |

| Brand positioning : Describe how you (will) know for sure above proposition make consumers/customers consider this | | | |
|---|---|--|--|
| Insight validated on KA level in 6 countries with 600 target consumers. Insight built up from 4 core category dilemmas: time, inspiration, navigation & | (FCP blender innovations); new to the world fresh drink | easy to experience: Step-by-step approach to the entire process, new applications are either focusing on simplicity and consumers confidence and inspiration dilemmas | |

Consumer Care Focus

The blender market is already mature; so consumer care focus will be

- 1) repeat users looking the replace/ upgrade their product;
- 2) create preference by advise/ inspiration during purchase process
- 3) post purchase: providing product info from online

Country focus: China, S.Korea, W.Europe

Introduction and sales planning

| Type number | Region Stroke version | First 12mths shipment (2012) | Going Price |
|----------------|--|------------------------------------|----------------|
| HR2095 | China/S.Korea/France/Nordic/Netherlands/ Iberia/Singapore/MEA/Russia/CEE/Latam/ UK & Ireland/Rest WE/Rest Asia | 21K | €85 |
| HR2096 | China/S.Korea/France/Nordic/Netherlands/ Iberia/Singapore/MEA/Russia/CEE/Latam/ UK & Ireland/Rest WE/Rest Asia | 76K | €99 |
| HR2097 | China/S.Korea/Singapore/MEA/Rest Asia | 7K | €115 |

IPD milestones

PPC wk1133 IR wk1220 CR wk1224



Warranty and service policy (break fix)

- 2 year warranty (= standard for x-DAP products)
- West Europe: exchange; Rest of the World: Carry in, repair, module swap

Accessories, consumer replaceable parts

- Smoothies Stirring Stick
- Glass Jar (HR2095/HR2096), Stainless steel Jar (HR2097)
- Jar Lid (plastic)

Accessories will be made available:

- Call center (ordering local service provider)
- Service center (ordering via DHL)

Consumer touch points for consumer care

In-box

Web (.com, .care, on-line-shop)

Call center

Trade

Service centers

ConQ prediction & cost driver assumption

CoNQ as % of sales:

HR2095 = (2.2%*24.47/46)+0.3% = 1.47%

HR2096 = (2.2%*26.10/53)+0.3% = 1.38%

HR2097 = (2.2%*26.36/65)+0.3% = 1.19%

FCR: HR2095/HR2096/HR2097 - 2.2%

CPI (average):

HR2095: €24.47; HR2096: €26.10; HR2097: €26.36

NSP:

HR2095: €46; HR2096: €53; HR2097: €65

Call center cost as % of sales (Amount of calls/ total sales): 0.3%



Consumer care package

| Item | Detail | Availability Timing (link to milestone) | Owner (name) | Additional cost (TIC) |
|-------------------------------------|--|---|-------------------------------------|-----------------------|
| In-box / on-product | Usermanual QSG Warranty card | CR | Maggie Zhong Sungho Moon | |
| Web – pre purchase | FAQ Leaflet | CR | Kathy Lau/ Ellen Ho Sungho Moon | |
| Web – post purchase | Usermanual FAQ Tips & Tricks | CR | Maggie Zhong Ellen Ho/ Kathy Lau | |
| Specify items for call center | Product samples On-line call center training | CR-2weeks | Ray Fung Lisa Lau | |
| Specify Items for Service Center | Service Manual and Service BOM | CR-2weeks | Fanny Kwok | |

Consumer Experience feedback loop – plse specify

| Consumer Touch point | Medium | Additional cost |
|----------------------|----------------------|-----------------|
| Call center | Easy Xtract Freetext | No |
| Web | Easy Xtract Freetext | No |