



Product Roadmaps

Manfred Halbe

Chief Technology Officer

Philips Consumer Communications

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Agenda



- Initial Challenge
- Product Roadmap 1999/2000/2001
- Platform Strategy 1999/2000/2001
- Product Creation Process
- Technology Outlook
- Summary

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Initial Challenge



Re-establish credibility

- Time to market
- Frequency of product introductions
- Feature improvement
- Overall quality improvement

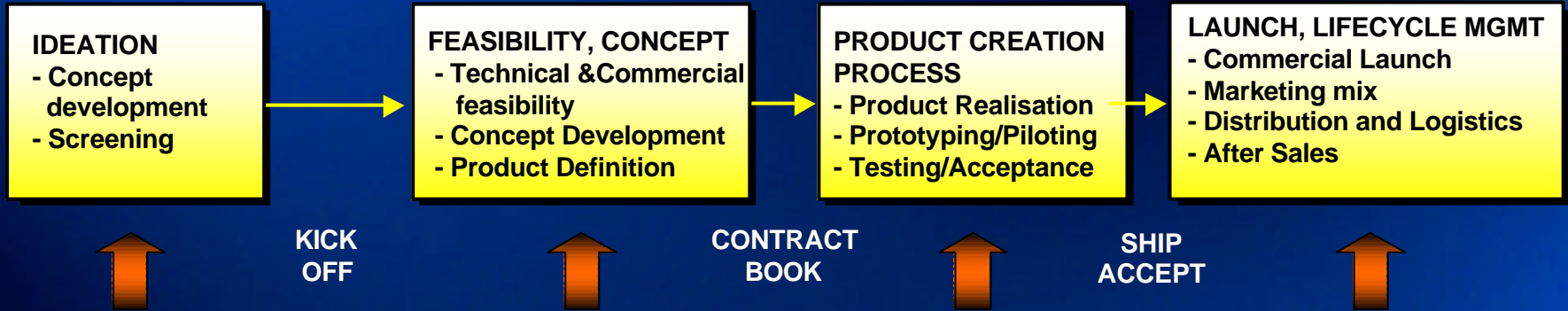
➔ Product Creation Process Improvement

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Market-based Product Creation Process



- Market intelligence
- Need-based Segmentation
- Qualitative Concept Test
- Operator Involvement
- Consumer acceptance

- Quantitative Concept Test
- Design validation
- Features optimisation

- Finishing and Customisation test
- User interface test
- Pre-launch test
- Pre & post Ad test

- Market tracking
- Mystery Shopping
- Brand Tracking
- Performance and Image in distribution
- Consumer satisfaction and loyalty

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Platform strategy 1999/2000/2001



One common reusable architecture in Hardware, Software and Electromechanics for new GSM phones in order to:

- Improve time to market,
- Close feature gap versus competitors
- Improve product reliability
- Involve suppliers as interested partners
- Reduce waste & obsolete risk
- Improve competitiveness & margins
- Serve customers better

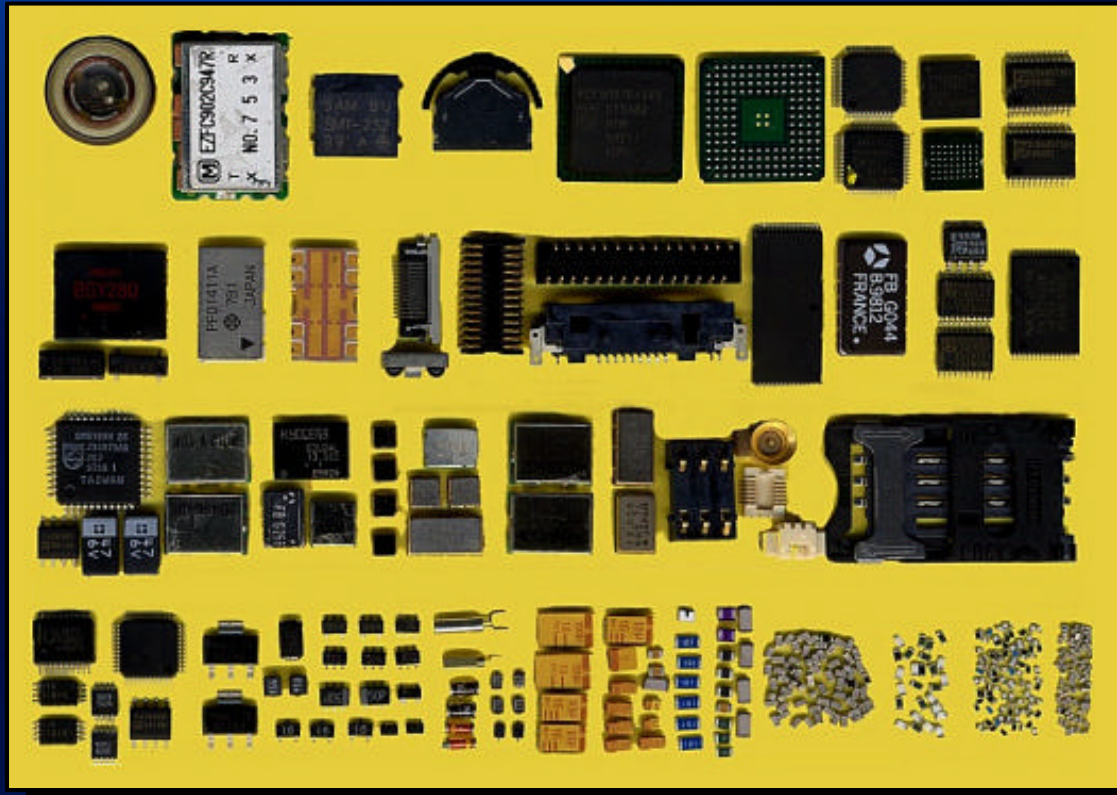
Using benchmark & customer information as early as possible in the ideation process...

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Importance of Key Component Management



Aspects :

- Supplier Choice
- Competitiveness
- Logistics
- Reusability
- Quality
- Technology
- Features
- Miniaturisation
- Product size
- Manufacturing
- Subcontracting
- Investments
- Service



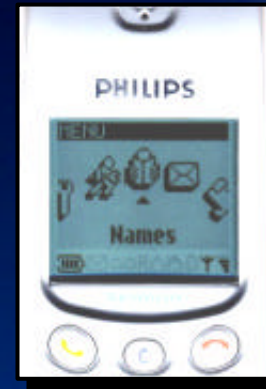
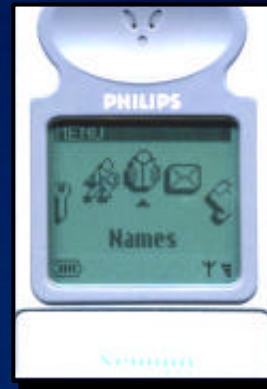
...making the right choices...

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Product architecture: Advantages of a common Software platform



Customer benefits:

- Ease of use
- “ Intuitive ”
- “Emotion” icons (SMS)
- Brand loyalty
- Easy hotline support
- Customer feedback

Brand image:

- Carousel user interface
- Unique selling proposition
- Patent : 9803466
- iF design Award 2000



Product Creation:

Reuse for:

- Software (upgrades)
- Testing & Validation
- Distribution training
- Sales training material
- User manuals
- Communication



Reuse of software leads to feature & quality improvement

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Philips Key Competences Integrated



Today :  ...already integrated in our products...

- **Philips Design:**
 - Consumer knowledge,
 - Touch & feel,
 - User interface
- **Philips Semiconductors:**
 - Integrated circuits
 - Components
- **Philips Speech Processing:**
 - Voice dial & command
- **Philips Display Components:**
 - Liquid Crystal Display
- **Philips Research:**
 - Basic research

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Technology Outlook (1)



➔ ...Building further on Philips Key Competences...

- **Speech processing:** - Voice navigation
- **Audio:** - MP3
- **Video:** - MPEG 4 videostreaming
- **PC Peripherals:** - PC camera technology

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Technology Outlook (2)



➔ ...Strong cooperation with Philips Semiconductors...

- WAP
- Bluetooth
- GPRS
- Edge
- UMTS (3G)

➔ ...New chipsets are under development...

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Summary



- Introduction of more new products
- Improvement of time to market
- Successful introduction of platform management
- Significant reduction of complexity
- Consistent quality improvement
- Improvement of overall efficiency
- Limiting investments

 ...We go for bottom line improvements...

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