

Auto-ID Center Communications

Phyllis L. Kim Fleishman-Hillard Inc. Confidential - Auto-id center sponsors only November 14, 2001



AUTO-ID CENTER: COMMUNICATIONS

- Overview
 - Objectives and Strategy
 - PR Action Group
- Field Test
 - Message Testing
 - Media Results
- Looking ahead ...



COMMUNICATIONS OBJECTIVES & STRATEGY

- Build consensus for technology
 - Technology suppliers
 - Packaging companies
 - End users (manufacturers, retailers)
 - Consumers and consumer influencers

Strategy:

> Identify and outreach to influential media

Results to date:

New York Times, Boston Globe, Christian Science Monitor, Information Week, et. al



COMMUNICATIONS OBJECTIVES & STRATEGY

- *Unify* and *align* the voices of the Center's staff, sponsors, and partners
 - Strategy:
 - Educate Center's staff, sponsors, and partners in messages and policies for public communication
 - Results to date:
 - > Consistent and contained message delivery to media



COMMUNICATIONS OBJECTIVES & STRATEGY

- *Persuade* key audiences that the Center's vision will not compromise consumer privacy
 - Strategy:
 - Open dialogue with selected influencers and organizations in consumer privacy
 - Results to date:
 - > Developed position paper with input from NCL
 - Seeking reviews with eight additional privacy issue influencers in U.S. and UK



AUTO-ID CENTER: PR ACTION GROUP

- Communications professionals from sponsoring companies technology/trade partners
- Play critical role as:
 - Partners and planners
 - Reviewers
 - Co-Educators
 - Amplifiers
 - Co-Implementers



FIELD TEST: COMMUNICATIONS PLAN

- Formed Field Test PR Action Group
 - Determined near-term key audiences
 - Established PR guidelines for communicating to internal audiences and media
 - Mapped out media strategy
- Conducted consumer message testing research



CONSUMER MESSAGE TESTING

- Methodology
 - Internet-based consumer study conducted with Procter & Gamble
- Objective
 - Measure consumer reaction about technology and field test



Message Testing: Methodology

- 317 consumers participated
 - Panelists evenly skewed male/female, 18+
 - Geographically diverse
- Responded to an article as if reading for first time in a newspaper
- Message points tested
 - Acceptance of technology
 - Privacy
 - Health and Safety
 - Credibility of spokespeople/attributions



ACCEPTANCE OF TECHNOLOGY

- 83% grasped the idea and thought technology was beneficial
- 35% responded neutral or had negative feelings about technology
 - Advantages for manufacturers were obvious, but less so for consumers
 - Commercial benefits seen having adverse effect for consumers, i.e. no more sales



- 78% reacted negatively
 - More than half claimed to be extremely or very concerned
 - "Big Brother" used in 15 separate cases to describe technology
 - Consumers did not want "smart tags" in their homes
 - Reassurance that "tags" could be turned off and privacy guaranteed was not compelling



PRIVACY: COMMENTS FROM BOTH SIDES

Negative

- "I DO NOT want any tags on articles in my home."
- "I don't think corporations can be trusted with that information."
- "This is a nightmare scenario – where money is to be made the privacy of the individual will be compromised."

Positive

- "Some would sacrifice gains by stifling progress in the name of privacy ... it's time to move ahead."
- "Give me something to improve my life at price of demographic data, I'm all for it."
- "Privacy can be handled with personal firewall

CONFIDENTIAL - AUTO-ID CENTER SPONSORS OSOFTWARE."



- 61% expressed some negative reactions
 - 21% extremely or very concerned
 - Consumers already aware and receptive of safety issues,
 i.e. wireless technology
 - Interested in more testing/research to prove that health is not an issue



CREDIBILITY OF SPOKESPEOPLE

- Reactions were neutral
 - 48% thought Center spokespersons was extremely or very credible
 - Less than 9% felt they were not credible
 - Organizations quoted: National Consumers League, Privacy Foundation, National Council on Radiation Protection and Measurements



Message Testing: Summary

- Near-term
 - Field Test communications plan on strategy and commercial-facing messages validated
- Long-term
 - Privacy is *the* key issue
 - Broader strategic approach needs to be developed inclusive of Center, sponsors, technology/trade partners
 - Health and Safety
 - Messages can and should be strengthened
 - Identify credible consumer 'voices'



FIELD TEST: MEDIA RESULTS

- Media's response was immediate and positive
- Phase I media outreach included substantive articles in:
 - Supermarket News
 - Mass Marketing Review
 - Frontline Solutions
 - Chain Store Review
 - Internet Week
 - Context
- Opportunity for sponsors to share corporate message

CONFIDENTIAL - AUTO-ID CENTER SPONSORS ONLY



FIELD TEST: MEDIA RESULTS

- Consistent commercial-facing headlines and messages: "Smart Tags Come to Retailing"
 - "Auto-ID Center tests RFID's ability to track inventory"
 - "New supply chain pilot includes well-known retailers"
 - "Technology revolution under way"
 - "Wal-Mart Begins ID Tag Tests at Sam's"











COMMUNICATIONS: LOOKING AHEAD

- Design next wave that would broaden number and scope of audience as Field Test progresses
- Leverage global opportunities to further build excitement for Center's vision
 - Sister labs: Asia (Q1'02), Latin America (Q2'02)
- Privacy: Anticipatory Issues Management
 - Expand efforts to include policy makers



Questions & Answers

CONFIDENTIAL - AUTO-ID CENTER SPONSORS ONLY