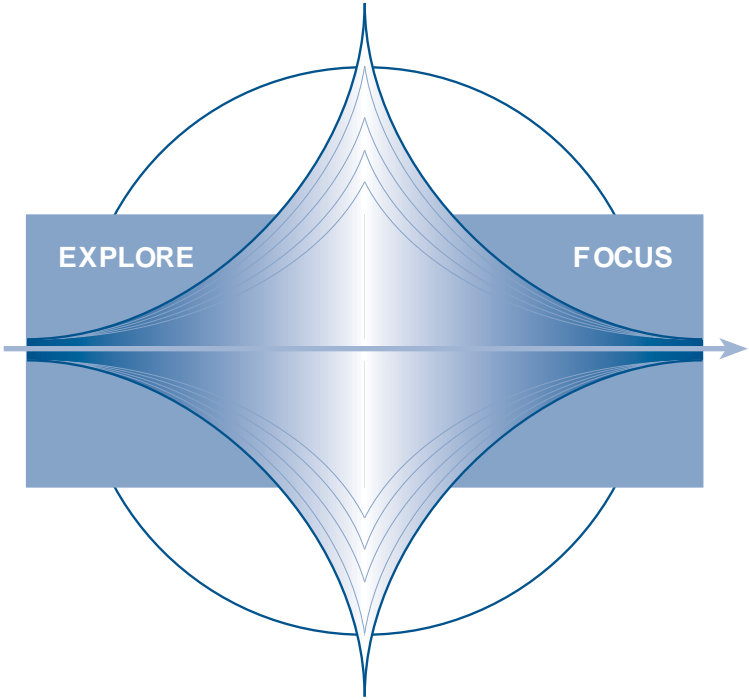


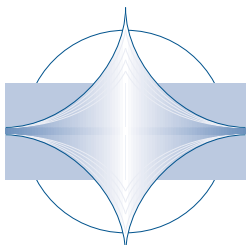
Bringing Futures into Focus



How do you create strategies for changing consumer dynamics?



An SRI International Business Partner



A better way to explain and predict consumer behavior—from the leaders of marketing innovation.

SRI Consulting Business Intelligence (SRIC-BI) and VALS™ share more than 30 years of history as leaders in innovation and strategic thinking. The unique VALS design reflects SRIC-BI's ongoing mission to provide superior tools for planning and marketing. VALS provides marketers with a lens to view the consumer marketplace—a lens that enables real-world, real-time decisions.

The basic tenet of VALS is that people express their personalities through their behaviors. VALS specifically defines consumer segments on the basis of those personality traits that affect behavior in the marketplace. Rather than looking at what people do and segregating people with like activities, VALS analyzes who people are and segments them on the basis of their distinct personality traits. The personality traits are the motivation—the cause. Buying behavior becomes the effect—the observable, external behavior prompted by an internal driver.

Psychology provides hindsight, foresight, and insight.

VALS offers marketers more than just a snapshot of the marketplace. It is an enduring and predictive segmentation system. VALS provides perspective as well as insight. It explains current marketplace activity. It offers understanding about why past campaigns failed or succeeded. And it allows one to look forward and design, build, and market for the future.

The VALS™ Difference

Achieve greater understanding about consumer groups.

- VALS provides a deep understanding of a target consumer group because it encompasses an extensive range of product, lifestyle, and media behaviors.
- VALS prevents false inferences because it provides broad context and is not limited to category-specific uses and attitudes.

Shorten the R&D process and take products and campaigns to market sooner.

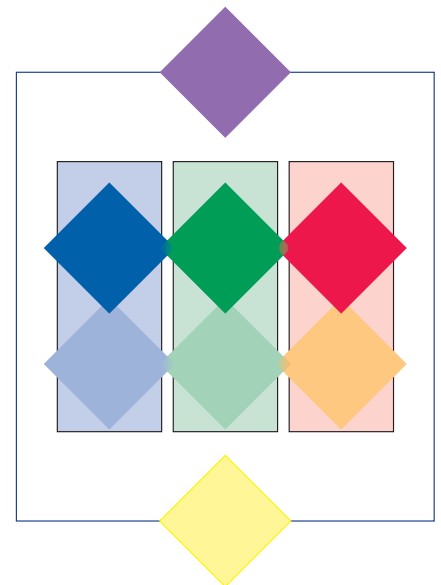
- Because SRIC-BI has already built and tested the system, VALS can dramatically condense the time frame necessary to gather a rich understanding of the consumer.

Anticipate behavior and plan for coming trends.

- Knowing what motivates a person to behave in a certain way provides insight into how he or she will act in the future.

Build a body of knowledge that remains relevant over time.

- VALS learning remains valid from year to year and across samples because personality traits are intrinsic and remain stable. This capability is key to tracking performance and enhancing product offerings.



our track record...

Commercialization

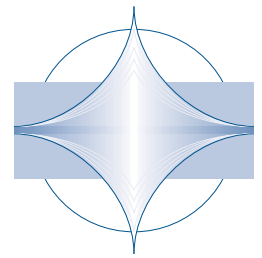
- An international consumer electronics company used VALS to identify early adopters of a new consumer product for delivery via the Internet. The VALS analysis also revealed opportunities to customize product features and suggested several additional new product ideas.
- A major U.S. bank used VALS to introduce and promote its automatic teller machines (ATMs). VALS identified and sized the market potential for electronic delivery and provided insights that the organization incorporated into its communications, which accelerated acceptance and use of the ATMs.
- A U.S. watch manufacturer used VALS to identify and size the market for a new product category: a blood-pressure monitor for in-home health care. As an integral part of the product's development and marketing plans, VALS enabled the manufacturer to capture a 34% market share in year one.

Positioning

- A Japanese auto manufacturer repositioned its product line in the United States by using VALS to understand target consumer perceptions of its product mix better. The resulting advertising campaign increased sales 60% in six months.
- A leading U.S. bank used VALS to reposition several ubiquitous products in commodity categories. By understanding the emotional benefits that target consumers sought, the advertising agency defined unique selling propositions for each product that linked to the corporate branding strategy.
- An electric utility used VALS to increase participation in its energy-conservation program. By developing unique strategies for two distinctly different segments and identifying ZIP codes with high percentages of each target for its direct mail, the utility reported a 25% increase in participation.

Communications

- A U.S. telecommunications company used VALS to understand heavy users of long-distance services and selected a spokesperson who resonated with target consumers. The resulting advertising campaign launched this relatively unknown provider into a major player.
- A large pension plan provider to the United States used VALS to identify which segment of its participants it could effectively service electronically. By understanding the motivations of this segment, the provider was able to revise its Web site and communications to serve participants' needs better.
- A U.S. cruise ship company used VALS to identify and understand consumers most interested in its specialized tours. By designing direct mail creative to appeal to targeted consumers and mailing to key ZIP codes, the cruise line increased reservations 400%.



Visit our Web site for more information.

VALS™ is a marketing tool that helps businesses worldwide develop and execute more effective strategies. The system identifies current and future opportunities by segmenting the consumer marketplace on the basis of the personality traits that define consumer behavior. VALS applies in all phases of the marketing process, from new-product development and entry-stage targeting to positioning and communications strategy. For more information about VALS or SRI Consulting Business Intelligence's (SRIC-BI's) advisory services and products, visit us at www.sric-bi.com/vals.

SRIC-BI believes that capturing business opportunities requires exploring the big picture and then focusing on actionable strategies in an uncertain environment. Our research identifies the defining forces of change to help our clients expand their perspective. Our expertise and unique tools enable our clients to focus on strategies for action. Teaming with SRIC-BI increases our clients' ability to capture opportunities.

An employee-owned spin-off of the former Stanford Research Institute, SRIC-BI taps into a history of technology innovation that nurtured the computer mouse and the Internet. We combine content-based research programs with consulting expertise. And we bring an optimistic view of opportunity coupled with a realistic view of the difference between hype and reality.



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