Internet Explorer 3
Webmasters
ActiveX

Review of marketing plans

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Agenda

- Situation and Strategy
- Reviews by key initiative
- International
- Quesitons and feedback

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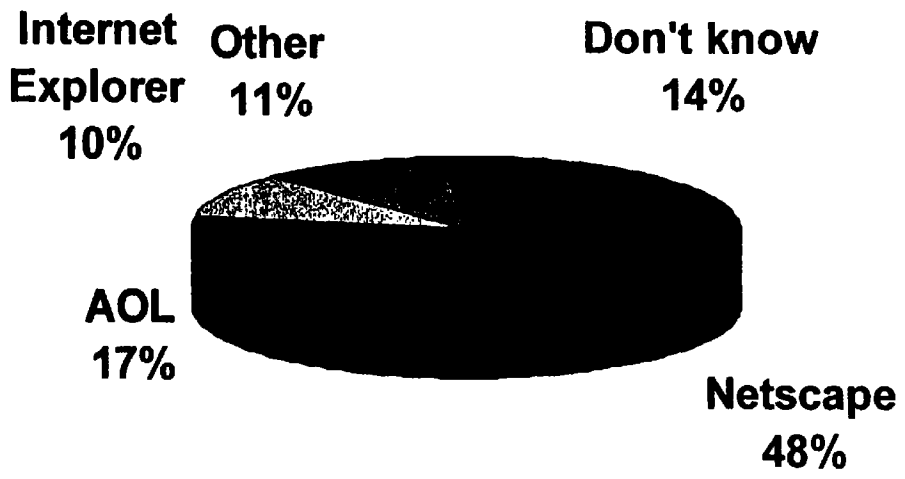
Situation - Browser Share

May data



AOL 27% share of internet access

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Situation - Estimated Web usage

Source of Browser	Today % of Current Users	Today Number of users	FY 97 Projection Number of Users*
Total			
ISP - AOL, Compuserve, Netcom etc.	31%	3.41M	8.5M
From work	21	2.31	6.5
Downloaded it	15	1.65	4.5
Came with PC	8	.88	3.5
Retail Store	4	.44	1.25
In the mail	3	.33	1.0
Don't know	14	1.54	

Assuming we reach 25M web users we would need to go from less than 1M users today to 7.5M users next year

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Situation
Web Presence

Link to IE	2,954
Link to Navigator	99,582
Link to microsoft.com	171,386
Link to netscape.com	357,656

This data is very rough and varies significantly , order of magnitude is probably correct

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Netscape key weapons & strategy

- Market share, defacto standard, the java company
- The internet company, wider variety of products
- Viewed as the leader on the intranet too - carries their browser
- Cross platform
- Home Page
- Netscape press darling, very effective at getting lots of coverage as the Internet innovator, capturing mindshare
- Leveraging those that want Microsoft to lose
- Claiming independence
- Courting partners

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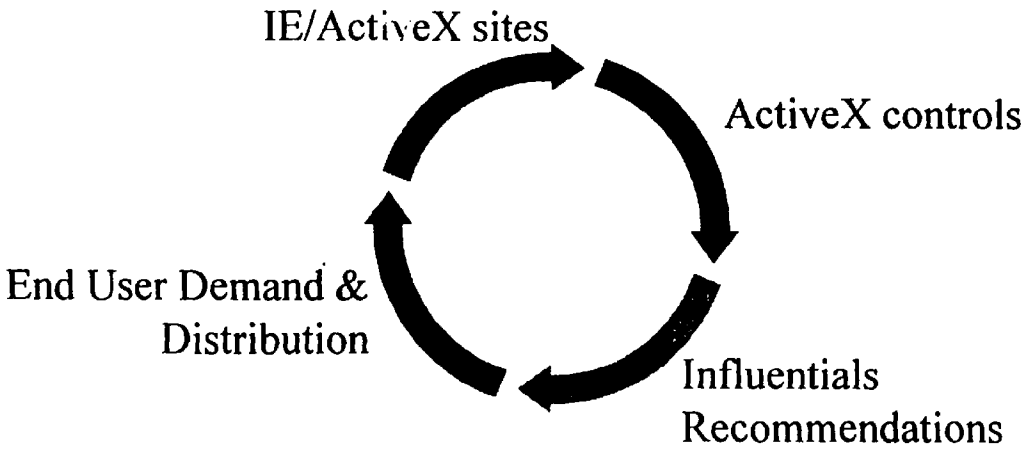
Turning this around

- Key objective is winning the platform API battle
  - Internet Explorer share is key
- Need critical mass and momentum with:
  - Influentials
  - End users
    - Create demand &
    - Broad distribution
  - Builders of websites
  - Developers
- Retention



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Turning this Around

What can we do that Netscape can't

- Building on our Windows assets
  - Integration, a customer win, we can do this better
  - Other technology assets (direct, active etc.)
  - Incentives
- Broader set of products to support strategy
  - Tools, Front Page, Internet Studio, Office, IMD
- Partners
  - OEMs, ISVs, channel
- Our sales force

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IE 3 Key Objectives

- Drive adoption of key Microsoft stds (Active X)
- 30% market share by end of CY '96; 45% by end of FY '97
- Achieve leadership position in public eye by IE3/4 launches:
  - Establish IE3 as best of breed browser before IE 3.0 launch (take technology lead from Netscape)
  - Establish Internet Explorer 3/ActiveX as the ticket to the coolest sites on the Internet by IE3.0 launch
  - Establish IE4 as taking "what's cool on the net" to the next level before IE4 launch
- Drive traffic to Microsoft Web Sites

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Internet Explorer Positioning

Microsoft Internet Explorer 3.0, with ActiveX,
puts you a step ahead on the Internet

- Provides users the best browsing experience on the Internet
- Provides webmasters/developers next generation platform for creating cool Internet content/apps
- Provides organizations lowest cost of desktop migration to the Intranet

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Game Plan Tools

• Website	- Done beta1
• 30 pg. Reviewer's Guide	- Done beta 1
• 1 page overview	- due 5/31
• Competitive Comparison	- due 6/3
• 6 pg. Datasheet	- due 6/9
• Comm plan	- ongoing
• Reviewer's Workshop	- IE3/4 launch
• ISK give away diskette	- IE3 launch

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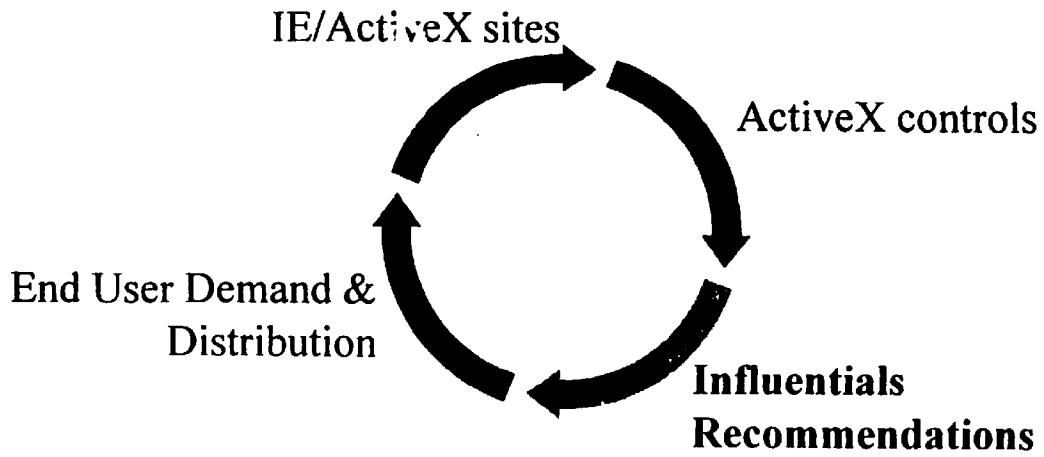
Winning the Influentials



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Winning the Influentials
Key Strategies

- Beta 1 was the launch for influentials
- Set conventional wisdom: "IE3 is a step ahead"
- Build a groundswell among frequent surfers
- Massive trial - Switch Netscape Navigator users

How?

- All out assault to win reviews
- Frequent personal contact with key influentials
- Effective use of the web as a medium
  - Focused, crisp, impactful materials
  - Advertising
- Dramatic switchers campaign to capture mindshare

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Winning with Press/Influentials

- Win head-head reviews; get "must d/l recommendation"
  - Face time with testing labs every 2 months
  - Detailed reviewers guide to shape criteria
  - Reviewers workshop at IE3 and IE4 launch
  - Won't win all but need to win some. C/Net big win.
- Achieve a 4.0 out of 5.0 on weekly news
  - New 'active' press center on website
  - Get press to use IE3: convert press websites
  - Generate rolling thunder of IE3/ActiveX momentum news

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Winning Press/Influentials (con't)

- Quotes and commentary from key influentials to reflect IE3 positioning
  - Quarterly analyst/influential tour with execs
  - Bring key folks in for paid consulting
  - Assist folks in setting up their websites
  - Participate on panels, online forums; focus on Mac
  - Promote technical design reviews; partners

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Dramatic Trial

- "Take the IE Challenge"
  - Hire 3rd party firm to run study finding 4 out of 5 folks prefer IE over Navigator
  - Place 'taste test' on website, cyber cafes
  - Step by step instructions on how to try IE
  - Internet Education Tour starting with IE3 lnch
- IE Field Champs and "Club IE"
  - Arm & educate 1 field rep in each district to be IE champ; 300 rabid online supporters of IE

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Effectively Sell with the Website

- Communicate message
  - Effectively demonstrate features/benefits; showcase IE3 and ActiveX technologies
  - Create new pr website for news
- Drive down loads for IE3
  - Make it simple, painless and quick
  - Step by step instructions on how to switch from NS

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Effectively Sell with the Website

- Deepen usage of IE3/IE4, help retention
  - Host ActiveX controls list; point to IE3 enhanced sites; update regularly
  - Encourage learning: tips and tricks, webmaster resource center
  - Sell Internet Plus! features; provide additional themes; shareware
  - Build community with Club IE

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Advertising

Momentum (May-December)

- IE Beta 1.0/2.0: Download campaign
  - Approx. 6.5M Impressions ($250K)
  - Target IEU sites: BrowserWatch, Shareware, C|Net, Real Audio...
- Launch: Provide customers with compelling content/experience as reason to switch
  - Co-promotion campaign highlighting IE 3.0 optimized sites and benefits of IE (>8M impressions, $400K)
  - Additional media properties to highlight partners and IE
    - WSJ, Yahoo Internet Life, CMP, Ziff Davis

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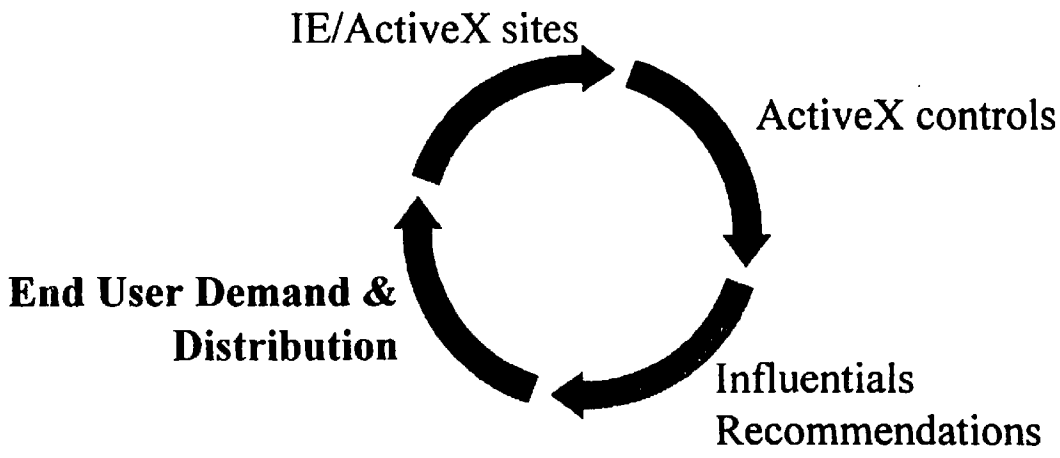
End Users

- Need a compelling proposition for normal customers - A "hook"
- 3rd parties as primary vehicle to reach new users. Leverage IAPs, OEMs, resellers, etc
  - Moving AOL and Compuserve quickly super key



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End User Hook

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Network Operators

Partner	Signed Free IE	IE in box Deal	Signed Netscape
AOL	Y	Y	N
CompuServe	Y	Y	Y
Prodigy	N	N	Y
AT&T	Close	N	Y
MCI	Y	Close	Y
GTE	N	N	N/A
Sprint	N	N	Y
Bell Atlantic	N	N	Y
BellSouth	N	N	Y
Pacific Bell	N	N	Y
SBC	N	N	N/A
Ameritech	N	N	N/A
US West	N	N	Y
Netcom	Y	Close	Y
PSINet	N	N	Y
Earthlink	Y	N	Y

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Network Operators

- We have over 700 ISPs
  - But they are mostly small guys who prefer free Internet Explorer over paid Navigator
- Issues
  - Cross-Platform browser/email/news gates signing or distribution. Pricing not issue for big guys.
  - In-box terms delay adoption -- browser exclusivity
  - Closing in-box contract -- Home Page URL

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Network Operators

- What we are doing to improve the situation
  - Evangelized referral server solution at Network Operators Summit
  - Finalized standard in-box contract and terms
  - Aggressively working each account with PN Sales

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OEM - Status

- All Win95 licensee are automatically licensed for IE 3.0 as long as we ship it in an OSR
- Several OEM's/IHV's have licensed IE 3.0 for a product other than a PC.
  - Compaq (Support CD-based on HTML)
  - Mitsumi (Distributing with CD ROM drives)
  - Creative
- MDA requires all OEMs to ship updated code within 90 days of receipt if we provide it to them before September 1.
- MDA also incents (reduced royalty) the OEM to create a web page on their site that displays the IE Logo and links to MS Web site.

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OEM - Status

- 8 of top 24 OEMs ship Netscape Navigator on at least 1 machine (per OEM Marketing)
  - ZDS
  - Digital
  - Acer
  - IBM
  - Compaq
  - Hewlett Packard
  - Vobis
  - Toshiba

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Channel-Today

- **ISK**
  - Launched 4/22, 10K sell thru to date
  - Offered $10 rebate on $19.95 street
  - Regional ads in newspapers, 5 major markets
  - $650K to EUCU for promotions with key channel partners
  - Stocked in Internet section
- **MS Plus!**
  - Run rate at 45-50K/month for 6 months
  - Stocked in OS section
- **Netscape strong in channel (>50K/month)**
  - Second in current sales only to Windows 95 upgrade
  - Doesn't count non-branded SKUs with Navigator--eg. Ventana

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Channel-Future

- **Two Product Strategy**
  - ISK (IESK) --Easy
    - Newbie target, cross platform, creates channel upsell
    - $19.95 Street
  - IE Plus!-- Step Ahead
    - $39 Street, replace Plus! 1.0
    - Need to hit in holiday for channel attention
  - Benefits
    - Get upsell opportunity from ISK
    - Stocking in 2 sections (channel feedback positive)
    - Addresses need to rev for IE 3.0 and be cross platform
- **Program using rebates to promote IE usage**

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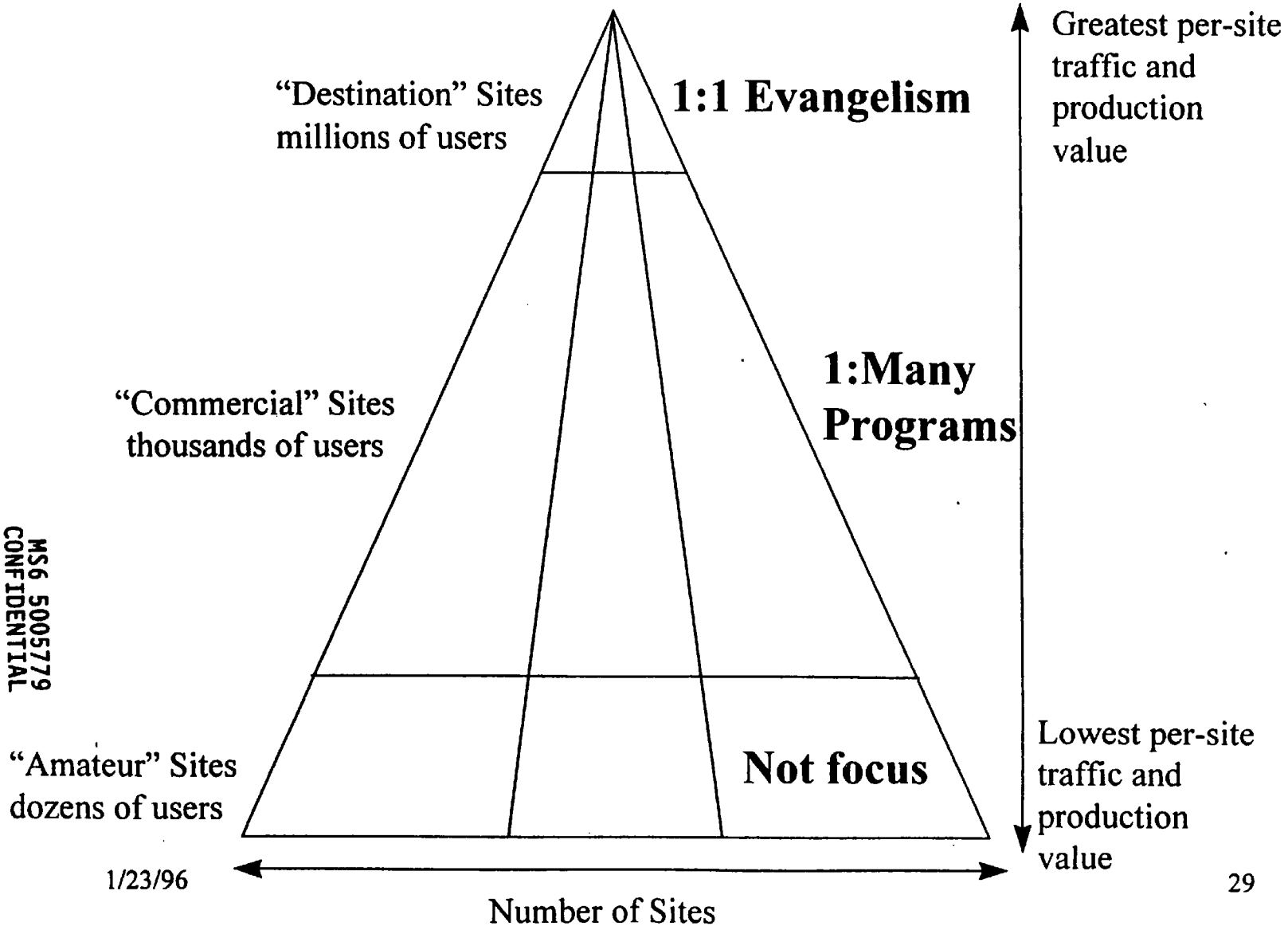
Website Evangelism Priorities



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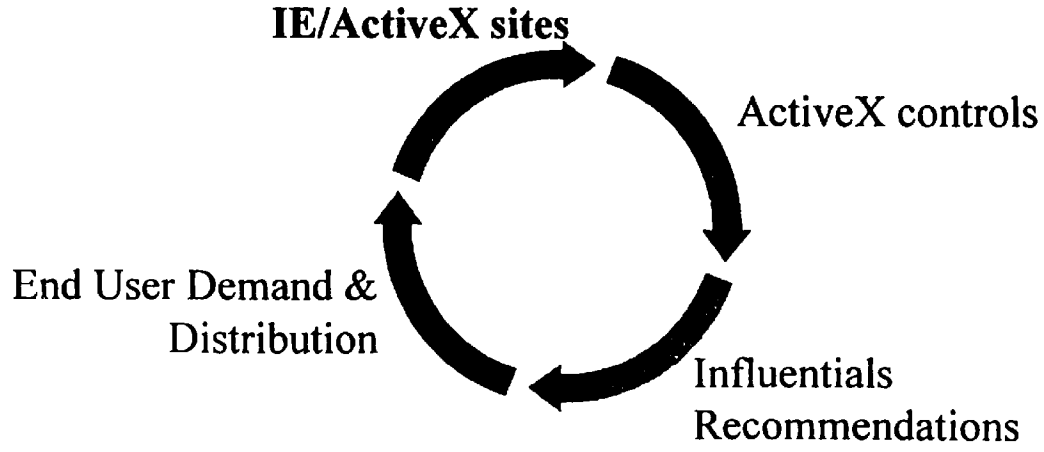
Strategies to convert Sites

- Convert top web development (SPs) and content companies (ICPs)
  - Partnership with incentives
  - Foster long-term relationships.
- Scalable, sustainable evangelism programs that reach all web pros
  - Massive outreach to establish relationships with the masses of SPs and ICPs
  - Tiered incentives and support depending on size and influence of SP or ICP



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Converting Top Web Companies

- Goals and status for top sites
- Goals and status for top SPs
- Incentives and other programs

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CY 96 ICP Website Goals

Wins from "top 100" list

• Product	May	June	July	Aug/Sept	Oct/Nov	Dec
• IE 3.0 Beta1	5 sites					
• IE 3.0 Beta2		10 sites				
• IE 3.0 Launch			15 sites			
• IE 3.0 Nashville			20 sites		40	
• Nashville - Themes in Box			10 sites			
• Nashville - Favorites				20 sites		
• IIS			20 sites			30
• ISAPI/IDC			10 sites			20

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Early Internet Explorer 3 beta sites:
InvestorsEdge, DealerNet, AND Interactive - Candidate96, UVSG/Prevue Networks, AlpenGlow - OnSafari

Status of Top Target Sites

- ESPN/Starwave - agreement close to signed (4)
- Disney - meeting 5/28 w/ bradsi (3)
- Investors Edge - live w/ Beta 1 (5)
- CNET - initial proposal in discussion (3)
- Time Warner - strong interest in Themes; proposal to be drafted (2)
- Viacom/MTV - initial proposal in discussion (2)
- Wall Street Journal - interest in Themes; proposal to be drafted (2)
- Sony - strong interest in Themes; proposal to be drafted (2)
- National Geographic - interest in Themes; proposal to be drafted (2)
- CUC/Fidelity
- Alternates (10)
  - Discovery, Schwab, Nickelodeon, Virgin, ABC/Cap Cities, CNN

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CY 96 SP Website Goals

- Get at least one high profile ActiveX site delivered from each of the top 10 SPs:
  - 5 total in beta by MS@Movies and live by IE ship
  - 8 total by IE ship +30 days
  - 20 total by IE ship + 90 days
- 15 additional sites from 2nd Tier SPs by IE ship + 90 days
- Leverage Advertising Companies Influence
  - Ayer, Bozell, Grey Advertising, J. Walter Thompson, McCann Erickson, Ogilvy & Mather, Poppe Tyson, Ross Roy, True North, Young & Rubicom

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Tier One SP Targets & Status

- @Radical.Media
- AND Interactive
- Broadway Interactive Group
- CKS Interactive
- Digital Foundry
- DimensionX
- EarthWeb
- Ikonic Interactive
- Magnet
- On Ramp
- Organic Online
- R/GA Interactive
- Vivid Studios

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Incentives

- In the box incentives
  - Nashville Theme (in box for top 10, gallery for others)
  - Favorites
- On-Line incentives
  - Partner Gallery
  - Customized start page real estate
- Promotional incentives
  - Co-advertising, MS subsidized ads, co-promotions
  - Partner distribution of customized IE
  - Contests
- Technical support

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Internet Advisory Board

- WHO: Technical decision makers at the top companies
  - ICPs: Walmart, Viacom Interactive Media, Turner Broadcasting, Time Warner Pathfinder, MCA/Universal, Cap Cities/ABC, CNET, CUC International, Hearst New Media, Bantam Doubleday Dell
  - SPs: @Radical.Media, AND Interactive, Broadway Interactive Group, CKS Interactive, Digital Foundry, DimensionX, Ikonic, Magnet Interactive, OnRamp, Novo Media Group
  - ISVs: Borland, SoftQuad
- WHY: Solicit feedback on new MS Internet technologies and to update them on these technologies
- HOW:
  - Quarterly meetings for design previews.
  - Monthly video-teleconferences about key technologies
  - Access to a "members only" web site which will feature newest MS internet technology.
- Kickoff: May 29th

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Taking it to the masses

- Segmentation & messages
- Start and Build relationship - get their attention with broad outreach programs and incentives…
  - Site Builders Program
  - Logo Program
  - Online Evangelism (MS and 3rd party websites, internet forums)
  - Live Event Evangelism (WebDays, Worldwide Live, PDCs, industry events)
    - Regional Evangelism
  - Misc Evangelism (books, mags etc.)
- Rolling Thunder PR

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First, some facts about "web pros"

(a "web pro" is anyone who creates websites as all or part of their job)

- **As of early May, approx 800K - 1MM individuals create websites for work (66% full-time, 34% part-time)**
  - 75% work in teams (mean size = 14/median = 6)
  - implies there are at least 50K teams building websites today
- **Technical background is most common**
  - 60% of web pros claim "technical" backgrounds
    - 39% have a formal computer-related degree
    - 51% are professional developers (get paid to write code for others)
    - 75% claim to have written some program code
  - 20% claim predominantly creative background
  - 20% claim business background
- **Titles are all over the map**
  - 34% have "VP, GM, Director, Manager" type titles
  - 1% actually call themselves "Producer"
  - 2% "Webmaster" and 2% "Designer"

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MS' influence over this audience is weak

- 54% of web pros, unaided, say Netscape sets the standards for the Internet (9% mention Microsoft)
- 24% of web pros, unaided, say Netscape supplies leading edge technology (18% mention Microsoft)
- 74% claim to optimize their site for Navigator (7% optimize for IE)
- Planned/current use of programmability technologies

Technology	Currently Use	Plan to Use
ActiveX	2%	20%
OLE	30%	31%
VB Script	12%	21%
Java	29%	55%
Java Script	27%	53%
NS Plug-ins	46%	38%

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Evangelism Targets - Segmentation

Total Web Pro Population ~ 900K

	Total	Site Developer (10%)	Site Admin. (17%)	Hands-off Managers (20%)	Site Designers (18%)	Part-timers (34%)
Managing overall creation of web site	31%	77%	30%	46%	48%	1%
Overall design of UI incl. look and feel	26	73	25	22	48	3
Setting up and maintaining site security	16	65	43	2	2	3
Bottom line budgetary responsibility	29	63	35	63	20	1
Maintain site incl. change content, maintain links and user access lists	16	61	23	5	27	1
Server maintenance and day to day operations of web server	14	59	40	0	3	3
Create HTML pages incl. graphics; text	17	56	12	2	48	0
Test web pages with different browsers	11	54	4	2	22	2
Create apps. that run in part or in whole on the inter/intranet	13	54	14	7	17	2
Create apps. that generate web pags on the fly	7	41	2	1	12	1
Create graphics from scratch	12	39	3	3	32	2
Create multimedia elements	8	25	2	1	24	2
Create time basd media	6	24	2	1	11	2

- Top two priorities are site developers and designers

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Top-level Messages

Content with impact

- *Internet Explorer 3 and ActiveX empowers you to create end-user experiences with the most impact (rich multimedia, high interactivity)*
- Evidence: TNC and 10+ other showcase sites (inc. MS.COM)

Broad reach

- *ActiveX is open and cross platform -- it works in Netscape and on the Mac!*
- Evidence: Mac IE, MetroWerks, NCompass plug-in

Best tools

- *All the best tools create ActiveX content - use what you know*
- Evidence: MS tools, 3rd party tools, ActiveX controls

Supports standards

- *ActiveX embraces and extends Internet and industry standards*
- Evidence: Java, W3C HTML 3.2 extensions (stylesheets)

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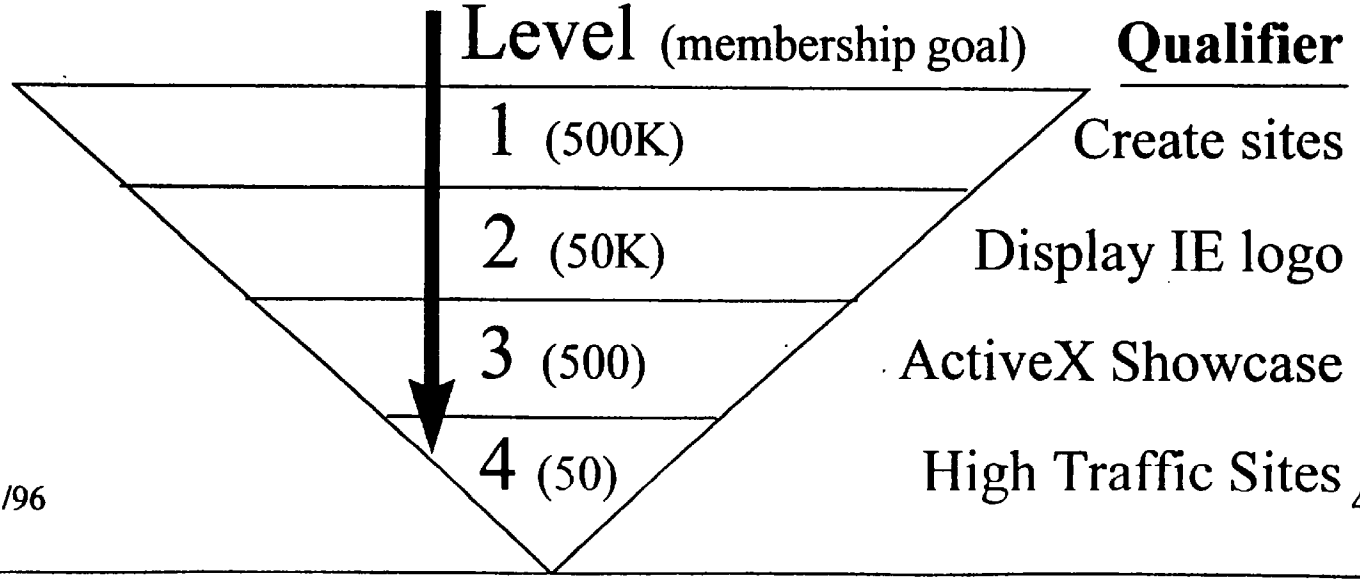
Site Builder Program

BFG9000 scalable partner recruiting and loyalty building program

- Cast broad net to reach and start relationships with over 80% of web professionals
- Provide incentives to join and then move deeper into the program
- Kick off at WorldWide Live (7/16/96)
- Rapidly evolving



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Level One

Just sign up to get free stuff

- **Promotion**: Find site builders and GET THEM TO SIGN UP!
  - Targeted DM to web/design mag and event lists, bartering for key ISV lists
  - Online and print ads in designer/web media
- **Benefits**: FREE, no-brainer incentives to sign up
    - FREE TOOLS WITH SIGNUP! Get free Visual J++
    - FREE ACTIVEX WORKSHOP CD with cool controls, examples, information.
    - ACCESS TO RESTRICTED BETA AREAS! Betas of IE, IIS, and tools.
  - ALL YOU HAVE TO DO TO REGISTER IS fill out the online eform giving us name, email, address, job title, and your URLs
- **Engage them** once we have their names
  - Training/education: Use L1 membership database for promoting MS website traffic and attendance at community training/evangelism events
  - Move them up in the program by upselling the benefits (technical and business) of doing IE and ActiveX sites

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Level Two

Display IE logo, make your job easier

- **Promotion**: L1 base and NS sites
  - DM (email and print) to L1 targets directly
  - Target NS logo sites
  - Working with MS research group to automate
- **Benefits**: FREE, no-brainer incentives to use the logo
  - FREE SOFTWARE! $1,000 online shopping spree of MS product
  - DISCOUNTS ON TRAINING AND EVENTS
  - FREE INCIDENT-BASED INTERNET PSS PACKAGE
  - NDA INFORMATION: Invitation to private technology previews
  - Entry in Site Builder registry on Microsoft.Com
  - "Selling ActiveX to your customers" sales kit
- **Execution**: Two logos, static and animated, live now
  - Static: Anyone can sign-up. Easy, on-line
  - Animated (Active): Host an ActiveX control, qualify for L3...

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Levels Three and Four

Business benefits for great support of IE and ActiveX

- **Promotion**: L1/L2 base, MS dev tool users
  - Depth technical training and education events
  - Collateral (online and print) describing points program
  - Similar in administration to dev ISV co-mktg programs
- **Benefits**: Support ActiveX and qualify for site builder business development programs
  - Earn up to $30K in co-mktg credits, redeemable for
    - Banners and links from ActiveX.COM and Microsoft.COM
    - Space in co-op ads, DM name access
    - Booth space at industry shows and conferences
  - Referral engine: online/automated and with MS field
- **Level 4**: 1:1 account management for top traffic sites
  - DRG account management for technical help
  - Custom business development and co-mktg programs

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Online Evangelism

To have credibility with web pros we too must master the web

- Show we get it!
- Make our own websites the definitve resource
  - Critical information sources for website developers and designers
  - Showcase of cool IE3/ActiveX technology in action on 3rd party sites
- "CyberCops" to patrol newsgroups and forums
- Move MIND to more of a "black shirt publication". Print and on-line presence

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Live Event Evangelism

- WorldWide Live - 7/16
  - Spend a day with Microsoft's Internet experts and partners to learn how to create active web sites.
  - 8 hour program live to 50 movie theaters in major US and Canadian cities
  - Goal: reach 10K webpros
- Interactive Media Conference '96
  - "PDC" for webpros
  - 3K live plus downloads
  - October timeframe (sync'ed with IStudio availability)
  - 3 day event
- Many new tradeshows, seminars, conferences

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Web Community Programs:

- WebDays and Web RD Program
  - Recruitment and established RD's: Q2 FY'97 - 20 N. American RDs. 10 Interntaional RDs.
  - Web Days: Community event - DevDays for web pros, 18 Cities, 10K attendees Q3 FY'97
- Web User Group program
  - Interactive Media, ActiveX and Web Design SIGs
  - target Mac /desktop publishing SIGs into "Webtop Publishing."
  - 19 city Activate the Internet UG tour 6/11, 500 attendees per city.
- Competitive Programs
  - Identify and cultivate relationships with competitive influentials

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Overall Reach within next 6 months!

- Trainers/SPs/ICPs Trained - 2,000!! (done)
- Internet Enhanced Control Developers - 2,000!!
- New Regional Directors - 30 Web guys
- Developers that will hear our strategy

100,000

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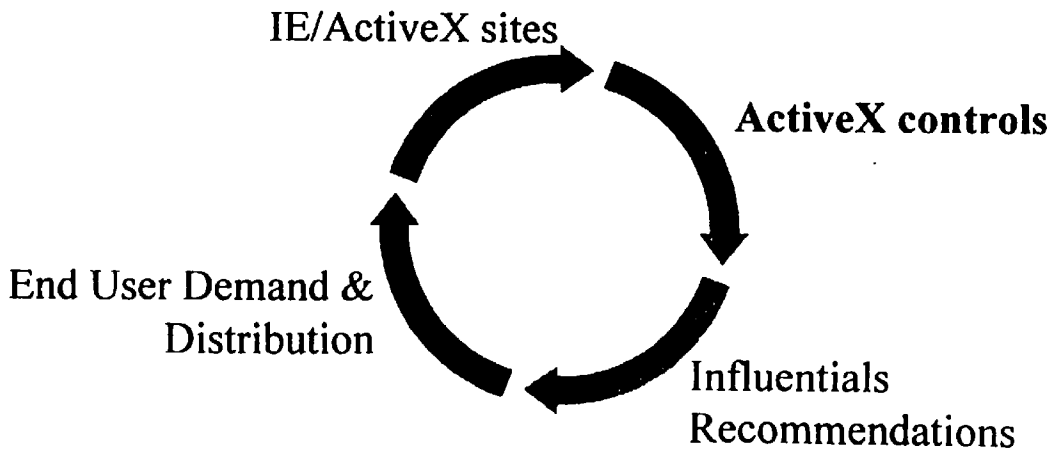
Leverage our strength with Developers



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ActiveX Client Goals and Objectives

- Controls
  - Compelling set of ActiveX controls by IE3 launch
    - 30 - Demoed at PDC
    - 50 - Beta - IE Beta + 1 month
    - 75 - Ship - IE Ship + 1 month
- Tools
  - Key dev tools to fully ActiveX support in next release cycle.
  - Key Java tools to support our Java VM in IE 3.0 timeframe
  - Key Authoring tools to ship ActiveX tools with IE 3.0 launch
  - Get 1st tier scripting ISVs to support ActiveX Script by IE 3.0 launch

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Targets

- Netscape Plug-Ins
- Existing productivity, control, multimedia, utilities vendors
  - Macromedia, Adobe, VDONet, Voxware, 3DWeb, Component Graphics, Progressive Networks, CDI, Attachmate, Seventh Level, Software FX, AlphaBlox, Starfish, Visio, Autodesk, Tumbleweed, Intervista, Sheridan, Microhelp, Videosoft, Lenel Systems, ASP, Sax, Pinnacle, NetQuest, BlackDiamond, Centerview, Digital Foundry, NCompass, Forte, Mystic River, OnLive!, etc.

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"In-the-box" list

- Netscape Power Pak bundles
- Verbal commits:
  - Infinte Op (LIGHTNING STRIKE), Macromedia (SHOCKWAVE), Microcom (CARBON COPY/NET), PROGRESSIVE NETWORKS (REALAUDIO), SPC (ASAP WEBSHOW), STARFISH SOFTWARE (EARTHTIME), TUMBLEWEED SOFTWARE (ENVOY), VDONET (VDOLIVE), VISUAL COMPONENTS (FORMULA ONE/NET), VREAM (WIRL VIRTUAL REALITY BROWSER)
- tbd: CHACO COMMUNICATIONS (VR SCOUT VRML), Gold Disk (Astound Web Player), SPC (ASAP WebShow): talks still in progress
- No: Carberry (FigLeaf) - will likely use Media architects instead, Inso (WordViewer): we should have a better replacement from internal groups, Live3D (Netscape)

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Tools Status

- HTML Tools
  - SoftQuad - HoTMetaL - shipping this month
  - InContext - Spider - June ship
  - Adobe - Pagemill/Sitemill - shipping Q4
  - Sausage - not aggressive
  - FutureTense - Texture (java based tool)
  - 2nd Tier: CSD (June), Brooklyn North (June), Nesbitt Software (Q3)
- Dev Tools
  - NuMega - BoundsChecker (Q2)
  - Powersoft/Watcom - JaveVM DR, mfc4.2 & ATL, Need pb to host activex controls
  - Borland - mfc4.2 & ATL, Need Delphi/OWL hosting upgrading to ActiveX controls, JavaVM DR
  - Symantec - mfc4.2 & ATL, JavaVM DR
- Scripting: VBx 2 (Summit, Mystic), Perl (MKS), REXX (Ent. Alternatives), Smalltalk, Tcl

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Component Builders

- Promote ActiveX controls standard and overall awareness of controls
- Help CB ISVs sell to webmaster target mkt - establish separate ActiveX ISV program
- Build PR and awareness for individual ISVs
- Goal is 2,000 ActiveX Controls ISVs by end of FY '97

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ISV recruitment & co-mktg

- Increase gross # of new developers & webmasters creating ActiveX Controls
  - The masses; On-line ActiveX control campaign
  - Control vendors; enhanced FF program
  - Applet vendors; enhanced FF program, "ActiveX Workshop"
- Drive awareness of ActiveX controls
  - Cool on-line catalogs and comktg
  - SPA category
  - Registration

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IE marketing outside of the US

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The Internet outside of the US

- No reliable hard figures
- Estimates :
  - 30 to 40 million users worldwide
  - 40 to 60% outside of the US
- Gaining browser share means
  - 30% 10 M users
  - 50% 17 M users
- Top 10 countries have 76% of non-US hosts
  - 1. Germany
  - 2. United Kingdom
  - 3. Canada
  - 4. Australia
  - 5. Japan
  - 6. Finland
  - 7. Netherlands
  - 8. Sweden
  - 9. France
  - 10. Norway

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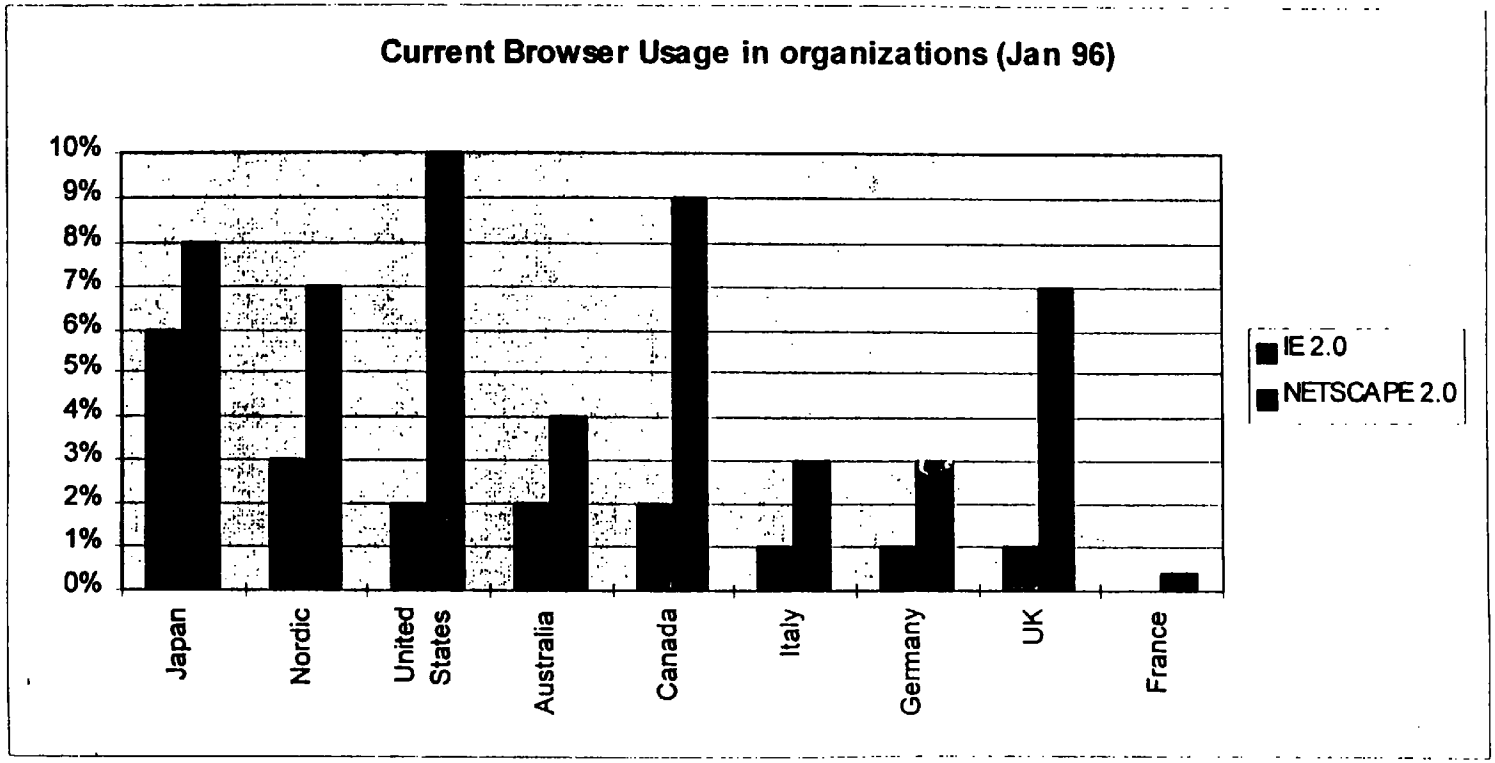
Browser usage



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How we compare to Netscape

	Microsoft	Netscape
• Browser share	???	
• Product localization	23	10 (+3 by distis)
• People (dedicated)	125	67 (+150 at distis)
• Geog. coverage	42	11 (+22 w/ distis)
• Retail presence	21	25

- We are <u>not</u> in an overwhelming position of superiority

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What Netscape is doing

- Signed all top ISPs, everywhere
- Retail presence : just launched in the rest of Europe
- Pushing hard for OEM deals (Vobis, Siemens, Bull...)
  - Nav on desktop, SuiteSpot on servers
- Trying to build a VAR channel and leverage others corporate sales force (HP, Novell, Andersen Consulting ...)
- Opening new subs (Australia, Spain, Hong Kong)
- Not much visible marketing yet
  - Roadshow with SGI

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What we have done

- Licensing to ISPs (218 contracts signed to date)
- ISK available in 20 countries by end of this month (104k units sold-in ytd)
- Webmaster conference in 9 countries (4,000 attendees) - re-launched logo program
- Developer training (5,000 ytd)
- Multitude of Press events
- Many creative things
  - Japan : ad campaign with OEMs
  - Germany : program with ad agencies
  - Holland : IE disk sent to all reg users for all MS products

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Next steps

- Scale up all current activities (ISP licensing, dev training, SP training, intensive PR)
- Get IE3/ActiveX local showcases
  - (130 accounts identified)
- Launch 1:many programs for webmasters
  - Put muscle behind logo program
- Improve local web sites
- Leverage Intranet Day and follow up with seminars
- Prepare ISK/Plus launches

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Score card : ISPs

Country	# of ISP's Licensing Explorer	ISP market share
Germany	22	5%
United Kingdom	25	
Canada	35	
Australia	11	
Japan	6	20%
Finland	3	
Netherlands	10	8%
Sweden	3	
France	10	
Norway	3	
Total non-US	219	

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Score card (2) : retail

Country	Netscape in retail channel (Y/N)	Netscape Localized ?	IE Localized ?	ISK Sell-in
Germany	Y	Y	Y	20,000
United Kingdom	Y	beta	Y	2,880
Canada	Y	Y	Y	13,593
Australia	Y	Y	Y	1,500
Japan	Y	Y	Y	30,000
Finland	Y	N	Y	
Netherlands	Y	beta	Y	4,820
Sweden	Y	beta	Y	
France	Y	Y	Y	7,700
Norway	Y	N	Y	
Total non-US				104,835

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Score card (3): Web presence

Country	# of Logo'd sites	# of Top 30 Sites Logo'd	# of targeted top sites	# of ActiveX sites	Links to MSFT download areas	Links to NSCP download areas	Ratio MSFT/N SCP
Germany	43		35		51	1,527	3.3%
United Kingdom	177		10		141	2,252	6.3%
Canada	188				41	5,367	0.8%
Australia	126	6			44	3,472	1.3%
Japan	68	1	18		22	784	2.8%
Finland	19				8	1,577	0.5%
Netherlands	65				72	1,219	5.9%
Sweden	49				48	1,300	3.7%
France	21	3	26		23	858	2.7%
Norway	48				19	734	2.6%
Total non-US	1,342	30	128	0	509	21,191	2.4%

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Score card (4): training

Country	# of Webmasters Trained	Total Webmasters *	% of total	# of Developers Trained	Total Developers	% of total
Germany	350	41,483	0.8%	100	600,000	0.0%
United Kingdom		37,664	0.0%		550,000	0.0%
Canada		41,286	0.0%	1,500		-
Australia	900	20,990	4.3%	1,000	200,000	0.5%
Japan	100	21,392	0.5%	500	1,000,000	0.1%
Finland		13,755	0.0%			-
Netherlands	50	18,428	0.3%	-	155,000	0.0%
Sweden		29,010	0.0%	10	100,000	0.0%
France	150	13,776	1.1%		390,000	0.0%
Norway		8,765	0.0%			-
Total non-US	2,691	273,351	1.0%	7,038	3,525,000	0.2%

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Issues

- Leveraging and using microsoft.com
- Reaching Business Decision Makers
- Reaching and turning the creative community
- Reenginnering PR and communications
- Intranet and Org Efforts
- Retention
- $$$

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Backup slides

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Metrics: Measuring Impact

1. **web pros as individuals**, usage, preference, satisfaction with
    a. companies (MS, Netscape, and other competitors)
    b. platforms (client and server)
    c. standards (API, HTML extensions, object models
    d. tools (media creation and integration, development)
2. **site builder orgs** (internal and for hire) we'd measure share of
    a. actual business relationships (partner program participation)
    b. number of 3rd parties publicly supporting stds (LOAs, press releases)
3. **websites**, low bar logo program and high bar "showcase" sites
    a. share of top 200 based on investigation (MS, NS, both)
    b. share of total sites based on automated counts
4. **traffic** - share of content seen (Nielsen ratings of sites, segmented by degree of support for standards used)
    a. marketshare of hits on MS vs. NS, logo sites and showcase sites
    * need more complete mechanism for correlating traffic and standards support
5. **users: browser share**
    a. marketshare: browser ownership and usage
    b. mindshare: awareness, preference, and satisfaction by browser and co.

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What we need from you

- Feedback, where are we on the right track where are we not
- Any priority adjustments
- Help with open issues

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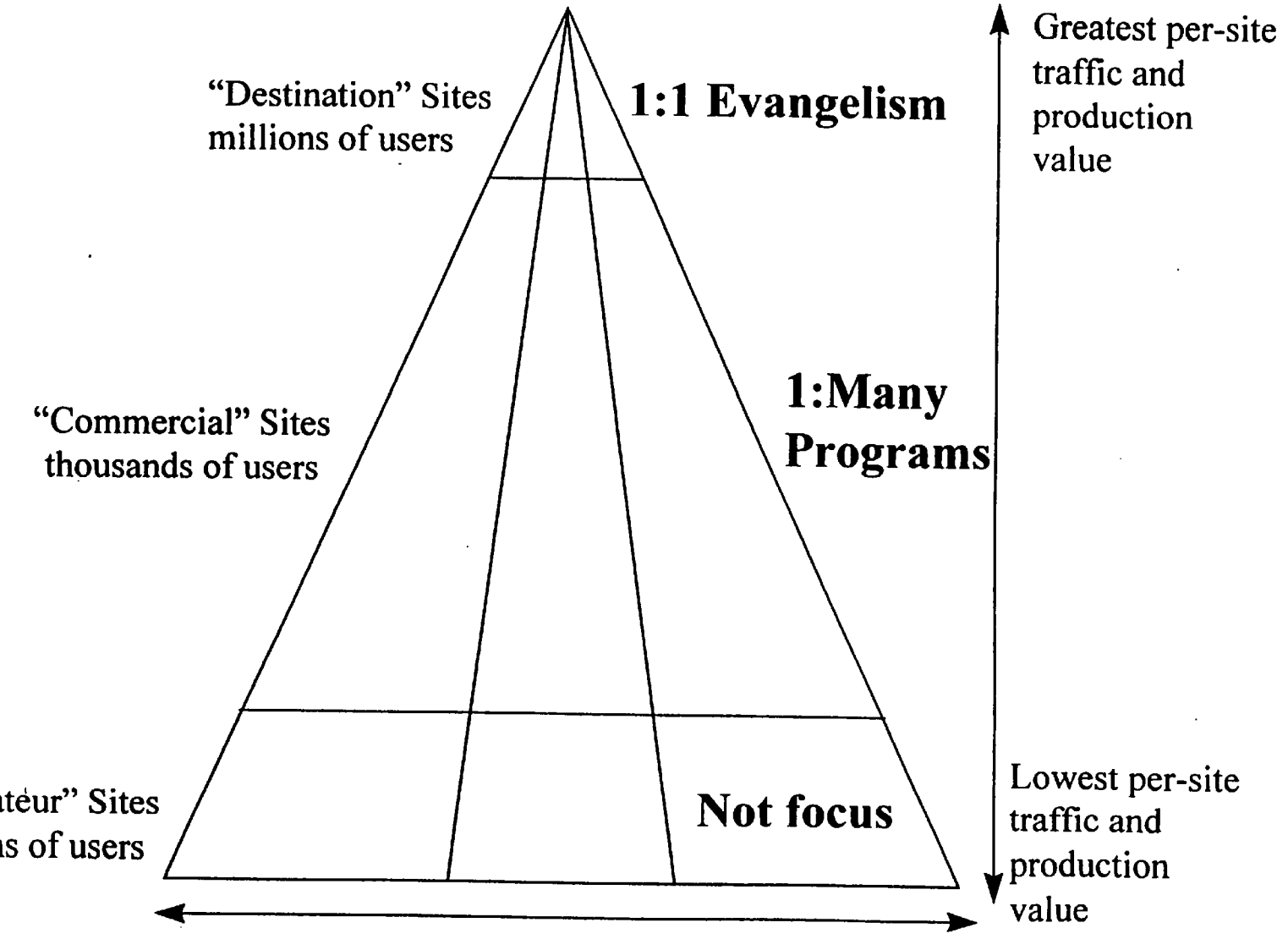
Website Evangelism Priorities



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First, some facts about "web pros"

(a "web pro" is anyone who creates websites as all or part of their job)

- **As of early May, approx 800K - 1MM individuals create websites for work (66% full-time, 34% part-time)**
  - 75% work in teams (mean size = 14/median = 6)
  - implies there are at least 50K teams building websites today
- **Technical background is most common**
  - 60% of web pros claim "technical" backgrounds
    - » 39% have a formal computer-related degree
    - » 51% are professional developers (get paid to write code for others)
    - » 75% claim to have written some program code
  - 20% claim predominantly creative background
  - 20% claim business background
- **Titles are all over the map**
  - 34% have "VP, GM, Director, Manager" type titles
  - 1% actually call themselves "Producer"
  - 2% "Webmaster" and 2% "Designer"

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MS' influence over this audience is weak

- 54% of web pros, unaided, say Netscape sets the standards for the Internet (9% mention Microsoft)
- 24% of web pros, unaided, say Netscape supplies leading edge technology (18% mention Microsoft)
- 74% claim to optimize their site for Navigator (7% optimize for IE)
- Planned/current use of programmability technologies

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Strategies to build "Site Share"

- Scalable, sustainable evangelism programs that reach all web pros
  - Massive outreach to establish relationships with the masses as well as the top SPs and ICPs
  - Tiered incentives and support depending on size and influence of SP or ICP
- Grow share by pushing Windows industry to the Internet
  - LEAD THE PARADE FOR EXISTING CUSTOMERS!
  - Lead existing Windows *users* onto the web with IE
  - Educate BDMs on how to make the Active web pay off for them [undone]
  - Merge Win *API* into the effective Internet API (ActiveX)
  - Evangelize millions of Windows *developers* to build the Web
- Grow an "economy" around ActiveX
  - 3rd party support infrastructure (publishers, trainers, user groups,)
  - Component developers - bigger, better market for active parts
  - Site designers and developers - more experts with better tools
  - SP organizations -for outsourced site development
  - ISPs - for outsourced hosting

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1:1 Evangelism of Top Sites

- Execute a tiered attack strategy to target the top web development (SPs) and content companies (ICPs)
- Create a "business deal" by providing a set of technical and marketing incentives in return for specific site wins, and possible IE redistribution agreements
- Foster long-term relationships. With SPs make them surrogate evangelism force that recommends Microsoft solutions first.

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CY 96 ICP Website Goals (NarenN)

Wins from "top 100" list

Product	May	June	July	Aug/Sept	Oct/Nov	Dec
IE 3.0 Beta1	5 sites					
IE 3.0 Beta2		10 sites				
IE 3.0 Launch			15 sites			
IE 3.0 Nashville			20 sites		40	
Nashville - Themes in Box			10 sites			
Nashville - Favorites				20 sites		
IIS			20 sites			30
ISAPI/IDC			10 sites			20

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5/29/96

CY 96 SP Website Goals (ScottSm)

- Get at least one high profile ActiveX site delivered from each of the top 10 SPs:
  - 5 total in beta by MS@Movies and live by IE ship
  - 8 total by IE ship +30 days
  - 20 total by IE ship + 90 days
- 15 additional sites from 2nd Tier SPs by IE ship + 90 days
- Leverage Advertising Companies Influence
  - Ayer, Bozell, Grey Advertising, J. Walter Thompson, McCann Erickson, Ogilvy & Mather, Poppe Tyson, Ross Roy, True North, Young & Rubicom

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Early IE3 Beta 1 Wins

- InvestorsEdge
- DealerNet
- AND Interactive - Candidate96
- UVSG/Prevue Networks
- AlpenGlow - OnSafari

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Selection Criteria List

Criteria somewhat subjective due to nature of the data

- "Top 10" ICP Criteria
  - Be pre-eminent branded provider in core business space
  - Current/Potential traffic on site - at least 1M hits/day
  - Diverse content category coverage
- "Top 50" Criteria
  - Be premier branded provider in core business space
  - Current/Potential traffic on site - at least 100K hits/day
  - Diverse content category coverage

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Status of Top Target Sites

- ESPN/Starwave - agreement close to signed (4)
- Disney - meeting 5/28 w/ bradsi (3)
- Investors Edge - live w/ Beta 1 (5)
- CNET - initial proposal in discussion (3)
- Time Warner - strong interest in Themes; proposal to be drafted (2)
- Viacom/MTV - initial proposal in discussion (2)
- Wall Street Journal - interest in Themes; proposal to be drafted (2)
- Sony - strong interest in Themes; proposal to be drafted (2)
- National Geographic - interest in Themes; proposal to be drafted (2)
- CUC/Fidelity
- Alternates (10)
  - Discovery, Schwab, Nickelodeon, Virgin, ABC/Cap Cities, CNN

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Tier One SP Targets & Status

- @Radical.Media
- AND Interactive
- Broadway Interactive Group
- CKS Interactive
- Digital Foundry
- DimensionX
- EarthWeb
- Ikonic Interactive
- Magnet
- On Ramp
- Organic Online
- R/GA Interactive
- Vivid Studios

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Target Candidates for 11-50 List

- Publishing & Broadcasting (37)
  - Bantam Doubleday Dell, Bertelsman, Byron Preiss MM, CBS, CTW, Columbia House, Conde Nast, Cox Enterprises, E Drive, EMI Records, Encyclopedia Brittanica, Jim Henson Productions, Hachette Fillipachi, Harper Collins, Hearst, Hollywood Online, LA Times, K-III Communications, MCA/Universal, MGM Interactive, Music Blvd, New York Times, Newhouse Newspapers, Newscorp/Fox, Newsweek, Newline Cinema, PBS, Penguin USA, Prime Sports, Reader's Digest, SJ Mercury, Sony, Sports Illustrated, US News & World Report, USA Networks/Sci-If Channel, USA Today, Virgin

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Target Candidates for 11-50 List

- Shopping & Retailing (17)
  - Amex, Bloomberg, CUC, Eshop, FedEx, Fidelity, FTD, JC Penney, QVC, SBT Accounting, Spiegel/Eddie Bauer, Universal Shopping Service, US Bank, US Postal Service, UVSG, Visa
- Education (11)
  - Broderbund, Discovery, Dorling Kindersley, Groliers, Learning Compnay, Lightspan, Jostens Learning, National Geographic, Rand McNally, TRO Learning, Voyager Company
- Consumer Advertisers (7)
  - American Airlines, Chrysler, GM, Levi's, MCI, P&G, United Airlines
- Other (12)
  - IVS/Dwango, MLB, NFL, NHL, NTN

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Media Consultancy

- SWAT team chartered with bringing up priority websites in very aggressive timeframes
- Includes site design and development (client + server) resources
- Closely integrated into evangelism process
- Key technical interfaces into product groups
- Leverage early code and documents for broad evangelism- MSDN
- Considering building more complete SWAT team

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Internet Advisory Board

- WHO: Technical decision makers at the top companies
  - ICPs: Walmart, Viacom Interactive Media, Turner Broadcasting, Time Warner Pathfinder, MCA/Universal, Cap Cities/ABC, CNET, CUC International, Hearst New Media, Bantam Doubleday Dell
  - SPs: @Radical.Media, AND Interactive, Broadway Interactive Group, CKS Interactive, Digital Foundry, DimensionX, Ikonic, Magnet Interactive, OnRamp, Novo Media Group
  - ISVs: Borland, SoftQuad
- WHY: Solicit feedback on new MS Internet technologies and to update them on these technologies
- HOW:
  - Quarterly meetings for design previews.
  - Monthly video-teleconferences about key technologies
  - Access to a "members only" web site which will feature newest MS internet technology.
- Kickoff: May 29th

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Evangelism Issues

- NBC Deal
- Need decision on IMD vs. IPTD ownership of in-the-box (customizable start page, themes in the box, etc.)
- Fortune 500: What is field sales force doing for IIS and IE (Internet & Intranet)?
- Need International Mirror Sites for downloads. Lots of feedback that this is very poor.
- Cross Platform story

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ICP Status

- Incentives
  - In the box incentives
    - » Nashville Theme (in box for top 10, gallery for others)
    - » Favorites
  - On-Line incentives
    - » Partner Gallery, Customized start page real estate
  - Promotional incentives
    - » Co-advertising, MS subsidized ads, co-promotions
    - » Partner distribution of customized browser
    - » Contests

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ICP Issues

- Many Web designers are not professional software developers
  - Writing controls not an option
  - Need set of controls to choose from for easy implementation
- Sites want to wait to see how technology catches on
- Moving from model where NS logo was displayed free
  - to browser neutral or wanting $$

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Logo Program

- Two new logos, static and animated, live *5/25*
  - Static: No change in base qualification criteria to host
  - Animated (Active): Need to host an ActiveX control
  - Sign-up, Streamlined documents, Free Logo compliant template

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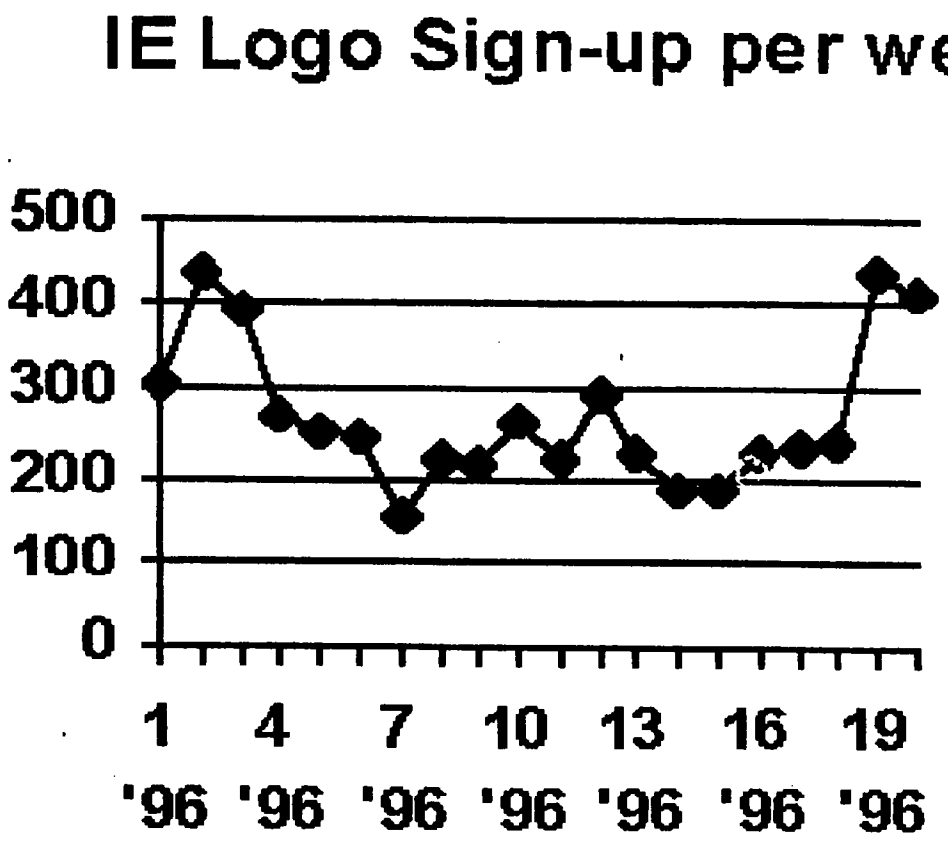
Logo Sign-up



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Logo Marketing

- Link presence significantly behind Netscape (50x or more)
- Identify Significant and New Internet sites
  - Currently done manually
  - Working with MS research group to automate
    - » capture new www sites from XXX list
    - » Automated analyses and challenge of the "best viewed" for sites that are viewed equally well with IE 3.
    - » Automated monitoring for compliance coupled with informative pings on new technologies and opportunities.

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Logo Incentives

- Increased Exposure on IE page - Top 10 list
- Regular electronic communication
  - » Includes first drop of well developed HTML samples to integrate on their page.
- ICP contest - (requires logo compliance)
  - » MS subsidized advertising for commercial sites, USA today.
- Others being considered
  - » training and support awards.
  - » free trip to W3 summit, Internet World.

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Taking it to the masses

- Scalable, sustainable evangelism to the new market
  - Segmentation & messages
  - Own the influentials - build credibility with rolling thunder PR
  - Start a relationship - get their attention with broad outreach programs and incentives...
  - ...then flood them with information, training, and resources
    - » Online (MS and 3rd party websites, internet forums)
    - » Print (magazines, newsletters, trade books)
    - » Live (WebDays, Worldwide Live, PDCs, industry events)
- Move the Windows industry to the Internet
  - ActiveX tools, BOB/WAR
  - Fill existing dev. programs with Internet content
- Metrics

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Evangelism Targets - Segmentation

Total Web Pro Population ~ 900K

	Total	Site Developer (10%)	Site Admin. (17%)	Hands-off Managers (20%)	Site Designers (18%)	Part-timers (34%)
Managing overall creation of web site	31%	77%	30%	46%	48%	1%
Overall design of UI incl. look and feel	26	73	25	22	48	3
Setting up and maintaining site security	16	65	43	2	2	3
Bottom line budgetary responsibility	29	63	35	63	20	1
Maintain site incl. change content, maintain links and user access lists	16	61	23	5	27	1
Server maintenance and day to day operations of web server	14	59	40	0	3	3
Create HTML pages incl. graphics; text	17	56	12	2	48	0
Test web pages with different browsers	11	54	4	2	22	2
Create apps. that run in part or in whole on the inter/intranet	13	54	14	7	17	2
Create apps. that generate web pags on the fly	7	41	2	1	12	1
Create graphics from scratch	12	39	3	3	32	2
Create multimedia elements	8	25	2	1	24	2
Create time basd media	6	24	2	1	11	2

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- Top two priorities are site developers and designers

Top-level Messages

Content with impact

- *ActiveX empowers you to create end-user experiences with the most impact (rich multimedia, high interactivity)*
- Evidence: TNC and 10+ other showcase sites (inc. MS.COM)

Broad reach

- *ActiveX is open and cross platform -- it works in Netscape and on the Mac!*
- Evidence: Mac IE, MetroWerks, NCompass plug-in

Best tools

- *All the best tools create ActiveX content - use what you know*
- Evidence: MS tools, 3rd party tools, ActiveX controls

Supports standards

- *ActiveX embraces and extends Internet and industry standards*
- Evidence: Java, W3C HTML 3.2 extensions (stylesheets)

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Rolling Thunder PR

Credibility and reach

- Major message themes
  - *Developer Madness*: WW Live, DevDays, User Groups
  - *ActiveX gets real*: controls, quantity/quality of sites
  - *MS technology firehose*: continuous client, server, tools, standards, announcements - brute force mindshare
- Target press
  - Interactive magazines and ezines (NewMedia, [Hot]Wired, C|Net, Interactivity, Interactive Age, Ad Age, AdWeek, Digital Media, Edge, Internet World, Interactive Week, Net Guide, Web Developer, Web Week, Mondo 2000, etc.)
  - Business and popular press (WSJ, Time, Newsweek, etc.)
  - PC trades (weeklies & monthlies, reviews, news, features)
  - Analysts (technical, financial, strategic)

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Online Evangelism

To have credibility with web pros we too must master the web

- Show we get it!
- Make our own websites the definitve resource
  - Critical information sources for website developers and designers
  - Showcase of cool ActiveX technology in action and various design philosophies (executing formal RFPs for 15 design firms to design and implement unique front-ends to our site, evaluating feasibility of multiple active front-ends)
- ActiveX showcase of 3rd party sites make it real (more important to be high cool than high traffic)
- "CyberCops" to patrol newsgroups and forums

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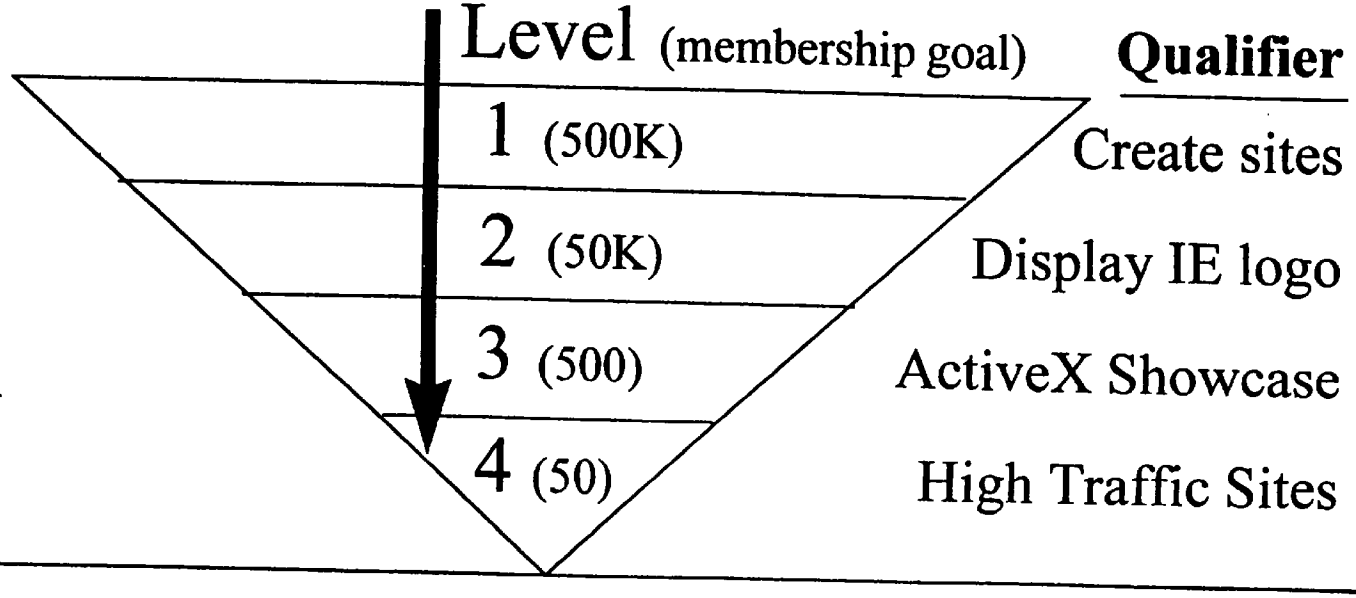
Site Builder Program

BFG9000 scalable partner recruiting and loyalty building program

- Cast broad net to reach and start relationships with over 80% of web professionals
- Provide incentives to join and then move deeper into the program
- Kick off at WorldWide Live (7/16/96)
- Rapidly evolving



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Level One

- Cast the broad net - make sure every web pro knows about it
  - Targeted DM to individuals selected from web/design pubs, event lists, Adobe/Macromedia base
  - Online and print ads in deesigner/web media
- Capture their names - GET THEM ALL TO SIGN UP!
  - FREE TOOLS WITH SIGNUP! Get free Visual J++ (later could offer IStudio or Visual Basic).
  - FREE ACTIVEX WORKSHOP with collections of cool controls, comprehensive reference information, and examples.
  - ACCESS TO RESTRICTED BETA AREAS! Betas of IE, IIS, and tools.
  - ALL YOU HAVE TO DO TO REGISTER IS fill out the online eform giving us name, email, address, job title, URLs of sites you've done
- Once we have them, train and educate them
  - Use the database/listserver for direct communication, to drive MS website traffic and attendance at community training/evangelism events
- Activate them
  - Move them up in the programby upselling the benefits (technical and business) of doing IE and ActiveX sites

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Level Two Benefits

resource package

- Do a (low-bar) qualifying IE Logo site and get:
  - All the benefits of Level 1 and the existing "logo" program plus
  - FREE MS SOFTWARE OF YOUR CHOICE
    - » Up to $2K online shopping spree of free MS product
  - DISCOUNTS ON TRAINING and EVENTS
  - Invitation to Private Technology Previews
  - Evaluating incident-based support package
  - Entry in Site Builder registry on Microsoft.Com
  - "Selling ActiveX to your customers" sales kit
- Target NS logo sites, upsell Level one members

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Level Three Benefits

Co-mktg focus

- Deploy ActiveX (high bar) sites and cash in on the "Frequent Builder" incentive campaign
  - All deliverables in levels 1-2 plus
  - Co-marketing dollars - up to $30K per company, usable for any of several comktg programs
  - Business development engine (referral program, access to prospect database, co-op ads and DM)
  - Links from Site Builder website
  - Booth Space at Industry Shows
  - Case Studies on Microsoft.com
  - Speaking opportunities at site builder conferences

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Level Four Benefits

elite sites

- Direct 1:1 account management if you own a high traffic ActiveX site
  - All deliverables in levels 1-3 plus
  - Direct DRG Support
  - LOA custom business development support
  - Participation in "Hall of Fame" National Advertising Campaign

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Worldwide Live! Activating the Internet

Objective: Educate and engage web pros to use our tools and platforms to create active web sites.

Audience: Anyone involved in creating web sites (web pros)- artists, designers, HTML authors, administrators, musicians, project leaders, scriptors, editors.

Key Message:Worldwide Live! Activating the Internet. Spend a day with Microsoft's Internet experts and partners to learn how to create active web sites.

- AX is real - IE, tools, components - shipping!
- AX Empowers your team to deliver the most impactful content (best enduser experience)
- AX is cross-platform and cross-browser (works in netscape and Mac)
- AX embraces and extends Internet standards
- All the best tools (from MS and 3rd parties) create AX content

Tactics:

- on 7/16/96 broadcast an 8 hour program live to 50 movie theaters in major US and Canadian cities
- Make satellite coordinates available for downlink to places outside the US and Canada.
- Support existing Internet broadcast technologies (Mbone, Real Audio)

Reach: 10,000 web pros in movie theaters.

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WEB RD's and Web Days

- **Objectives**: A core group of Web technology, design and solution experts, who can both expound the virtues of MS Strategy, as well as utilize the web itself to work as our online positioning and information advocates.
- **Key Message**: Web Days provides a forum for Webheads to gather (both in face-to-face and online) to illustrate the technical and strategic advantages of utilizing IPTD technology for the Web. Web RD's are activated as the virtual "SWAT" team running rampant on the web.
- **Tactics**:
  - Web Days: Executed like DevDays, MS builds "infrastructure" for community run web design program and pushes information to the masses. Three Tracks for Webheads: **Site Developer Track, Site Designer Track, Business Development Track.** 18 Cities, 10K attendees Q3 FY'97
  - Web RD's: Partnership marketing with key experts delivering the MS message on the web. Their playing field is the WEB, and their expertise is web design and development. These advocates are used in every community activity we build. Recruitment and established RD's: Q2 FY'97 - 20 N. American RDs. 10 Interntaional RDs.
- **Critical Success Factors:** Recruiting of Expert RD's, Design Tools available for design track, BDM Case Studies , Design Partner participants

5/29[redacted]6 **Owner**: KostasM

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Interactive Media Conference 96

Objective:

- Educate attendees on Internet Studio, FrontPage, IE, IIS, ActiveX technologies, Merchant Server, Media Server, "Dolly", "Llama", SST, Digital Signatures, etc.
- Showcase IE as the browser of choice
- Introduce DevOffice Pro, position it as the suite of products targeted to web developers
- Get commitment from the web development community to our tools and technologies by articulating our web design/development and business strategy
- Demonstrate strong third-party tools, controls and applications in keynotes and trade show - send a strong message to the press!

Audience: Web designer, developer, producer, administrator, site owner, new entry to this market, BDMand press.

Key Message:

- Microsoft has the tools and technologies you need for web site development
- ActiveX technologies enable you to make the coolest web sites
- Internet Explorer's features make it the premier browser - it's what you want customers to use to view your site
- Leveraging existing investment in Windows development to the Internet

Tactics: Looking for space in late October, west coast preferably, general session daily, 3 breakout tracks (designer, developer, business decision maker), tradeshow w/50-75 3rd parties, 100 machine hands on area, 100 machine communications network, promote via direct mail, web, SP's, ATEC's, user groups, online pubs etc

Reach:~3000 attendees

Owner: ToniJ

5/29/96

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Publications: ActiveXpert Magazine, ActiveX Newsletters and MS internet strat focused pubs.

Objective: Reach the masses and educate site developers on how to use our technology to create the coolest websites.

Audience: Site Developers and Designers

Key Message: This will be the premier community building vehicle for developers interested in ActiveX technology. It will be an advertising vehicle for third parties and will include a conference series.

Tactics or Description of program: Pinnacle will be the publisher of this on-line publication and conference series. Both will focus on "how to" studies. Cobb will author the first set of newsletters

Metric & Goal: 50,000 mag subscribers in first year, 5,000 newsletter subscribers

Owner: Eric Ewing

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Web Community Programs:

Objective: Activate the web designer/developer community by building programs that are run via key 3rd-party partners to deliver IPTD product and technology information, support and business resources.

Key Message: There is an active, interactive and worldwide community of resources available for peer to peer exchange for the Web designer/developer.

Community programs:

- Web User Group program: Interactive Media, ActiveX and Web Design SIGs (target Mac /desktop publishing SIGs into "Webtop Publishing." ***19 city Activate the Internet UG tour 6/11, 500 attendees per city.***
- Online Community Center: Creation of the ultimate on-line resources directory for both traditional devolopment and web proudution. Interactive medium for online threaded chats, hosted chats and support forums: Q1 FY'97.
- MVP@Large Program: Internet CyberCops - a swat team of online mavens who evangelize IPTD technology , negate FUD and support and inform electronic audiences. Target 50 MVPs by Q2 FY'97.
- Competitive Programs -Identify and cultivate relationships with competitive influentials via technical education and sustaining touch of IPTD personnel and information: Beginning with Java Summit 6/28 - target 75 Java influencials, sustaining plan to follow.
- WebDays and RD Program (see detail slide)
- **Metric & Goal:** Number of webheads involved with programs. Number of user groups. Amount of interaction on community pages. # of MVPs (target, 50 specific to the web)

Owner: Mikewe

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3rd Party Events

- **Objective**: Educate "web producers" (producers, designers and business decision makers) on Microsoft's Internet strategy including tools and technologies via 3rd party live marketing vehicles.
- **Key Message**: Microsoft is a leader in Internet technology, and we offer a wide set of tools and technologies for Internet and Intranet development.
- **Tactics**
  - *3rd Party Confernces/partner shows* - Adobe developers conference, MIND conference, JavaOne, Macromedia roadshow and dev conference
  - *Seminars* - App Dev roadshow. 30 city tour that kicks off after IMC #2, approx 100 per city. International to follow w/ different partner.
  - *Tradeshows* - Identify and recommend participation in Internet and Web production/design shows. Focus and redefine our participation levles in current production/design shows (is Siggraph, Seybold).

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Industry Shows (draft 1)

The following list includes industry shows where we recommend web producer targeted presence. This list doesn't include shows with MS speaker placement only. We are currently reviewing these shows and will make a final recommendation by June 15.

- Spring Internet World, San Jose, CA 4/30 - 5/2
- WWW 5th, Paris 5/6-10
- JavaOne, San Francisco, CA 5/29-31
- Windows World, Chicago, IL 6/3-6
- PC Expo, New York, NY 6/18-20
- Siggraph, New Orleans, LA 8/6-8
- Webmaster Perspectives, San Francisco, CA 8/11-14
- Macromedia Users Group, San Francisco, CA 9/3-5
- Seybold San Francisco, CA 9/10-13
- Interactive Multimedia Assoc, New York, NY 9/17-19
- World Wide Web Conference, Boston, MA Sept '96
- SD/Web Design & Dev East, Washington, DC 10/29-31
- Comdex/Fall, Las Vegas, NV 11/18-22
- Webinnovation, San Francisco, CA 12/4-6
- Fall Internet World, New York, NY 12/11-13

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Overall Reach within next 6 months!

- Trainers/SPs/ICPs Trained - 2,000!! (done)
- Internet Enhanced Control Developers - 2000!!
- New Regional Directors - 30 Web guys
- Developers that will hear our strategy -

100,000

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Supporting Collateral/Deliverables

- **Strategy days** - in conjunction with IMC
- **ActiveX Overview (1-pager)** - in process - ETA on the web 5/31
- **Data sheets (5-6 pages)** - in process ETA on the web 5/31
- **ActiveX Whitepaper** - done, being optimized for web browsing \\ddinfo\public\internet\docs\axwp.doc
- **Case studies** - done with launch of Level 3, including project profile and links to sites

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Tools: Trojan Horses for our Standards

All the best tools create ActiveX content

For Developers

- Visual Basic Script
- Visual J++
- IntDev Toolbox
- Visual Basic
- Visual C++
- SourceSafe
- MSDN L1-L4
- Mastering INet Dev
- "DevOffice"
- MetroWerks

For Designers, from MS

- IStudio
- MM toolsuite
- MSDN for Designers
- "WebSafe"

For Designers, 3rd party

- Adobe
- Macromedia

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Metrics: Measuring Impact

1. **web pros as individuals**, usage, preference, satisfaction with
   a. companies (MS, Netscape, and other competitors)
   b. platforms (client and server)
   c. standards (API, HTML extensions, object models
   d. tools (media creation and integration, development)
2. **site builder orgs** (internal and for hire) we'd measure share of
   a. actual business relationships (partner program participation)
   b. number of 3rd parties publicly supporting stds (LOAs, press releases)
3. **websites**, low bar logo program and high bar "showcase" sites
   a. share of top 200 based on investigation (MS, NS, both)
   b. share of total sites based on automated counts
4. **traffic** - share of content seen (Nielsen ratings of sites, segmented by degree of support for standards used)
   a. marketshare of hits on MS vs. NS, logo sites and showcase sites
   * need more complete mechanism for correlating traffic and standards support
5. **users: browser share**
   a. marketshare: browser ownership and usage
   b. mindshare: awareness, preference, and satisfaction by browser and co.

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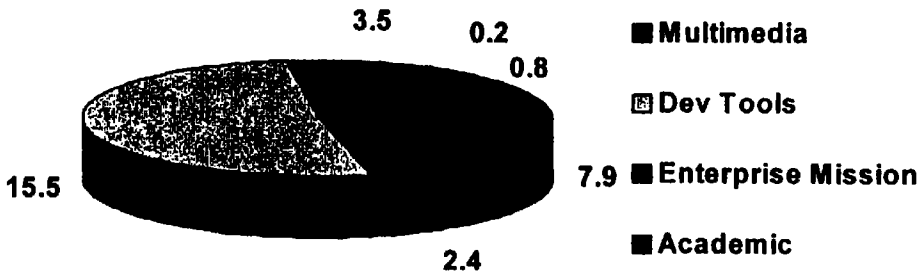
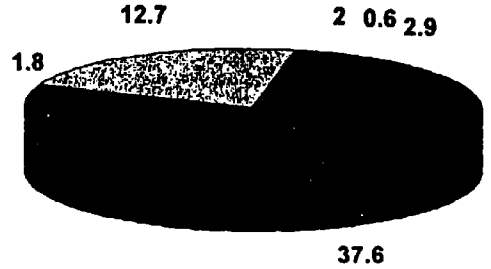
FY Marketing Comparison

FY96 Forecast
$30.3M



FY97 Budget
$57.6M



$M	FY96 Forecast	FY97 Budget	Change
Internet	7.9	37.6	29.7
Multimedia	2.4	1.8	(0.6)
Dev Tools	15.5	12.7	(2.8)
Enterprise Mission	3.5	2.0	(1.5)
Academic	0.2	0.6	0.4
Electronic Commerce	0.8	2.9	2.1
Total	30.3	57.6	27.3

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IE marketing outside of the US

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The Internet outside of the US

- No reliable hard figures
- Estimates :
  - 25 M users worldwide - 50 M next year
  - 40 to 60% outside of the US
- Gaining browser share means
  - 30% 7.5 M users
  - 45% 11 M users
- Top 10 countries have 76% of non-US hosts
  - 1. Germany
  - 2. United Kingdom
  - 3. Canada
  - 4. Australia
  - 5. Japan
  - 6. Finland
  - 7. Netherlands
  - 8. Sweden
  - 9. France
  - 10. Norway

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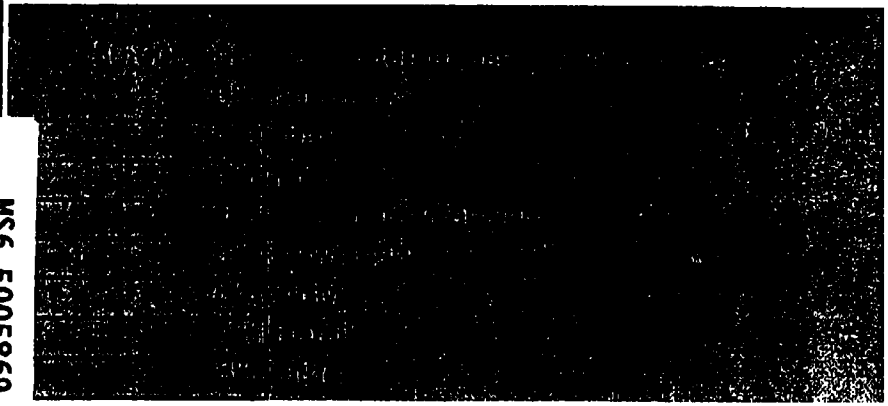
Targets

Country	Estimated # of users in June 97	Total Users needed	ISPs	Corp users	Download	OEM	Retail	Other
Germany	3,344,597	1,003,379	341,149	210,710	150,507	80,270	40,135	180,608
United Kingdom	3,335,390	1,000,617	340,210	210,130	150,093	80,049	40,025	180,111
Canada	2,753,153	825,946	280,822	173,449	123,892	66,076	33,038	148,670
Australia	2,285,578	685,673	233,129	143,991	102,851	54,854	27,427	123,421
Japan	1,988,513	596,554	202,828	125,276	89,483	47,724	23,862	107,380
Finland	1,539,425	461,828	157,021	96,984	69,274	36,946	18,473	83,129
Netherlands	1,291,244	387,373	131,707	81,348	58,106	30,990	15,495	69,727
Sweden	1,106,582	331,974	112,871	69,715	49,796	26,558	13,279	59,755
France	1,013,109	303,933	103,337	63,826	45,590	24,315	12,157	54,708
Norway	652,356	195,707	66,540	41,098	29,356	15,657	7,828	35,227
Total non-US	25,000,000	7,500,000	2,550,000	1,575,000	1,125,000	600,000	300,000	1,350,000



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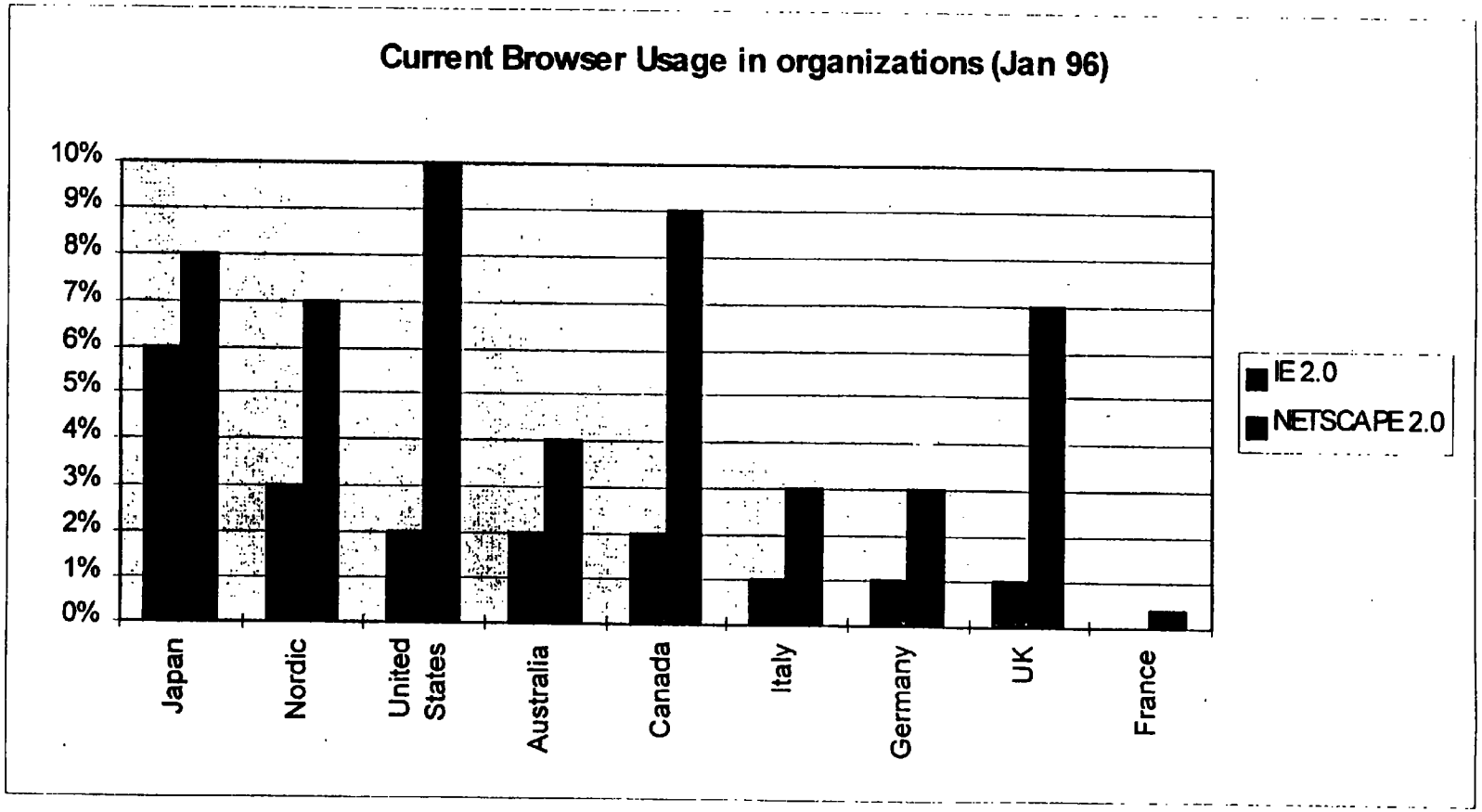
Browser usage



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How we compare to Netscape

	Microsoft	Netscape
• Browser share	???	
• Product localization	23	10 (+3 by distis)
• People (dedicated)	125	67 (+150 at distis)
• Geog. coverage	42	11 (+22 w/ distis)
• Retail presence	21	25

- We are <u>not</u> in an overwhelming position of superiority

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What Netscape is doing

- Signed all top ISPs, everywhere
- Pushing hard for OEM deals with little success
  - Have a special team of 10, focus on Euro OEMs right now (Vobis, Siemens, Bull...)
- Retail presence : just launched in the rest of Europe
- Trying to build a VAR channel and leverage others' corporate sales force (HP, Novell, Andersen Consulting …)
- Opening new subs (Australia, Hong Kong, Holland, Spain)
- Not much visible marketing yet

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What we have done

- Licensing to ISPs (218 contracts signed to date)
- ISK available in 20 countries now (104k units sold-in ytd)
- Webmaster conference in 9 countries (4,000 attendees) - re-launched logo program
- Developer training (5,000 ytd)
- Multitude of Press events
- Many creative things
  - Italy and UK sponsor the Euro 96 Soccer Championship
  - Japan : massive ad campaign with 14 OEMs
  - Holland : IE disk sent to all reg users for all MS products

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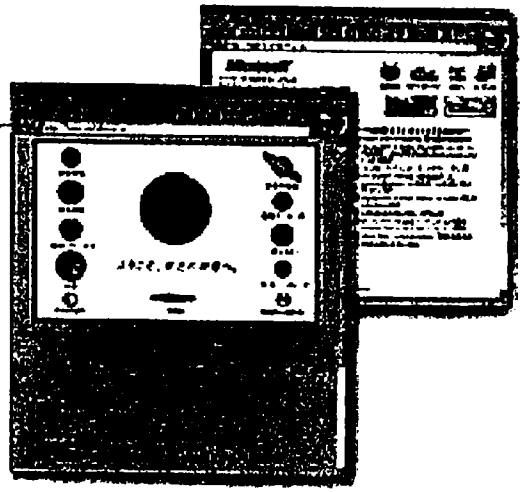
TOSHIBA

Microsoft

マイクロソフトがおすすめする
インターネット対応パソコンです。

BREZZA

東芝がおすすめする
インターネットブラウザです。



マイクロソフトの
インターネットブラウザ

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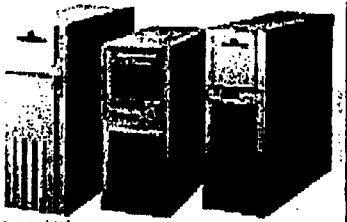
NEC

Start! Intranet

NECのExpressサーバからインターネット/イントラネットサーバが登場。



Microsoft

Microsoft Internet Information Server

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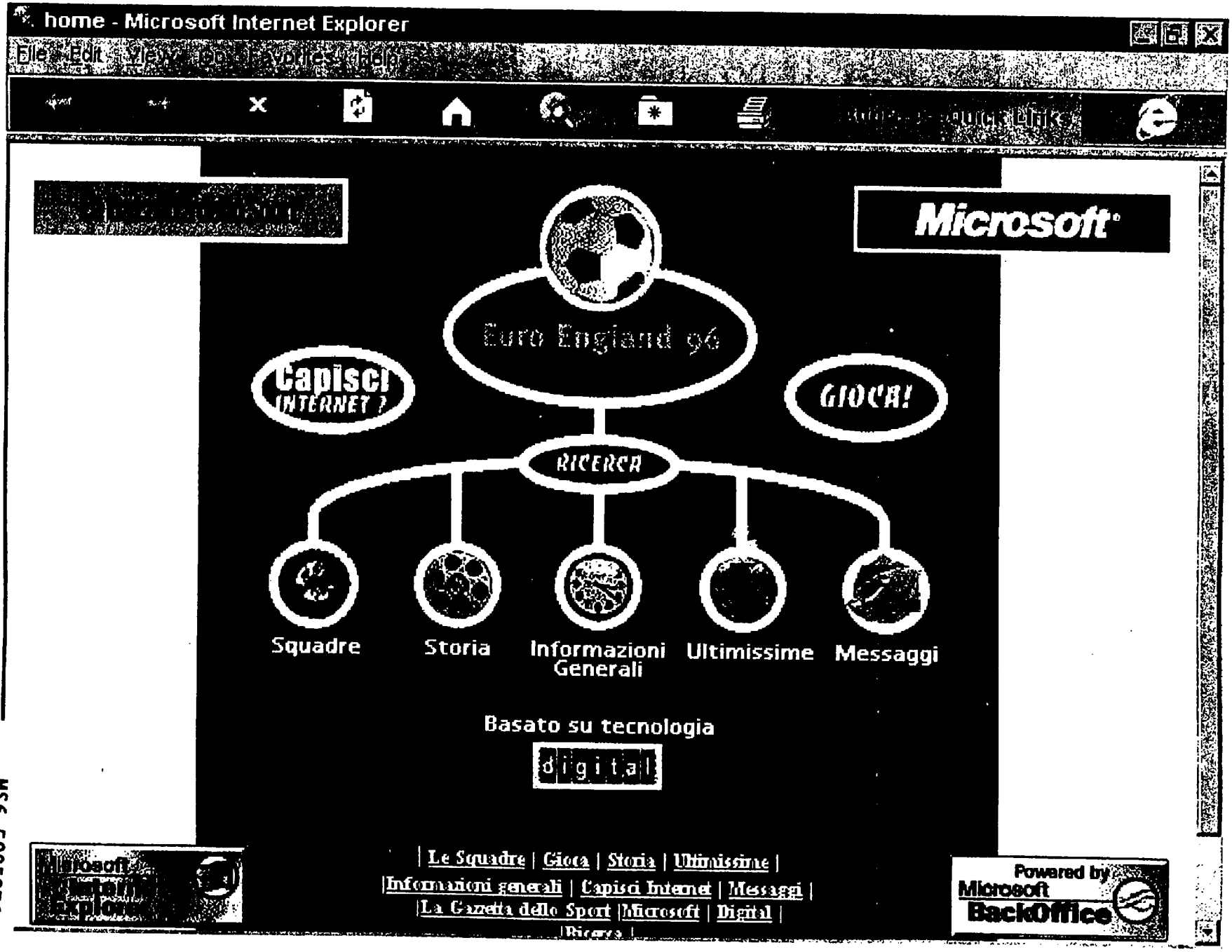

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Next steps

- Implement deals with AOL Europe and Compuserve
- Scale up all current activities (ISP licensing, dev training, SP training, intensive PR)
- Get IE3/ActiveX local showcases
  - (130 accounts identified)
- Compelling content deals tied to IE
- Launch site builder program
  - And put muscle behind logo program
- Improve local web sites
- Leverage Intranet Day and follow up with seminars
- Prepare ISK/Plus launches

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Score card : ISPs

Country	# of ISP's Licensing Explorer	ISP market share
Germany	22	5%
United Kingdom	25	
Canada	35	
Australia	11	
Japan	6	20%
Finland	3	
Netherlands	10	8%
Sweden	3	
France	10	
Norway	3	
Total non-US	219	

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Score card (2) : retail

Country	Netscape in retail channel (Y/N)	Netscape Localized ?	IE Localized ?	ISK Sell-in
Germany	Y	Y	Y	20,000
United Kingdom	Y	beta	Y	2,880
Canada	Y	Y	Y	13,593
Australia	Y	Y	Y	1,500
Japan	Y	Y	Y	30,000
Finland	Y	N	Y	
Netherlands	Y	beta	Y	4,820
Sweden	Y	beta	Y	
France	Y	Y	Y	7,700
Norway	Y	N	Y	
Total non-US				104,835

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Score card (3): Web presence

Country	# of Logo'd sites	# of Top 30 Sites Logo'd	# of targeted top sites	# of ActiveX sites	Links to MSFT download areas	Links to NSCP download areas	Ratio MSFT/NSCP
Germany	43		35		51	1,527	3.3%
United Kingdom	177		10		141	2,252	6.3%
Canada	188				41	5,367	0.8%
Australia	126	6			44	3,472	1.3%
Japan	68	1	18		22	784	2.8%
Finland	19				8	1,577	0.5%
Netherlands	65				72	1,219	5.9%
Sweden	49				48	1,300	3.7%
France	21	3	26		23	858	2.7%
Norway	48				19	734	2.6%
Total non-US	1,342	30	128	0	509	21,191	2.4%

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Score card (4): training

Country	# of Webmasters Trained
Germany	350
United Kingdom	
Canada	
Australia	900
Japan	100
Finland	
Netherlands	50
Sweden	
France	150
Norway	
Total non-US	2,691

# of Developers Trained	MSDN subscribers	% of MSDN subscribers	Total Developers	% of total
100	7,458	1.3%	600,000	0.0%
	7,017	0.0%	550,000	0.0%
1,500		-		-
1,000	2,885	34.7%	200,000	0.5%
500	15,000	3.3%	1,000,000	0.1%
	443	0.0%		-
-	1,428	0.0%	155,000	0.0%
10	1,596	0.6%	100,000	0.0%
	2,914	0.0%	390,000	0.0%
	573	0.0%		-
7,038	56,575	12.4%	3,525,000	0.2%

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Appendices

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Host count by domain

Non-US domains	3,410,649	(2 letters)
Commercial	2,430,954	com
Educational	1,793,491	edu
Networks	758,597	net
Government	312,330	gov
Organizations	265,327	org
US Military	258,791	mil
United States	233,912	us
International Organizations	1,557	int
	9,465,608	

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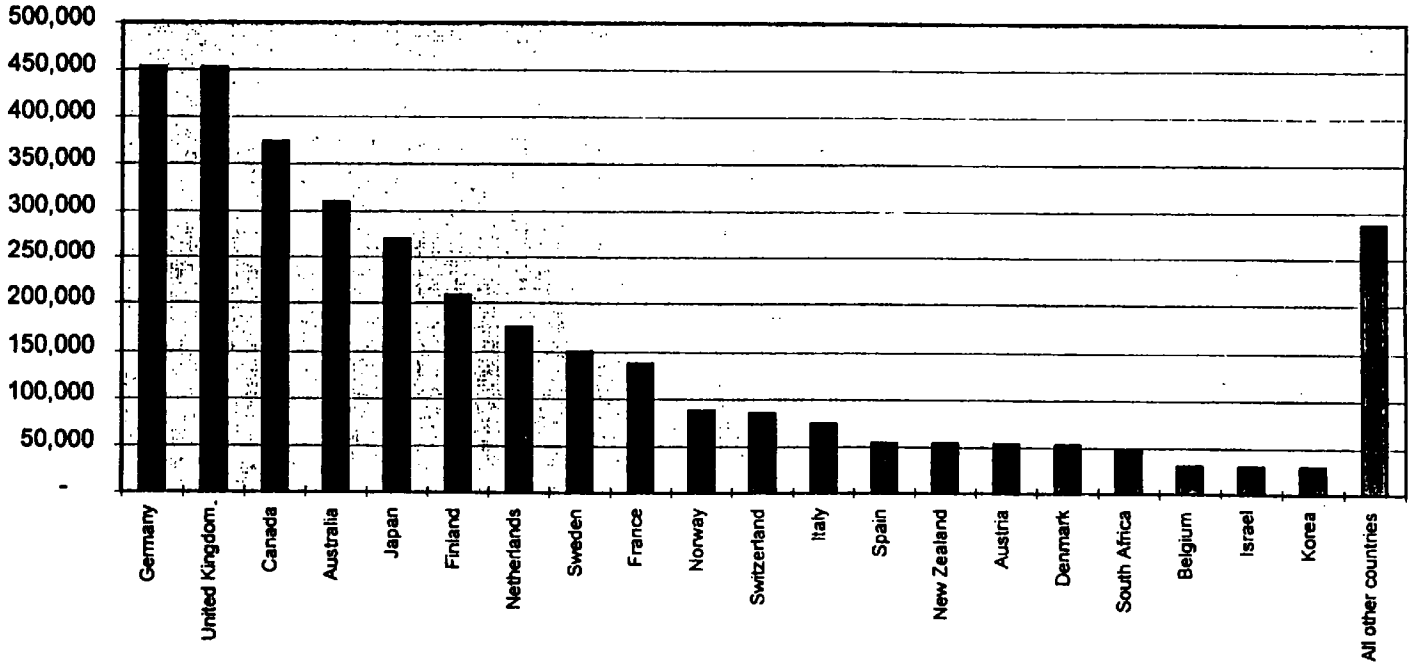
Host count by country

2 letter domains only - US excluded

- Top 10 countries = 76% of hosts
- Top 20 countries = 91 % of hosts



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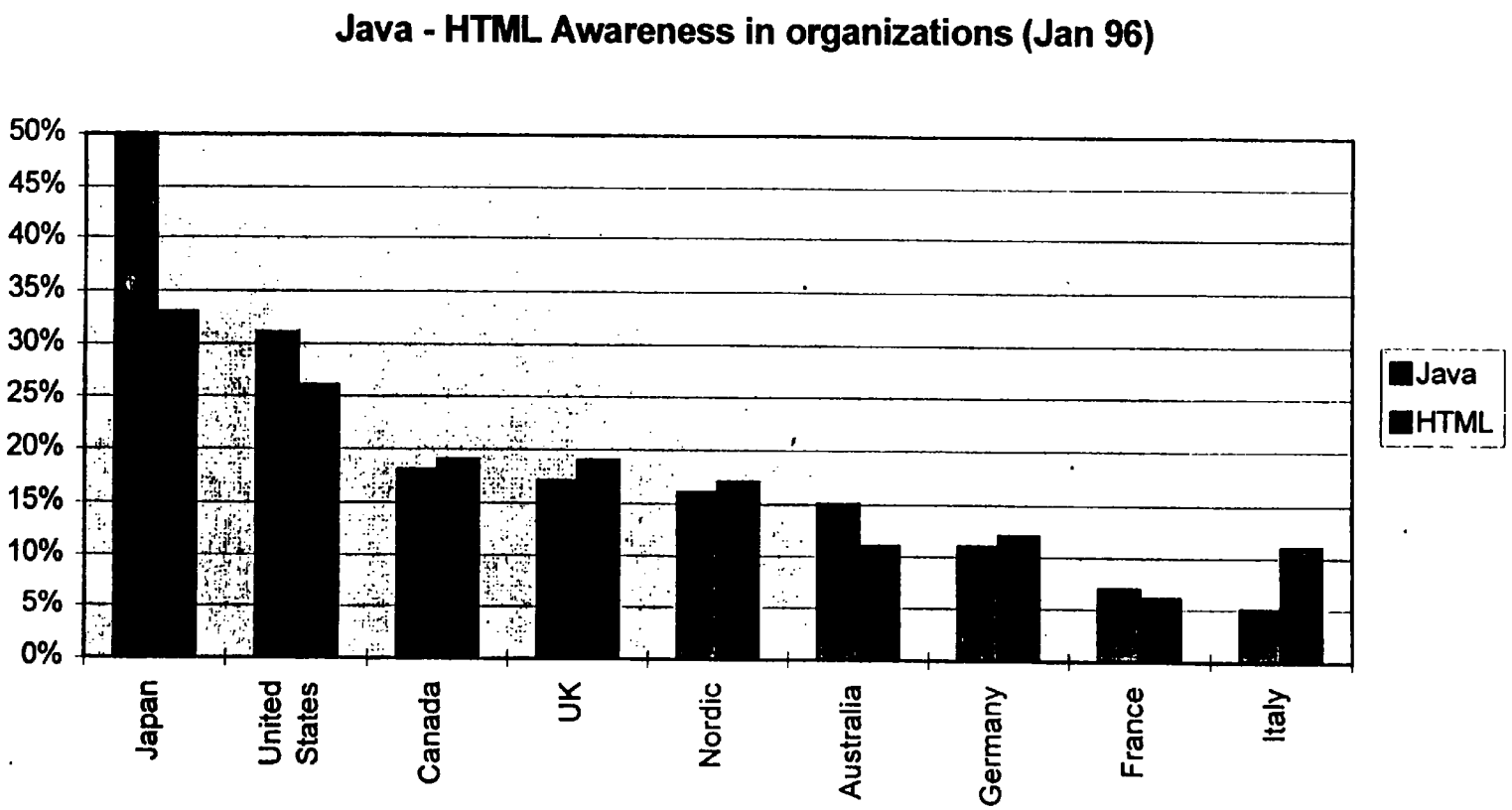
Internet "maturity"



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Resources

Country	Netscape revenues $M	# of Netscape Employees	# of "Netscape" Heads at distis	Microsoft Internet heads (1)	Microsoft Internet Mktg Budget	Internet Budget as a % of Total Marketing Budget
Germany	10.0	17		8	2,000,000	4.5%
United Kingdom		12		8	1,500,000	3.0%
Canada	1.2	4		2		
Australia		3	5	4	900,000	7.0%
Japan		8	15	8	4,000,000	5.0%
Finland		0				
Netherlands		5		8		6.0%
Sweden	8.0	3	15	8		
France		10		8		
Norway	1.2	0	13			
Total non-US	23.4	69	167	125	11,305,321	

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ISPs : recent wins

- Germany
  - Eunet
- Nordic
  - #1 Sweden Tele2
  - Sweden Telenordia
  - Norway Telenor
- Italy
  - VOL
  - IOL
- Holland
  - #1 World On-Line
- Japan -
  - InfoWeb (Fujitsu)
- Hong Kong
  - Asia Online
- Korea
  - I-Net
  - NowCom
  - Dacom

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