



MARKETING BRIEF



# The 3Com<sup>®</sup> Brand: Playing To Our Strengths



A master brand is the sum of what a company says about itself, what others say about it, how people experience the company's products, and where the company stands among its competitors. A strong brand brings all these elements into sharp focus and projects that identity into the minds of the public.

To succeed as a brand and as a company, 3Com must be positioned for maximum power in the marketplace. That means: *Focusing clearly on our core strengths. Reinforcing our relevance and credibility among customers, partners, employees, investors, and influencers. And differentiating ourselves in ways that let us claim superiority over competing brands.*

At some point, virtually all brands need to be refocused. Although the essence of a strong brand endures over time, brand positioning must evolve to reflect changes in core competencies, customer needs, and the competitive landscape. Like an evolving species, a master brand maintains its viability by developing new strengths based on successful traits it already possesses.

3Com's brand positioning is no exception. It too has evolved to address strategic shifts in the company's competencies and markets. Though the details of this evolution are complex, we can get a rough sense of the brand's history by looking at our taglines, those pithy phrases that encapsulate how we want the company to be perceived.

**"Networks That Go the Distance"** was our tagline in 1992, when we placed primary emphasis on the internetworking capabilities of our third-generation hubs and high-end routers. In 1998, with the acquisition of U.S. Robotics and the increasing importance of Internet connectivity, mobility, and e-business, our tagline became **"More connected."** Then, in 2000, we coined **"Simple sets you free,"** in large part to counter the proliferation of networking complexity and to appeal to the small-office and consumer market.

The values suggested by these taglines are still compelling. But they no longer tell the full story. As we reviewed 3Com's current brand positioning, we realized that we needed to refocus the brand to highlight the strengths we now regard as most relevant.

A lot has changed since 3Com's last rebranding effort two years ago. We left the consumer arena. There has been a global economic downturn. The carrier space has consolidated, and the telecom and data sectors are converging. Security is on everyone's mind. The advent of LAN-on-a-motherboard technology is severely impacting the NIC market. And 3Com's image and reputation have been tarnished by lingering doubts about our product directions, our solvency, and the health of the networking industry as a whole.

But 3Com is now a leaner, more efficient company, and we're more realistic about our prospects and strengths. We've re-committed ourselves to the business-to-business markets where we've always done well. We made tough decisions to correct for the economic downturn. Now we're in a strong position to offer solutions that truly suit the needs of today's pragmatic, tough-minded customers. We have to convey all this in our brand messaging.

According to customer surveys and focus group research, these are the chief strengths of the 3Com brand:

- We're innovative, but practical.
- We make reliable products that "just work."

- We deliver value and minimize cost of ownership.
- We're honest, helpful, and down to earth.

3Com's "radical simplicity" and "rich connectivity" themes do play a part in these strengths. Simplicity—in the sense of easy to buy, use, and maintain—remains a 3Com brand attribute. And of course feature-rich, powerful connectivity solutions continue to be important aspects of our brand. However, there are some definite drawbacks to the simplicity message in particular.

For one thing, an emphasis on radical simplicity casts 3Com as a consumer or edge player, rather than a vendor that has a good rapport with IT professionals and delivers enterprise-class solutions. The simplicity theme also implies that 3Com technology is entry level and dumbed down, instead of powerful and leading edge. It neutralizes our reputation as an innovator. And it negates the value propositions associated with carrier-class CommWorks® products.

**3Com needs a new branding message.** A message that expresses how we see ourselves, builds on our strengths, demonstrates our value to customers, empowers our partners, and explains what 3Com is really about to influencers and investors. In re-positioning the 3Com brand, we also want to leverage the hard-earned name recognition we already enjoy, and we want to make a positive statement about our clear new focus and direction.

We've concluded that to effectively re-position 3Com for continued success in the marketplace, our brand strategy has to emphasize four critical attributes: *innovation, value, reliability, and practicality.*

**Innovation** has always been a 3Com core strength, right from the beginning. It was 3Com that first brought Ethernet technology out of the laboratory and into the working lives of millions. Besides network interface cards, 3Com also pioneered stackable Ethernet LAN devices, advanced switching and routing techniques, small-business networks, IP telephony, wireless LANs and PANs, three-tier carrier architecture, handhelds that defined the PDA market, and many other innovative technologies. We're good at imagining what's possible and then delivering on that promise—whether it's adding inventions to our extensive patent portfolio, or finding new ways to serve the market.

**Value** is embodied in our core precept that we put customers first. Indeed, everything we do involves delivering value to our customers and partners. A few recent examples: our best-selling SuperStack® products, our highly adaptable core switches, pay-as-you-grow XRN (eXpandable Resilient Networking), our port-multiplying Network Jacks, Embedded Firewall edge-device security, NBX® universal messaging capabilities, economical broadband/switch/firewall devices, Bluetooth™ wireless connectivity, CommWorks' microservices for carriers, and our Focus Program for channel partners.

**Reliability** is a trait that people have always associated with 3Com and 3Com products. In today's business environment, customers and partners need to know that they can rely on their vendors to deliver solutions that work, and work right. They also want a vendor that will always be there to offer support, and to provide useful and easy-to-implement upgrades and improvements.

Perhaps the most prominent of 3Com's brand strengths is **practicality**. 3Com people see themselves as pragmatic, resourceful, and ready to take on today's networking challenges. 3Com's customers and partners think of 3Com as realistic and down-to-earth when it comes to developing products and doing business. Practicality is a virtue that has universal appeal because it benefits organizations and users alike. But it's a virtue often neglected in the industry's incessant rush to invent new technologies, enter new markets, and roll out new products.

How does refocusing the 3Com brand to highlight innovation, value, reliability, and practicality work to our competitive advantage? First, it reflects the no-nonsense world in which our customers live now. In today's constrained economic environment—post dot-com meltdown and post 9/11—technology is more than ever a means to an end, not an end in itself. Our customers want economical products from a trusted vendor that get the job done—efficiently, reliably, and securely. Positioning 3Com as a solid, practical innovator confirms that we have the confidence and understanding to acknowledge real-world concerns and limitations.

Second, our new positioning differentiates the 3Com brand from competing brands. It locates us in a unique space. We're not one of the arrogant industry giants offering inflexible platforms at high prices. We're not a niche player that relies on one specialized product or product line. And we're not one of the down-market, commodity-oriented suppliers that compete on price alone. We're the practical alternative to all these competitors.

Finally, the new positioning protects 3Com's existing brand equity. It lets us build on solid, credible attributes we already possess, so our future efforts will be seen as a smooth evolutionary path, not an abrupt detour.

For all these reasons, our new messaging will tell the world that 3Com not only intends to survive, but to thrive.

Here's 3Com's new master brand positioning in a nutshell:

3Com is the only networking company that offers a unique blend of practical and innovative technology and way of working that provides our channel partners and customers with high-value, practical-to-use solutions designed for the realities of the customer's world.

To bring this message to life, we needed a phrase that declares our brand's aspirations and point of view in a memorable way. A few words that convey the idea that at 3Com we take what's possible and, through hard work and innovation, deliver practical solutions that benefit our customers. That phrase contains two key words:

**possible**—achievable or viable; the limits of what can be attained

**practical**—functional or purposeful; designed to work effectively

Putting it all together, we have:

### **Possible made practical**

This is 3Com's new tagline, the message we'll send to sustain our momentum and communicate our unique set of strengths as a networking company.

