

Growing the GE Brand

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Ivan Cayabyab
Manager, Global Brand
GE Corporate



imagination at work

What words would you use to describe GE?

Admired

Approachable

Caring

Complicated

Creative

Doing exciting things

Dynamic

Exciting

Forward thinking

Forefront of Technology

Global

Impacting lives
Honest

Industry leader

Innovative

Modern

Reliable

Responsible

Successful

Stodgy

Stuffy

Taking on tough challenges

Traditional

Trusted

A solid, global company, but we're no Google.

Characteristics most / least likely to be associated with GE

US

Top 5

1. Global
2. Successful
3. Impacting lives
4. Industry leader
5. Reliable

Bottom 5

5. Behaving responsibly/
transparently
4. Hearing a lot
about
3. Approachable
2. Caring
1. Exciting

Germany

Top 5

1. Global
2. Successful
3. Industry leader
4. Impacting lives
5. Trusted

Bottom 5

5. Hearing a lot
about
4. Caring
4. Exciting
2. Honest
1. Behaving responsibly/
transparently

Brazil

Top 5

1. Honest
1. Successful
2. Global
3. Reliable
4. Trusted

Bottom 5

5. Creative
4. innovative
3. Approachable
2. Industry leader
1. Exciting

China

Top 5

1. Global
2. Successful
3. Impacting lives
4. Trusted
5. Modern

Bottom 5

5. Dynamic
4. Caring
3. Traditional
2. Exciting
1. Approachable

What percent of executives have seen the GE logo

... in Mexico

... in Saudi Arabia

... in China



Generally strong recognition around the world

Awareness and association of the GE logo

	Aware	Associate with GE
US	100	99
Canada	97	94
Mexico	100	96
Argentina	90	85
Brazil	92	70
Colombia	90	86

	Aware	Associate with GE
Australia	91	88
China	58	46
India	95	87
Japan	47	40
Malaysia	73	70
Singapore	95	87
South Korea	69	63
Thailand	80	64
Vietnam	30	28

	Aware	Associate with GE
France	61	54
Germany	64	55
Italy	52	49
Spain	67	58
UK	80	69
UAE	93	93
Saudi Arabia	76	73

And finally... what does GE do?

What are the most popular businesses?



Top of mind businesses vary by market



Major appliances
US, Brazil, Japan



Healthcare / Medical equipment
UK, China, India



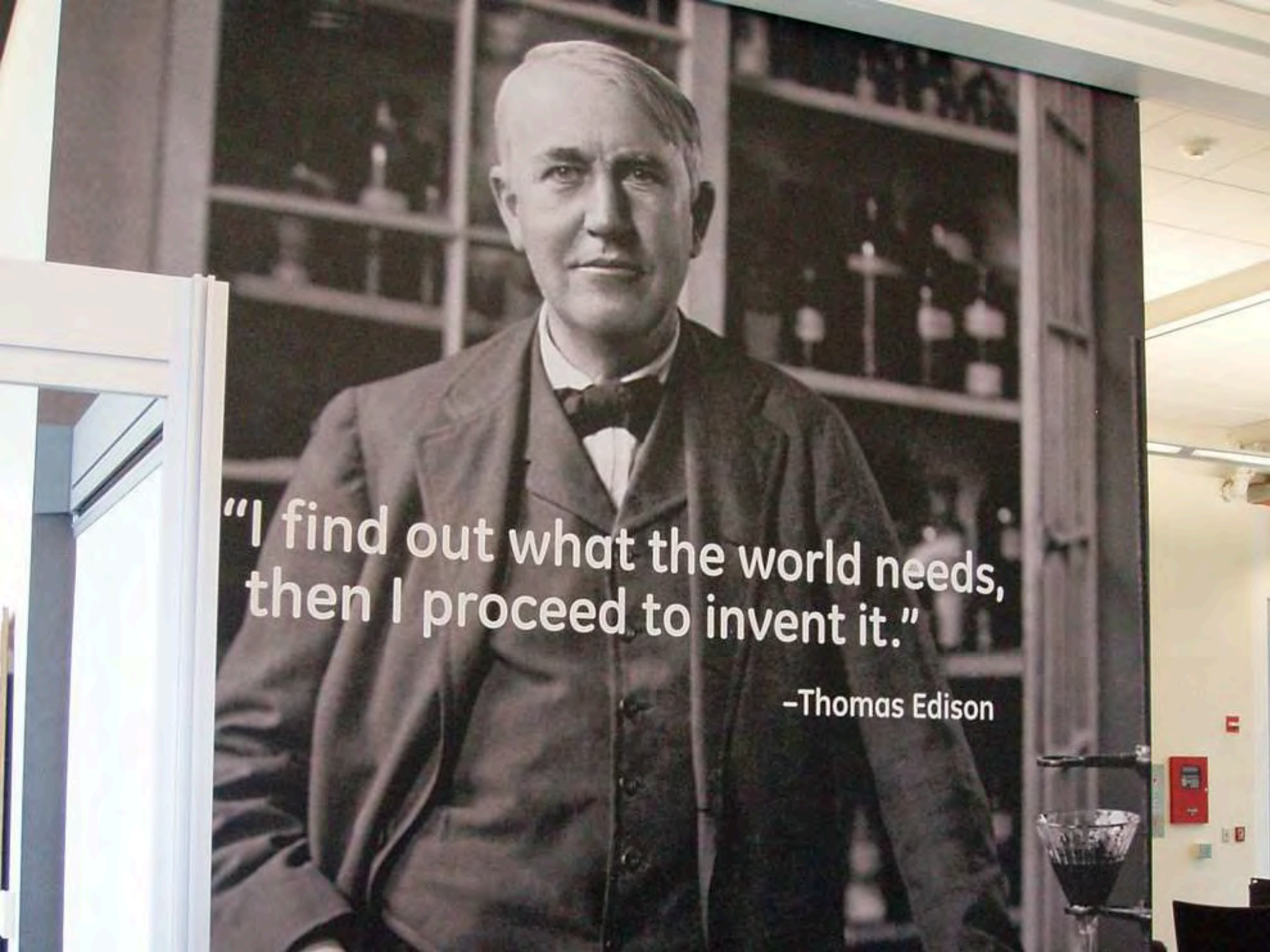
Financial Services
Australia



Power Generation
France, Germany

This is GE





"I find out what the world needs,
then I proceed to invent it."

-Thomas Edison

Innovation for over 130 years

1879: A Brighter World

Edison invents the carbon filament incandescent lamp. On October 21, the first commercially practical incandescent lamp completes a 40-hour duration test.



1892: GENERAL ELECTRIC IS FORMED

In April, the General Electric Company is formed by merging the Edison General Electric Company and the Thomson-Houston Company.

1896: Dow Jones Industrial Index

GE is the only company listed in the Dow Jones Industrial Index today that was also included in the original listing of 1896.



1900:

Coca-Cola, in the form of syrup, is first brought to Europe from the USA and is an immediate success.

1910: The First Hotpoint

An electric range is manufactured by George A. Hughes, whose company would later join with Hotpoint to form the Edison Electric Appliance Company.

1912:

Titanic sinks after hitting an iceberg in the North Atlantic.

1896: An X-ray Machine

GE's Elihu Thomson builds electrical equipment for the production of X-rays, demonstrating the use of pictures for diagnosing bone fractures and locating foreign objects in the body.



1902: The Electric Fan

James J. Wood, a GE consulting engineer receives patents for the electric fan.

1890

1900

2002: 4D Imaging for Ultrasound

With the world's first 4D Ultrasound System, GE announces a new generation of ultrasound imaging with the introduction of the GE's Voluson 730. With breathtaking detail, physicians and sonographers can now view 3D images live for the first time. Built on a digital platform, the Voluson 730 provides physicians more information and better image quality.



2003: H System™

Test operations of first H System begin at Baglan Bay, Wales. GE's H System the world's most advanced combined cycle system and the first capable of breaking the 60 percent efficiency barrier integrates the gas turbine, steam turbine and heat recovery steam generator into a seamless system, optimizing each component's performance.



2005: Lightspeed VCT

Lightspeed VCT marks a new revolution in healthcare. It is much faster and more powerful, and it enables doctors to identify disease in ways not possible before. Among many benefits, Lightspeed VCT will enable doctors to detect serious conditions like stroke and heart attack faster and more reliably than ever. That creates potential to save lives.



2004: Street Lab

StreetLab is a portable explosives and narcotics identification system that offers an entirely new solution to the problem of analyzing unknown seized substances in the field. With GE's Ion Track EntryScan3, REMier3 and Vapor Tracer 2 are trace detection systems for analyzing invisible particles and vapors. StreetLab is a bulk identification system for identifying visible powders, pills and liquids.

2000:

The first stage of the Human Genome Project to identify all 30,000 genes in human DNA is completed.



2000

2002

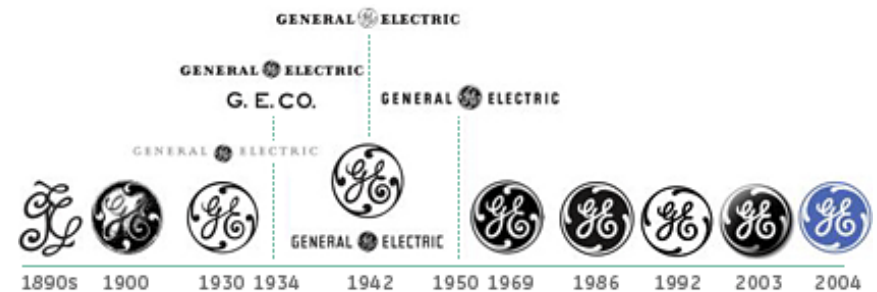
2003

2004

Growing the GE Brand
February 2012

Over 100 years of brand building

2003 imagination at work
 1980s+ We Bring Good Things to Life
 1970s Progress for People
 Men Helping Man
 1960s+ Progress is Our Most Important
 Product
 1950s We've Got A Patent on Progress
 1940s You Can Put Your Confidence in
 General Electric
 1930s+ Live Better Electrically
 1920s Initials of a Friend...GE
 1915 Largest Electrical Manufacturer
 in the World
 1912 The Guarantee of Excellence on
 Goods Electrical



Org structure today

GE Corporate

GE Global Learning

GE Global Research

Capital

GE Capital

GE Capital
Real Estate

GE
Energy Financial Services

GE Capital
Aviation Services

GE Money

Technology

GE Healthcare

GE Aviation

GE Transportation

Energy

GE Energy Management

GE Oil & Gas

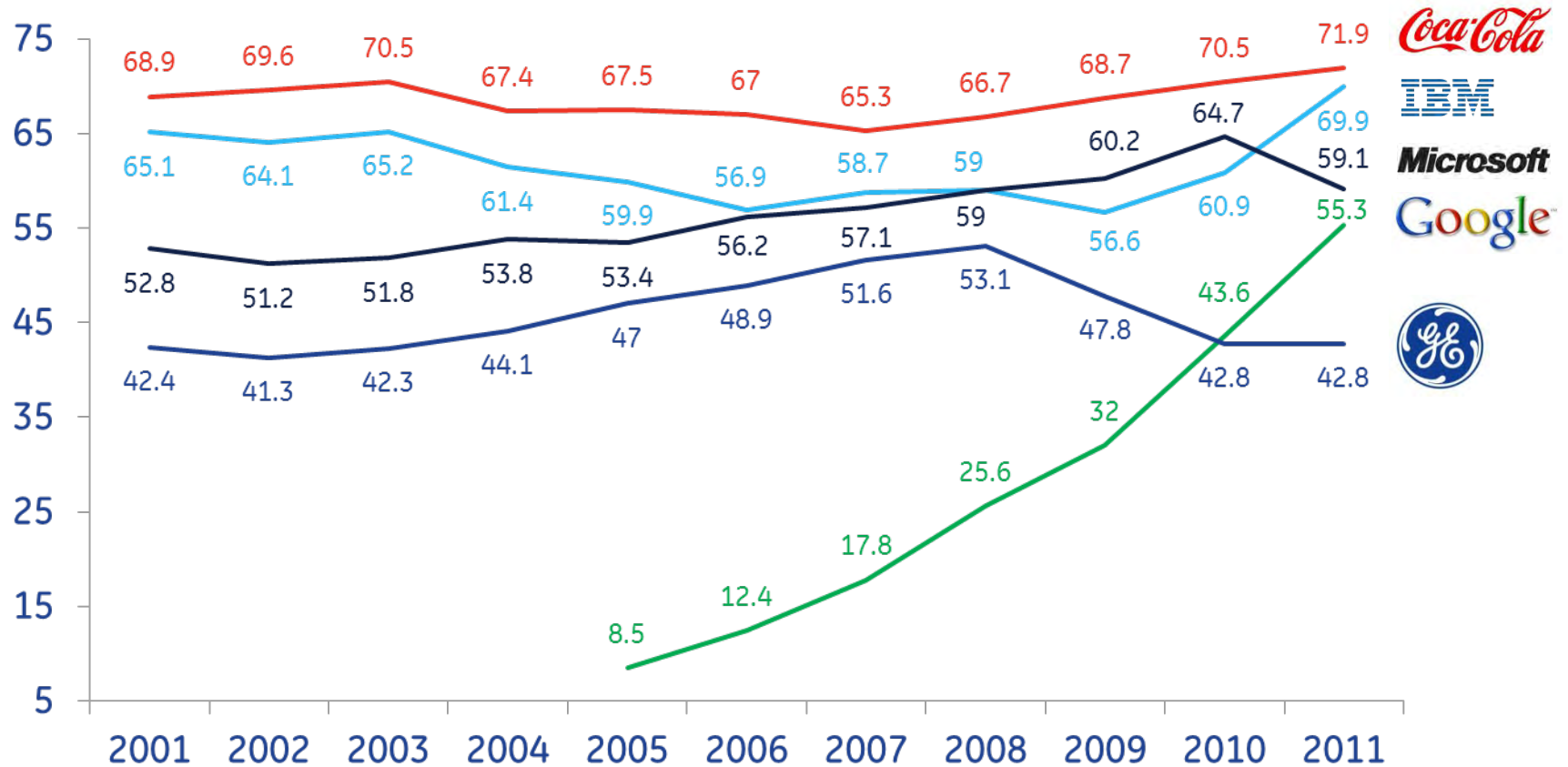
GE Power & Water

Home & Business Solutions

Appliances & Lighting



Intelligent Platforms

GE is one of the most valuable brands in the world.



How can we build GE's brand value?

Should we care?

2011	Value (\$B)	Rank	Movement	Change
Interbrand	\$42.8	#5	↓	-10%
BRANDZ™	\$50.3	#10	↑	+12%
 BRAND FINANCE®	\$30.5	#7	↓	-4%
 CoreBrand	N/A	#25	↑	+2%

On the one hand...

The variability of the alternative brand values makes their validity and utility highly suspect

While on the other...

Their prominence and visibility necessitates proactively managing and interpreting the results.

Building GE's brand value



Background

Although GE is still seen as one of the most valuable brands in the world, brand rankings have declined over the last few years (post financial crisis)

- Interbrand Best Global Brands: #4 (2009) to #5 (2010)
- Millward Brown/BrandZ 100 Most Valuable Global Brands: #2 (2008) to #10 (2011)
- Brand Finance Global 500: #6 (2010) to #11 (2011)

Process

- Evaluated various valuation methodologies
- Conducted a full audit of trends and insights across key studies
- Identified key drivers for brand value contribution and growth (i.e. advertising vs. financial performance vs. stock price, etc.)
- Benchmarked growth against key competitors and brands who have surged in value
- Worked with agencies, media partners, and PR teams to develop tactical communications and advertising strategies to succeed

Brand valuation comparison

Financial performance component

Brand performance component

Interbrand

- **Economic Value Added:** Earnings in excess of industry cost of capital
 - + Based on actual historical financials and analysts' forecasts
 - Skewed by industry chosen (GE & Siemens in different industries)
 - Significant lag between financial results and published values
 - Results heavily influenced by assumptions (e.g. future growth rates)
- **Role of Brand and Brand Strength**
 - + Assesses both internal and market factors
 - Methodology and volatility of results is unclear

BRANDZ™

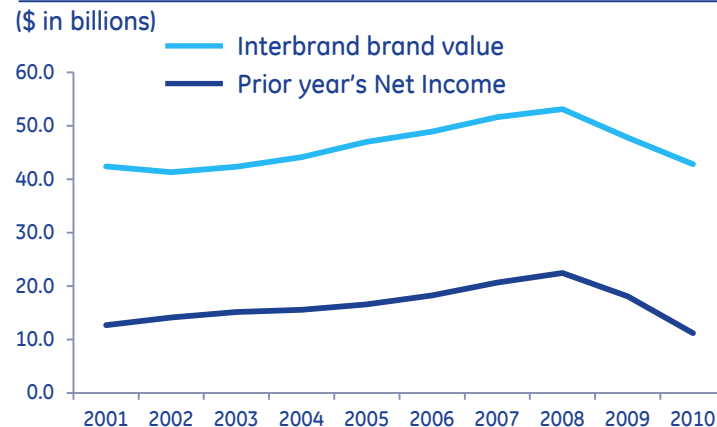
- **Brand Contribution and Brand Multiple**
 - + / - Based on database of customer interviews
 - Methodology and volatility of results is unclear



- **Royalty Relief:** estimates the cost of licensing the brand
 - + / - Based on analyst forecasts ... highly subjective and volatile
 - Results are often very low
- **Brand Strength, Royalty Rate, and Discount Rate**
 - + Calibrated to actual license fees
 - Components can be highly sensitive (discount rate)

It's both science and art

Brand value highly correlated to earnings



Brand value components - Interbrand

Financial performance

Economic Value Added

Based on historical performance and projections ... heavily influenced by analysts

Brand performance

Role of Brand and Brand Strength

Based on qualitative research – customers, consumers, and staff

Findings

- Financial performance plays biggest role in brand value, but financial and brand performance declined in 2010 value
- Classification of company is an issue
- Brand performance decline driven by decreased ad spend and “complex” messaging
- Role of brand consistently low for GE, but could impact value if it improves

Drivers of brand value change

Evaluator	Key Measure	"Fact Base"
Interbrand (~10%)	Commitment Measure of an organization's internal commitment to or belief in its brand. Commitment is the extent to which the brand receives support in terms of time, influence and investment	Reduced ad spend GE's marketing spend significantly dropped from 2008 to 2009, which means the GE story is being told to less people
	Presence Measures the degree to which a brand feels omnipresent and how positively consumers, customers and opinion formers discuss it in both traditional and social media.	Negative commentary in the media There has been a great deal of negative commentary in the media over the past two years related to GE Capital and its financial woes, the stock's crash, loss of AAA credit rating, and other incidents. There is a clear opportunity for GE to be talked about more positively by its target audiences and thereby improve the score on this component.
	Understanding Not only must customers recognize the brand, but there must also be an in-depth understanding of its distinctive qualities and characteristics, as well as those of the brand owner.	Complicated messaging Currently have three messages: Imagination at Work, ecomagination and healthymagination

Our takeaways

- Financials dominate
 - The impact of financial performance may overwhelm brand performance for large companies like GE
- Breadth not depth
 - The published ratings are primarily based on publically available information, involve a rather cursory look at the company, and are a vehicle for selling customized studies
- Commitment and consistency matter
 - GE needs to be louder, more consistent and with fewer messages
 - Need to better educate Interbrand and other brand valuation companies more about GE's efforts and outcomes

Next to increasing earnings, we can improve the impact of our brand strength by increasing our spend, reach and clarity.

Strengthening our brand message

Positioning GE

Reclaiming our credentials.

We wish to restate that 'invent' is at the heart of the brand,
and to demonstrate the **deep, human impact**
that GE's invention has on our world – on the way our world works.

GE creates the things that make our world work.

Amazing, forward-reaching, inventive things.

Smart Things, Powerful things

Things of consequence.

Things that change the world.

Focus: imagination *at work*

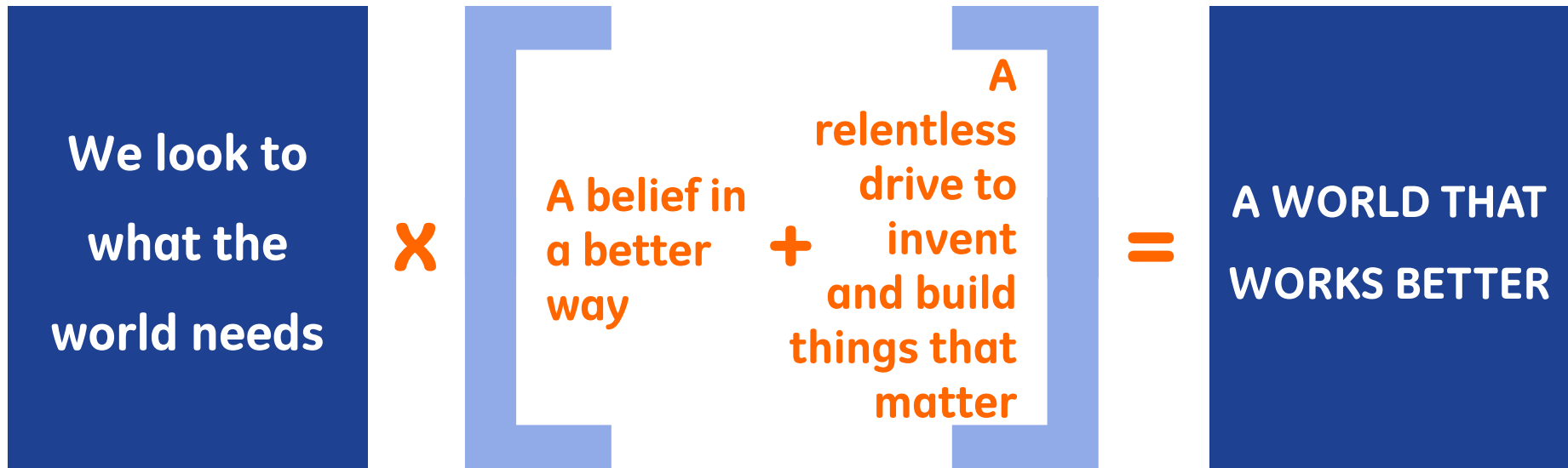
Spirit: Real, authentic, optimistic

Impact: universal and relevant

GE Works



The GE equation



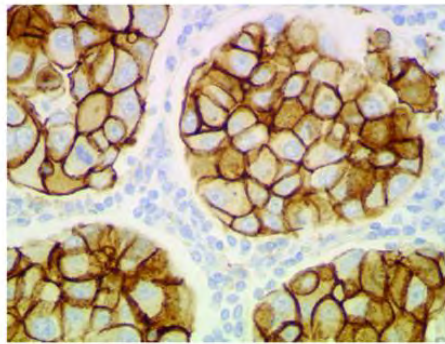
The GE equation: a formula of consequence

We look to the world



Over 12 million people are diagnosed and 7.6 million people die of cancer every year (that's 20,000 a day).

We create things
of consequence



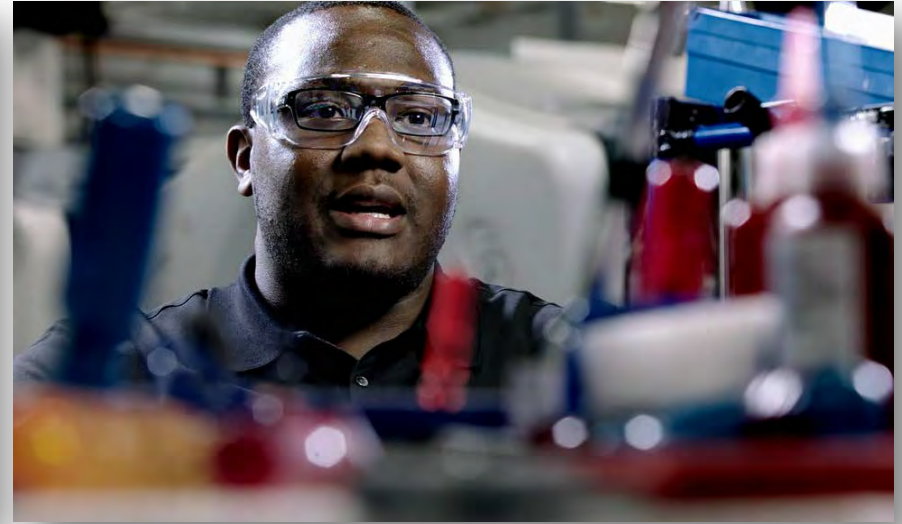
GE's molecular pathology technology helps doctors diagnose cancer at the cellular level

We deliver deep human impact,
make customers succeed and
empower employees



*Patient-specific diagnosis,
treatment and care =
Better outcomes, less cost,
more lives saved*

The GE Works campaign





Every 2 seconds, a GE-powered aircraft takes off.



imagination at work




GE water technologies purify enough water
to satisfy the daily needs of 39 million people
around the world.



GE Healthcare technology helps doctors
save nearly 3,000 lives each day.



imagination at work

A photograph of three large white wind turbines with red and white striped blades, standing in a green field under a blue sky with scattered white clouds. The turbines are arranged in a line, with the largest one on the left and two smaller ones further back and to the right.

GE power generation equipment creates a
quarter of the world's electricity every day.



imagination at work

Questions?

GE works on things that matter. The best people working together and the best technologies taking on the toughest challenges in energy, health and home, transportation and finance. We help build, power, move and cure, delivering unique value and productivity to our customers and the world.



Imagination at work



imagination at work