Thank you so much for that wonderful introduction and thanks to all of you for your warm reception. I know that a lot of you are good and loyal Xerox customers so at the outset I want to thank you for your business. It's something we deeply appreciate … never take for granted … and work hard every day to continue to earn.

I’m especially pleased to have the opportunity to be at this conference at this time. Our association with the American Marketing Association goes way back - - further than any of us at Xerox today can remember. Marketing, of course, has always been important, but it’s never been more important than it is as we gather here today.

I’m delighted to see that Larry Grisolano is on your agenda a little later this morning. The Obama campaign is a great example of what is possible in the brave new world of 21st century marketing. Putting your own personal politics aside, I believe most of us would agree that the Obama campaign did a masterful job of connecting with what was on voters minds … personalizing his messages … using a blend of new and old media … sticking to a handful of clear and basic messages … getting good feedback along the way … and adapting to the realities on the ground as necessary.

Show me someone who doesn’t know that John McCain voted with President Bush 90 percent of the time and that Barack Obama will cut taxes for 95 percent of Americans and I’ll show you someone who really wasn’t paying attention. And that came through a blizzard of information, claims and counter-claims that went on for the better part of two years - - and not just in the main stream media but in a dizzying array of digital and social media as well.

In many ways, the campaign crystallizes much of what I’d like to talk to you about this morning. What I thought I would do is:

• Briefly describe this era of information overload that we all operate under.

• Give you one person’s views on how we might think about cutting through the clutter.

• And leave a little time for a few questions and dialogue.
Let’s start with information overload - - a case that’s not very hard to prove. In fact, I just saw a report that documents the fact that BlackBerry users on average check their e-mail 50 times a day. Let’s say you’re awake and available around 15 hours a day. That means we’re checking our e-mail about three times an hour - - including, I realize, while you are ostensibly listening to me. Not very good for the ego, but since I plead guilty to BlackBerry obsession, I suppose I can’t complain.

Here’s another mind-bending fact. In the 45-minutes or so that I’m standing up here this morning, about four thousand new blogs are being created on the Web. Just what we need - - some more information hurtling at us.

It seems to me that the onslaught is coming from three different directions:

- There’s digital overload. More than 280 exabytes of information were created last year. That’s the number 2 – 8 – 0 followed by 18 zeroes - - or five times the information in all the books ever written! Now if you are really paying attention, you might have noticed that the little blurb about my talk that is in your program says the digital information created last year was three times the amount of all the books ever written. I said it was five times. It changed that much between 2007 and 2008!

- We also have paper overload. More than 15 trillion pages were printed around the world last year - - a figure that will grow by 30 percent over the next decade! I don’t know about you, but I am definitely getting my fair share.

- And then there’s delivery overload. More than 100 million pieces of direct mail are distributed by the U.S. Postal Service every day!

Add to that the glut created by some 25 thousand newspapers and periodicals published in the U.S. alone … 300 thousand new book titles last year … the 100 million websites we now have … and a whole lot more and you start to get a picture of the explosion in the information coming at us.

I could go on citing “gee-whiz” statistics but I don’t believe is would be particularly useful. I doubt if there is a person in this large gathering that doesn’t realize that the volume of information and media are growing exponentially and at breathtaking speed. What we only recently called a hurricane of information has become a tsunami.

So I think we can all agree that there is more information available to us than ever. We spend more time sifting through it than ever. It’s less reliable than ever. And it’s all getting faster and more pervasive than ever - - not just by a little, but by a lot.
What a great time to be in marketing! I don’t envy you. All the old tried and true tools are under scrutiny. Even the television commercial is victim to fast-forwarding in a TIVO world. And you probably get asked almost daily how you are planning to exploit social media … what you’re doing to combat false claims on the blogosphere … how you are going to get more bang for the buck … and a lot of other questions you didn’t ever contemplate just a few short years ago.

Now I’m not a wild-eyed optimist, but I do see a great opportunity for marketers in all of this. It will probably come as no surprise to you that I believe technology which helped create the crisis in the first place is also part of the solution - - if we learn to use it smartly.

That hasn’t always been the case. Over the past half-century, businesses, universities and governments have poured hundreds of billions of dollars into technology. And let’s be frank - - the return on that investment hasn’t always lived up to the promise. That’s because the old world of “I-T was made up of what I like to call a little “i” and a big “T”. The focus was always on the technology.

We’re changing that. Our view of I-T is made up of a big “I” and a little “t”. The focus is on what really matters - - information and what our customers do with it.

This can be really exciting stuff. Take personalization. World-class marketing organizations - - many of them represented here this morning - - are recognizing the long-term value in developing and fostering 1-to-1 relationships with their customers. Many of you are leading the migration from product-centric marketing to customer-centric marketing. In other words, the Holy Grail of marketing - - 1-to-1 - - is finally within our grasp.

The rewards are great if you get it right. Industry research has shown that personalized and relevant customer communications drive increased marketing campaign response rates, reduced time to purchase, and improved customer loyalty.

Xerox can help in this regard - - big time. We look at every customer-facing document as a business enabler and a potential revenue producer. In other words, each customer touch point - - whether it be a brochure, direct marketing piece, or post-sale statement - - offers the opportunity to communicate directly and relevantly with your customers.

The key is in using technology wisely and smartly. A recent study by Info Trends indicates that’s not always the case. They report that consumers feel that less than a third of the direct mail they receive contains personalized content they find useful. As marketers, we have to re-engineer the way we communicate. If we get it right, we can dramatically boost customer retention, gain share of market and enhance our global brands.
A great example is Auto Nation. They operate nearly 300 dealerships across 18 states with annual revenues of $19 billion. Not so long ago, Auto Nation sent the same mailer to every customer. The car owner who was due for an oil change got the same message as someone who needed new tires. Then Auto Nation moved to customized, personalized communications. They segmented their customers into 60 groups — each of which receives only the information that’s relevant to them.

The results have been significant. Service revenue went up more than 4 percent. Customer retention jumped from 10 to 17 percent. And they’re just getting started. They see a ton of opportunity — all because they’re using technology to create services that align with customer needs instead of the other way around.

Here’s another example. We’re working with a major bank to turn lackluster VISA bills into powerful promotional pieces tailored to individual buying patterns. There are no more mass produced bill stuffers that usually end up in the trash. Now the offer is tied directly to the customer’s needs and built right into their VISA statement. Say you’re a golfer. Your statement might include an offer on clubs or a discount at your favorite course.

That’s the kind of communication that breaks through the clutter. Card usage is up. Advertisers are seeing increased sales. And the bank no longer thinks of monthly statements in terms of “cost per page”, but in terms of “revenue per page.”

Those two examples have a couple of things in common. They’re both samples of using technology smartly. They both drive tangible business results. They both enable the companies involved to break through the clutter. And they’re both enabled by Xerox technology, software and know-how.

We are helping literally hundreds of customers harness technology to drive revenue. On my last visit to Orlando just a few months ago, I met with a group of our customers who use our large iGen digital presses. This was well after the recession was in full bloom so I expected a lot of talk about shrinking business. Not so. These customers use our technology to do personalized marketing communications for other people. That’s their business and it was booming.

When I asked why, they said that their customers were cutting their marketing budgets but still had to drive demand. So they were putting more and more of their shrinking budgets into 1:1 direct mail because it’s cost-effective and revenue-producing.

I could go on and on about how Xerox can help you, but I’ll resist the temptation. What I would like to do with my remaining time is give you a few additional thoughts on how we can all do a better job of getting heard amidst the din of messages and media. I have mentioned earlier that I thought technology was part of the solution, but I hasten now to add that technology is never enough. So I’d like to make three other points.
First, get as close to your customers as humanly possible. That starts with listening — really listening — to them. It’s not as easy as it sounds, but if you get it right the rewards are substantial. If you don’t, the downside can be equally devastating.

There’s an old story that’s become part of the Xerox mythology. Our first copiers — the only ones on the market at the time — only reproduced black marks. If you wrote something on a document with a blue pen, it didn’t reproduce. Customers would complain about it. Our attitude was: Don’t use blue pens!

Along came competition. They created a fix so that their copiers reproduced whatever was on the page. That woke us up and we got with the program. The point is that we learned a valuable lesson. Pay attention to what your customers are telling you — or someone else will.

We take that very seriously at Xerox. It’s not something you can delegate to the Customer Relations Department. It starts at the top. Not a week goes by that I don’t personally sit down with some of our key customers. In fact, more than 25 percent of my time in direct contact with clients.

Our entire leadership team at Xerox shares the same passion. Our 500 major accounts around the world are assigned to our top executives. All our executives are involved — including our Chief Accountant, our General Counsel and our head of H.R. Each executive is responsible for communicating with at least one of our customers … understanding their concerns and requirements … and making sure the appropriate Xerox resources are marshaled to fix problems, address issues and capture opportunities.

All of our corporate officers at headquarters do something else to keep in touch with customers. There are about 20 of us and we rotate responsibility to be “Customer Officer of the Day.” It works out to about a day a month.

When you’re in the box, you assume personal responsibility for dealing with any and all customer complaints that come in to headquarters that day. They are usually from customers who have had a bad experience. They’re angry. They’re frustrated. And they’re calling headquarters as their court of last resort. The Xerox “Officer of the Day” has three responsibilities — listen to the customer, resolve their problem and assume responsibility for fixing the underlying cause.

That’s the human face of customer relations. But we can’t touch all our customers that way so several years ago we created a tool called Sentinel. It monitors real customer experiences on a day-to-day basis and allows us to respond in real-time.
It starts with a single e-mail we send to our customers when we finish a job for them. The customer has one of three options. If they were pleased with the services provided, they simply delete the e-mail. If they were very pleased, they click on a “happy face.” If things were less than they wanted - if there was any problem - they click on the “unhappy face.” That sets in motion an entire customer feedback and customer resolution process.

First, it takes the customer to a website where they can describe the problem in their own words. Then it assigns the issue to an appropriate Xerox person and mandates a telephone call to the customer within minutes. And Sentinel never forgets. It issues a series of reminders and follow-ups that keeps the problem on the front burner until the customer says it’s fixed.

Here’s one more example of the lengths we go to in listening to our customers. We call it “dreaming with customers” and it’s based on a little bit of heresy that holds that the customer doesn’t always know what he or she wants.

Henry Ford probably said it best - and I quote:

“If I’d asked my customers what they wanted, they’d have said a faster horse.”

So we bring customers into our research and development labs. We open up their eyes and their minds to what is possible. We ask them to identify their “pain points” and to dream along with us on how we can make them disappear. Freed from the restraints of what they believe is practical, they start to imagine what is possible.

Staying in touch with customers used to be considered a “nice” thing. Today smart marketers know it is “critical.”

There has been a norm around for many years that somewhere around 75 percent of customers who defect say they were “satisfied.” Our own research bears this out. When our customers tell us they are “very satisfied”, they are six times more likely to continue doing business with us than those who are merely “satisfied.”

Jim Collins, author of Good to Great, says that the enemy of great is good. If you’re just providing your customers with service that’s good, they’re probably just satisfied. Take the automotive industry. Satisfaction scores average around 90 percent. In today’s world, that’s a danger sign. Guess how many satisfied people repurchase cars from the same manufacturer? Only 40 percent. This should set off alarm bells. In today’s world of increasing competition and escalating expectations, standards like “good” and “satisfied” just don’t cut it.

A second bit of advice I’d like to leave you with is what I call “B2B” - - back to basics! No doubt about it - - we are in a world of 24/7 news and entertainment … blogs and Wikipedia … Facebook and You Tube. And undoubtedly we’ll have a whole new glossary of terms in the coming year or
two. There is great opportunity in all this, but also great downside if we simply follow the herd and chase the latest new thing.

By the basics I mean things like consistency, clarity and a few good messages well communicated. There’s nothing flashy about this, but it’s critical in a world of information overload, conflicting claims and counterclaims and a plethora of media channels.

Some time ago, I read an article in The Economist that has stuck with me. It was about monkeys - yes monkeys. It turns out they have a lot to teach us about marketing. The article described a scientific study that demonstrated that monkeys have the same aversion to change as we do. The research showed that if monkeys had a choice of getting more food from a new source, they would prefer going to their old source even though it meant less food.

And the monkeys weren’t the only ones to display this behavior. Some very smart graduate students behaved much the same way in a similar study. The point is consistency counts. At least in some measure we like repetition and ritual. So before you all run off to market your products in virtual reality or Second Life, make sure that’s where your customers are.

I’ll bet you find, as we have, that you need a mix of new and old media and a variety of approaches to get to your customers. This is not a one-size fits all world. Noted author and internet guru Jacob Neilsen says that the Web is not a selling channel, it’s a buying channel. The user is in control.

And my third and final point is that now more than ever we need to nurture the brand. That may very well be the most critical role you play in your corporations. It’s certainly the most enduring part of your responsibility. And when I say brand, I mean it broadly.

Many of us like to think of brands in visual terms, the logo. The print ad. The television commercial. The web site. But brands are much more than that. Brands really reside in the minds and hearts of your customers and potential customers. They are what people think about you. It’s how they feel when they hear your name. It’s what they say about you to others.

Aldo Papone - the long-time brand and marketing guru at American Express who consults with Xerox - puts it this way:

“The brand is the whole sum of the experiences, ideas and feelings that are hard to measure, hard to use, but impossible to ignore.”

That’s more true today than ever. When I meet with CEOs, they are constantly telling me that they know they need to invest in technology, but they don’t know how to ensure it will pay off. They say they want information to flow freely in their companies, but they worry about security. They say they have more information at their finger-tips than ever before, but they don’t know what’s accurate and reliable.
Think about that for a minute. What they are craving is trust. And at the end of the day, that is what a brand can promise. In a sea of constant change and a blizzard of information, the brand is a company’s North Star. It provides comfort and establishes trust. And it needs to evolve with the company it stands for.

Xerox is a good case in point. We’ve been through a period of stunning change this decade - - from a hardware company on the brink of bankruptcy to a services-led technology company poised for a period of great growth.

We get a lot of credit for turning Xerox around. The numbers, as they say, speak for themselves. But they don’t tell the entire story. Turnarounds are easy to track and to talk about. Transformations evolve more slowly and are harder to define. Over the past several years - - step by step and brick by brick - - we have built a new Xerox.

The Xerox once known for copiers, printers and paper has greatly expanded its footprint. New technology and services offerings are generating billions of dollars in recurring revenue for Xerox.

And we’re just getting started. We’re constantly expanding our service offerings, especially targeting what we call “document-intensive” industries that generate lots of paperwork and digital files. Think health care where filling out forms for each doctor visit is still the norm. Or the legal industry where documentation can make or break cases. All these documents, in any form, need to be managed - - scanned, searched, stored and more.

That’s why we changed our logo earlier this year. Some companies change their look and feel in an aspirational way. We did it as a statement that we’ve arrived at a different place and as a promise that we will continue to change and adapt to the forces in the marketplace. You can trust us. You can depend on us. If you have problems, we just may have the solutions.

Our brand is one of our most prized assets and the value it brings to our business is immeasurable. Our customers, our employees and our shareholders connect the most with what the brand stands for - - quality, innovation, customer-focus and a values-rich culture. The changes we’ve made to our logo are aimed at strengthening all our attributes and giving our brand a contemporary look that is more relevant for our business today - - a bit less formal, a lot more lively with links to our heritage and a nod to the future.

The reception has been overwhelmingly positive - - a fitting capstone to our transformation. It fairly shouts: “We have changed! Take another look.” But more quietly, it says: “We haven’t changed our values - - or the value we can provide you. You can trust us.”

So there you have it - - my thoughts on surviving and thriving in an age of information overload:
• Use technology - - smartly and wisely.

• Listen to your customers - - really listen.

• Don’t forget the basics - - consistency, clarity, good communication.

• Nurture the brand - - you are the stewards!

That’s a good place to thank you for your attention and open it up for dialogue and discussion.