

## Article

June, 2009

### The world's best on-line annual report

*Excelling in its design and navigation, the on-line version of the Philips 2008 annual report has been named by IR Global Rankings, the best in Europe, the world and in the category Industrials.*



"Our core principle when designing the site was 'simplicity'," says Thomas Marzano, Creative Director at Philips Design. "An on-line annual report contains extremely detailed and in-depth content, and has to be easily read by many different types of people." This was especially true in 2008, when for the first time Philips financial and sustainability reporting were combined.

#### **Wider audience**

This meant that, in addition to the typical readership of shareholders and financial analysts, specialists and journalists, there would be more NGOs, governmental workers and environmental activists visiting the site. This audience has very different needs and understanding of the content. Therefore clarity and straightforward navigation were more important than ever.

"We made a point of catering for everyone," says Thomas. "When you arrive on the homepage, the first thing you see is a window from which you can view seven short movies showing various board members talking about key issues such as emerging markets, energy efficiency and sustainability. This gives a much more visual way of accessing high-level content."

#### **Different levels of interaction**

"We refer to watching one of these on-line clips as a 'lean-back action' - by simply clicking on the image you get told the story," says Thomas. "If you take the initiative to go looking for specific information we call this 'leaning forward'. With these movies we've managed to combine the two. While the movie is playing, little markers appear in the timeline below the screen, which are links to more detailed information on the topics being discussed in the movie. This way we can better meet the needs of different types of users."

### **Improved search function**

Financial analysts generally have a very specific purpose in mind when visiting the site, so other aspects have been improved to help them. "We have improved labeling and simplified the structure of the site to allow easier access to relevant data," continues Thomas. "We also introduced a more powerful search function, which has a pre-emptive text facility like you see in Google or YouTube. As soon as you start typing, the search engine recognizes the letters and makes suggestions. This makes it easier to find specific items."

### **Targeted content**

In terms of writing, the annual report presented a significant challenge. "It was to be published online *and* in print – two very different media," says Kenneth Gilbert, core team member responsible for the copywriting. "And yet the required audit coverage dictated that the content and language of both had to be virtually identical."

How, then, to make both expressions – web and book – feel 'authentic' in their own right? A key editorial decision was taken to put the web version in the lead. "This meant, for example, scripting the introductory videos for the web and then using these scripts as the basis for themed spreads in the printed version," he continues. "It also meant creating a landing page with content tailored to different readerships." A total of 15 text blocks provide short and simple introductions so stakeholders can quickly zoom in on topics that interest them, e.g. outlook, the environment, innovation and design.

"We are very pleased with the end result," says Remco Steenbergen, who at the time was project manager, responsible for the overall development of the Annual Report. "We feel that the web version of the annual report has reached such a level that users may well prefer it to the conventional paper medium. We could then consider adding functionality in the future so you could print specific parts of it in a simple manner, which could well lead us to examine whether there is the same need for a full printed version as well."

### **Consistency**

Another major focus area for the 2008 site was simplicity through consistency. "In the past we used over 20 different visual page templates," says Thomas. "As a result, you could encounter many different styles and ways of accessing information and interacting throughout the website. This time, for efficiency but primarily for consistency, we used two; one for the homepage and the other for everything else. That's all."

An initial fear about this approach was that the site would be perceived as monotonous. As it turns out, the opposite was true. "Visitors encounter the same structure and functionality on each page," he continues. "Because of this, they understand how the site works very quickly." This allows them to focus on content rather than having to puzzle out where things are. They are also less likely to lose interest, something that often happens when a site is overly complex.

### **Emotional involvement**

The website messaging - also part of the IR Global Ranking judging criteria - was centered on health & well-being, innovation and sustainability. "We wanted to communicate that Philips cares about these issues, as well as about our own people," says Thomas. "It was therefore really important to show board members talking about these topics. For the video shooting and photography we zoomed closer to their faces, giving the message more emotional impact."

### **7x more page hits**

Site visit indications are that users are also appreciating the website. Initial statistics show that there are approximately seven times more hits than at the same point last year. "This gives a good indication that people are spending more time on the site and that they're able to find what they're looking for," says Thomas.

And, despite all the positive signs, there are further improvements planned for 2009. "There's no way we can be complacent," says Remco. "On-line reporting develops so quickly you can be up at the top one year and nowhere next time round." Thomas agrees, while pointing out that a very solid foundation has already been laid. "At the moment we are analyzing feedback because we are already in the initial stages of planning the 2009 report," he adds. "We will also carry out some user testing to determine areas where we can do things better, but there won't be such a radical redesign as in 2008. We are pleased with the progress we made, so it will be more a matter of fine-tuning".

[+ Visit the online annual report 2008](#)