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FOR IMMEDIATE RELEASE

Customer Engagement Becoming Major Business Mandate

Eighty-six Percent of Executives Believe Failure to Engage Customers Results in Lost Sales, According to Economist Intelligence Unit Global Survey

NEW YORK — March 28, 2007 — Adobe Systems Incorporated (NASDAQ: ADBE) and the Economist Intelligence Unit (EIU) today announced the results of a global survey that identified customer engagement – establishing a deep connection with the customer that endures over time – as an increasingly important business mandate. According to the survey, sponsored by Adobe and conducted by the EIU, more than eight in 10 executives believe their companies lose sales each year because of failure to create engaged customers, and one in 10 estimates insufficient engagement accounts for 50 to 75 percent of lost sales.

The survey findings, which were released today in conjunction with Adobe's annual financial analyst meeting, appear in a report titled *Beyond Loyalty: Meeting the Challenge of Customer Engagement*. The report notes that while most executives believe that the ability to engage customers is increasingly critical to business success, few think their companies are doing it well, and executives believe this failure has an impact on the bottom line. They also view technology as having an increasingly vital role in their customer engagement strategies.

“Executives are increasingly finding that the winning differentiator is no longer product or price, but the level of customer engagement relative to the competition,” said Rama Ramaswami, senior editor of the EIU. “Companies see there is a competitive advantage in going beyond traditional customer loyalty programs to create engaged customers.”

The survey questioned business executives worldwide about the level of engagement they believe their company has achieved with customers, the tactics used to cultivate it, and the key strategies and tools for achieving even deeper levels of engagement in the future.

“This survey reinforces what we have believed for a long time – the secret to success isn't just about gathering or churning data, it's about how you connect with customers through the medium of their choice,” said Adobe CEO Bruce Chizen. “Customers now demand information and interaction anytime, anywhere and through any medium. We deliver engagement-enhancement solutions that not only enable companies to create, manage and deliver information more powerfully, but also help them forge strong connections with their customers.”

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Key findings from the report include:

- **Most executives believe that customer engagement is exceptionally important to their business.** Nearly 90 percent of respondents say that customer relationships are either very or extremely important to the success of their business. More customer engagement, they believe, would translate into improved customer loyalty (80 percent), increased revenue (76 percent) and increased profits (75 percent).
- **Engaged customers offer a company important benefits.** Seventy-nine percent of executives surveyed say that engaged customers are very important because they recommend products and services to others; 64 percent say they are frequent purchasers; 61 percent say they provide frequent feedback on products and services; and 55 percent believe they are less price-sensitive.
- **Highly engaged customers are the exception, not the rule.** Just 13 percent of respondents believe their customers are very committed to their company's products, while 44 percent believe their customers are only somewhat committed.
- **Many executives believe that lack of customer engagement results in lost sales.** Forty-nine percent of respondents estimate that insufficient customer engagement accounts for up to 25 percent of lost sales each year, while 26 percent believe that it costs them between 25 percent and 50 percent. Eleven percent place the contribution to lost sales somewhere between 50 percent and 75 percent.
- **Technology is seen as providing important tools for building engagement.** Most respondents identify technology, such as electronic forms, Web sites and multimedia technologies, as important tools for creating engagement and believe that they will be even more important within the next five years.
- **Measurement is a major challenge in implementing engagement initiatives.** In spite of executives' enthusiasm for creating customer engagement, 47 percent say that the difficulty of measuring customer engagement is the biggest barrier to achieving greater levels of engagement.

A copy of the report, *Beyond Loyalty: Meeting the Challenge of Customer Engagement*, is available at www.adobe.com/engagement. This new section of the Adobe Web site includes a white paper developed by the EIU on customer engagement as well as other resources for customers, analysts and journalists interested in the subject.

About The Survey

Beyond Customer Satisfaction: Meeting the Challenge of Customer Engagement is an Economist Intelligence Unit (EIU) white paper sponsored by Adobe. The research is based on an online survey of more than 300 executives, conducted by the EIU in December 2006 and January 2007, as well as in-depth interviews with senior executives from a wide range of industries worldwide. Executives from 17 sectors were represented, of which approximately 50 percent were C-level executives or board members. Forty-six percent of the companies surveyed had annual revenues of less than \$500 million; 25 percent report annual revenues of \$500 million to \$5 billion; and 31 percent report \$5 billion or more.

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About The Economist Intelligence Unit

The Economist Intelligence Unit (EIU) is the business information arm of The Economist Group, publisher of *The Economist*. Through a global network of more than 700 analysts and contributors, the EIU continuously assesses and forecasts political, economic and business conditions in 200 countries. As the world's leading provider of country intelligence, the EIU helps executives make better business decisions by providing timely, reliable and impartial analysis on worldwide market trends and business strategies.

About Adobe Systems Incorporated

Adobe revolutionizes how the world engages with ideas and information – anytime, anywhere and through any medium. For more information, visit www.adobe.com.

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