

1991 USER GROUP ADVISORY COUNCIL SUMMARY REPORT

**July 14-17, 1991
San Jose Fairmont Hotel
Apple Cupertino Campus**

On July 14-17, 1991, Apple conducted its sixth annual User Group Advisory Council (UGAC). As Apple's only end user Advisory Council, UGAC provides a rare opportunity for Apple to gain customer insight and industry perspective. Sixteen individuals (leaders from 14 User Groups and 2 Professional Associations) were selected to represent approximately 400,000 Apple computer users in Apple's education, corporate, government, and community environments throughout the United States.

Advisory Council members are selected to present a broad cross-section of end-user insights, and the 1991 Council was particularly well-balanced in representing novice and advanced users, different geographies, diverse interests, the entire Apple product line, and all Apple markets. (A list of Council participants and the User Groups and market segments they represent has been included at the end of this report.)

The four-day conference was organized and sponsored by Apple's User Group Connection, whose purpose is to provide User Groups with a formal channel of information exchange at Apple. Objectives for the Council included assessing current end user opinions, ideas, and needs, and directing this input to the appropriate parties at Apple.

Discussion topics included:

- evaluation of the User Group Connection program over the past year
- development of future User Group programs and relations
- feedback on Apple's marketing, distribution, and channel strategy
- discussions with Apple's Product Development Team (CPUs)
- evaluation of Apple programs in customer service and support

Overview

There are approximately 1400 User Groups currently registered with Apple's User Group Connection. Of these, approximately 56% represent Community User Groups (users based in communities, many of whom are small business owners and educators); 20% Education (K-12 and Higher Ed, representing students, faculty and administrators); 13% Corporate; 6% Government; 2% National; and 3% Other. By Apple product affiliation, 54% have Macintosh-only members; 12% have Apple II-only members; and 34% have both Macintosh and Apple II members. Three-quarters (75%) consider themselves to be Apple evangelists, 94% have influence in buying decisions in their organizations, and 66% talk to their friends and associates about Apple computers on a daily basis.

TRENDS AND KEY ISSUES

Several key themes emerged during the 1991 Council, including:

- **SALES OR SUPPORT?** Apple's 800# directed 30,000 end users to User Groups for support last year. Groups want to know Apple's perspective on their role: are they a support tool, a marketing partner, a combination, or something else? Council members readily admitted that they also had no clear-cut answer to this question, but felt that a mutual understanding on this issue is important to successful work in the future.
- **SUPERSTORES.** Apple's shift to market share strategy and superstores is sending a surge of inexperienced individuals to User Groups for pre-sales advice, training, and support. User Group resources are being strained, and groups seek a dialog to define their role in Apple's changing distribution plans.
- **INDUSTRY ALLIANCES.** As Apple creates alliances in the industry, particularly with IBM, User Groups want to receive information so they can better understand Apple's plans and communicate them to their members and employers.
- **JUSTIFICATION OF IN-HOUSE ACTIVITIES.** In-house User Groups face challenges in explaining the value User Groups bring to their companies, and the value that Apple provides their company through User Groups.
- **32-BIT-CLEAN ROMS.** Users view Apple as indifferent to their needs for Apple-branded ROMs, and find external solutions unreliable. They read this as a lack of commitment to established customers.
- **BUSINESS/EDUCATION ALLIANCES.** Education-based User Groups feel that alliances with key business customers could be powerful for both. Groups also feel Apple underestimates the potential of the pre-K market.
- **ADDITIONAL VENDOR SUPPORT.** Groups want Apple to take an active role in influencing other vendors to provide outreach to User Groups.
- **INFORMATION DISSEMINATION.** Groups urged the User Group Connection to expand the dissemination of information to User Groups and end users, particularly via CD-ROM and online. Council members encouraged a Connection presence on Internet, particularly since Macintosh activity is very high there.
- **EXPANDED RELATIONS WITH APPLE'S FAMILY.** User Groups seek to expand their relations with other Apple-related groups and Professional Associations. They also want to explore the synergy of working with IBM User Groups.
- **APPLE'S COMMITMENT TO USER GROUP RELATIONS.** Council participants feel that the User Group Connection provides a valuable service to the User Group community and wants Apple to confirm its commitment to User Group relations by ensuring no further reductions in Connection staff. UGAC members also suggested that Apple explore a financial model linking the Connection budget to product sales.

RECOMMENDED ACTIONS

The User Group Advisory Council recommends that Apple focus on the following areas in the coming year:

1) LEGITIMIZE END USER SUPPORT.

User Groups offer the “first line” of Apple support, and User Groups need ongoing access to technical and training materials. User Groups seek access to training materials and technical CD-ROMs that are distributed to other segments of the Apple community. Direct access to technical support on AppleLink should be improved, with some free online time available to each registered User Group.

2) EVANGELIZE USER GROUPS IN THE APPLE FIELD OFFICES.

Apple needs to bring Apple’s connection closer to User Group participants via improved access to local Apple people and programs. Regional User Group activities are gaining in importance, and Apple should institute stronger incentives for field representatives to be responsive to relations, events, and marketing opportunities with User Groups.

3) CLARIFY SYSTEM SOFTWARE SEEDING AND LICENSING, AND THE FUTURE OF HYPERCARD DISTRIBUTION.

User Groups are frustrated by the disparity in Apple’s messages about system software. User Groups feel they offer a valuable service to Apple customers by providing system software. Groups want Apple to be consistent and clear in their policies, and to make sure the policies are widely broadcast in a timely manner.

4) PROVIDE AMMUNITION TO HELP USER GROUPS PROMOTE APPLE IN-HOUSE, PARTICULARLY IN MULTI-PLATFORM ENVIRONMENTS.

User Groups in workplace settings are willing to promote Apple products, but seek resources from Apple to present their case effectively. Materials including research and statistics can help User Groups champion Apple products in-house. In light of the potential of the Apple/IBM alliance, these materials will be particularly valuable to User Groups in multivendor environments, as they will be faced with many questions.