

Benefits of the Interactive Marketing

How smarter Marketing will boost your sales

Pavel Holy, Solution Consultant CE

Ruben Bru, Sales Director CEE/MEA



What We Do

IBM's **Enterprise Marketing Management** solutions offers proven web and customer analytics, event detection, cross-channel campaign management, interaction management, online optimization, email marketing, and marketing resource management.

Customer and Partner Success

- Over 2,500 organizations worldwide
- Tens of thousands of total users
- Extensive service offerings
- Local partners



Product Leadership

- Meeting the needs of:
 - Cross-channel marketers
 - Online marketers
 - Marketing services



- The **recognized leader** in marketing software solutions

Our Mission

To power the success of every marketing organization with innovative technology solutions

Table of Contents

- 1. Trends in Marketing**
- 2. The Interactive Marketing Suite by IBM**
- 3. Business cases and ROI**
- 4. Short demo**

Business's challenges...and opportunities

- Channels explode...
- The Internet evolves...
- The consumer is in control...
- The rate of change accelerates...

Years to reach
50M users:

Tablet
2 Yrs

Facebook
3 Yrs

Internet
4 Yrs

TV
13 Yrs

Network of people



Marketing's role must evolve...

Specific challenges reflect growing complexity

Figure 4

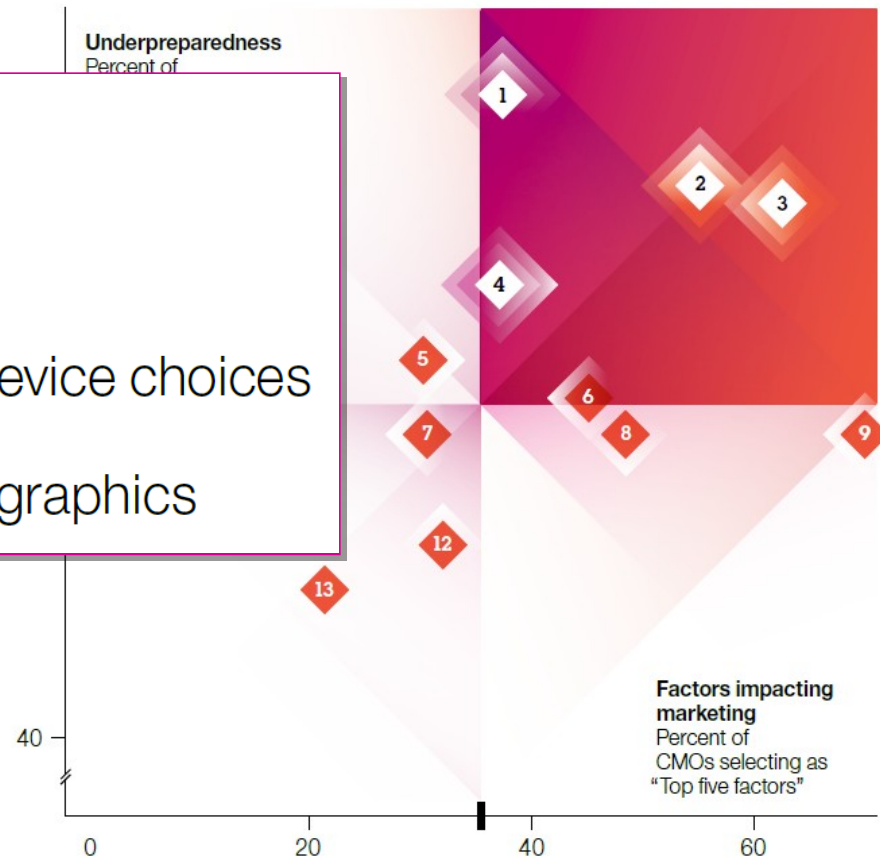
The biggest headaches The four most prominent

Underpreparedness
Percent of

- 1** Data explosion
- 2** Social media
- 3** Growth of channel and device choices
- 4** Shifting consumer demographics

- 8** ROI accountability
- 9** Customer collaboration and influence
- 10** Privacy considerations
- 11** Global outsourcing
- 12** Regulatory considerations
- 13** Corporate transparency

— Mean



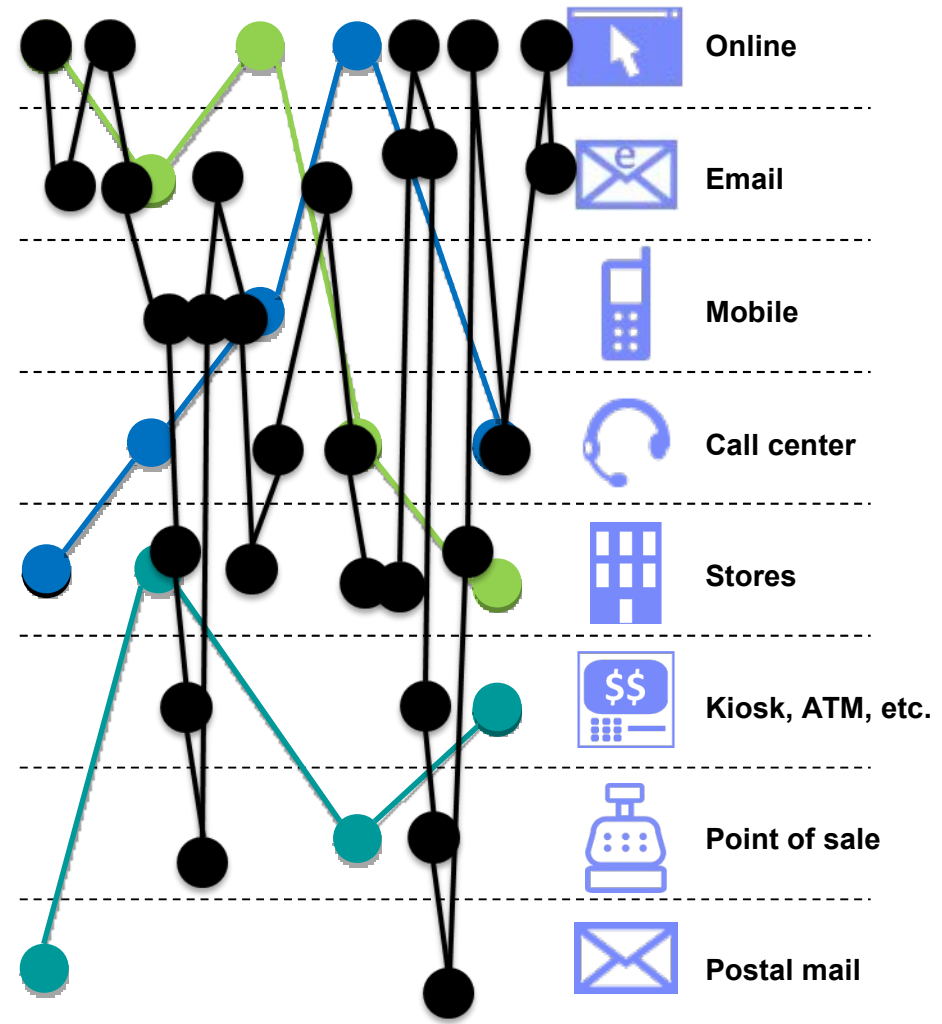
“From Stretched to Strengthened; Insights from the Global Chief Marketing Study”

How your customers and prospects behave

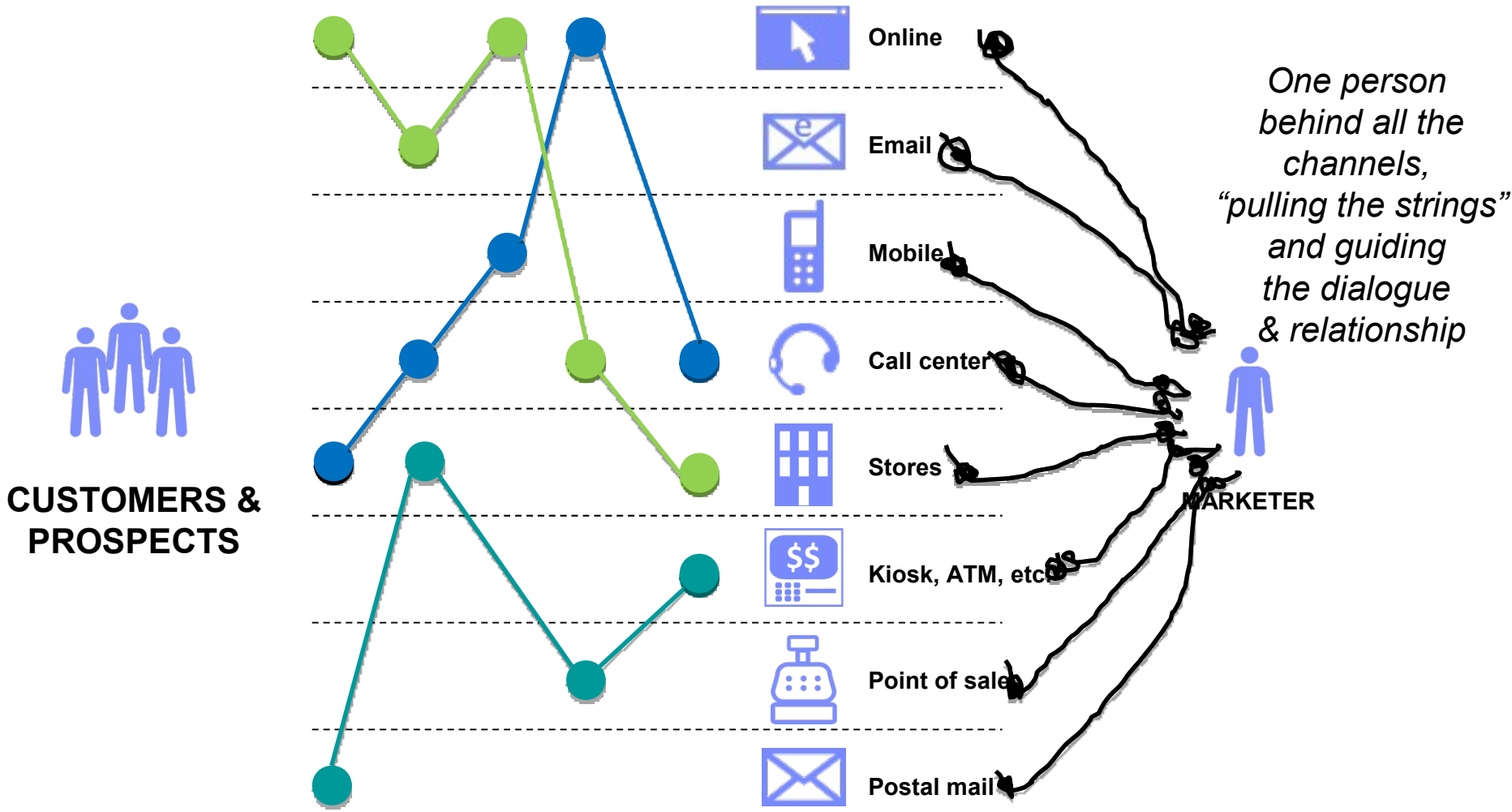
some more like this!



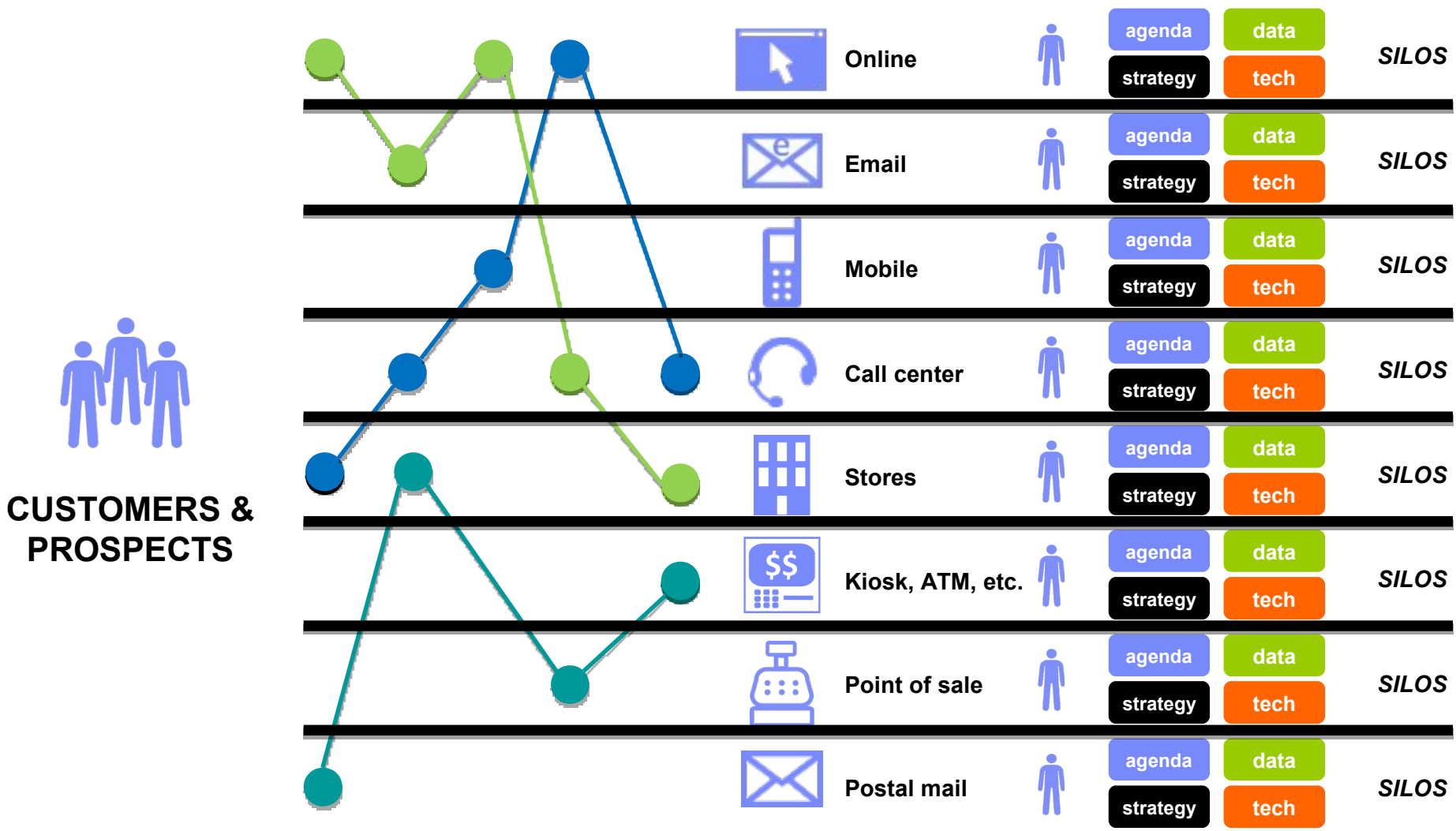
CUSTOMERS & PROSPECTS



What your customers and prospects expect



What your customers and prospects actually experience



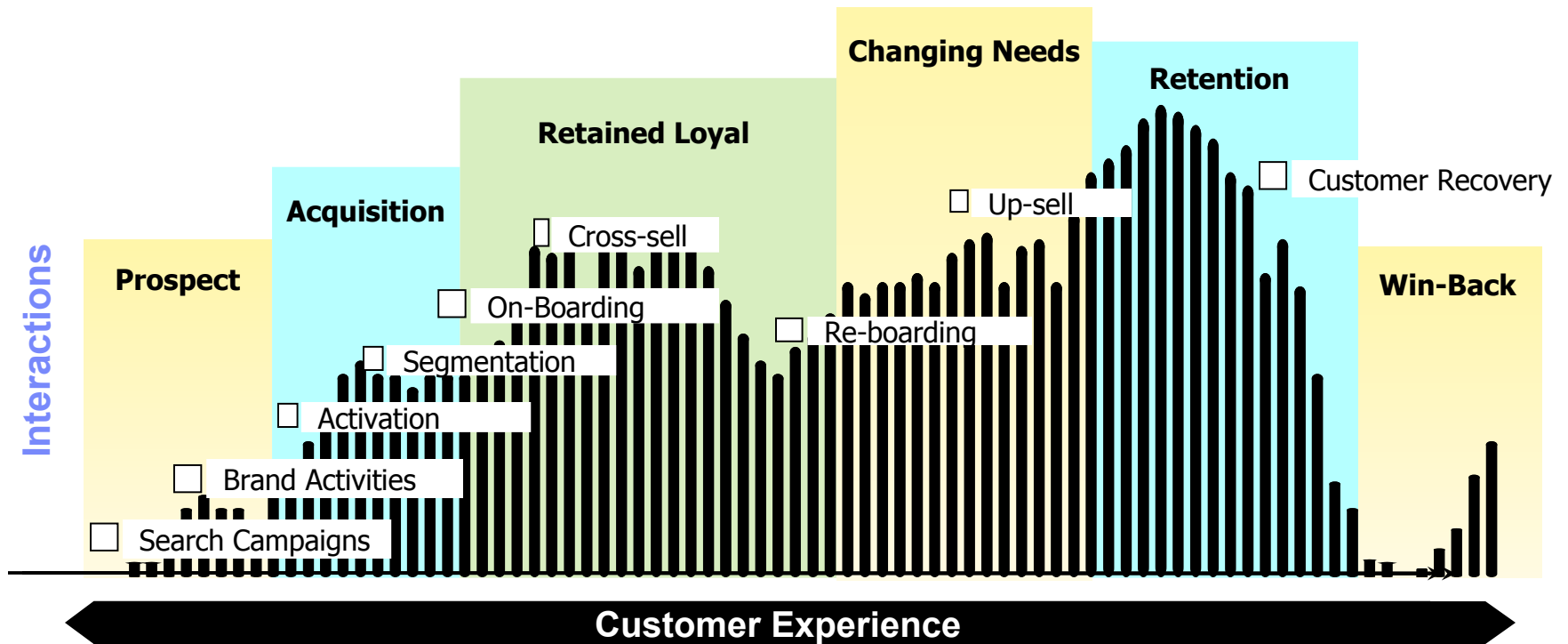
IBM calls what your customers and prospects expect:

INTERACTIVE MARKETING



Engaging each customer and prospect
in a cross-channel dialog that builds
upon their past and current behavior

Customer Dialog Framework



Listening, understanding, and speaking over time

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How can technology help?

Cross-channel, interactive marketing is like a good conversation.

Marketers need to:



LISTEN AND UNDERSTAND



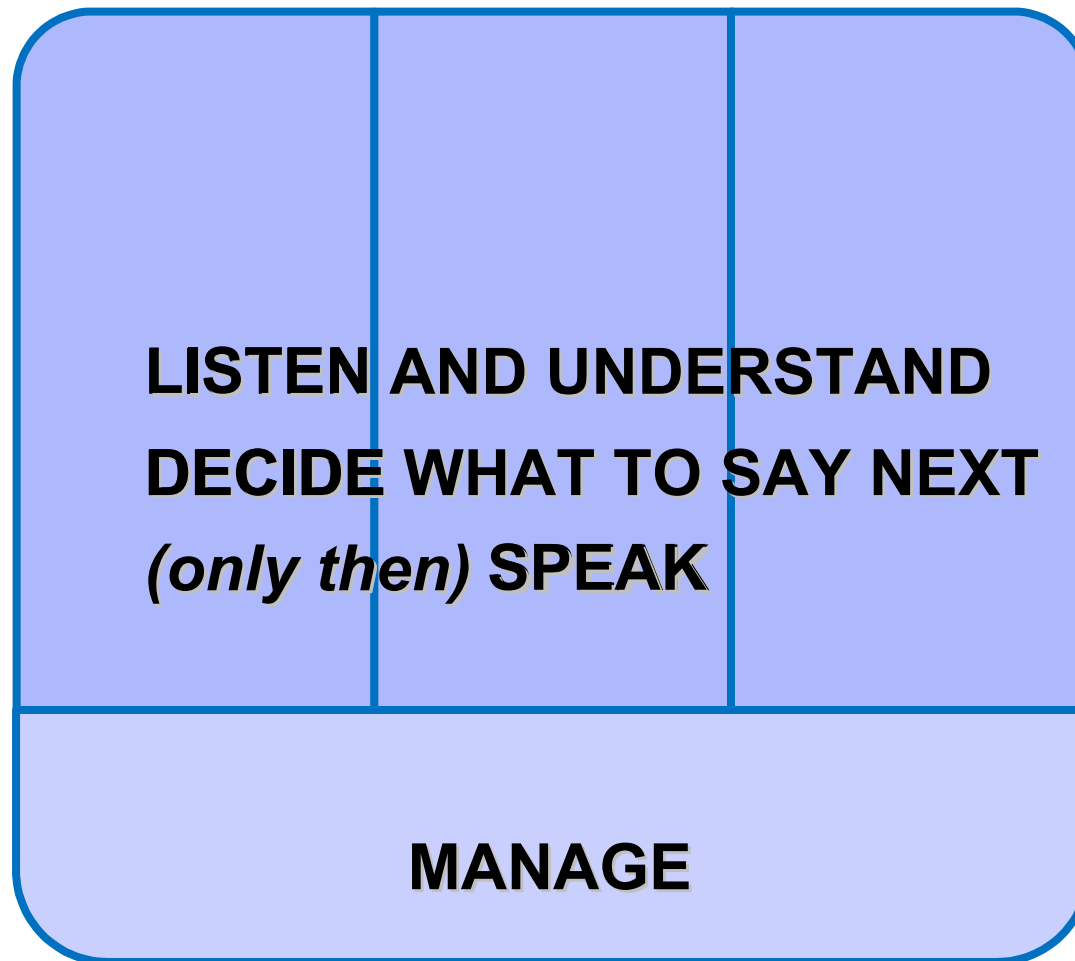
DECIDE WHAT TO SAY NEXT

...and repeat this over and over again across thousands or millions of customer relationships.

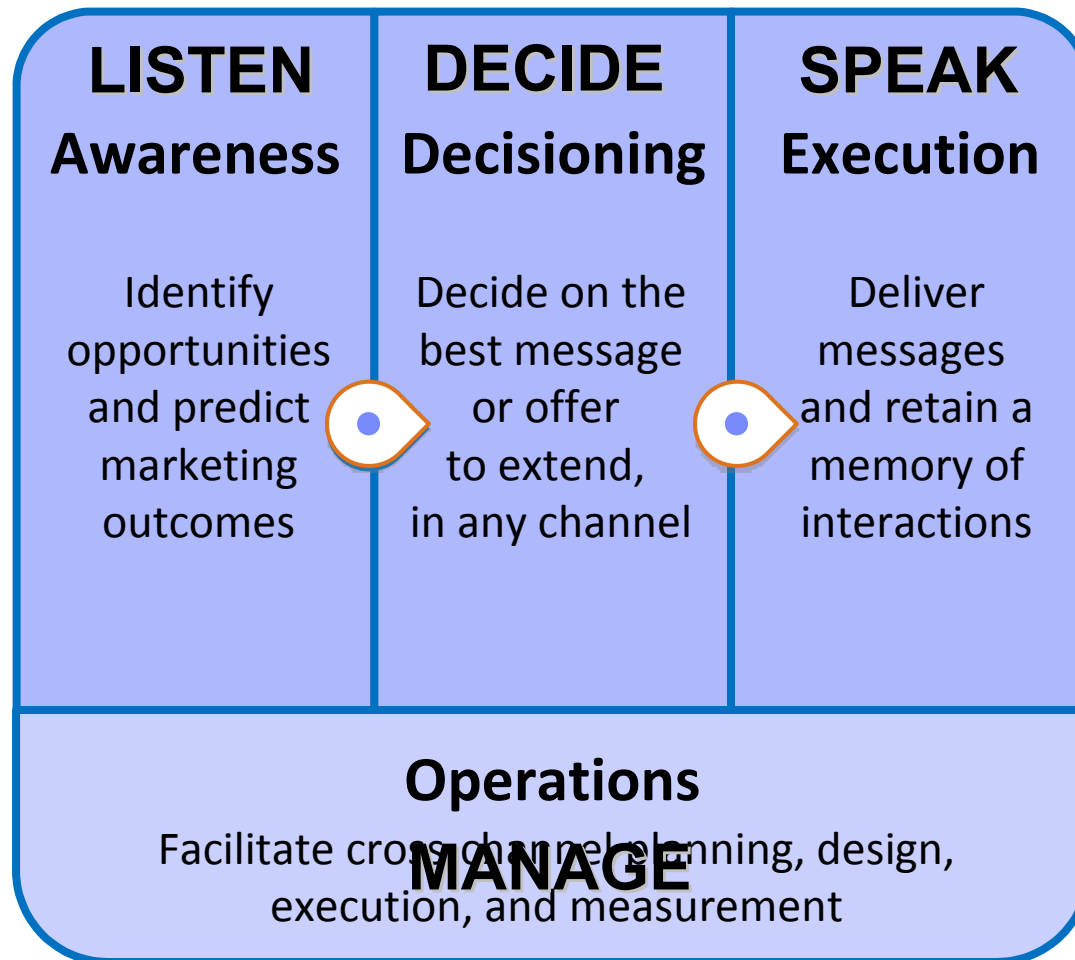
(only then) SPEAK

This is hard to do without help from technology!

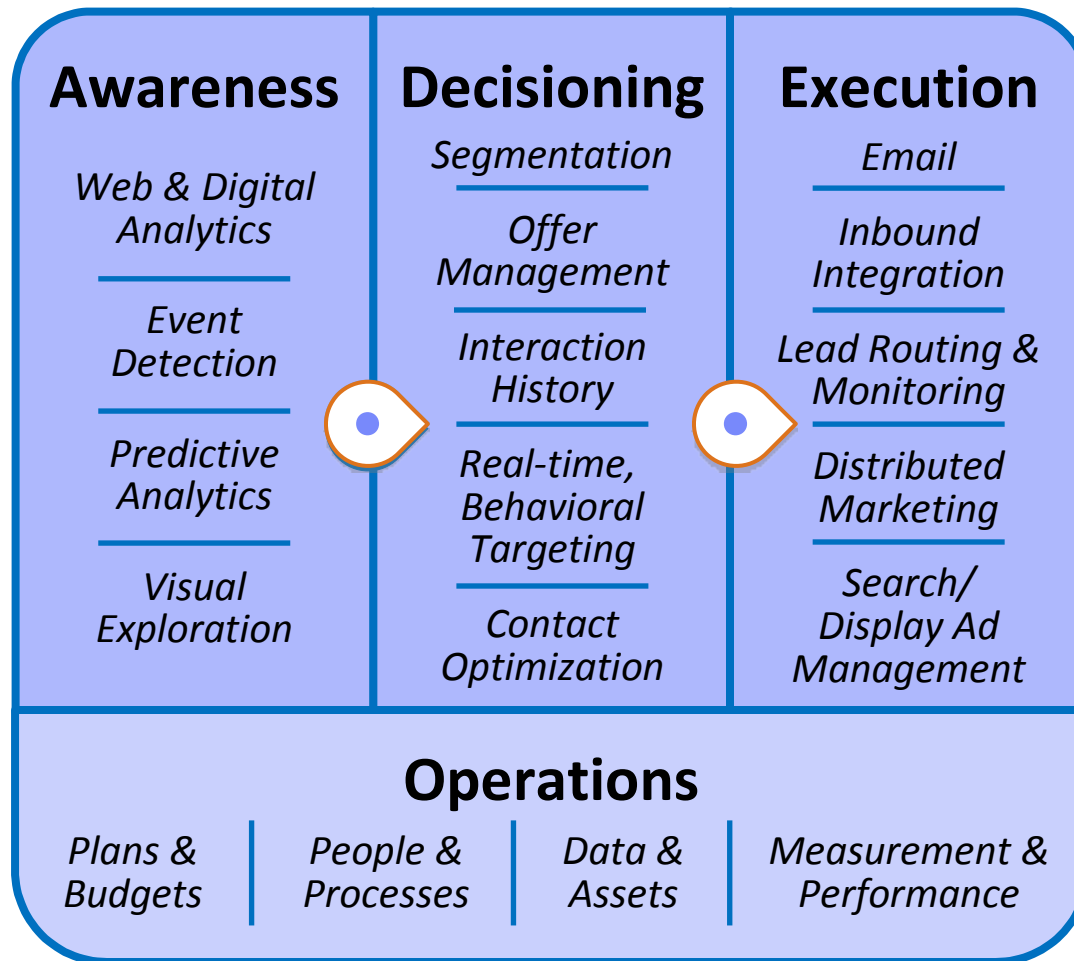
Technology framework for cross-channel, interactive marketing



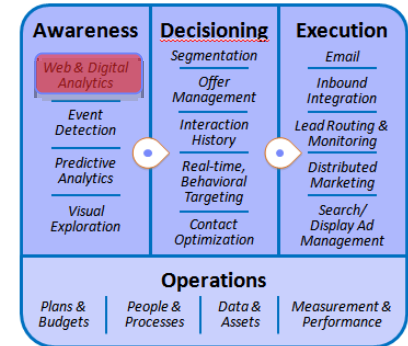
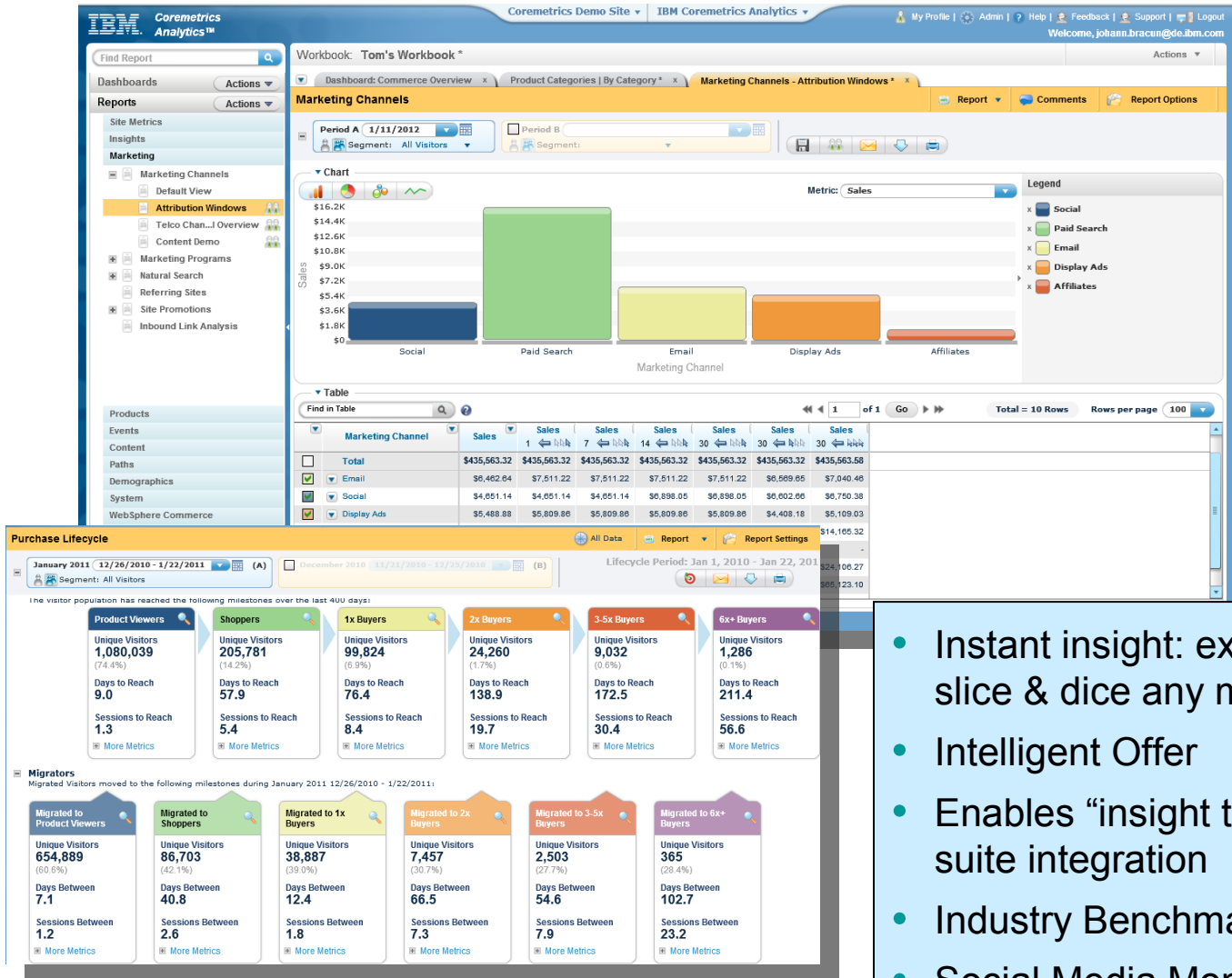
Technology framework for cross-channel, interactive marketing



Specific software capabilities within the framework

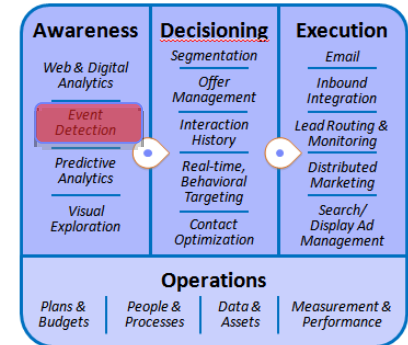
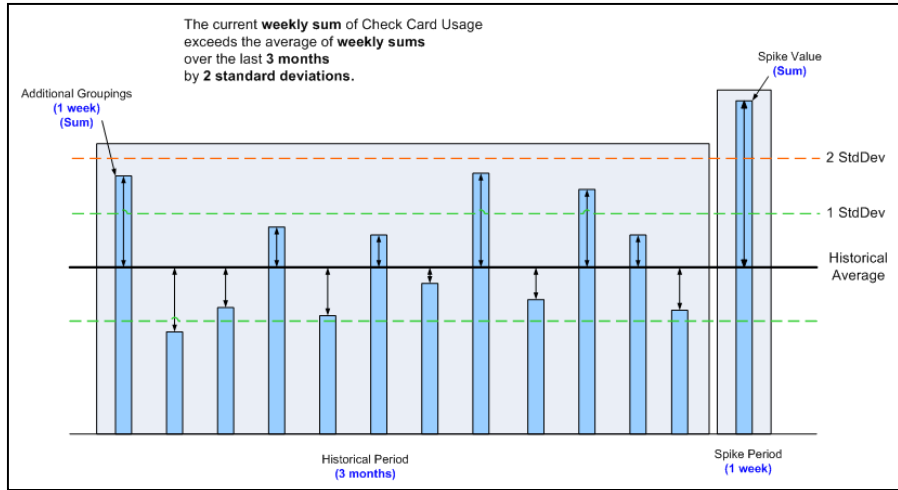


Digital Marketing & Analytics



- Instant insight: explorative power to slice & dice any metric
- Intelligent Offer
- Enables “insight to action” via EMM suite integration
- Industry Benchmarking
- Social Media Monitoring

Event Detection



Forward Looking Inactivity

Components | Properties

Current Workspace : fin

Forward Looking Inactivity Details

Initial Event
 If this event occurs...
 Event Type:
 Event Name: ?
 Each occurrence reinitializes

Inactivity Time Interval
 Type: From time of Initial Event
 Until a Specified Time
 Time Quantity:
 Time Unit:

Tracked Event (optional)
 Look for inactivity of Tracked Event
 Without the occurrence of...
 Event Type:
 Event Name: ?

The Current Inactivity:
 If 6 Payroll DD in 12 Weeks occurs
 and a time span of 19 Day passes
 without the occurrence of this event:
 ACH Payroll Deposit
 then: Override Payroll Direct Deposit
 where:
 Each occurrence of the initial event reinitializes the time span

- Patented, state-based detection of simple events and complex behaviors
- Detect individually significant changes in customer behavior
- Easy creation of business rules

Event-Based Marketing - Telco Trigger Library

- Competitor Terminated Call
 - Customer has called competitor
- Competitor Originated Call
 - Customer has received telesales call from competitor
- Calls to Customer Service
 - Excessive number of calls to customer care
- At Risk
 - Tracks minutes used by unlocked accounts
- Prepaid Inactivity
 - Detects recharge inactivity
- Unusual Customer Activity
 - Detects spikes and drops in call behavior
- IMEI Change
 - Detects new IMEI events
- Increase in Roaming behavior
 - Upward trend in minutes used
 - Indication of need for SMS Plan Upgrade
 - Land line plan with no land line usage
 - Account with pattern of repurchase in jeopardy
 - Repeated call volume beyond plan limit
 - Drop in SMS Call Volume
 - No calls to My Favorite numbers
 - Unusually high international call volume
 - Decreasing SMS On-net/Off-net ratio
 - SMS usage reduction after calling call center
 - Spike in SMS Usage prompting new plan
 - Shift in Value Segment
 - Decreasing call volume for long time customer

“Off the Shelf” Retail Banking EBM Trigger List

Unusually large transaction

- Check Paid
- ACH Debit
- ACH Credit
- Deposit

Unusually high transaction volumes

- Outgoing Wire Transfer
- Incoming Wire Transfer
- Withdrawal

Unusually large aggregate transaction amounts

- Aggregate Deposit Amount
- Aggregate Credit Card Purchase Amount
- Aggregate Debit Card Purchase Amount
- Aggregate Bill Payment Amount

Inactivity

- Interruption of regular Direct Deposit of payroll
- Interruption of regular Social Security deposit (SSI)
- Interruption of regular Social Security Disability deposit (SSDI)
- New checking opened, no deposit activity
- Enrolled in bill payment, no bill pay activity

Channel use changes

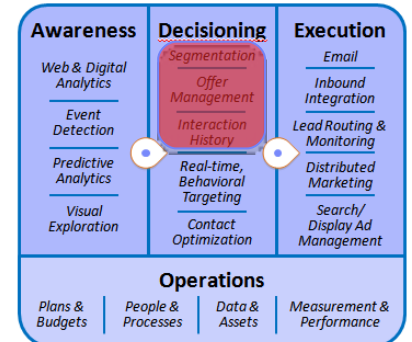
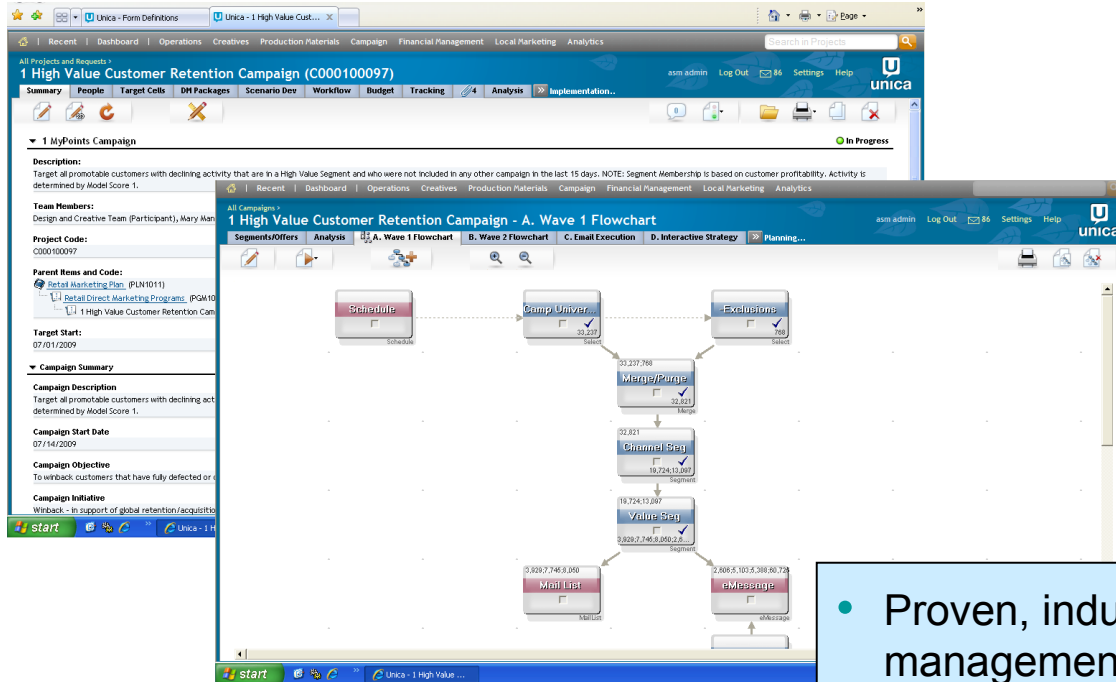
- Drop in bill pay
- Drop in branch
- Drop in credit card
- Drop in total ATM
- Increase in VRU inquiries
- Drop in check volume

Partial “Off the Shelf” Retail Banking EBM Trigger List

Combo Triggers

- Large deposit followed by large withdrawal, repeatedly
- Draw on HELOC in concert with exercising Overdraft Line
- Shift in Bank-owned ATM Usage to non-Bank-owned ATM usage with significantly decreased balance
- For frequent OTC depositors, drop in OTC deposits and significantly decreased balance
- For high value customer, large outgoing wire transfer where customer has not had outgoing wire in previous X months
- High value customer has NSF item for first time in X months
- Combined product threshold - X consecutive months of deposit balances within Y% of required minimum balance for service charge waiver or product upgrade

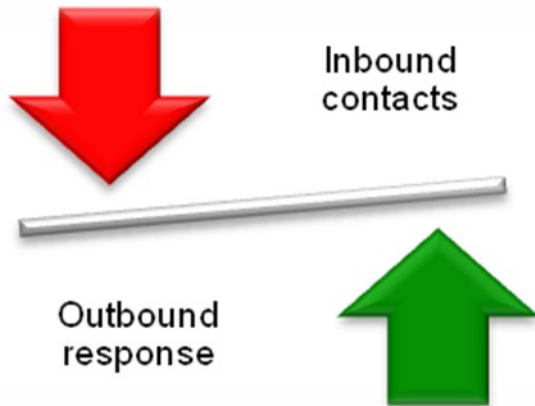
Campaign Management



- Proven, industry-leading campaign management software
- Best-in-class functionality
- Unmatched scalability
- Flexibility to fit with existing infrastructure, utilize changing information sources



turns inbound interactions into profitable communications



Business Need

- Outbound campaigns were ineffective – not taking advantage of customer initiated interactions
- Needed to create a single, cross-channel, relationship with each customer
- Disparate teams managed customer dialogs
- Needed to reduce marketing costs

Real Results

- Relevant, real-time campaigns drive higher response rates
- 125M targeted offers served each day across 5 channels – direct mail, email, web, call center, and branches
- Dynamic web offers generated 4x as much revenue as a static offer
- €20M increase in earnings
- Lowered direct marketing cost 35%
- Faster campaign cycle times: from 26 weeks per campaign to just 4 weeks

NBA for Internet



Homepage Mijn ING



Evelien Oosten

- 41 years
- Payment customer
- For 4 years she has a mortgage with ING
- Active saver
- Last month we saw withdrawal in Germany

Ontwerp uw Mijn Betaalpas

Valamiesfoto?
Familiefoto?
Zet hem op uw pas!

Debet	Saldo	Saldo
14-04-2009	14207,12	14207,12
14-04-2009	14207,12	14207,12
14-04-2009	14207,12	14207,12

NBA in branches



Erik de Boer

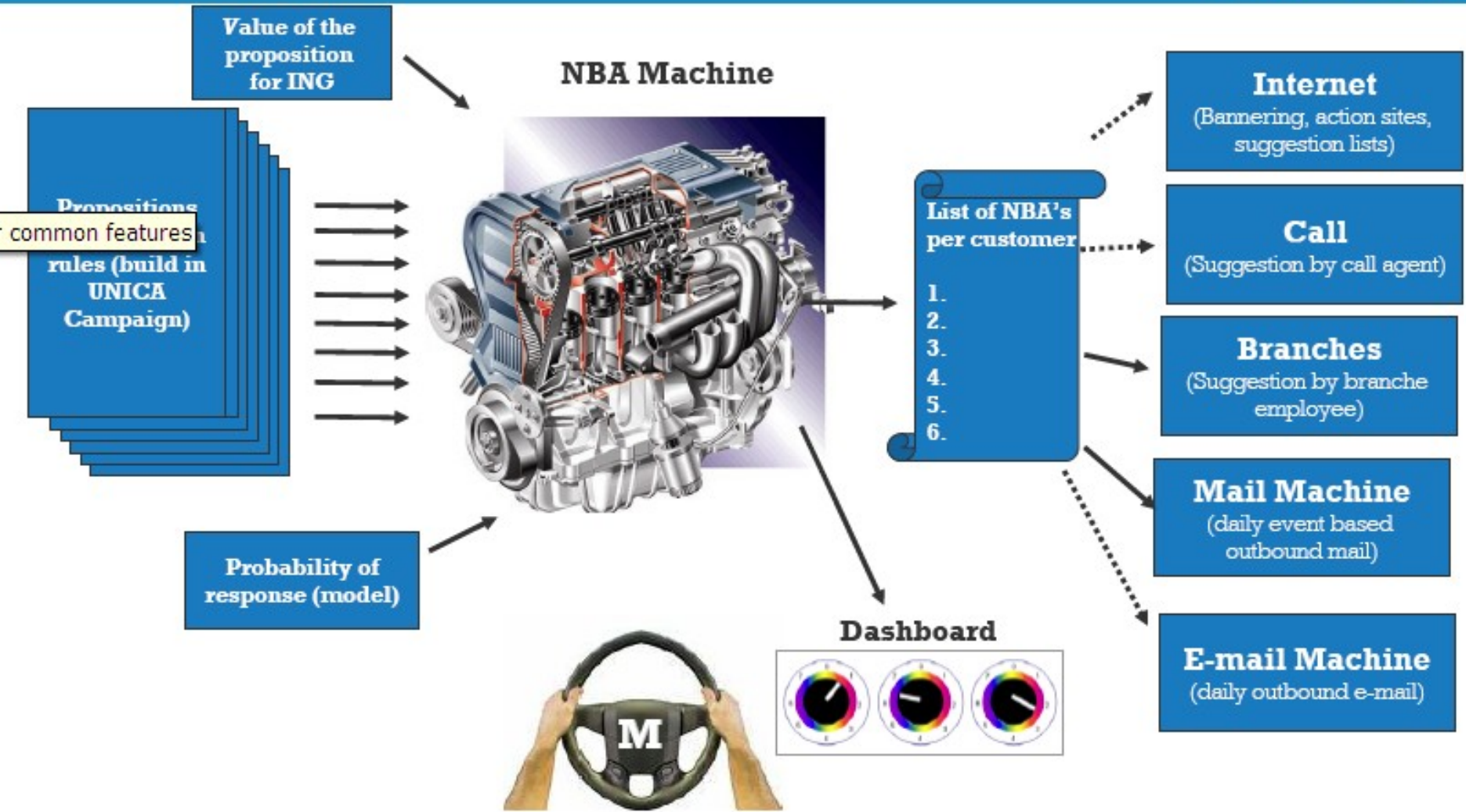
- 44 years, 2 children, one of them turned 12 last week
- Owns his own home – no mortgages with ING
- Payment customer
- Saves automatically with ING
- Filled out a form for car insurance on the Internet, but he didn't finish it.

Branches application with customer view

The screenshot displays the ING Branches application interface. The main content area shows the customer's name, 'Patricia Paula P. Proefpersoon', and a list of products: 'BT Jongerenak', 'VZ Auto VZ', and 'SP - Toegank'. A search bar contains the text 'Ouders met kinderen 12-17 jaar'. The right sidebar lists other customers, including 'Mevr. RJ Schoemaker' and 'Mevr. SL Gutman'. The interface is titled 'ING' and 'Klanten Particulier Zakelijk'.

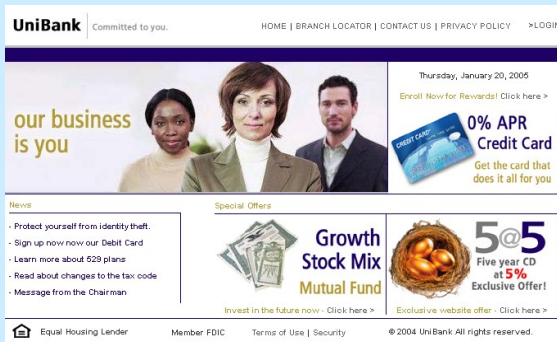


Next Best Action (NBA) Machine



Real Time Targeting

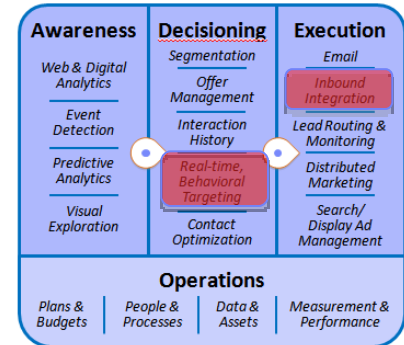
Intelligent personalization for real-time channels



Call Center



Kiosk, POS

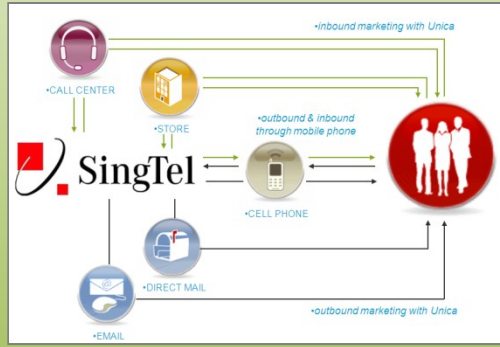


- Extend existing segmentation, offers and campaigns for a consistent cross-channel experience and greater productivity
- Connect to real-time touch points via web services and other standards
- Social Sharing

Real-time Marketing and Location-based SMS

About the Company

- Singapore Telecommunications, Ltd.
- Wireless and landline phone and broadband Internet provider



Challenges

- Increase usage and cross-sell/up-sell other service lines
- Sell mobile advertising opportunities to third-parties

Results

- Serves real-time offers to agents in call centers and at retail stores to facilitate cross-sell/up-sell
- Send offers and advertisements to mobile phones
- Cross-sell/up-sell success rate increased from <10% to >40%
- Delivery of a compelling customer experience through a unified and relevant dialogue

“Unica’s solution arms our call center and retail representatives with the highest-impact offers - in real time - so that we can extend and expand our customer relationships.”

*Wong Soon Nam,
VP of Consumer Marketing, SingTel*

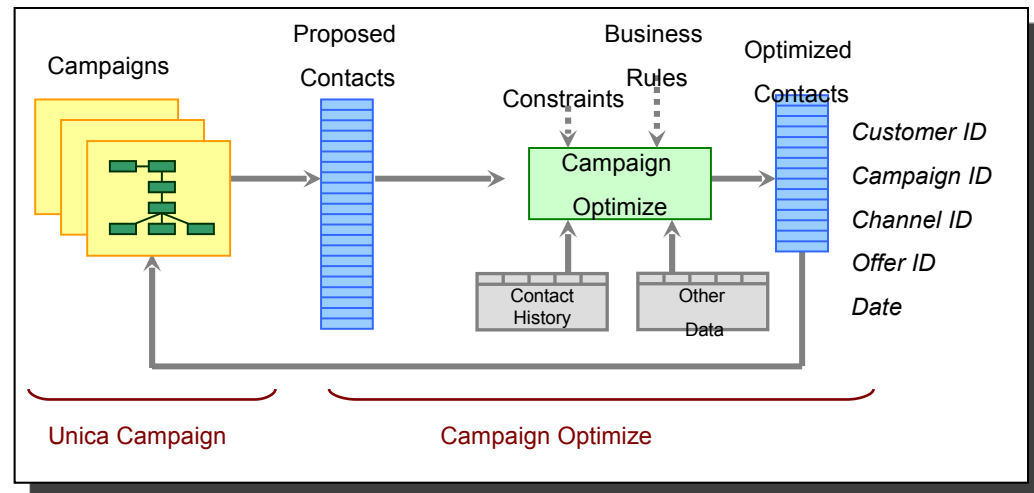
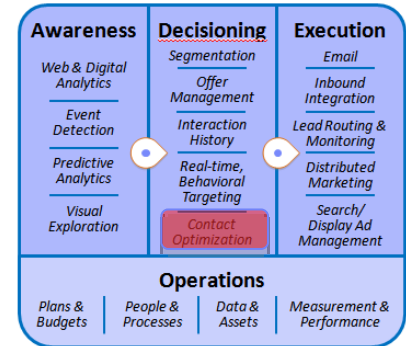
Unica Solution



Contact & Offer Optimization

Determines best interaction strategy:

- For each customer
- Across campaigns, channels, products and offers
- Within business rules and constraints
- Tightly integrated with Unica Campaign





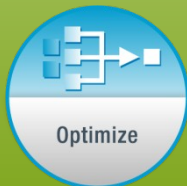
AT&T Wireless: Contact & Offer Optimization

About the Company

- 101 million subscribers
- US market leader



Unica Solution



Business Challenges

- Send optimal wireless message to about 45 million customers
- Want to guard against message fatigue and message redundancy to existing customers while getting the **highest value message** out

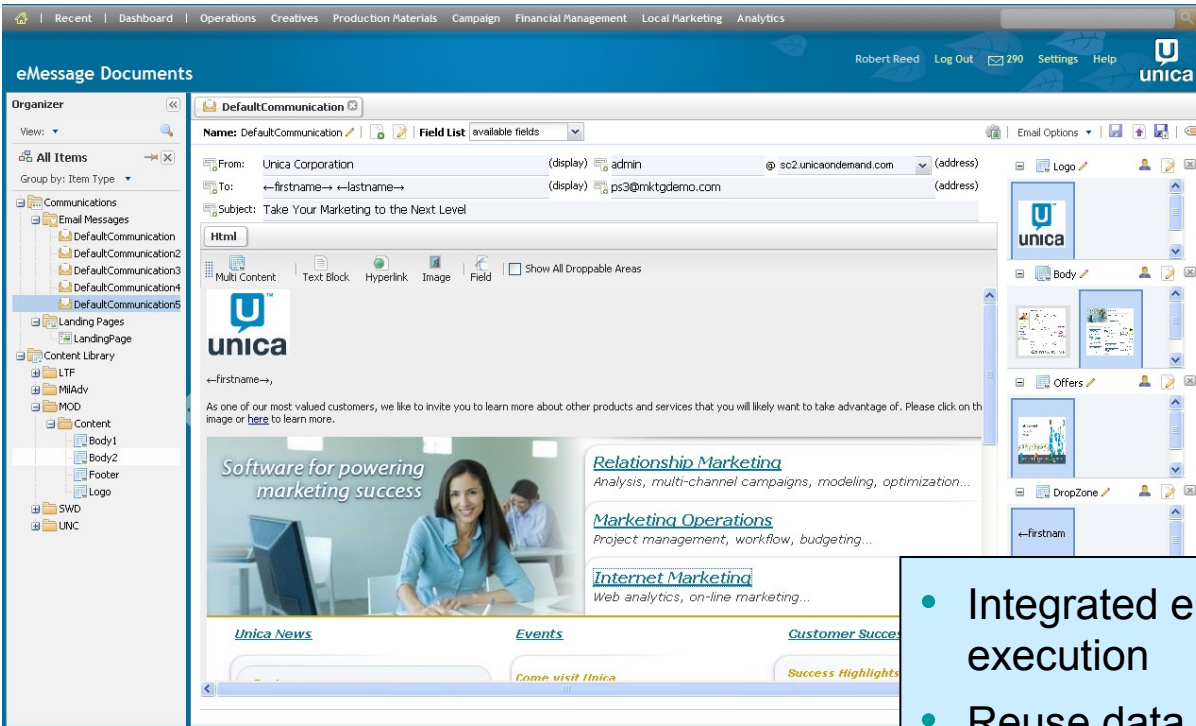
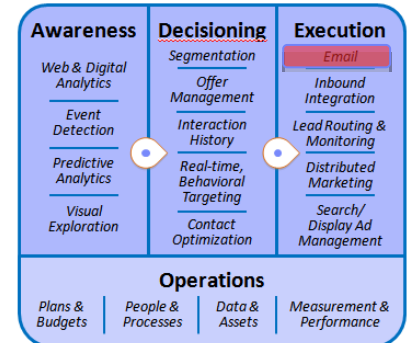
Scope of Solution

- Send message to 45 million customers two times per month
- Use SMS, MMS, or WAP
- Manage offer/message ranking via a Governance Board to decide on priority of message types
- Do not count / include service messages
- Do not allow same message to be sent in a 6 month period

Results

- Using Optimize to solve this problem has been very successful, resulting in large revenue increases for key services such as:
 - Navigator (GPS on smart phone service) , ATT Mall (shopping for apps and ringtones), Equipment swap outs
- Working on using Optimize in other channels such as email

End-to-End Email Campaigning



- Integrated email and SMS authoring and execution
- Reuse data, strategies, and segments, for cross-channel consistency, efficiency
- Track, report response across all channels
- WYSIWYG email composing
- Deliverability Monitoring

From “batch” to real-time - revenue and relevance soar



Integrated web behavior, email, and rewards history for more effective communications and business results



Business Need

- Customers behaved in real time; IHG marketing focused on batch processing
- Customer expected a dynamic, relevant, multi-channel approach
- Large scale operations needed to support millions of customer interactions each day

Real Results

- 250% increase in clicks per day
- Revenue per impression rose from \$0.18 per to \$0.77 (400% increase)
- Moved oversight of transactional email from IT to Marketing
- One comprehensive marketing platform with integrated email and transactional data
- Full tracking and reporting with better deliverability, and centralized business ownership

Distributed Marketing



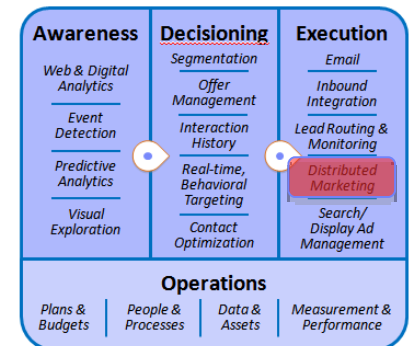
Add a On Demand Campaign > Select Template...

- All Templates
 - On Demand Campaigns
 - Automatic process
 - Loyalty Program
 - Marsh On Demand
 - On Demand Seminar
 - Qualification
 - Up selling

On Demand Seminar
 Use this template to (1) Create selection of companies and key contacts and (2) Create mail merge list of customers to invite to seminar.

Review 8088 Waiting for Review ...

Accept	Decline	Waiting Items	Customer Id	Name Prefix	First Name	Last Name
<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	1,581	Mr.	Myron	Ross
<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	1,583	Ms.	Corazon	Burke
<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	1,584	Ms.	Judith	Burke
<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	1,595	Ms.	Ellen	Bradley
<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	1,596	Mr.	Jack	Bradley



- Extend campaign execution to those closest to the market
- Retain central control over corporate business rules, customer preferences, etc.
- Role-specific user interfaces
- Calendaring, reporting, security

Marketing Operations

All Projects and Requests >
Segment Enrichment Promotion | Edit... | View ▾

Project Timeline: No Caption ▾
 Nov 28 | Dec 5 | Dec 12 | Dec 19 | Dec 26 | Jan

Project Overall

1. Planning

- 1.1. Prepare Project Briefing
- 1.2. Prepare Budget Estimates(1.1)
- 1.3. Project and Budget Approval
- 1.4. Kickoff Meeting with Team(1.3)

2. Creative Development

- 2.1. Creative Brief(1.4)
- 2.2. Creative Concepts Meeting(2.1)
- 2.3. First draft(2.2)
- 2.4. Mktg Manager Review - inform
- 2.5. Rework as needed(2.4)
- 2.6. Internal review(2.5)
- 2.7. Make required changes (if nee

3. Campaign Design

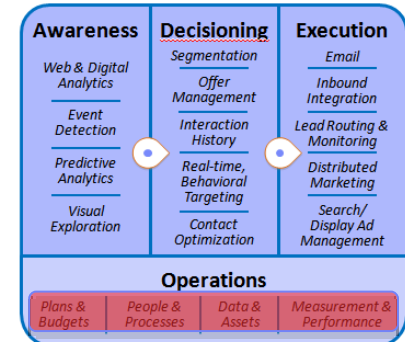
- 3.1. Generate preliminary counts(1
- 3.2. Refine segmentation criteria(3
- 3.3. Offer design(1.4)

All Assets >
Image Library | Search... | Edit...

Asset Small Thumbnails

No subfolders

- Stock Photo of a PC at Sunset (Version 5.0)
Andre Black 6/12/2002
- Photo of Computer (v1)
Sue Jones 5/7/2001
- Photo of Business Meeting (v1)
Andre Black 6/17/2002
- Photo of Laptop on a Plane (v2)
Sue Jones 6/12/2002
- Photo of Rotary Telephone (v1)
Sue Jones
- Photo of Cellphon



project management center

POWERED BY Marketing Central

Home Time Expenses Plans Reports Tasks Projects Libraries Help Events Calendar Message Board Calendar My Profile Logout

Home Practice Project Direct Mail plan

Schedule Summary

First Date 11/1/07
 Last Date 2/6/08
 Number Open 35
 Tasks 10
 Number Late Tasks 10

Filters: (clear) Status: Any Assignment: Any
 Actions: Perform an Action Suspend Alerts For These Changes: ON

All / Home	Actions	Task	Assignee	Manager	Start Date	Due Date	Task Group	Progress
<input type="checkbox"/>		Create and Post Brief	[Assigned]	Alan Bunce	11/01/2007	11/02/2007	Administration	0 %
<input type="checkbox"/>		Start Job in JMS	[Unassigned]	Alan Bunce	11/01/2007	11/02/2007	Administration	0 %
<input type="checkbox"/>		Assign Team	[Unassigned]	Alan Bunce	11/02/2007	11/02/2007	Administration	0 %
<input type="checkbox"/>		Brief Team	[Unassigned]	Alan Bunce	11/06/2007	11/06/2007	Administration	0 %
<input type="checkbox"/>		Develop Concepts	[Unassigned]	[Unassigned]	11/07/2007	11/20/2007	Concept	0 %
<input type="checkbox"/>		Review with Account Manager	[Unassigned]	[Unassigned]	11/21/2007	11/26/2007	Concept	0 %
<input type="checkbox"/>		Arrange Meeting with Client	[Unassigned]	[Unassigned]	11/27/2007	12/03/2007	Client Concept Review	0 %
<input type="checkbox"/>		Client Review and Concept Selection	[Unassigned]	[Unassigned]	11/28/2007	12/03/2007	Client Concept Review	0 %
<input type="checkbox"/>		Present Concepts to Client	[Unassigned]	[Unassigned]	11/29/2007	11/29/2007	Client Concept Review	0 %

- Planning and budgeting
- Financial and operational management
- Digital asset management
- Ensure alignment across marketing
- Visibility into status, budgets, resources
- Enterprise solution (UMO) or on-demand (MarketingCentral)

Drives Smarter Marketing with Integrated Planning & Execution



About the Company

- O2 Telefonica Group operates in 25 countries
- 295 million subscribers
- eg O2 Germany



Unica Solution



Campaign



Marketing Operations

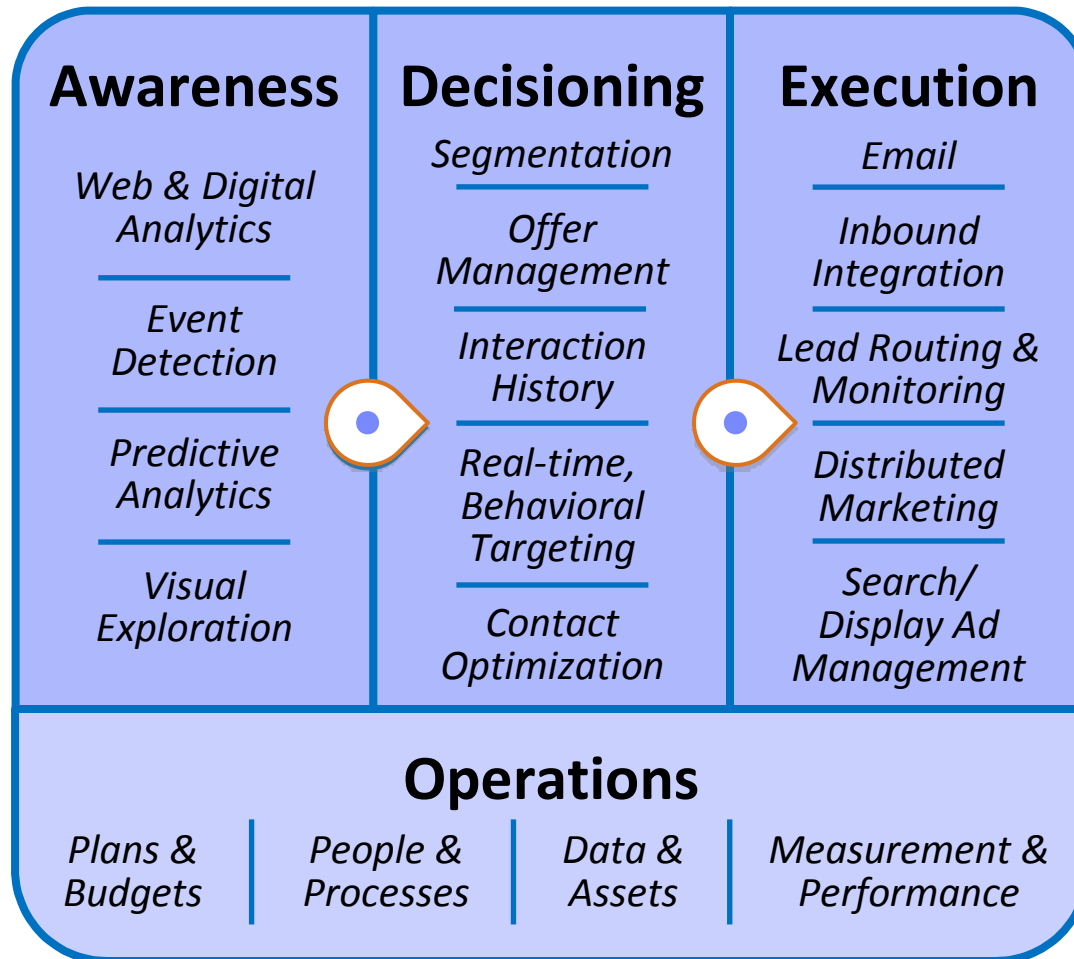
Challenges

- Needed to coordinate 125 people involved with marketing operations
- Needed a tool to report information in many ways in order to know the impact one marketing program has on the others
- Needed to quantify the value of each program
- Merge with Arcor, broadband: urgent need for collaboration

Results

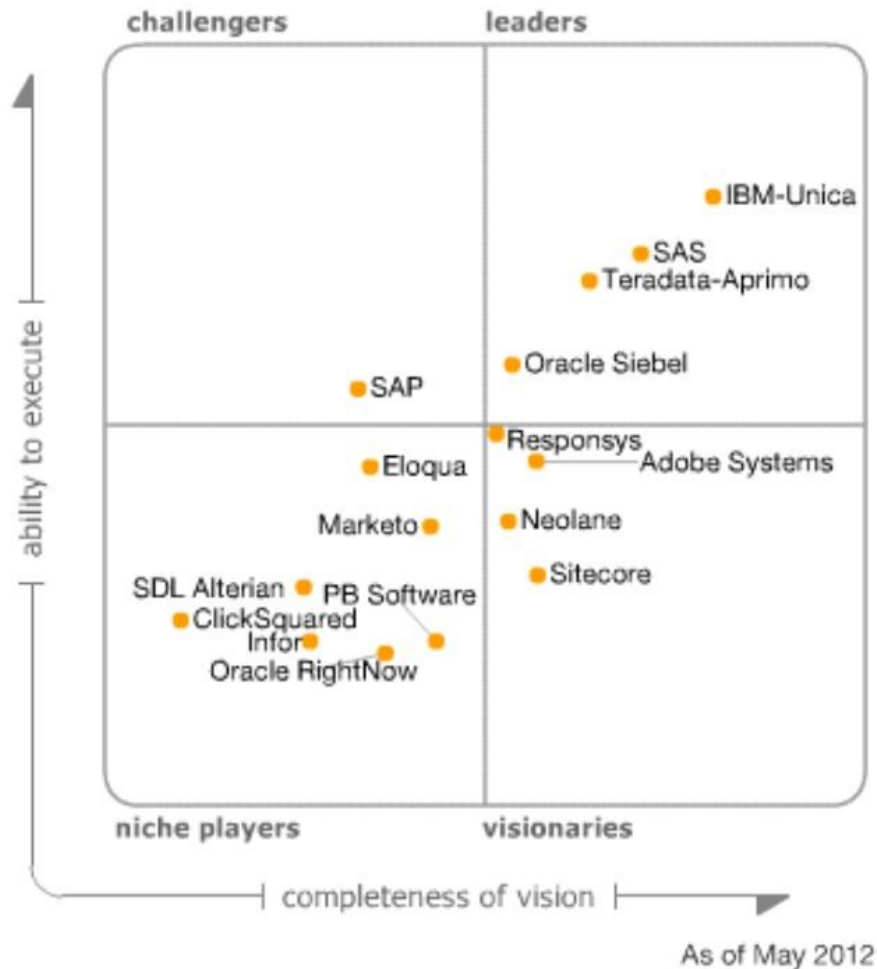
- Highly adjustable reporting engine to report information in a multitude of ways
- Better campaign planning
- Improved **inter-team cooperation** through the central storage of campaign information
- Significant reductions in development and maintenance costs
- Greater **productivity**
 - Campaigns are set up once
 - Daily run without manual intervention
- **Process efficiency** across the group

All Processes of Marketing Organizations: Inbound & Outbound & Online & Offline



10 Year Market Leader

Figure 1. Magic Quadrant for CRM Multichannel Campaign Management



Source: Gartner (May 2012)

New market leader in Web Analytics

Figure 3 Forrester Wave™: Web Analytics, Q4 '11

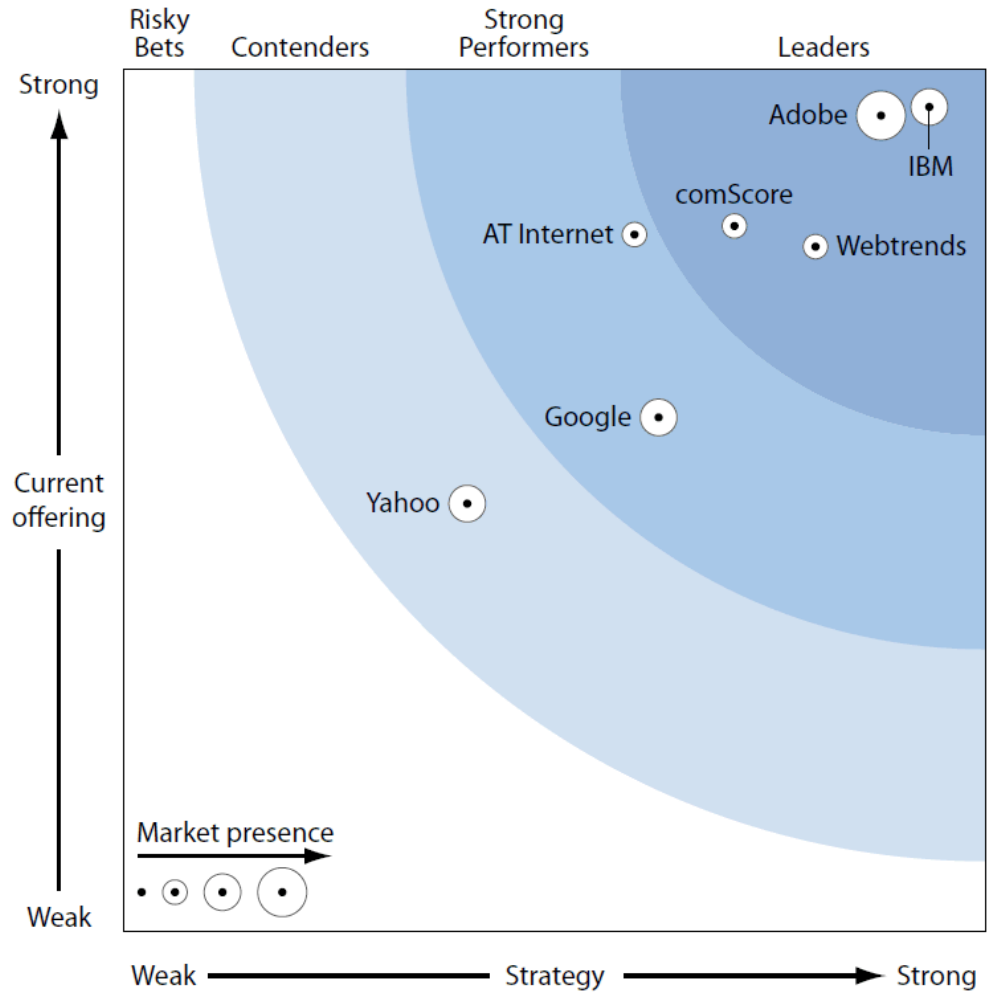


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More than 2500 Organizations Worldwide Depend on IBM's EMM Solutions

Financial



TEB
E*TRADE FINANCIAL
HBOS plc
Garanti
BMO Bank of Montreal
BBVA
Capital One
SUNTRUST
WELLS FARGO
Scotiabank
Sainsbury's Bank
KB

Telecom



Comcast
orange
Virgin mobile
U.S. Cellular
vodafone
Qwest
upc
AIS

Retail / Catalog



vipbukkan
BEST BUY
LANDS'END DIRECT MERCHANTS
KOHL'S
ORVIS SPORTING TRADITIONS Since 1856
NORDSTROM
STAPLES
JCPenney
Sears
eBay

Travel / Hospitality



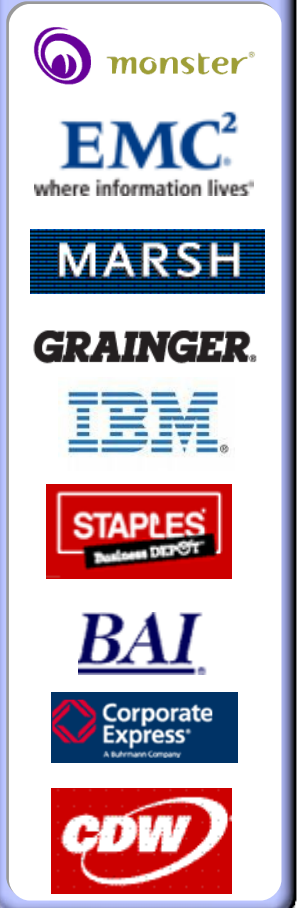
Virgin atlantic
UAL
Marriott
CHOICE HOTELS INTERNATIONAL
CATHAY PACIFIC
STARWOOD HOTELS & RESORTS WORLDWIDE, INC.
Hilton
Harrah's

Healthcare & Insurance



medco
Amica
MÈDÉRIC COMPLÉMENTAIRE
AARP Life Insurance Program NEW YORK LIFE
HUMANA
AstraZeneca
Shire
AAA Life Insurance Company

B2B / High Tech



monster
EMC² where information lives
MARSH
GRAINGER
IBM
STAPLES Business DEPOT
BAI
Corporate Express A Buhmann Company
CDW

Typical business results reported by EMM users

More **effective** marketing:

Improved customer value,
loyalty & retention

5-15% increase is typical

Higher online marketing ROI

15x-25x increase is typical

Higher campaign ROI

15-30% increase is typical

Increased response rates

10-50% increase is typical

Increased order value

15-20% increase is typical

More **efficient** marketing:

More campaigns with the
same resources

2-5x increase is typical

Reduced cycle time for
marketing efforts

40%-80% reduction is typical

Reduced marketing costs

20-40% reduction is typical

Lower customer acquisition
costs

25%-75% reduction is typical

Other business metrics

revenue, profit, others vary by industry (assets under management, ARPU, #products owned, etc.)

Leading Financial Institutions Rely on IBM EMM Portfolio of Banking Customers



Unica is the Proven Solution for Telecommunications Companies



Strong Portfolio of Retail Customers



So don't miss the train, call us!



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