Winning

with

WebSphere Software Platform

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WebSphere Partner Enablement

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Agenda

- **Opportunities for e-business**
- **WebSphere platform**
- **Mid-market strategy**
- **Mid-market solutions - how to sell them**
- **Resources**

What is e-business?

An e-business is an organization that connects critical business systems directly to its customers, employees, partners and suppliers via intranets, extranets and over the Web.

Impact of e-Business

Customers expect:

- competitive prices
- access to current information
- active management, self service
- 24x7 availability
- responsiveness
- recognition
- superior service across all channels

Other factors:

Mergers and acquisition

Market valuation

Globalization

Business drivers ' r - c = p '

✓ **The need attract and maintain customers - CRM**
- **Reach customers and employees anywhere, anytime**
- **Integrate channels**
- **Provide customer self-service**
- **Provide pertinent, just in time information**
- **Understand customer needs for effective marketing campaigns, cross-sell and up-sell**

✓ **The need to reduce costs**
- **Eliminate manual processes**
- **Decrease inventory**
- **Implement process management to reduce error rates and shorten cycle times**
- **Provide education and tools to employees to support new business demands**

✓ **The need for speed**
- **Time to market, rapid response to change**
- **Need systems that are quick to implement and easy to maintain (cost of ownership)**

What is WebSphere ?

The **WebSphere** software platform is **IBM's** software solution for e-business

- Over 35,000 + Global Customers
- 9,000 partners (500% YTY) incl. 1,300 certified Solution Providers
- 4,700 trained Global Integrators
- 1000 Partner / Customer Engagements via WebSphere Innovation Centers
- Nine consecutive quarters of double-digit growth (1999/2001)
- Most Rapidly Growing e-business platform

Market leadership

■

► **Explosive Growth**
- Year-to-Year revenue WS growth of over 200% for last three quarters.
- MQSeries messaging has 75% market share and grew at 35% versus the industry growth rate of 20% in 2000
- WebSphere growing 10 times faster than our nearest competitor
- WebSphere   + 200% YTY
- WebSphere Commerce   + 300%
- MQSeries Family   + 70% YTY

► **Customer Acceptance**
- Morgan Stanley Dean Witter survey of 150 CIOs from 15 industries found that on strategic e-business software decisions--47% of the CIOs prefer WebSphere

► **Our commitment**
- $1 billion investment in WebSphere - IBM's largest current software investment area
- Supports all major computing platforms
- Used by more than 35,000 customers
- Extended Development team of almost 4,500 software engineersbb

States of e-business adoption

a long term trend toward the creation of more automated and integrated business processes which are transforming our world.

Source : The McKenna Group,
IBM Market Research
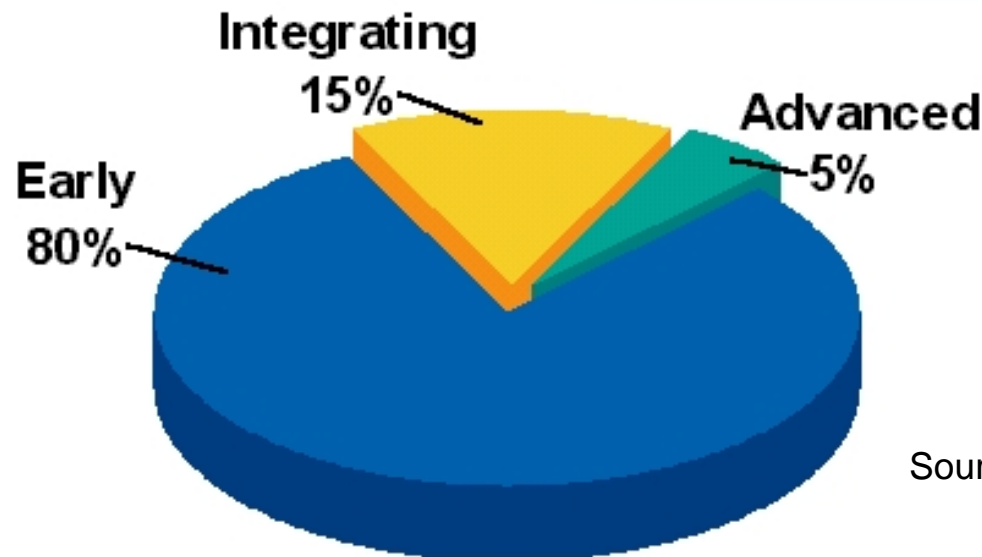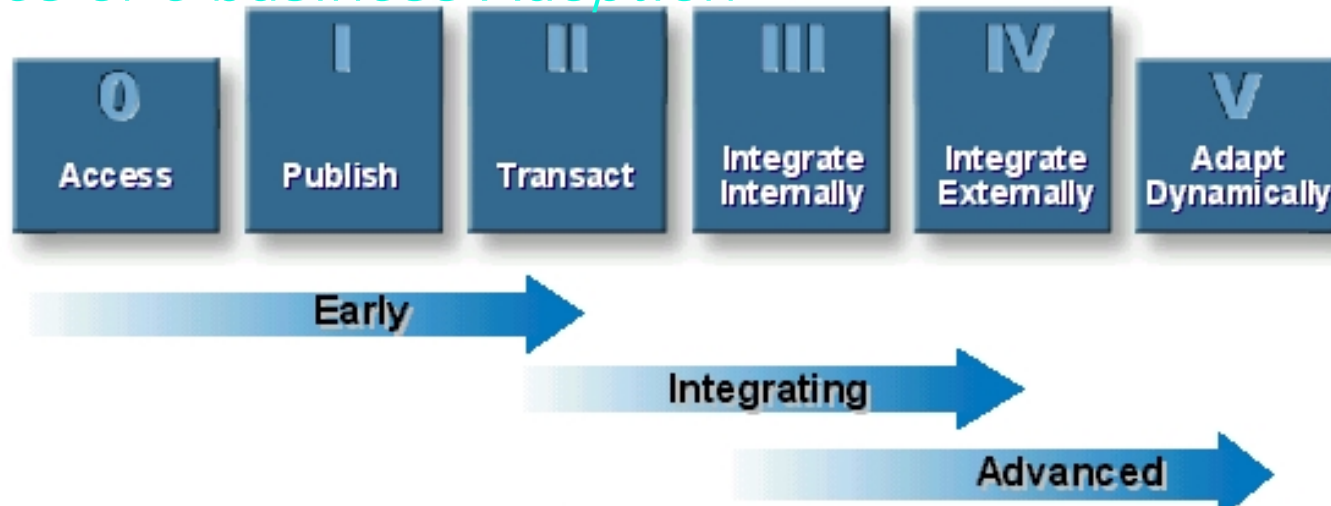
Dynamic e-business

Value Networks

Internal Integration

e-business Transactions

Web Publishing

Majority of Organizations in Early Stages of e-business

States of e-business Adoption

0	I	II	III	IV	V
Access	Publish	Transact	Integrate Internally	Integrate Externally	Adapt Dynamically

Early

Integrating

Advanced

Integrating
15%

Advanced
5%

Early
80%

% of Adoption by States

Source: IBM-sponsored research
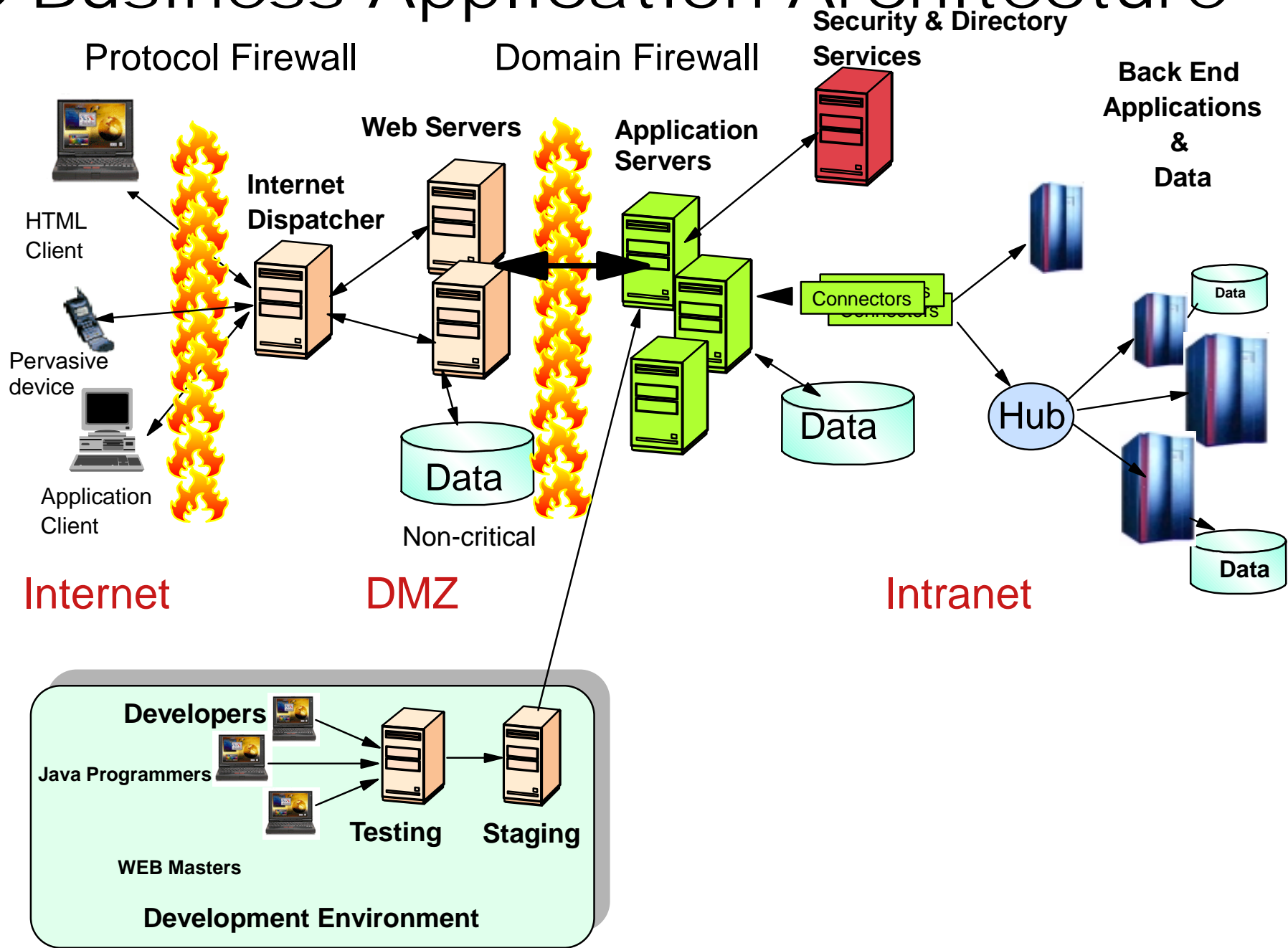33,000 organizations

e-business exposures

- What is the impact of an outage?
- How do I decrease my risk?
- How do I increase the customer value?
- How will my business model evolve?
- How fast can I respond to changes?

Areas to evaluate:

- Cost of ownership
- Scalability
- Availability
- Security
- Management
- Skills
- Standards

e-Business Application Architecture

Protocol Firewall

Domain Firewall

Security & Directory Services

Back End Applications & Data

Web Servers

Application Servers

Internet Dispatcher

HTML Client

Pervasive device

Application Client

Data

Non-critical

Connectors

Data

Hub

Data

Data

Data

Internet

DMZ

Intranet

Developers

Java Programmers

Testing

Staging

WEB Masters

Development Environment

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- **Resources**
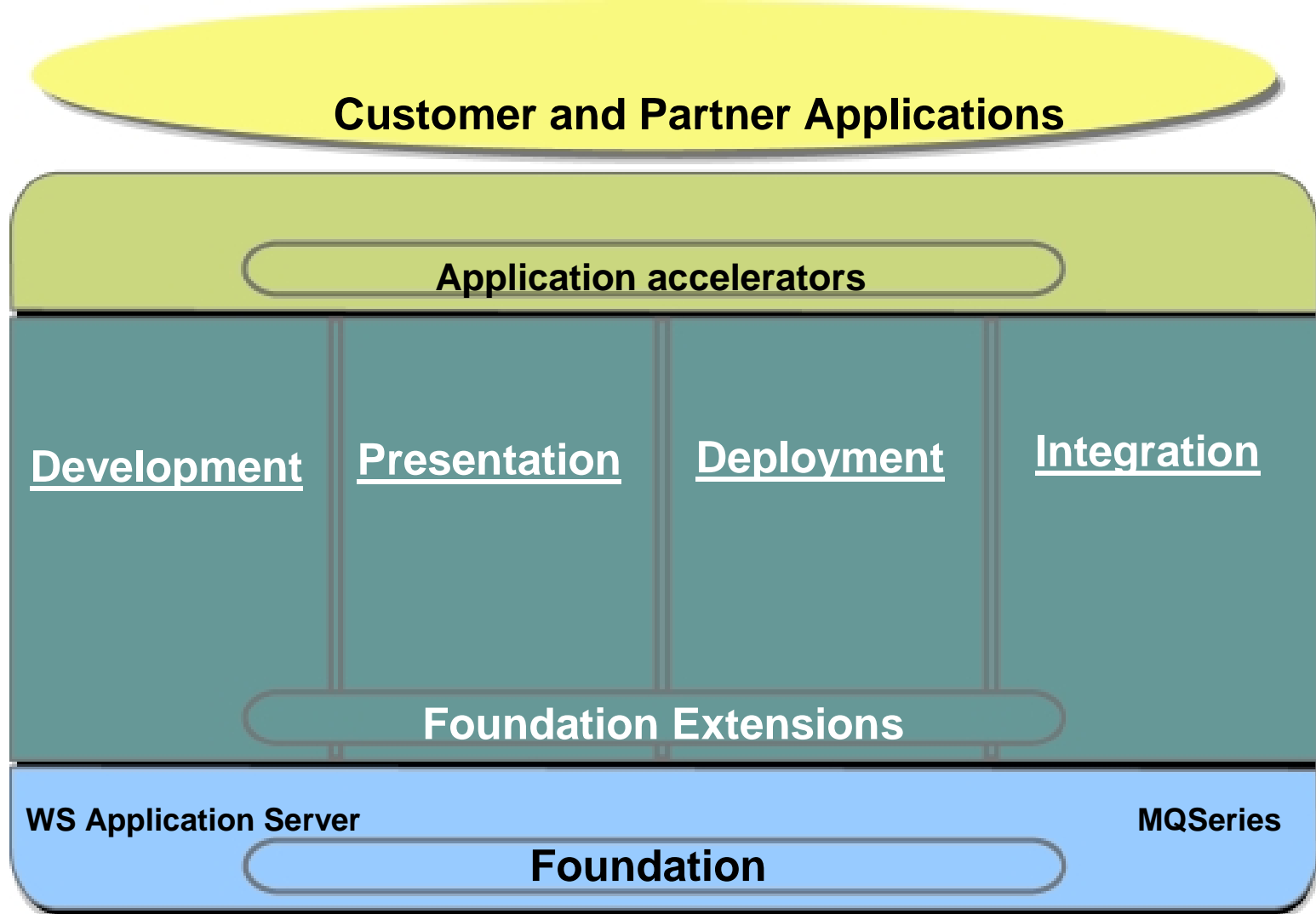
Fundamental Market Shift:

e-business Infrastructure = App Servers

\+ Integration Servers

Application servers increasingly involve integration and messaging. These markets are converging: our competitors say the same thing. IBM's long time sweet spot of integration, BPM, & transactions is just starting to take hold and that will drive further IBM leadership and growth...
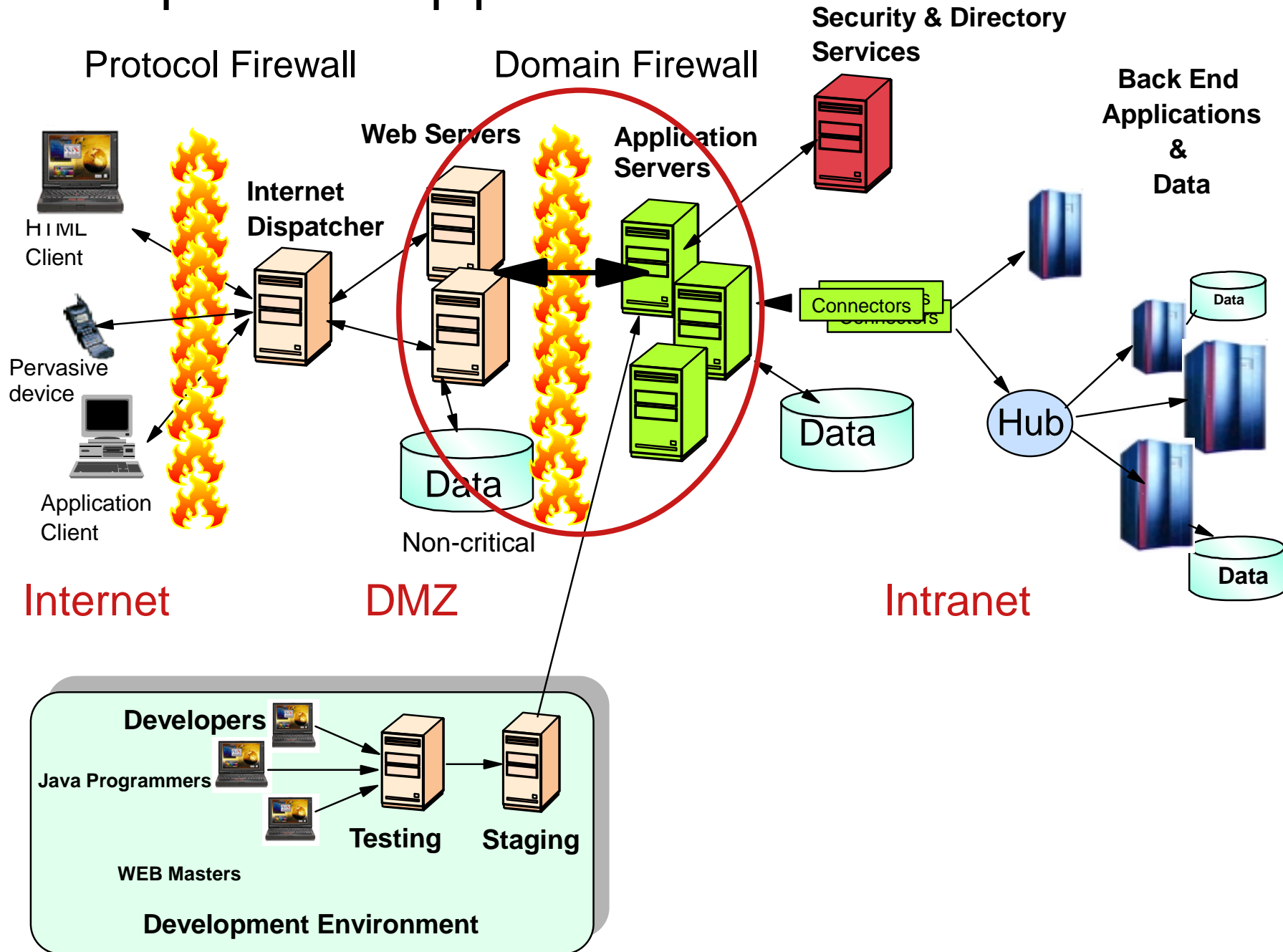
Market Convergence

others
35%
35%
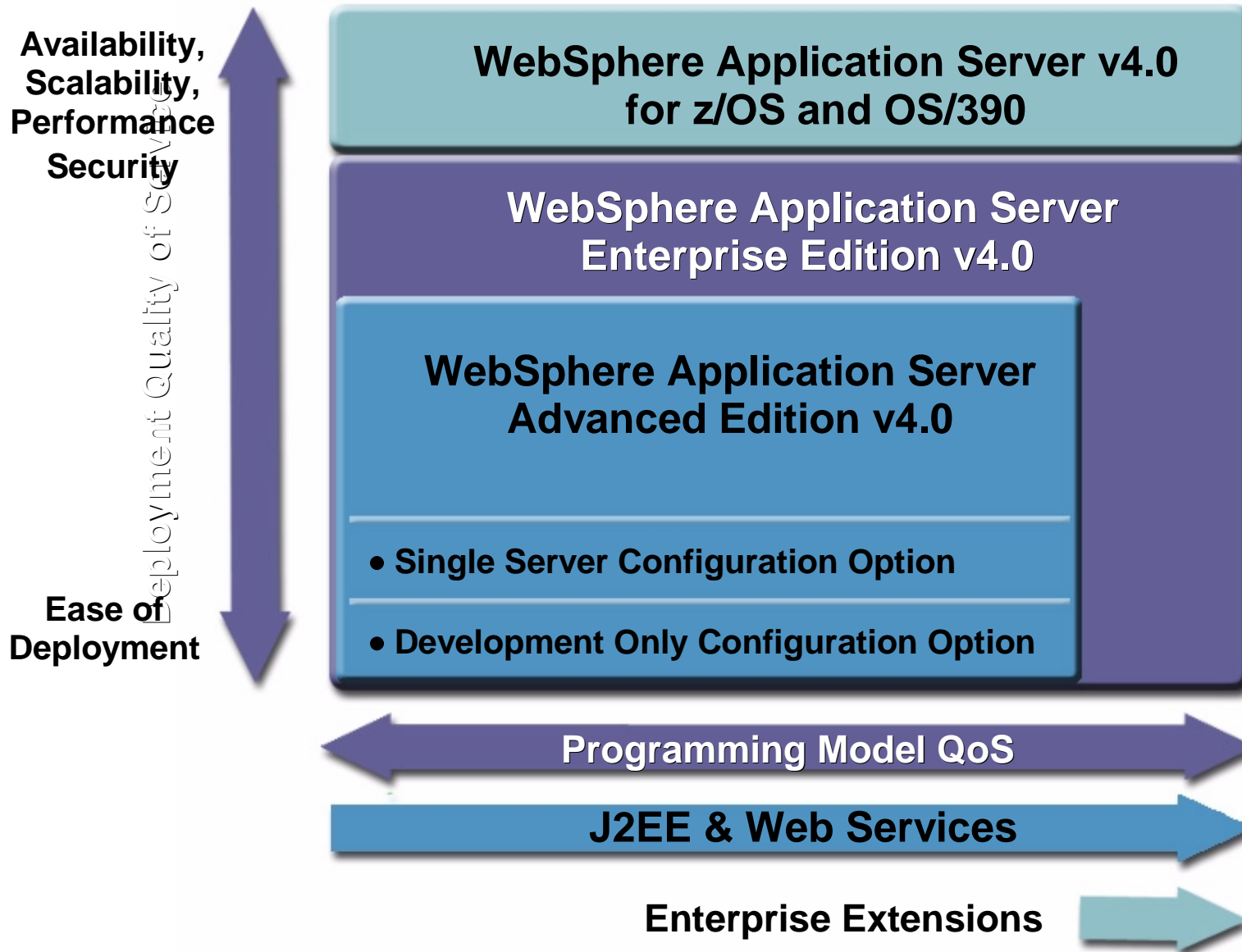**BEA**
30%
IBM
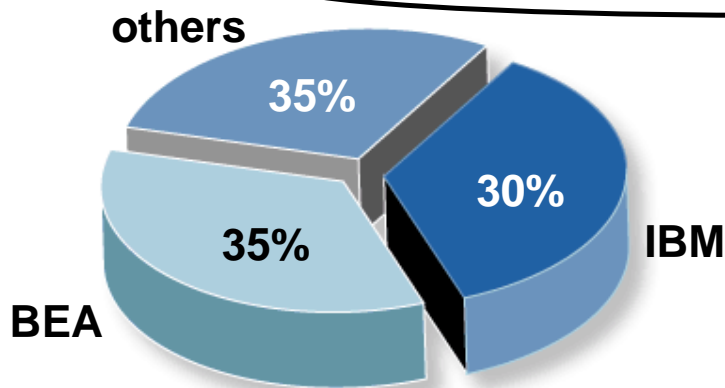
J2EE App Servers Market
($1.6B, CGR 38% 2005)

IBM
65%
others
33%
BEA
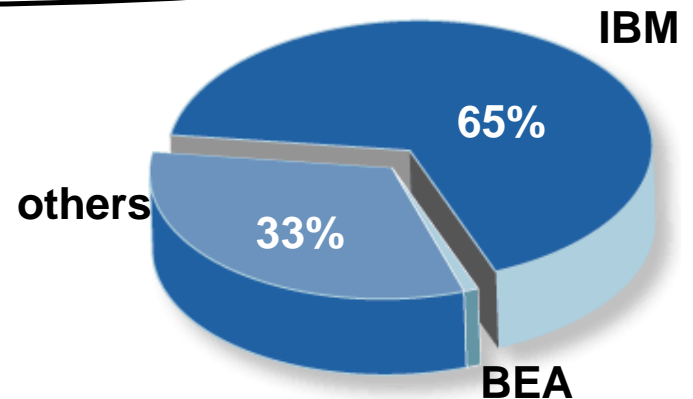
Messaging & Integration Broker Market
($1.0B, CGR 30% 2005)

WebSphere Application Architecture
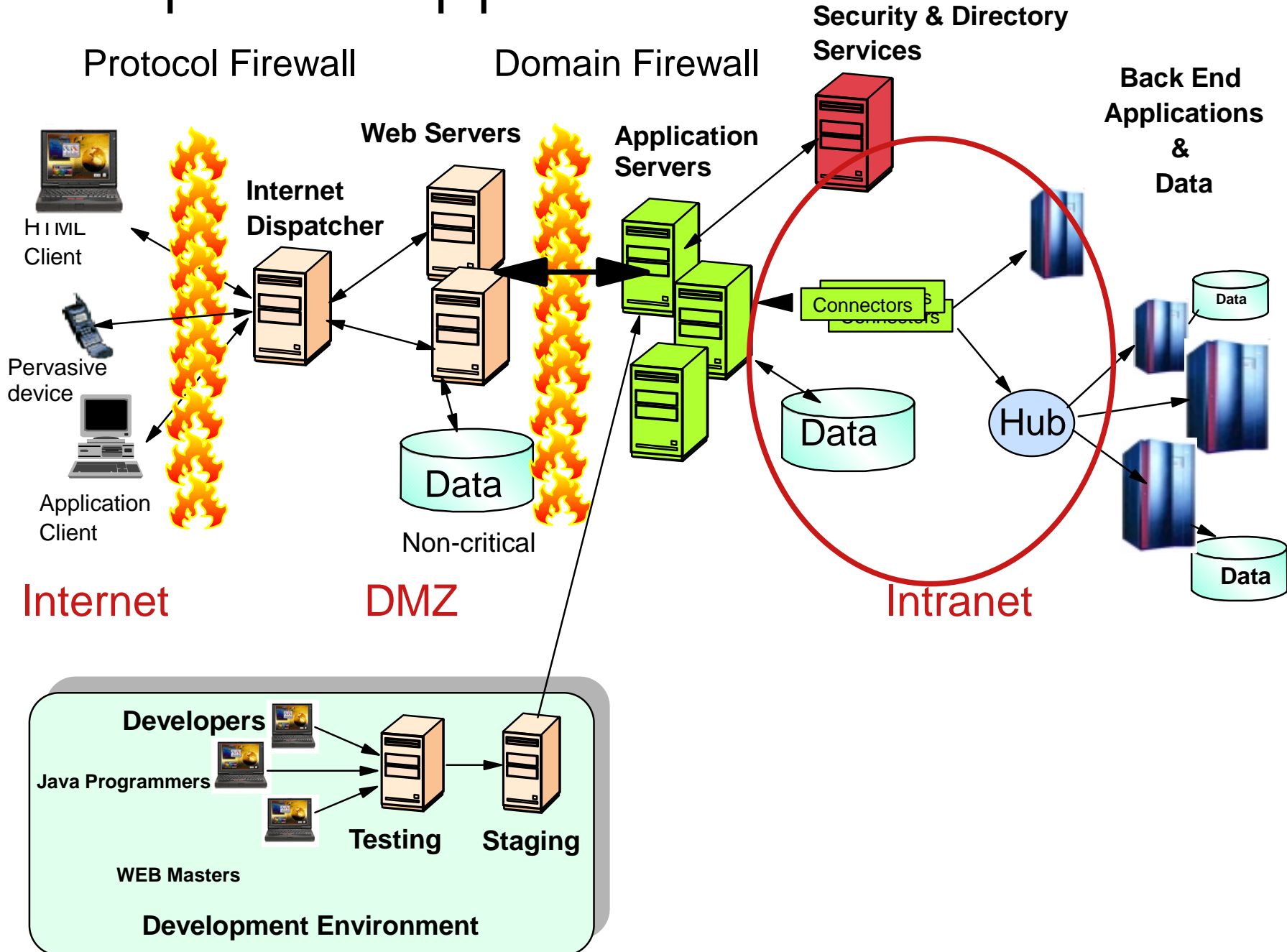
IBM MQSeries
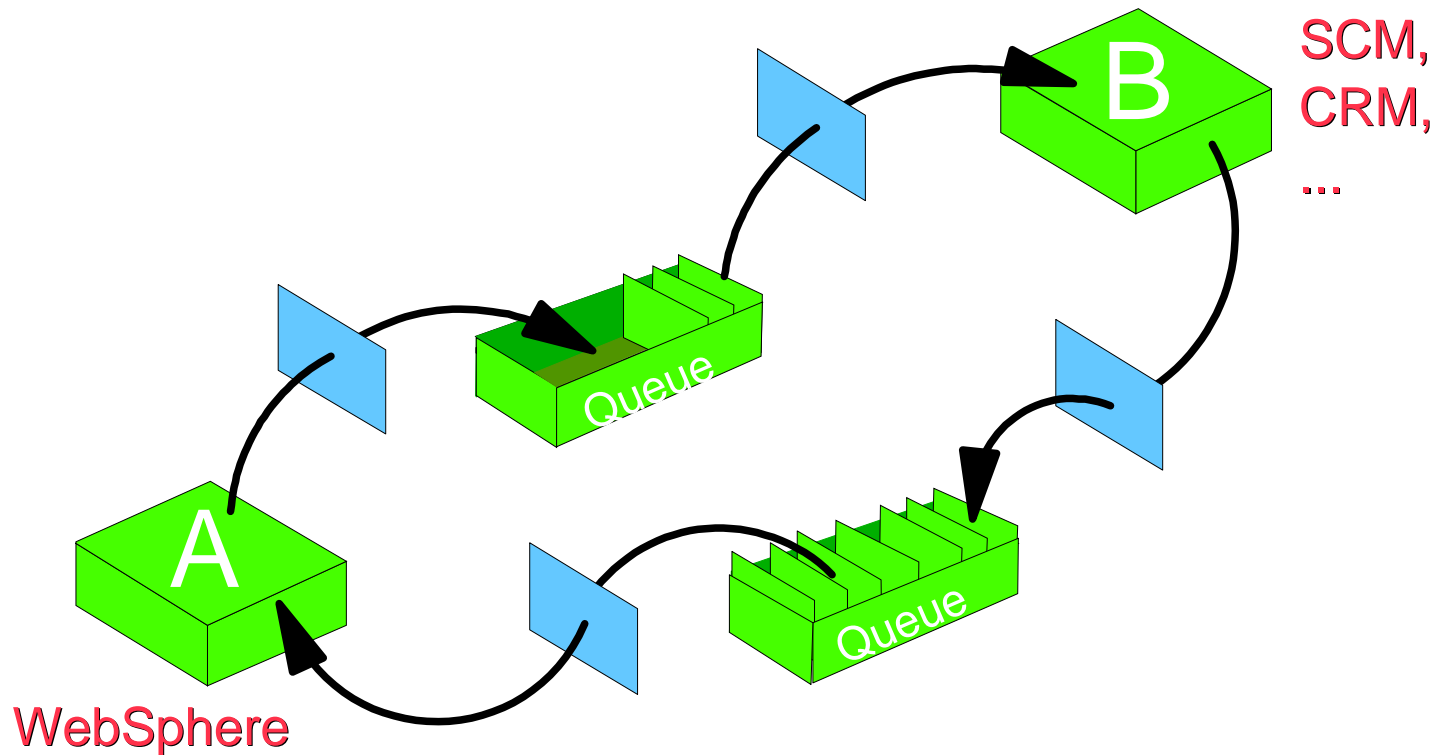
ERP,
SCM,
CRM,
...

B

A

Queue

Queue

WebSphere

- A single, multi-platform API
- Assured message delivery
- Faster application development
- Time independent processing
- Application parallelism

Universal Reliable
Interconnect

Has almost 72% Market
Share

Application Integration

Universal Reliable Interconnect

Has almost 72% Market Share

- A single, multi-platform API
- Assured message delivery
- Faster application development
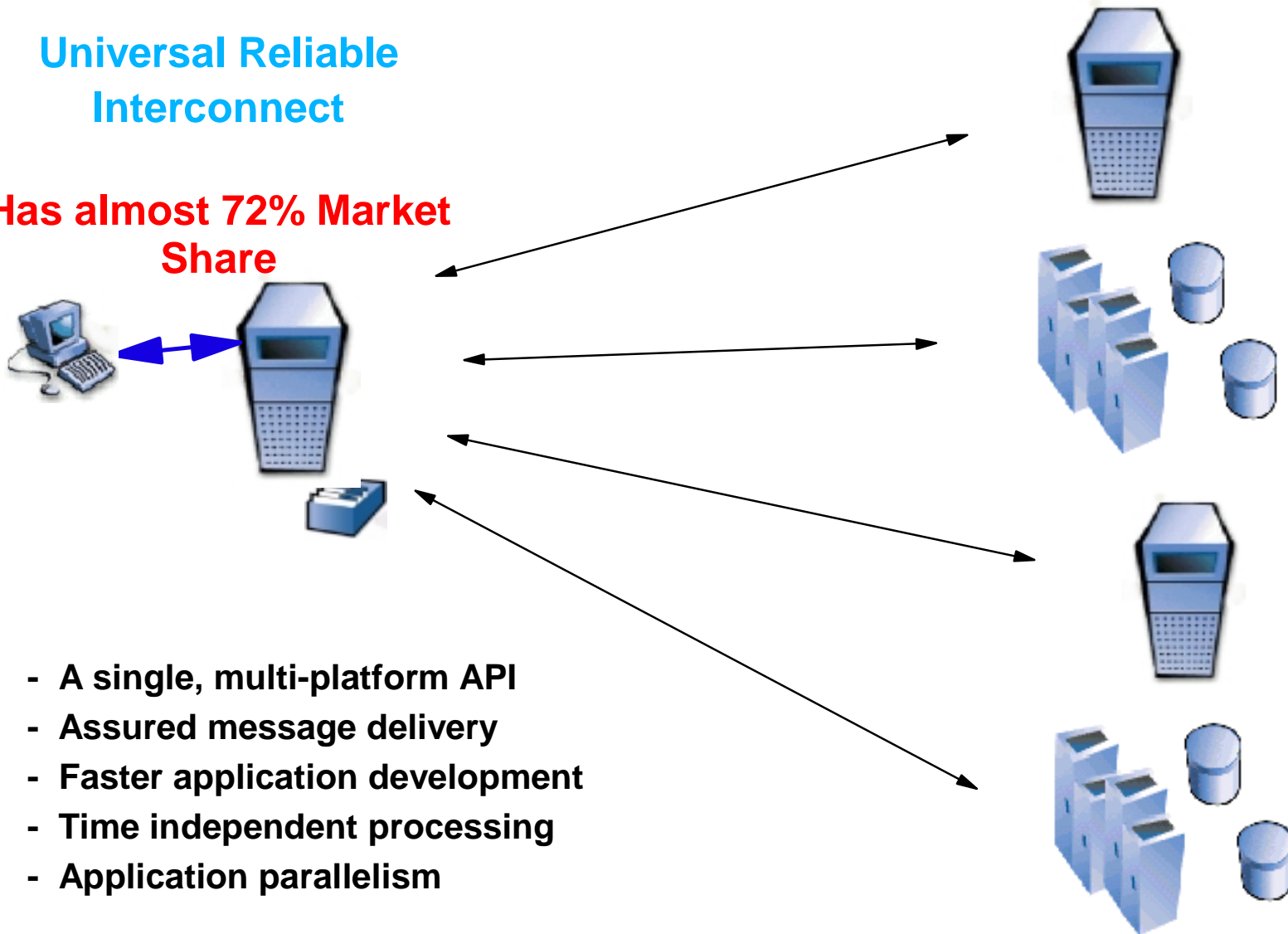- Time independent processing
- Application parallelism

WebSphere Software Platform

Customer and Partner Applications

Commerce Suite	Lotus Collaboration	BtoB Integrator

Application accelerators

Development	Presentation	Deployment	Integration
WS Studio	WS Personalization	WS Edge Server	MQ Workflow
VA Java	WS Portal	WS Site Analyzer	MQSeries Integrator
VA Generator	WS Transcoding Pub		MQ Adapter Offering
Versata	WS Everyplace		WS Host Integration
WS Homepage	WS Translation		Business Process
Builder	WS Voice Server		Management
WS Business Comp.			

Foundation Extensions

WS Application Server   **MQSeries**

Foundation

Roles-based Development

Role	Enterprise Integrator	Bean Provider	Application Assembler	Page Producer	Web Master
Concern	Connection Data	Business Logic Data	Application Flow	Page Layout & Content	Operational Environment
Produces	Java Beans EJBs	Java Beans, Enterprise Java Beans	HTTP Servlets, JSPs, JavaBeans	Java Server Pages, HTML, MIME types	Configuration Data, Site Usage Statistics
Tool	VisualAge family	VisualAge for Java	WebSphere Studio		

The Ultimate Development Environment where everything works together

WebSphere Software Platform

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Application accelerators

Development

WS Studio
VA Java
VA Generator
Versata
WS Homepage
   Builder
WS Business Comp.

Presentation

WS Personalization
 TeamXpress
WS Portal
WS Transcoding Pub
WS Everyplace
WS Translation
WS Voice Server

Deployment

WS Edge Server
WS Site Analyzer

Integration

MQ Workflow
MQSeries Integrator
MQ Adapter Offering
WS Host Integration
Business Process
   Management

Foundation Extensions

WS Application Server   **MQSeries**

Foundation

WebSphere Personalization Server

- Visitors remain longer on a site and return more often, leading to increased sales

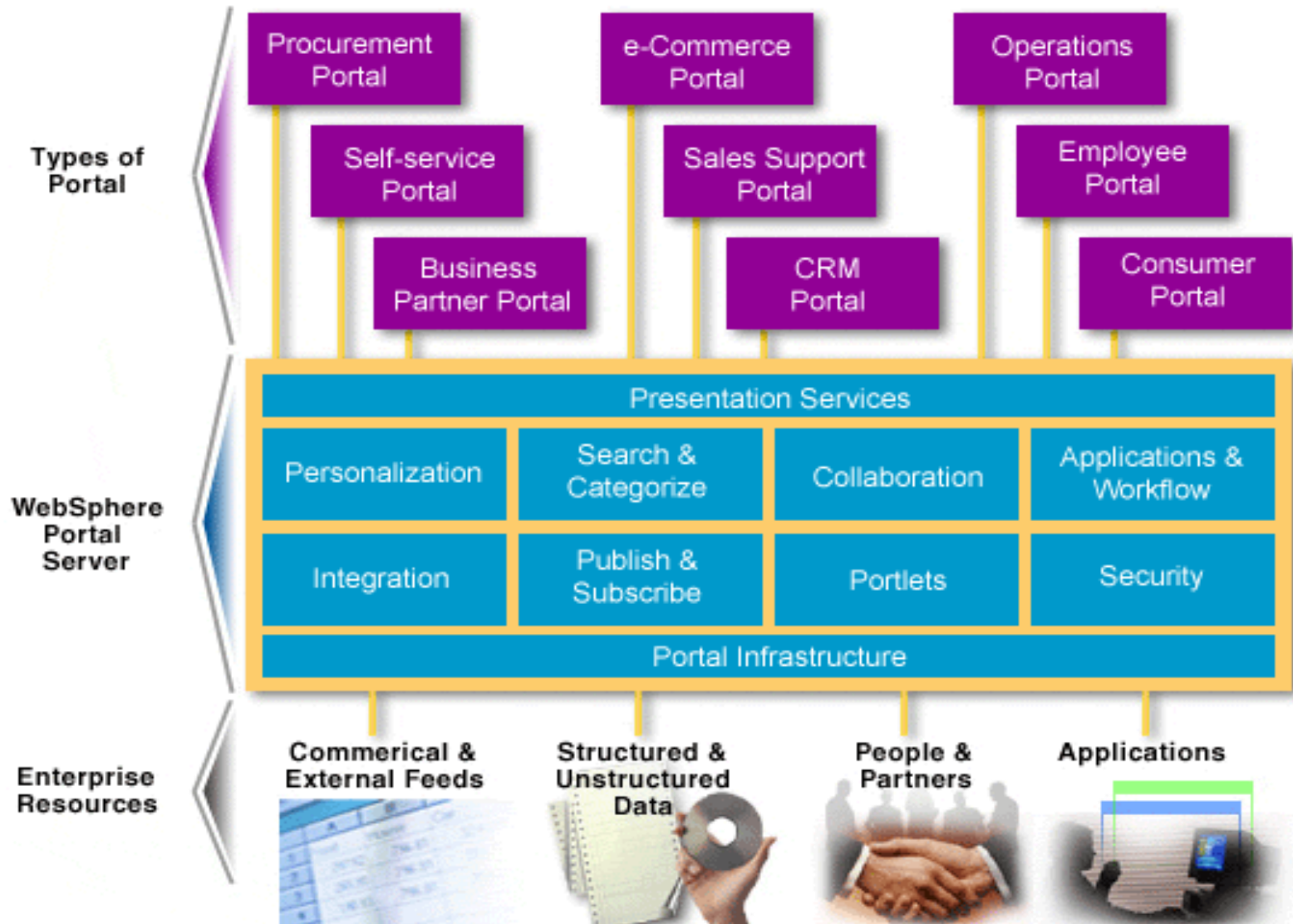- Sites become easier to use, leading to improved service for your site's audience

- Site content becomes more relevant for each visitor making the site more useful

WebSphere Portal Server

Types of Portal

- Procurement Portal
- e-Commerce Portal
- Operations Portal
- Self-service Portal
- Sales Support Portal
- Employee Portal
- Business Partner Portal
- CRM Portal
- Consumer Portal

WebSphere Portal Server

Presentation Services

| Personalization | Search & Categorize | Collaboration | Applications & Workflow |
| Integration | Publish & Subscribe | Portlets | Security |

Portal Infrastructure

Enterprise Resources

- Commerical & External Feeds
- Structured & Unstructured Data
- People & Partners
- Applications

WebSphere Transcoding Publisher

http://www-4.ibm.com/software/webservers/transcoding/

Source Content

(HTML, XML)

(JPEG, GIF)

- **Content Transformation**
  - Language Transcoding
  - Simplification/Removal
  - Image Transcoding

- **Content Selection**
  - Clipping
  - Fragmentation
  - Style Sheet Application

Adapted Content

(WML, HDML, iMode, XML)

(JPEG, GIF, WBMP)
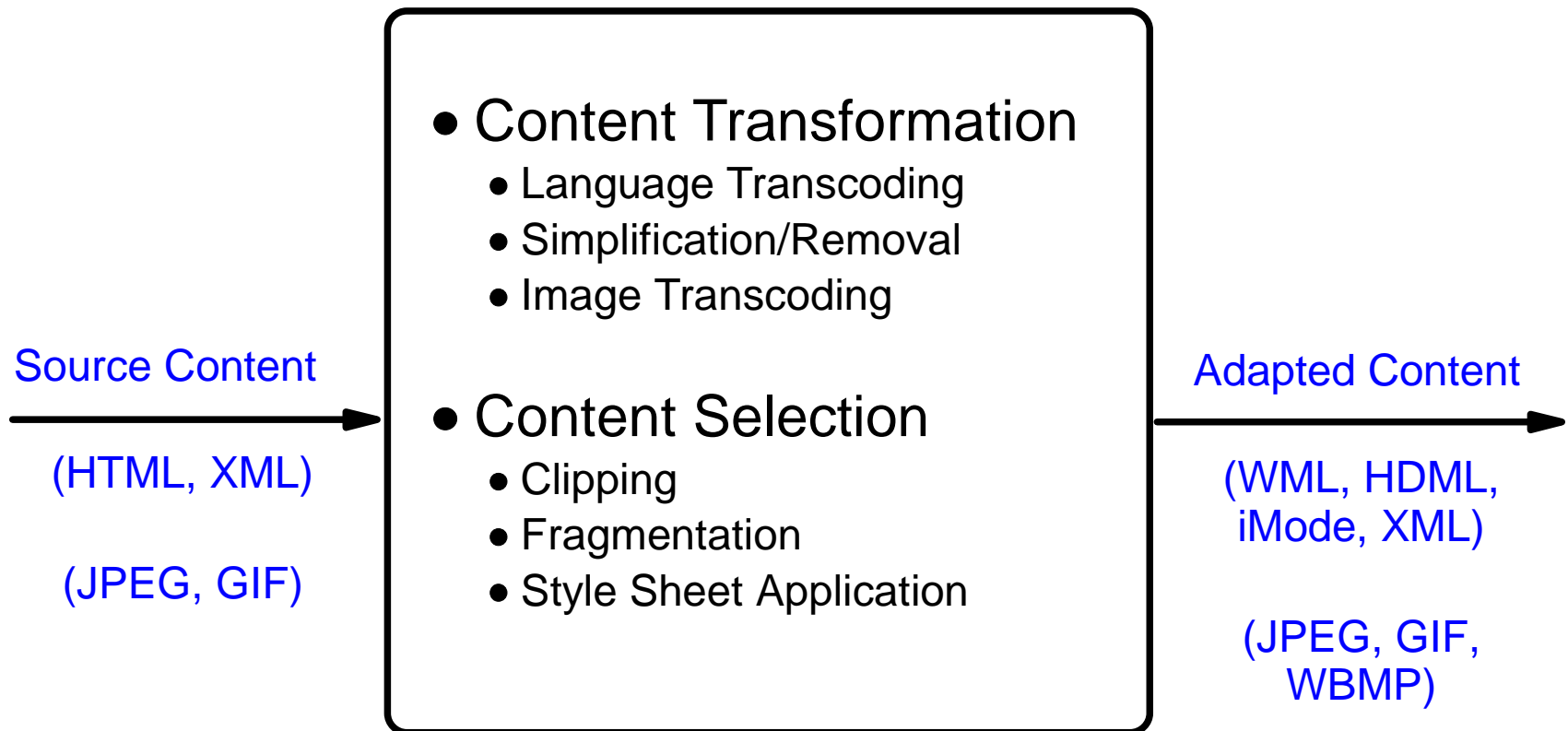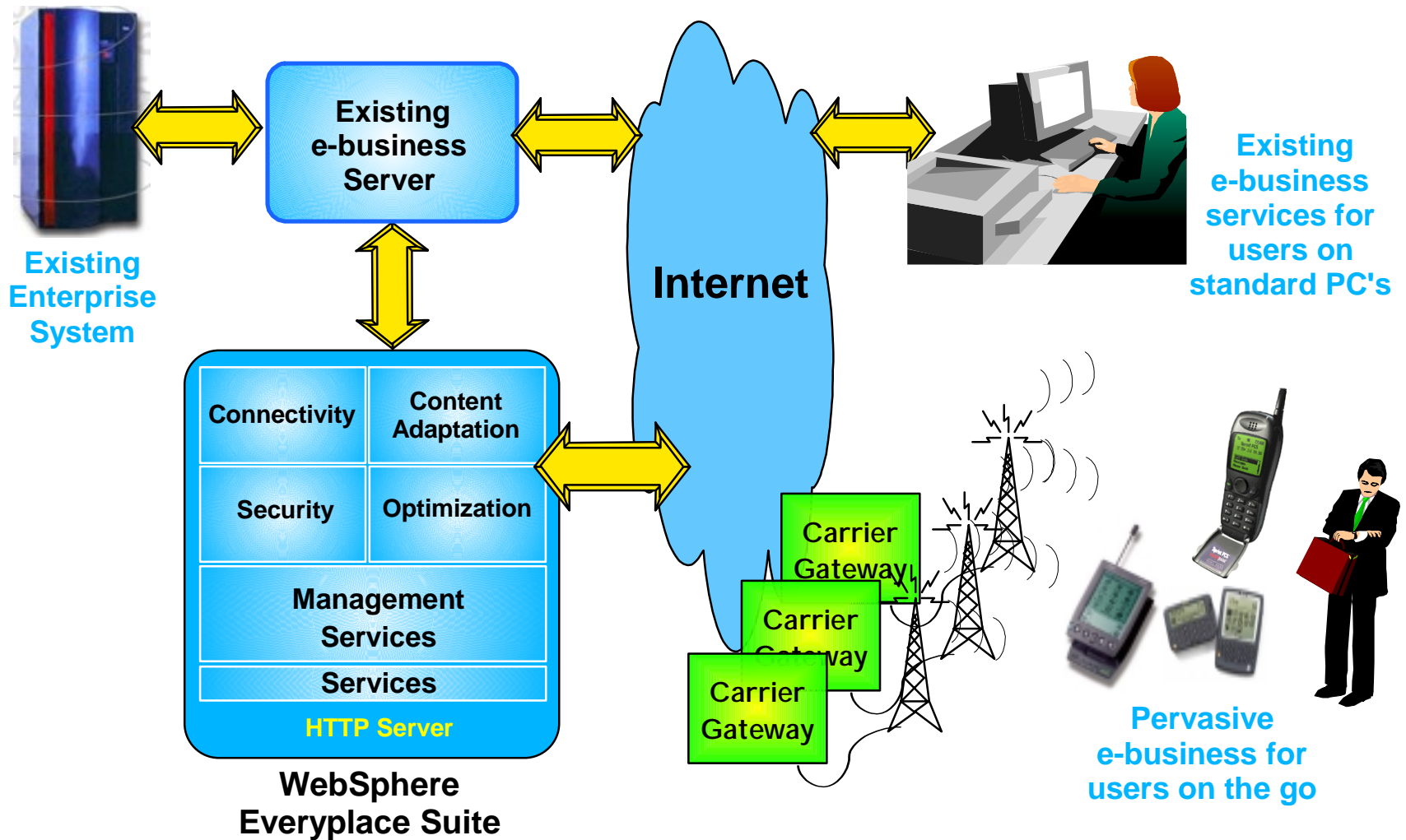
- Source application can be unchanged
- Content is reformatted to meet device capabilities

WebSphere Everyplace Suite

Existing Enterprise System

Existing e-business Server

Internet

Existing e-business services for users on standard PC's

Connectivity

Content Adaptation

Security

Optimization

Management Services

Services

HTTP Server

WebSphere Everyplace Suite

Carrier Gateway

Carrier Gateway

Carrier Gateway

Pervasive e-business for users on the go

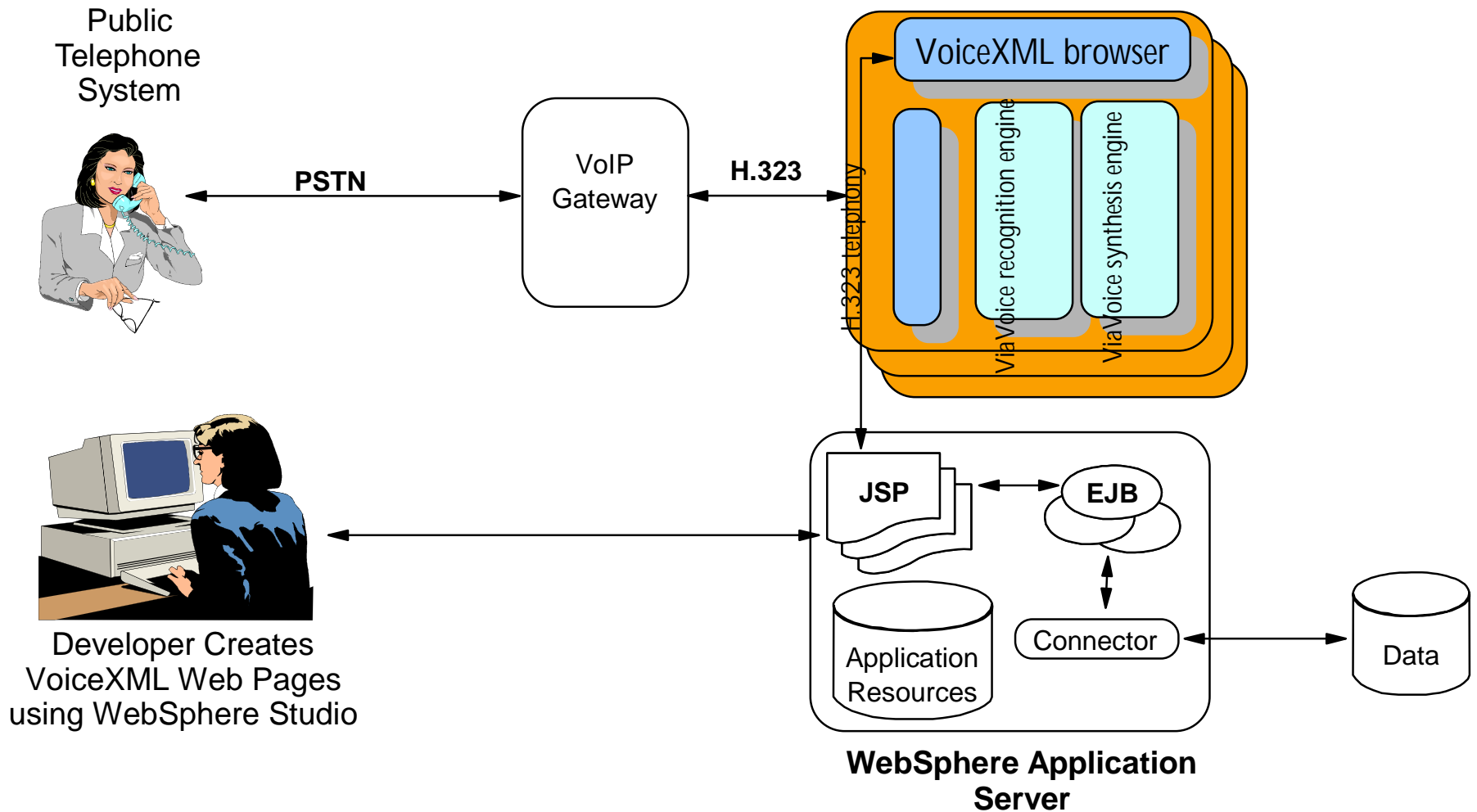# WebSphere Voice Server

http://www-4.ibm.com/software/speech/enterprise/ep_1.html

Based on VoiceXML & VoIP
standard

Voice Server

Public
Telephone
System

VoiceXML browser

VoIP
Gateway

PSTN

H.323

H.323 telephony

ViaVoice recognition engine

ViaVoice synthesis engine

JSP

EJB

Connector

Application
Resources

Data

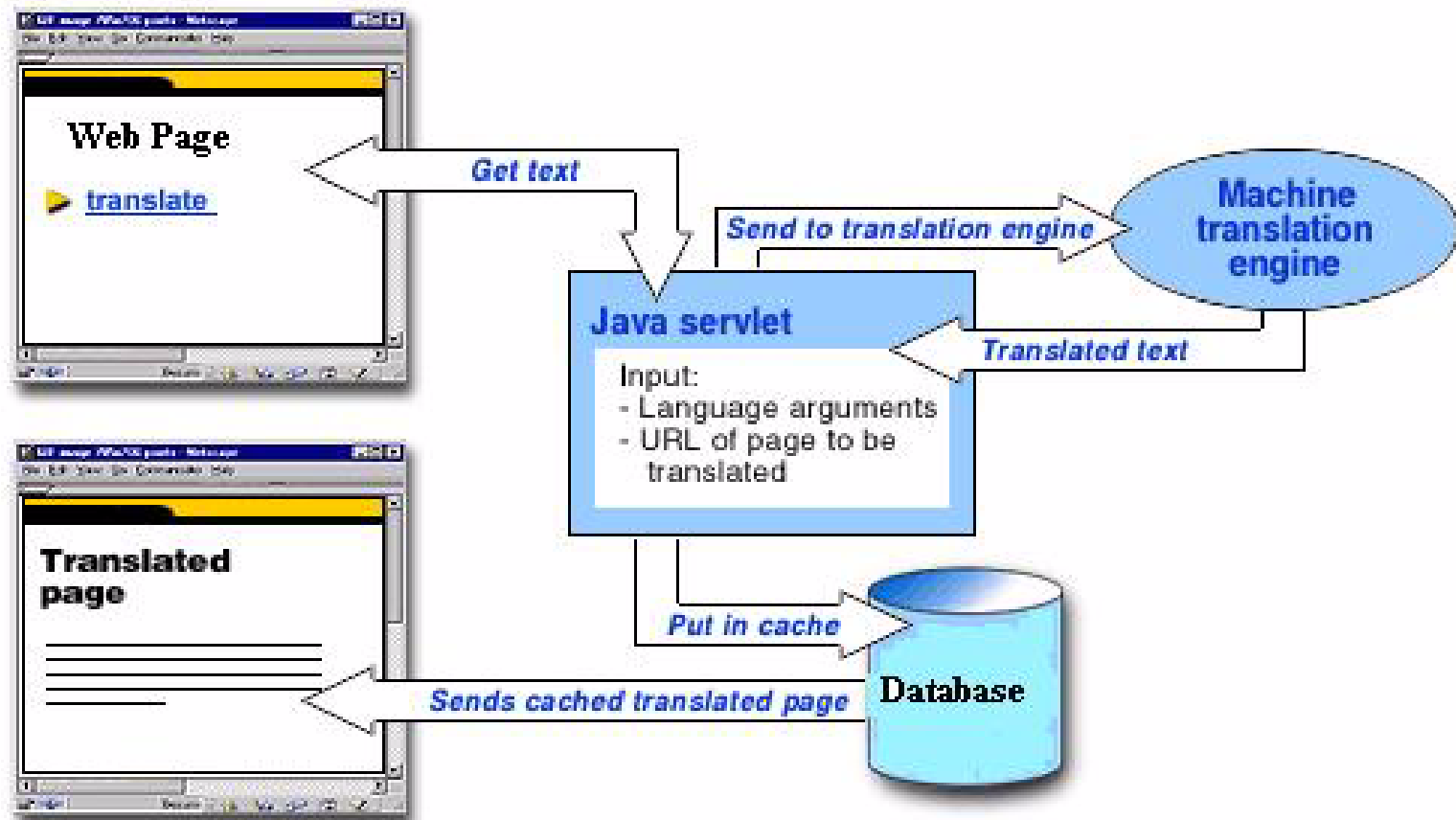Developer Creates
VoiceXML Web Pages
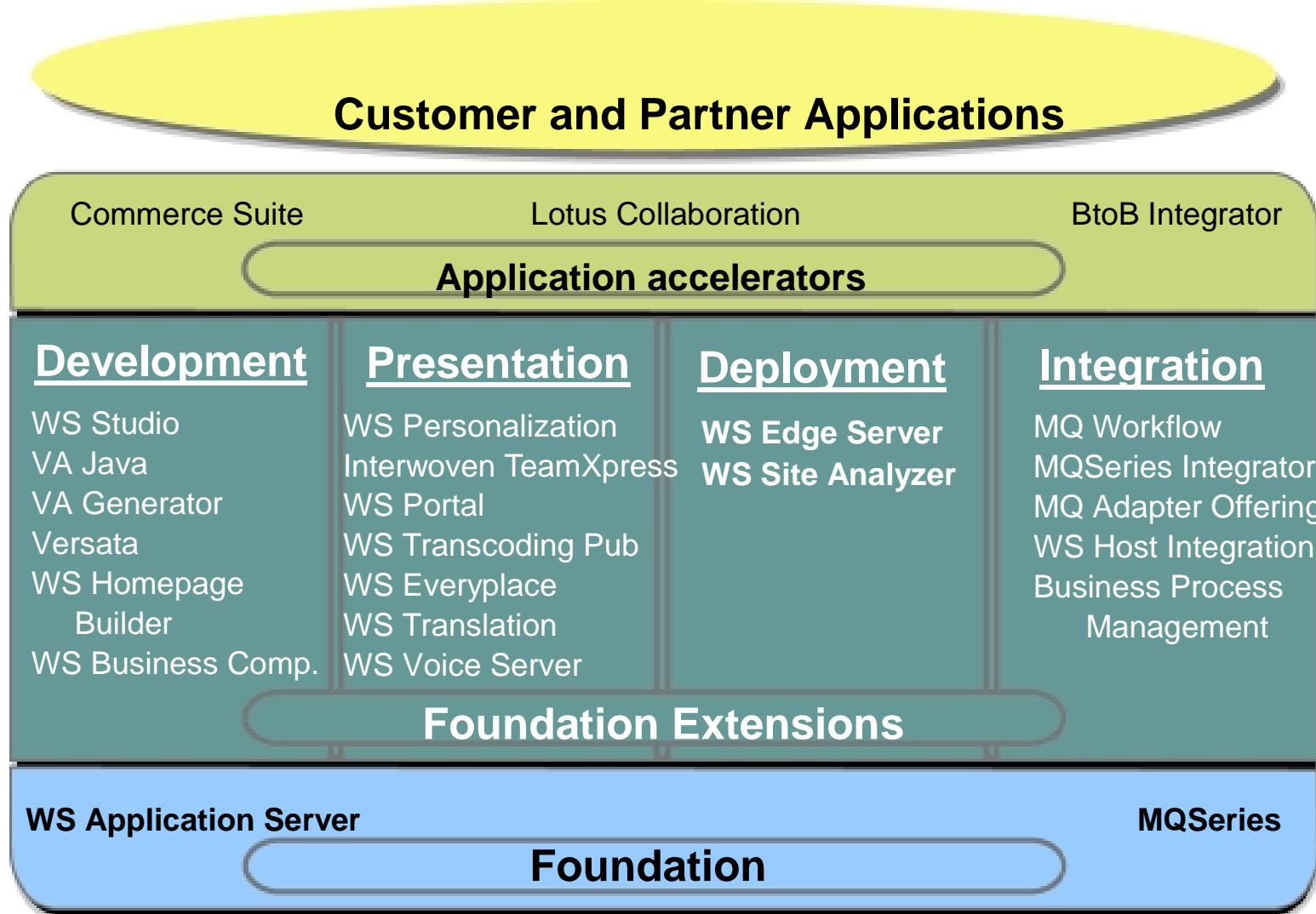using WebSphere Studio

**WebSphere Application
Server**

WebSphere Translation Server

http://www-4.ibm.com/software/speech/enterprise/ep_8.html

Enables Multi-Lingual Access for superior service and operational effectiveness

WebSphere Software Platform

Customer and Partner Applications

Commerce Suite   Lotus Collaboration   BtoB Integrator

Application accelerators

Development	Presentation	Deployment	Integration
WS Studio	WS Personalization	**WS Edge Server**	MQ Workflow
VA Java	Interwoven TeamXpress	**WS Site Analyzer**	MQSeries Integrator
VA Generator	WS Portal		MQ Adapter Offering
Versata	WS Transcoding Pub		WS Host Integration
WS Homepage	WS Everyplace		Business Process
Builder	WS Translation		Management
WS Business Comp.	WS Voice Server		

Foundation Extensions

WS Application Server   **MQSeries**

Foundation

WebSphere Edge Server

Internet

High Capacity Caching

Dynamic Load Balancing

Web Server 1

Web Server 2

Web Server n

File Admin & Mirroring

File Admin & Mirroring

Web Server Scaling

- Content Caching
- Load Balancing
- Mirroring & Replication
- Filtering
- Distributed Files
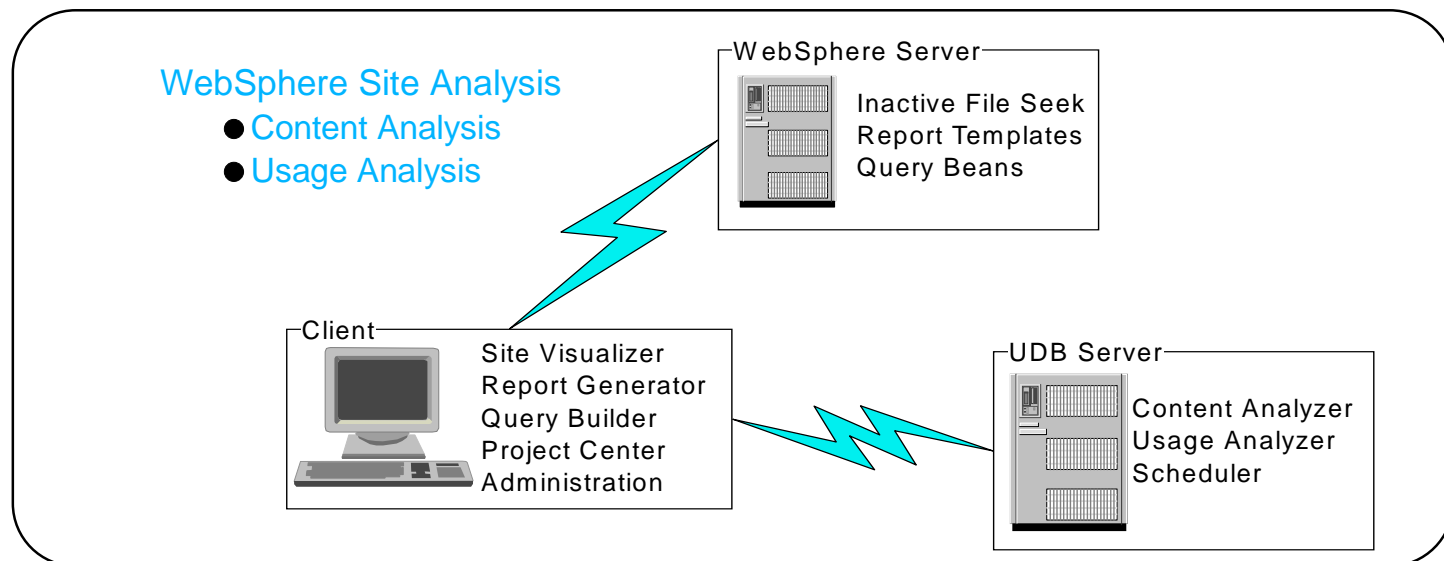- Failover
- Multi-platform, standards-based

Increases throughputs of websites
Improves end user response time
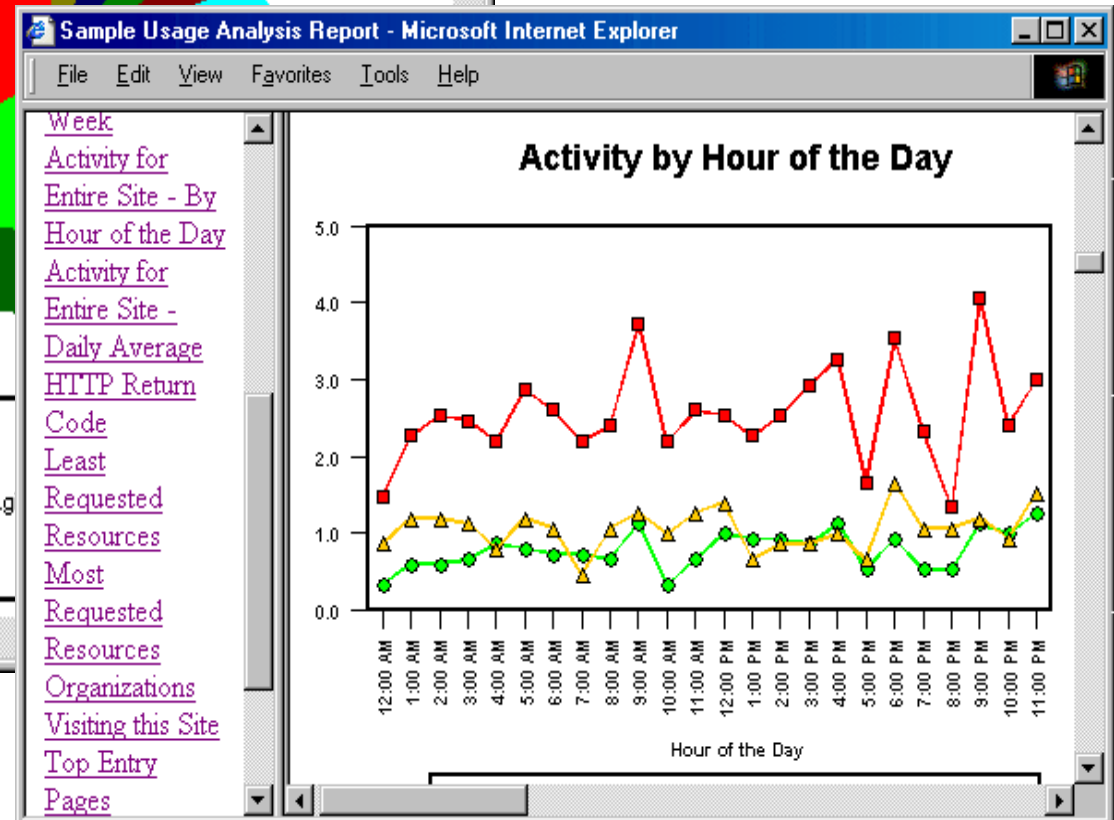**Impacts response time without having to buy hw or routers**

Site Analyzer

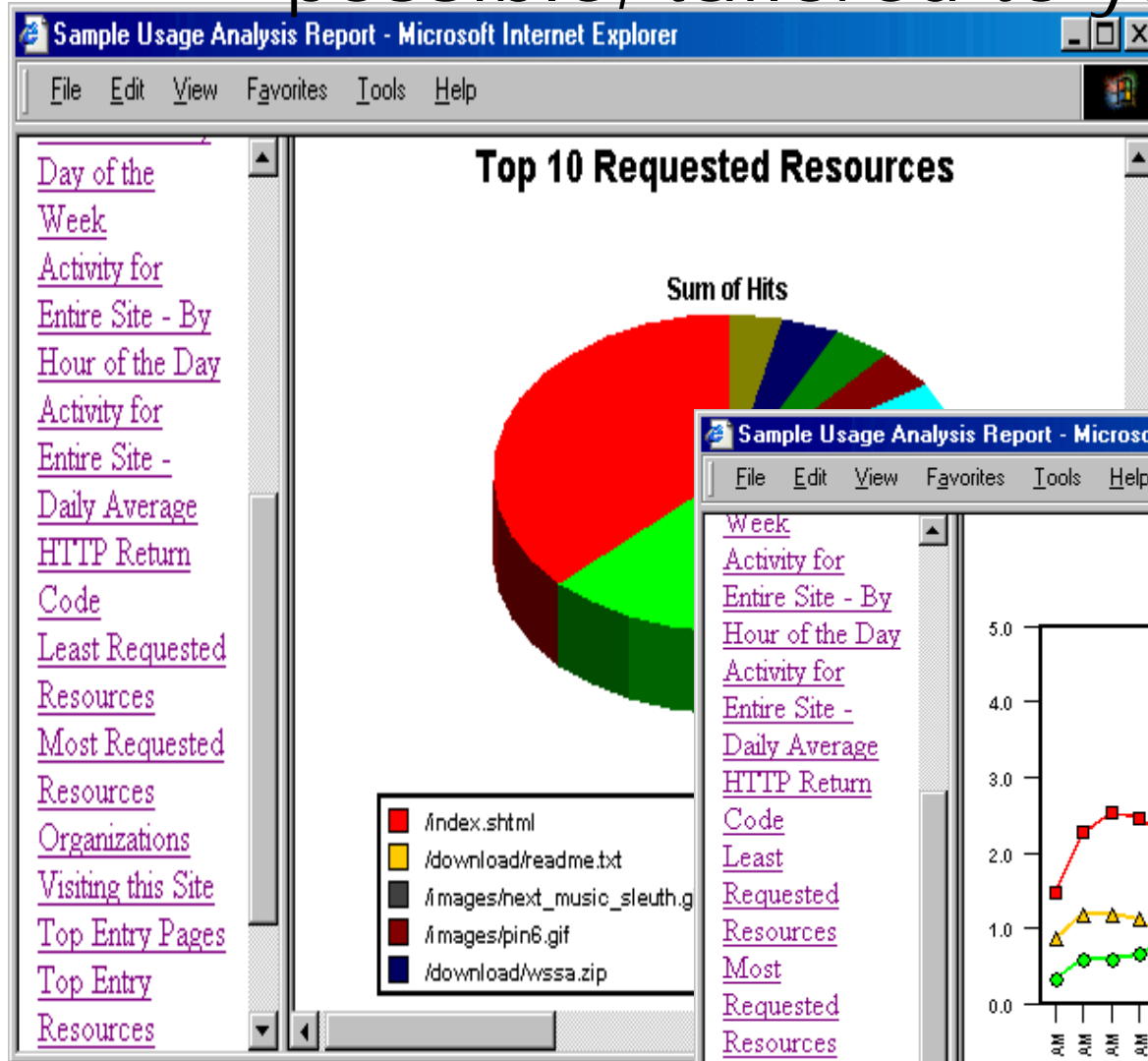http://www-4.ibm.com/software/webservers/siteanalyzer/

Understand, monitor and improve structure and usage patterns of web sites, and assist in personalizing site content:
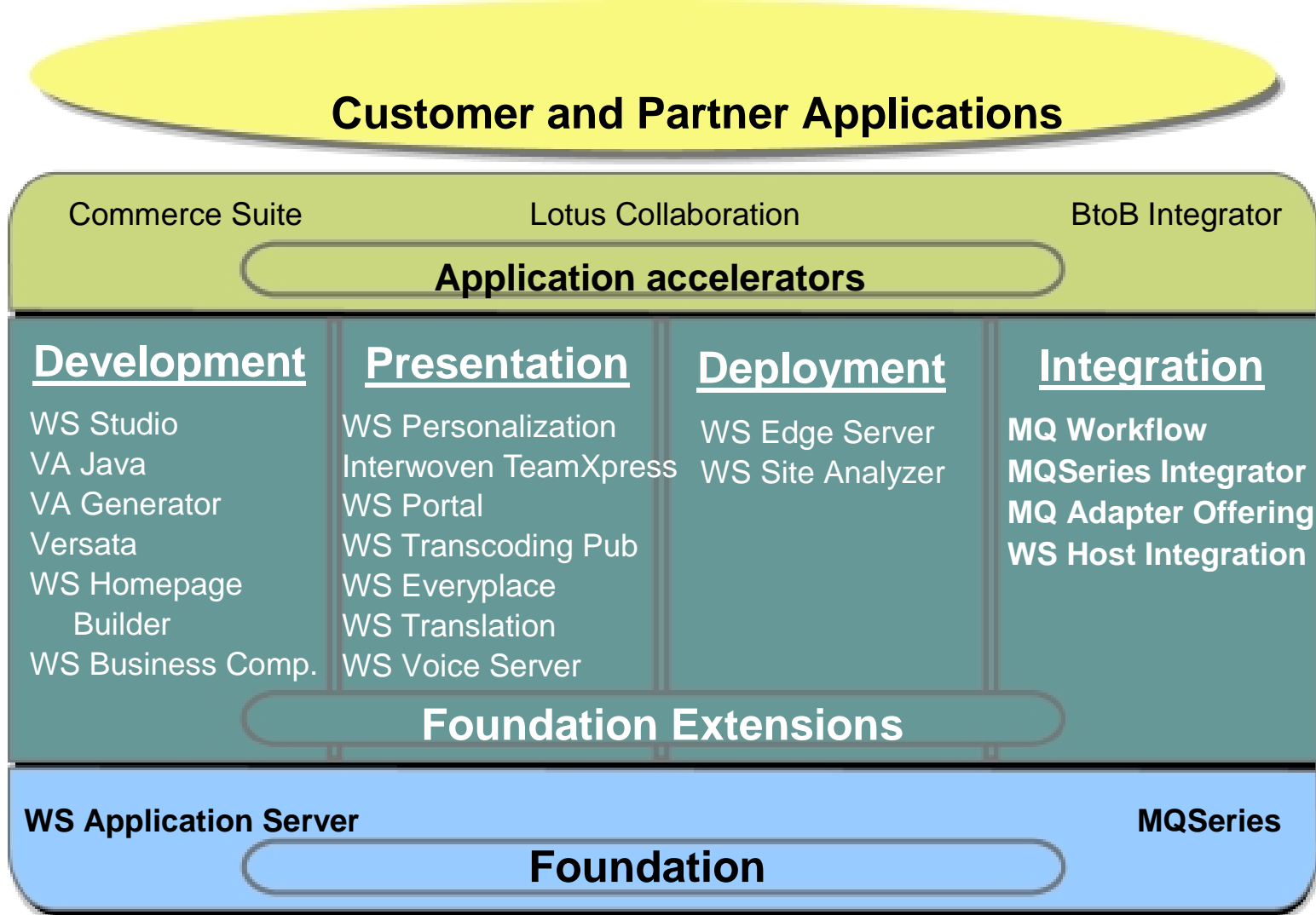
- Measure and optimize usage rates
- Improve site flows after initial deployment
- Find structure web site problems
- Track usage profiling and behavior analysis to ensure effective customized personalized content deliver

WebSphere Site Analysis
- Content Analysis
- Usage Analysis

WebSphere Server
Inactive File Seek
Report Templates
Query Beans

Client
Site Visualizer
Report Generator
Query Builder
Project Center
Administration

UDB Server
Content Analyzer
Usage Analyzer
Scheduler

Hundreds of variations of reports possible, tailored to your needs

WebSphere Software Platform

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   Builder
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WS Everyplace
WS Translation
WS Voice Server

Deployment
WS Edge Server
WS Site Analyzer

Integration
MQ Workflow
MQSeries Integrator
MQ Adapter Offering
WS Host Integration

Foundation Extensions

WS Application Server   **MQSeries**

Foundation

MQSeries Family

WebSphere Process Manager

Business Process

WebSphere MQ Integrator

Transformation & Routing

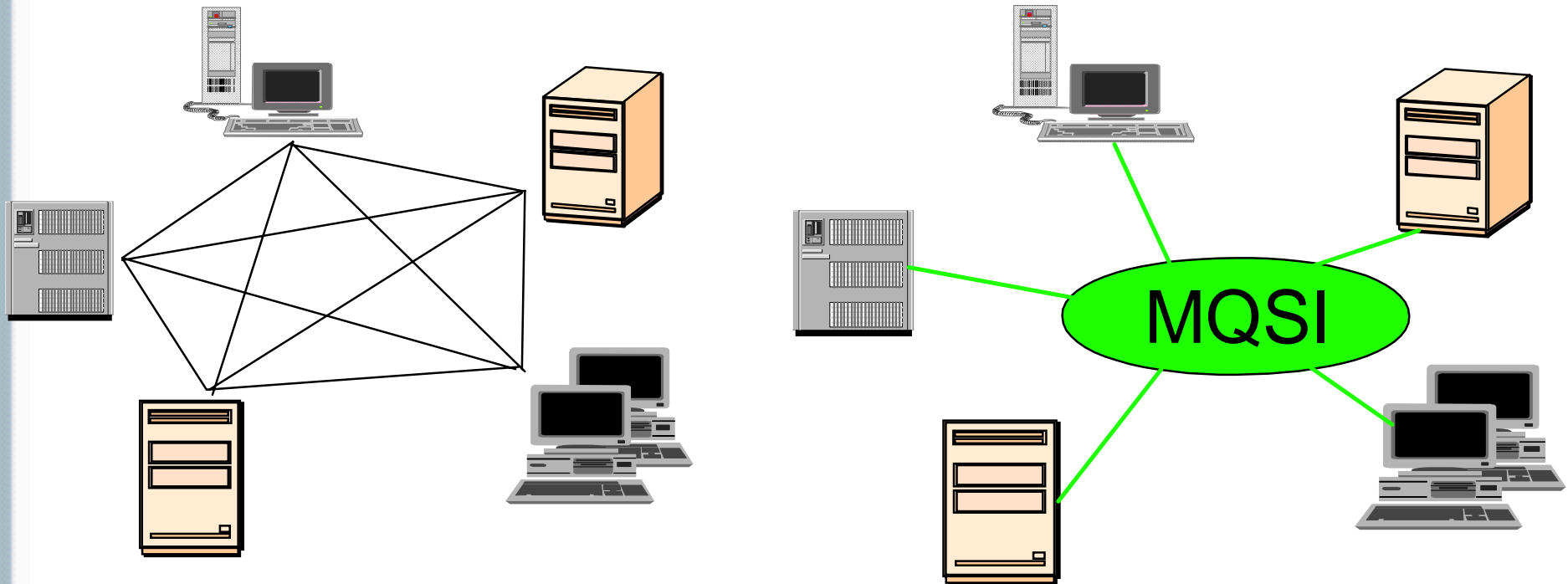**WebSphere MQ**

Communications / Connectivity

IBM, Partners, MQAO
WebSphere Adapters

WebSphere MQ

http://www-4.ibm.com/software/ts/mqseries/messaging/

System A

Application 1

MQPUT

Application 2

MQGET

MQI

Q2

Q1

Transmission queue

Message channel agent

Network

System B

Application 3

MQGET

MQI

Q2

Message channel agent

Queue manager

Queue manager

Why MQ Integrator

MQSI
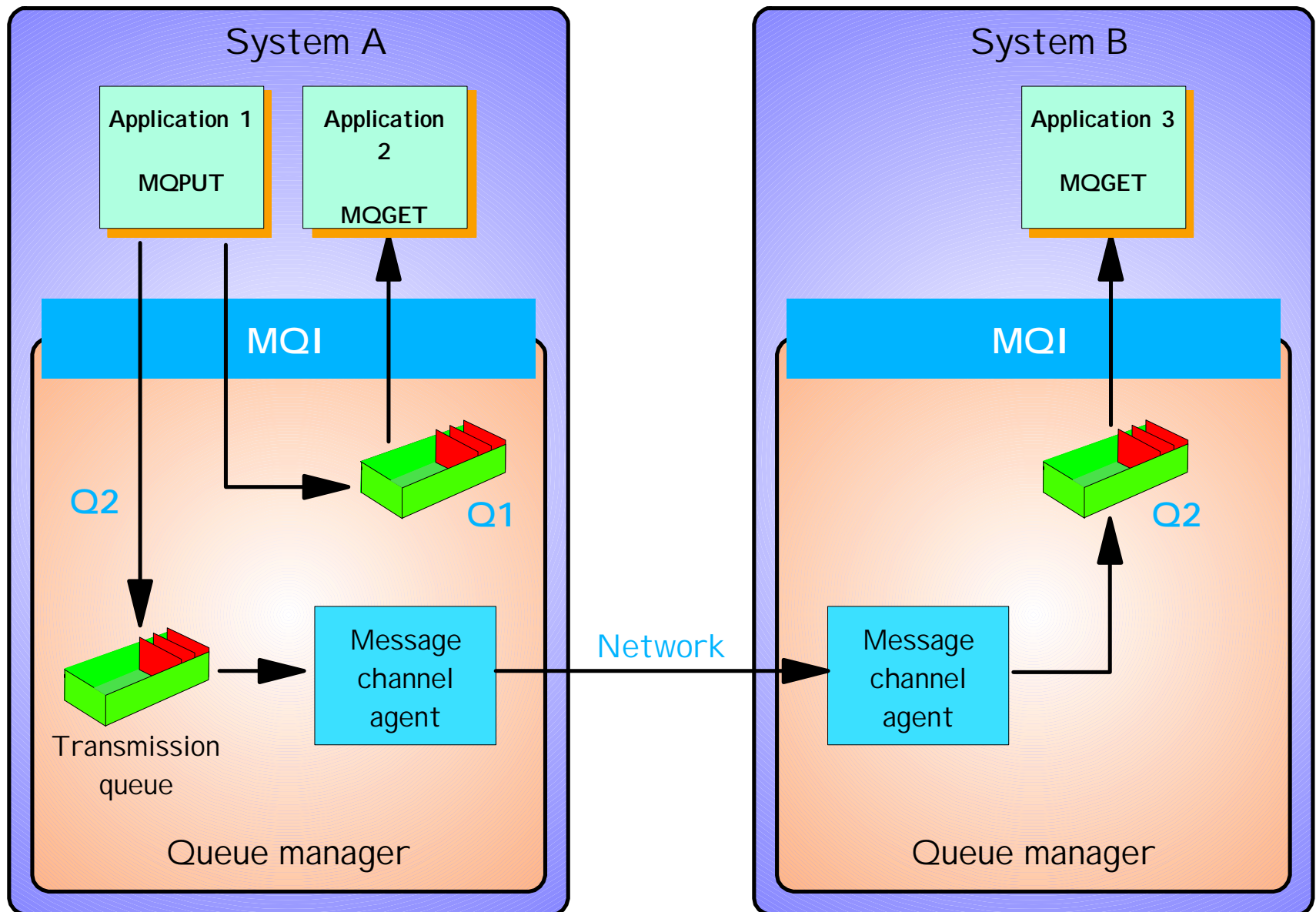
Number of Application
Interfaces to change =
N(N-1)

MQSeries Family

Problems with Interapplication Spaghetti:
- Too slow to respond to business changes
- Endless one-time fixes, all coded by hand
- Difficult to maintain
- Doesn't scale
- Takes too long to get information to users
- Can't be managed
- Unreliable

WebSphere Host Integration

- Extends host applications to web browser users and new e-business applications
- Integrates multiple backend sources into custom HTML web pages
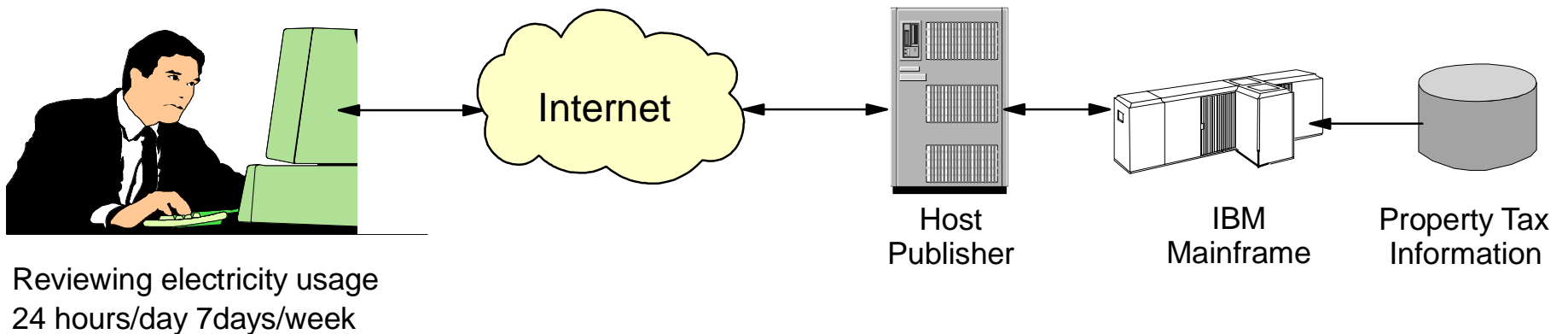- Host on Demand, Host Publisher, Screen Customizer
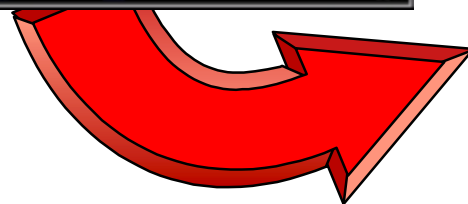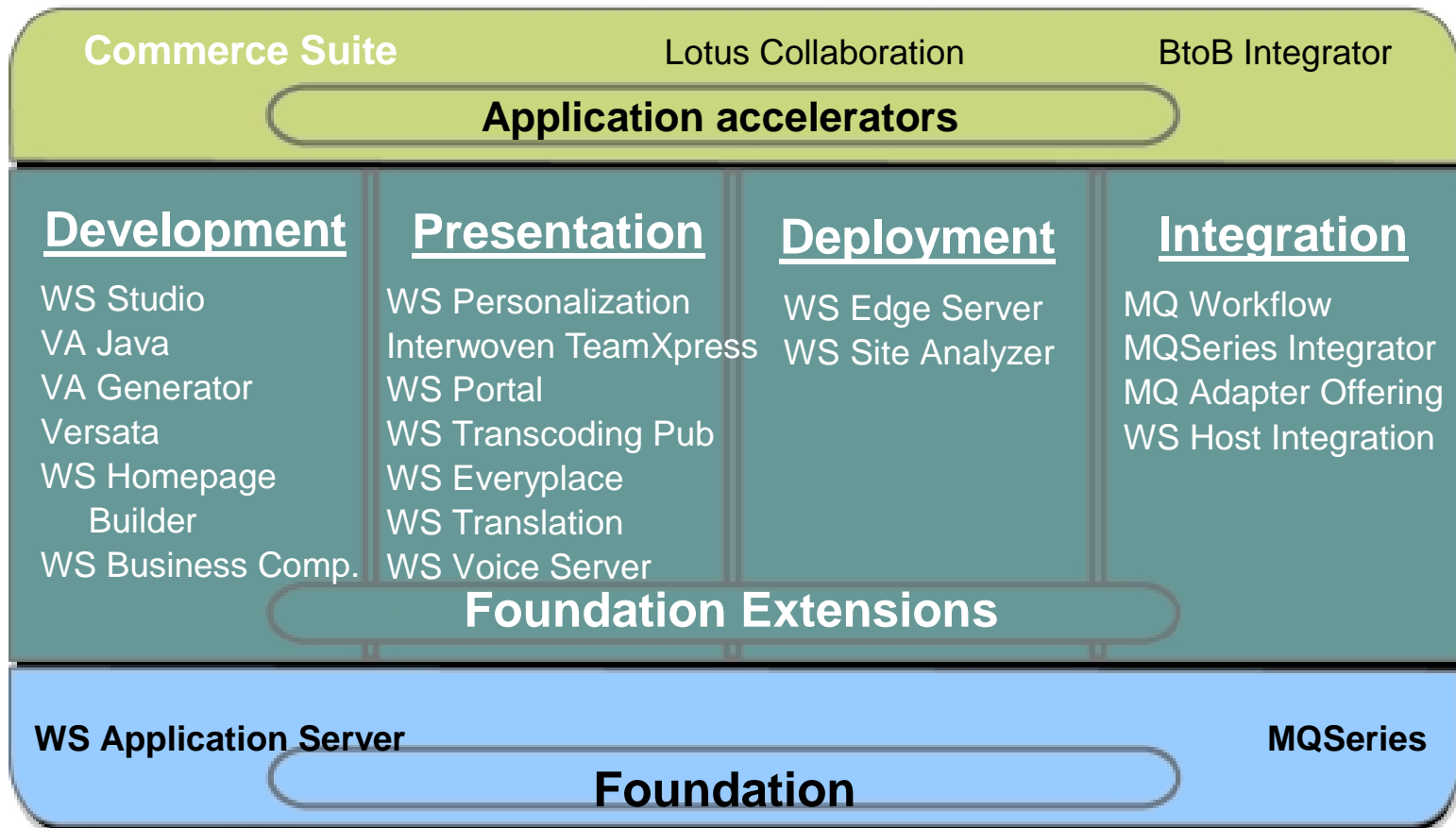
Electric Utility Company Example

Current
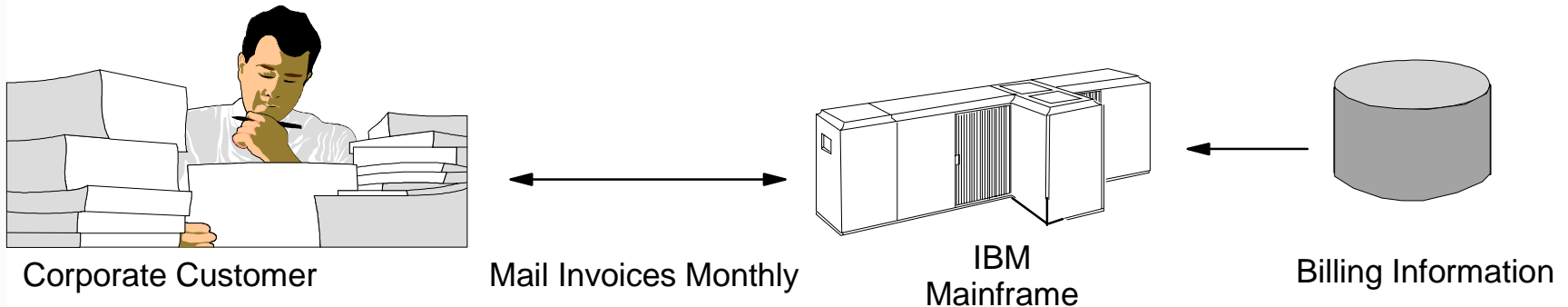
Corporate Customer

Mail Invoices Monthly

IBM Mainframe

Billing Information

Future

Reviewing electricity usage
24 hours/day 7days/week

Internet

Host Publisher

IBM Mainframe

Property Tax Information

WebSphere Software Platform

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WS Edge Server
WS Site Analyzer

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MQ Workflow
MQSeries Integrator
MQ Adapter Offering
WS Host Integration

Foundation Extensions

WS Application Server   **MQSeries**

Foundation

Commerce Shopping Guide - Canada

Into Leather? Try Danier Leather at
http://www.danier.com
Or for other "kewl" fashions, try
http://www.roots.com
Sony Canada Sells neat stuff at
http://www.sony.ca
Or get a camera, film and darkroom (what is THAT?) equipment at
http://www.henrys.com
Of course you can buy pretty much anything at Sears in Canada at
http://www.sears.ca
And send a gift with a card from
http://www.regalgreetings.com

etc.
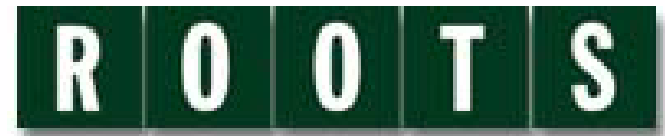
WCS V5.1 Product Overview

Web Browser → Internet → WCS V5.1 → External Systems

Web Shopper

WCS V5.1 ↕ Data Base

Catalogue
Merchants
Users
Orders
etc.

External Systems:
Inventory
Payment
Shipping
Taxes
etc.
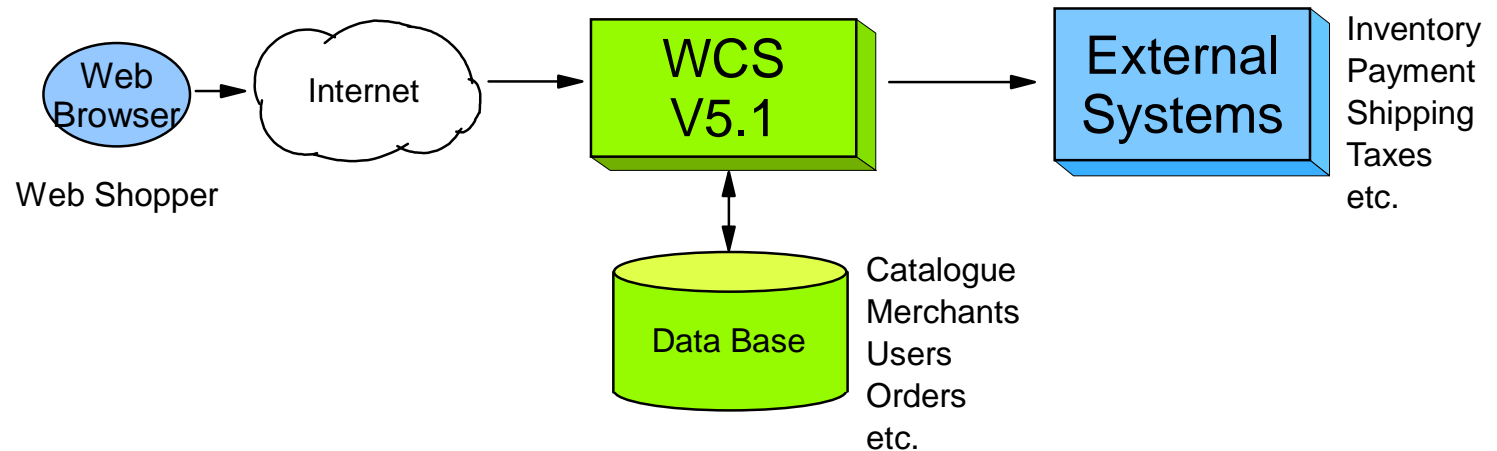
- **e-Commerce Engine**
- **e-Commerce Toolkit**
- **Web Application Server**

- Fully Functional Out-of-Box
- Highly Extensible/Customizable
- Includes Full Database Schema
- Fully Documented Data/Object Model Included
- Platform Independent (Windows NT/2000, AIX, SUN Solaris, Linux, AS/400, OS/390)
- High Performance, Scalability, Availability
- Long-Term Evolution
- IBM Product Support

WCS Components

Tools
- Operations Tool Centre
  - ➜ Administration
  - ➜ Wizards
  - ➜ System Mgmt
- Web Authoring WB
  - ➜ Websphere Studio
- Programmer's Workbench
  - ➜ VAJ (Persistors, IControllers, Commands, Databeans)
- Catalog Management
  - ➜ Catalog tools
  - ➜ Data import/export transformation
- Merchant Center
  - ➜ Pricing
  - ➜ Rules
  - ➜ Promotion

User Subsystem
- user registry
- authentication
- profile management
- access control
- session management

Catalog Subsystem
- Navigation
- merchandizing
  - ➜ Packages/Bundles
  - ➜ Associations
- InterestItems/lists
- Search

Order Subsystem
- order processing
- order management
- Pricing
- fulfillment / Inventory Mgmt
- payment
- taxation

Negotiation Subsystem
- Auction

Common Server Runtime
- Programming Model
- Object Model
- Persistence / Schema
- Process / Runtime Model
- Cache

System Management
- Scheduler
- Tivoli enablement
- NCClean, Staging
- System Monitoring
- Error Logging / Tracing
- User Traffic Logging

Messaging
- Messaging/Notfication Framework
- Backend Integration

Up and Running
- Install
- Configuration
- Store Models
- Samples
- Migration

WebSphere Application Server
- JSP
- Servlet engine
- EJB container
- JDK
- WebServers
  - ➜ IBM HTTP Server
  - ➜ Domino, iPlanet
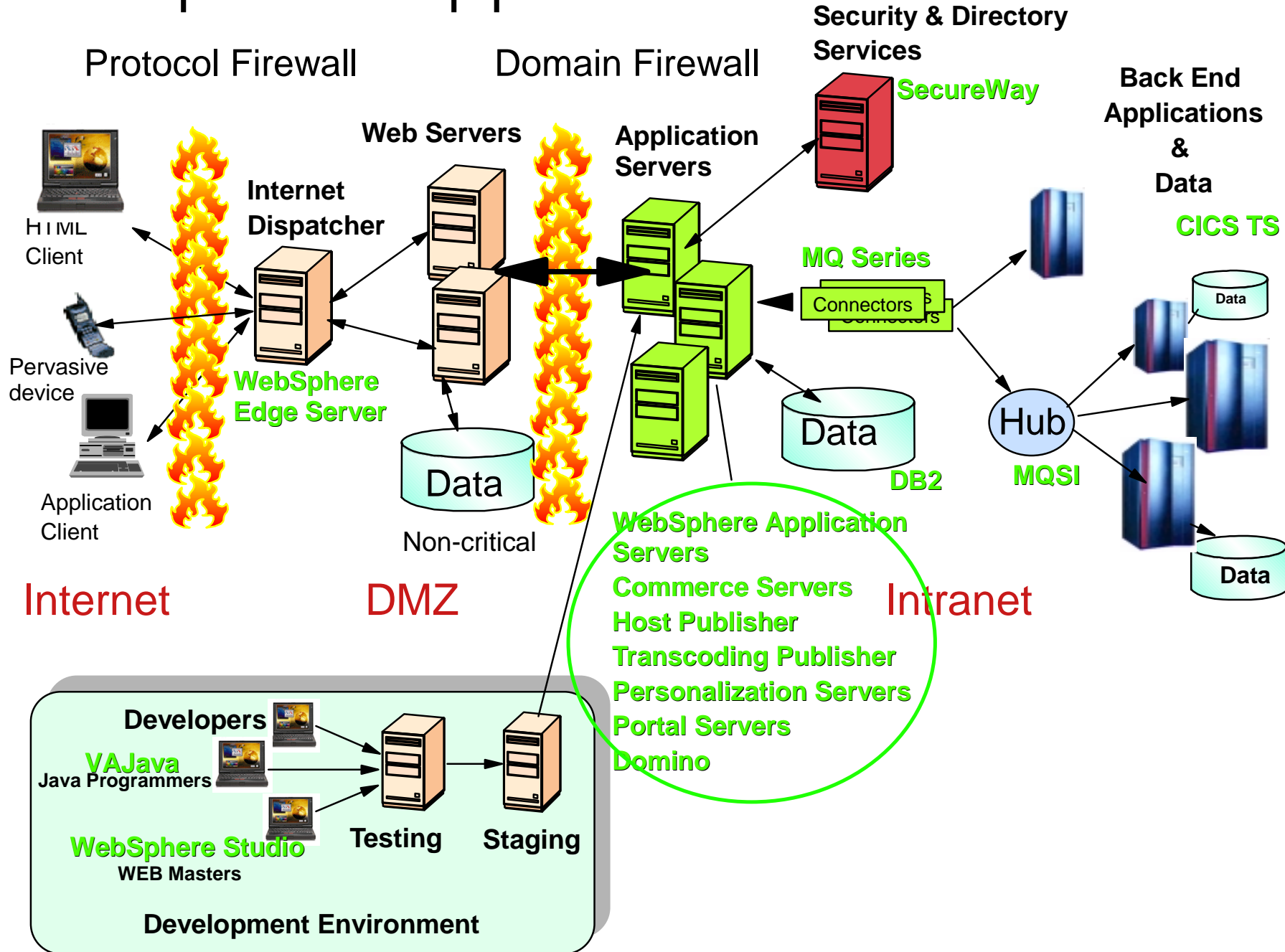- Directory Servers
  - ➜ SecureWay LDAP
  - ➜ Domino, iPlanet
- Database Servers
  - ➜ DB2 UDB v7
  - ➜ Oracle 8i

Platform
- Windows NT/2000, AIX, Solaris, Linux, AS/400, S/390

Agenda

- **Opportunities for e-business**
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- **Mid-market strategy**
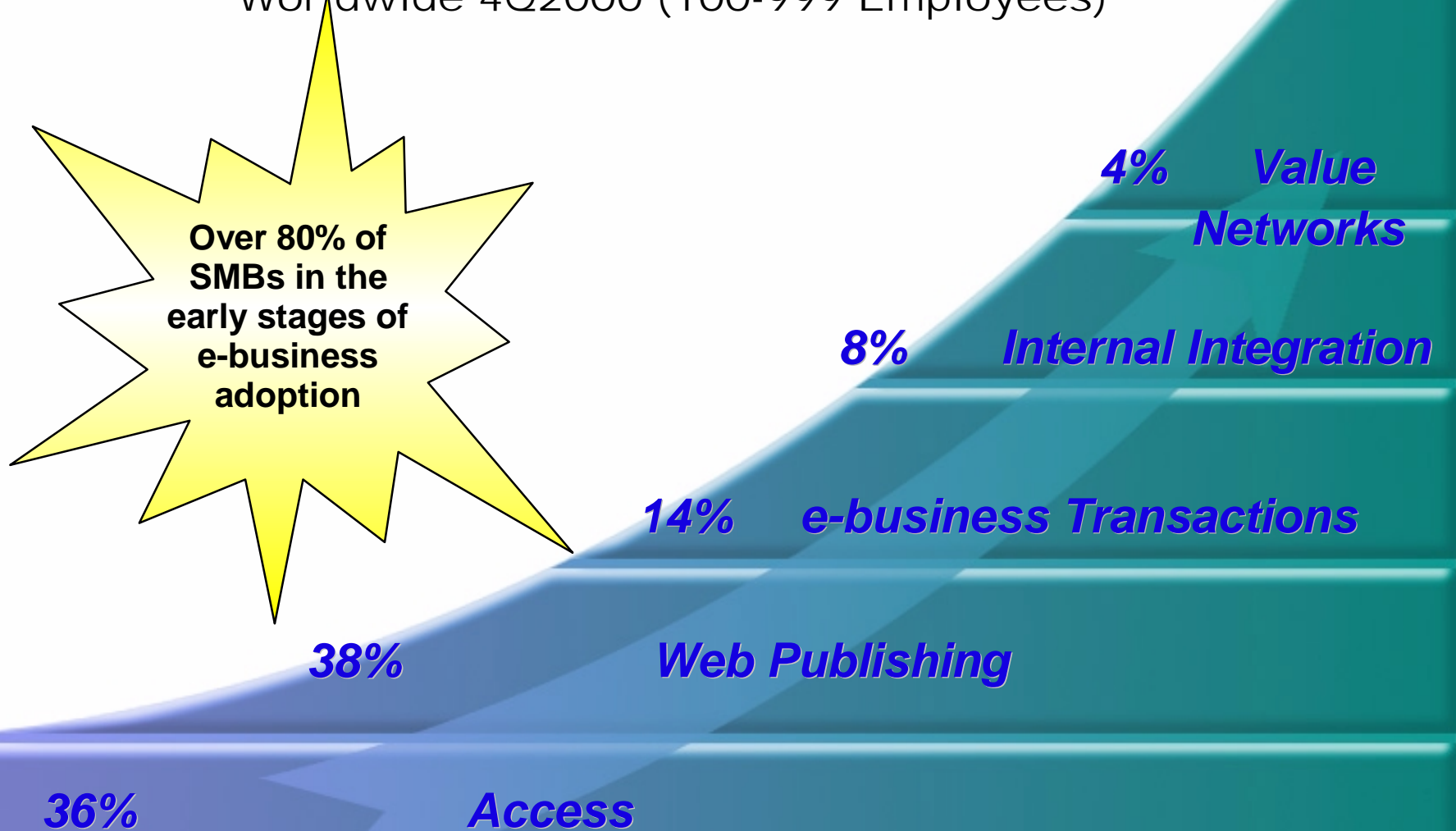- **Mid-market solutions - how to sell them**
- **Resources**

SMB Facts

- Faster growth than large enterprises
- Annual IT budget over $3M US
- Over one-third have not moved beyond Web Access
- 90% have experimented or embraced e-business
- Over 15% CAGR through 2004

**WW Application and Integration
Middleware Opportunity**
Global Market View 1H01

2002
2004

100-499
500-999

Millions
5 4 3 2 1 0
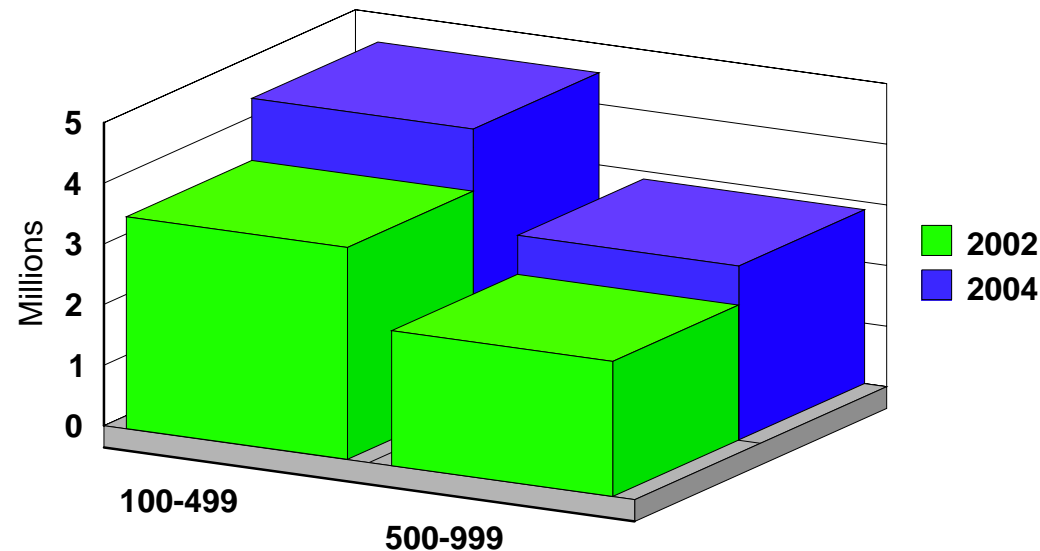
Small & Medium Businesses
e-business Adoption

Worldwide 4Q2000 (100-999 Employees)

Over 80% of SMBs in the early stages of e-business adoption

4% — *Value Networks*

8% — *Internal Integration*

14% — *e-business Transactions*

38% — *Web Publishing*

36% — *Access*

IBM Market Research

The Mid-market is adopting e-Business
Worldwide Projections 2Q02 (100-999 Employees)

Similar to Larger enterprises, medium size businesses are moving towards higher levels of e-business adoption:

- ✓ To improve productivity
- ✓ Be more responsive to customers

.5% *Dynamic e-business*

6.7% *Value Networks*

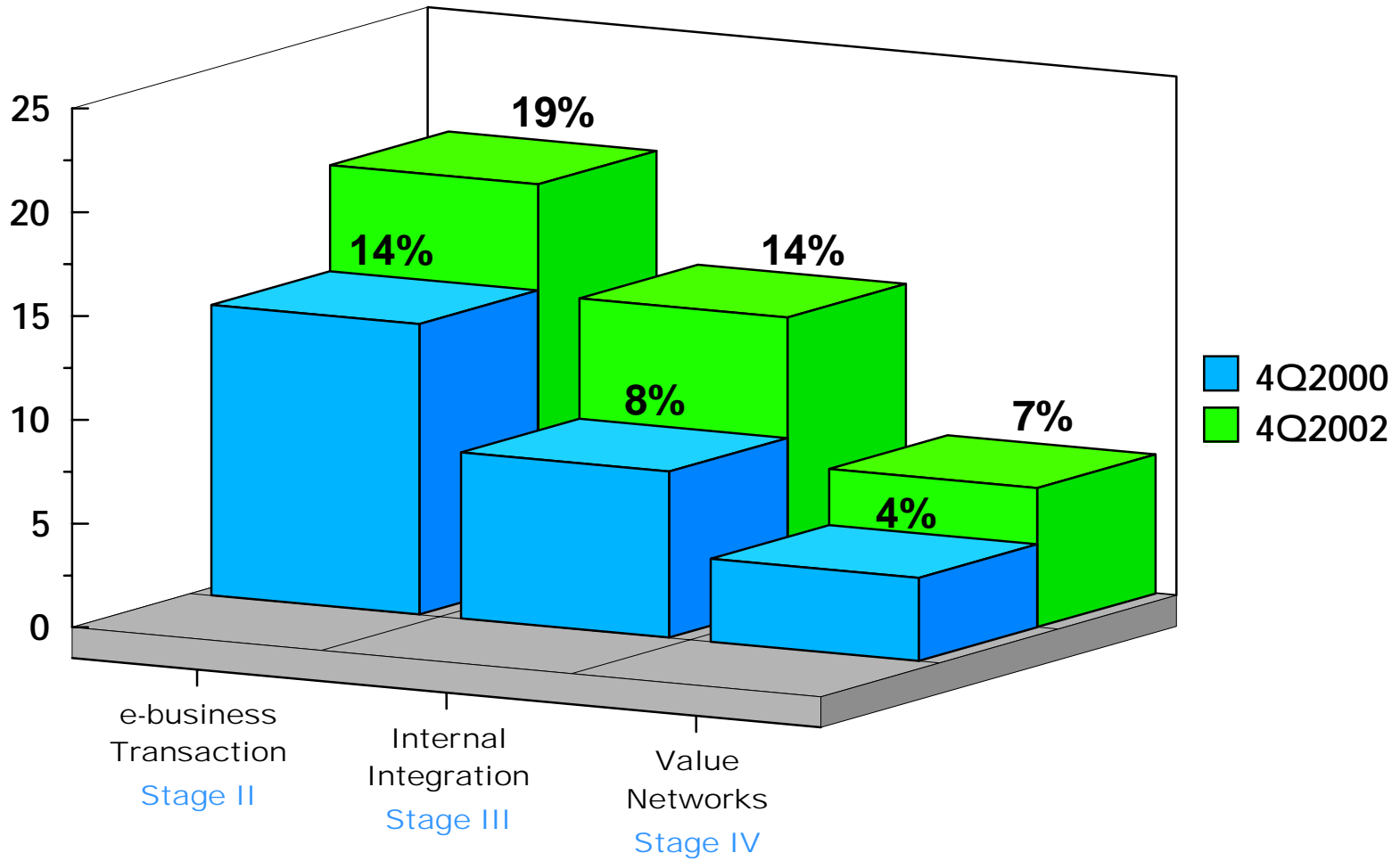**13.8%** *Internal Integration*

e-business Transactions

19.1%

34.5% *Web Publishing*

25.5%

Access

IBM Market Research

Agenda

- **Opportunities for e-business**
- **WebSphere platform**
- **Mid-market strategy**
- **Mid-market solutions - how to sell them**
- **Resources**

The Three Plays

Leveraging The Web

- **Cost effectively reach new customers with your first Web application**
  - ✓ **Confidently expand brand to Web**
  - ✓ **Customer self service**
- **~$24K Software, $40K estimated Business Partner Services**

Customer Loyalty

- **Retain and leverage high profit customers**
  - ✓ **Personalized customer experience**
  - ✓ **Targeted marketing and promotions**
- **~$22K Software, $47K estimated Business Partner Services**

Fast Forward to the Web

- **Realization of the true cost benefits of e-Business**
  - ✓ **Web enable your existing business processes**
  - ✓ **Facilitate collaboration within and outside the enterprise**
- **~$26K Software, $45K estimated Business Partner Services**

Why Leverage the Web?

It is estimated that 100 Million new users come to the web each year.

Morgan Stanley CIO Study

Internet commerce will accelerate to $5 trillion in 2005, fueled by nearly one billion global Internet users, or 15% of the world's population. A 70% compound annual growth rate from 2000.

IDC - May 23rd, 2001, Internet Week

Businesses that globalize their Web sites can expect 25% greater revenues than those that don't.

Leverage The Web

■ Software to help your customers develop a Web presence quickly without sacrificing flexibility.

  ► Help prospective customers discover you

  ► Speed learning about your services & goods

  ► Promote sales

  ► Improve customer and product services

  ► Enable you to become more competitive

■ Software -- and your services -- that enable your customers to further enhance their web sites and strengthen customer loyalty.

Components of Leverage the Web

Base Offering
✓ **WebSphere Application Server, Advanced Edition**
✓ **WebSphere Studio**

✓ **Business Partner Services**

Upsell Opportunities
✓ **WebSphere Commerce Suite**
✓ **WebSphere Personalization**
✓ **WebSphere Extended Personalization**
  ✓ WebSphere Personalization
  ✓ WebSphere Site Analyzer
  ✓ WebSphere App Server, Advanced Edition
  ✓ WebSphere Studio
✓ **WebSphere Edge Server**
✓ **WebSphere Everyplace Access**

Platforms
✓ AIX
✓ Windows NT
✓ OS/400
✓ Microsoft NT/2000
✓ Sun Solaris
✓ HP Unix
✓ Linux

Why Strengthen Customer Loyalty?

It costs up to 10 times more to lure & win over a
new customer than it does to retain one.

Gartner Group, August 2001

Companies lose 50% of their customers every 5 years.
93% of CEOs view customer retention as critical.

HPR

"56 percent of respondents said they are more likely to purchase
from a site that allows personalization or content
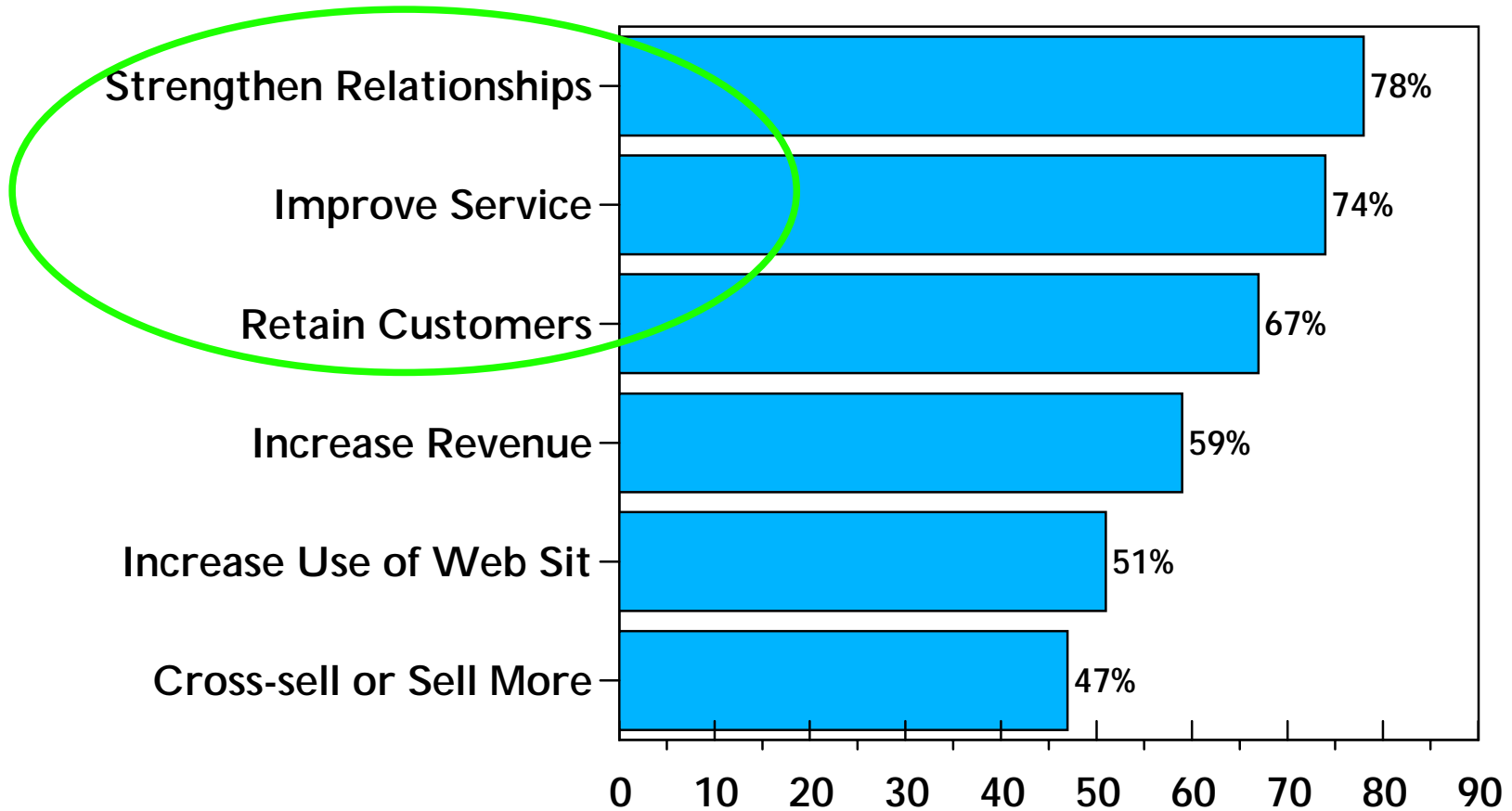customization."

Personalization Consortium

Personalization "creates better cross-selling and up-selling
opportunities that result in greater revenue and increased profitability."

Gartner Group

Strengthen Customer Loyalty

Reasons to Personalize

■ Percentage of companies that cite these goals for personalizing customer interactions:

Goal	Percentage
Strengthen Relationships	78%
Improve Service	74%
Retain Customers	67%
Increase Revenue	59%
Increase Use of Web Sit	51%
Cross-sell or Sell More	47%

Source: InternetWeek

Strengthen Customer Loyalty

- Differentiate your business through the Web!
- Better understand customer trends and preferences using site analysis
- Improve the experience of site users through personalized content and services
- Leverage new-found customer knowledge to develop new products, services and marketing
- Identify high-value, high-profit customers and build products, programs and services to keep them for a lifetime
- Reduce service costs through personalized web self-service

Components of
Strengthen Customer Loyalty

Base Offering

✓ **WebSphere Extended Personalization**

- WebSphere Personalization
- WebSphere Site Analyzer
- WebSphere App Server, Advanced Edition
- WebSphere Studio

✓ **Business Partner Services**

Upsell Opportunities

✓ **WebSphere Portal Server**
✓ **WebSphere Edge Server**
✓ **WebSphere Everyplace Access**
✓ **WebSphere Commerce Suite**

Platforms

✓ AIX
✓ Windows NT
✓ OS/400
✓ MS NT/2000
✓ Sun Solaris
✓ HP Unix
✓ Linux

Why Fast Forward to the Web?

Automating and managing business processes are key to reducing costs by 25% to 80%.

Gartner 2001

76% of online retailers cannot track customers across multiple channels, a customer set that according to the NRF, spends 20 to 36% more.

Jupiter Media Metrix

75% of US companies cite Web Integration with core business systems as 'Very Important.'

IDC survey

Over 60% of respondents site 'lowering operational costs' as one of the major benefits of B2B e-commerce.

IDC study 2001

Fast Forward to the Web

■ Software that helps your customers web-enable vital business processes.

  ► Help your customers reach new markets

  ► Speeds time to market, keeping your customers ahead of the curve

  ► Increase operational efficiency

  ► Integrate the value chain

  ► Reduce costs through greater flexibility

■ Software -- and your services -- that enable your customers to take the next step toward dynamic e-business.

Components of
Fast Forward to the Web

Base Offering
✓ **WebSphere Application Server**

✓ **Business Partner Services**

Upsell Opportunities
✓ **WebSphere Extended Personalization**
✓ **WebSphere Business Integrator**
✓ **WebSphere Edge Server**

Platforms
✓ AIX
✓ Microsoft Windows NT
✓ OS/400
✓ Microsoft Windows 2000
✓ Sun Solaris
✓ HP Unix
✓ Linux

Available today

- Base offerings that allow customer to start small
  - Based on existing products and offerings
  - Implementable in small engagements
  - Creates opportunities for upsell and growth

- **Offering Booklets**
  - One booklet per offering
  - Targeted at BP's and IBM sales reps
    - Offering definition & content
    - Upgrade path
    - Business Partner services required (SOW)
    - Opportunity & target
    - Customer pains
    - Suggested question to create vision
    - Benefits
    - Competitive assessment
    - Where to go for more information

- **Business Partner presentation**
- **Customer presentation**

Additional resources

WebSphere Partner Portal

- http://www.ibm.com/websphere/partners

SMB offerings

- http://www.ibm.com/software/info/websphere/partners/gmbtelecon.html

Executive assessments

- http://www.guerrillagroup.com/ibm/reg.asp

WebSphere teleconferences

- Thursdays - product sales
- Tuesdays - technical

Technical presales support

- 1-800- IBM -1822

Sales and technical education - You Pass We Pay

- Solution Advisor Certification, Solution Designer Certification
- Technical certifications

... and your IBM team, ready to help you WIN !