



IBM Software Strategy

**Make Your Business
an e-business**

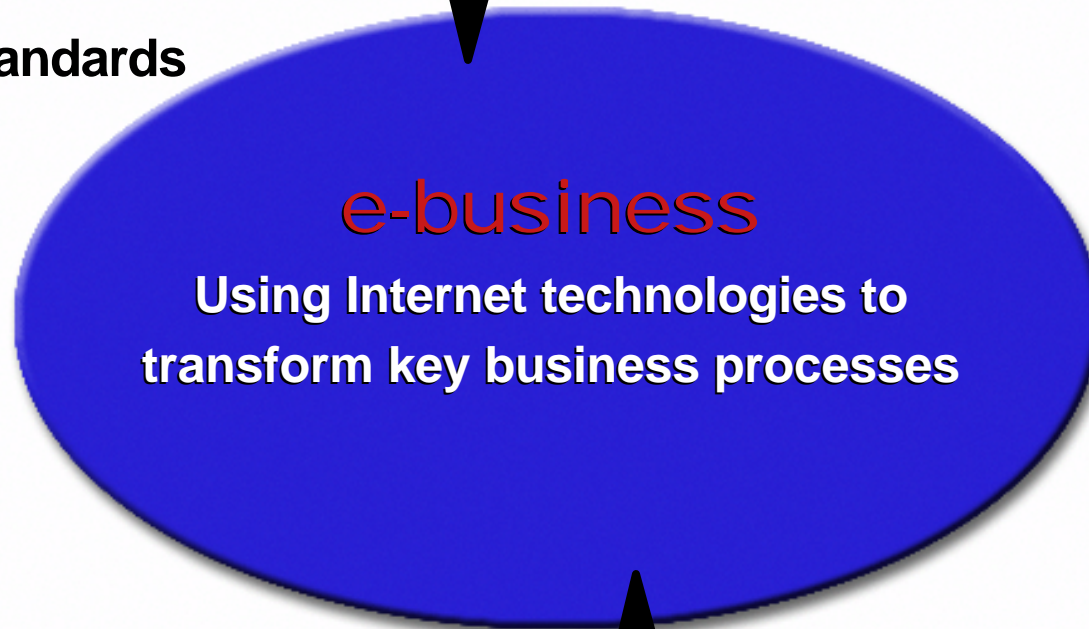


Peter Tarrant
Vice President
e-business Applications

The Emergence of e-business

Web

- Universal access
- Standards



IT

- Data/applications
- Core business processes
- Reliability, security and availability

The Nature of the Threat



Somewhere out there is a bullet with your company's name on it. Somewhere out there is a competitor, unborn and unknown, that will render your business model obsolete ... *the hottest and most dangerous business models out there are on the Web.*

–Fortune Magazine
12-7-98



The Realities of e-business

- You can't dictate systems or clients
- You don't control the Internet
- Downtime will impact more than employee productivity
- More pressure on development cycles than ever before



Nature of the Opportunity

Market Capitalization

- Toys "R" Us revenue is \$11.2B
its market valuation is \$5.6B
- eToys revenue is \$68M, its market
valuation is \$7.8B



Increased Revenue

- 30% of revenue during non-store hours
- Size of Web orders are 2X store orders



Increased Responsiveness

- 40 releases in 1 year versus 37
releases in 14 years



Reduced Expense

- Live phone call = \$1.04
- Web Self-service = .04 cents



Cashing in on e-business

Transforming Companies



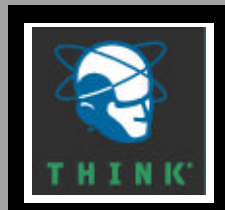
Pervasive Devices



New "e" Firms



New Service Providers



Decisions in Multiple Dimensions

Business Considerations

- Brand presence
- Navigation and ease of use
- Access to useful information
- Driving traffic

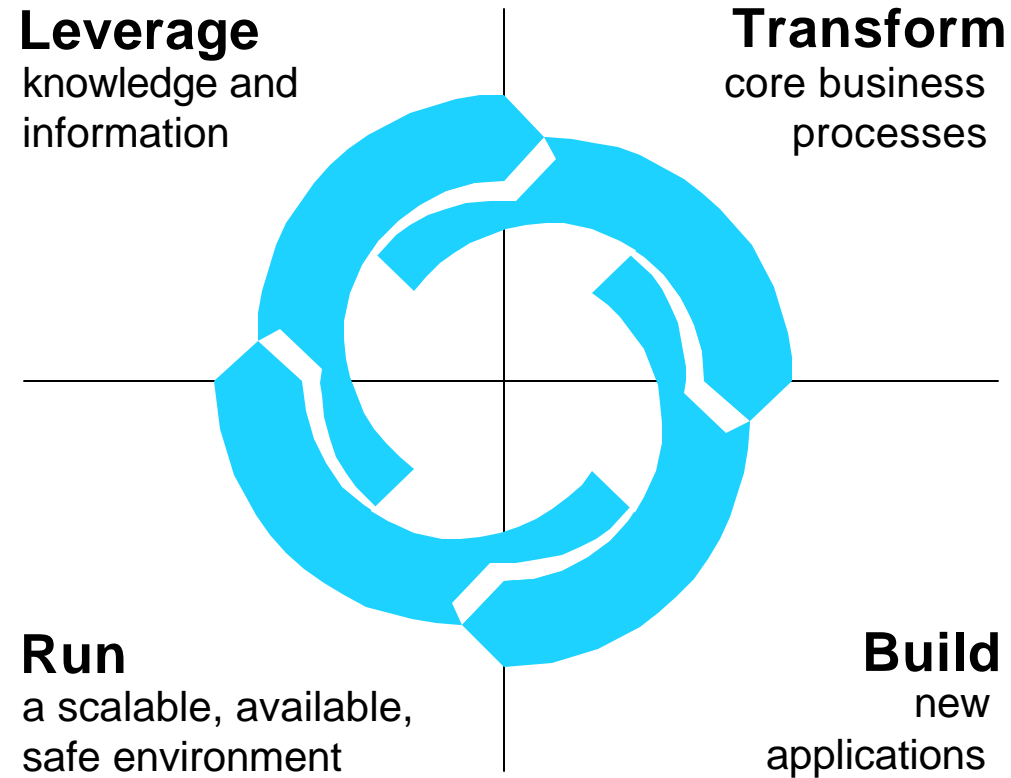


Systems Considerations

- Security
- Availability
- Investment protection
- Quality of service

The e-business Cycle

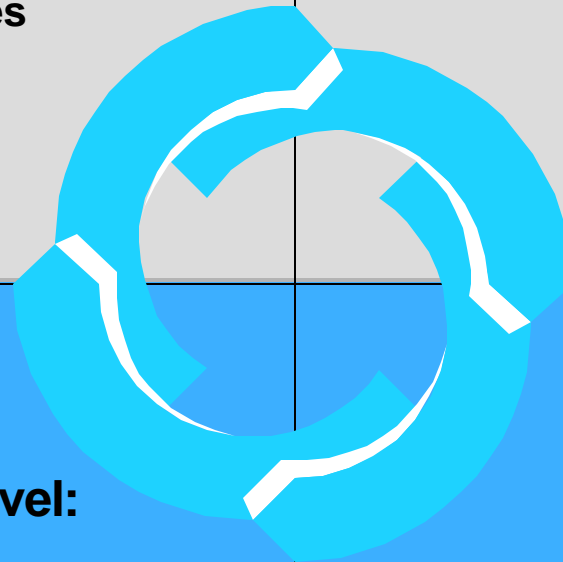
The e-business cycle



New Thinking is Required

On a Strategy Level:
Organizational practices
must change

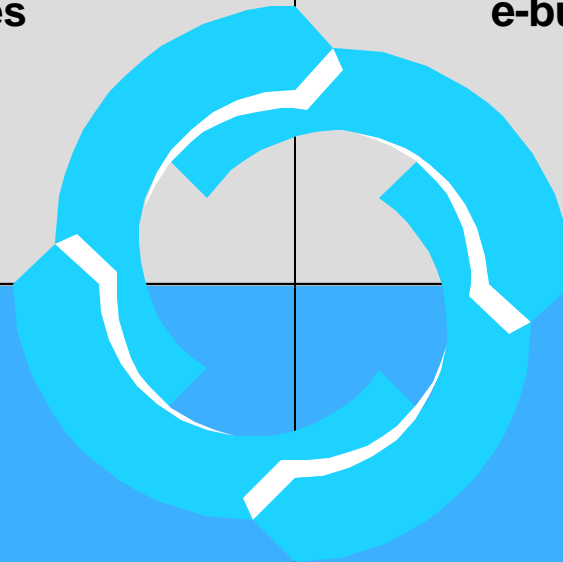
On a Technology Level:
Applications and
infrastructure must evolve



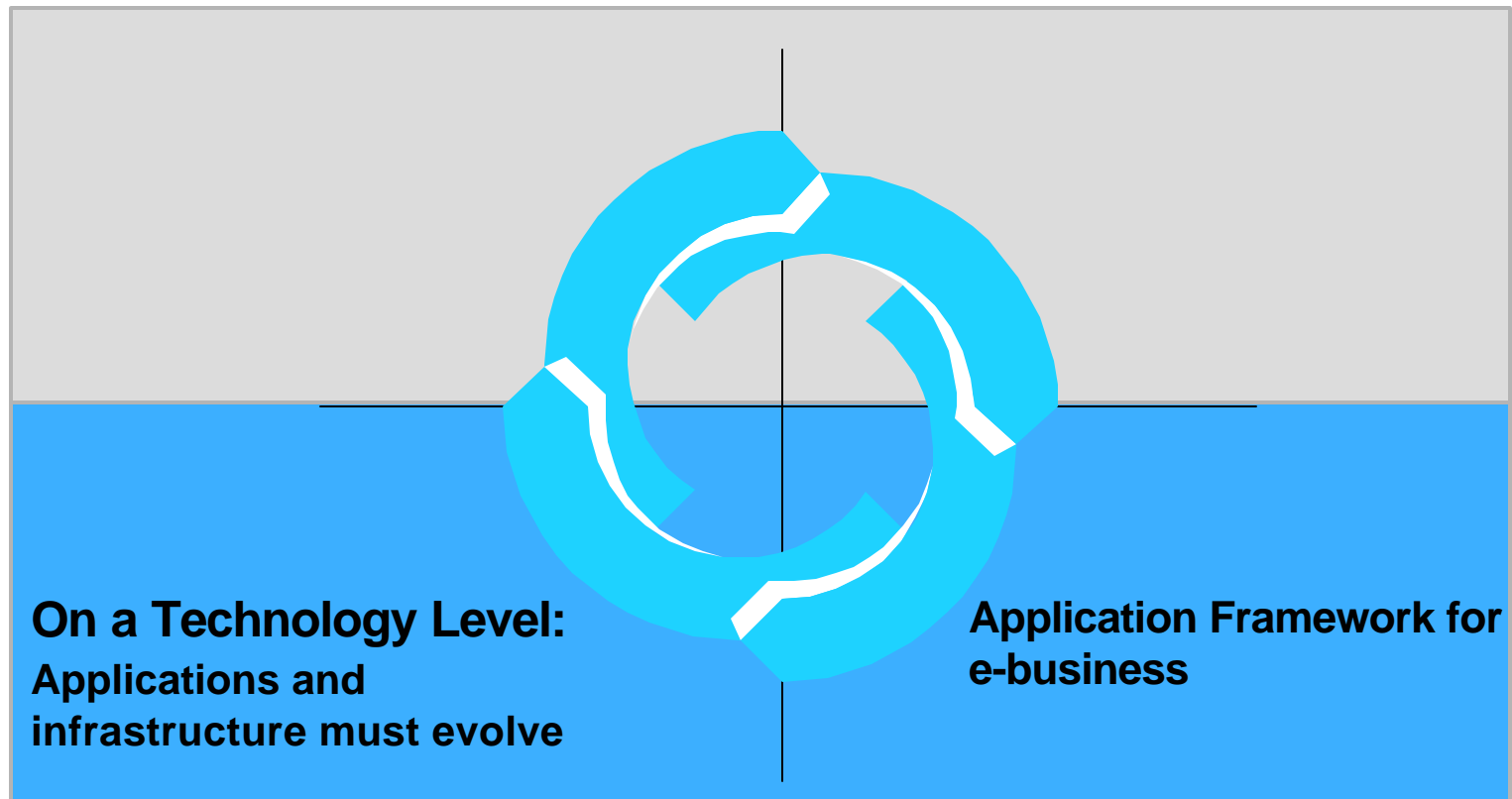
Defining Strategic Priorities

**On a Strategy Level:
Organizational practices
must change**

**Solution Frameworks for
e-business**



A New Technology Agenda





A New Generation of Applications

- **Web-centric**
- **Transaction and community-focused**
- **Data-intensive**
- **Integrated – inter/intra enterprise**

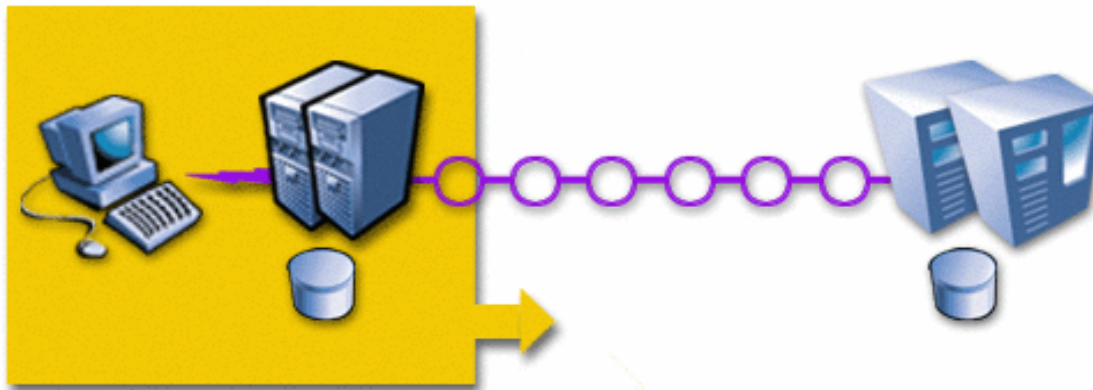
Attributes of e-business Applications

- 1 Standards-based
- 2 Server-centric
- 3 Leverage core systems
- 4 Scalable
- 5 Quick to deploy, easy to use
- 6 Manageable

The Application Model You Choose Matters

The Application Model Matters

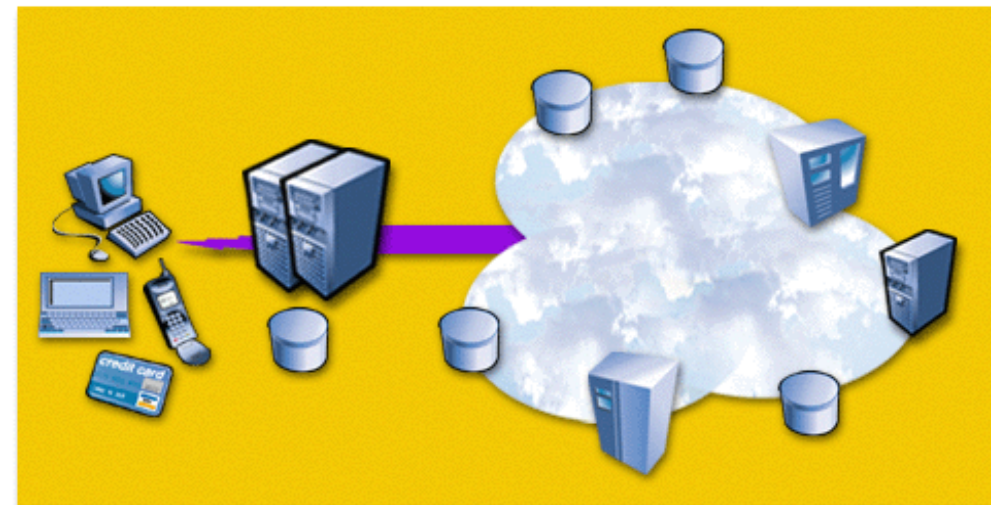
Client/Server Extended Model



- Homogeneous clients
- Simultaneous Build & Deployment
- Configuration Dependent Applications
- Limited Deployment Options

- Supports any client
- Deploy independent of client & server
- Universal access to data and services
- Workload optimization across servers

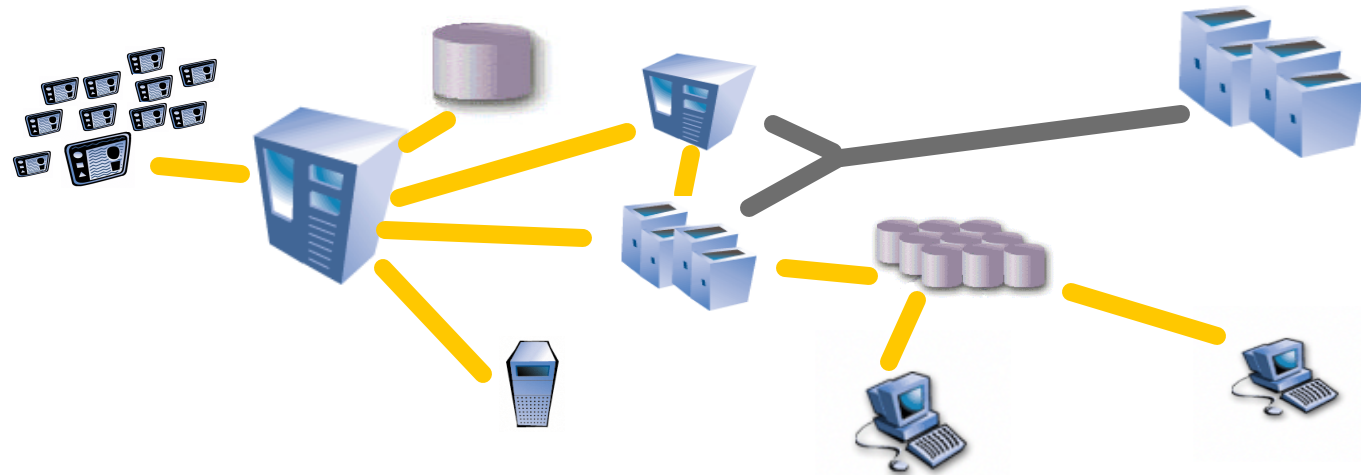
e-business Application Model





e-business

e-business Application Evolution



Transformation and Integration	Web-based Transactions	Workflow/Business Integration
Organizational Effectiveness	Web-based Collaboration	Knowledge Management
Data	Content Management	Business Intelligence
Technology Infrastructure	Secure Network	Systems Management



American Century

Challenge

- ▶ Personalize investor information

Solution

- ▶ Java-based application dynamically merges fund information and investment recommendations
- ▶ Easy-to-use forms and workflow speed content creation/publishing

Business Value

- ▶ Content created 100 times faster
- ▶ Non-technical staff can update content quickly and easily

Products

- ▶ IBM WebSphere, Lotus Domino and Notes clients

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06-28-1999

Helpful Links

- About American Century
- Daily Fund Prices
- Account Access
- Retirement Services
- Careers at American Century

American Century Select Fund

PERFORMANCE

Welcome to American Century

Highlights

Attention American Century Investors: access your account data in the old site form [Account Information](#).

- American Century Investments announces the addition to [Select](#) team.
- Simplify access to your accounts. [Set](#)
- Try our [IRA calculators](#) to compare your
- American Century is the exclusive sponsor of [Presidency](#), a multi-media celebration of the Presidency.
- Monitor your portfolio quickly and simply with [Tracker](#). If you don't have a OnePin, you can sign up for Port
- See our [Year 2000 Readiness Disclosure](#) on this important topic.

SAAB

Challenge

- ▶ Provide Web-based information access and collaboration for dealers

Solution

- ▶ Extranet linking 225 dealers and 20 service centers
- ▶ Easy-to-use self-service and e-mail applications

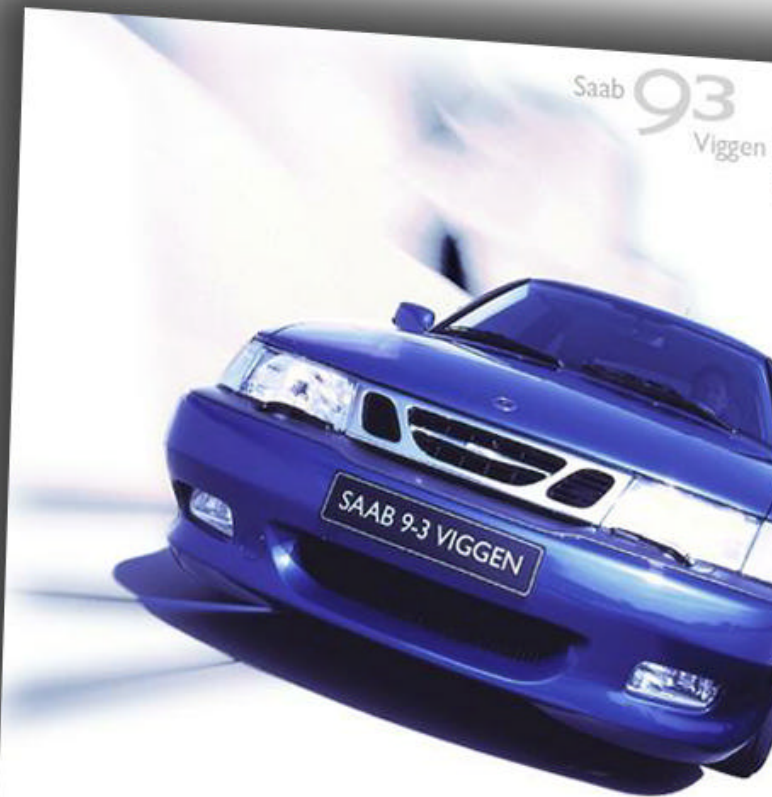
Business Value

- ▶ Reduced calls by 80%
- ▶ Increased productivity by 25%
- ▶ Approach saved 15-20 man years in legacy application updates

Products

- ▶ Lotus Domino/Notes, DB2, Java

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Safeway UK

Challenge

- ▶ Improve customer retention through personalized services

Solution

- ▶ Loyalty cards gather information about customer preferences
- ▶ Smart devices simplify shopping based on individual shopper data

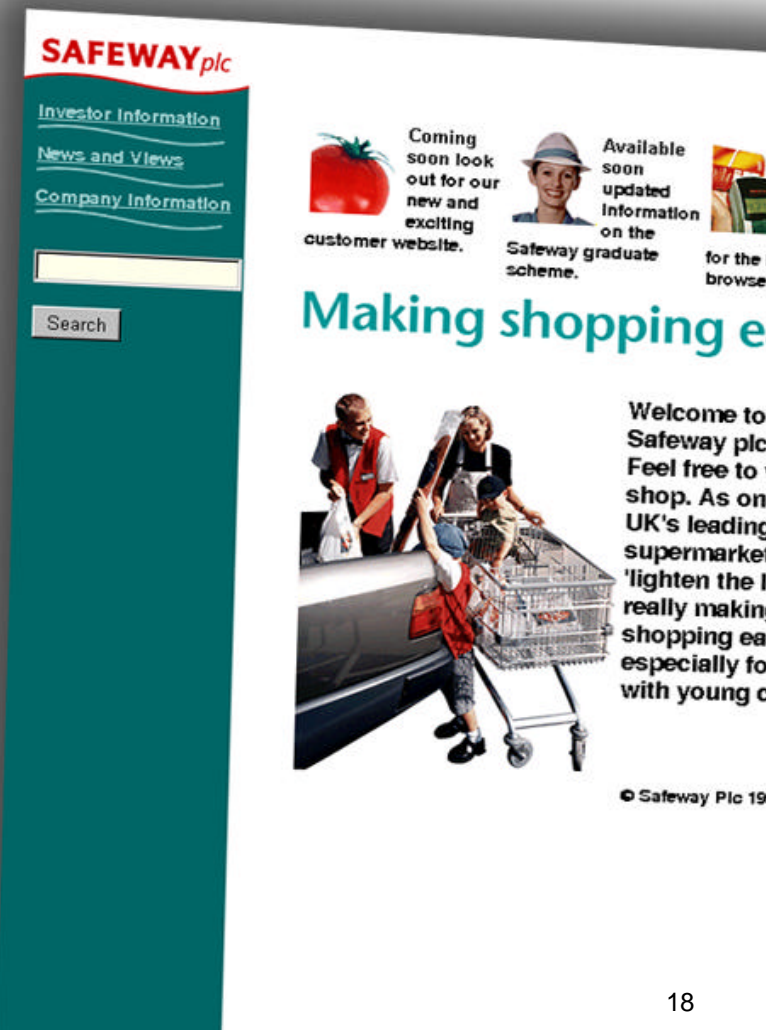
Business Value

- ▶ More frequent shopper visits
- ▶ Increased spending per visit

Products

- ▶ DB2, CICS, Intelligent Miner

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@Home

Challenge

- ▶ Remote, secure network management

Solution

- ▶ Automated network management with minimal operator involvement
- ▶ Plug-n-play handling of management applications

Business Value

- ▶ Reduced personnel costs
- ▶ Expertise leveraged across network
- ▶ Bring new technology and customers online quickly

Products

- ▶ Tivoli TME 10

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The screenshot shows the @Home website interface. At the top, there is a navigation bar with links for @Home, @Work, Excite, and Company Info. Below this is the @Home logo and a search bar. A secondary navigation bar contains links for 'What is @Home?' and 'Test Drive'. On the left side, there is a vertical menu with links for Speed, Features, Content, Price, Testimonials, FAQ, and Sign Up. Below the menu is a 'Can I Get @Home?' section with a text input field for 'Enter US Zip Code' and a 'GO' button. To the right of the menu, there is a section titled 'Advertise on @Home' with a list of links: Advertising Space, Advertising Specifications, Why Broadband is the Future, Special Projects, Research Program Results, Rate Card, and Contact Us/Request Media Kit. Below this list is a small image of three women and the text 'and get it Now'. At the bottom right, there is a small text box that says 'This is a 9" Box' and 'Clicking on this requires the Show dial-up modem I recommend that'.

@Home's advertising programs not only generate leads for @Home subscribers, they help master the art of media ads blend the fun and entertaining elements with print's ability to deliver detailed product information to customers with their ads. Advertisers can lead the

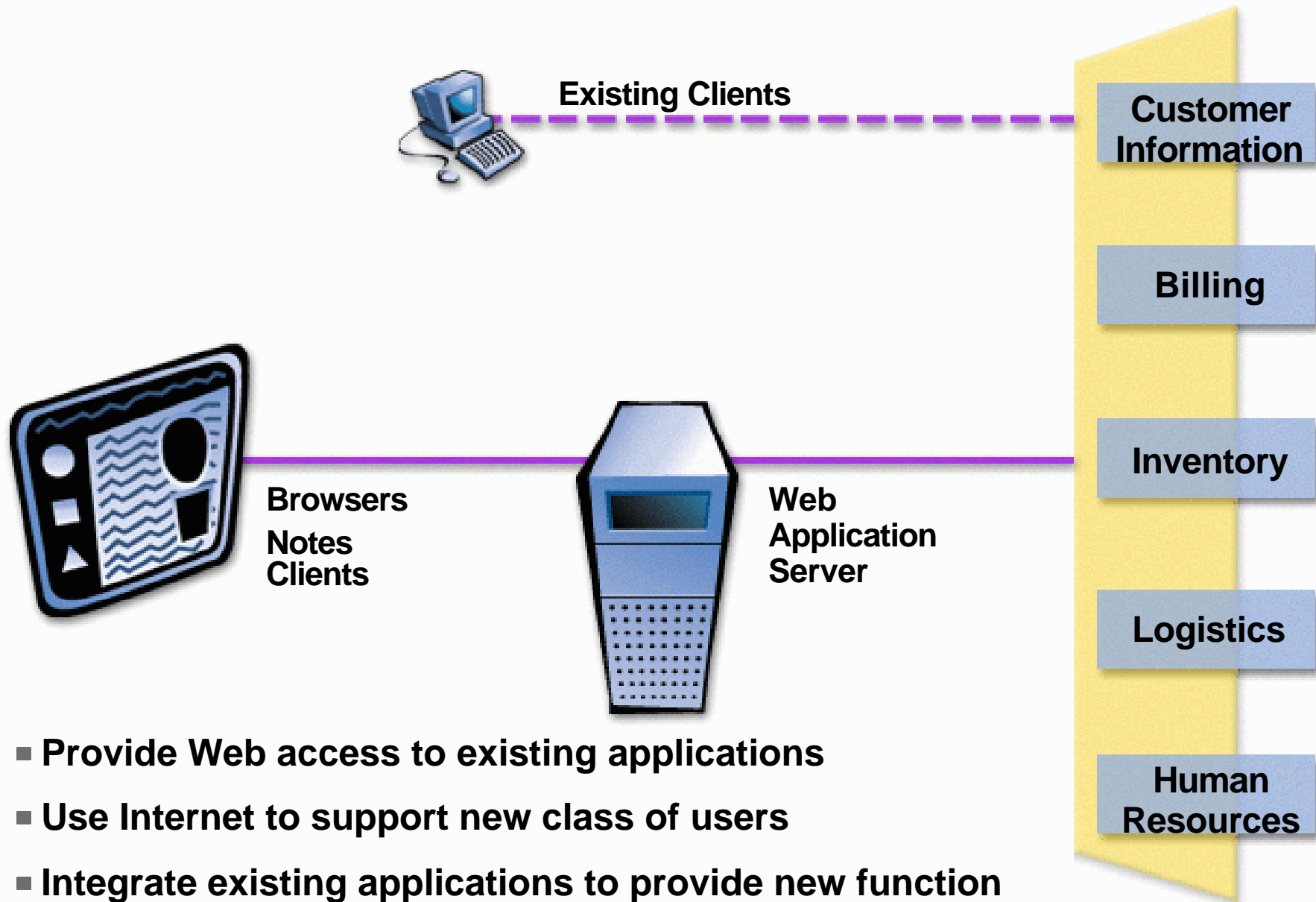


The IBM Difference

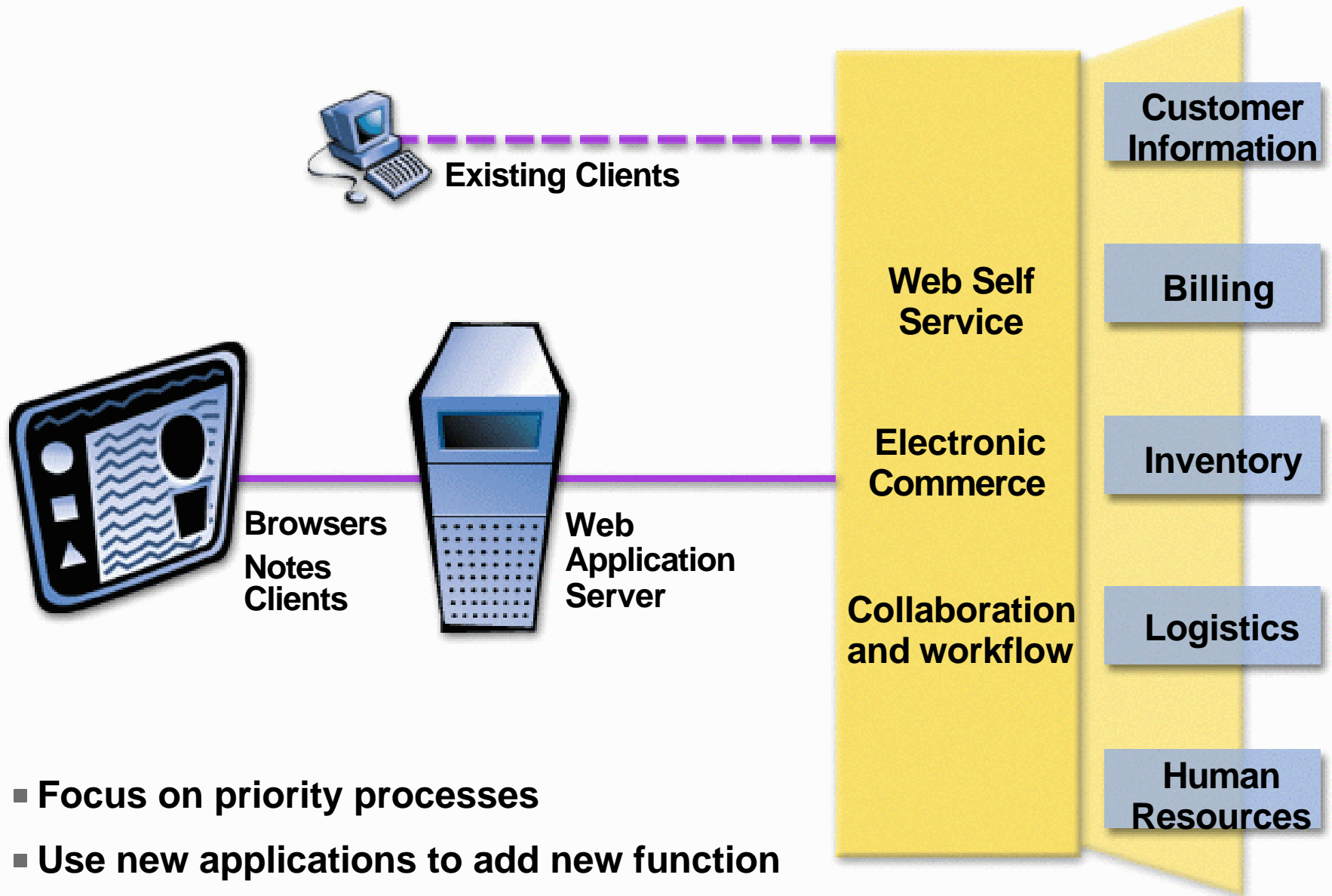
- **An approach that is:**
 - ▶ **Ready to Connect and Integrate**
 - ▶ **Ready to Grow**
 - ▶ **Ready to Work**
 - ▶ **Ready to Evolve**



Ready to Connect and Integrate



Ready to Grow



- Focus on priority processes
- Use new applications to add new function
- Integrate new and existing applications to transform processes faster

Ready to Work

PC Servers

* 99.9% availability =
8.8 hours downtime



- Preferred development platform
- Lowest cost for workgroups

Scalable Midrange

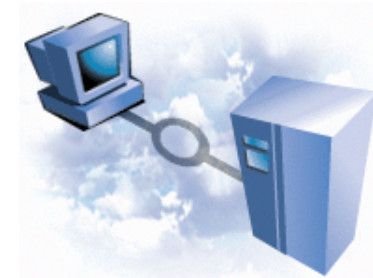
* 99.97% availability =
58 minutes downtime



- Scales seamlessly for high-volume applications
- Increased storage capacity

Enterprise Servers

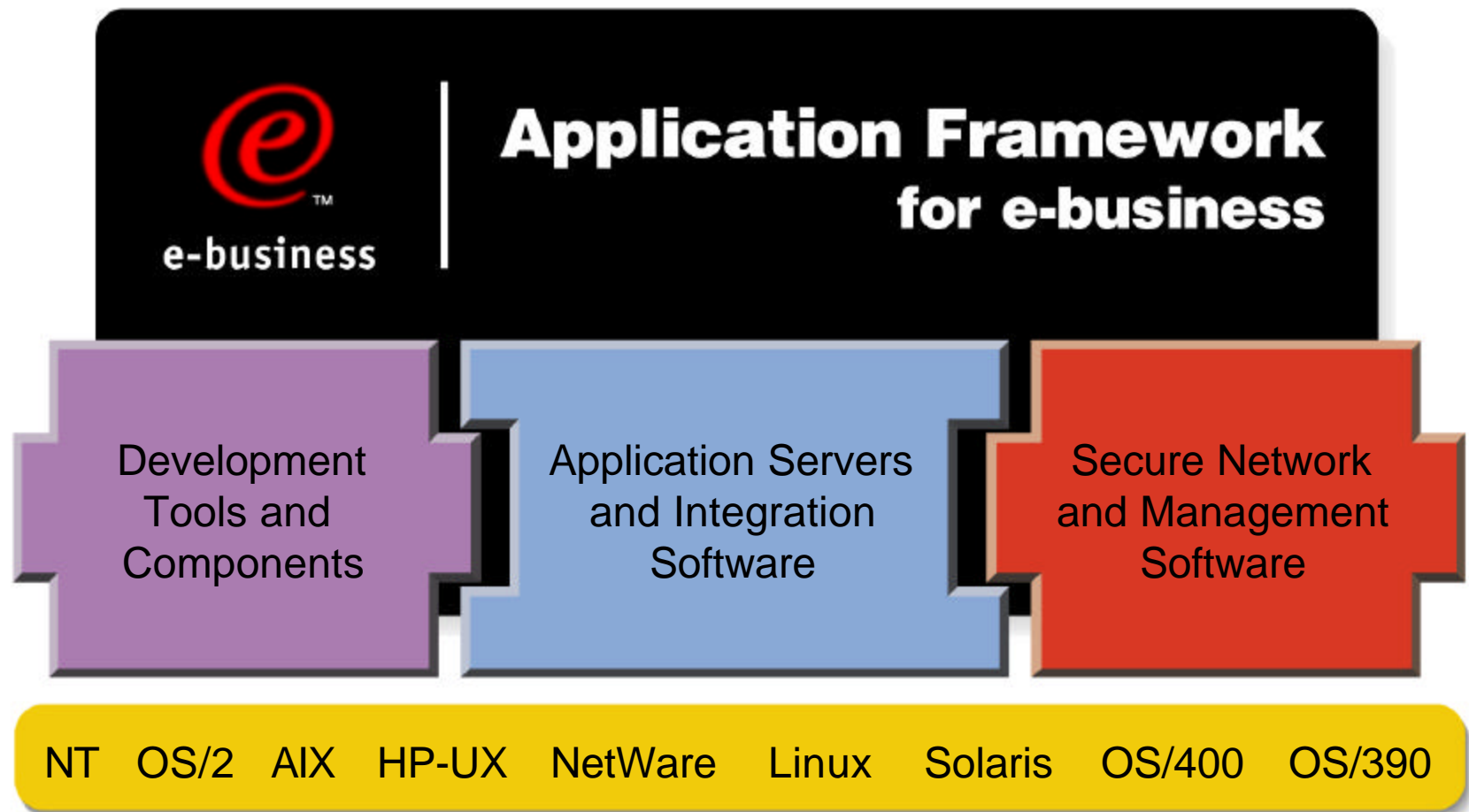
* 99.999% availability =
5 minutes downtime



- Highest level of availability
- Lowest cost-per-unit of work

* Based on GartnerGroup research

Ready to Evolve

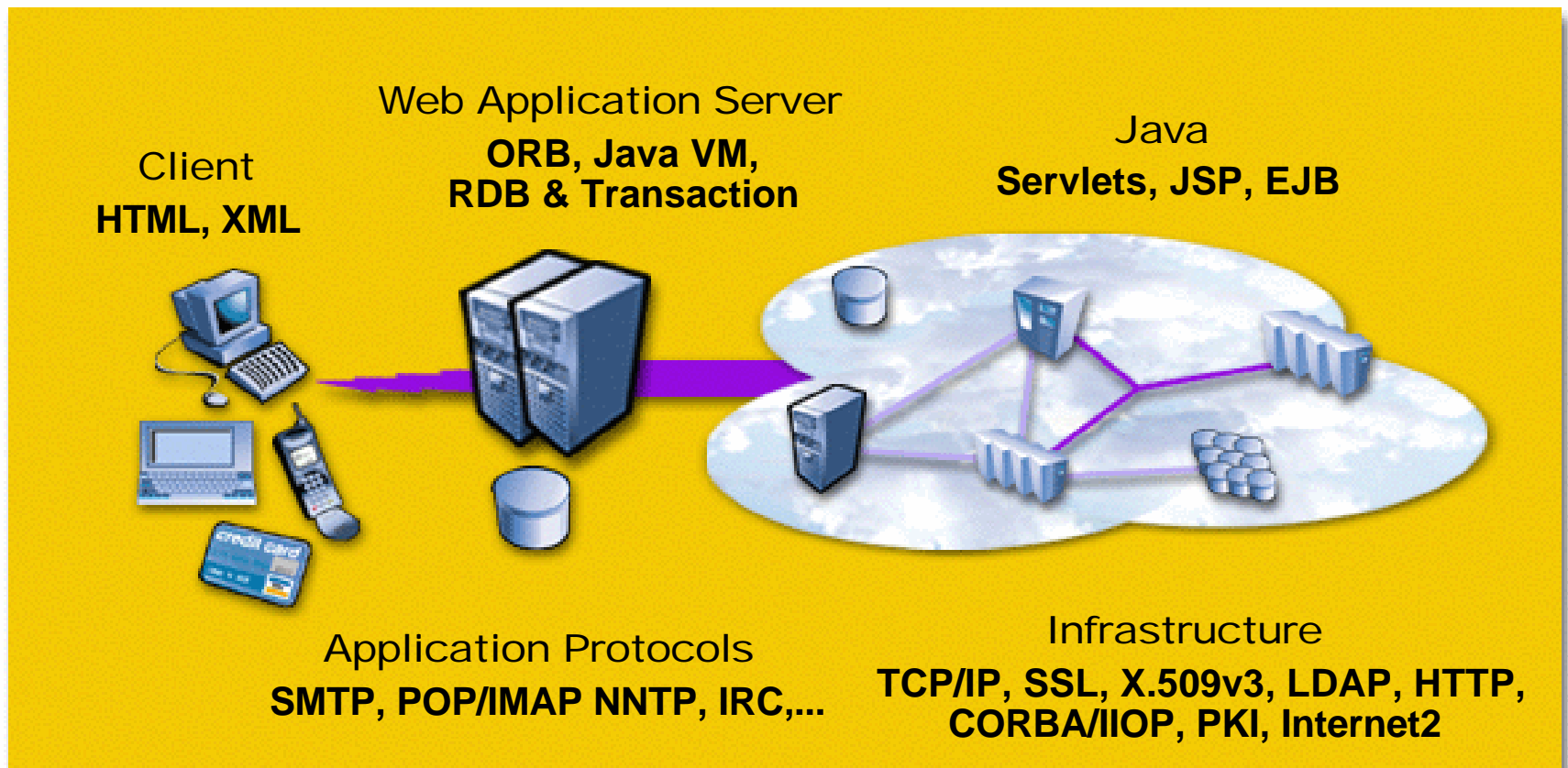


- **Industry standards**
- **Development and deployment patterns**
- **Leadership products**



e-business

Industry Standards



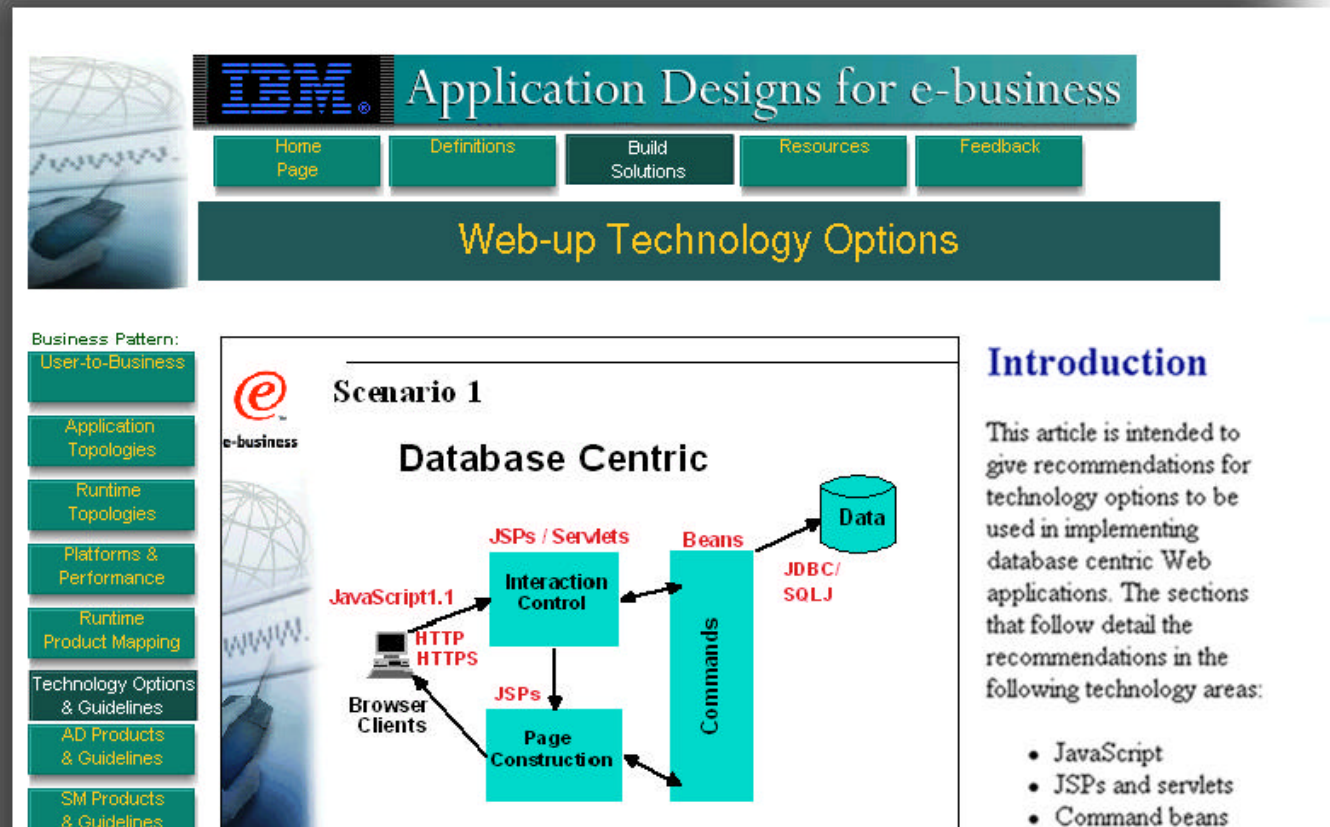
Strengthening standards through industry initiatives

- Web Application Server Demo
- Directory Interoperability Forum
- XML.org
- ...



Development and Deployment Patterns

- Application Designs for e-business
- Application Topology
- Runtime Topology
- Technology Options and Guidelines



Application Designs for e-business

Home Page | Definitions | Build Solutions | Resources | Feedback

Web-up Technology Options

Business Pattern: User-to-Business

- Application Topologies
- Runtime Topologies
- Platforms & Performance
- Runtime Product Mapping
- Technology Options & Guidelines
- AD Products & Guidelines
- SM Products & Guidelines

Scenario 1

Database Centric

The diagram illustrates the architecture for Scenario 1: Database Centric. It shows the following components and their interactions:

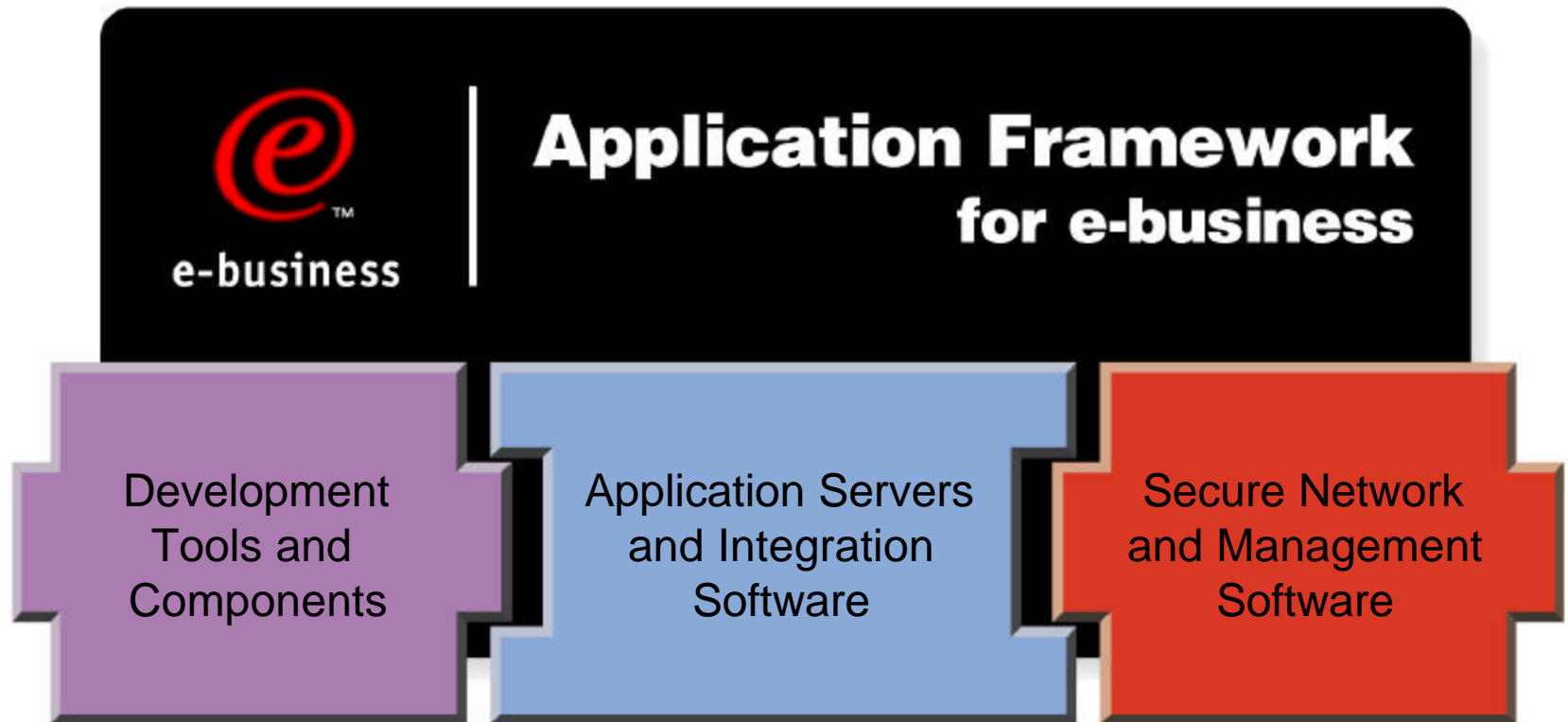
- Browser Clients** connect to **Interaction Control** via **HTTP** and **HTTPS**.
- Interaction Control** (containing **JSPs / Servlets**) interacts with **Page Construction** (containing **JSPs**) and **Commands** (containing **Beans**).
- Commands** interacts with **Data** (represented as a database) via **JDBC/SQLJ**.
- JavaScript1.1** is used for client-side interactions.

Introduction

This article is intended to give recommendations for technology options to be used in implementing database centric Web applications. The sections that follow detail the recommendations in the following technology areas:

- JavaScript
- JSPs and servlets
- Command beans

Leadership Products



- WebSphere Studio
- Lotus Domino Designer
- IBM VisualAge
- Hot Media

- IBM WebSphere
- Net.Commerce
- Lotus Domino
- DB2 UDB
- MQSeries
- CICS

- Tivoli
- SecureWay



World Wide Web



The Internet



e-business Solutions



A black rounded rectangle with a white border. On the left side, it contains the red '@' logo with 'e-business' text below it. A vertical white line separates this from the text 'Application Framework for e-business' on the right side.



Working with the Industry





Make Your Business an e-business



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