Time to Revolutionize Your Approach to Commerce
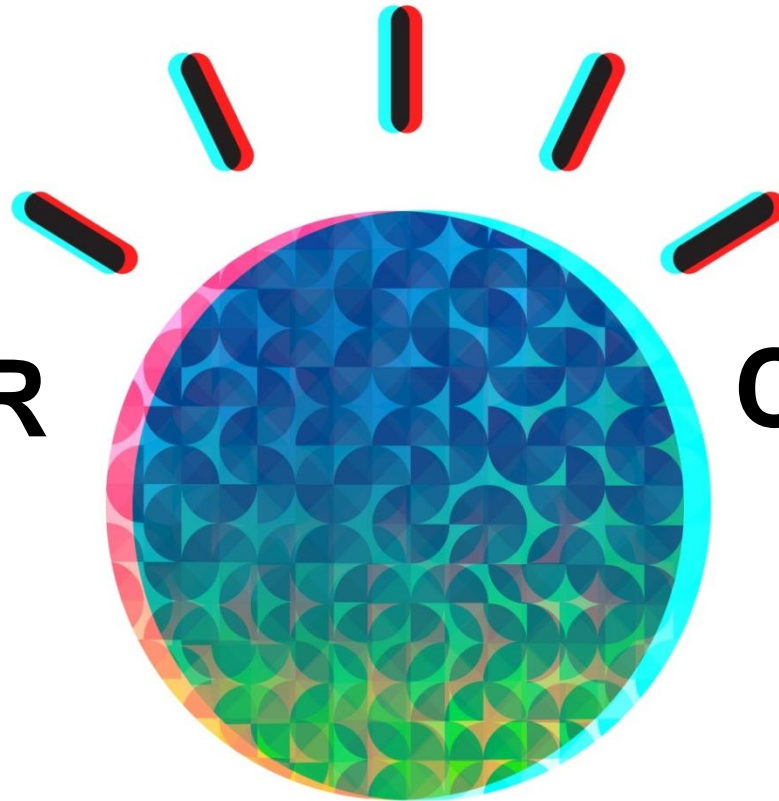
SMARTER   COMMERCE

We Have Entered the Age of the Empowered Customer

Leverage social networking

Expect consistent and relevant information

Demand exactly what they want

Get it now or go elsewhere!

155 million
Number of tweets sent via Twitter each day

75%
Percentage of people who believe companies don't tell the truth in advertisements
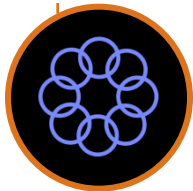
$93 billion
Amount in sales missed due to out of stock inventory

Power Has Shifted to the Customer — Compressing Margins and Changing Paradigms

In this new era, businesses need to:

Understand and anticipate

Adapt and optimize

Market, sell and fulfill

Service flawlessly, predict and drive customer loyalty

How did Crocs Address These Forces?

Challenge: length response times & Inaccurate information due to reliance on heavily customized ERP system to process orders with manual processes to manage orders

Solution: Establish Order Hub linking **Internet, Retail & Wholesale** with global visibility ensuring Available To Promise numbers

Results: near 100% Available To Promise numbers across channels and especially on the Internet which had 13+ line cancel rates due to lack of Inventory visibility

Telecom Service Provider Addressiung These Forces?

Challenge: Facing Cut-throat competition in a very mature & saturated market. Dwindling cross-sell & up-sell success rate leading to reduced share of wallet
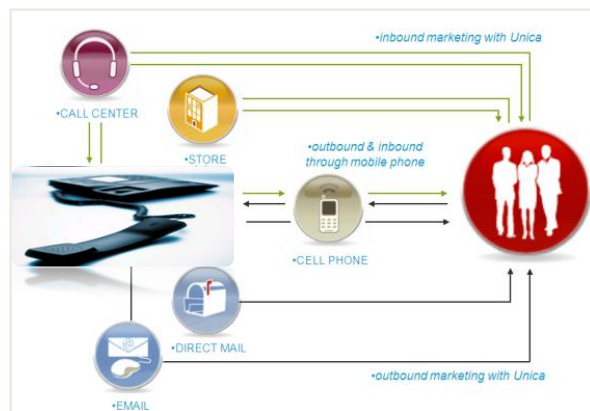
Solution: Serve Real time offers through Call Centers and Retail Stores. Customer segments and Offers centrally managed and integrated to channels

Results: Success rate increased from <10% to >40% on cross & up sell initiatives and three channels integrated to provide true cross channel marketing experience
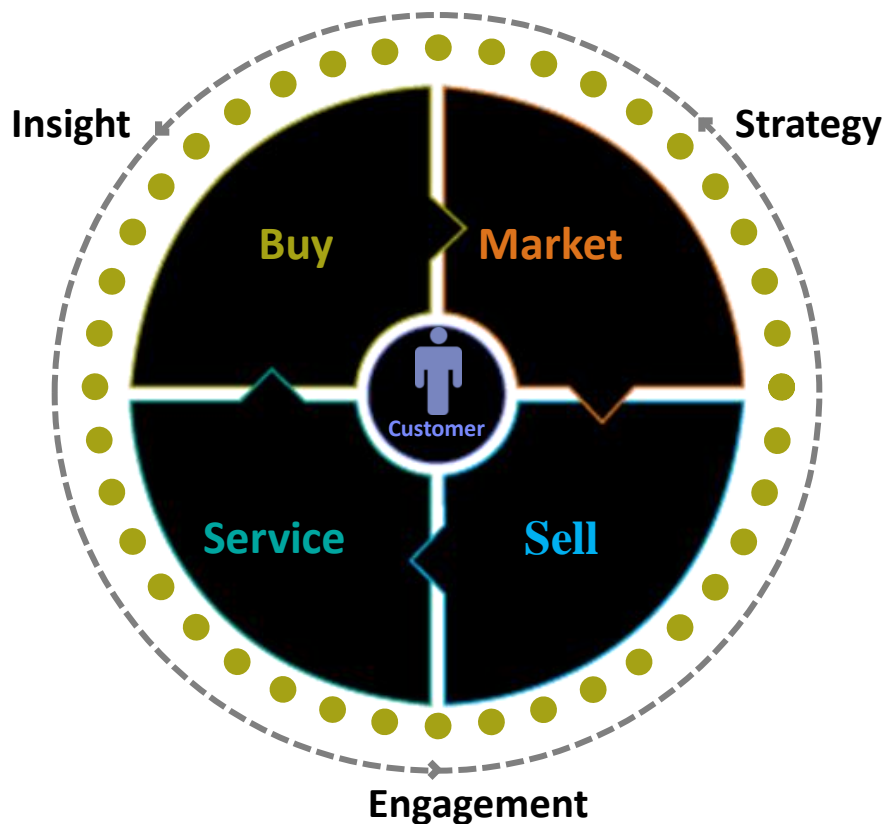
Smarter Commerce Can Help Transform
Every Phase of the Commerce Cycle

Buy

Sourcing, controlling and procurement of goods and services

Service

Servicing customer needs across all interaction channels

Insight

Strategy

Buy

Market

Customer

Service

Sell

Engagement

Market

Targeted and personalized marketing across all customer interactions

Sell

Enables selling and fulfillment of products and services across all channels

Realizing Smarter Commerce with IBM's Integrated Portfolio

VALUE CHAIN STRATEGY

Innovation and business value | **Market and customer mgmt** | **Operating and organization models**

CORE BUSINESS SOLUTIONS
Core Business Processes

| Buy	Market	Sell	Service
Drives intelligent, adaptive and optimized extended supply chains based on customer demand	*Creates personalized and relevant offers with unified cross-channel marketing*	*Enables customers and partners to buy what they want, when and where*	*Anticipates behavior and delivers flawless customer service across all channels*

Advanced Analytics

Store analytics | Purchase analytics | Consumer loyalty | Predictive and prescriptive | Social analytics | Web analytics | Master data mgt
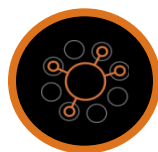
Workload Optimized Systems

Systems, Storage and Software focused on agility, integration and automation to drive relevant business success
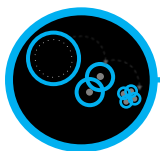
IBM Smarter Commerce: Making it Real
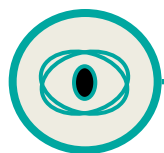
INVESTMENT
- *$2.5+ billion software investment*
- *Global Business Services Practice*

INNOVATION
- *$14B in BAO acquisitions and 8,000+ dedicated consultants*
- *25,000 hardware and 35,000 software developers*
- *3000 IBM researchers*

EXPERIENCE
- *Hundreds of customer engagements*
- *Expertise in over 20 industries*

Smarter Commerce: Delivering an Integrated Portfolio

VALUE CHAIN STRATEGY

Innovation and business value │ Market and customer mgmt │ Operating and organization models

CORE BUSINESS SOLUTIONS
Core Business Processes

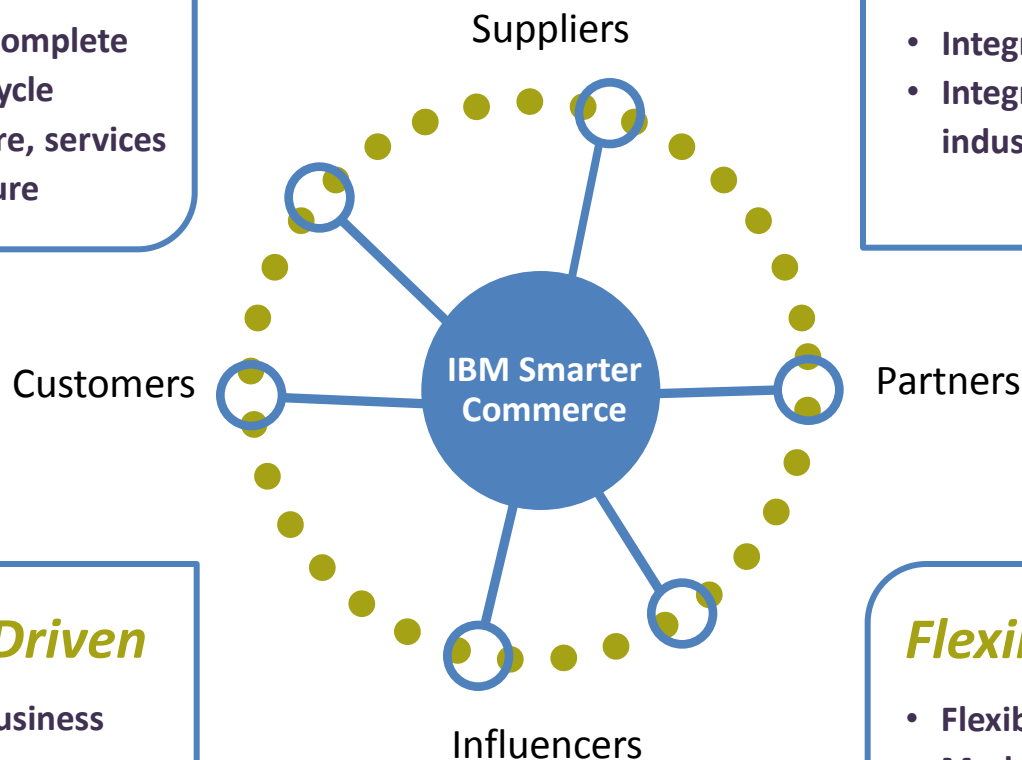| Buy	Market	Sell	Service

What is **unique** about IBM's Smarter Commerce?

Comprehensive
- **Optimizes the complete commerce lifecycle**
- **Leading software, services and infrastructure**

Integrated
- **Integrated analytics**
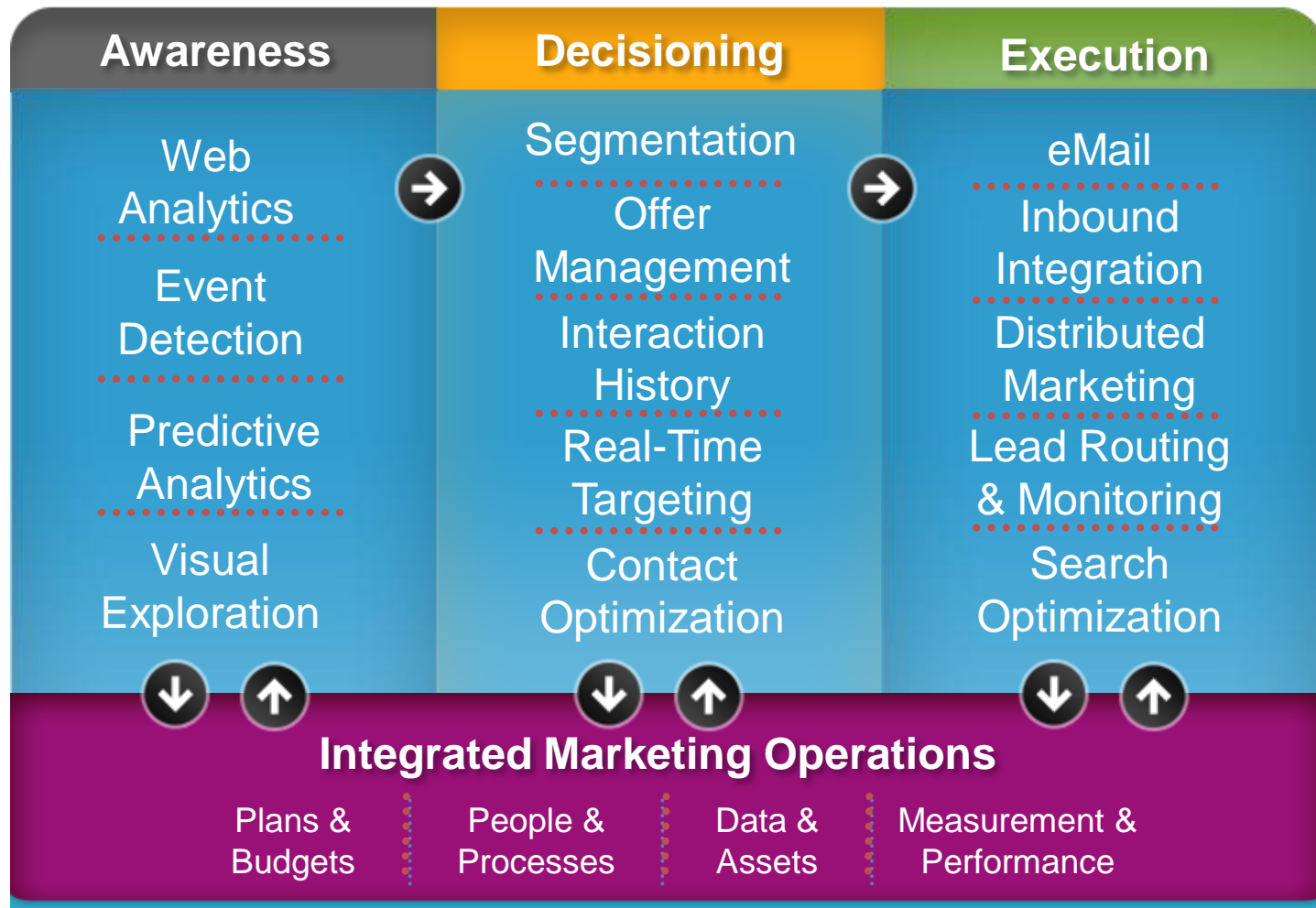- **Integrated focused industry solutions**

Outcome Driven
- **Measureable business outcomes**
- **Outcomes tailored to business domains**
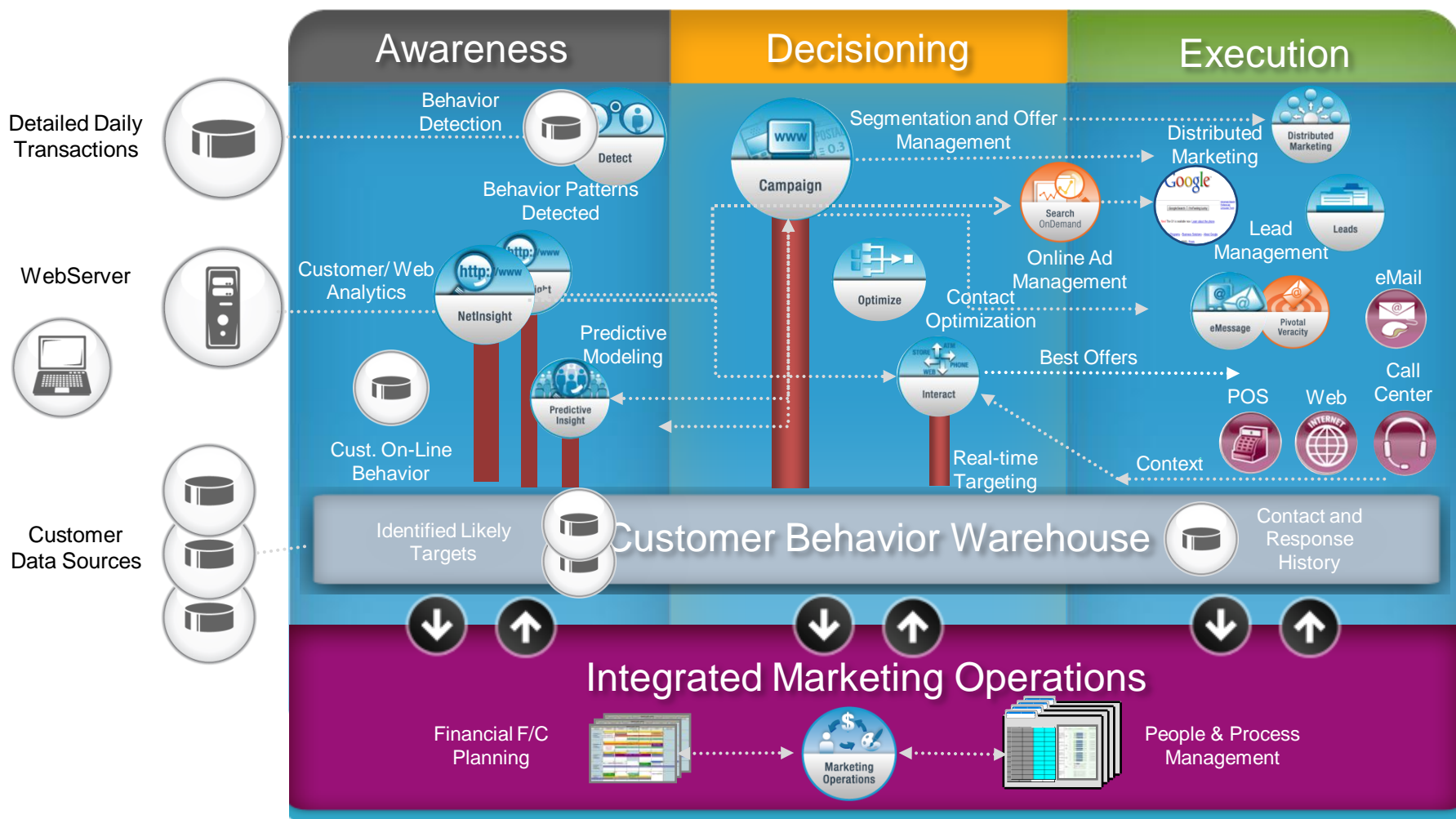
Flexible and Open
- **Flexible deployment**
- **Modular offerings and flexible consumption**

Suppliers

Customers

IBM Smarter Commerce

Partners

Influencers

Enterprise Marketing Management
As Comprehensive as It can get

Awareness	Decisioning	Execution
Web Analytics	Segmentation	eMail
Event Detection	Offer Management	Inbound Integration
Predictive Analytics	Interaction History	Distributed Marketing
Visual Exploration	Real-Time Targeting	Lead Routing & Monitoring
	Contact Optimization	Search Optimization

Integrated Marketing Operations

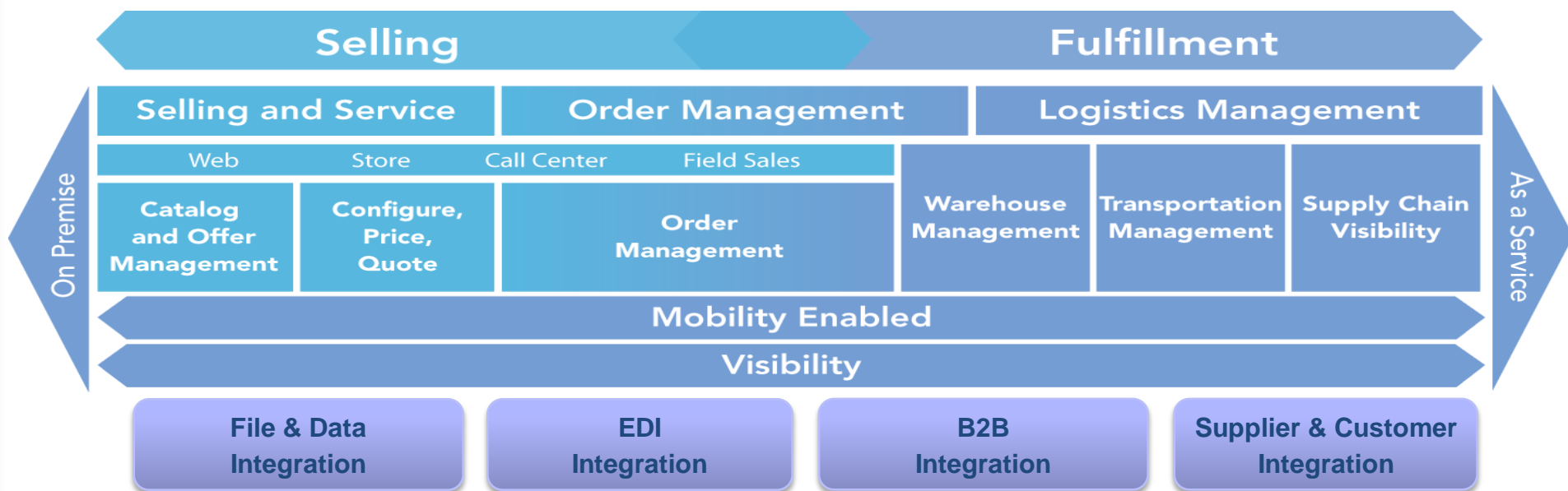| Plans & Budgets | People & Processes | Data & Assets | Measurement & Performance |

Enterprise Marketing Management
As Comprehensive as It can get

Distributed Selling & Fulfillment Suite
Managing The Complete Commerce Lifecycle

Sterling Selling & Fulfillment Suite

Smarter Commerce Focuses on Three Dimensions Centered Around the Customers

Customer Insight
Turn deep insights in real-time into immediate action

Customer Value Strategy
Re-think what customers value – and can be created across the value chain

Customer

Customer and Partner Engagement
Connect to create a differentiated customer experience

...increase the value companies generate for their customers and partners in a rapidly changing digital world