BusinessConnect and SolutionsConnect
It's time to make bold moves.

"It's all about me!"
**Using Big Data & Analytics to Personalise
the Customer Experience**

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" *If we wanted to figure out if a customer is pregnant, even if she didn't want us to know, can you do that?* "

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RELEVANCE:
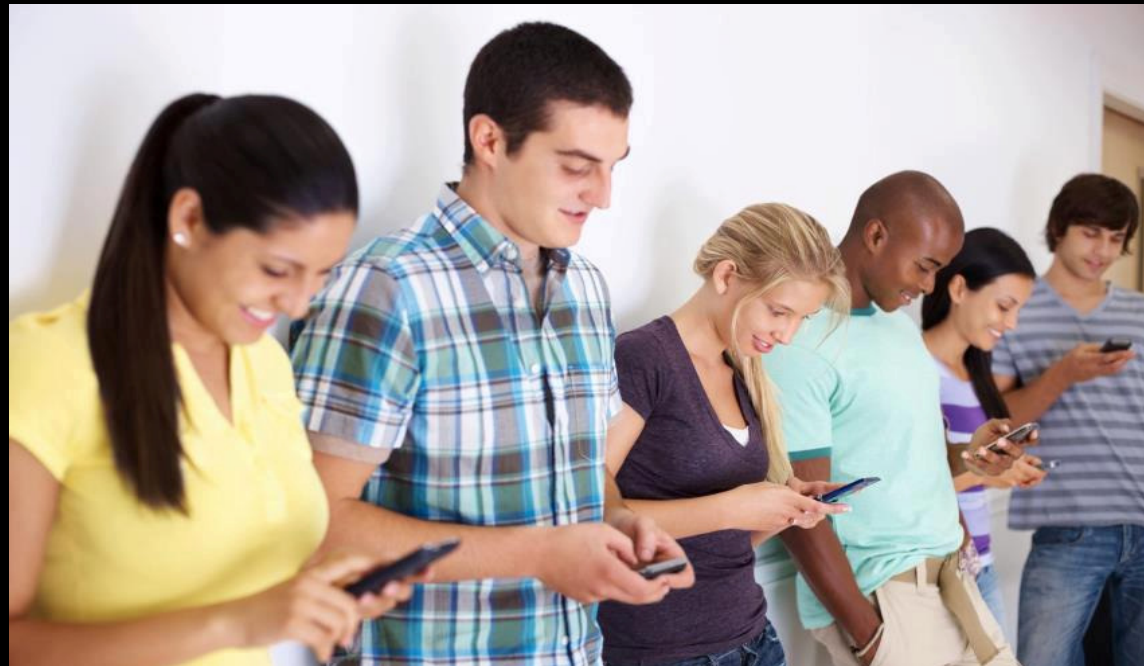## because one size
does not fit all

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Fast evolving trends in consumer technology adoption

6B
Mobile devices world-wide;
1B+ of them smartphones

2.5B
Active Facebook, Twitter,
and YouTube accounts

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Today's customer puts businesses to the test

78% of consumers trust peer recommendations

86% use multiple channels

4 in 10 Smart phone users search for an item in a store

4-5x more than average is spent by multi-channel buyers

80% of CEOs think they deliver a superior customer experience

58% are more price-conscious today than they were a year ago

8% of their customers agree

75% do not believe companies tell the truth in ads

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Customers expect personalization and control

"You don't know me"
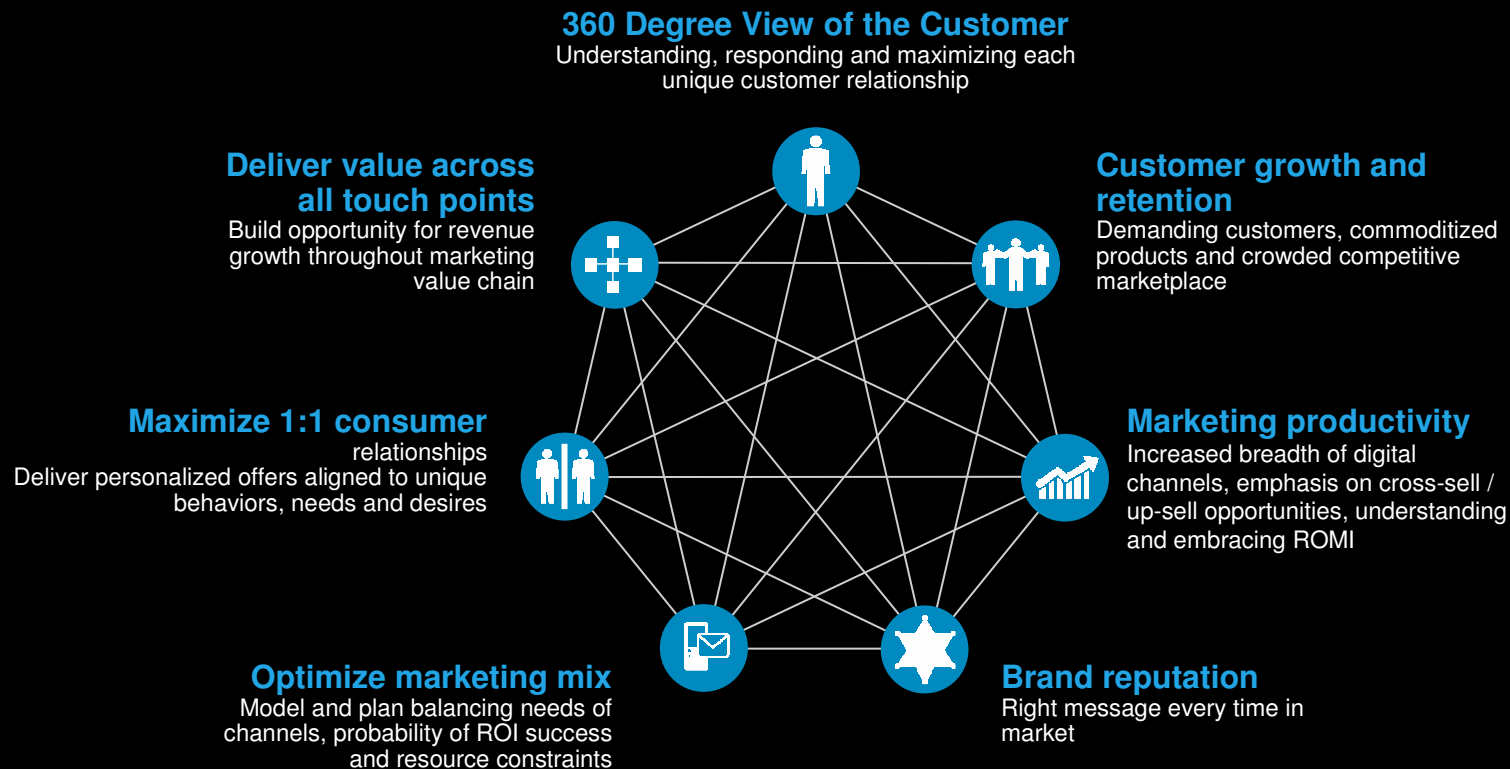Intolerance of mass-market, impersonalized approaches

"You're not connecting with me"
Demand for interaction on channel of choice

"You make it too hard"
Expectations for immediate results

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And more is being demanded of the marketing profession

360 Degree View of the Customer
Understanding, responding and maximizing each unique customer relationship

Deliver value across all touch points
Build opportunity for revenue growth throughout marketing value chain

Customer growth and retention
Demanding customers, commoditized products and crowded competitive marketplace

Maximize 1:1 consumer relationships
Deliver personalized offers aligned to unique behaviors, needs and desires

Marketing productivity
Increased breadth of digital channels, emphasis on cross-sell / up-sell opportunities, understanding and embracing ROMI

Optimize marketing mix
Model and plan balancing needs of channels, probability of ROI success and resource constraints

Brand reputation
Right message every time in market

Marketing and
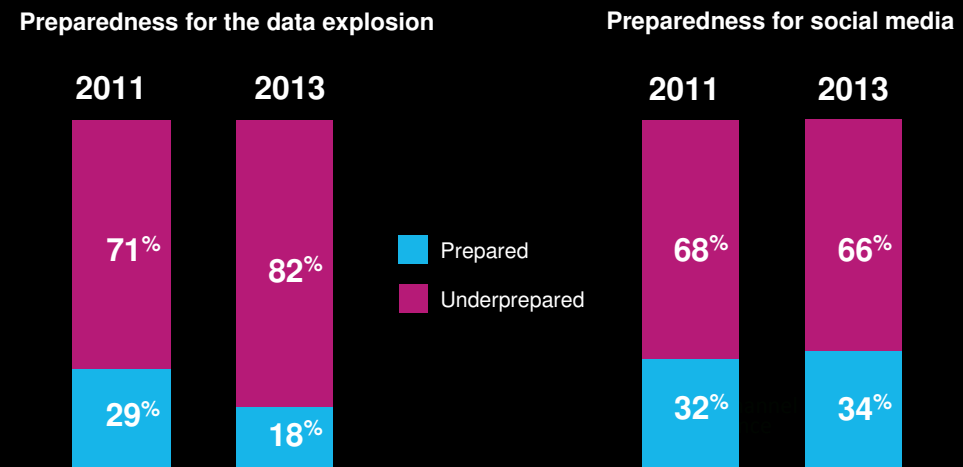Analytics are
Intertwined

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" *By 2017 the CMO will spend more time on IT than the CIO* "

2012 Gartner Webinar | Lauren Mclennan | Research VP

IBM

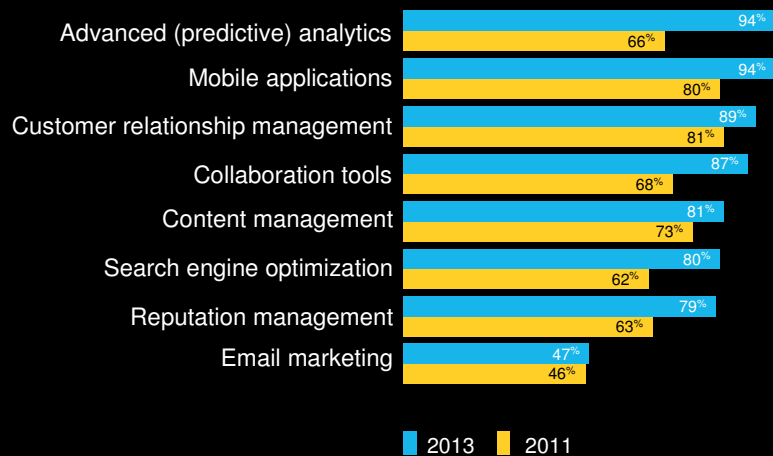## CMOs feel as underprepared for two of the biggest technology shifts as before; the rate of change seems faster than many can cope with

Preparedness for the data explosion

Preparedness for social media

2011
2013

71%
82%
29%
18%

■ Prepared
■ Underprepared

2011
2013

68%
66%
32%
34%

Source:Question CMO4–How prepared are you to address the following market factors (data explosion and social media)?

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More CMOs plan to leverage digital technology to transform the customer experience

Advanced (predictive) analytics — 94% / 66%
Mobile applications — 94% / 80%
Customer relationship management — 89% / 81%
Collaboration tools — 87% / 68%
Content management — 81% / 73%
Search engine optimization — 80% / 62%
Reputation management — 79% / 63%
Email marketing — 47% / 46%

■ 2013 ■ 2011

Use advanced analytics for deep customer insight

Design rewarding customer experiences

Effectively execute on the customer promise

Source: Question CMO7–What is your plan around the usage of the following technologies over the next 3 to 5 years?

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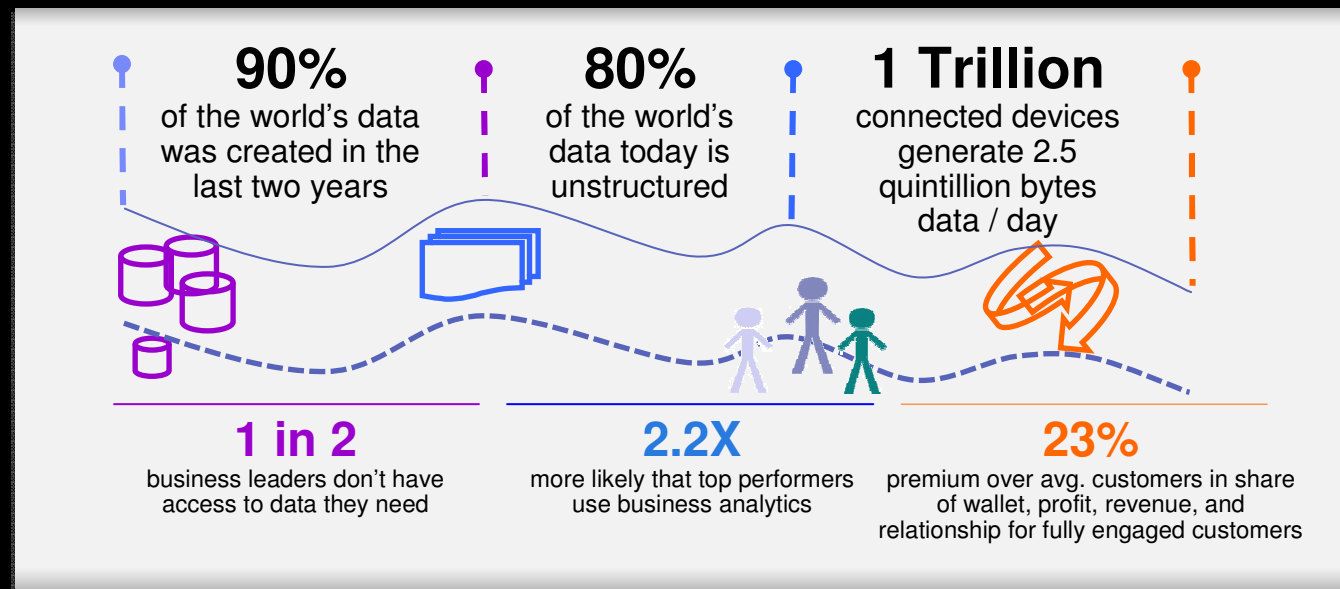# Today company's are "dying of thirst in an ocean of data"

Volume
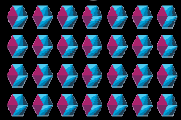
Data at Scale

Variety

Data in Many Forms

90%
of the world's data was created in the last two years

80%
of the world's data today is unstructured

1 Trillion
connected devices generate 2.5 quintillion bytes data / day

1 in 2
business leaders don't have access to data they need

2.2X
more likely that top performers use business analytics

23%
premium over avg. customers in share of wallet, profit, revenue, and relationship for fully engaged customers

Velocity

Data in Motion

Veracity

Data Uncertainty

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*Extracting insights from exploding data volumes requires **new technologies** and methodologies*

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Creating a *single view* of the client

" Data is absolutely critical for our ability to proactively identify opportunities for our customers "

Nick Reed | **ANZ Programme Director**

360 degree view of the customer

Proactive identification of the customer needs

Increased revenue and customer satisfaction

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Omni channel transformation:
One Brand Experience

" *IBM's work has allowed us to complete six years work in six months, With the omni-channel platform in place, David Jones is ready for the future of Australian retail.* **"**

CEO | Paul Zahr.

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288%
Year to Year Increase
in online sales

30%
Online traffic during the Christmas Clearance
promotion originated from mobile or tablet devices

3x
More per average
online order vs the
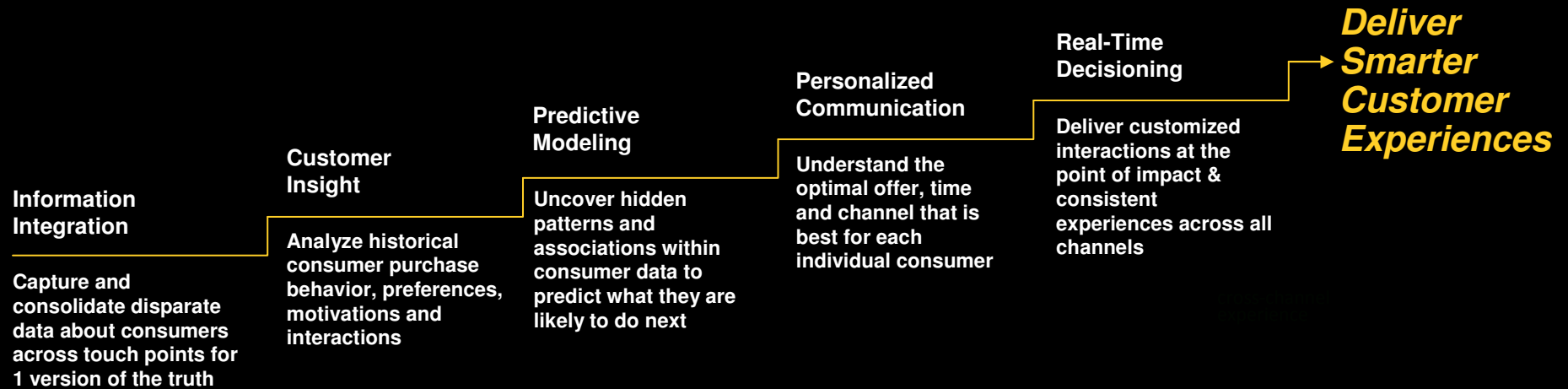average instore
transaction

**9,000 to
900,000**
SKUs now available

2x
Visitors to the
online site
increasing to 5.4m

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Where do you stand in your customer journey?

Deliver Smarter Customer Experiences

Real-Time Decisioning

Deliver customized interactions at the point of impact & consistent experiences across all channels

Personalized Communication

Understand the optimal offer, time and channel that is best for each individual consumer

Predictive Modeling

Uncover hidden patterns and associations within consumer data to predict what they are likely to do next

Customer Insight

Analyze historical consumer purchase behavior, preferences, motivations and interactions

Information Integration

Capture and consolidate disparate data about consumers across touch points for 1 version of the truth

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Made with IBM: Macys drives *customer engagement* with data

BusinessConnect and SolutionsConnect
It's time to make bold moves.

Thank you

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