The Future of Marketing Platforms
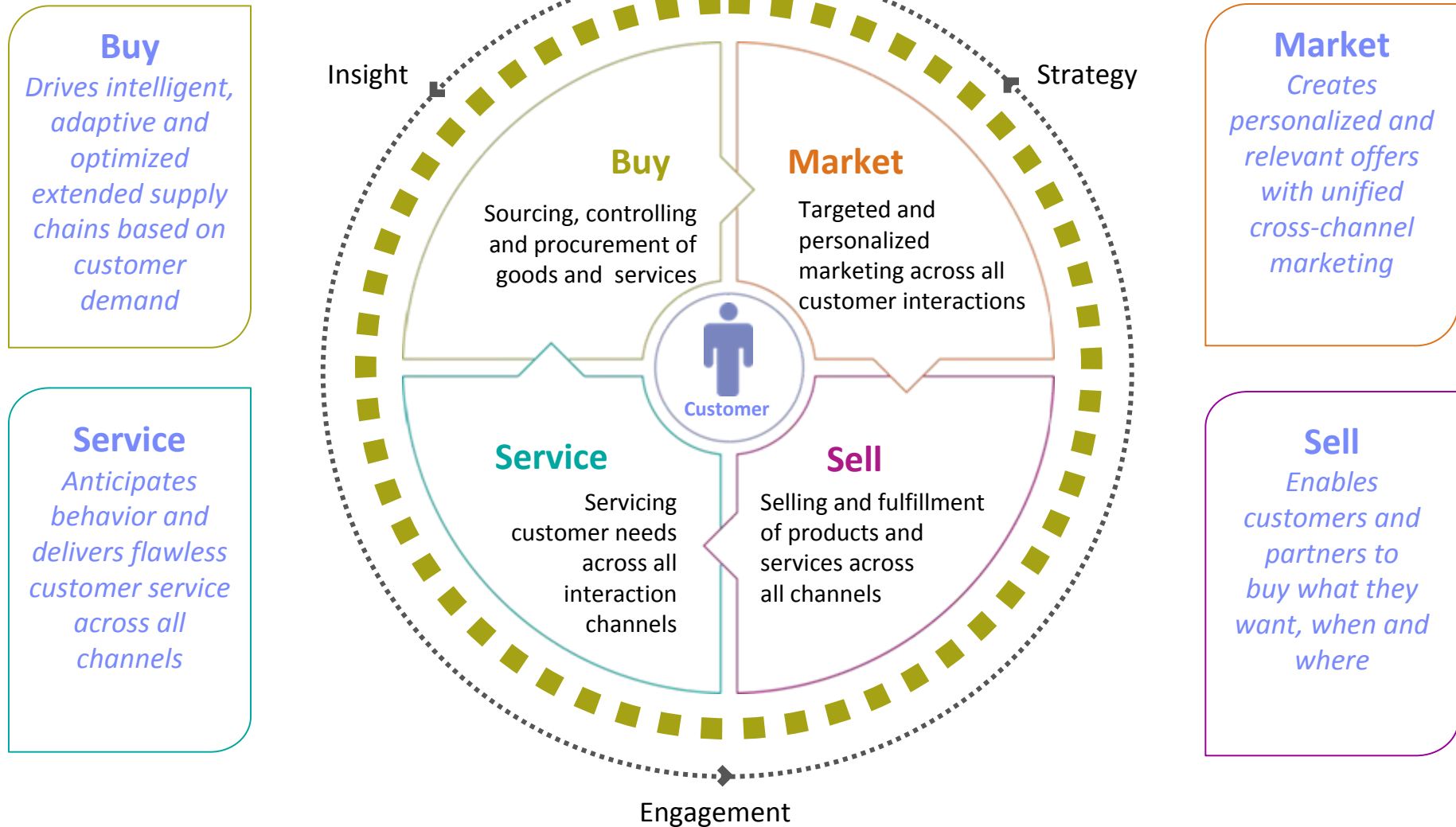
Agenda

Introduction of IBM Smarter Commerce

Today's marketing challenges

IBM's solutions for marketing
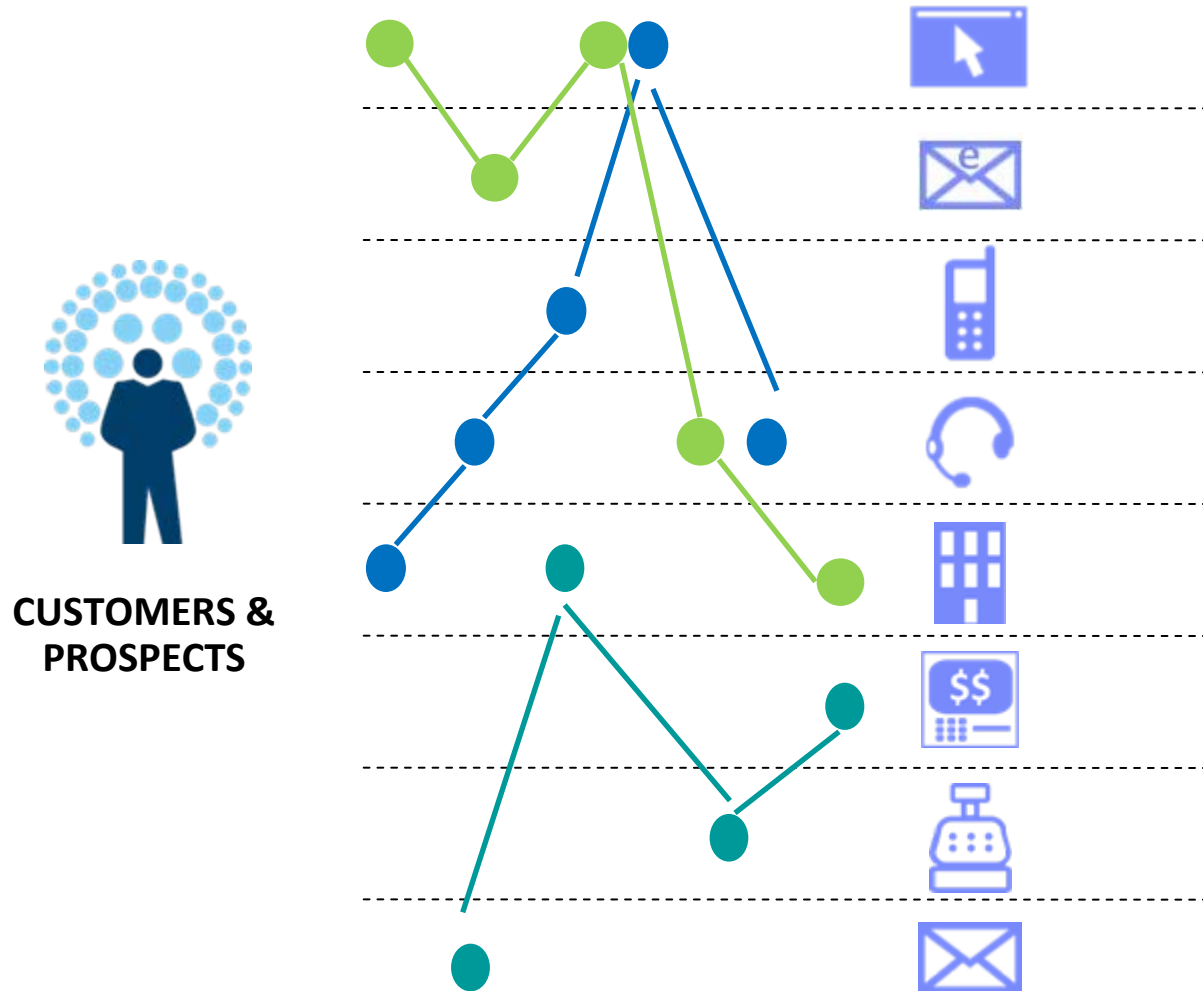
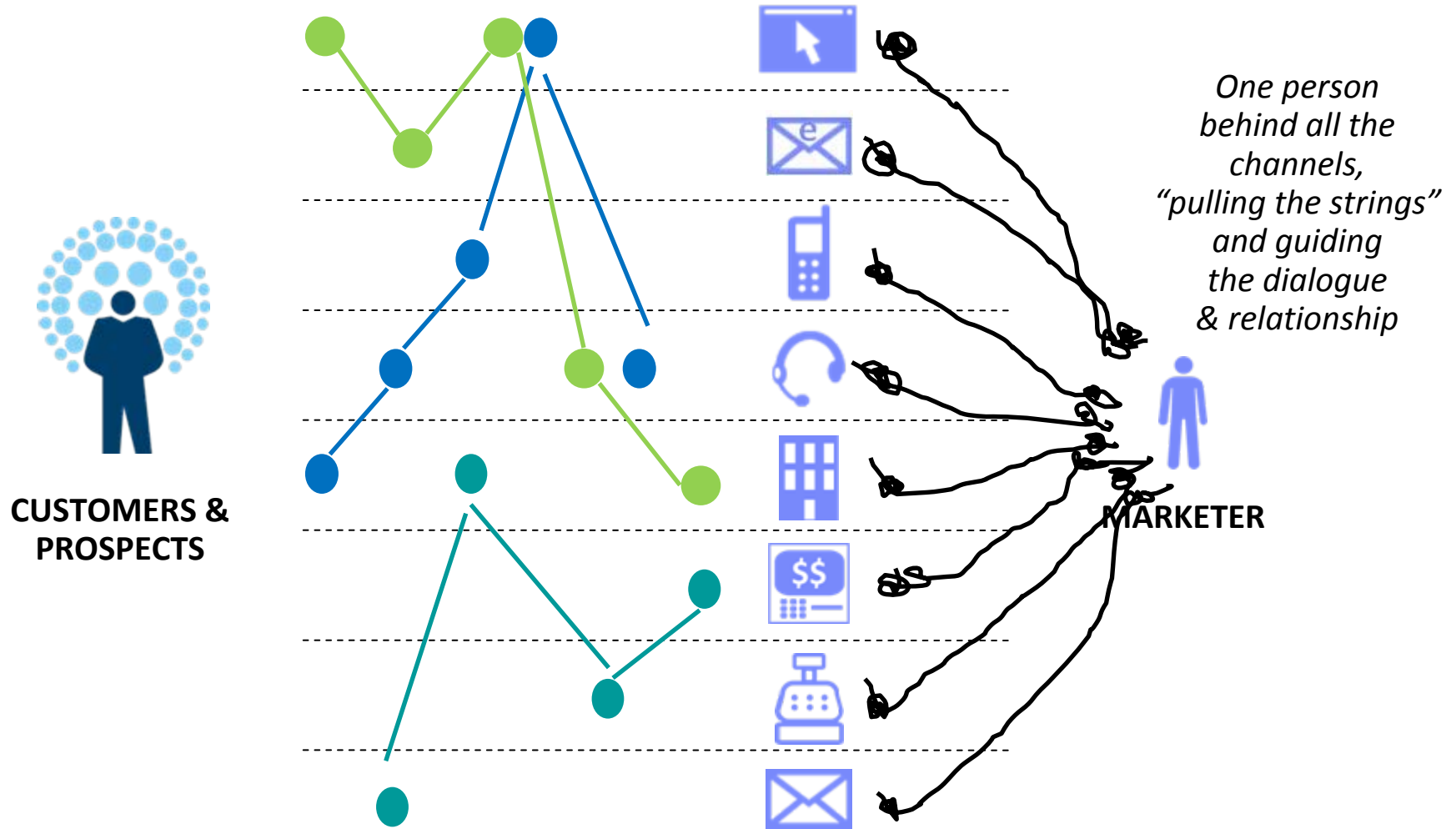# Smarter Commerce can help transform every phase of the commerce cycle

Buy
Drives intelligent, adaptive and optimized extended supply chains based on customer demand

Service
Anticipates behavior and delivers flawless customer service across all channels

Market
Creates personalized and relevant offers with unified cross-channel marketing

Sell
Enables customers and partners to buy what they want, when and where

Insight

Strategy

Buy
Sourcing, controlling and procurement of goods and services

Market
Targeted and personalized marketing across all customer interactions

Customer

Service
Servicing customer needs across all interaction channels

Sell
Selling and fulfillment of products and services across all channels

Engagement

Nowadays there are more communication channels than ever…
Marketers must integrate all aspects of marketing
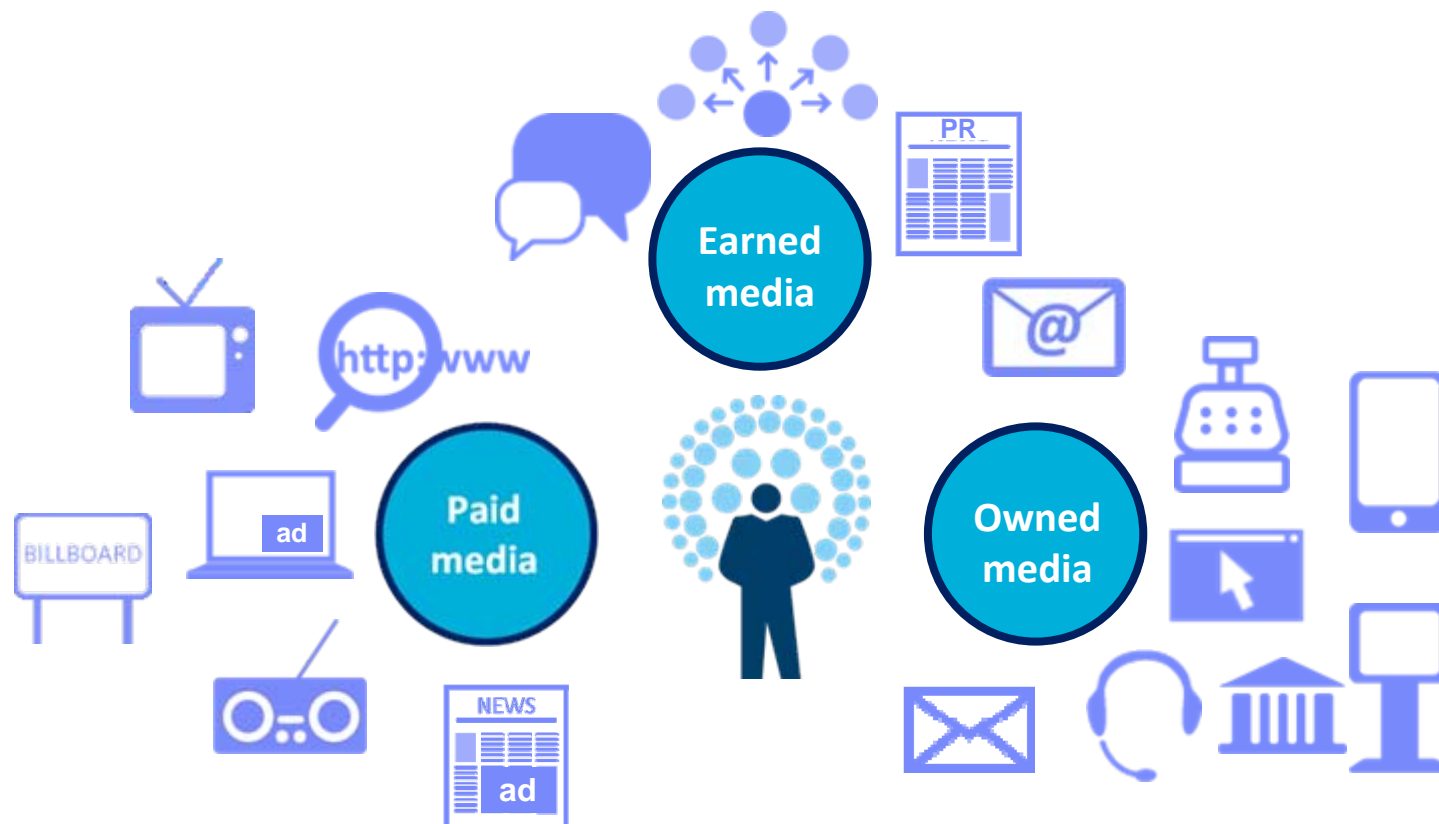
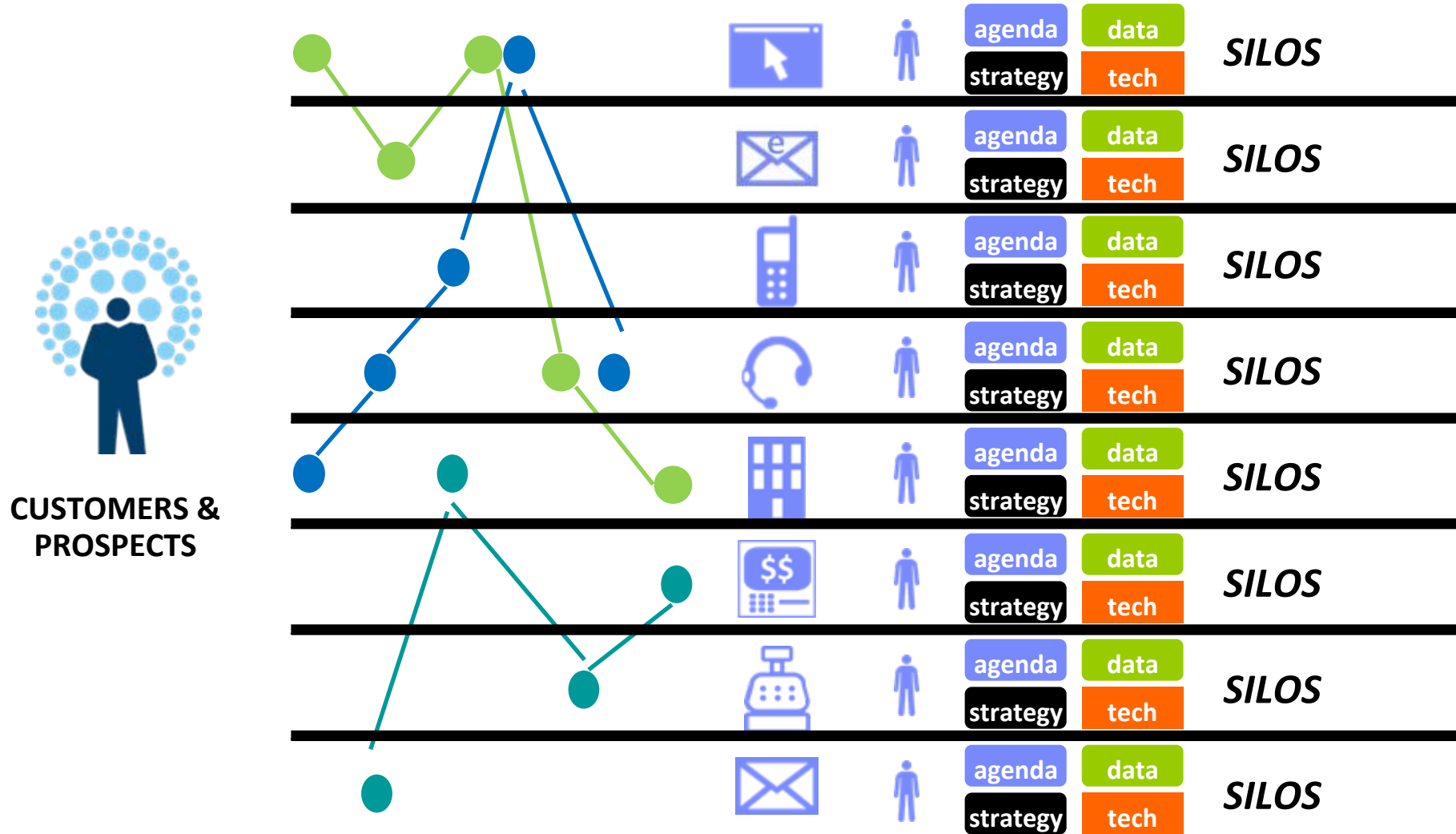# How your customers and prospects behave across owned media

CUSTOMERS & PROSPECTS

What your customers and prospects expect

CUSTOMERS & PROSPECTS

One person behind all the channels, "pulling the strings" and guiding the dialogue & relationship

MARKETER

What your customers and prospects actually experience

What does it take to enable cross-channel, interactive marketing?

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

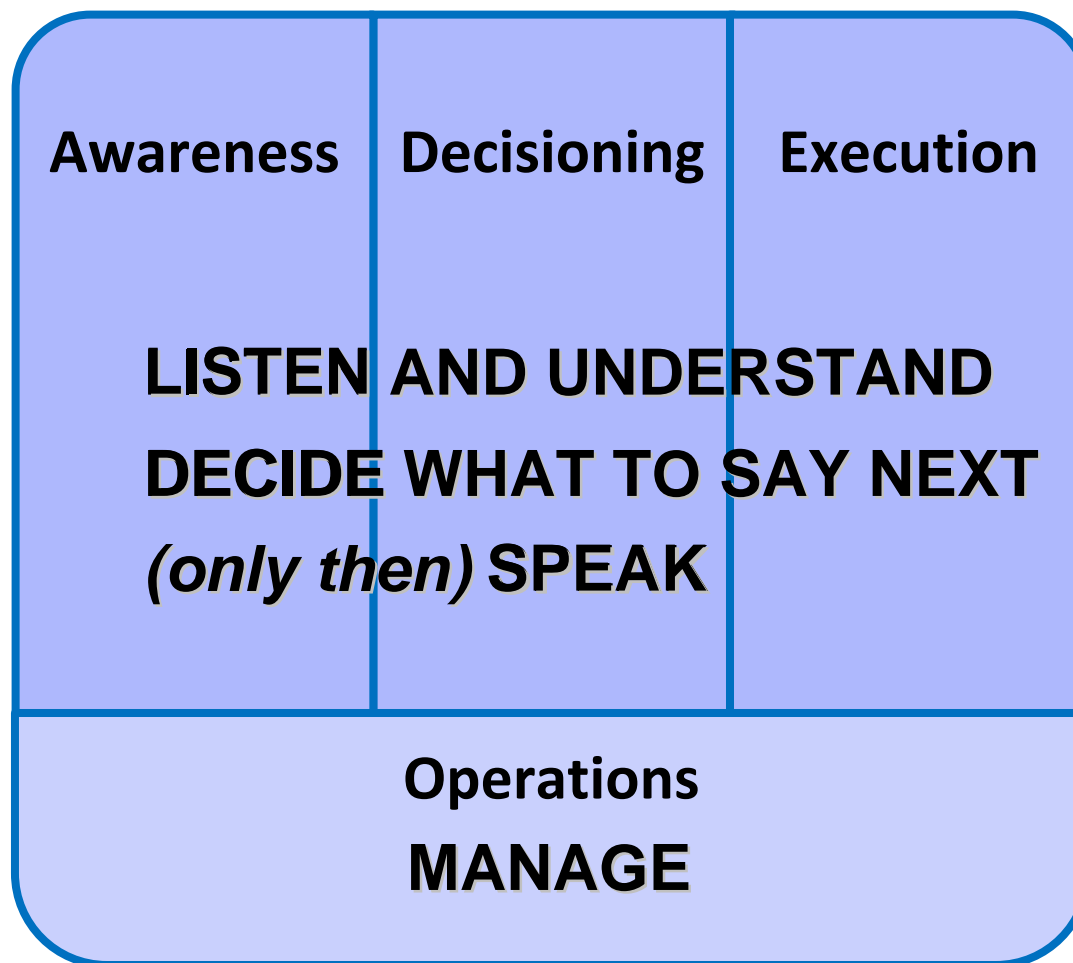Marketers need to:

LISTEN AND UNDERSTAND

DECIDE WHAT TO SAY NEXT

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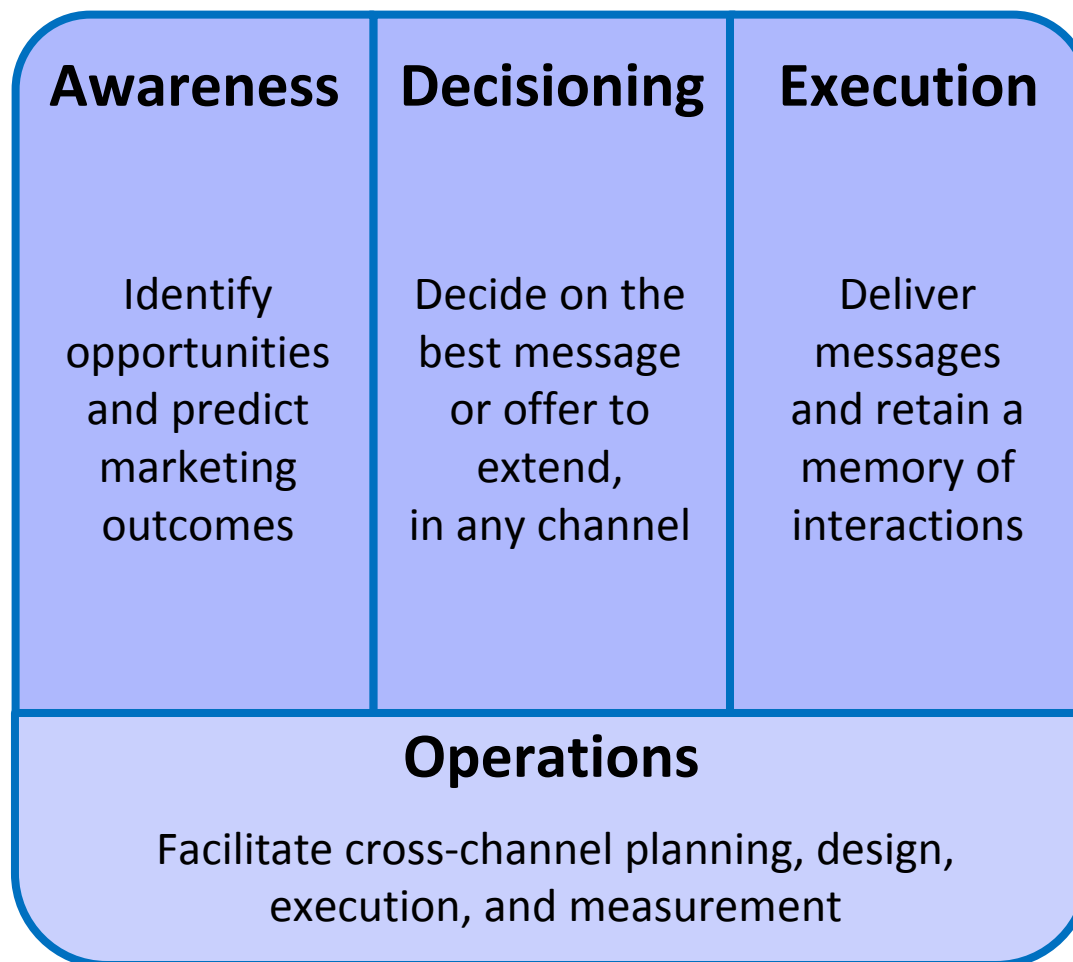millions of customer relationships.

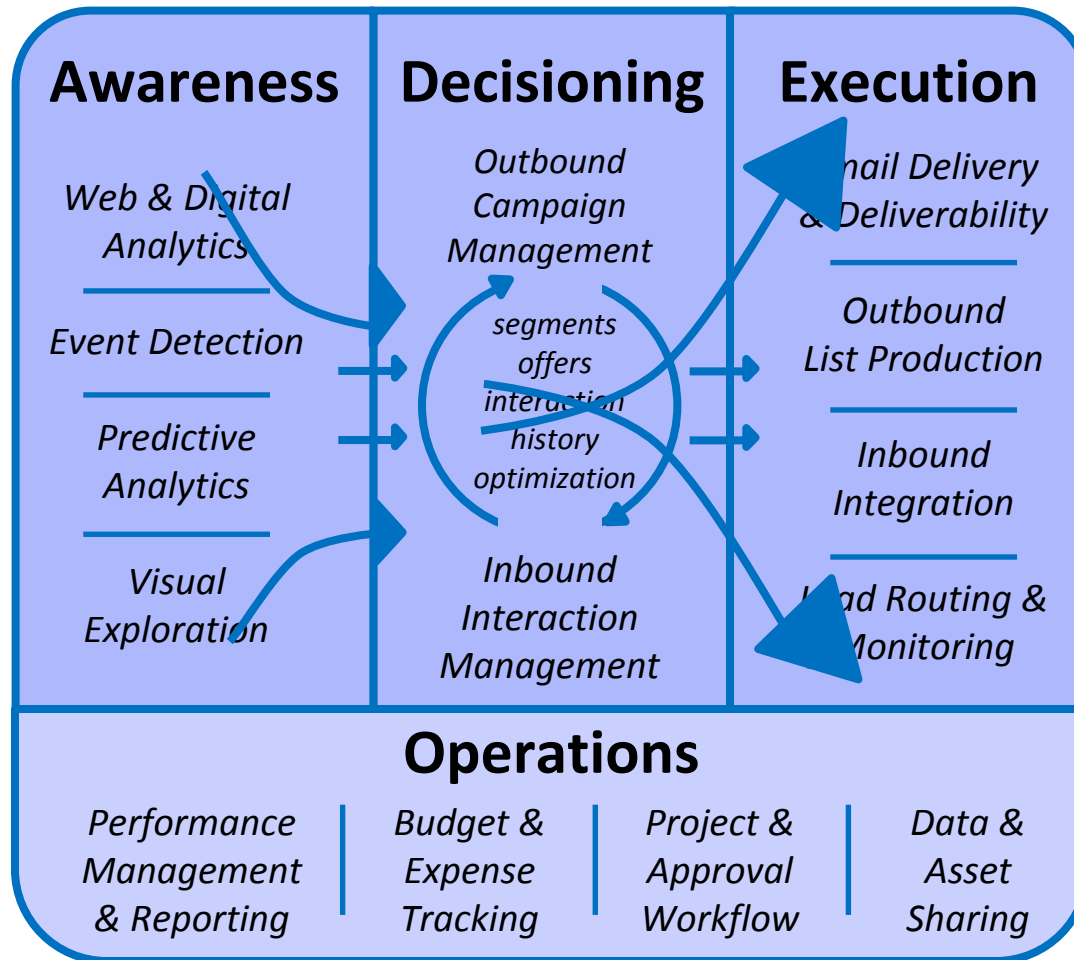*This is hard to do without help from technology!*

(Only then) SPEAK

Technology framework for cross-channel, interactive marketing

Awareness	Decisioning	Execution
LISTEN AND UNDERSTAND		
DECIDE WHAT TO SAY NEXT		
(only then) **SPEAK**		

Operations

MANAGE

Technology framework for cross-channel, interactive marketing

Awareness	**Decisioning**	**Execution**
Identify opportunities and predict marketing outcomes	Decide on the best message or offer to extend, in any channel	Deliver messages and retain a memory of interactions

Operations

Facilitate cross-channel planning, design, execution, and measurement

Technology capabilities within this framework

Awareness

Decisioning

Execution

Web & Digital Analytics

Event Detection

Predictive Analytics

Visual Exploration

Outbound Campaign Management

segments
offers
interaction
history
optimization

Inbound Interaction Management

Email Delivery & Deliverability

Outbound List Production

Inbound Integration

Lead Routing & Monitoring

Operations

Performance Management & Reporting

Budget & Expense Tracking

Project & Approval Workflow

Data & Asset Sharing

IBM Campaign

Campaign Management
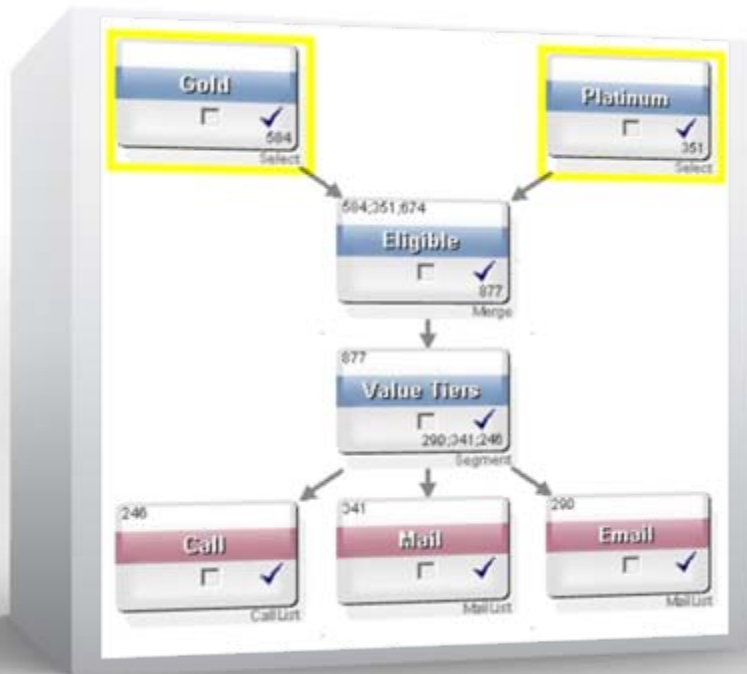
- Used to plan, design, execute, measure and analyze personalized marketing campaigns

- Capable of managing all types of large-scale, multi-wave and cross-channel campaigns

- Creates a "marketing system of record" for offers, segments and interaction history

- Recognized best-of-breed functionality, scalability and record of customer success

- Serves as integration hub for add-on modules:
  - Email marketing
  - Contact optimization
  - Real-time interactions
  - Distributed marketing

Campaign Logic as Flowchart

Capabilities:

Contact/Execute:

Data Manipulation

Track

Integrate predictive models (using Unica PredictiveInsight)
Respon...
Optimiz... **Contact/Execute** g Unica Optimize)

Track & Optimize

Benefits:

Graphical interface makes it easy to create, audit and modify campaign logic

Broad and flexible capabilities accommodate the most complex campaigns
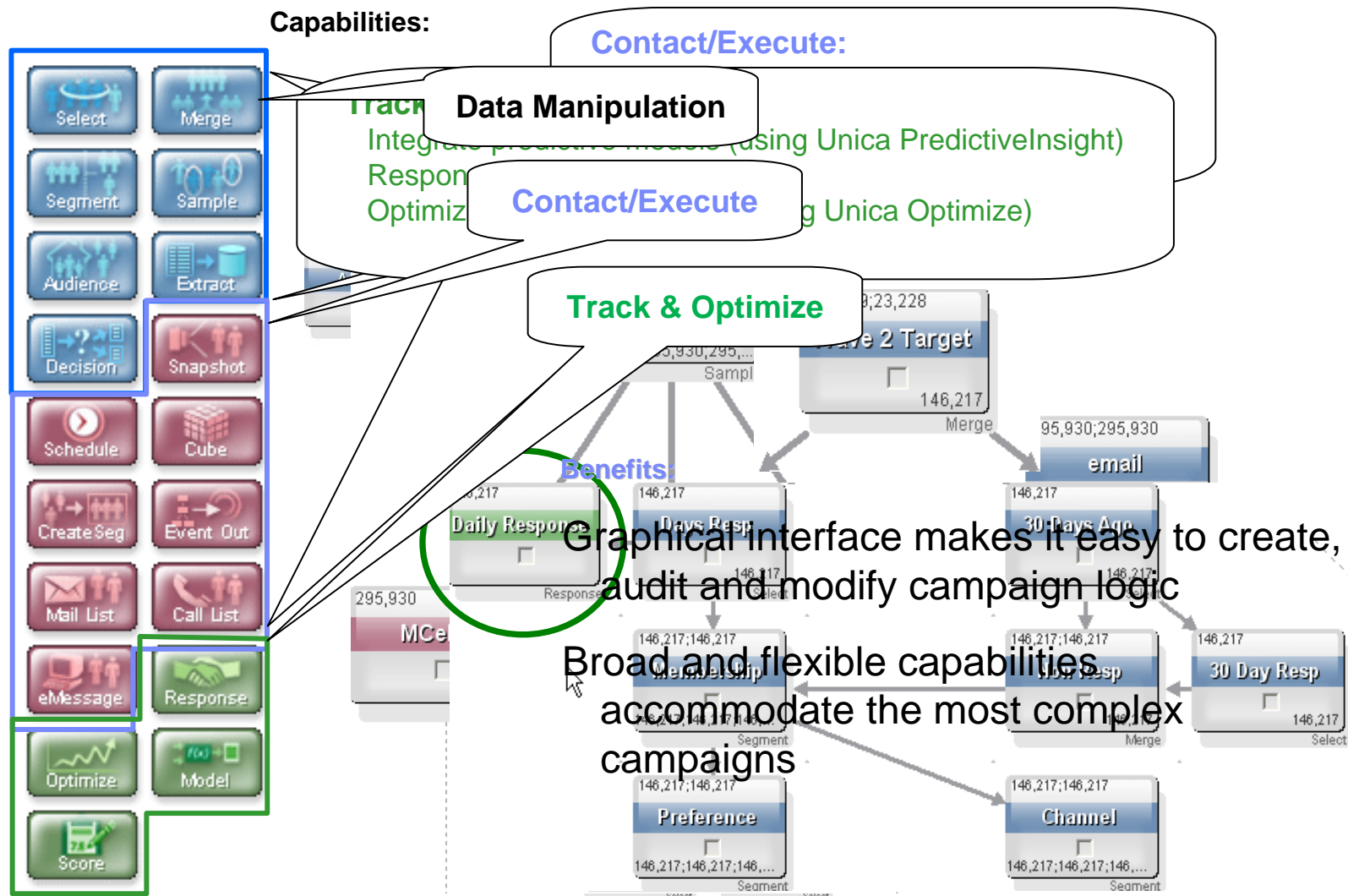
Of course campaigns have to be…

Cross-channel

Multi-Wave
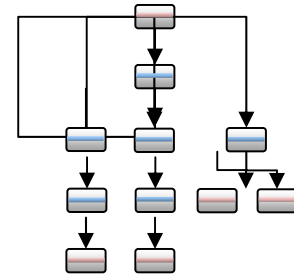
Automated Lights-Out

From Simple to Complex
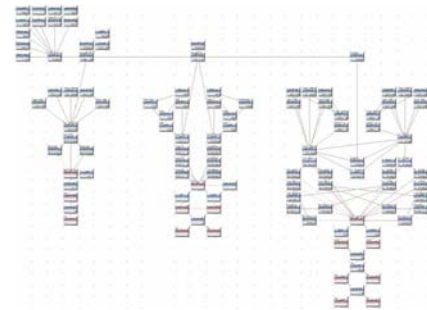
IBM **Interaction History** - cross-channel data mart of relevant stimuli and responses

- Unified repository of customer interaction data across channels

- Associates a customer's interactions across channels to a single customer identity using unified customer identity mappings

- Ties anonymous customer interactions to known customers, whenever possible

- Ties cross-channel campaign and offer data using common codes
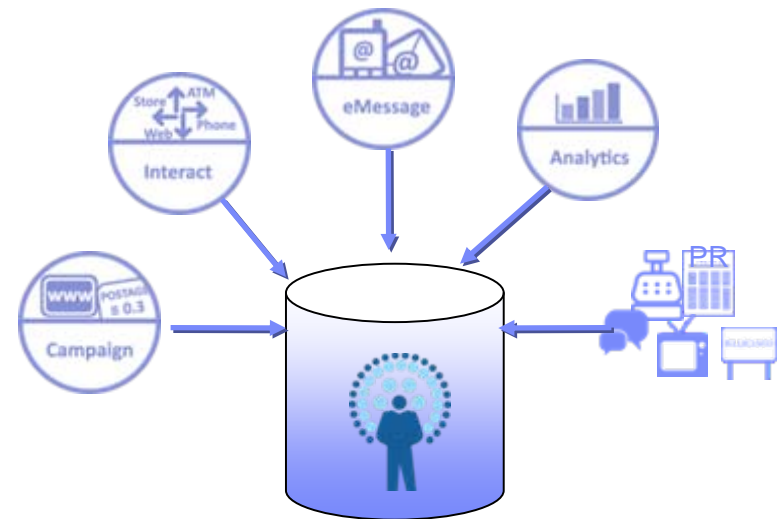
Benefit: Provides structured granular data required to create **holistic view** of customers and draw fact-based insights

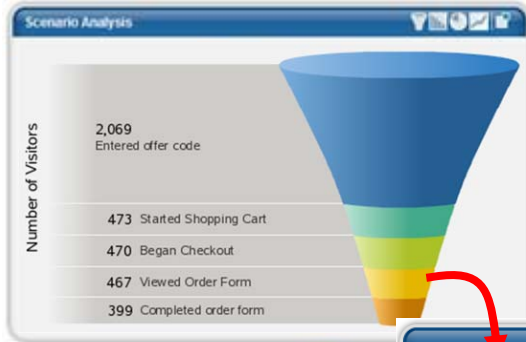# Add-on Capabilities

Optimization
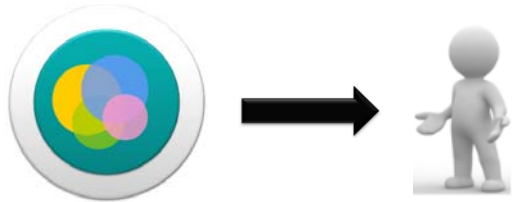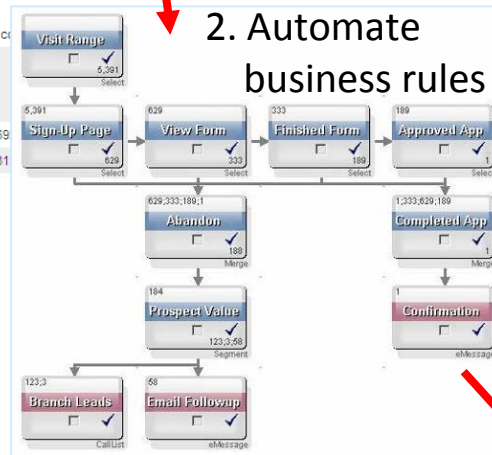
Operation Management
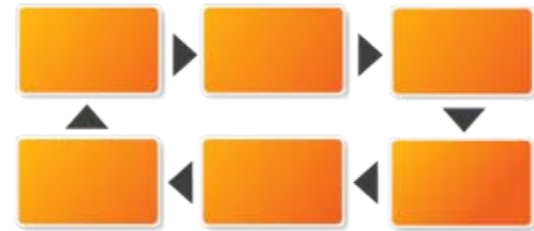
Email Delivery

Analytics

From Web Analytics to Customer Insight to Marketing Execution

1. Tap into visitor level detail

2. Automate business rules

3. Trigger site offers

5. Prioritize Leads for Direct Sales

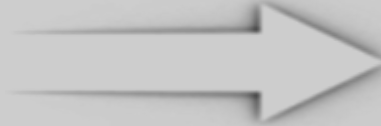4. Trigger e-mail, direct mail & more

Marketing Evolution: From Batch to Customer Centric

Enterprise

Enterprise Initiated,
Marketing Driven

"Traditional" Outbound

Customer

"Intrusive"
1-5% Response

Source: Gartner Group

Traditional Outbound …

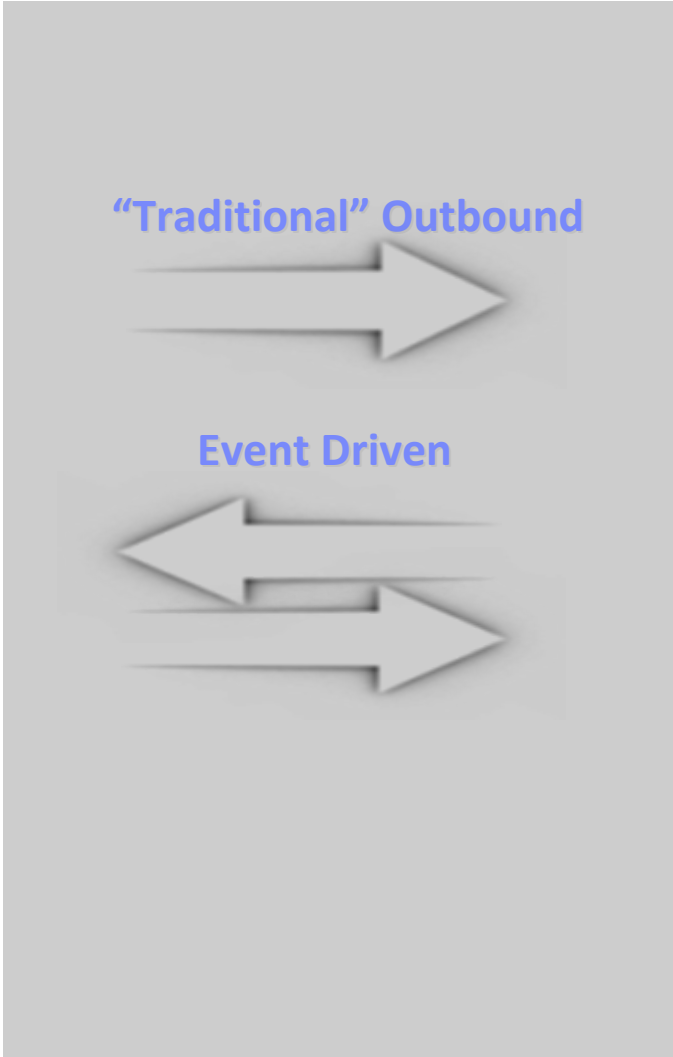The same message to every Customer
"Shouting"

Marketing

Marketing Evolution: From Batch to Customer Centric

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Enterprise Initiated,
Marketing Driven

Customer Triggered,
Product as Service

"Traditional" Outbound

Event Driven

Customer

"Intrusive"
1-5% Response

"Convenient"
5x Success

Source: Gartner Group

Dialogue …

Listening, Understanding then Speaking

"Timely and Relevant" Messages

Unique conversation with each and every customer

IBM Detect

Event Based Marketing

- Monitors customers' granular transaction data and identifies meaningful behavioral changes

- Alerts lead management or campaign management systems

- Can work with overwhelmingly large volumes of data without requiring heavy additional IT investment

- Comes with a library of trigger definitions and tools to define and build new triggersUsed to plan, design, execute, measure and analyze personalized marketing campaigns
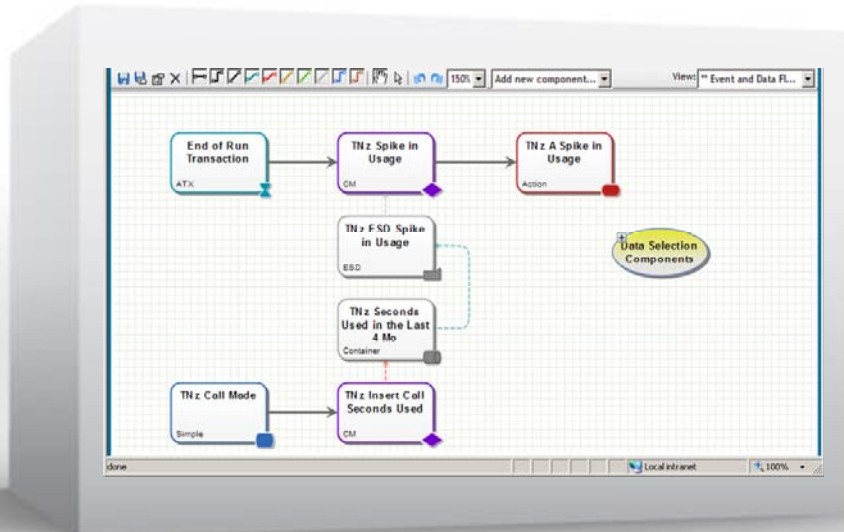
Event-Based Marketing

Traditional Batch Campaigns
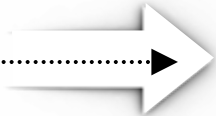
"I have an offer or *products*"

Offer

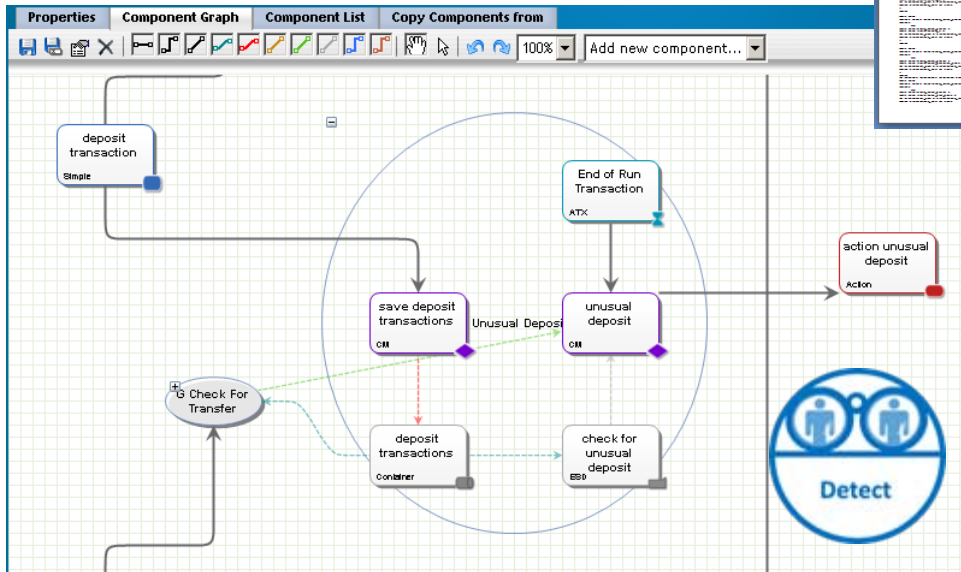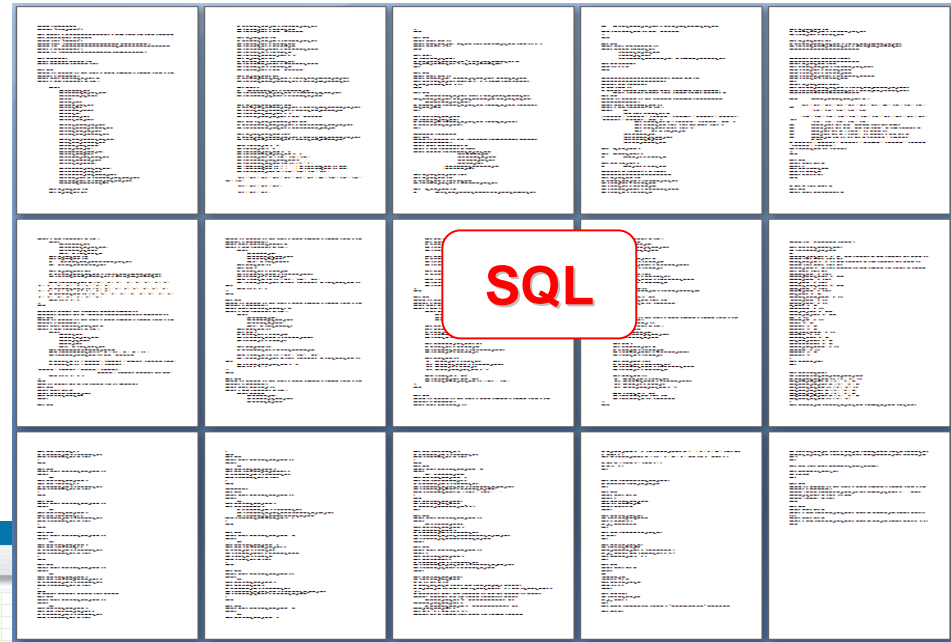"I'll tell people about it *when I choose to*"

Event-Based Marketing

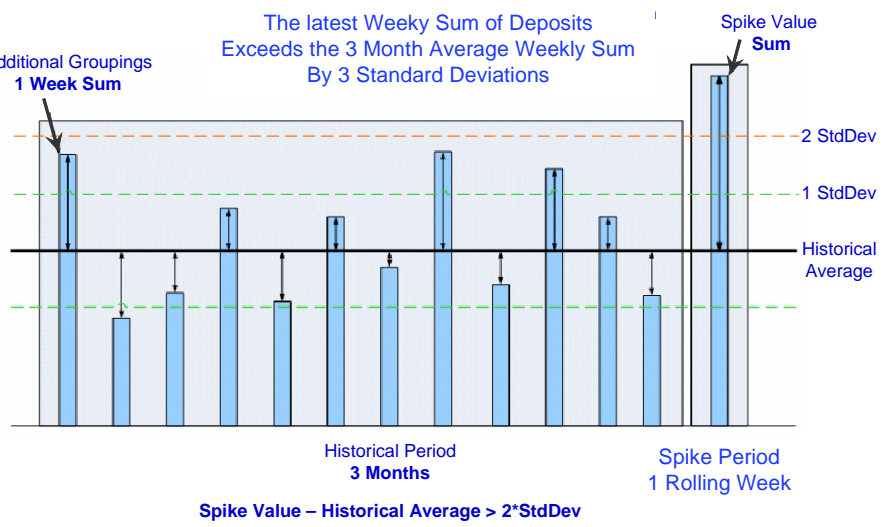"I have a *customer* with a change in behavior that suggests a need…"

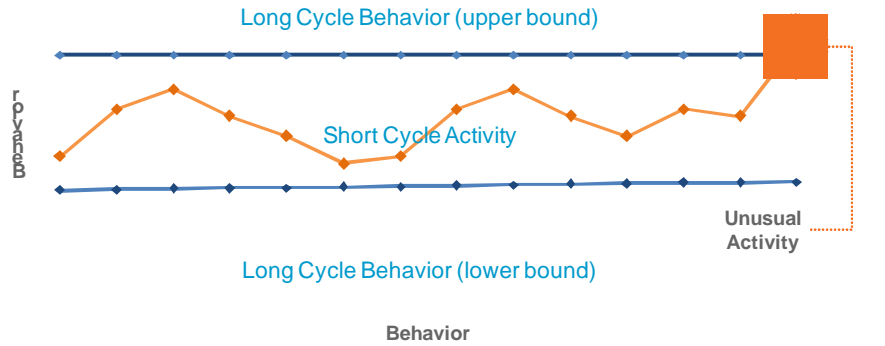"I'll presentation an offer now, *when they need it*"

Offer

Managing the Complexity

SQL

| Properties | Component Graph | Component List | Copy Components from |

Complex Triggers - Few Mouse Clicks

Long Cycle Behavior (upper bound)

Short Cycle Activity

Behavior

Unusual
Activity

Long Cycle Behavior (lower bound)

The latest Weeky Sum of Deposits
Exceeds the 3 Month Average Weekly Sum
By 3 Standard Deviations

Spike Value
Sum

Additional Groupings
1 Week Sum

2 StdDev

1 StdDev

Historical
Average

Historical Period
3 Months

Spike Period
1 Rolling Week

Spike Value – Historical Average > 2*StdDev

Edit Trend...

Details   Properties

Trend Type

Type: Exceeded Standard Deviations

Number of Standard Deviations: **

Constant

3

Data Source

Type: Container

Name: deposit transactions

Field: Amount

Spike Value

Spike Period: **   1   Calendar Day

Function: Sum

Historical Value For Comparison

Historical Period: **   1   Month

☐ **Subgrouping within historical period:**

▼ **Advanced Configuration**

Historical value ≥

Rise or fall from historical value ≥

Percentage rise or fall from historical value ≥   10 %

Number of container data points in historical period ≥   5

Entity start date must be before historical period begins: ☐

Component will not fire until this date:

Current Workspace: ANZ

Trend Name:

check for unusual deposit

Looking For:

In:

Daily Sum

Over:

Monthly Average

Of:

deposit transactions.Amount

Advanced Configuration:

-Percentage rise or fall from historical value ≥ 10%

-Number of container data points in each historical period ≥ 5
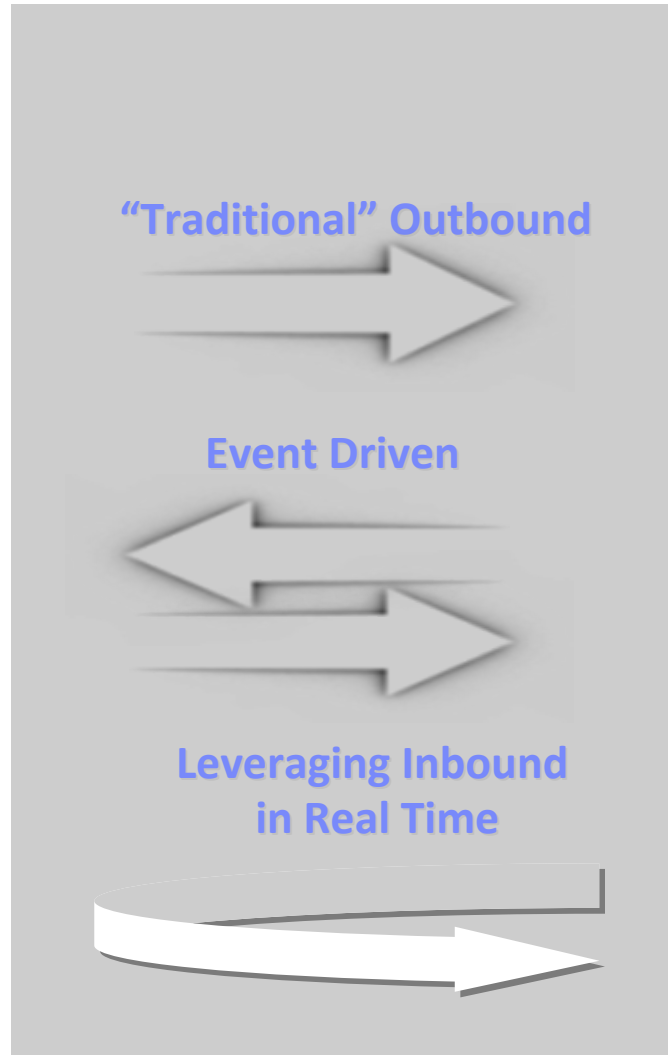
Marketing Evolution: From Batch to Customer Centric

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5x Success

**Leveraging Inbound
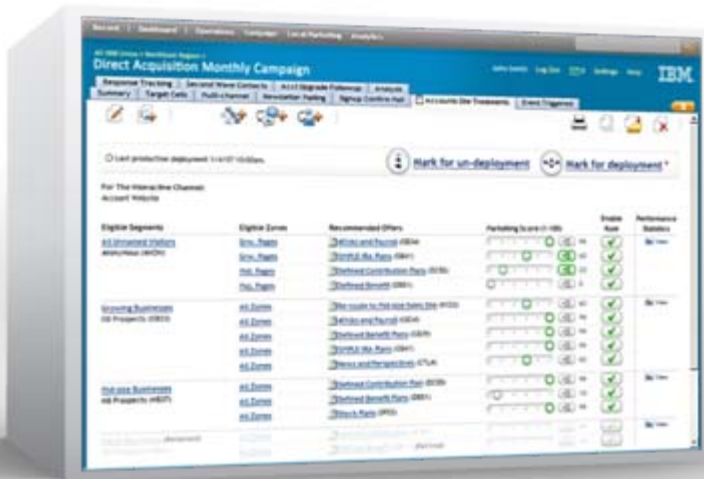in Real Time**

Customer Initiated,
Relationship Driven

"Appropriate"
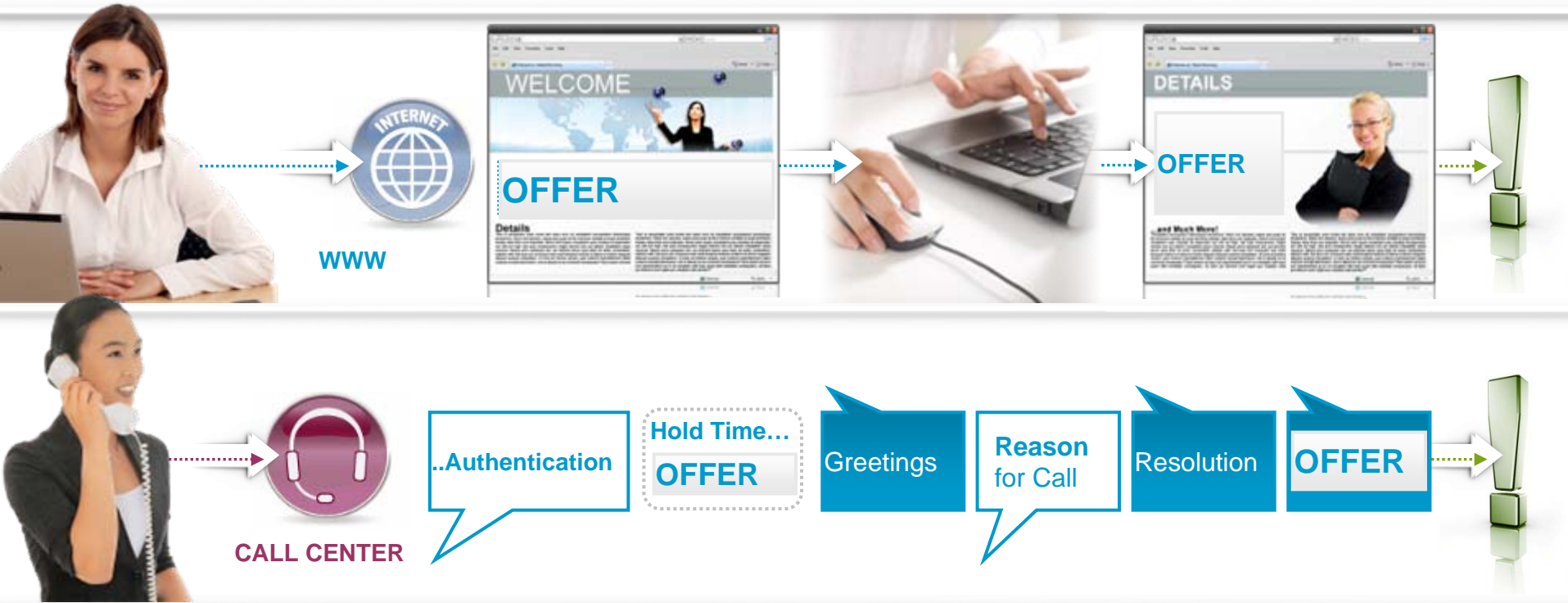10x Success

Source: Gartner Group

IBM Interact

Real-Time Interaction Management

- Determines, in real-time, the best personalized message for each live customer interaction, especially "inbound" contacts

- Can plug into any customer touch-point: Web site, call center, kiosk, point-of-sale, etc.

- Personalization based on historical data _and_ new information gained during the interaction

- Connects and coordinates inbound marketing with outbound campaigns

- Designed for easy usage and management ("so easy a marketer can do it")

- Can scale to meets the most rigorous performance requirements: 100,000s of concurrent sessions, response times < 0.1 sec

Inbound Marketing

WWW

OFFER

OFFER

CALL CENTER

..Authentication

Hold Time…
OFFER

Greetings

Reason for Call

Resolution

OFFER

Some examples of Interact use case

Increase conversions on **Web sites**

Help **call center agents** retain and cross-sell/up-sell

Help **in-store/in-branch** personnel engage customers on the spot

Present offers on **ATMs** during withdrawals & deposits

Use **point-of-sale** offers to get customers back to the store sooner

Present offers on in-store **kiosks** to influence that day's purchase
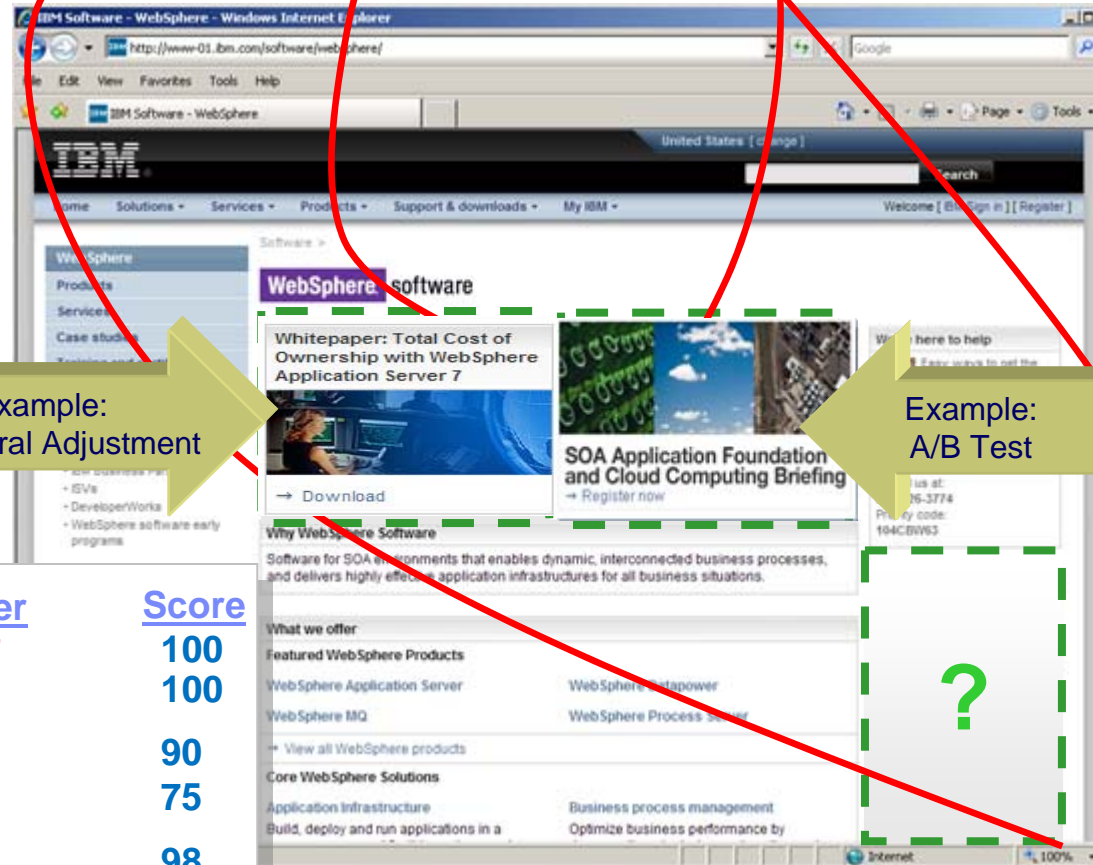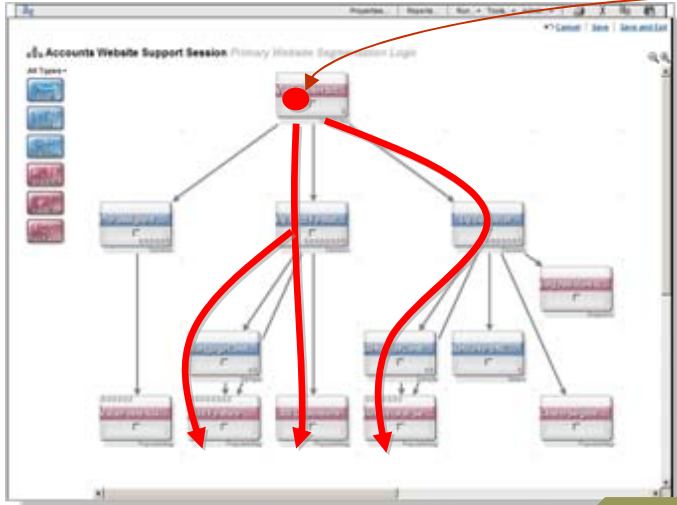
Personalized confirmation **emails**

Send messages to **mobile devices** based on location

Deliver personalized messages in **Facebook apps**

Interact usage – illustrative example

Calls to Interact drive page content
execute Login (*0132*,
getOffers(WS***HomePage***,*1*),
getProfile(*0132*))

Example:
Behavioral Adjustment

Example:
A/B Test

Eligible Segment	Recommended Offer	Score
Integration Search	Offer A – WAS MQ7	100
	Offer B – SOA Message	100
Java 5 Search	Business Agility	90
	TCO White Study	75
Senior IT	WAS vs WL ROI …	98

?

Typical business results…

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

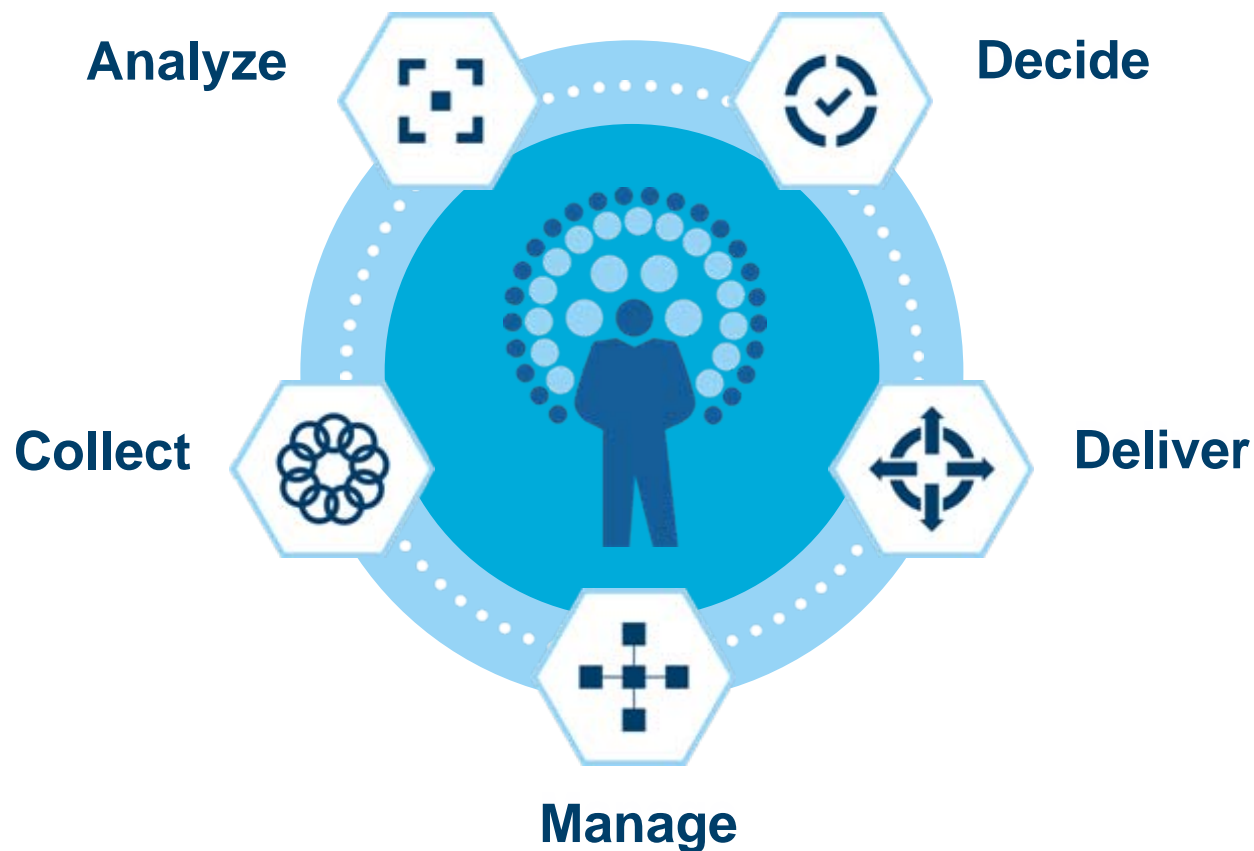**Reduced marketing costs**
20-40% reduction is typical

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.)

Q & A

धन्यवाद
Hindi

多謝
Traditional Chinese

ขอบคุณ
Thai

Спасибо
Russian

Gracias
Spanish

شكراً
Arabic

Thank You
English

Obrigado
Brazilian Portuguese

Danke
German

Grazie
Italian

多谢
Simplified Chinese

Merci
French

நன்றி
Tamil

ありがとうございました
Japanese

감사합니다
Korean