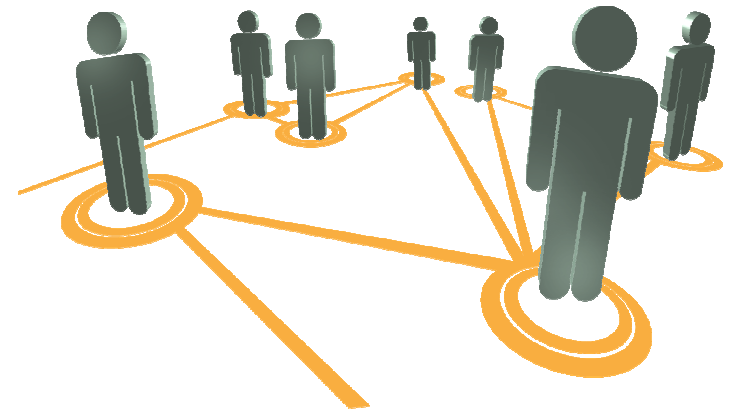




Think Social

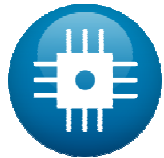
Social Business: IBM Perspective



Get Social. **Do Business.**

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The world is changing, and becoming more...



Instrumented

Smartphone shipments will outpace PCs by 2012



Interconnected

Social networking accounts for 22% of all online time



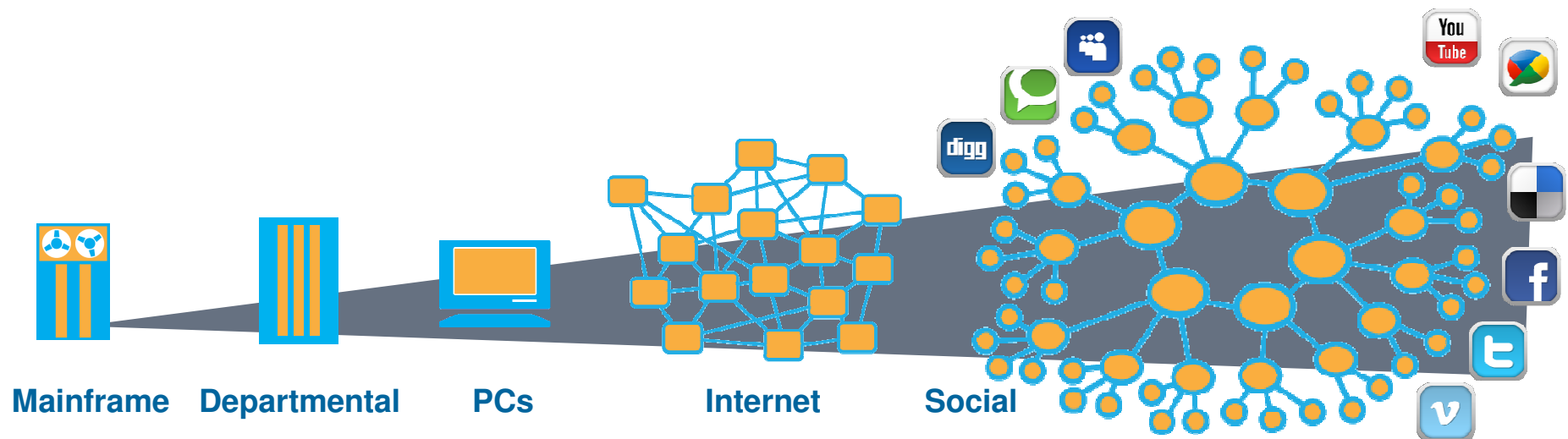
Intelligent

Social data analytics will grow to 1.2 zettabyte by 2012

The use of digital, mobile and social media is transforming the way business and consumers interact

- **Employees**
- **Customers**
- **Partners**
- **Organizations**

...this shift is enabled by technology enabled social interactions



Social Business is more than Social Media



Social Business transforms how businesses engage with people and harness social intelligence

Social Media

Primarily marketing, PR, talent sourcing

Social Business

Reach people where they live and work
Engage people to **engage** productively in a business context



Monitor and analyze social data to **discover** new business insights

Act on insights for business advantage

Social Business is...



Engaging

Customer Experience and Insight

11 out of top 50 brands are using social media as a sustainable tool for marketing

Transparent

Product / Service Innovation

44% of F200 executives report using crowd-sourcing to improve corporate responsibility / new product ideas; 95% feel it has benefits

Nimble

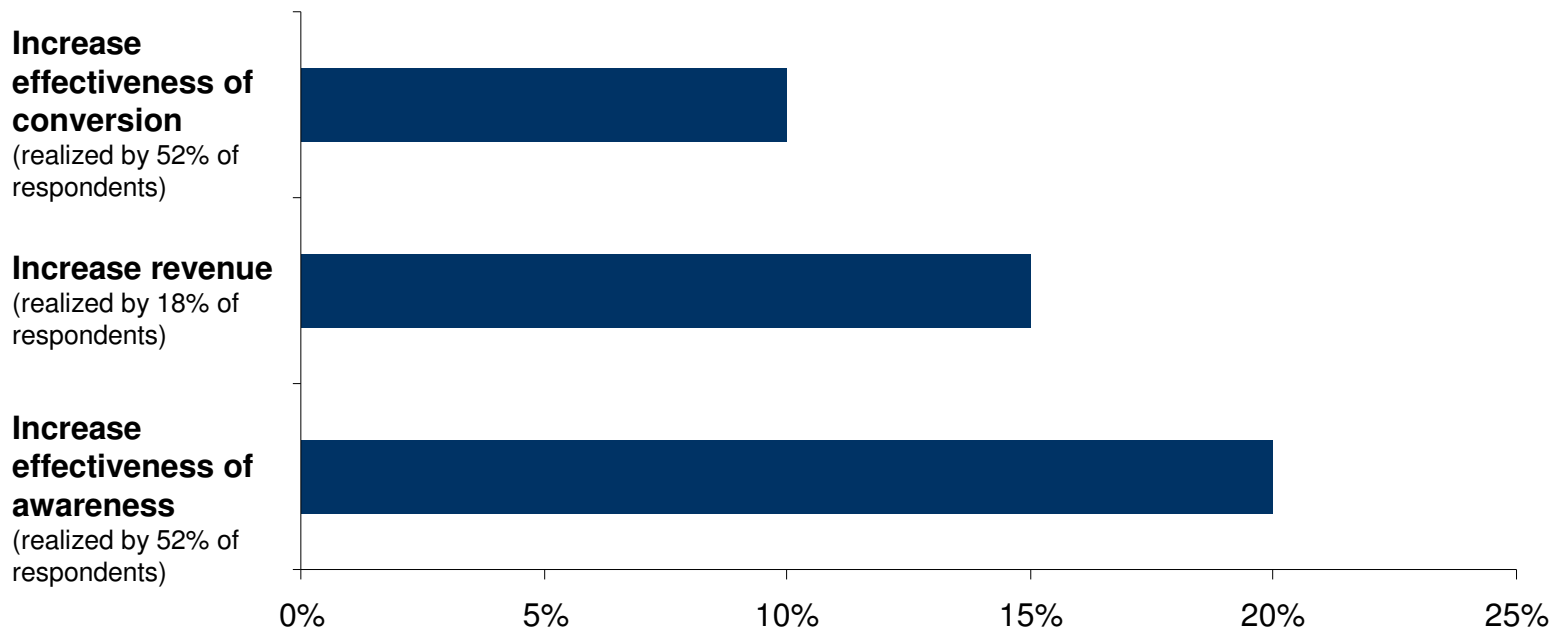
Workforce Optimization

89% recruit from social networks and 55% are planning to invest more in social recruiting

The Benefits of Social Business to marketing are Real



Realized benefit - median improvement %



(*) "The rise of the networked enterprise. Web 2.0 finds its payday" – McKinsey Global Survey Results, 2010

Example: For HSBC being a Social Business produces revenue results by listening to customers



Need:

Deliver personalized content to over 50 million customers in 40 countries

Test and enable go-to-market with best offers



Result:

By utilizing a highly scalable IBM Web platform HSBC was able to deliver on its brand promise and meet high performance demands.

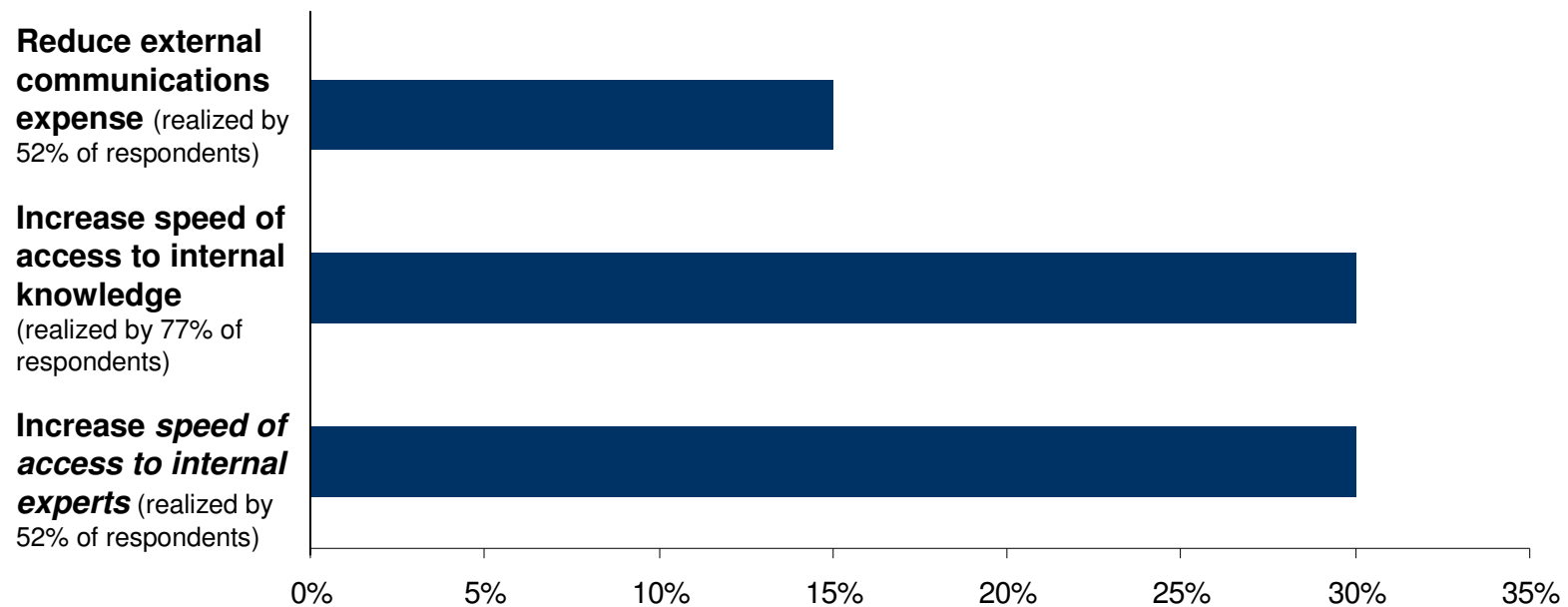
The platform allowed HSBC to:

- Realize a 35% improvement in marketing campaign revenue
- Increase customer loyalty through advanced personalization
- Increase time-to-market by deploying a consistent online approach to all HSBC channels

Value of Social Business for Customer Service



Realized benefit - median improvement %



(*) "The rise of the networked enterprise. Web 2.0 finds its payday" – McKinsey Global Survey Results, 2010

Example: For Reliance Insurance, becoming a Social Business increased revenue by listening and delivering new product and services

Need:

- Translate potential into new customers
- Connect channels, people, process and systems
- Develop right mix of products align with diverse customer needs



Results

- Reduced time market of services and features by more than 50%
- Reduced costs of customer / agent service by 50%;
- Achieved 100 percent YOY average growth in new business premium (NBP) within four years, becoming #4

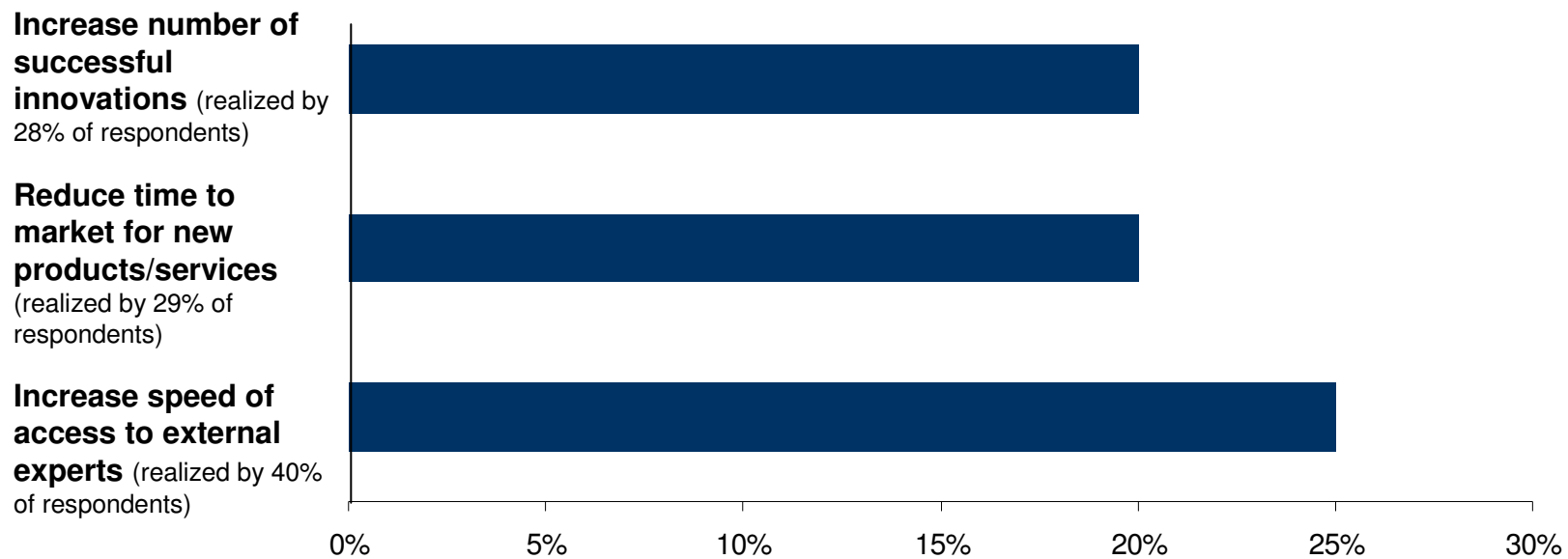
"Our vision of self-service as a way to enhance our growth strategy has proven highly successful. With IBM's technology, insight and continued support, we're building the foundation for long-term market leadership."

—C. Mohan, Chief Technology Officer, Reliance Insurance

Value of Social Business for R&D and New Product Development



Realized benefit - median improvement %



(*) "The rise of the networked enterprise. Web 2.0 finds its payday" – McKinsey Global Survey Results, 2010

For CEMEX, becoming a Social Business allowed them to create a more agile and efficient organization

Need:

- Encourage collaboration and improve productivity
- Build knowledge and experience
- Better serve customers
- be better prepared for future challenges

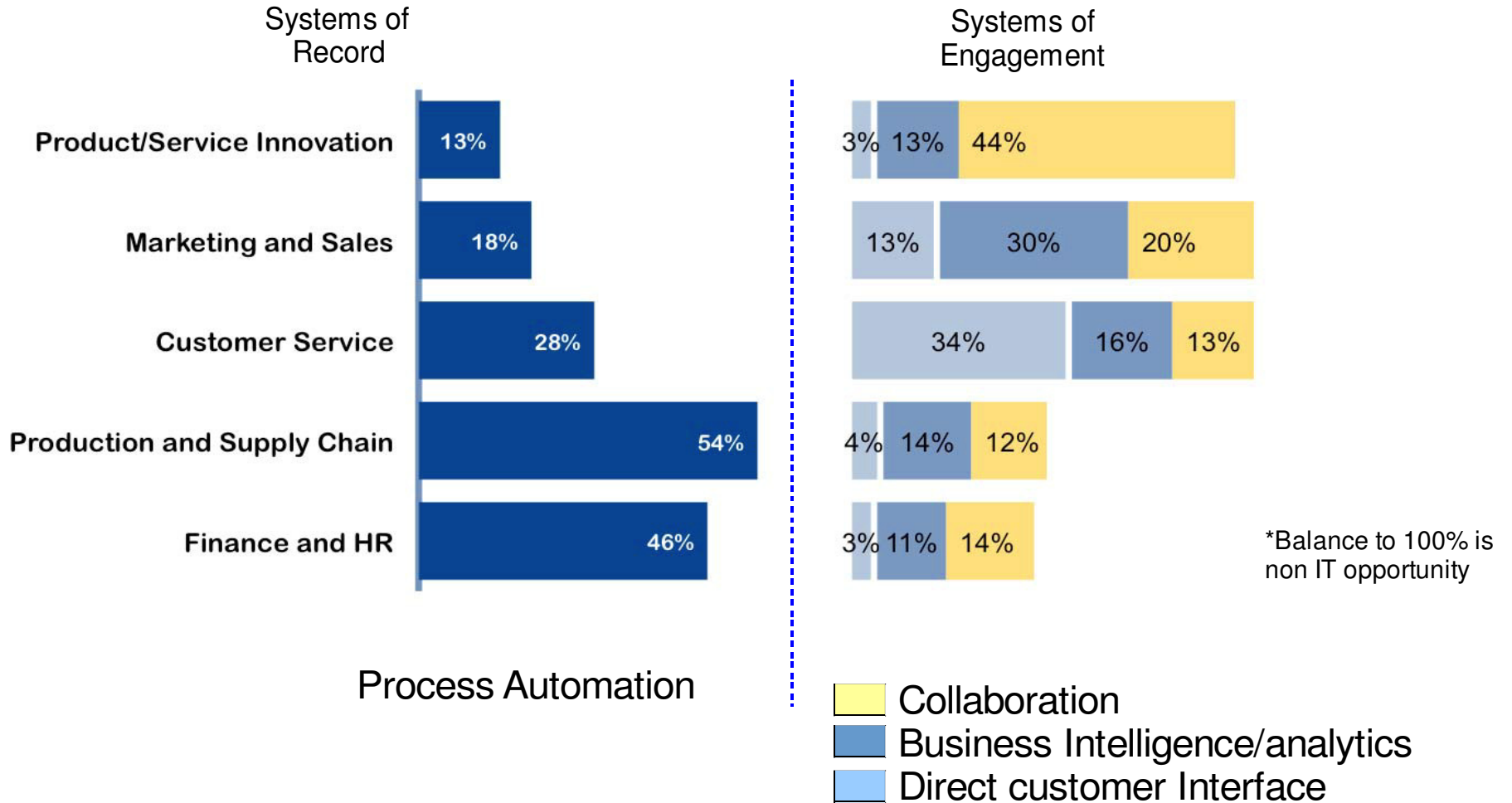


Results:

Through the CEMEX Shift Platform value is realized...

- Agility and efficiency = collaboration between 7K staff in 50 countries
- Open and authentic culture = new products, faster and first global product, Ready-Mix
- Market growth = new markets for existing products, new products for existing markets

This creates the opportunity to drive business value from IT





Starting a Social Business Journey

Simply providing social technologies = Failure



- A “provide and pray” approach has an 90% failure rate
 - 70% fail due to insignificant adoption
 - 20% fail despite community formation, due to lack of business value

Source: Gartner

Recommendation:

Focus on innovation, integration and employee empowerment, to move toward an effective Social Business Strategy in marketing

- **Blur the line between marketing and customer care**
- **Think global; act local**
- **Provide social media training, mentorship and incentives**
- **Walk the talk**
- **Improve ROI and mitigate risks with customer analytics and insights**





Thank You