

Business Analytics Drives Value in the Midmarket

Business Partner Rallies 2013



Agenda

- Why is the Midmarket Important
- Business Analytics and IBM Cognos Family in the Midmarket
- The Expanding Business Analytics Midmarket Product Portfolio
- Selling into the Midmarket
- Midmarket Competitive Landscape
- Marketing to the Midmarket

Why Focus on the Midmarket?

- **HUGE** white-space market opportunity
- Business Analytics is **HOT** in the midmarket
 - \$8.3B market opportunity in 2013
 - NA-\$3B, Europe -\$2.8B ,Japan \$0.6B ,Growth Markets – \$1.9B
 - Growing at 6% YoY
 - Expected to reach \$268B by 2015
- Less than 50% market penetration
- Growth opportunity spans upper, middle and lower midmarket in markets throughout the world
- Developing regions expected to show dramatic SMB spending growth
- Midmarket Customers expand, providing opportunity for ongoing iterative license sales and services
- Midmarket businesses grow into Enterprise businesses

Challenges and Priorities are equal to those in large enterprises

- Midmarket companies' biggest challenges are centered around cost reduction and improving utilization and manageability

- Top Midmarket IT priorities
 - Business Intelligence and Analytics
 - Mobility Solutions
 - Virtualization
 - Midmarket decision makers want more than just a transactional relationship. They are looking for:
 - Expertise in high quality solutions
 - Ability to help customers with both IT and business issues

Midmarket C-level agree on value and need for Business Analytics

Developing customer insights and fostering relationships key for Midmarket CMO's



Midmarket highlights

From Stretched to Strengthened

Insights from the 2012 Chief Marketing Officer Study

2012 CMO Study
Midmarket results

"As a small company, our biggest challenge is competing against big corporations, so we have to have a market presence that looks and feels like a big company."

Vice President, Marketing, Midmarket services company, United States

Customer insight and partnering are key for Midmarket CEO's



Leading Through Connections

Insights from the 2011 Chief Executive Officer Study

Midmarket Insights

2011 CEO Study
Midmarket results

"We expect call centres to be steadily overtaken by web sites and social media in the long term."

Shaun Coffey, CEO, Industrial Research Ltd.

Getting information into decision makers hands key for Midmarket CIO's



The Essential CIO

Insights from the 2011 Chief Information Officer Study
Midmarket Perspective

2011 CIO Study
Midmarket results

"We will create value through the ability to manage beyond line responsibilities and building constituency across the company."

Cezary Kosewski, CIO, Skłapy Komfort S.A.

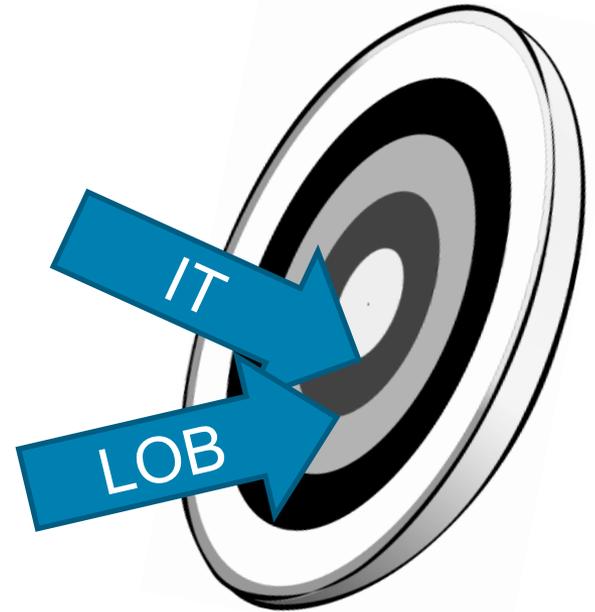
What buyers in the Midmarket focus on

- Top management: worries about running the business as a whole
- Finance: worries about understanding the company's finances, ROI, compliance, risk, disclosure and regularly reporting
- HR: worries about retention, optimize staffing mix and benchmark benefits
- Sales, Marketing, Channel: worries about the effectiveness of sales, marketing, and business partners (channels)
- Operations: worries about the effectiveness of the business operations (what the company makes)
- IT: worries about the integrity, costs, and effectiveness of the computers, databases, networks, etc.



Who do we sell to?

- Both LOB and IT
 - IT is more closely aligned with business
- LOB functions more likely in Larger firms
 - Customer Service
 - Sales
 - Finance/Accounting
 - Marketing
 - Operations (Inventory Management)
 - HR
- By Agenda
 - Reporting – Senior technical and business functional managers
 - Analysis – Business functional managers, financial analysts, business analysts, operations analysts
 - Planning - CFOs, controllers, financial analysts and planning contributors
 - Predictive Analytics – Fraud detection, actuarial, risk analysts
 - Risk – risk analysts



Success Strategies for the Midmarket

- Understand and support customer buying preferences
 - Large numbers of companies
 - Diverse buying behaviors
 - Tight budgets
 - Lean staff, often lacking specialized IT skills
- Balance functionality with affordability
- Focus – Leverage existing Industry and Functional Expertise and qualifications with a high return on investment
- Solution and Business Value Positioning
- Structure quality service and support delivery in iterative phases
- Sales, consulting operating model and IT solutions recognizes customer resource constraints
- Easy to do business with
- Allows incremental investment and implementation as resources permit

Key trends are fueling the need and urgency for analytics

1 The emergence of big data analytics



2 Increasing consumer expectations



3 Accelerating pressure to do more with less



65%

of business are not using big data for business advantage

84%

of consumers rely on social networks for purchase decisions

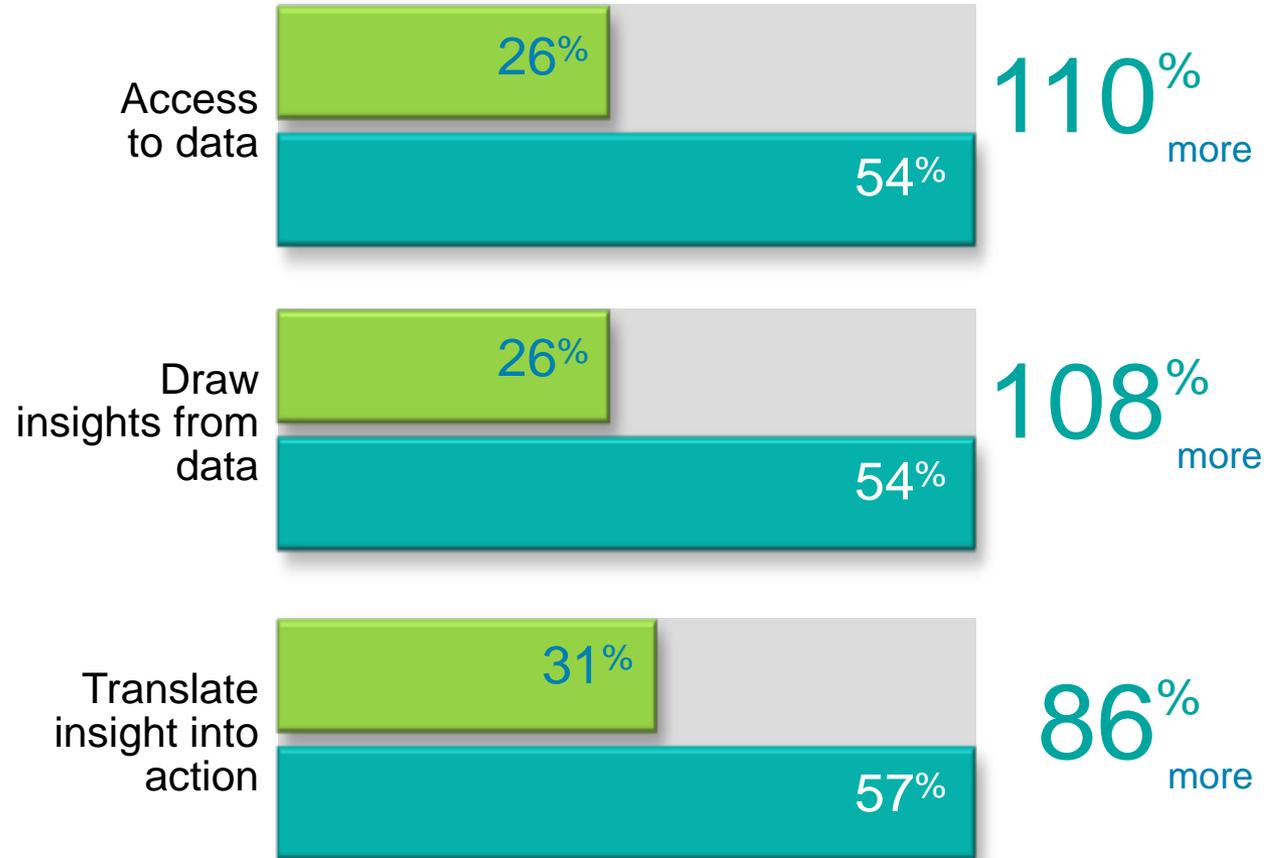
32%

Of organizations using advanced analytics enjoy a higher return on invested capital

Outperformers have a higher Analytics Quotient

% of CEO's who believe their organization is good at driving value from data

- Underperformers
- Outperformers



Source: IBM CEO Study, 2012. Q22 "How good is your organization at driving value from data? [Today]" (n=631 to 636)

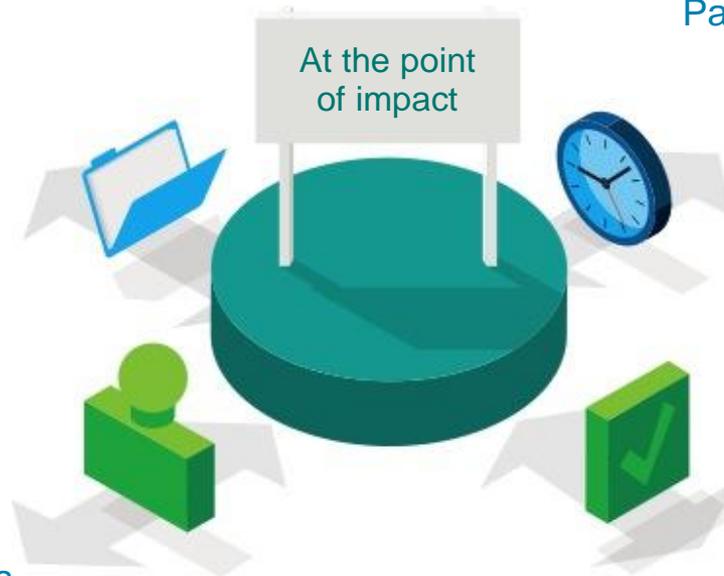
ANALYTIC-DRIVEN ORGANIZATIONS are distinguished by their ability to leverage ...

All information

- All information
- Transaction data
- Application data
- Machine data
- Social data
- Enterprise content

All perspectives

- Past (historical, aggregated)
- Present (real-time)
- Future (predictive)



All people

- All departments
- Experts and non-experts
- Executives and employees
- Partners and customers

All decisions

- Major and minor
- Strategic and tactical
- Routine and exceptions
- Manual and automated

...and focusing on high-value initiatives in core **BUSINESS AREAS**

1

Customers



Examples

- Advanced client segmentation
- Leveraging customer sentiment analysis
- Reducing customer churn

2

Finance



- Enabling continuous planning and forecasting
- Automating financial and management reporting
- Improving visibility, insight and control

3

Risk



- Making risk-aware decisions
- Managing financial and operational risks
- Reducing the cost of compliance

4

Operations



- Optimizing the supply chain
- Deploying predictive maintenance capabilities
- **Transform threat & fraud identification processes**

Why choose IBM Business Analytics?



ANALYTICS INNOVATION that matters

Only IBM BA offers best of breed from a single vendor and has access to IBM SW, HW, Services and Research to fuel innovation and integration that matters - constantly moving the needle on what is considered best of breed



DEEP BUSINESS EXPERTISE

We believe that our clients want more than software products and capabilities, they need solutions to address business issues and opportunities and that IBM and BA have the deepest business expertise and acumen to deliver on that goal.



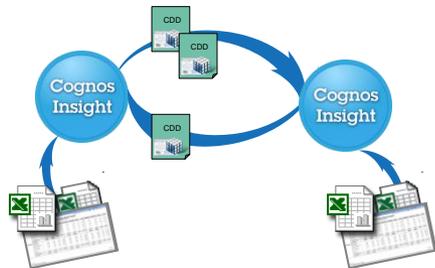
TRUSTED ANALYTICS ADVISOR with a proven track record for delivering value

Only IBM Business Analytics offers the proven analytics experience gained from tens of thousands of successful engagements AND the unparalleled experience drawn from our market leading analytics services and IBM Research teams

IBM Cognos Family

Organizations can start anywhere and grow from there

Cognos Insight

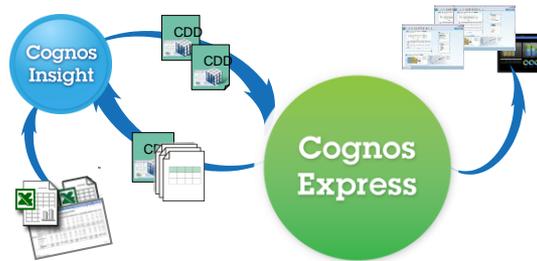


Individuals

Working independently

- Gather and analyze data
- Take insight to action
- Share their insights and actions with others
- IT not involved

Cognos Express

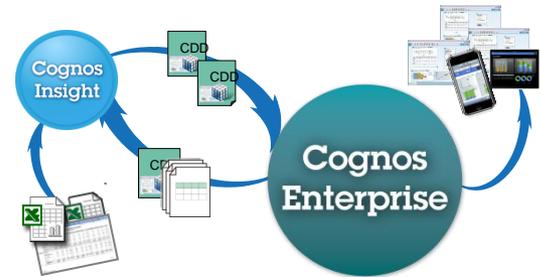


Workgroups

Working together

- Report, analyze and gain insight
- Plan within a managed workflow
- Centrally manage information
- Minimal IT required, pre-determined stack

Cognos Enterprise



Organizations

Working as one

- Gain complete insight with a unified workspace
- Historical, real-time, future plans and predictive results
- Achieve cost-effective scale
- IT required, Leverage IT standards

IBM Cognos family

Purpose-built to ensure client success



	Cognos Insight	Cognos Express	Cognos Enterprise
Buying center	Business user	LOB-led with LOBIT/IT advising	IT-led with LOB sponsorship
Community size	Individuals (1 to n)	Workgroups (10s upto 100)	Large (20 to 10s of 1,000s)
IT environment	IT not involved	Minimal IT required, pre-determined stack	IT required, Leverage IT standards
Deployment style	Standalone	Single server	Distributed servers

Business Analytics for the Midmarket Product Portfolio – EXPANDING to meet the need

IBM Cognos Insight:

A desktop solution that empowers all users to independently explore data, build scenario models and share insight

IBM Cognos Express:

An integrated Reporting, Analysis and Planning solution purpose built for workgroups and midsize organizations

IBM SPSS Modeler:

A data mining and text analytics workbench that helps you build predictive models quickly and intuitively, without programming

IBM SPSS Statistics:

Understand data, analyze trends, forecast and plan to validate assumptions and drive accurate conclusions by means of ad-hoc analysis, hypothesis testing, geospatial analysis and predictive analytics

IBM Cognos FSR:

A single, secure, collaborative reporting and disclosure management reporting platform that ensures timely and accurate regulatory and statutory reports – including XBRL capabilities



Dec
2012

IBM Analytic Answers

A portfolio of cloud-hosted apps that deliver actionable, predictive/prescriptive information for the non-technical business user.



NEW

Why IBM Wins in the Midmarket

Future Proof Solution	<u>Planning</u> + BI + Predictive = Future proof solution without the need of multiple vendors
In-Memory Analytics	Get control of your data without the need to build a data warehouse – speed to business value
Modular	Start Small, Start anywhere – match needs with budget
Empower Business Users	Leverage existing skills on excel and gives powerful scenario modeling without scripting
Governance and Install	Easy to install, deploy and administer. Gives IT the governance that they require
Caters to different users	Caters to Individuals, Analysts, Departments, Workgroups and Organizations
Disconnected Scenarios	Disconnected planning and reporting. With write back from mobile devices
Analytic Capabilities	Visualization, Dashboards, Ad hoc Reports, Modeling, Forecasting, Planning

Competitive landscape and why IBM is better in the BA Midmarket

		Data Integration	Reporting	Ad Hoc	Analysis	MS Excel Integration	Planning, Budgeting, and Forecasting	Dashboards	Scorecards	In-Memory OLAP	Inegrated BI and Planning Solution
IBM	Cognos Family	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	SQL Server	✓	✓	✓	✓	✓	✗	✗	✓	✗	✗
	PowerPivot	✗	✗	✗	✓	✗	✗	✓	✗	✓	✗
	Sharepoint (w/ PPS)	✗	✓	✗	✓	✓	✗	✓	✓	✗	✗
SAP BOBJ	Edge BI	✓	✓	✓	✓	✓	✗	✓	✓	✓	✗
	Edge Planning and Consolidation	✗	✓	✗	✓	✓	✓	✗	✗	✗	✗
	Edge Strategy Management	✗	✗	✗	✗	✗	✗	✗	✓	✗	✗
	Crystal	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗
Oracle	Standard Edition One	✓	✓	✓	✓	✗	✗	✓	✓	✗	✗
QlikTech	QlikView	✓	✗	✗	✓	✗	✗	✓	✓	✓	✗
Microstrategy	Reporting Suite – Free Edition	✗	✓	✓	✗	✗	✗	✗	✓	✗	✗

Business Analytics for the Midmarket Sales Play

Business Analytics for the Midmarket sales play

Updated on: 26 Nov 2012

Use: You can show this to IBM Business Partners (but not customers).

- Overview
- Assets by engagement phase
- Prepare
- Understand
- Explore
- Develop
- Implement & Confirm
- Contacts

Overview Sales Guidance

The BA for the Mid Market Play is a starting point for you to be able to identify and progress BA agenda specific opportunities. The guidance contained in the play provides a high level set of tactics which you can use to link the different buying agendas. In order to do this it focuses on how analytics can help organizations and their users unlock the business value of information in order to make more informed decisions. Though mid market organizations face many of the same challenges of enterprise organizations the solutions they are looking for need to be easy to install, use and buy. It is for this reason that the proposed solutions will leverage the Express offerings.

<p>Business Intelligence</p> <p>Top challenges in companies are the need to:</p> <ul style="list-style-type: none"> Disribute information to web/mobile/desktop Organize and access data across many data sources <p>Solution: Cognos Business Intelligence</p> <p>Sales Kits: internal / partner</p>	<p>Personal Analytics</p> <p>Top challenges in companies are the needs to:</p> <ul style="list-style-type: none"> Receive and interperet information in a timely manner Analyze disparate data sets quickly Develop ""what-if"" scenario models to understand and react faster to changes in business <p>Solution: Cognos Insight</p> <p>Sales Kits: internal / partner</p>	<p>Planning</p> <p>Top challenges in companies are the needs to:</p> <ul style="list-style-type: none"> Meet the forecasting and budgeting needs of the organization <p>Solution: Cognos Insight / Cognos Express</p> <p>Sales Kits: internal / partner</p>
<p>Predictive Modeling</p> <p>Top challenges in companies are the needs to:</p> <ul style="list-style-type: none"> Utilize advanced analytics to automatically model data to identify relationships and answers to questions that were otherwise unknown <p>Solution: SPSS Modeler</p> <p>Sales Kits: internal / partner</p>	<p>SPSS Statistics</p> <p>Top challenges in companies are the needs to:</p> <ul style="list-style-type: none"> Allow statistical analyst to develop mathematical models to test hypotheses <p>Solution: SPSS Statistics</p> <p>Sales Kits: internal / partner</p>	<p>Financial Statement Reporting (FSR)</p> <p>Top challenges in companies are the needs to:</p> <ul style="list-style-type: none"> control over management reporting and external financial reports minimizing risk on governance <p>Solution: IBM FSR</p> <p>Sales Kits: internal / partner</p>

[BA Midmarket Sales Play](#)
[BA Midmarket Quick Reference Guide](#)

} Being updated - stay tuned

- Business Intelligence – [IBM Cognos Express sales kit](#)
- Personal Analytics – [IBM Cognos Insight sales kit](#)
- Planning – [IBM Cognos Express sales kit](#) and [IBM Cognos Insight sales kit](#)
- Predictive Modeling - [IBM SPSS Modeler sales kit](#)
- Statistical Analysis – [IBM SPSS Statistics Sales Kit](#) and [IBM Analytic Answers sales kit](#)
- Financial Statement Reporting - [IBM Cognos Financial Statement Reporting sales kit](#)



Cognos Express Campaigns

Smarter Spreadsheets Event in a Box

Partner hosted live seminar focused on smarter spreadsheets and targets Finance Dept/LOB and IT titles in MM companies

Cognos Express Event in a Box

Updated content for a partner hosted live seminar with a product focus and targets IT titles in MM companies
Kit includes: email invitations, signage, videos, presentation/script, demo/scripts, follow up emails, data sheet, white paper, telemarketing scripts, etc

Hands-On Workshop

A half day instructor led event where attendees will become familiar with the key Cognos Express concepts
Workshop is better suited for later stage opportunities and is not intended for use as a prospecting event for early stage opportunities

Cognos Series 7 to Cognos Express Promotion

-This one touch provides Business Partners additional incentive to win against other competitive offerings targeting our Cognos Series 7 base.

Shortcut Guide eBook Direct Response Email

Direct response email program with the offer to download *The Shortcut Guide to Achieving Business Intelligence in Midsize Companies* four chapter eBook. This program offers the entire PDF of the eBook with one direct response email or it can offer one chapter at a time through a series of four emails

MidMarket Business Analytics Direct Response Email

A direct response email campaign in support of IBM Cognos Express. These one touch emails feature some of the best performing Mid Market offers these get continually added.
Four touch direct response email program that supports IBM Cognos Express 9.5. Program has two tracks IT and Finance/Line of Business, the offers include white papers, online demos and trials.

Cognos Express Pipeline Progression Call Blitz

This blitz program focuses on re-engaging opportunities that have been stuck in early stages for an extended period of ti

Cognos Maximize return on BI Event in a box

valuable session will provide the keys to optimizing existing or future BI investments to save valuable time and money

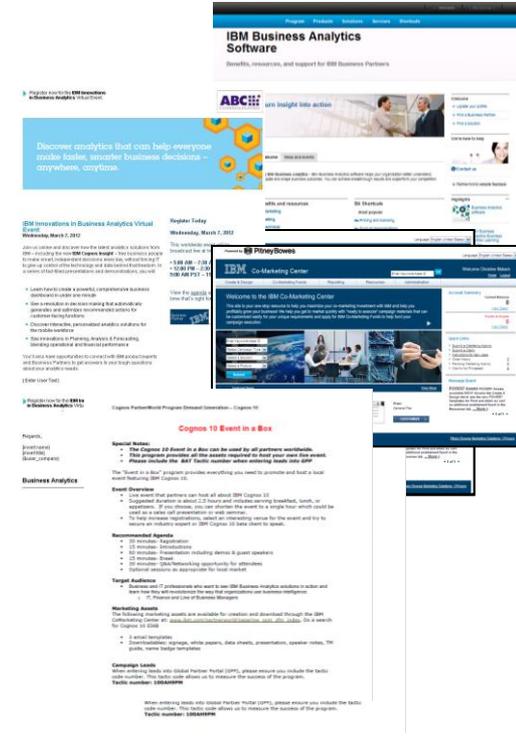
Insight Community – Analyticszone.com

- ❑ **Web Community for registered users**
 - Prospects, customers, IBMers, partners
- ❑ **Compelling sample applications – over 25 for launch**
 - Mix of fun and professional apps
 - The Performance Manager apps
 - Blueprints
- ❑ **Training modules – video and samples**
- ❑ **Support via discussion boards**
- ❑ **User contributed uploads**
- ❑ **Free download Cognos Insight Personal Edition**
- ❑ **Purchase Standard Edition**
- ❑ **Designed to adhere to IBM.com style guide and BAO Smarter Analytics branding standards**



Ready to Use Campaigns Available!

- 30+ (and constantly growing) marketing campaigns for awareness/demand generation/lead nurturing and progression
 - Event in a box, webinar in a box, emails with white paper/demo offers, workshops, etc
- Campaigns for entire Business Analytics (BA) portfolio
 - Cognos Express, Cognos Enterprise, Cognos Insight, TM1, FSR, OpenPages, SPSS
- Complete kits – everything you need to execute the campaign in one place
 - Campaign details on PartnerWorld
 - Assets and customizable templates on Co-Marketing Center Create & Design



"I must say that the IBM Co-Marketing Center is definitely an efficient way to reach out to our customers. We start with the materials that IBM supplies, we make a few updates of our own, and we are ready to go! Also, we can ALWAYS find new and updated content in order to give the latest messages on our Business Analytics portfolio. Last, but not least, the response to our requests are always quick and clear. Keep up the good work, IBM!"

Technology & Performance Solutions, SA de CV, Advanced Business Partner, Mexico

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BA Midmarket Campaigns in the Co-Marketing Center or on their way

- Here is what is available on the co-marketing center **NOW** for the midmarket and some that are **COMING SOON**
- Link to [Co-marketing Center](#)

Title	Description	Status
Series 7 to Cognos Express Promotion	Email campaign designed to move Series 7 customers to Cognos Express	AVAILABLE
Cognos Express Product Event in a box	This program provides everything you need to host a 2-hour live session or webcast on Cognos Express, and could be a progression activity once leads are identified from the session.	AVAILABLE
Smarter Spreadsheets Event in a box	This program provides everything you need to host a 2-hour live session or webcast on Smarter Spreadsheets, and could be a progression activity once leads are identified from the session.	AVAILABLE
Cognos Insight Event in a box	Program provides everything you need to host a 2 hour live breakfast or lunch event featuring our newest Personal Analytics product, IBM Cognos Insight.	AVAILABLE
Shortcut Guide eBook Direct Response Email	Direct response email program with the offer to download <i>The Shortcut Guide to Achieving Business Intelligence in Midsize Companies</i> four chapter eBook. This program offers the entire PDF of the eBook with one direct response email or it can offer one chapter at a time through a series of four emails	AVAILABLE
Midmarket Business Analytics Direct Response Email	Four-touch direct response email program that supports IBM Cognos Express. Program has two tracks: IT and Finance/Line of Business, and the offers include white papers, online demos and trials.	AVAILABLE
Financial Analytics-- Disclosure Management Campaign	2T email program driving to a video and analyst report. Touches will be designed so that they can be used in sequence or as standalone emails.	COMING SOON – Q2
BA Family for the Midmarket Event in a box	This program provides everything you need to host a 2-hour live session or webcast on IBM Business Analytics which serves as a starting point for prospects to understand the IBM BA family and the value that it brings to their organizations. This session will focus on the business challenges and pain points that BA addresses.	COMING SOON

Software Co-marketing

Premier offering providing funds to Business Partners to generate demand and drive leads and revenue worldwide

Proven engine that is utilized by more than 1,000 Business Partners

- **What**

- Enables Business Partners to extend their reach in the marketplace by driving Validated Lead Revenue and Win Revenue
- Driving 30:1 Validated Lead Revenue and 10:1 Win Revenue

- **How it works**

- Must meet eligibility criteria
- Business Partners match IBM investment in funding on a one-to-one basis



