

IBM Connect 2015

Seize the Moment

Engagement in a world of Empowered Individuals

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What remains the same in the World of Commerce

Customers want to be known

Trust and Loyalty – two sides of the same coin

Disappointment damages the relationship

What is changing in the World of Commerce

Customers expect immediate, relevant engagement

Speed of business leaves no room for error in value chains

Agile competitors are disrupting traditional business models

Aspirational Brands in unusual categories

\$14 billion annually category

< 1 year old

New Business Model

Not using traditional marketing techniques

1% share

TUFT&NEEDLE



The great Customer Divide

81%

of companies say they have or are close to having a holistic view of their customers

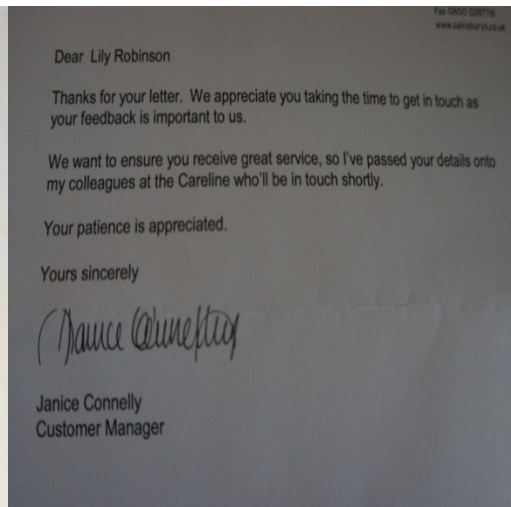
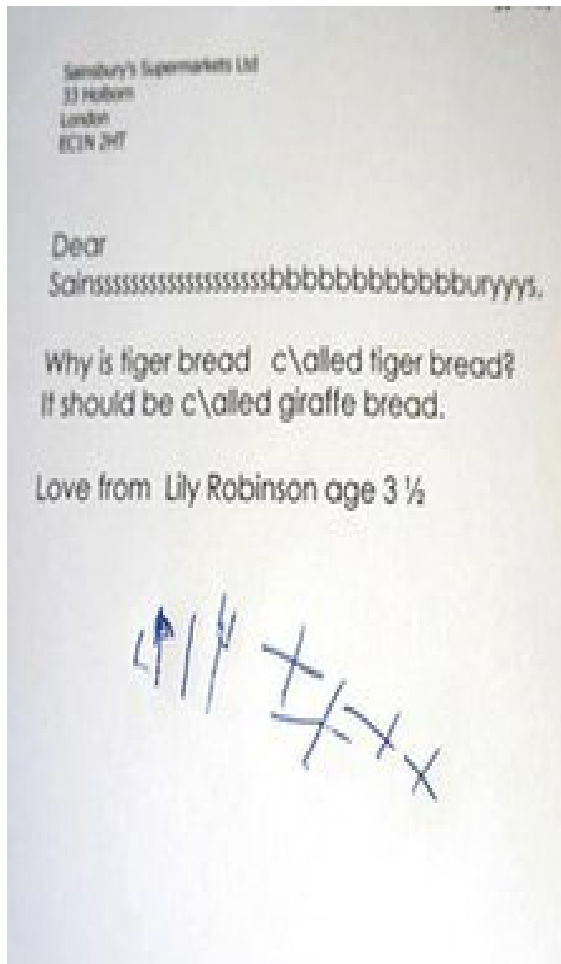


78%

of customers stated that the average brand doesn't understand them as individuals



Meet Lily Robinson age 3 1/2



We live in a digital world...

Consumers are more connected and changing how they research purchases, transact and interact with brands

85%

of consumers by 2020 will manage their relationship with vendors **without speaking with humans.**

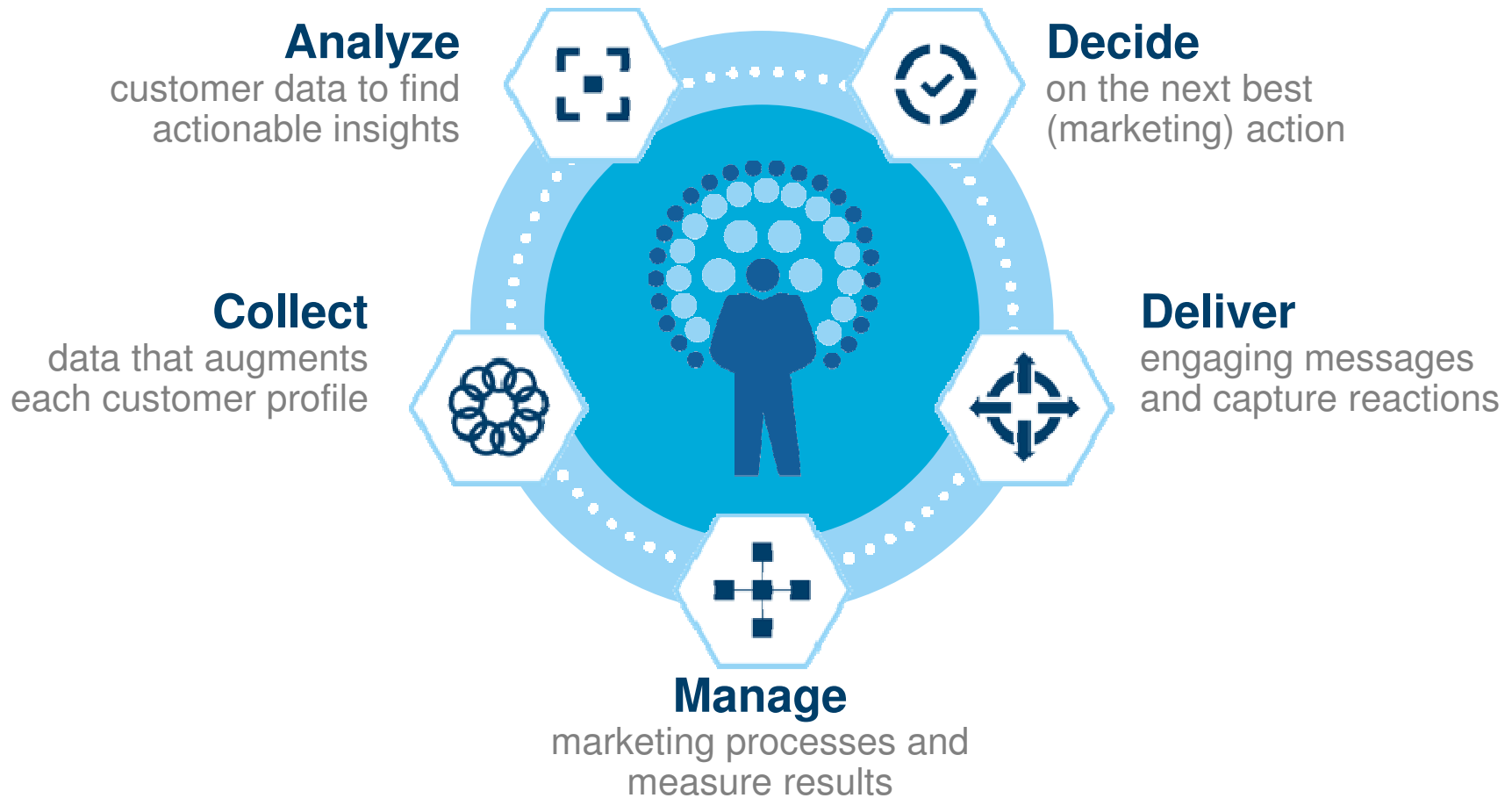
43%

of consumers in 2013 indicated they **posted a review about a retailer** they had shopped.

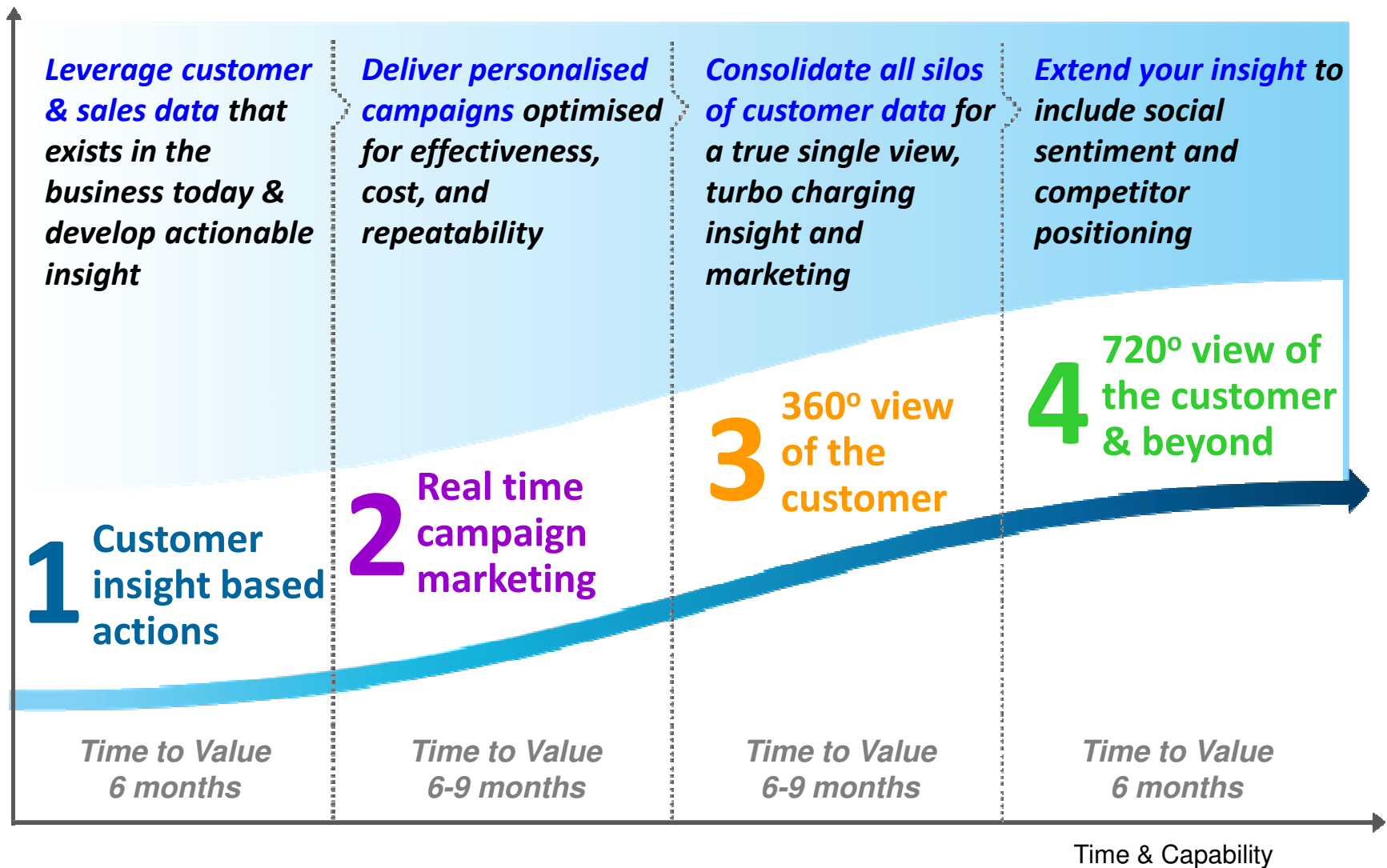
83%

of consumers are more likely to do business with brands that **allow them to control where, when and how they interact.**

The 5 Competencies of Personalised Marketing



So what do you do about it?



The winning strategy

Deliver personalized content in context to drive customer engagement

Collaborate and engage with partners and suppliers with speed and flexibility

Deliver secure, intelligent and authentic interactions

Proven Results

More effective marketing:

Response rates: up 10-50%
Campaign ROI: up 15-30%
Online marketing ROI: up 15-25x

Improved transactional results:

Sales volume: up 0.5-1%
Average order value: up 15-20%
Trade ROI: up 15-20%

Better customer relationships:

Customer value: up 5-10%
Loyalty and retention: up 10-15%
Acquisition cost: down 25%-75%

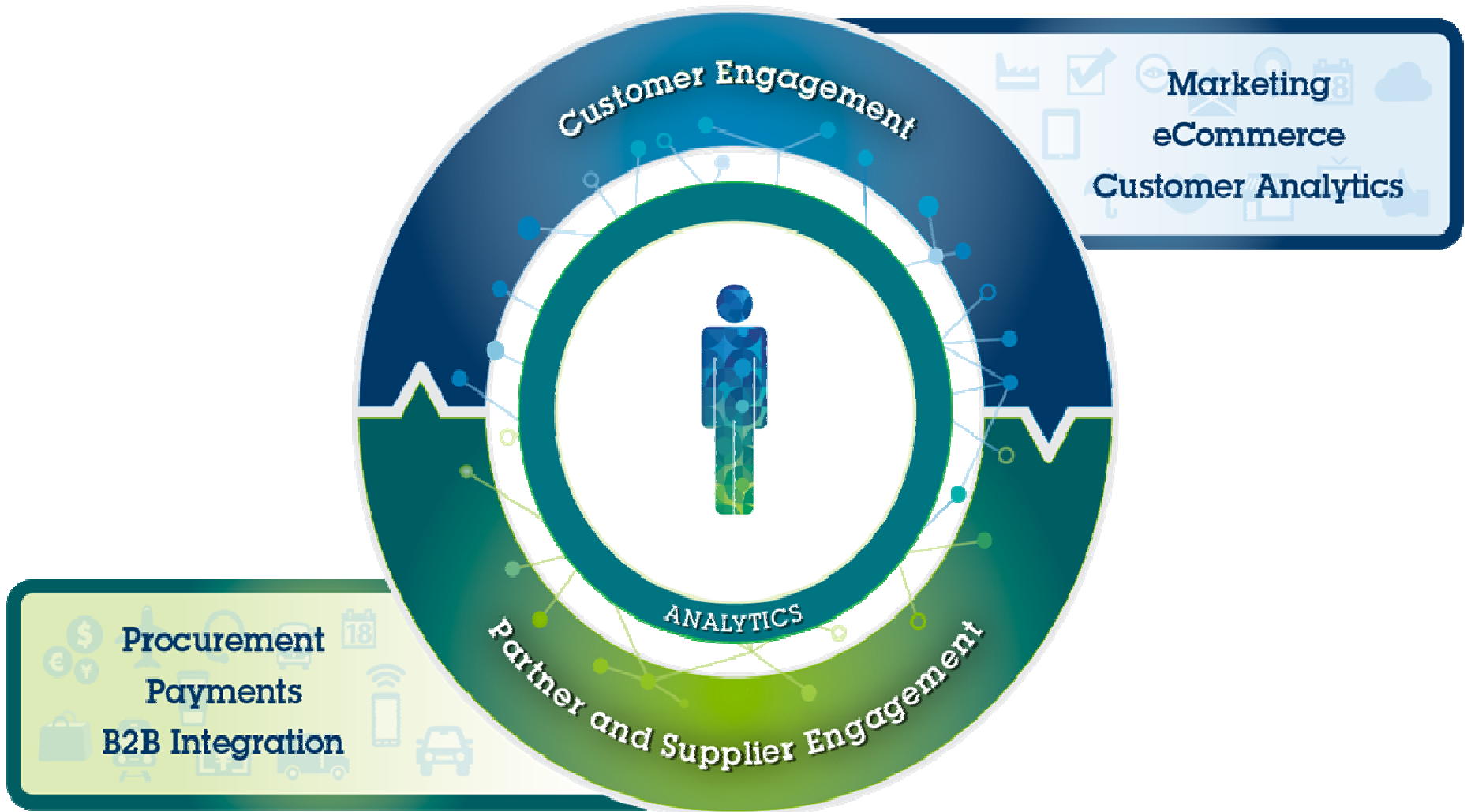
More efficient marketing:

Cycle times: down 40-80%
Marketing costs: down 20-40%
Campaign volume: up 2-5x

Better top & bottom-line results:

Revenue: up 1-3%
Margin: up 2-5%

IBM Commerce – bringing it all together



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