

IBM Global Retail Industry



# *e-business solutions for Retail Customer Relationship Management*

*A multichannel, customer-focused approach to building loyalty*



Loyalty+

*Your customers want more – and they want it now*

**Demand for quality, personalization and value is surging. New sales formats, channels and products appear daily. Anytime-anywhere service is becoming a basic expectation.**

**To build loyalty in this ultra-competitive market, forward-thinking retailers are taking advantage of a vastly underused resource: existing customer relationships. Successful retailers are realizing that with every question they ask, product they purchase and special offer they redeem, customers tell you what it takes to keep them satisfied – and keep them coming back.**

**You know where to go. We know how to get there.**

As a retail executive, you understand the phenomenal upside of owning and using detailed, customer-specific information. This process – called customer relationship management (CRM) – helps you give customers exactly what they need, right when they want it. It helps your company stand out in a saturated marketplace. It increases traffic and repurchases, and helps you build market share and profitability. Ultimately, it improves customer loyalty.

But you also have questions. What Retail CRM solution will provide the level of detail the marketing team needs to make better decisions, yet remain scalable and flexible enough to satisfy the IT team? What Retail CRM solution can integrate customer information with product-driven merchandising processes and customer service? Will it provide an enterprisewide view of each customer's activity? Will it be cost-effective, yet deliver advantages across the entire enterprise?

IBM understands the challenges in retail and we are creating the end-to-end solution to meet your needs head-on. Our e-business solution, Retail CRM, combines powerful deep computing with customer loyalty, relationship management and business intelligence. We integrate multichannel options, including e-commerce, physical stores, kiosks, call centers and mail. We provide the skills and methodology to pull it all together. So, you can deepen your understanding of customer needs and use this data to make fast, profitable decisions.

*“I want quality.”*



**In recent industry surveys, improving customer loyalty and customer service were targeted as the two most important strategies for meeting future financial goals.**

**How can an IBM e-business solution for Retail CRM help retailers?**

The IBM e-business solution for Retail CRM delivers an enterprise-wide view of your customers, drawing information from every contact point and sales channel worldwide. It pinpoints your most loyal customers, and shows you what they buy and how they shop. It supports one-to-one marketing and targeted promotions. It can measure the effectiveness of any customer communication. And Retail CRM can empower you to present a consistent image of your retail brand at every customer contact point.

**Why is the IBM e-business solution for Retail CRM valuable?**

With IBM Retail CRM, you'll see fast, direct results. We help your organization identify and capture new types of customer information. Plus, we provide easy-to-use templates for reports, analysis and data mining, and a roadmap for implementation. All of which delivers business value to your retail enterprise in three to six months.

Like you, IBM understands that the strategic value of customer data extends beyond marketing. That is why our e-business solution for Retail CRM speaks to all the needs throughout your enterprise.

- Customer information is available quickly – so high-level executives can make fast decisions.
- Factual customer data gives merchandisers the information they need to make better product selection decisions.
- Best-of-breed tools for reporting, analysis, data mining and campaign management support all sales channels.
- Closed-loop processes help measure and evaluate specific marketing, merchandising and customer service plans, and put new ideas to work immediately.
- With a consolidated customer view, you can pinpoint your most loyal customers and focus marketing message and promotional dollars on them.



*“I want personalization.”*

**According to Bain & Co., a 5% increase in customer retention can produce profit increases as high as 125%.**

#### **Why choose IBM?**

IBM is the only player with an end-to-end e-business solution for Retail CRM that positions you for short- and long-term growth, consolidates your customer view, and helps you prove which methods of marketing, merchandising and service work best. We also have everything you need to increase customer loyalty across all segments: a well-defined Retail CRM program, the tools and technology to manage vast amounts of data, the methodology to adapt your organization to a new way of doing business, and the people to get you there quickly.

But IBM knows you expect more than this from a world-class solutions provider. That's why we focus on:

- **Expertise.** We deliver e-business solutions for Retail CRM that help you compete in a rapidly evolving world. We can help you find your most loyal customers – and build profitable relationships with them. Plus, we have the proven solutions, services and people to help you succeed. And we provide ongoing support and strategic guidance long after the solution is in place.
- **Experience.** We design and install data warehousing and Retail CRM solutions for many leading global retailers. IBM recently created Macys.Com, an e-business solution that brings more than 250,000 SKUs of apparel and gifts from Macy's department stores to the Web. Working with Boots the Chemists, a UK drugstore chain, IBM designed and implemented Boots' CRM infrastructure. The solution enables Boots to understand the wants and needs of its 10 million most loyal customers and differentiate itself effectively from competing supermarkets and niche retailers.
- **Reliability.** As a technology market leader, we bring proven processes and unsurpassed technical skill. We're responsible for some of the most fail-safe computer products ever made, such as the IBM Supermarket Application with Electronic Marketing for retail stores, Net.Commerce for Internet sales, and the MQSeries family of messaging middleware products for sound infrastructure.



*“And I want it now.”*

**U.S. supermarket retailer Bi-Lo, part of the Dutch Ahold group, used a loyalty card program to increase average sales from \$17 to \$24.**

**Working with leading Global retailers, IBM Consulting consistently finds that the top 5% of the retailers' customers contribute 20-25% of sales revenues and 25-45% of profits.**



**IBM: Dedicated to retail**

IBM's presence in retail spans nearly 90 years, beginning at the very inception of the corporation in 1911, when retailers used IBM scales, time clocks and punch-card tabulators to manage their business and service customers. Some 60 years later, IBM revolutionized retail forever with the announcement of the first electronic POS terminal in 1973, the same year that IBM introduced the Universal Product Code (UPC). Never again would retail be the same. As a worldwide leader in retail POS – with over 14 million POS systems shipped to over 100 countries across the globe – IBM remains at the forefront of providing technology solutions for retailers.

Today, we are also leading the way in retail e-business, with enterprisewide solutions for e-commerce and business intelligence. With a 30,000-patent portfolio that includes more than 60 retail-specific patents, and an extensive worldwide network of retail professionals and Business Partners, IBM is uniquely qualified to provide the solutions retailers demand to navigate today's complex global marketplace. From improving sales and customer service to reducing operating costs, IBM's retail solutions are tailor-made to meet the demanding requirements of retailers – today and in the future.

*“I want value.”*



**Find out more today.**

**To build loyalty in a multichannel retail world, discover the IBM e-business solution for CRM. Contact your local IBM representative for a demonstration or to request a copy of our white paper on CRM in retail. Or call IBM today at 010-64981188.**

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