

Begin Your Smarter Commerce Journey

Redefining business in the age of the customer



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A black and white portrait of Charles Darwin, an elderly man with a long white beard, holding his right index finger to his lips in a 'shh' gesture. The image is semi-transparent and serves as a background for the text.

Digital Darwinism is
the evolution of
consumer behavior
when society &
technology evolve
faster than your
ABILITY TO ADAPT

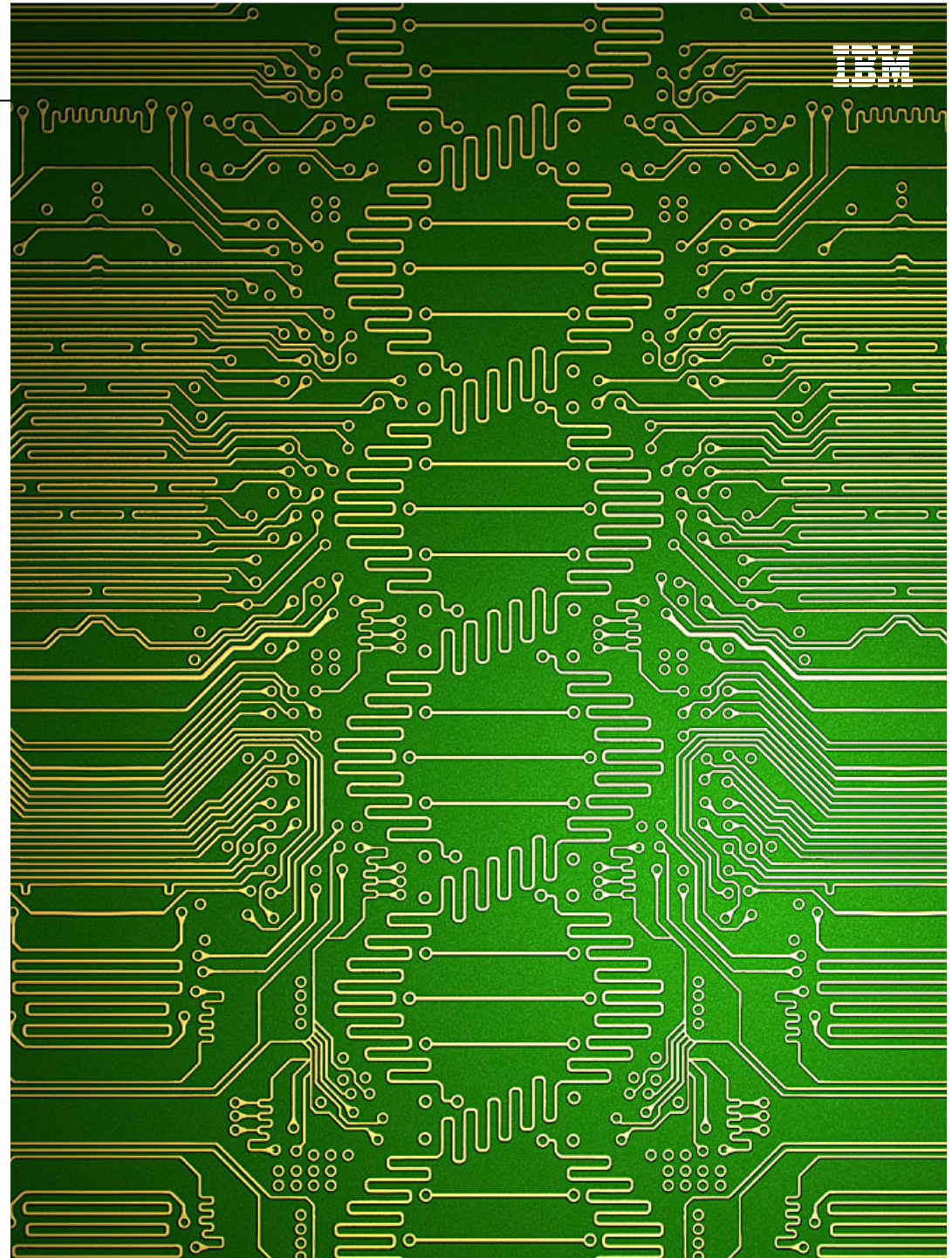


It is not the strongest of the species that survives, nor the most intelligent that survives. It is the one that is the most adaptable to change.

- Leon C. Megginson



The new consumer is
wired differently than
you and me





The new era of consumerism requires businesses to create and lead experiences across multiple channels. Technology is now part of the consumer lifestyle. Innovation is now part of your corporate culture.



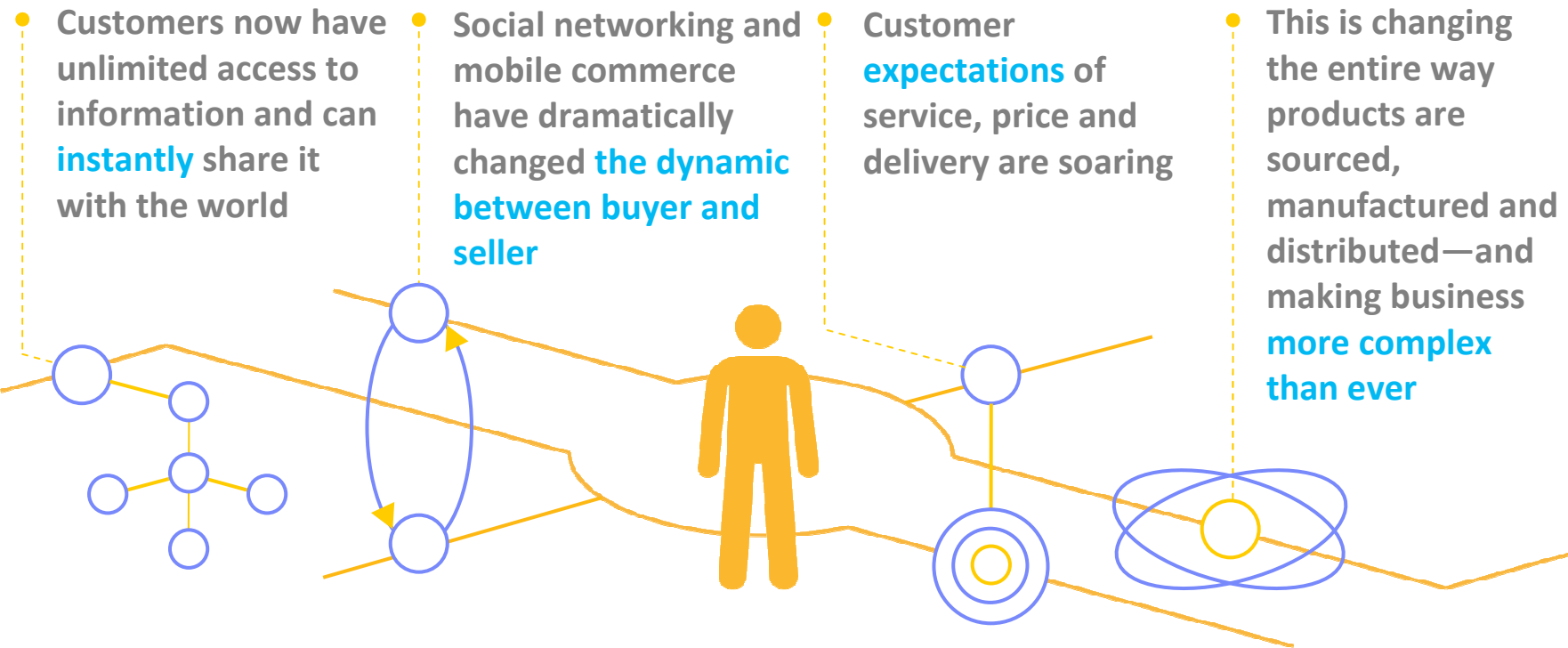
The future of customer relationships is defined through “The Experience”

“Any darn fool can make
something complex ;

It takes a genius to make
something simple”

- Albert Einstein

We have entered the age of the empowered customer



400 million

Number of tweets sent via Twitter each day*

*As of March, 2013

75%

Percentage of people who believe companies don't tell the truth in advertisements

\$93 billion

Amount in sales missed due to out of stock inventory

Customer expectations are soaring



Expects you to know them as an individual

Desires simple, yet feature-rich self-service capabilities

Expects a seamless and integrated experience

Wants relevant, timely promotions through social sites

Demands a flawless post-purchase experience

A winning strategy starts with an integrated approach to commerce

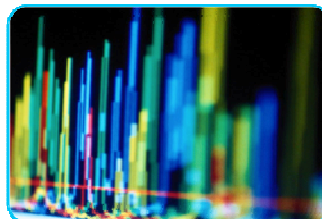
Puts the customer at the **center** of your commerce processes



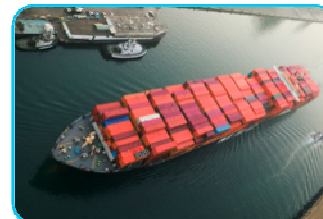
Anticipates and deliver across mobile and social



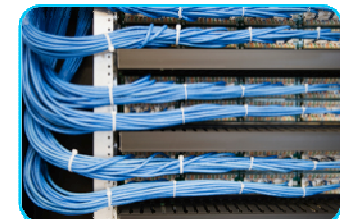
Applies deep insights to take **action** in real time



Optimizes procurement based on demand

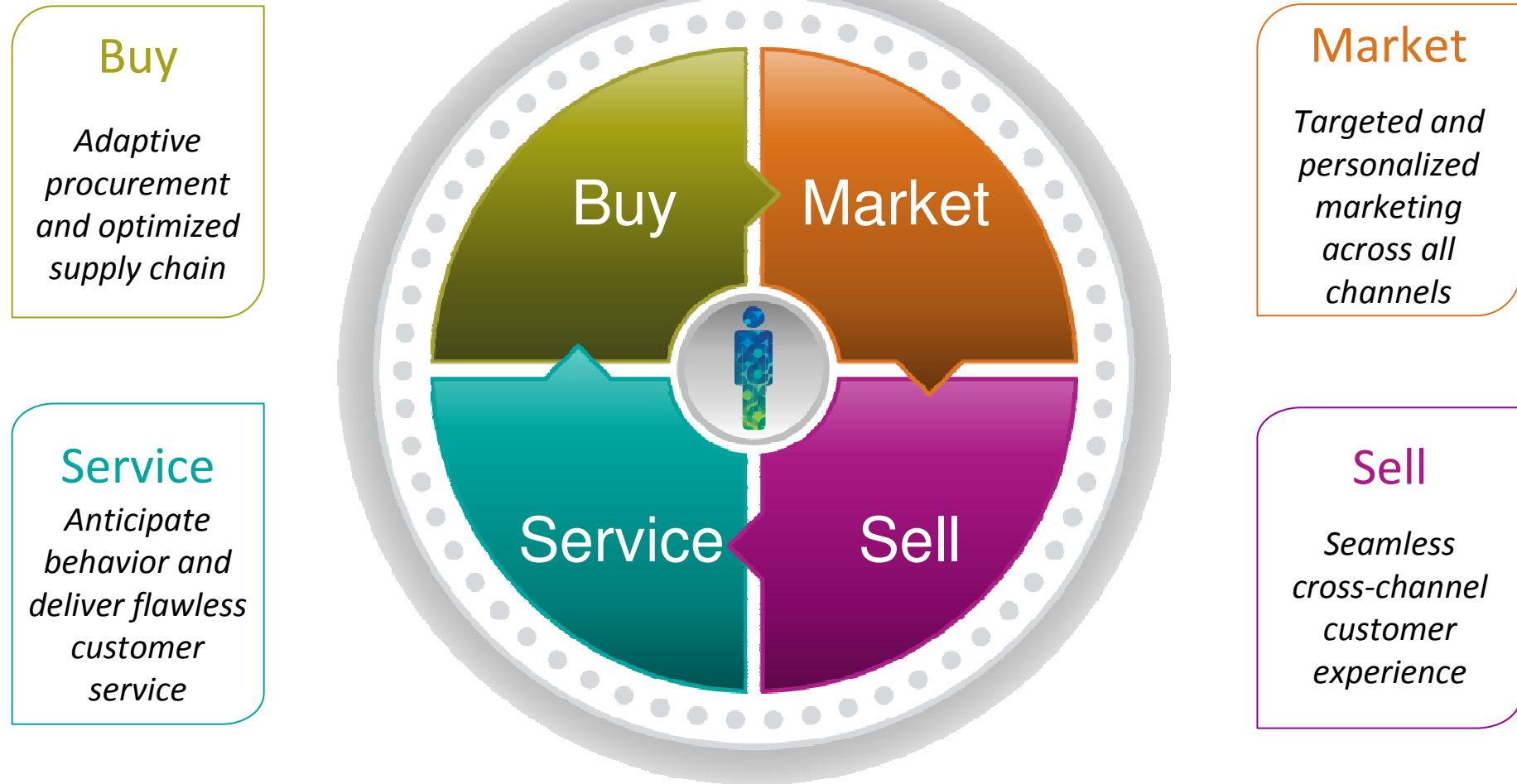


Extends core systems to **synchronize** your value chain



At IBM, we call the path forward “Smarter Commerce”

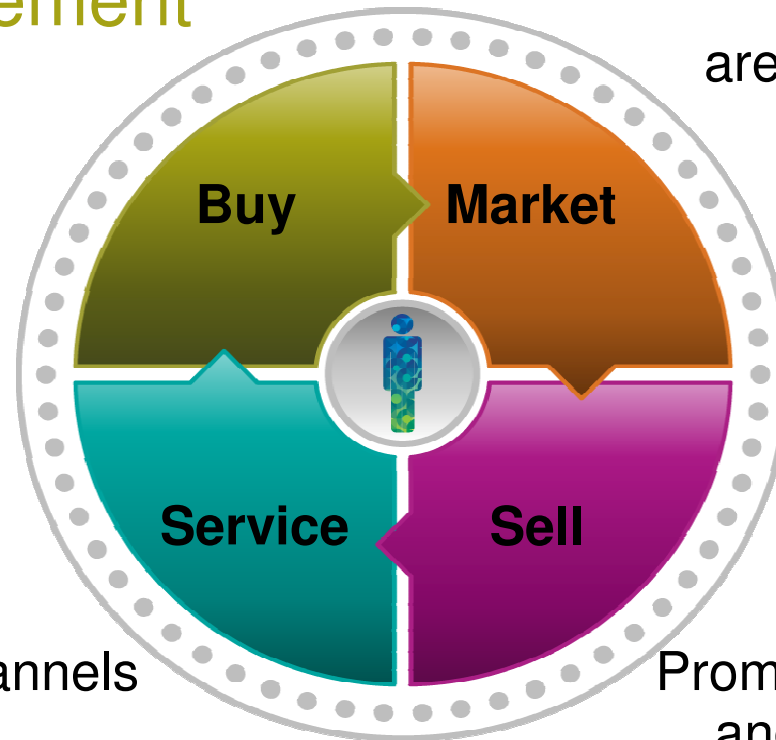
Placing the *customer at the center of your business*



Smarter Commerce integrates and enhances the commerce cycle

Visibility and order status
adapt procurement
and logistics

All customer
interactions
are a market opportunity



Insight from all channels
through analytics
improves loyalty

Promotions, guided selling
and precision marketing
drive sales

Smarter Commerce requires focus on three dimensions

Customer Engagement

“Multi-channel” has evolved to “all channels, all the time”

Customer Insight and Intelligence

Advocacy based on trust is the new “loyalty”

Connectivity & Social Integration

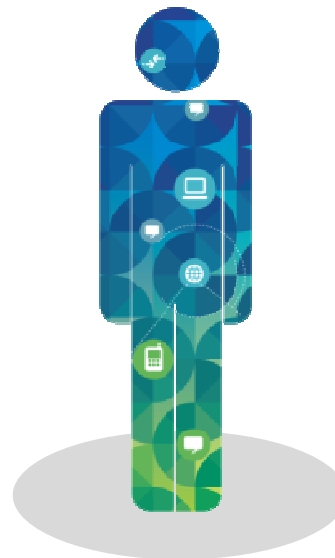
Integration and synchronization to meet new value delivery requirements



Customer Experience

Leaders are redefining commerce around the customer

A supply chain
prepared
for the unpredictable

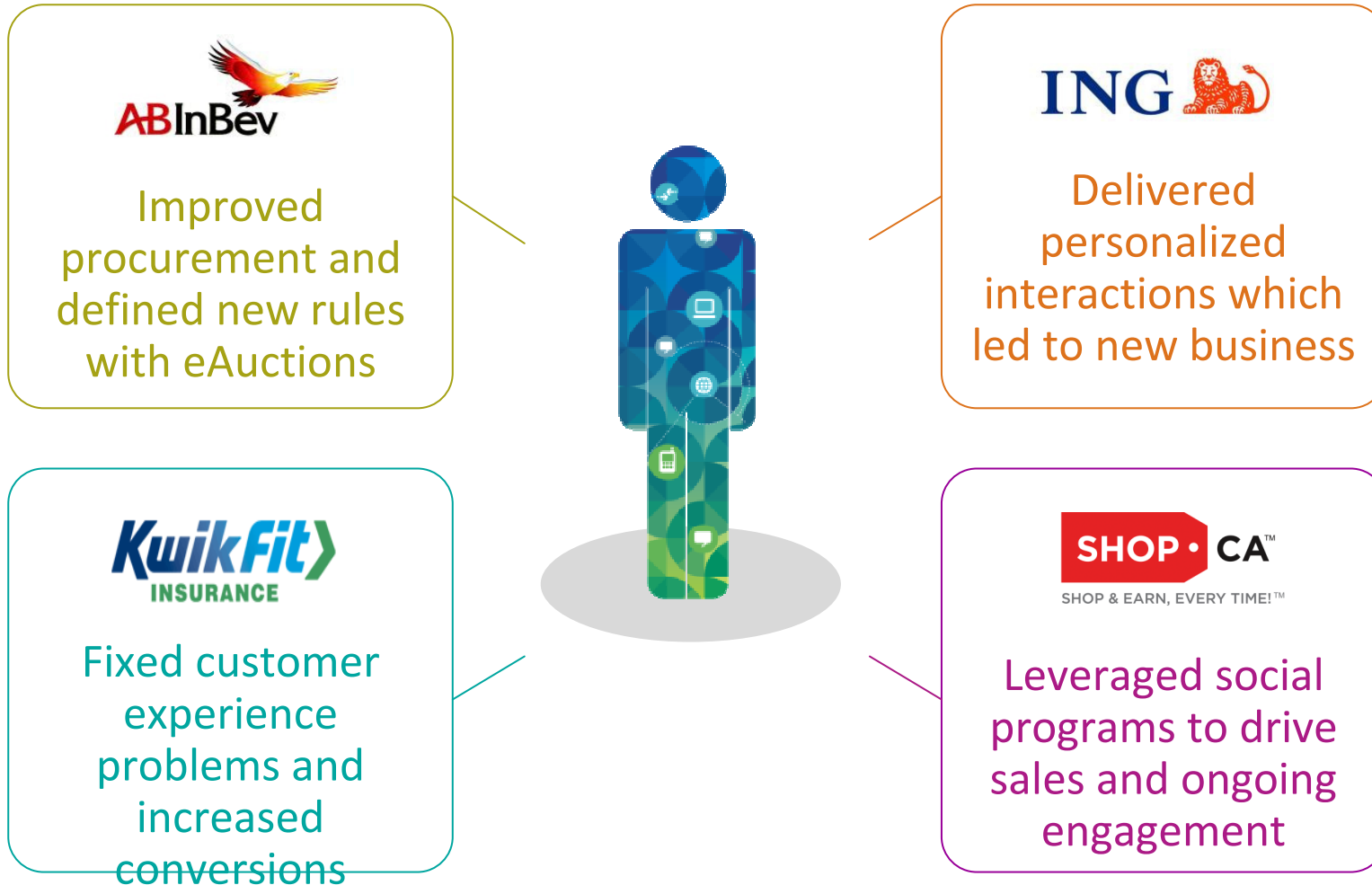


Marketing targeted
to every customer
personally

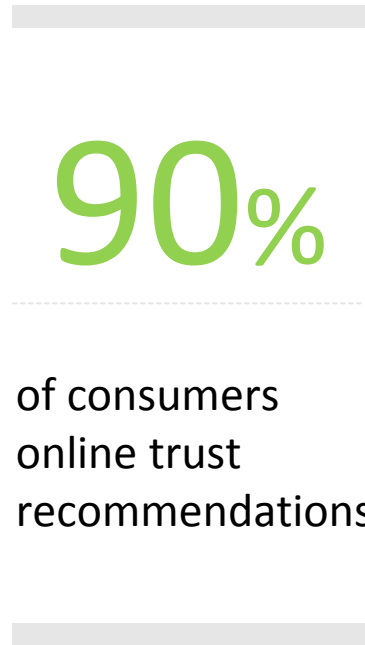
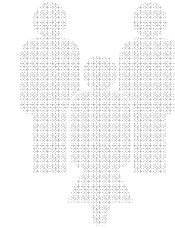
Service that **knows**
what customers
want before they do

Selling that's there
for your customers,
wherever they are

Successful companies embracing this strategy



Empowered customers are **connected to each other**



What if...

You could leverage consumer insights to increase sales?



PETCO did!

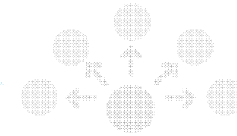
- Increased coupon redemptions by 200%
- Increased unique visitor by 41%



BBVA did!

- Positive feedback increased by 1%
- Negative feedback decreased by 1.5% in Spain

Empowered customers have **access to information**



58%

are more price-conscious today

43%

of grocery items in the United States were sold on promotion

What if...

You could use analytics for better promotions and supply chain execution?

True Value. True Value did!

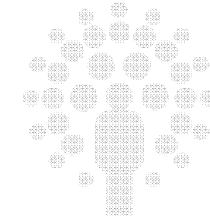
- Alerts when lead times are missed
- Reduced out of stocks and enabled inventory optimization



Schwan's did!

- 15.6% higher revenue
- Increased revenue and a 11.5% higher margin for Kroger

Empowered customers **engage when you get personal**



85%

believe that social networks will save them time

56%

want increased self-service capabilities

What if...

You could personalize your customer's experience?



Seton Hall did!

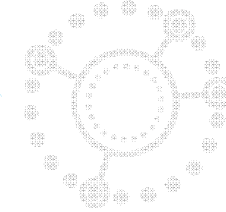
- Deposits up 25%, Enrollment up 13%
- Largest freshman class in 30 years
- 18% increased in revenue (\$29 million USD)



SingTel did!

- Real-time offers to agents and in stores
- Ads to mobile phones
- Cross/up-sell increased from less than 10% to over 40%

The reality: Enterprises **must connect** to transform



73%

of organizations regard value chain synchronization as critical

\$93

billion in sales missed due to out of stock inventory

What if...

You could synchronize supply chain partners and optimize logistics?



SMA Solar did!

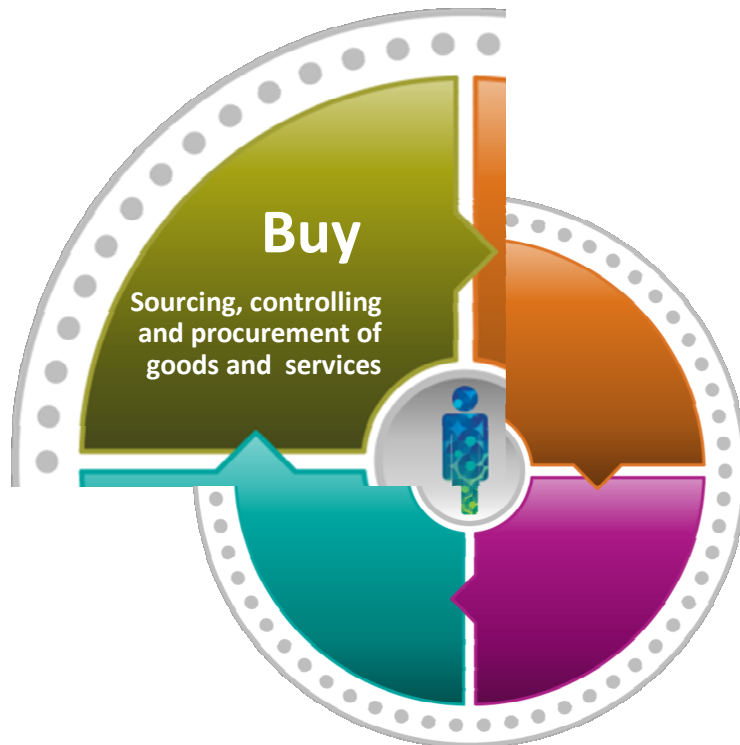
- Real-time visibility into supply chain and status of orders for B2B2C
- Analyzed buying behavior and created new offerings



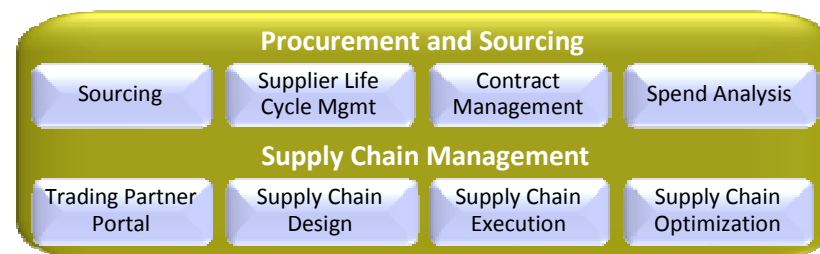
Sargento did!

- 60% cost savings
- Reduced less than truckload shipments by 60%

“BUY” processes and capabilities



- Strategic supply chain management
- Supplier B2B integration
- Supplier collaboration
- Supplier performance analytics and compliance
- Supply chain visibility
- Inventory management and optimization
- Automated accounts payable
- Logistics
- Warehouse management
- Transportation management



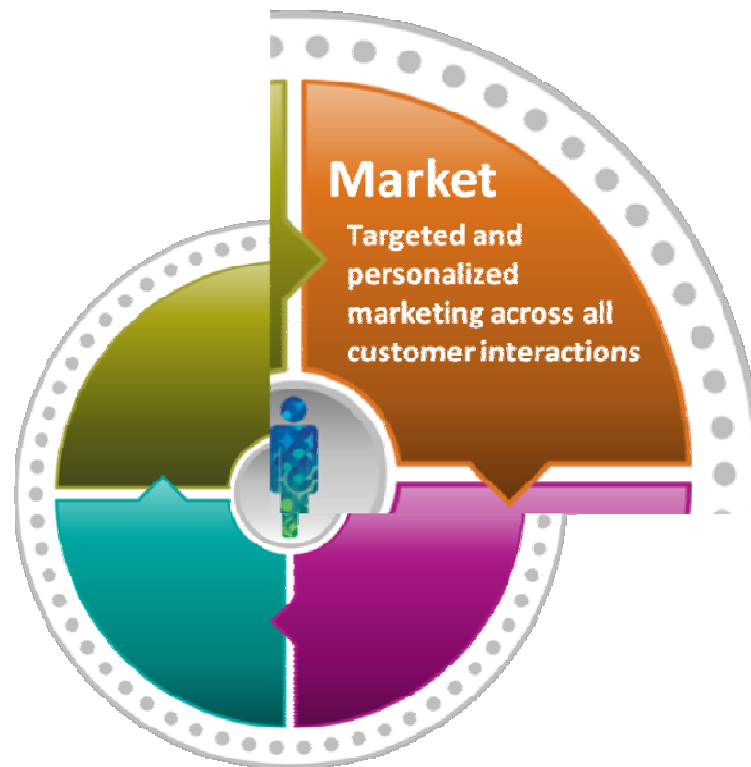
Buy / Source track

Tumai Gmuer
Emptoris Sales Leader - MEA
Industry Solutions, IBM Software Group

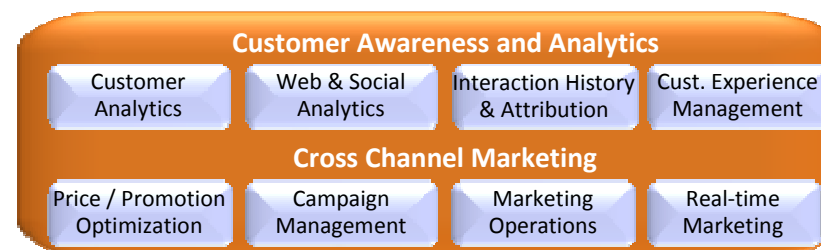


Adaptive Procurement
*Preparing your supply chain
for the unpredictable*

“Market” processes and capabilities



- 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
- Determine optimum pricing, facilitate cross channel planning, design, execution and measurement
- Advanced analytics to continually improve marketing



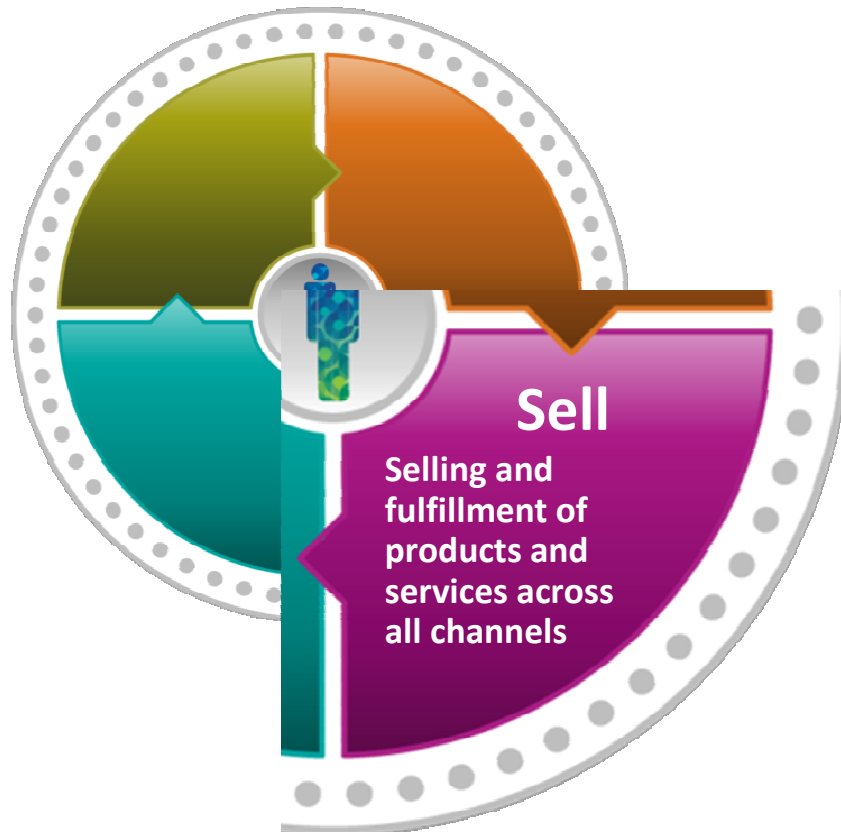
Enterprise Marketing Management track

Jeremy Swartz
EMM Sales Leader
Industry Solutions, IBM Software Group

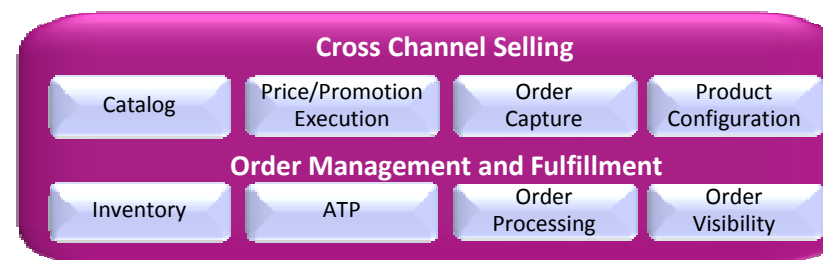


Advocacy based on trust is
the new “loyalty”.
Understanding the Impact of
Applied Customer Insight.

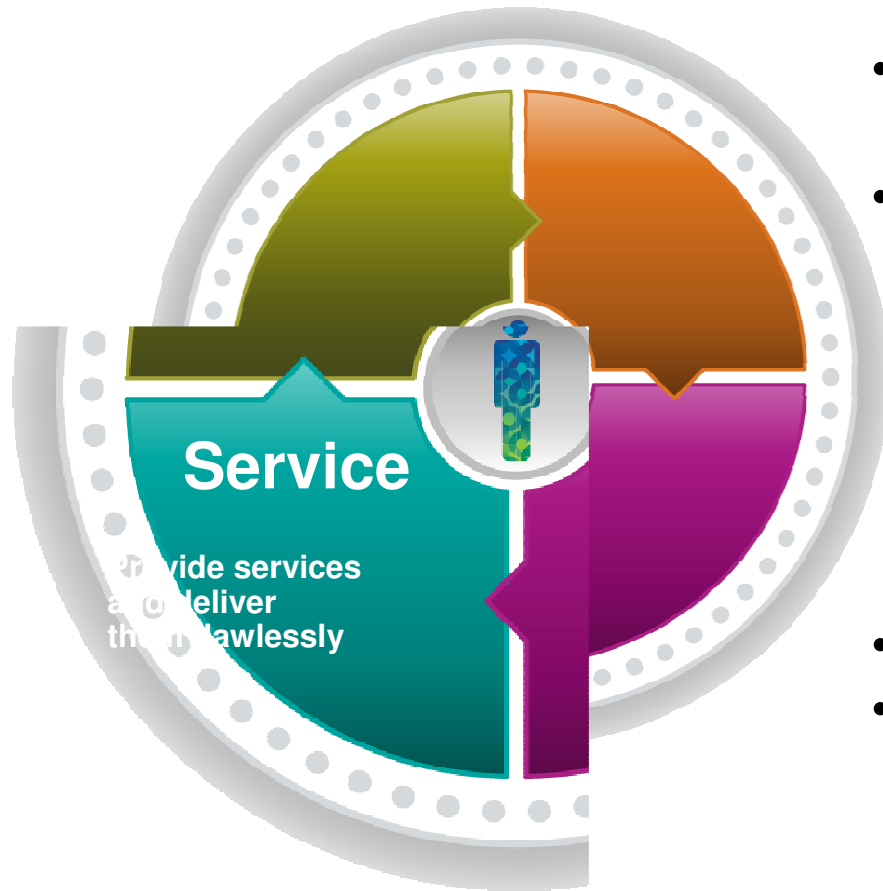
“SELL” processes and capabilities



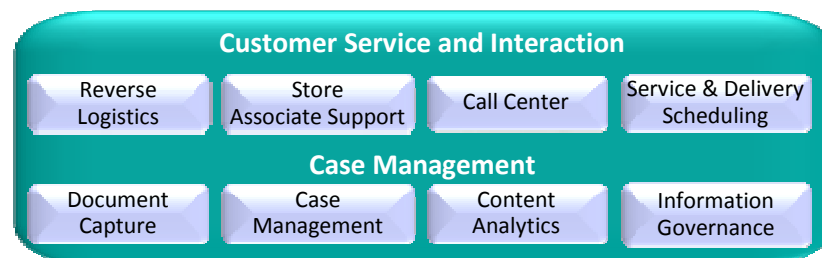
- Provide customers and partners with a seamless end-to-end cross-channel multi-tier and highly personalized buying experience
- Support any level of complexity and sales model
- Orchestrate orders across extended value chains
- Advanced analytics to continually improve sales operations
- Manage the Customer Experience



“Service” processes and capabilities



- Deliver product or services via preferred channel
- Offering carefully targeted, value added services during support interactions
Provide support/service personnel and customers with current, accurate and complete information regarding products, services, promotions, policies and procedures
- Facilitate first call resolution
- Advanced analytics to continually improve delivery, service and support efficiently



Sell & Service track

Erik Du Toit
ECM Sales Leader
Industry Solutions, IBM Software Group



Harness content and apply pattern of discover, recognize and act built on capabilities such as Capture, Activate, socialize, analyze and Govern.

Begin with these questions for your Smarter Commerce journey

Does your business model adapt to capitalize on new market opportunities?

Can your operations anticipate and adjust dynamically to market conditions?



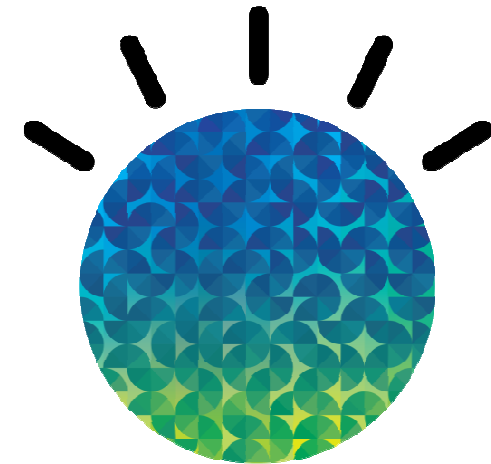
Do you deliver exceptional customer experience across all touch points?

Are you leveraging customer insight to reshape your business?

Could your supply chain interrupt service to your customers?

IBM is the right partner for Smarter Commerce

- **100 years of experience** making the world work better through the use of technology
- Deep skills to **enhance, extend, and re-define commerce** in the age of the empowered customer
 - *Acting on Customer Insight*
 - *Evolving your Customer Value Strategy*
 - *Optimizing Customer & Partner Engagement*
- **\$3 billion invested since 2010** to create a truly smarter approach to commerce
- New consulting and system integration practice with **over a thousand dedicated experts**
- **Expertise in over 20 industries** to help create a solution customized for your specific needs



Over 2,000 of the world's top brands rely on IBM to improve their business insight and execution

Building a Smarter Planet with Smarter Commerce

