



Greater Expectations

Reinventing customer
experiences for growth
Moments that matter

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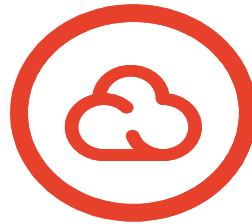


We live in a moment of enormous possibility and transformation

Three imperatives for new value creation:



Exploit **Data**
as the new basis of
competitive advantage



Leverage **Cloud**
as a growth engine for
business



Drive people-centric
Engagement
for new profit channels

Alone, each of these has immense potential.
Integrated, they **change everything**.

An aerial photograph of a restaurant floor, showing several tables with people seated around them. The image is semi-transparent, allowing the text to be clearly visible. The text is centered and reads:

Line-up

Market Shifts & Our Beliefs

3 Strategies for reinvention

Innovate how you execute

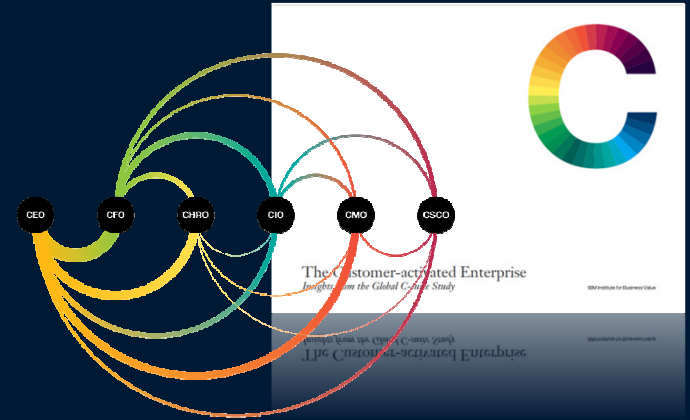
Market Shifts & Our Beliefs

3 Strategies for reinvention

Innovate how you execute

Market Shift

The customer-activated enterprise is here



- 2013 study: **4,183** face-to-face CxO conversations
- **70** countries across **20** industries

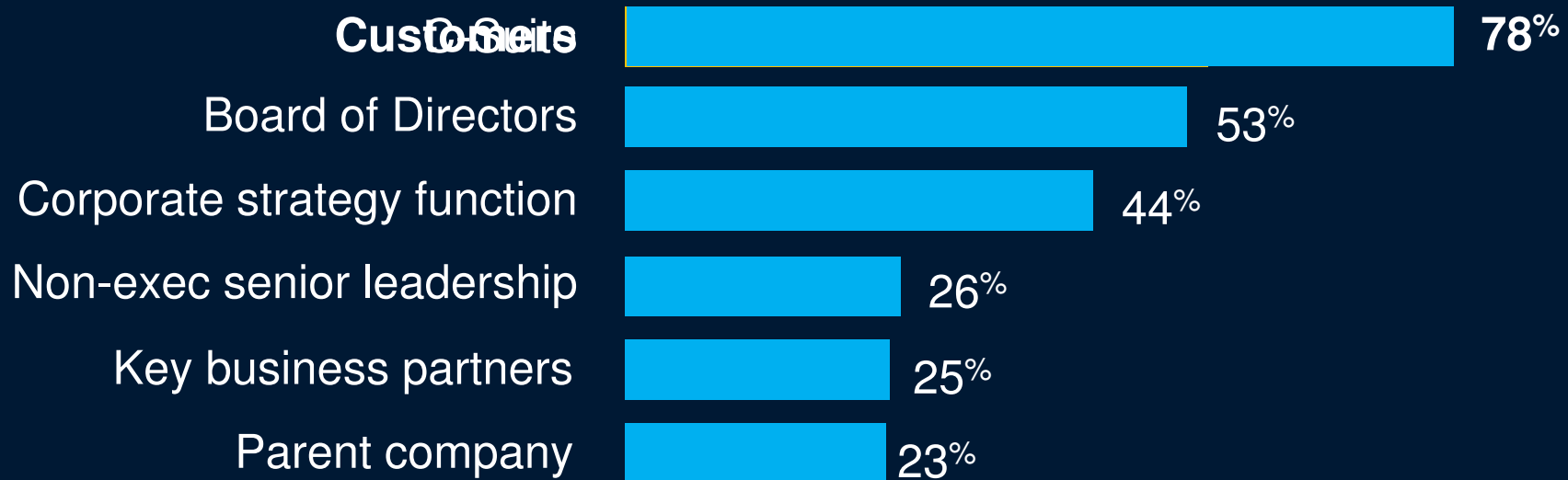


Since 2004



Market Shift

Voice of the board: key influencers on business strategy



Source: Question CEO1—Who has the most influence on your strategic vision and business strategy?; n=884 [CEO only]



90%

of consumers expect personalisation

only

32%

claim to be highly effective at engaging individual customers



Source: IBM Institute for Business Value and Center for Applied Insights



80% of CEOs

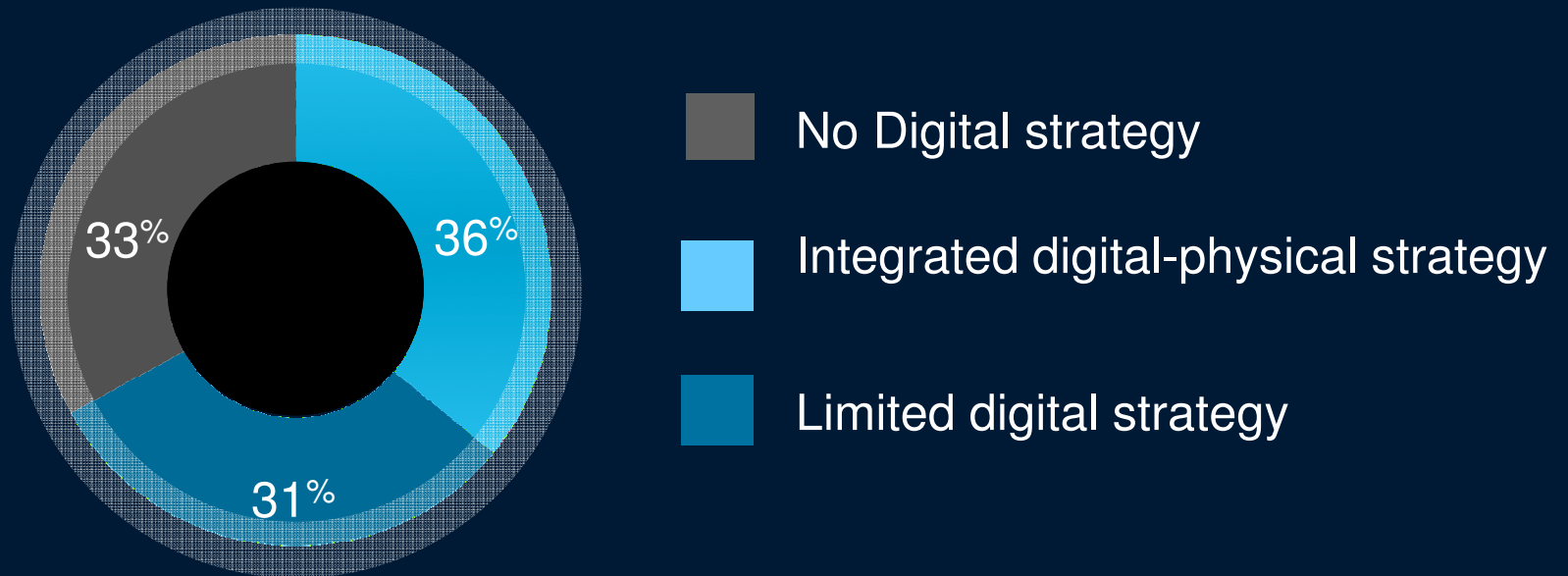
think they deliver a superior
customer experience

Only 8%

of their customers agree

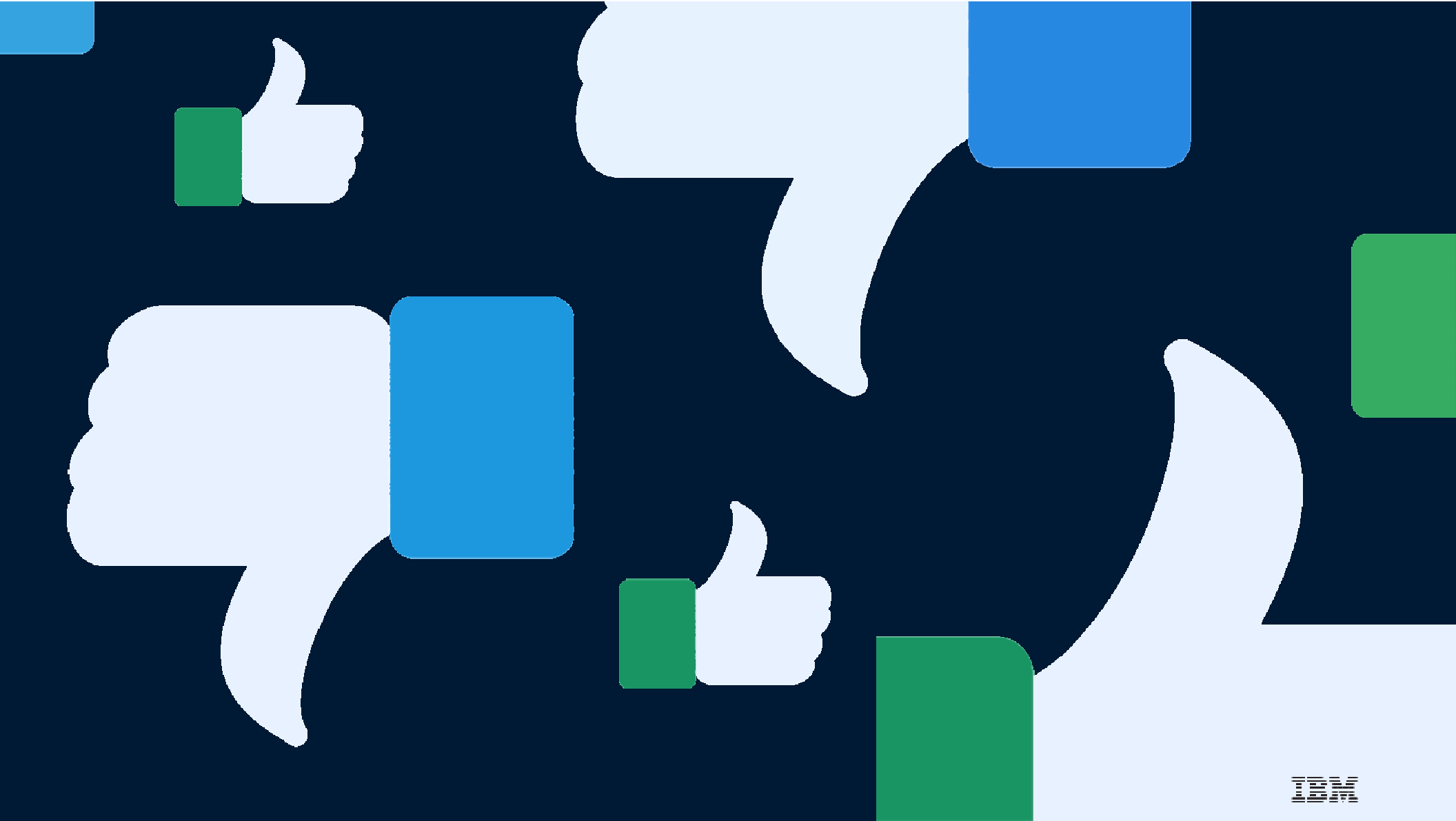
Market Shift

Collaboration through digital and physical integration represents the next wave of innovation



Source: Question B4 What kind of digital strategy does your enterprise have?; n=2,869

The world of B2B or
B2C is dead.
Experience is the
new competitive
battleground
interactions.



www.123.com

You **don't**
know me.

You're **not connecting**
with me.

It's too
hard.



imagine

a lot is changing in the market
customers expect so much more

“ The last, best experience that anyone has anywhere becomes the **minimum expectation** for the experiences they want everywhere. ”

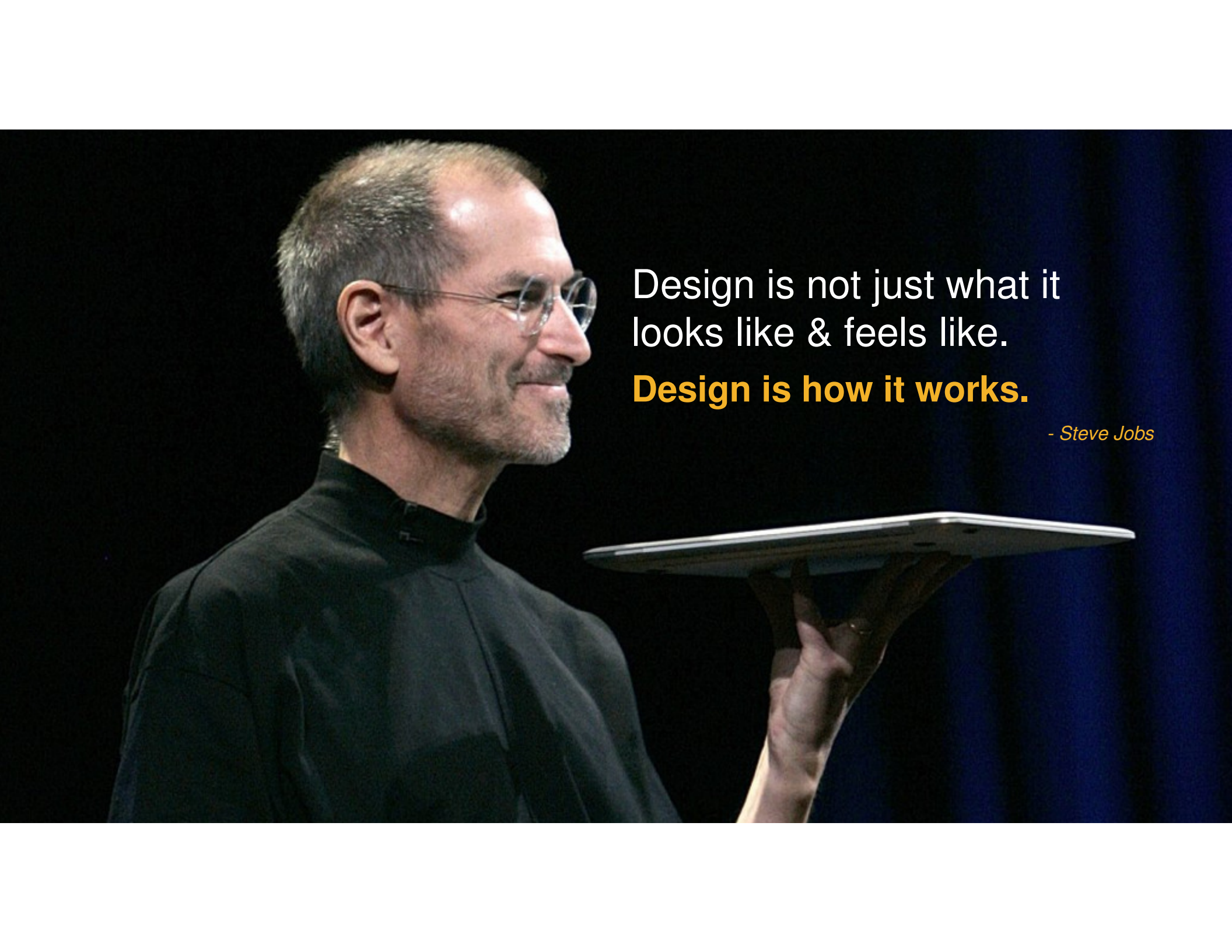
– Paul Papas, Global Leader, IBM Interactive Experience

It's no longer about singular channels...

Design Matters
Experience Matters
Moments Matter

data informs experience
experience transcends channel

**the
importance
of design**

A photograph of Steve Jobs in profile, wearing his signature black turtleneck and glasses, holding a silver tablet computer. The background is dark blue.

Design is not just what it
looks like & feels like.

Design is how it works.

- Steve Jobs

This is not a user experience

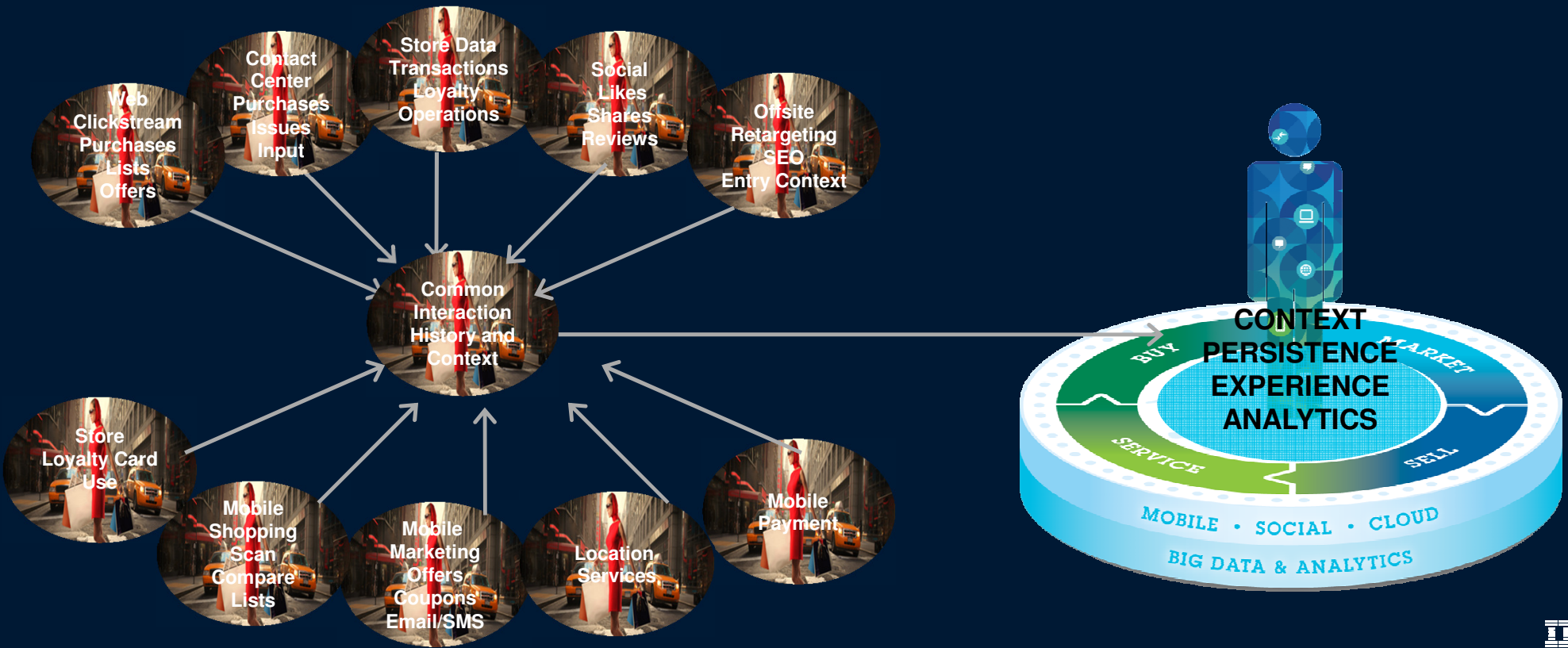


This is a user experience



think

Context is key to engagement



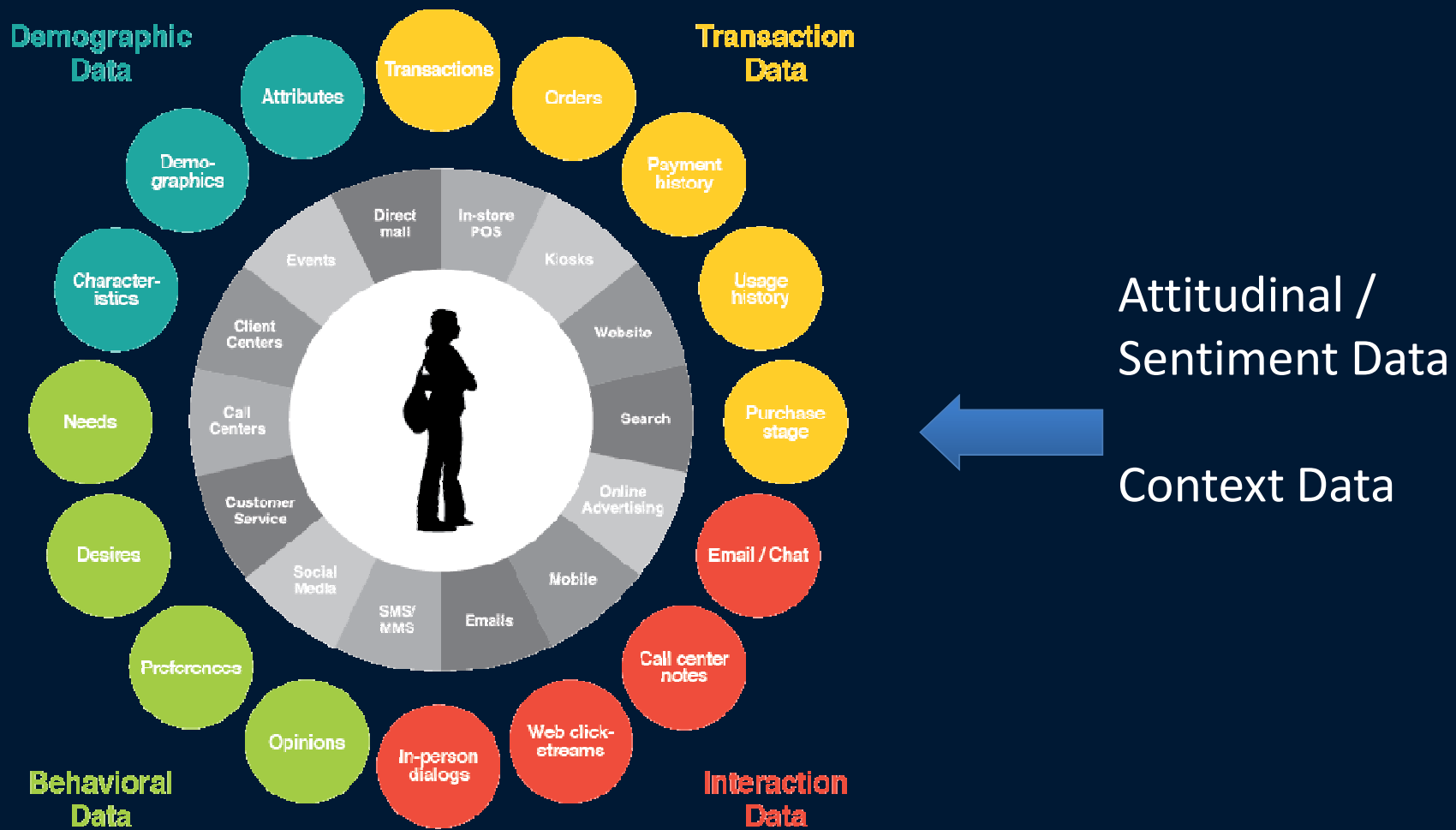


3 strategies for reinvention



1

**Experiences driven by
data**





Social Analytics

Profile Watch About Individual About Them

User Detail

Twitter Info

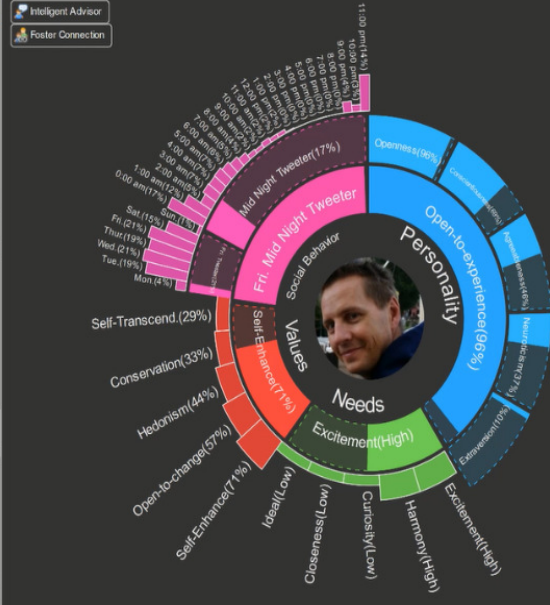
Roger Luethy
 @rogerluethy
 Switzerland
 4256 tweets 959 following 738 followers
 Web: <http://rogerluethy.wordpress.com/>
 Description: Roger Luethy, Storage Specialist at IBM Switzerland, 27 years of StorageNetworkingIT experience and loves Sport, Travel, Photography, Blogging

The Badge

- Intelligent Advisor
- Foster Connection

More...

General	
Social Media Presence:	Twitter, WordPress
Location:	SWITZERLAND Current: ZURICH, SWITZERLAND at 2012-09-27 Recent: BERLIN, BERLIN, BRUSSELS
Interests:	sport, travel, photography, product
Intent:	book (2012-03-23)
Occupation:	IBM Certified Specialist - Storage Sales
Is Married:	
Is Parent:	Yes
Master Data	
Purchases:	MacBook, iPad
Gender:	Male
Age:	
Own Home:	Yes
Home Address:	Aentferstrasse 26 8003 Zurich, Switzerland
Income:	
Tweets	





2

**Extend physical experiences
with digital**



3

Use digital to enhance personal engagement



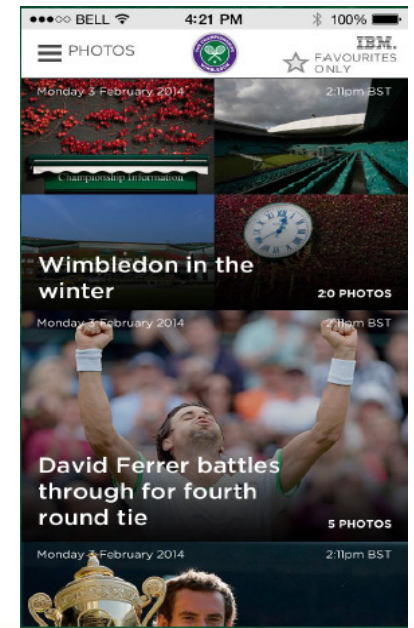
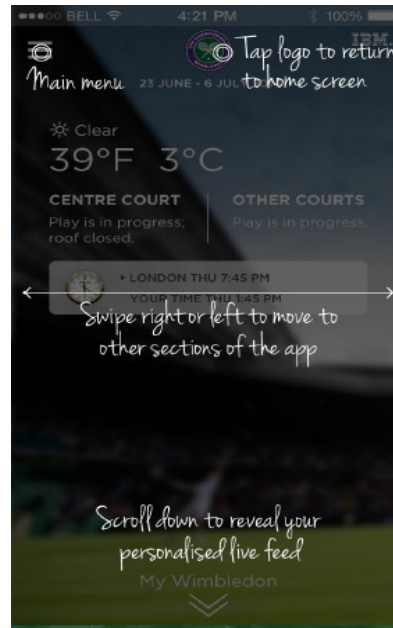
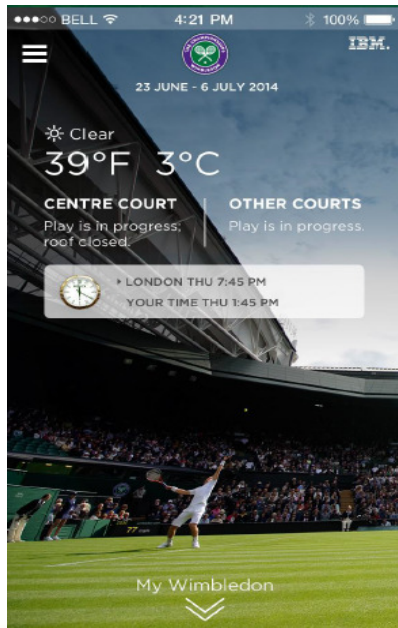


Making
content
accessible,
interactive and
personal.

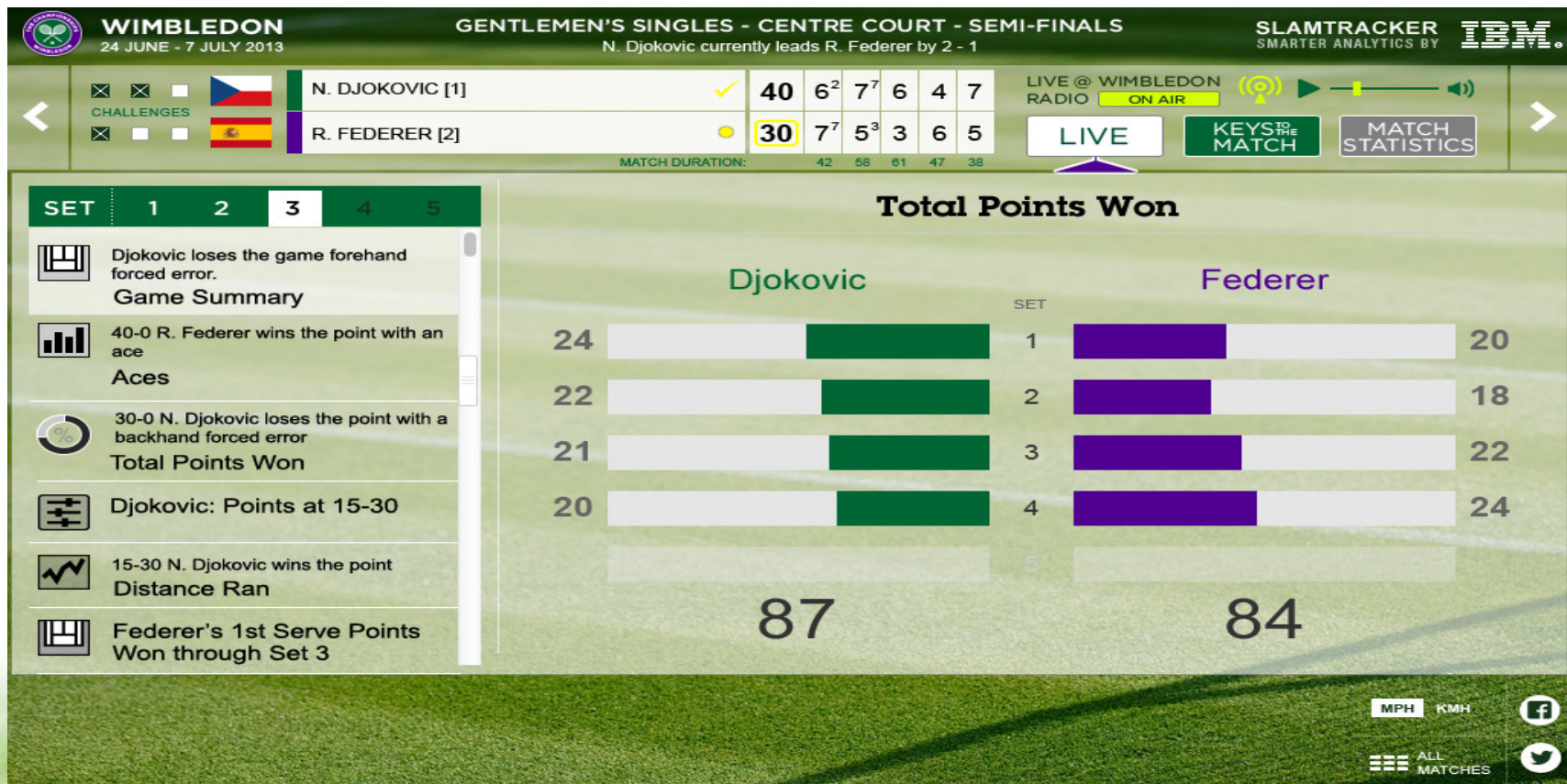
**Digital was the
only way to go.**

Wherever.
Whenever.

Personalised Mobile Fan Experience



Fan engagement through insights – driving experience with data



Hill vs World – Making the digital to physical connection

HILL v WORLD

GENTLEMEN'S SINGLES R. Federer [1]

FINAL CENTRE COURT R. Nadal [2]

	4	6	6	5
●	6	3	3	4

GET INVOLVED!

@WIMBLEDON

If you are on the hill at Wimbledon, tweet your answer using #THEHILL

If you are not at the Championships, tweet your answer using #THEWORLD

QUESTION
Federer is one game up, in the fourth set. So who's going to win the 2014 Final, Federer or Nadal?

Next question in 09:10

THE HILL SAYS

28% 72%

FEDERER

THE WORLD SAYS

33% 67%

NADAL

ON THE HILL

LIVE VIDEO | TIME-LAPSE (00% REFRESH)

TWEETS TODAY

66,542

#WIMBLEDON #FINAL #FEDERER #NADAL
#THE HILL #WEATHER #TENNIS

TWEETS TOTAL

1.232M

HEAT MAP

MAP | GRAPH < TIMELINE

FUN FACTS

Roughly 54,250 balls are used during The Championships period.

Yellow balls were used for first time in 1986.

FAN PHOTOS

#WIMBLEDON #THEHILL #WIMBLEDON 2014

Andy Burns 1 HOUR AGO

BREAKING...

Lorem ipsum dolor sit amet, consectetur adipisicing elit, sed do eiusmod tempor incididunt ut labore et dolore magna aliqua. Ut enim ad minim veniam, quis nostrud exercitation ullamco laboris nisi ut aliquip ex ea commodo consequat.

SENTIMENT

R. FEDERER

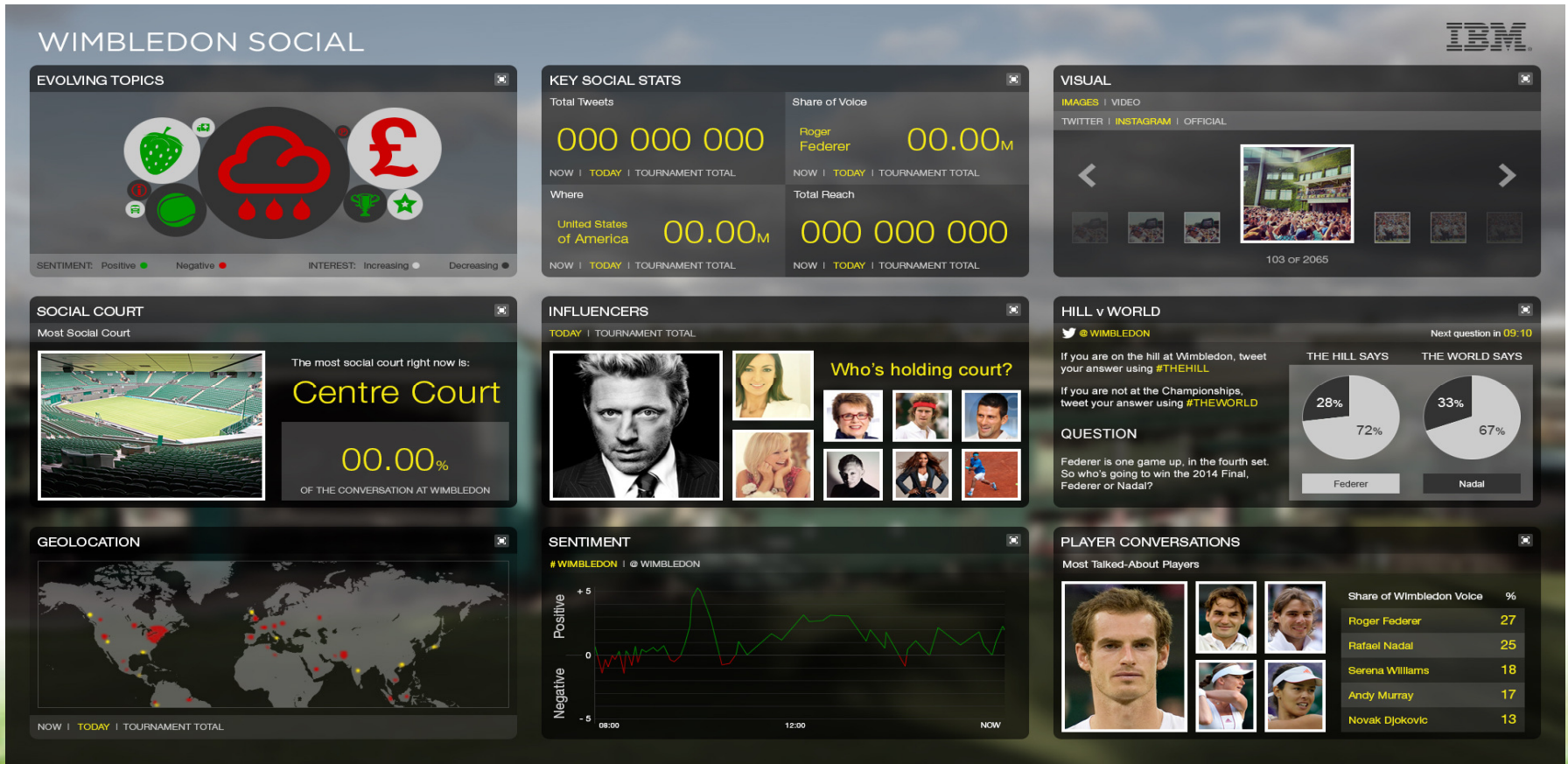
92%

R. NADAL

78%

BARS | GRAPH

Social command centre – listening, understanding and deepening



In summary

- 1 Experiences driven by data
- 2 Extend physical experiences with digital
- 3 Use digital to enhance personal engagement

Omni-channel Commerce solutions from IBM create a differentiated brand experience

UNDERSTAND CONSUMERS

PERSONALIZE ENGAGEMENT

FASHION RETAILING | THAILAND, MALAYSIA, SINGAPORE, INDONESIA, VIETNAM, PHILIPPINES, BRAZIL, USA

OMNITA | **LUXE** | **HANKY PANKY** | **TRUTH** | **la mode** | **IBM**

MAYA | **OMNITA** | **LUXE** | **HANKY PANKY** | **TRUTH** | **la mode**

UNDERSTAND CONSUMERS

- Identify consumer segments and their needs.
- Use data to understand consumer behavior.
- Personalize marketing messages.
- Engage consumers through multiple channels.

PERSONALIZE ENGAGEMENT

- Use personalized recommendations.
- Offer exclusive content and experiences.
- Engage consumers through social media.
- Use mobile devices for engagement.

CAPABILITIES & ENABLING TECHNOLOGIES

MARKETING & SALES	OPERATIONS	IT & DATA	LEGAL & COMPLIANCE	FINANCIAL SERVICES	HR & TALENT	SECURITY	INTEGRATION & TRANSFORMATION	SCALABILITY	INTEGRATION & TRANSFORMATION	SCALABILITY	INTEGRATION & TRANSFORMATION	SCALABILITY
<ul style="list-style-type: none"> Customer Segmentation Targeted Marketing Personalized Recommendations Engagement through Social Media Mobile Marketing 	<ul style="list-style-type: none"> Supply Chain Management Inventory Management Logistics & Distribution Warehouse Management Order Fulfillment 	<ul style="list-style-type: none"> Data Analytics Customer Data Platform Personalization Engine Mobile App Development Cloud Migration 	<ul style="list-style-type: none"> Regulatory Compliance Data Privacy Consumer Protection Dispute Resolution 	<ul style="list-style-type: none"> Financial Reporting Revenue Management Cost Optimization Profitability Analysis 	<ul style="list-style-type: none"> Talent Acquisition Employee Engagement Performance Management Learning & Development 	<ul style="list-style-type: none"> Security & Risk Management Incident Response Business Continuity 	<ul style="list-style-type: none"> System Integration API Management Cloud Migration Legacy System Modernization 	<ul style="list-style-type: none"> Scalability & Performance Load Balancing CDN Database Optimization 	<ul style="list-style-type: none"> System Integration API Management Cloud Migration Legacy System Modernization 	<ul style="list-style-type: none"> Scalability & Performance Load Balancing CDN Database Optimization 	<ul style="list-style-type: none"> System Integration API Management Cloud Migration Legacy System Modernization 	<ul style="list-style-type: none"> Scalability & Performance Load Balancing CDN Database Optimization

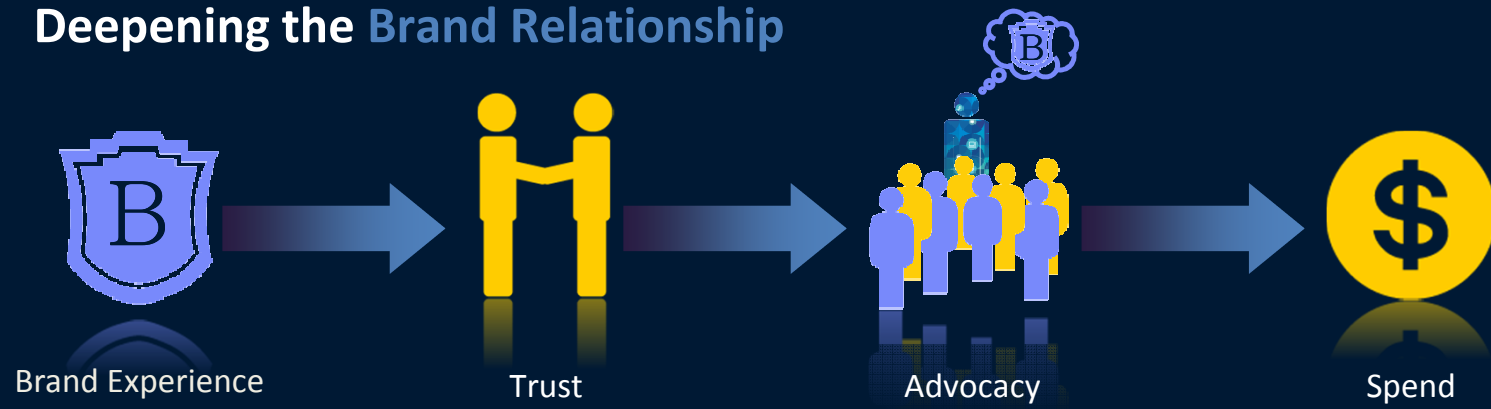
OPTIMIZE OPERATIONS

OMNICHANNEL SHOPPING



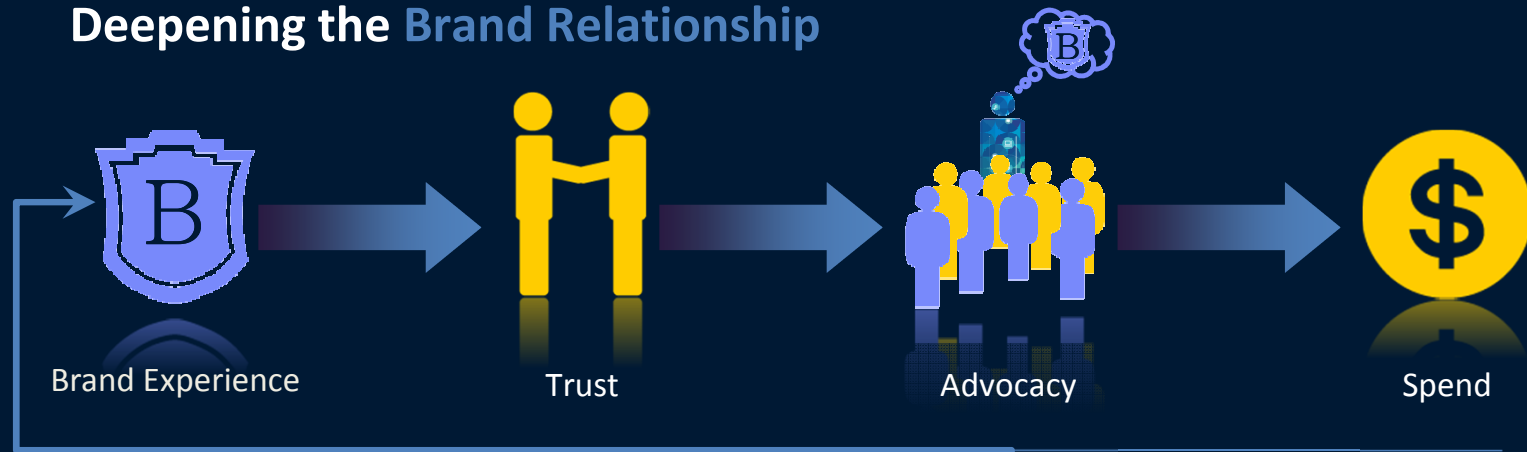
IBM Commerce fosters brand advocacy by building trust through consistency

Deepening the Brand Relationship

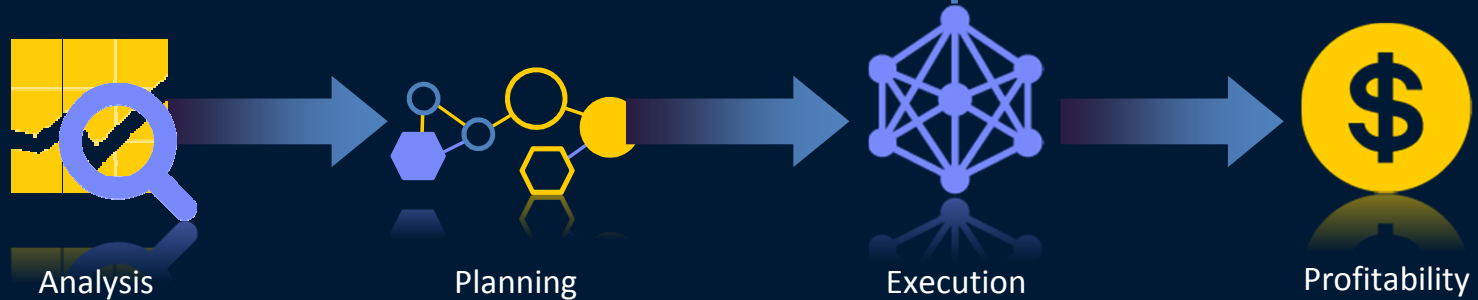


IBM Commerce targets operational excellence to ensure efficiency and deliver a consistent brand experience

Deepening the Brand Relationship

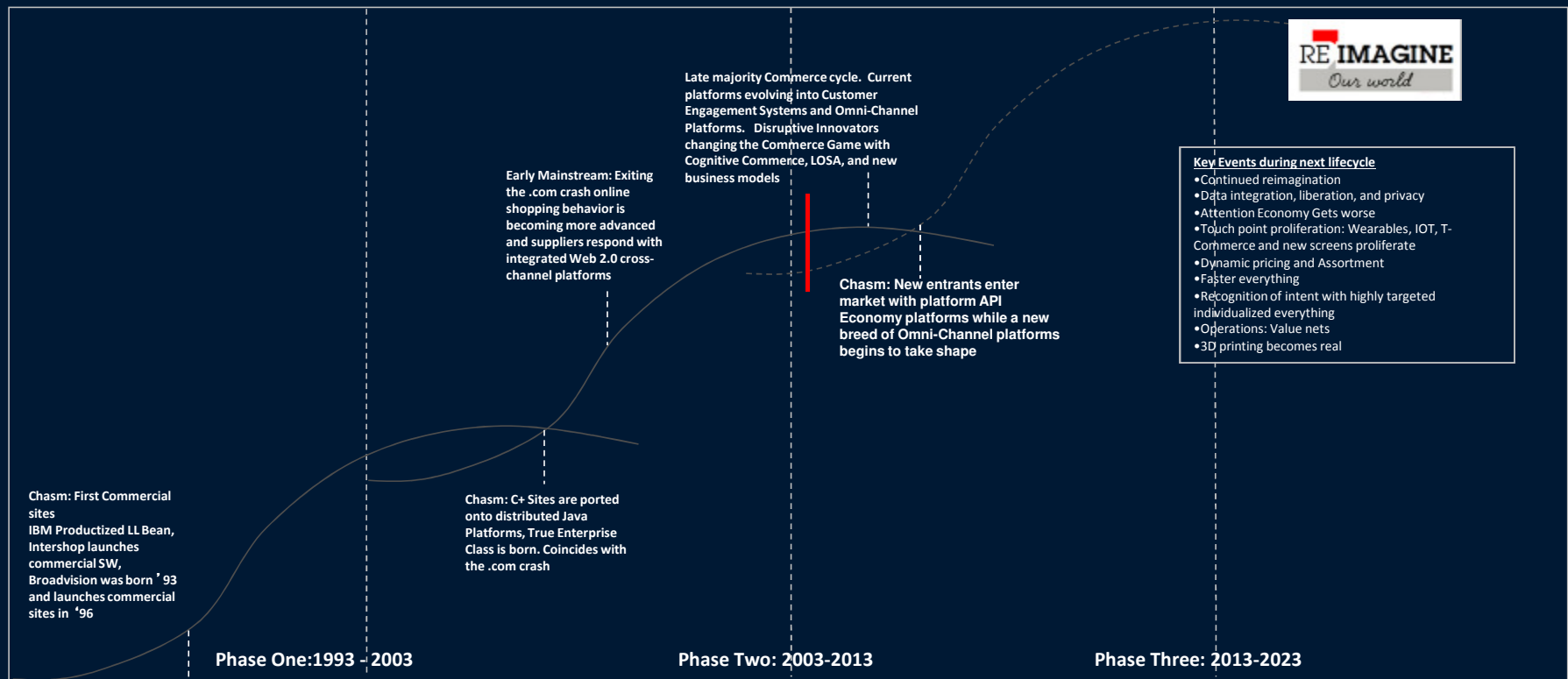


Improving Operational Excellence

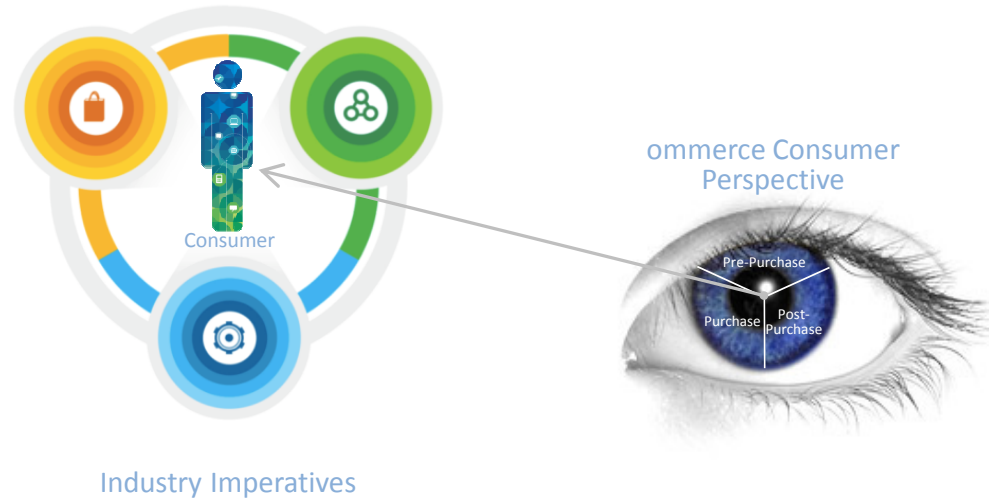


We are entering the Third phase of the Commerce Market Lifecycle

- There have been three distinct phases of the Commerce lifecycle. Current Web 2.0 cross-channel commerce phase has reached late majority while highly flexible omni-channel engagement platforms and new disruptive innovators transforming the market
- The next phase:
 - Will be characterized by highly extensible, cognitive commerce platforms, that will push omni-channel to the limit powering Internet of Things, Wearables, Adaptive Stores, and more immersive shopping experiences while experimenting with new delivery models.
 - Innovation will primary impact four areas: Brand and Experience, Assortment and value, operations and value net , and business model innovation



Each Imperative is viewed in terms of its impact on the brand experience and operational excellence



	Brand Experience	Operational Excellence
Deliver A Smarter Shopping Experience	✓	✓
Build Smarter Merchandising & Supply Networks	✓	✓
Drive Smarter Operations	Indirect Impact	✓

