

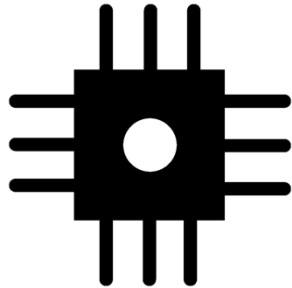
Know Thy Customer: Enhancing Customer Experiences with Analytics



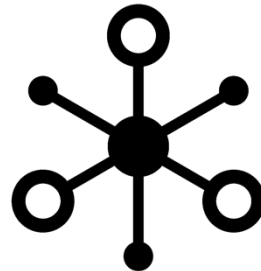
Robert Dayton
Executive Vice-President
Business Analytics & Optimization

Three transformative shifts are occurring

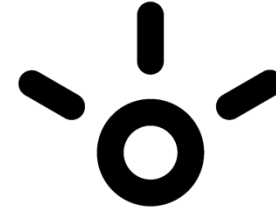
Data



Cloud



Engagement



New buyers, new markets

71%

of CEOs say technology factors will have the most influence on their organizations over the next 3-5 years



8 in 10

More than 80% of new IT investments will be initiated by the Line of Business



35%

of enterprise IT will be managed outside of the IT department's budget



The Rising Voice of the Individual Customer

The emergence of big data analytics



65%

of business are not using big data for business advantage

Increasing consumer expectations



84%

of consumers rely on social networks for purchase decisions

Accelerating pressure to do more with less



32%

Organizations using advanced analytics enjoy 32% higher return on invested capital

The three imperatives of an evolving profession



Understanding each customer as an individual

Creating a system of engagement that creates value at every touch

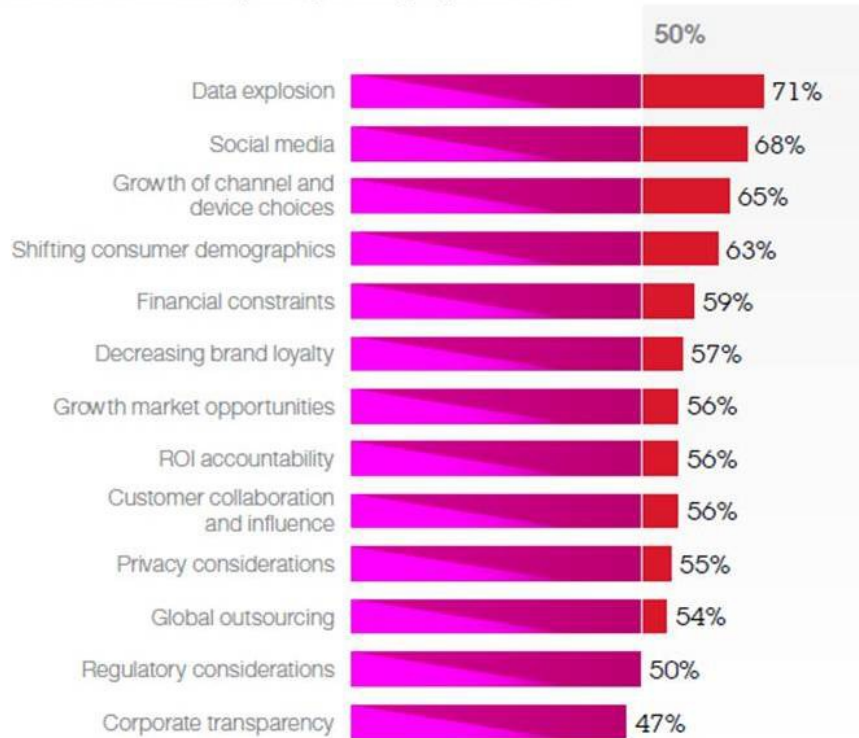
Designing a brand and culture so that they are authentically one

CMO's and CIO's together in Paris



IBM Global CMO Study

Percent of CMOs reporting underpreparedness



IBM Global CMO Study

63% of Global CMOs
want to *measure the ROI*
of social media

~ IBM Global CMO Study

Seven most important measures to gauge marketing success



Meet the engaged customer - the CMO's target

Checks an app as soon as he wakes up

Purchases what his social network recommends

Expects a response within 5 minutes when contacting a company via social media

Is willing to trade his info for a personalized offering

Won't return to a company that lost his personalized, confidential information

Would buy more if he trusted more

Mobile

Social

Security

How is the voice of the customer being heard



The discipline of marketing is changing



TIMELESS

Marketers have always been responsible for knowing the customer.

Marketers have always been responsible for defining what to market, and how to market.

Marketers have always protected the brand promise.

2012

Understanding each customer as an individual.

Creating a system of engagement that maximizes value creation at every touch.

Designing your culture and brand so they are authentically one.

2014

Know each customer in context.

Innovate and scale personally relevant and rewarding experiences.

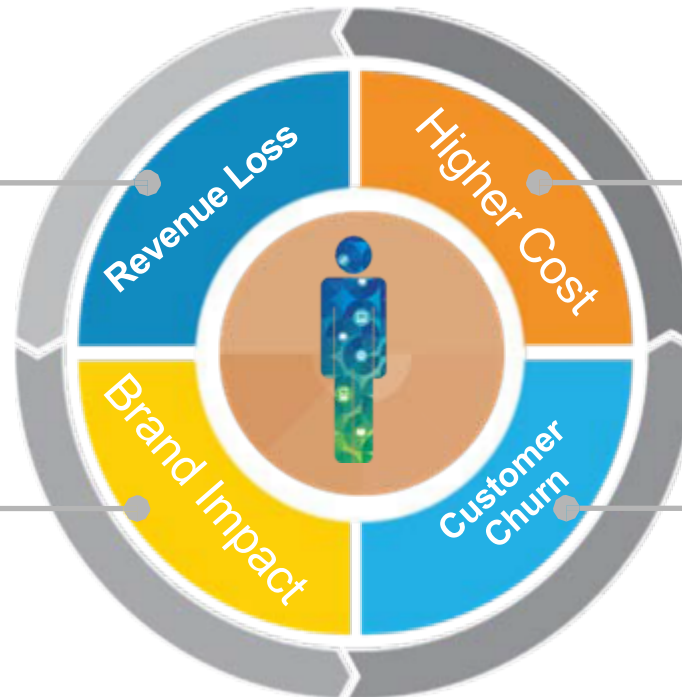
Co-create with customers, employees and partners.

The customer must be at the center of the evolution

Expectations are Exceptionally High - as are Business Impacts

88% of web buyers abandoned an online shopping cart without completing a transaction

75% of consumers move to another (more costly) channel when online customer service fails



41% of Social Media comments about the top mobile companies expressed frustration

63% of all online adults are less likely to buy from the same company via other channels if they experienced a problem with a mobile transaction

Current state of 'voice of the customer' solutions

They have their challenges

'Type of Data' Silos

Web



Text

Voice

Don't Drive Action



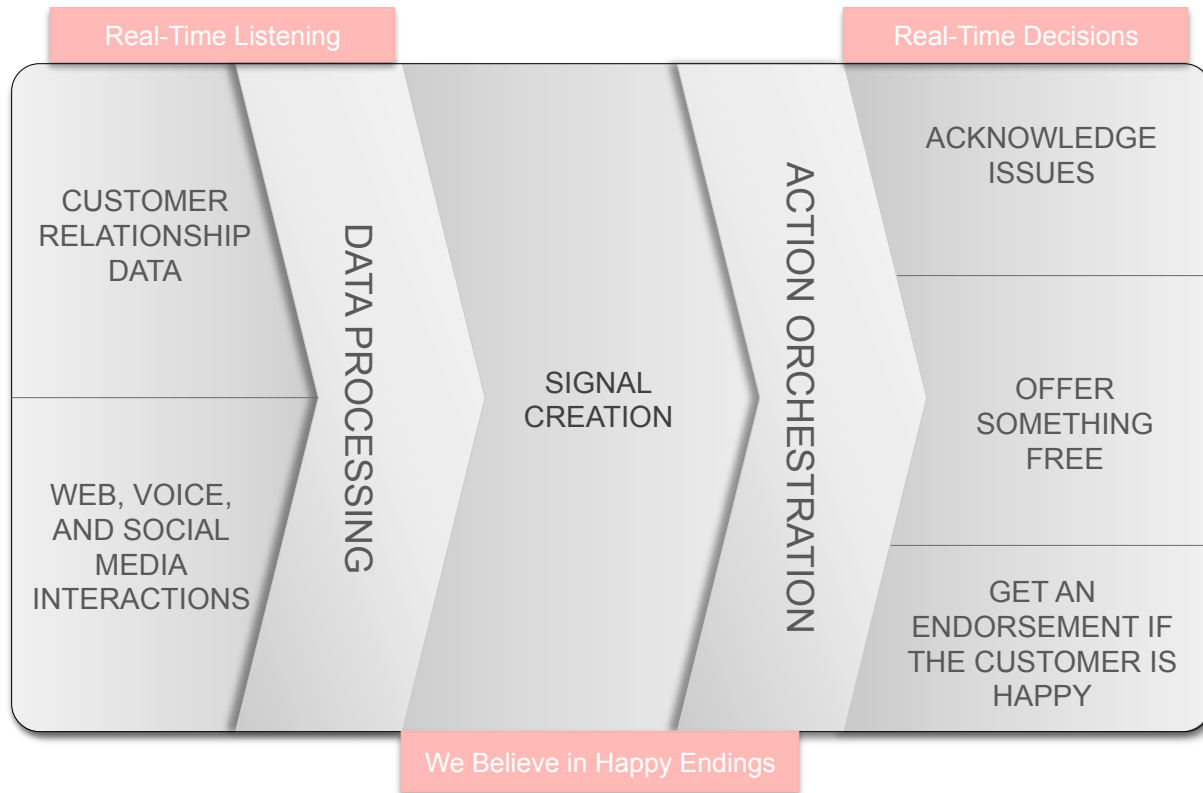
Lack of Pattern Recognition Ability



Don't Cover All Touch Points



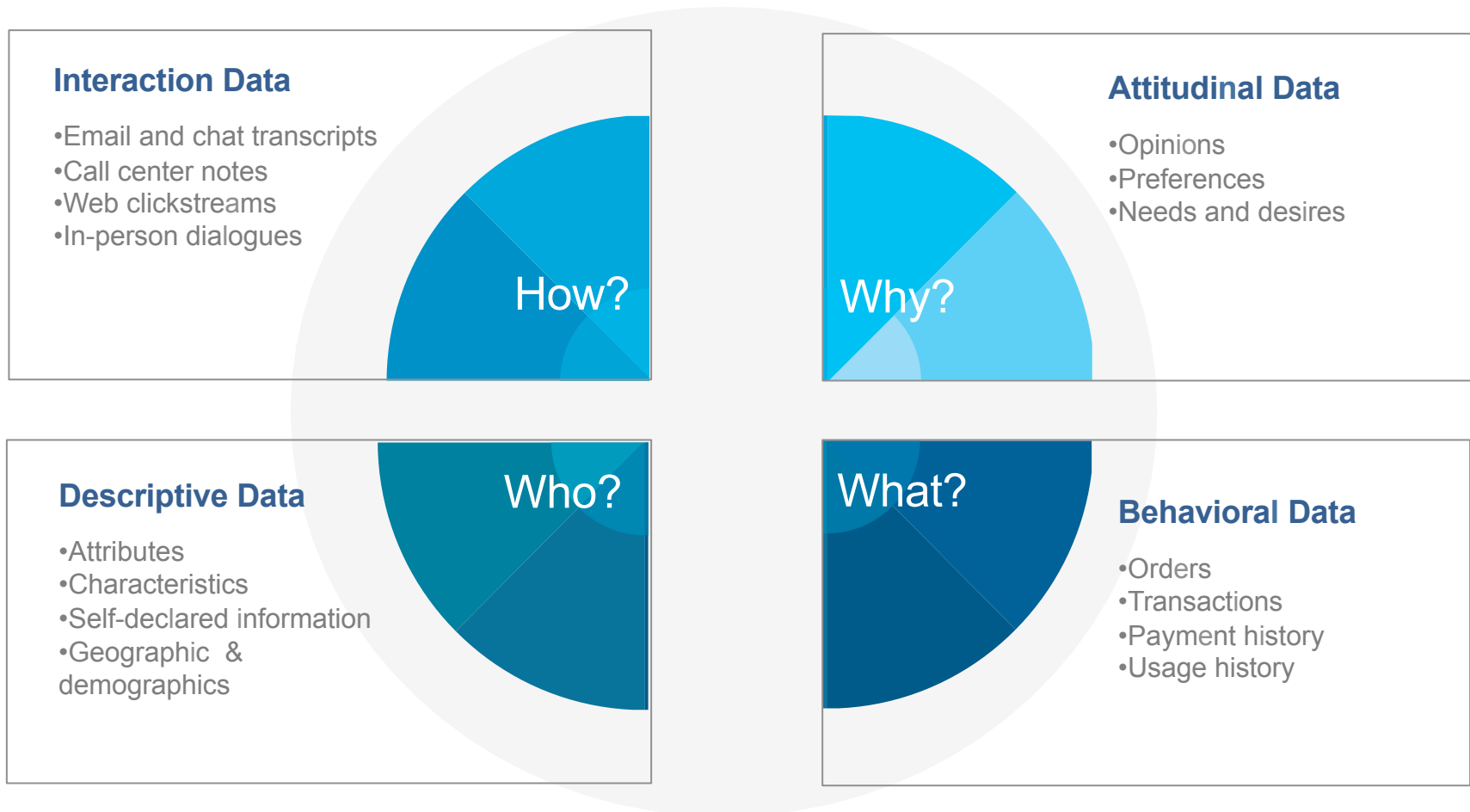
Create Intelligent Voice of the Customer Solutions



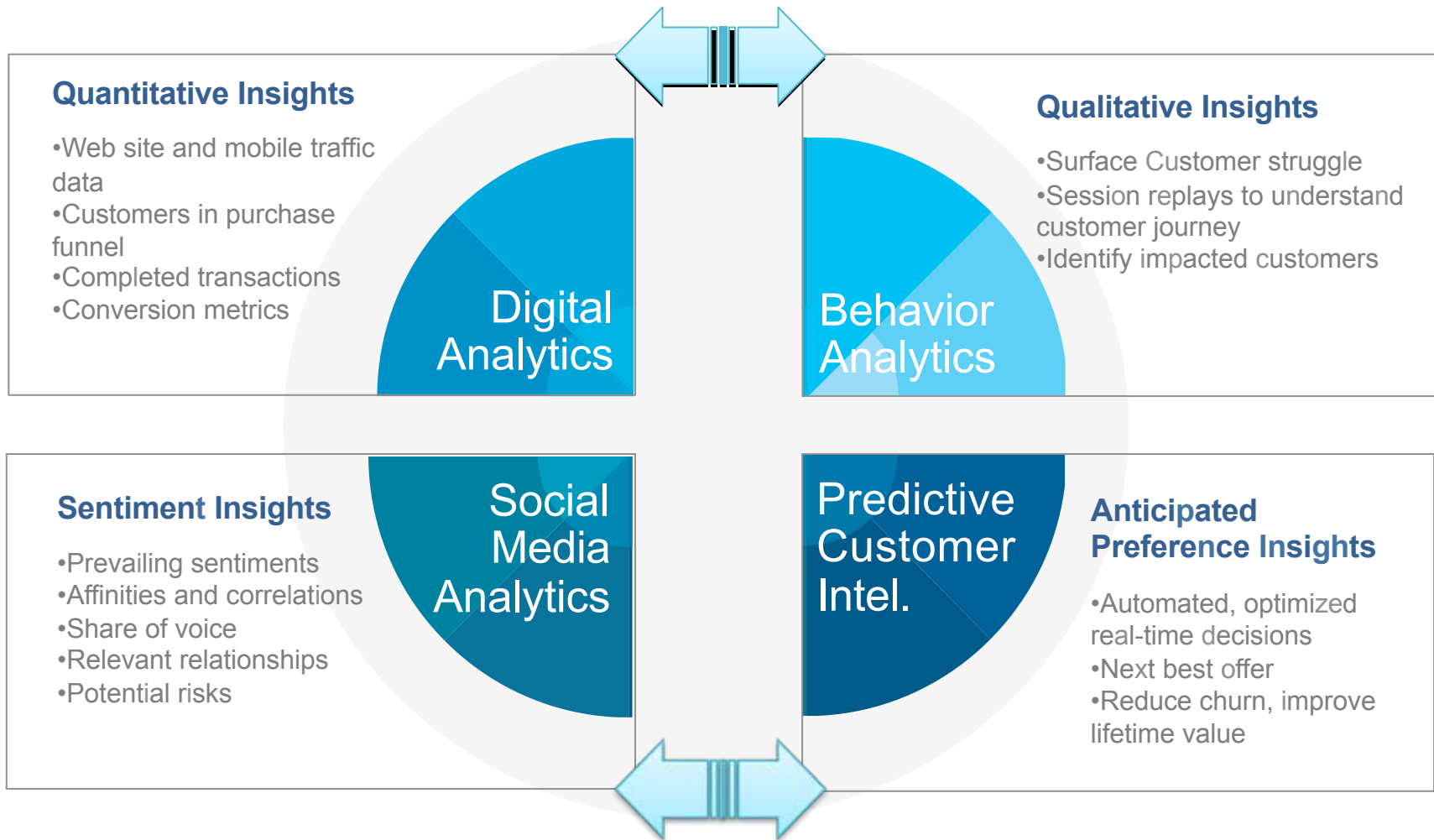
Innovating at the Speed of Life – IBM Smarter Commerce

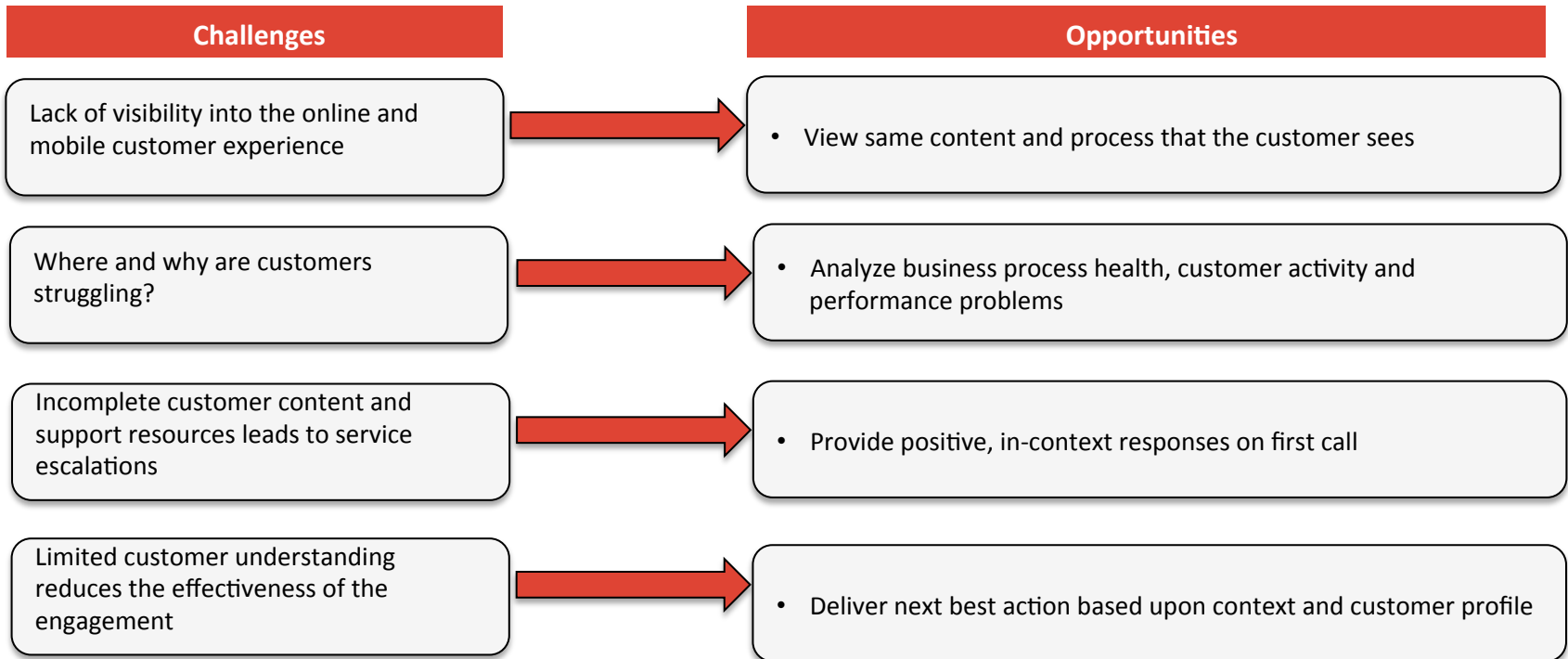


Complete customer insight requires all contextually related information about the customer

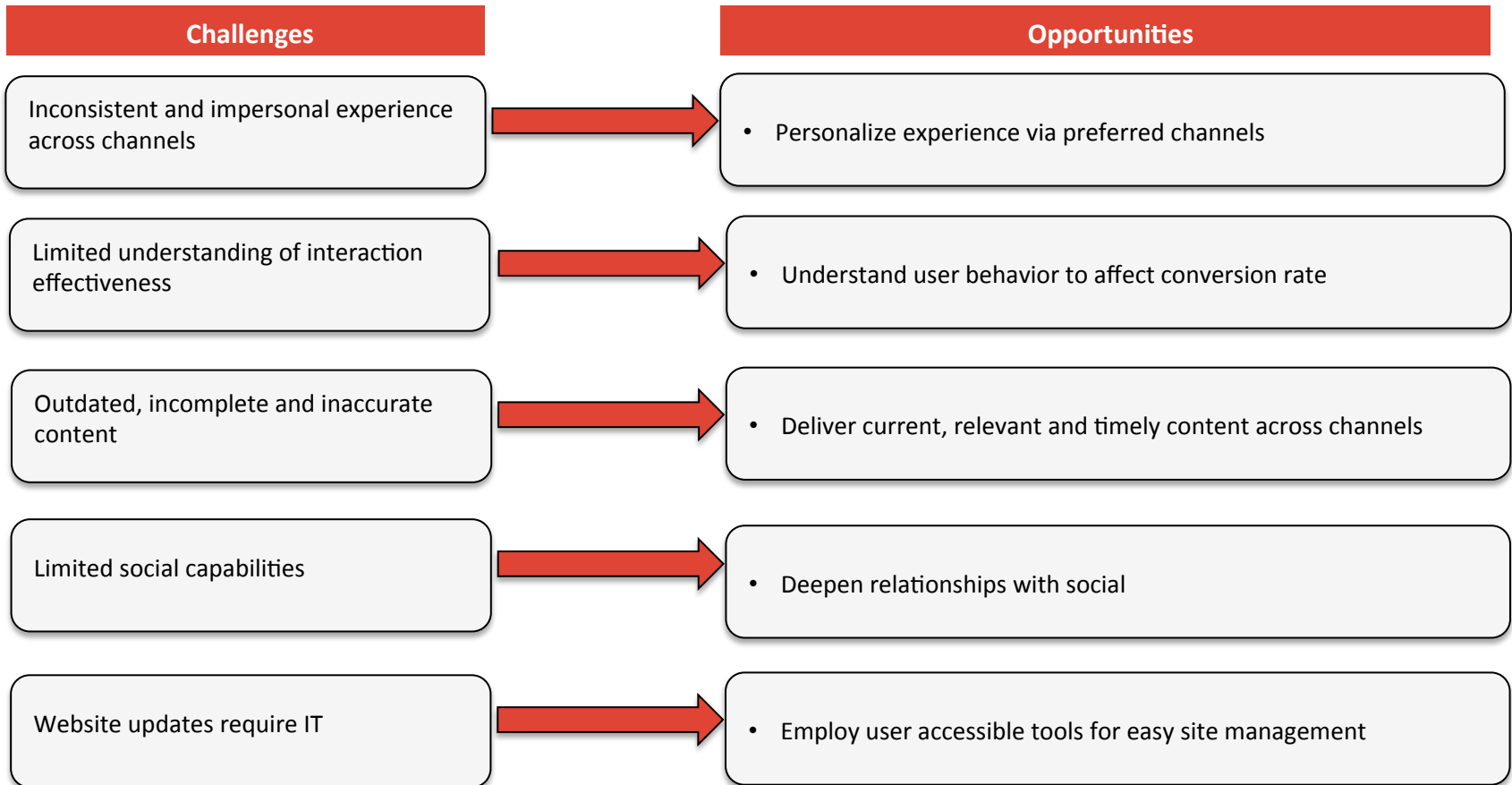


Understanding the customer experience requires combining digital, behavioral, sentimental and predictive analytics





Deliver empowering digital experiences



A portfolio of customer engagement solutions

Customer Engagement Portfolio

- **Customer Behavior Analytics**

Understanding behavior

- **Digital Analytics**

Measuring Results

- **Social Media Analytics**

Mapping Attributes and Opinions

- **Predictive Customer Intelligence**

Anticipating Customer Actions

Curate
meaningful
customer
interactions

Exceptional
experiences
across
channels

Personalize
the store
experience

Reinvent
complex B2B
sales
processes

Ignite and
grow
customer
relationships

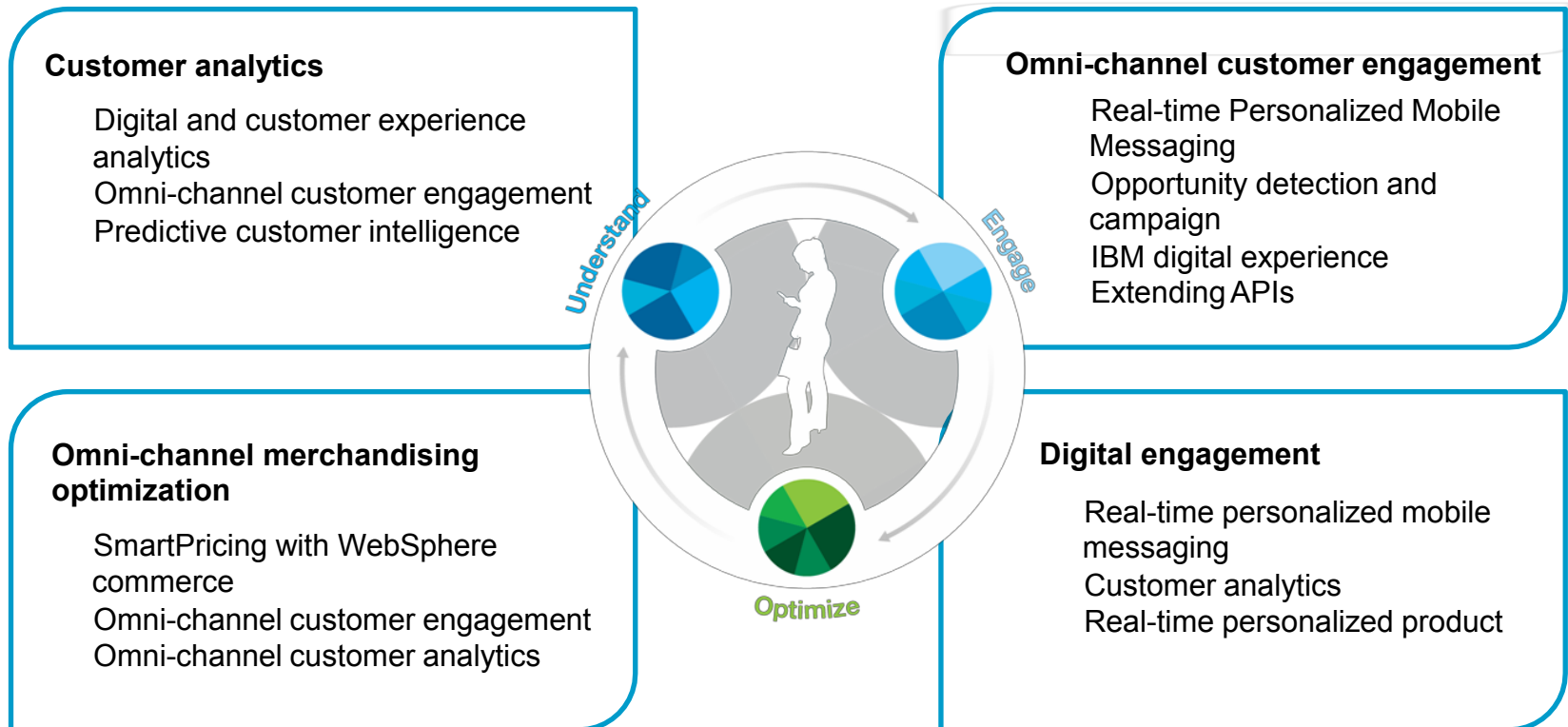
Digital
prospects into
loyal
customers

Maximize
customer
loyalty

Serve and
delight your
customers

Empowering
digital
experiences

IBM ExperienceOne - *Unifying the IBM Portfolio*



Departmental analytic approaches are insufficient



* Econsultancy - 2013

The foundation of IBM's ExperienceOne portfolio



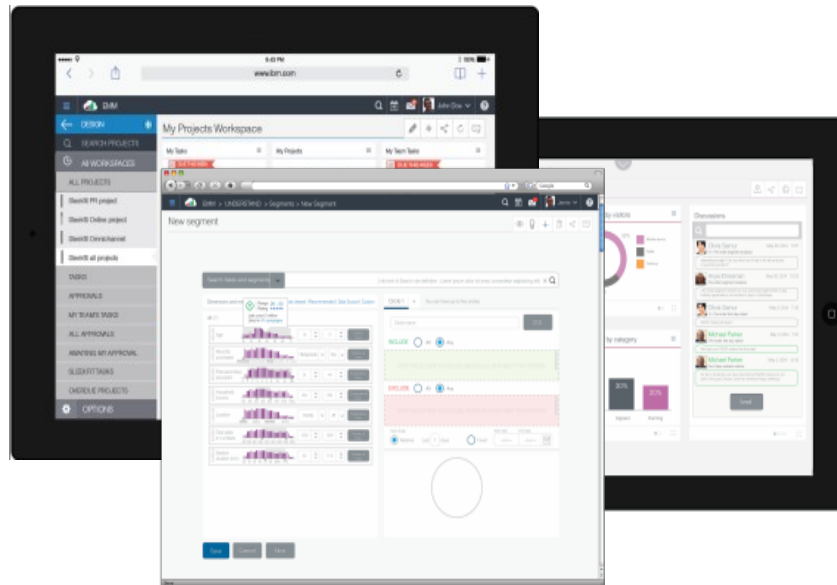
Make moments matter – IBM Smarter Commerce



MINDSTREAM

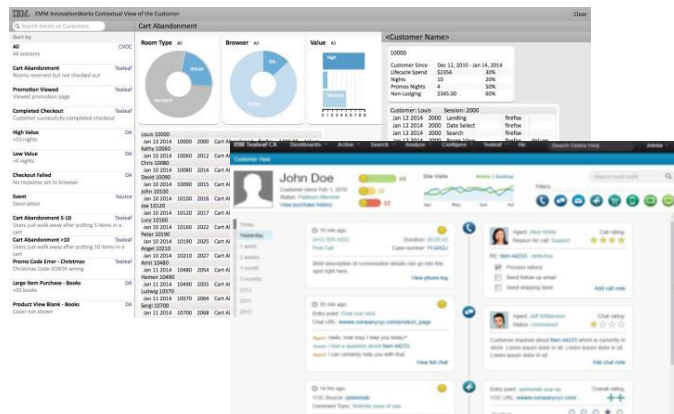
IBM ExperienceOne innovation – user experience

User Workflow and Experience Visualizations
and tool sets which create collaborative experiences that integrate processes
across organizations



IBM ExperienceOne innovation – contextual view

User Workflow and Experience Visualizations
and tool sets which create collaborative experiences
that integrate processes across organizations



**Contextual View
of the Customer**
synthesize contextual
views of customer
behavior and activities
as they flow across
channels

User Workflow and Experience Visualizations
and tool sets which create collaborative experiences
that integrate processes across organizations



Contextual View of the Customer

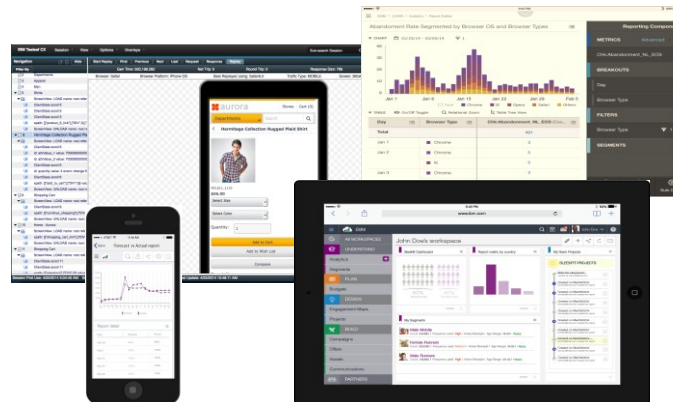
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Real-time Personalization richer
intelligence to deliver relevant, personalized
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IBM ExperienceOne innovation - mobile

User Workflow and Experience Visualizations
and tool sets which create collaborative experiences
that integrate processes across organizations

Mobile deepen behavioral
insights and harness device
innovations to enable
seamless engagement



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The CMO and CIO need to team together

Leverage investments in social and mobile

Focus on business outcomes rather than technology