



## IBM Unveils Smarter Commerce Software and Services Offerings

**LAS VEGAS, - 12 Apr 2011:** IBM (NYSE: [IBM](#)) today introduced new software and services offerings dedicated to helping businesses swiftly adapt to rising customer demand in today's digitally transformed B2B and B2C marketplaces. The announcement was made at IBM's annual Impact Conference before thousands of IBM clients and business partners.

With its Smarter Commerce initiative, IBM is defining and leading a new market that it estimates will grow to \$20 billion in software alone by 2015. Smarter Commerce transforms how companies manage and swiftly adapt to customer and industry trends across marketing, selling and service processes that span the entire commerce cycle, putting the customer at the center of their decisions and actions.

"Customers use social networks, mobile devices, Web sites and influencers to make buying decisions today," said Craig Hayman, General Manager, IBM Industry Solutions. "These businesses must connect to these customers where and how they prefer to buy to be successful. At the same time, they need to make sure they have the means of effectively managing their supplier and trading partner network to ensure they have the products at the right time and place to meet this new customer demand."

Business adoption of Smarter Commerce technology is already underway. IBM client CSX transportation has used elements of Smarter Commerce software to improve partner onboarding in its supply chain and partner communities from two days to 10 minutes. By installing IBM Smarter Commerce software, First Tennessee Bank improved the success rate of its marketing campaigns by more than 3 percent, realizing a return on investment in the software of more than 600 percent.

IBM software has enabled electronic publishing leader Cengage Learning to not only offer a subscription model that allows students to electronically rent textbooks but also electronically or physically receive supplementary offerings of items such as study guides. IBM helped XO Communications reduce customer churn by 8 percent the first year and 18 percent in the second year, delivering a nearly 400 percent return on investment in a matter of months.

The new commerce imperatives are bringing non-traditional IT buyers such as marketing officers and procurement executives into pivotal roles that are supported by Smarter Commerce.

IBM has announced Smarter Commerce services offerings to help these clients deal with these new challenges related to commerce. **Customer value strategy accelerator** – IBM's industry and strategy specialists will work with clients to envision, evaluate and prioritize a set of fresh and exciting new business value possibilities. Clients receive a roadmap and prioritized recommendations for new business models that address the changing needs of the social, digital and mobile consumer. **Cross-channel experience assessment** – IBM's industry and channel specialists will analyze current

customer experience by channel, identify pain points and limitations, and map customer expectations and behaviors (based on voice of the customer information). In addition, through a customer experience workshop, IBM explores cross-industry leading practices and creates design principles for the target customer experience across channels.

Building on IBM's R&D innovations and acquisitions, IBM has also announced new Smarter Commerce software offerings that meet a wide range of business demands:

- **Advanced Analytics -- WebSphere Commerce and Coremetrics web analytics** enables customers to gain faster insight from statistics, charts and dashboards to determine the effectiveness of their marketing programs, call center performance and cross-selling initiatives, making it easy to manage and enhance the customer experience.
- **Cloud Computing --** The new **Coremetrics Lifecycle** offering is a cloud-delivered product that helps IBM clients track key customer advancement milestones, allowing them to better target investments in marketing programs, content and products to improve results.
- **Cross-Channel Commerce --** Through the integration of **Coremetrics Intelligent Offer** and **WebSphere Commerce**, organizations gain immediate insight into online buying trends, while **Sterling Configure, Price, Quote** with embedded business intelligence by **Cognos** helps companies streamline the quote-to-cash process.
- **Social Business --** The integration of **Coremetrics Social Analytics** with **WebSphere Commerce** allows enterprises to measure the impact of social activity on their commerce website including social referrals and the usage of social features such as product reviews, enabling them to make better investment decisions in social programs.
- **Supply Chain Planning & Execution --** Through the integration of **WebSphere Commerce** and **Sterling Order Management**, IBM's Smarter Commerce enables businesses to better optimize inventory investments by providing enhanced visibility and intelligence around current inventory positions and sourcing options, resulting in improved fulfillment rates at a lower cost.

IBM's Smarter Commerce offerings are flexible and integrated solutions spanning the entire spectrum of commerce phases that include buying activities such as sourcing, controlling and procuring of goods and materials; targeted and personalized marketing capabilities across all customer interactions; sales and fulfillment of products and service across all channels; and service, responding to all customer needs throughout the relationship.

The challenges of commerce today create new opportunities for clients to use Smarter Commerce in serving their customers by:

- Better integrating marketing campaigns across multiple channels: Advanced advertising capabilities allow customers to optimize search results and search engine marketing associated with a specific marketing tagline as well as enhance awareness of marketing campaigns through customized landing pages with specific online product promotions.
- Increasing supply chain intelligence and inventory-shifting promotional opportunities: Using supply chain and inventory management capabilities, businesses can react to an unseasonably warm winter in one part of the country simultaneous with an unusually cold spell in another geography by offering a discount on excess coat inventory in the warm area while

moving some of that excess inventory to be sold in the colder area where demand is higher.

- Ensuring brand loyalty by providing a consistent and unified cross-channel consumer shopping experience: The process for buying a new television involves multiple steps. A social networking site presents an advertisement that has been targeted for a specific shopping behavior and profile using analytics software. This ad links to a Web site where consumers can make the purchase as well as check on order status from multiple channels such as a smart phone. When the buyer picks up the TV, the clerk uses commerce software to provide recommendations on the best DVD player to go with the television purchased.

Bringing all these elements together to help better manage commerce is a priority for businesses. A recent IBM Institute for Business Value survey of more than 500 economists worldwide estimated that much of the \$15 trillion in system inefficiencies on the planet comes from waste in inventory backlogs, failed product launches, wasted materials and ineffective marketing campaigns.

"The commerce process that used to be just about 'selling' has become a much broader effort that involves new ways of marketing to, serving and maintaining the brand loyalty of members," said Shamim Mohammad, Vice President of IT, Marketing, Merchandising, eCommerce and Supply Chain Solutions, BJ's Wholesale Club. "The new Smarter Commerce offerings from IBM will help us meet the increasing demand of our members who are now using things like social media and mobile access to gain greater power and control of the commerce process."

For more information, visit: <http://www.ibm.com/press/smartercommerce>.

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