

# BAO Flash Demo Script

	<p>Watson—an astounding example of IBM innovation and research designed to have the ability to parse a problem across thousands of processors and arrive at the highest probability correct answer in less than three seconds.</p>
	<p>Business analytics and optimization solutions from IBM work like Watson—enabling you to find answers you need to win.</p>
	<p>What could you achieve if ...          ... you had all the answers BEFORE anyone else?          ... you knew HOW you were doing and WHY you were doing it?          ... you knew WHAT you should be doing to WIN?</p>
	<p>Imagine what you could achieve in business with this level of analytic capability.</p> <p>The power to pull together many sources of data in real time, discover actionable insights and optimize your business results.</p>
	<p>Now is the time.</p>

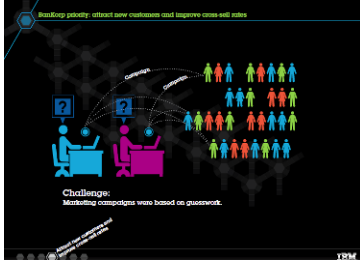

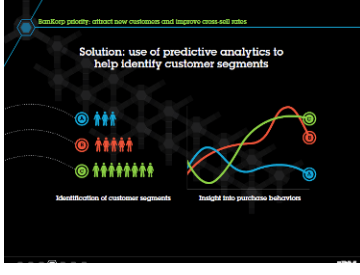
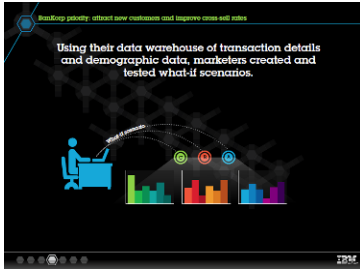

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 <p><b>Now is the time</b> to enable people with trusted, relevant information and business analytics.</p>	<p>We're going to walk you through how you can achieve this by enabling people with trusted and relevant information and business analytics.</p>
 <p><b>BanKorp</b> is a global financial institution with financial services, retail and commercial bank of business.</p> <p><b>New lines of business</b></p> <ul style="list-style-type: none"> <li>New opportunities to customers</li> <li>New challenge</li> <li>New clientele</li> </ul>	<p>BanKorp is a global financial institution in the financial services, direct and commercial banking business.</p> <p>Recently BanKorp reorganized around newly acquired lines of business. These new lines of business and new offerings created new opportunities. With a broadened portfolio of products and services, BanKorp can look to differentiate itself in the marketplace as a full service, one-stop shop; increase its cross-sell opportunities; and attract a new range of clientele.</p>
 <p><b>BanKorp's business challenge:</b> Business units have their own disparate and system silos.</p> <p><b>New lines-of-business can't communicate.</b> They need to be brought together to better achieve BanKorp's business priorities.</p> <p>Financial services: Call center, Current bank, Home and car insurance</p> <p>Investment management: Customer relationship management, Business: Credit risk management</p>	<p>But these new lines of business also bring challenges. They have their own disparate and system silos, websites, processes, and data sources.</p> <p>So when these new lines of business can't communicate—for example, when the call center from the financial services division can't connect with the content stores from home and car insurance, or customer relationship management from investment management can't link with the databases from credit risk management—there is no opportunity for cross-sell or up-sell, the risk quotient is higher, and customer satisfaction goes down.</p> <p>These disparate and system silos need to be brought together to better achieve BanKorp's business priorities.</p>
 <p><b>BanKorp's business priorities:</b></p> <ul style="list-style-type: none"> <li>Improve customer loyalty and retention</li> <li>Attract new customers and improve cross-sell rates</li> <li>Reduce risk and fraud and manage headcount</li> </ul>	<p>BanKorp had the following business priorities:</p> <ul style="list-style-type: none"> <li>Improve the customer service experience to build loyalty and retain customers</li> <li>Attract new customers and improve cross-sell rates</li> <li>Reduce risk and fraud and manage headcount</li> </ul>
 <p><b>BanKorp's priority: improve customer loyalty</b></p> <p>New lines-of-business silos and processes can't integrate, and call center representatives have a limited view of customers.</p> <p>Financial services, Home and car insurance, Investment management, Credit risk management</p>	<p>To improve customer loyalty, BanKorp's challenge was to increase customer satisfaction, which was at an all-time low.</p>




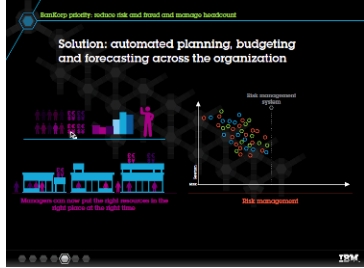

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	<p>BanKorp had identified that customers were frustrated with the lack of personalization and inability of call center representatives to respond to their unique needs.</p>
	<p><b>BanKorp's solution:</b> To create a single view of the customer, BanKorp integrated information from multiple customer databases in real time. The representatives used highly visual dashboards that gave them a comprehensive, at-a-glance view of customer profiles and history. Smart search capabilities enabled the representatives to quickly and accurately answer questions and offer new solutions.</p>
	<p>The outcome was significant.</p> <p>Through enhanced customer understanding, overall customer satisfaction and demand was dramatically improved.</p> <p>BanKorp experienced a 40 percent growth in its programs and a US \$7.4 million improvement in performance and gained an enhanced understanding of the customer with the ability to make decisions in real time to optimize customer interactions.</p>
	<p>BanKorp then applied this new capability to attract new, high-value customers.</p>






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 <p>Marketing priority: attract new customers and improve cross-sell rates</p> <p>Challenge: Marketing campaigns were based on guesswork.</p>	<p>This created a new challenge.</p> <p>Marketing was spending money on campaigns using guesswork strategy and trial and error with no coordination between business units ...</p>
 <p>Marketing priority: attract new customers and improve cross-sell rates</p> <p>Challenge: There was no way to link marketing activities to results.</p>	<p>... and no way to link marketing activities to results.</p>
 <p>Marketing priority: attract new customers and improve cross-sell rates</p> <p>Solution: use of predictive analytics to help identify customer segments</p> <p>Identification of customer segments    Insight into purchase behaviors</p>	<p>BanKorp's solution:</p> <p>To use predictive analytics to identify customer segments and gain new insight into their purchase behaviors for more targeted campaigns and better outcomes.</p>
 <p>Marketing priority: attract new customers and improve cross-sell rates</p> <p>Using their data warehouse of transaction details and demographic data, marketers created and tested what-if scenarios.</p>	<p>Before launching campaigns, marketing managers created what-if scenarios and tested them against a data warehouse of customer transaction details and online behavioral information.</p>
 <p>Marketing priority: attract new customers and improve cross-sell rates</p> <p>Optimal product and promotional mix determined</p> <p>Target    Benefits</p>	<p>This gave them the ability to determine the optimal product and promotional mix needed to attract new customers and cross-sell offerings. Interactive weekly reports enabled them to track their campaign effectiveness and measure target versus actual for the number of sales leads by products, revenue and new customer acquisition.</p>
	<p>The results for BanKorp were dramatic.</p> <ul style="list-style-type: none"> <li>• A 600 percent increase in cross-sell campaign uptake and an increase in customer response and win rates of more than 3 percent, dramatically improving profit growth</li> <li>• A more than 20 percent reduction in mailing</li> </ul>



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	<ul style="list-style-type: none"> <li>costs</li> <li>Customer surveys showing that customers now feel closer to the bank, resulting in higher customer loyalty, a willingness to add products to their portfolios and a reduction in customer churn</li> <li>Informed and collaborative decision making between marketing and sales teams</li> </ul>
	<p>Next BanKorp looked at improving operations with a clear view from executive levels to the front line to manage headcount and risk.</p>
	<p>BanKorp identified the following challenges:</p> <ul style="list-style-type: none"> <li>To grow, BanKorp needed to get the right resources in the right places while comprehensively and cost-effectively managing risk. Long annual budget cycles prevented managers from adjusting spending to respond to peaks and lulls in demand.</li> <li>The lack of a risk profile meant that time was spent on unprofitable customers and loan write-downs were high.</li> </ul>
	<p>BanKorp's solutions:</p> <ul style="list-style-type: none"> <li>Through automated planning, budgeting and forecasting across the organization, managers can now put the right resources in the right place at the right time to best service customers in the most cost-effective manner.</li> <li>BanKorp also implemented risk management, enabling it to control risk across the organization. Using risk tolerance levels, it managed exposure to loan losses, fraud, supplier defaults and customer write-downs.</li> </ul>
	<p>The outcome:</p> <ul style="list-style-type: none"> <li>Reduced risk and cost with accelerated payment collection</li> <li>collection</li> <li>Net Buyer Value Option US\$1.02 million</li> <li>Reduced days sales outstanding by 5 percent</li> <li>Reduced bad debt expense by 3 percent</li> </ul> <p>AND the bank has new visibility across the enterprise through to operations.</p>

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	<p>Analytics-driven organizations like BanKorp that implement a comprehensive approach to business analytics and optimization outperform the competition. Organizations that lead in analytics outperform those that are just beginning to adopt analytics by three times.</p>
	<p>Top performers are 5.4 times more likely to use an analytic approach over intuition.</p>
	<p>Business analytics and optimization from IBM comprises the following:</p> <ul style="list-style-type: none"> <li>• IBM Business Analytics software</li> <li>• IBM Information Management software</li> <li>• IBM expertise</li> </ul>
	<p>Business Analytics software and solutions include the following:</p> <ul style="list-style-type: none"> <li>• Business intelligence</li> <li>• Predictive and advanced analytics</li> <li>• Financial performance and strategy management</li> <li>• Governance, risk and compliance</li> </ul>
	<p>Information Management software and solutions include the following:</p> <ul style="list-style-type: none"> <li>• Data management</li> <li>• Enterprise content management</li> <li>• Information integration and federation</li> <li>• Information governance</li> </ul>

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	<p>And IBM has the expertise to achieve it all.</p> <p>IBM offers a virtually unmatched combination of expertise, methodology and solutions designed to enable your organization to leverage comprehensive business analytics and optimization solutions for long-term advantage.</p>
	<p>Business analytics and optimization from IBM: delivering the foundation, capabilities and expertise you need to outperform your competition</p>