

Business in motion

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Paris - IBM Client Center

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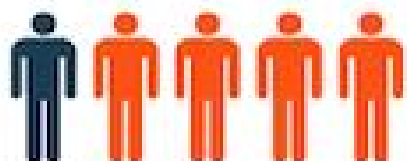




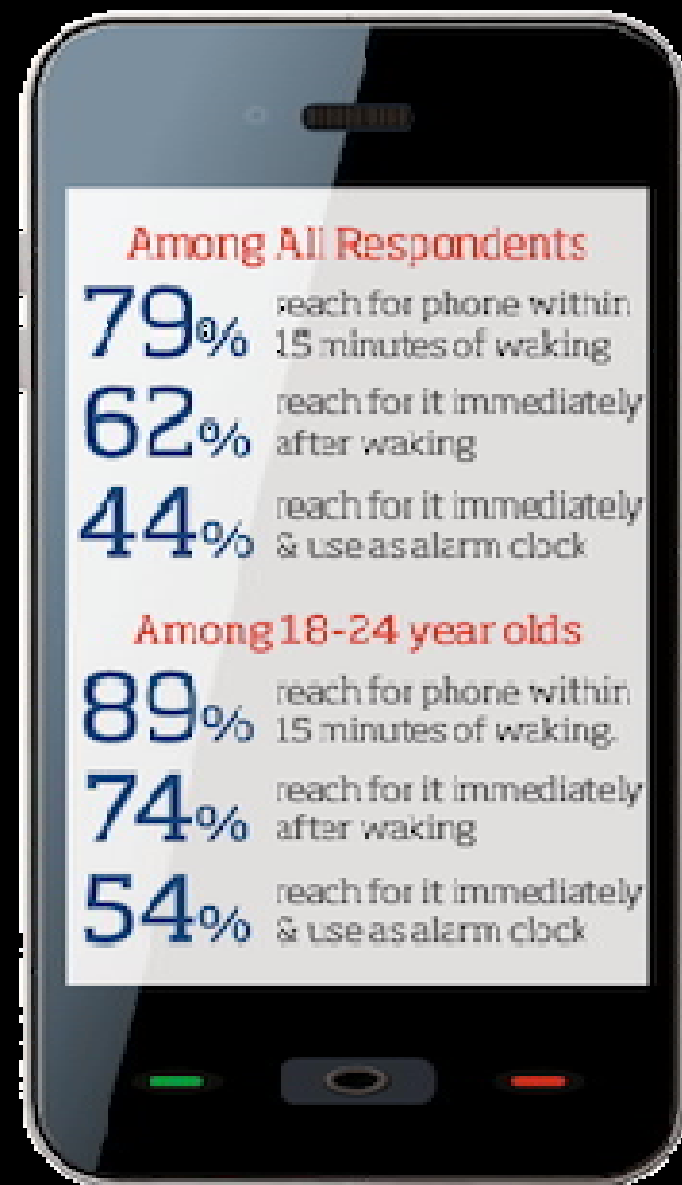
So what does this mean ?

What Do You Do When You First Wake Up ?

Our interaction with each other through our phones begins as soon as we awake. Within the first 15 minutes of waking up, 4 out of 5 smartphone owners are checking their phones and among these people, nearly 80% reach for their phone before doing anything else. These statistics alone drive home the utility of and reliance on smartphones.



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Agenda

- Enterprise - System of records vs System of engagements
- Technology - Mobile First



2020



Tech cycles tend to last ten years

Next Major Computing Cycle is behind the corner and will build on the actual one
Mobile Internet



Software will dominate the next tech wave

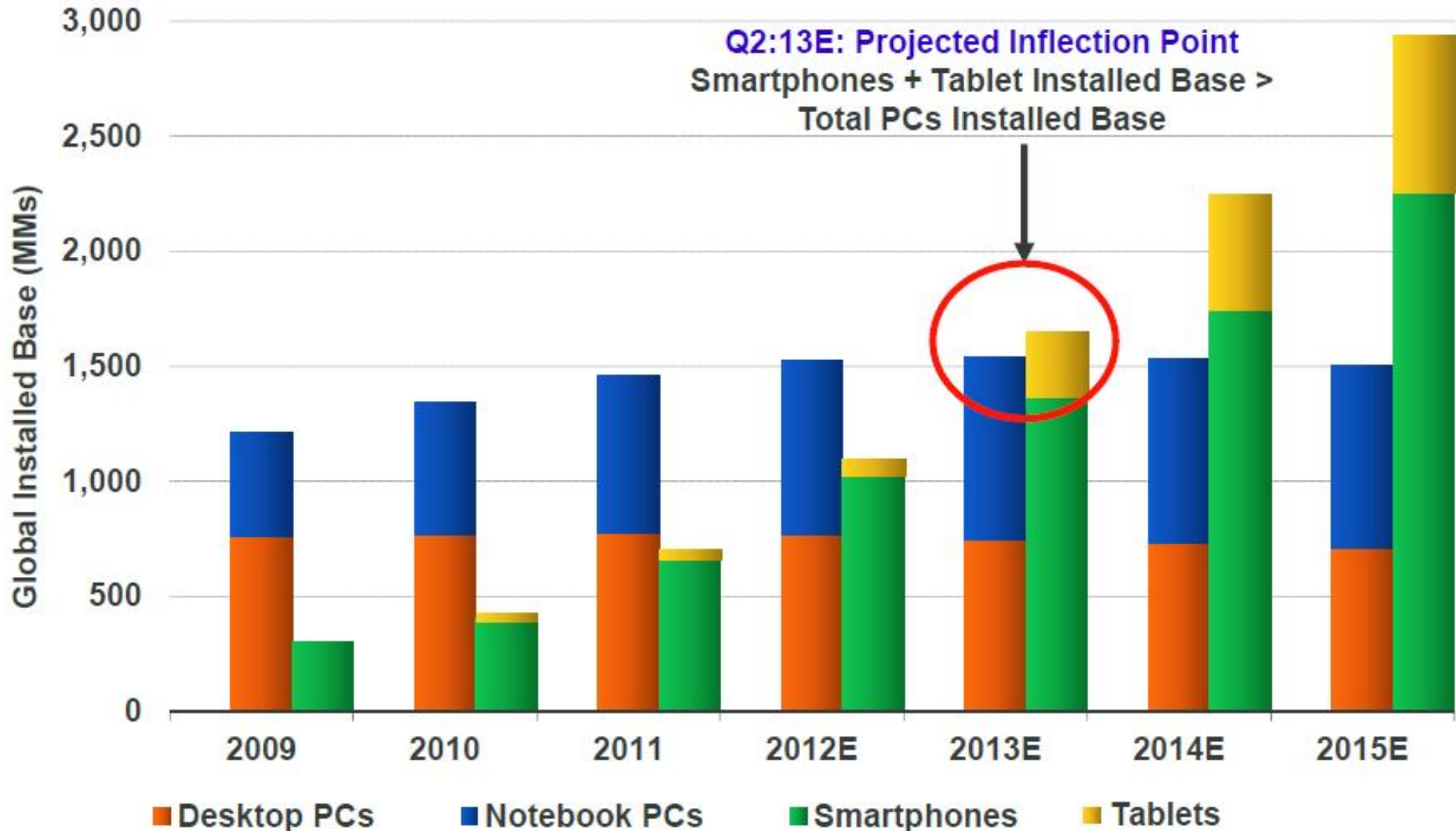


Google™





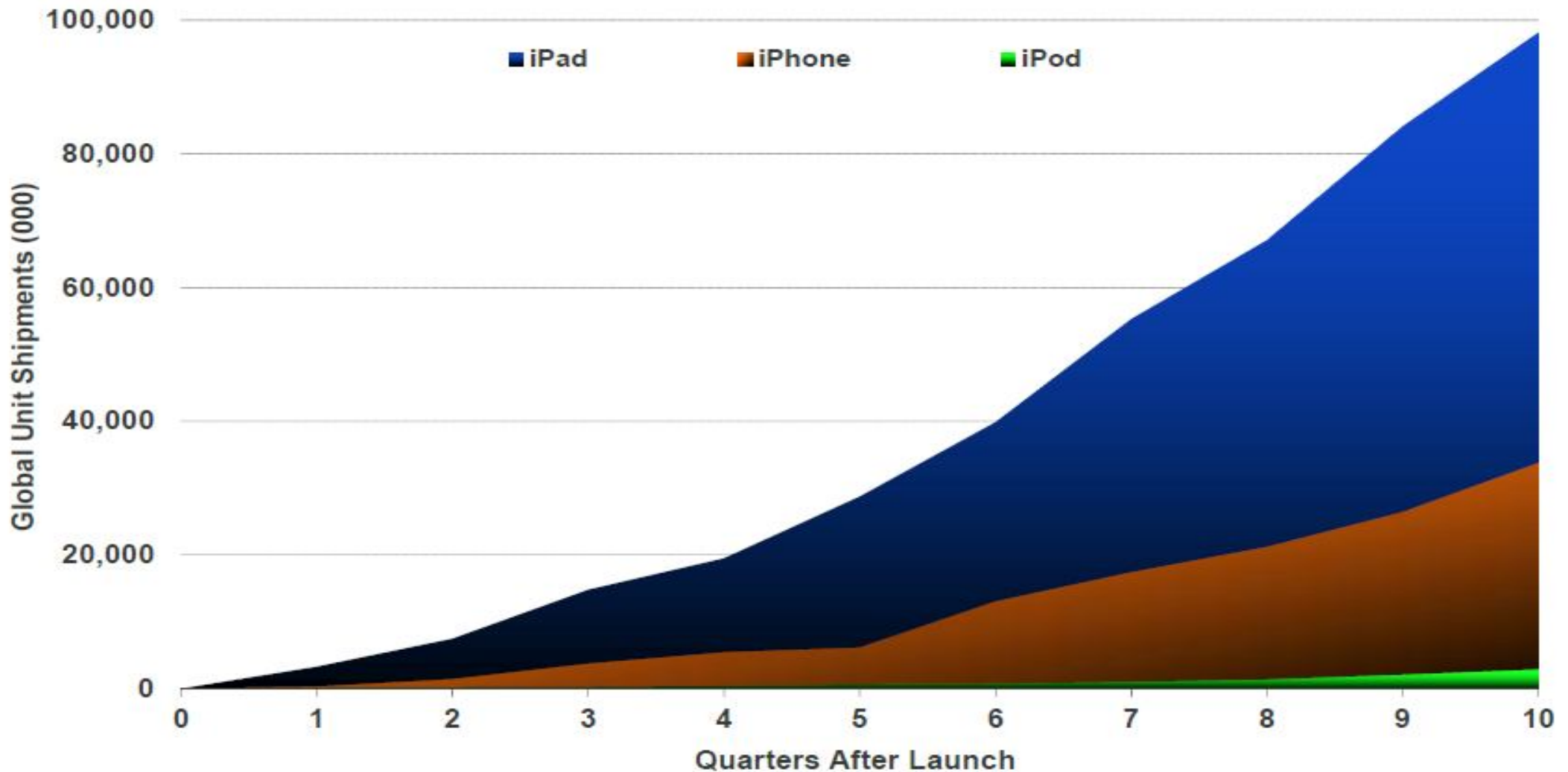
Global Installed Base of Desktop + Notebook vs. Smartphone + Tablets 2009-2015E





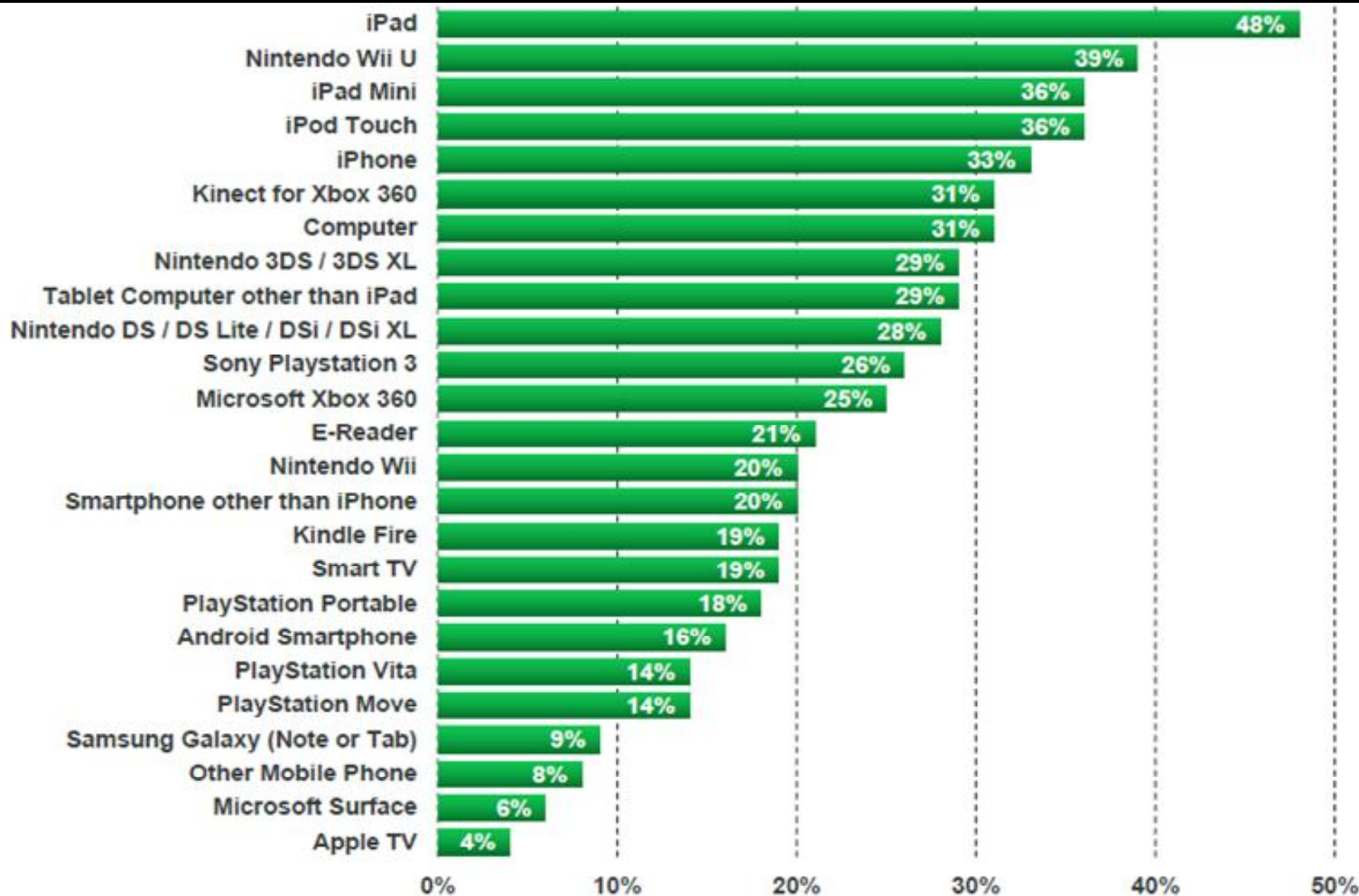
iPods Changed Media Industry, iPhones Ramped Even Faster iPad Growth (3x iPhone)

First 10 Quarters Cumulative Unit Shipments, iPod vs. iPhone vs. iPad





Interest in buying in next 6 months among USA kids ages 6-12





Bluetooth

~2B Bluetooth-Enabled Devices Shipped Globally in 2012E, Up 87x in 10 Years



Wi-Fi

~1.5B Wi-Fi Enabled Devices Shipped Globally in 2012E, Up 5x in 4 Years



Personal Server in Your Pocket + Sensors / Signals Uber Alles

How Many of You are Wearing a “Wearable” Now?

How Many of You will be Wearing a “Wearable” in 5 Years?



Top 5 Form Factors that Developers Predict They will Build Apps for in 2015.



Bathroom scale



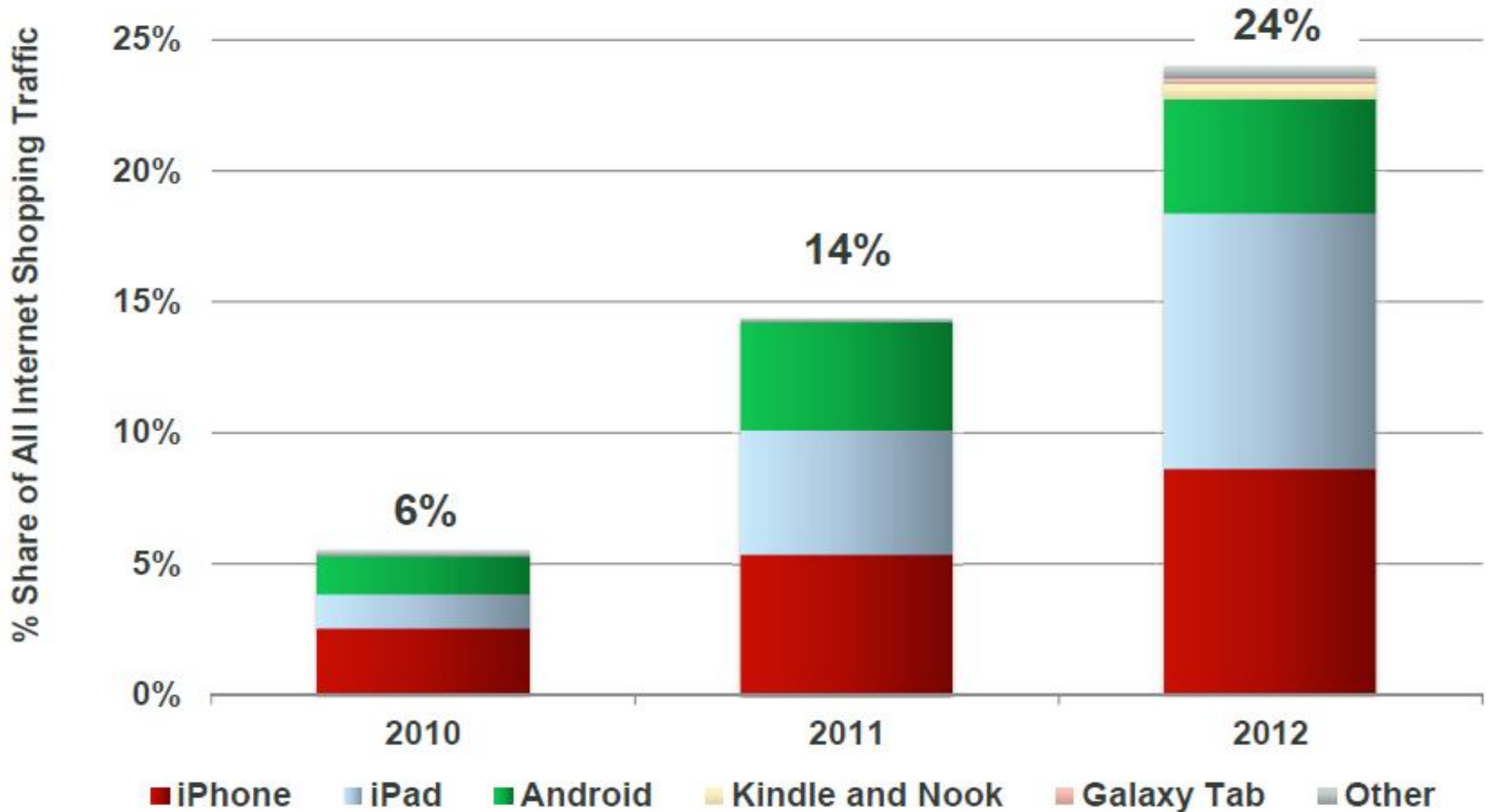


Mobile was a key driver in 2012 Black Friday and Cyber Monday holiday shopping

Source – IBM Coremetrics Retail Data – as published in 11/24/12 IBM Press Release



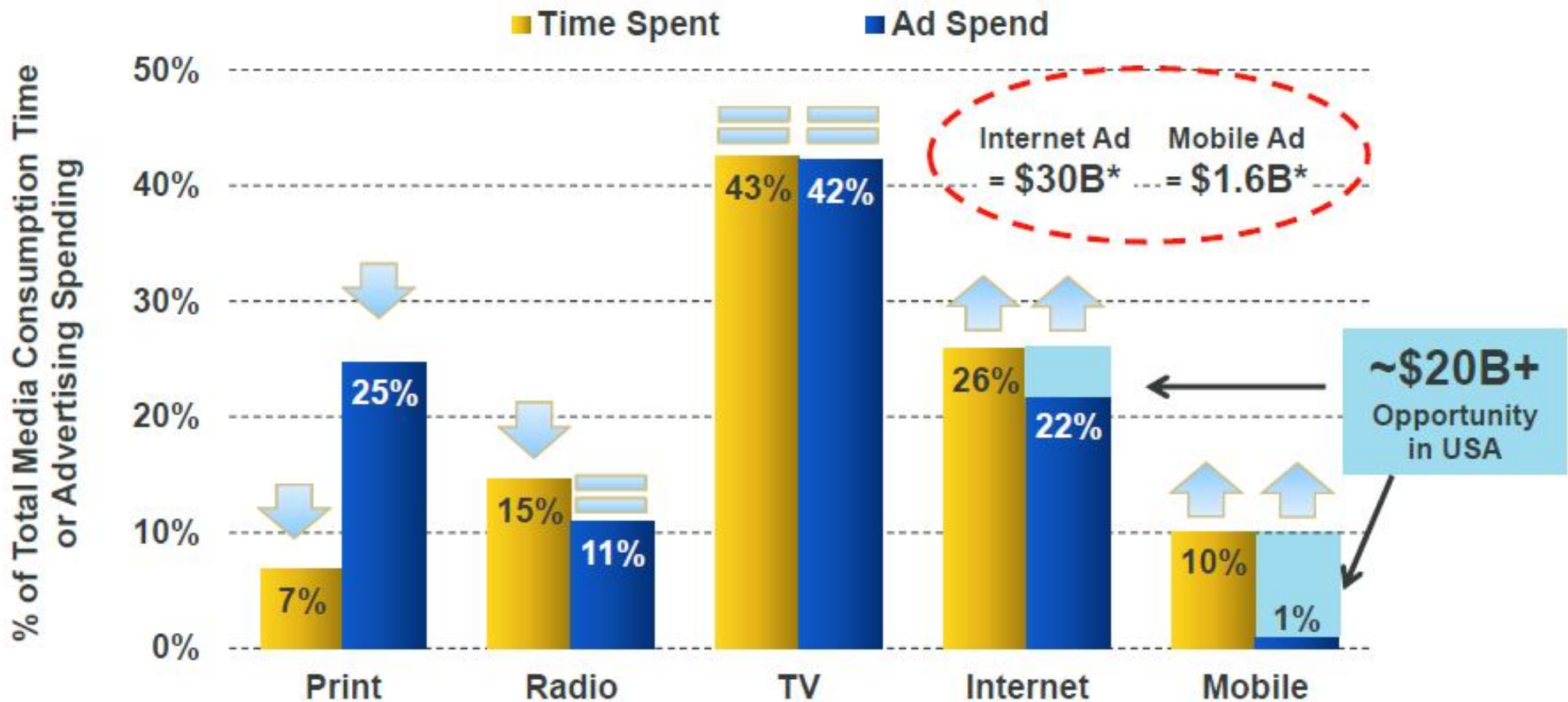
% of USA Black Friday Internet Shopping Traffic From Mobile+Tablet Devices 2010-2012





% of time Spent in Media vs % of Advertising Spending, USA 2011

% of Time Spent in Media vs. % of Advertising Spending, USA 2011





THEN...

**Physical Copies of Map in Car/
TV, Radio reporting Traffic Info**

NOW...

(Waze)

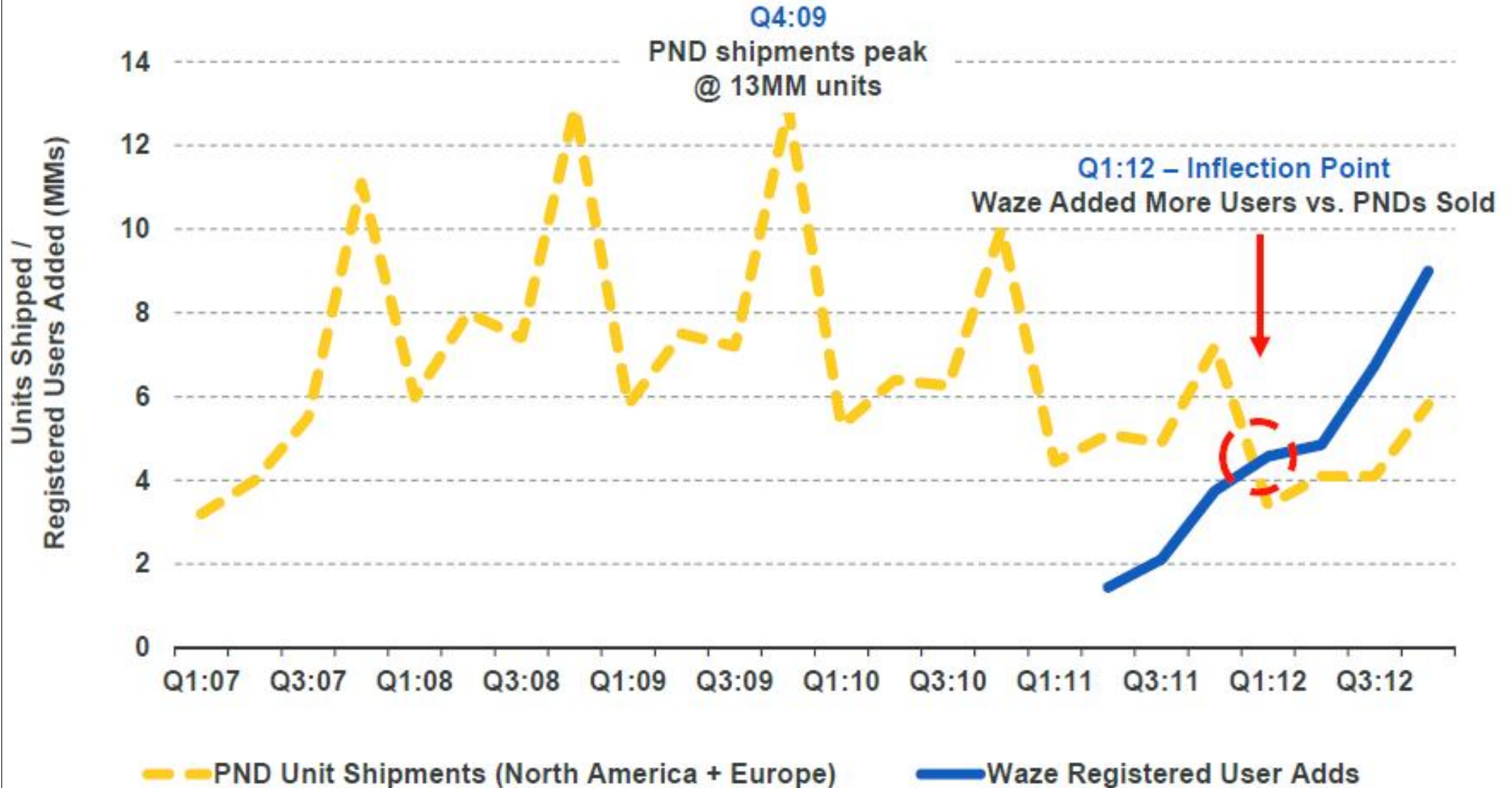
**User-Generated Digital Map /
Live Crowd-Sourced Traffic Data**

Google maps





Quarterly N. America + Europe Unit Shipments of Portable Navigation Devices (PND) vs. Waze Registered User Adds





THEN...
Piles of Print Copies

NOW...
(Flipboard)
More Content / Always Up-To-Date /
Personalized / Access Everywhere /
Interactive (Video + Audio) / Share



Your new  Flipboard

Instagram. Social search. Speed.



THEN...
Awareness Campaigns /
Physician Visits



NOW...
(Nike+ / Jawbone UP)
Always-On Tracking + Syncing +
Analytics / Quantified Self





Asset-Heavy Lifestyle Consumes



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- Market – The mobile revolution

- Technology - Mobile First





Enterprise IT: The current state

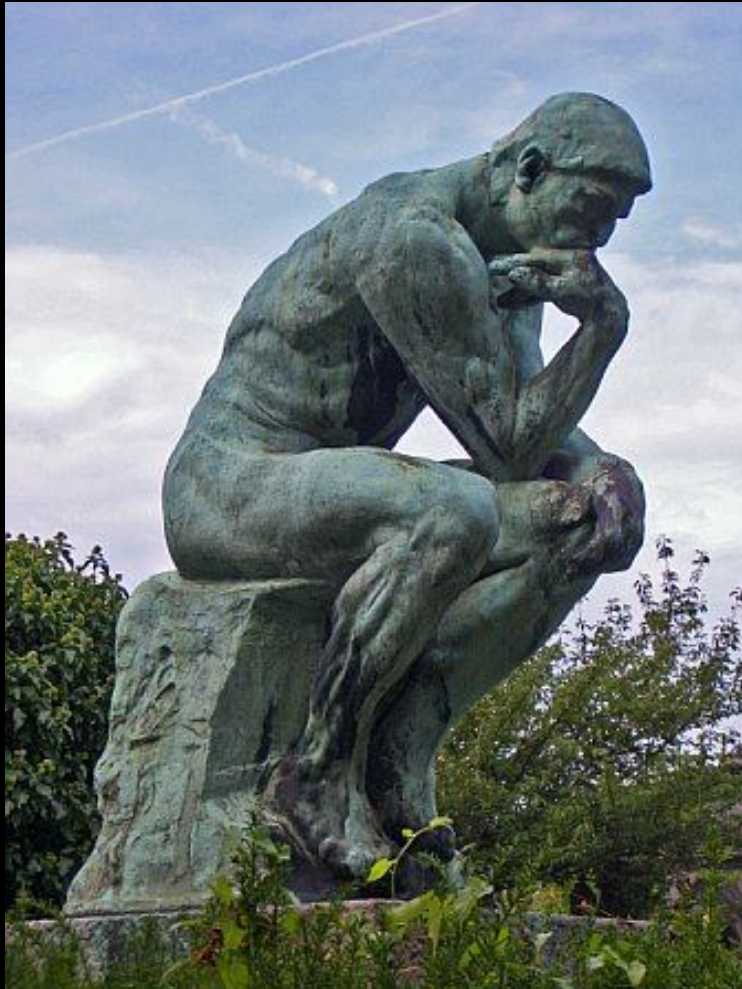
Systems of records are largely complete

- Transaction systems for global commerce...
 - ↳ Financials, Order Processing, Inventory, HR, CRM, Supply Chain
 - ↳ Mainframe, Minis, client-server, PC, Internet-enabled, SaaS
- Drove three decades of investment
 - ↳ Data centres everywhere
 - ↳ Database, OLTP, reporting and analytics
 - ↳ Network as transport mechanism
- Y2K put the capstone on this trend
 - ↳ Pulled forward a half decade of investment
 - ↳ Enterprise IT had go through a long “digestive” period



IT Innovation: For the Past Decade (2000-2009)

Consumers are king



**Enterprise IT
On Hold**



**Consumer IT
On Fire**



IT Consumerization



facebook®

Social



Google

Big Data



amazon
web services™


Cloud




Mobile




In the new computing era, we have moved from ...

Single transactions to  personalized **engagement**

Millions of PCs to  **billions** of mobile devices

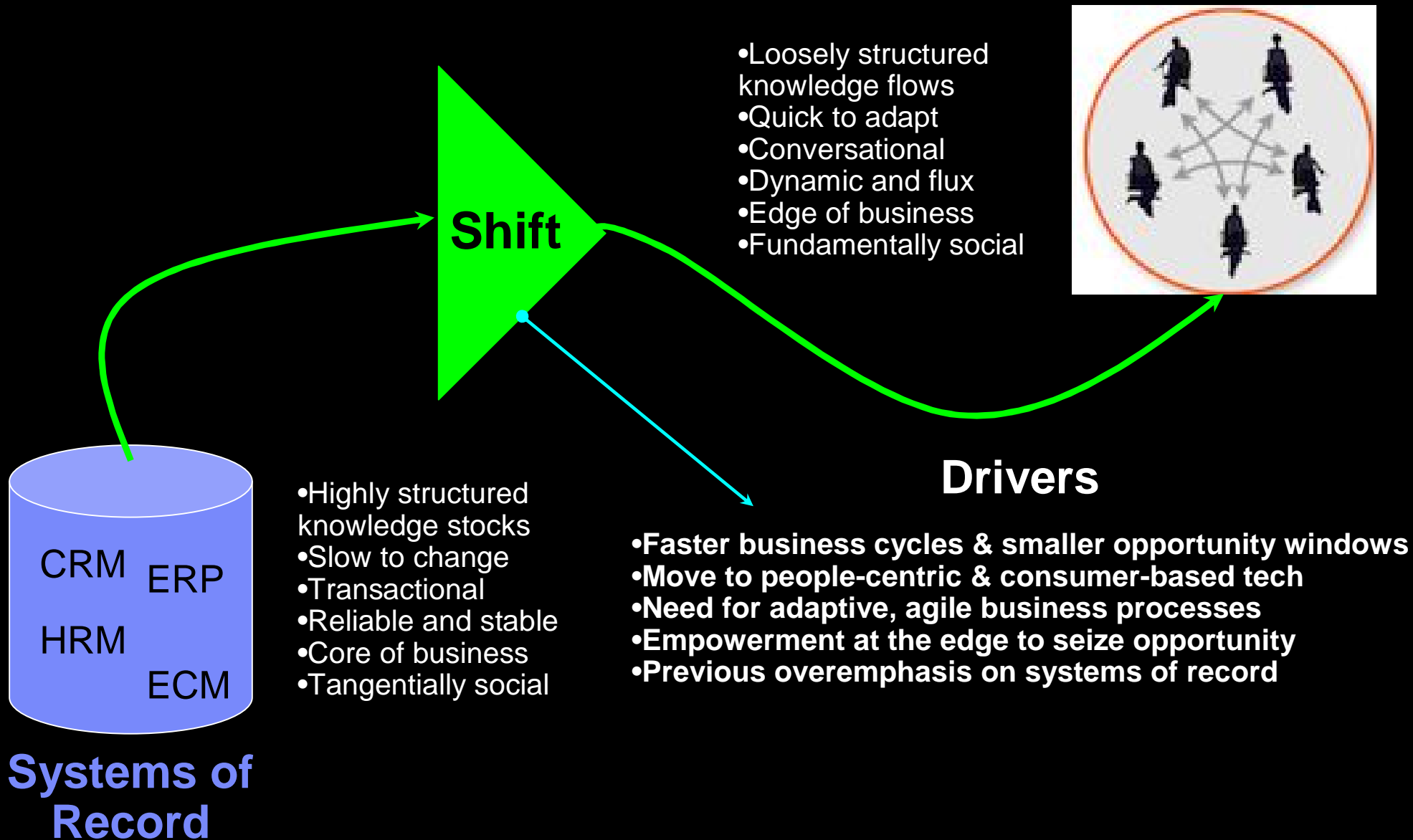
Structured data to  massive amounts of **unstructured** data

Static applications to  **dynamic** services

Rigid infrastructure to  an **elastic** cloud infrastructure

Reactive security  Intelligent, **proactive** protection

Shift is happening





Systems of engagements



Customers



Partners



Employees



Smart products

Systems of engagement touch people

- Serving customer, partners, and employees
- Enabled by smartphones, tablets, and smart products
- Focused on in-the-moment tasks and decisions

- Delivering in an individual's personalized context
- Providing analytics-driven experiences

- Leveraging social and cloud technologies
- Short, rapid, iterative release cycles

Systems of record host processes

- Targeting employees
- Supported by ERP packages and large databases
- Recording transactions and accounting data as part of core business processes
- Maintain state, status, and history
- Long development and deployment cycles



New technology competencies are needed for Systems of Engagements

Factor or competency	Systems of record (PC era)	Systems of engagements (Mobile age)
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ADR Studios/AP



Mobile First





Mobile First is forcing companies to rethink their business models

Omni channel

The physical, mobile, social, video, and web channels come together to enable a seamless experience that is responsive to a customer's constantly-shifting context

Mobile first should provides a seamless experience across all channels (e.g., retail, banking, call centers).

Context Fusion

Apps are used to perform a single task, based on the user's context (role, mobile event, location, ...)

App-centric

Users increasingly demonstrate a preference for apps that are downloaded from a single trusted source over mobile web browsing

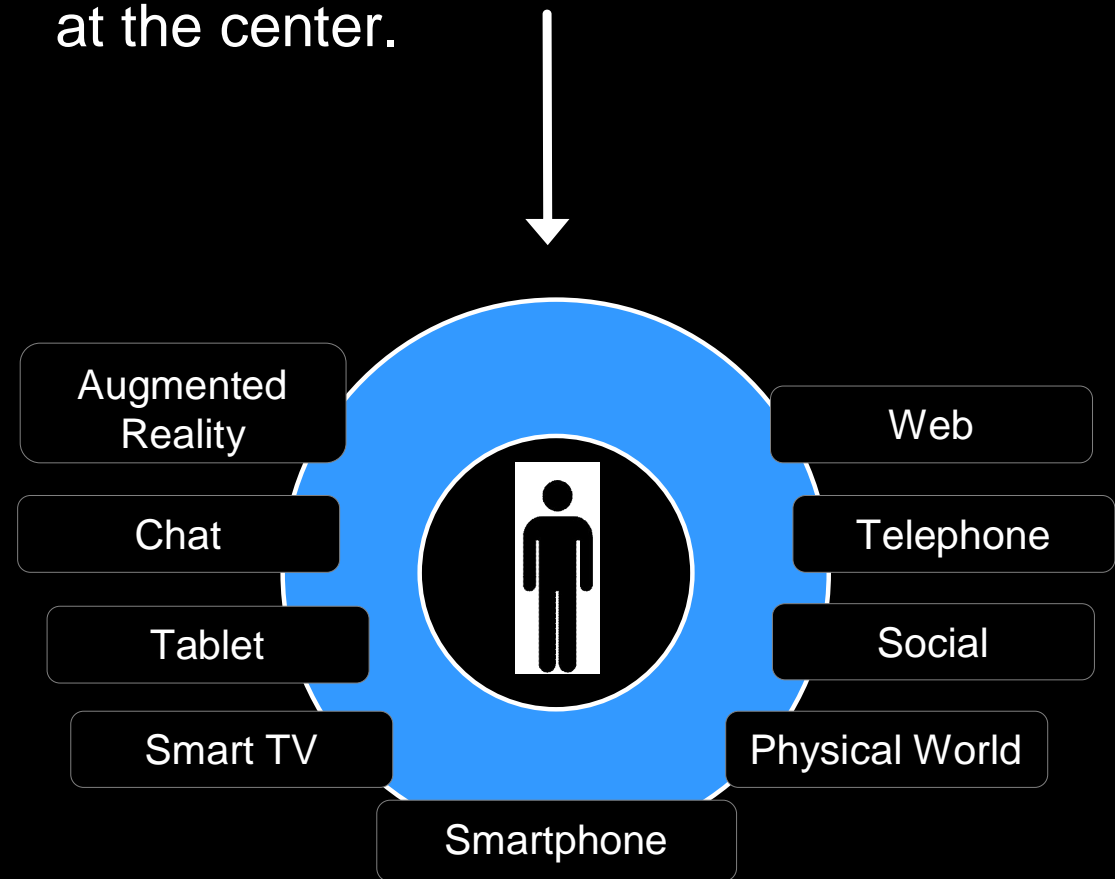
Activity Bursts

Average app usage is 72 seconds

Apps Chained

50% of mobile sessions are composed of sequences of apps, manually "integrated" by the user

Mobile First is about re-imagining businesses around constantly connected employees and customers
New consumption patterns place users at the center.





Mobile First is enabling companies to re-imagine their business models to capture new value

Square

Transforms a mobile device into a full POS system

No up front costs

Annual growth rate of 1000%

Instagram

Photos are about sharing of memories

Simply snap and share

1.3 million photographs of Hurricane Sandy uploaded by “citizen journalists”

Pandora

Based on huge audio pattern database allows the creation of a personalized radio station

800,000 tracks from 80,000 artists in its library, and 80 million users



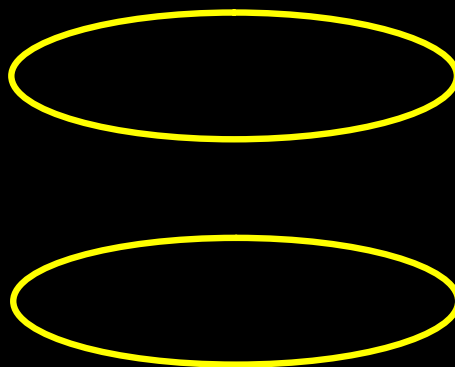
Businesses are struggling with unique mobile challenges

- Fragmentation** of devices and platforms
- Speed** and frequent iteration of the mobile lifecycle and continuous delivery
- Connectivity** to back-end systems and cloud
- Security** to protect corporate data and managing BYOD
- Mobile Context** taking advantage of unique capabilities such as geo-location
- Delivering** high quality apps and rapidly incorporate customer feedback



...and under a huge time pressure

Mobile app time to market



Mobile development efforts likely need a different development approach
Adopt Agile Development approach is necessary but not sufficient



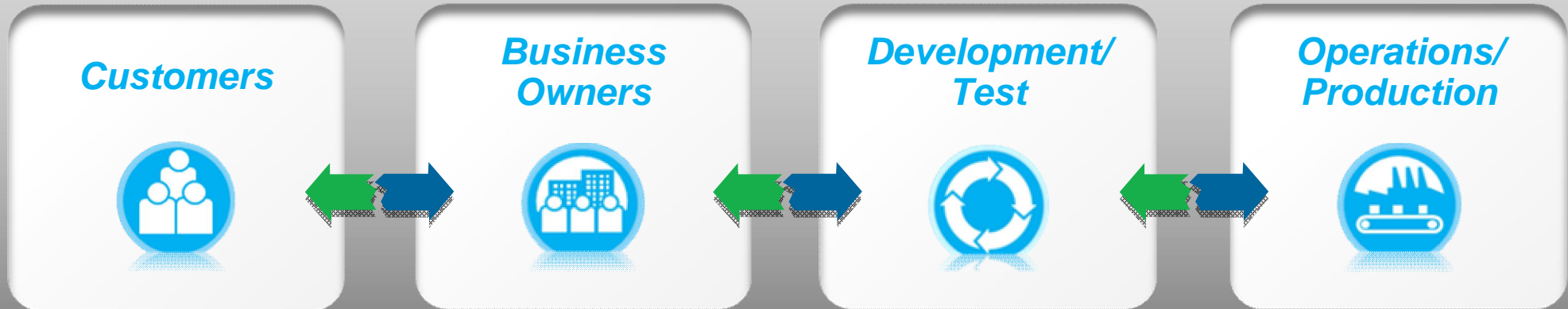
Challenge: meet time pressures with quality software

Development are motivated by rapid change and operations are motivated to keep the environment stable

Costly, error prone manual processes and efforts to deliver software across an enterprise

Slow deployment to development and test environments leave teams waiting and unproductive

Upgrade risk due to managing multiple application configurations and versions across servers



41%

experience development delays

34%

experience deployment delays

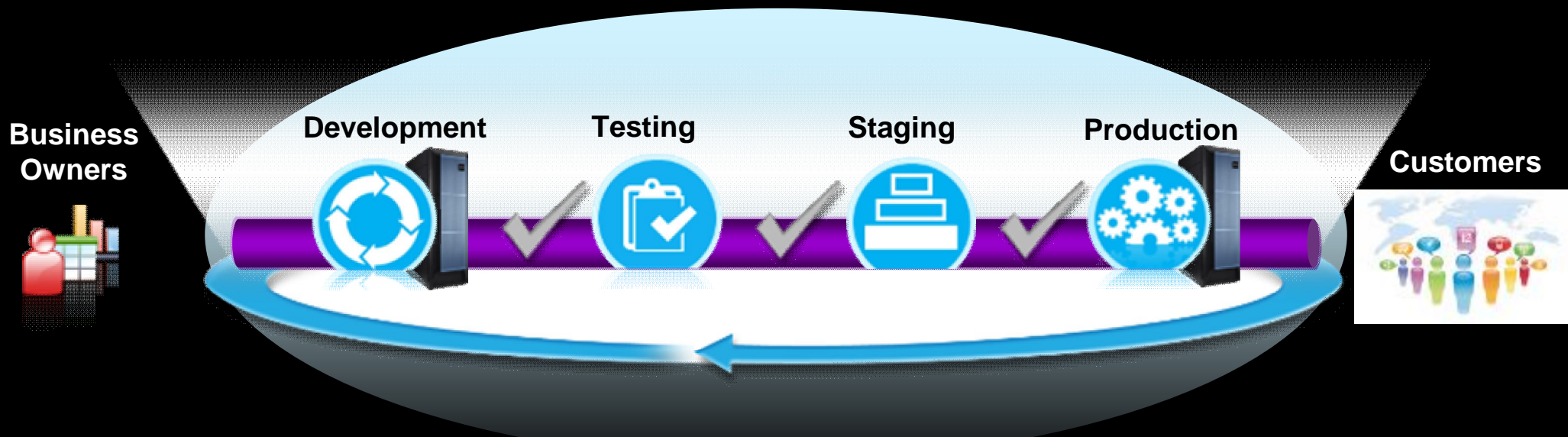
45%

experience production delays

4-6^{weeks}

to deliver code changes

Solution: A Continuous Delivery Pipeline



Ensure applications are production-ready throughout the lifecycle and can be released at any time while minimizing rollback due to quality issues

- Validate on more production-like conditions during development
- Automate hand-offs/promotions to increase velocity through the different stages
- Virtualize testing to speed up the needs for every test resources
- Standardization on processes and assets between Dev and Ops



Business Planning

IBM Rational FocalPoint

Collaborative Development

IBM Rational Build Forge

uDeploy

IBM Rational Team Concert

Continuous Testing

IBM Rational Quality Manager

IBM Rational Test Workbench

GREENHAT
An IBM® company

Continuous Release

Application uRelease Automation

IBM SmartCloud Provisioning

IBM Workload Deployer

IBM Pure Systems

Continuous Monitoring

IBM SmartCloud Application Performance Management

IBM SmartCloud Continuous Delivery

Continuous Delivery



Open Lifecycles Integration Platform



IDEA

Let the store come to people!



You Can Walk Out Your Door...
Clothes on Your Back
Cash in the 'Bank'
a Charged Mobile Device...
& Happily Go a Very Long Way



