

Dynamic business network solution – from B2B integration to channel expansion

2011/03/03

Chia Chong Hai, Singapore, IBM

Sterling Commerce

An IBM Company



Executive 100



Top 100 Logistics IT Provider



Top 100 Provider



100 Great Supply Chain Partners for 2009



PM 100 by Managing Automation

Founded in 1975

Headquartered in Columbus, OH

2,500 employees world wide

More than 18,000 customers world wide

Recognized as a leader by key analysts in B2B integration and cross-channel solutions

Sterling Business Integration Suite

Sterling Selling and Fulfillment Suite

Offers great flexibility of deployment with Managed Service and Software as a Service (SaaS) options



Sterling commerce – Marketing Leading Cross Channels and B2B Integration Solutions

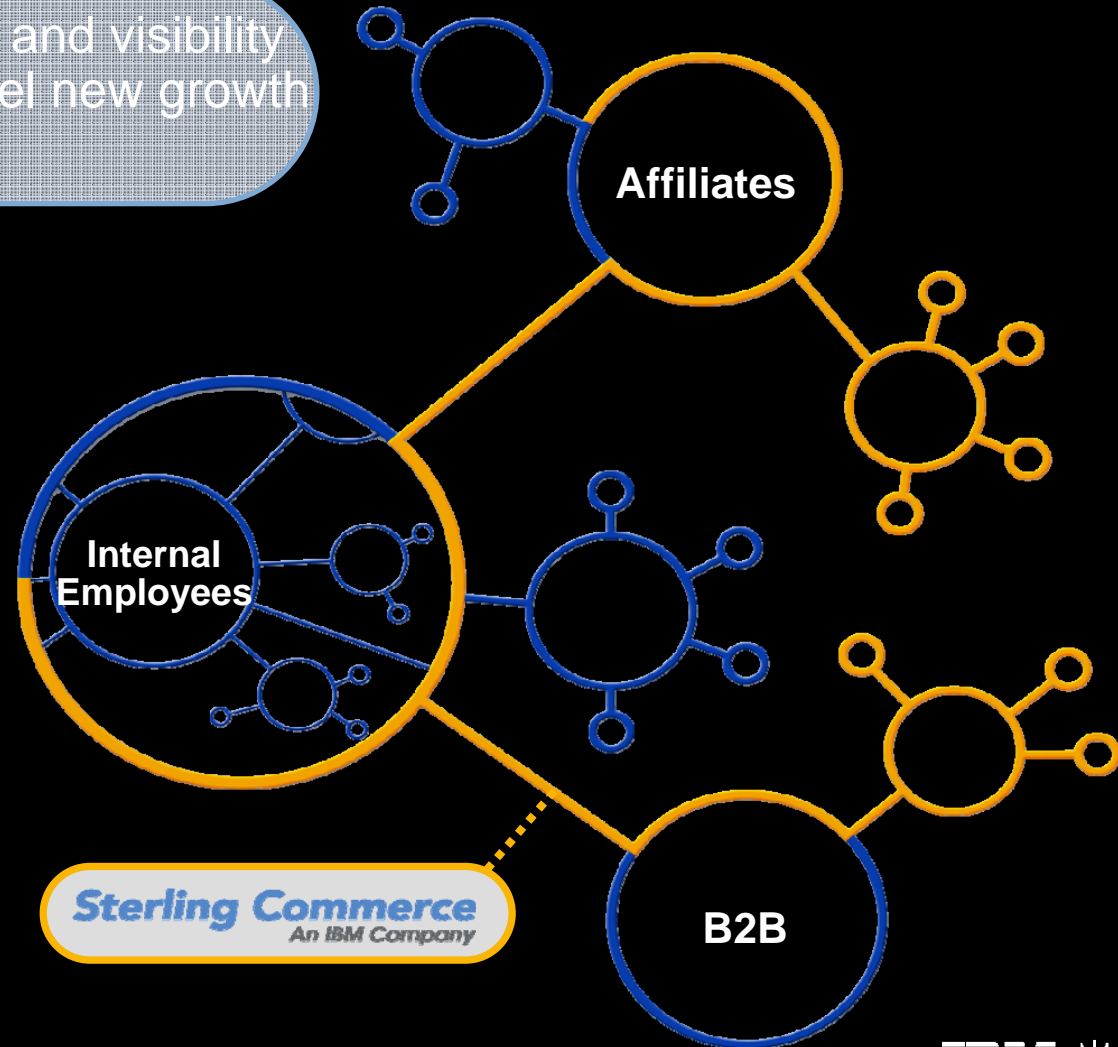


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Increase control over, flexibility with, and visibility into critical business processes to fuel new growth while managing costs

Improve agility through **end-to-end integration** to seamlessly extend SOA transaction processing and management across trading networks

Enhance the **customer experience** by optimizing **selling and fulfillment** processes across all channels



Today's CEO's Seek to Manage Complexity and Increase Agility

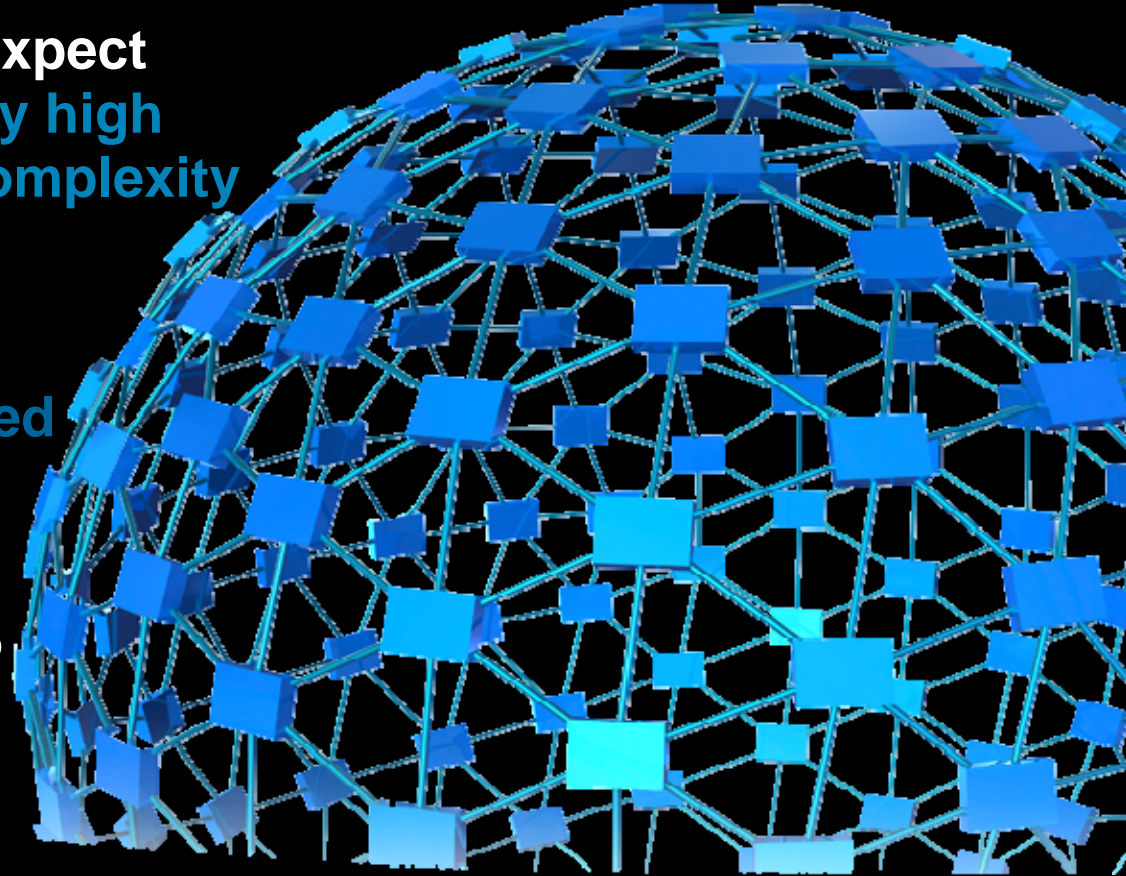


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80% Of CEO's expect high or very high levels of complexity

50% Of CEO's feel prepared for expected complexity.

50% Of CEO's expect to address complexity through increased speed, flexibility and global integration.



Managing Complexity – Managing One Customer's Challenge



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\$12.1 Billion in Revenues

960,000 Products

449,000 Customers

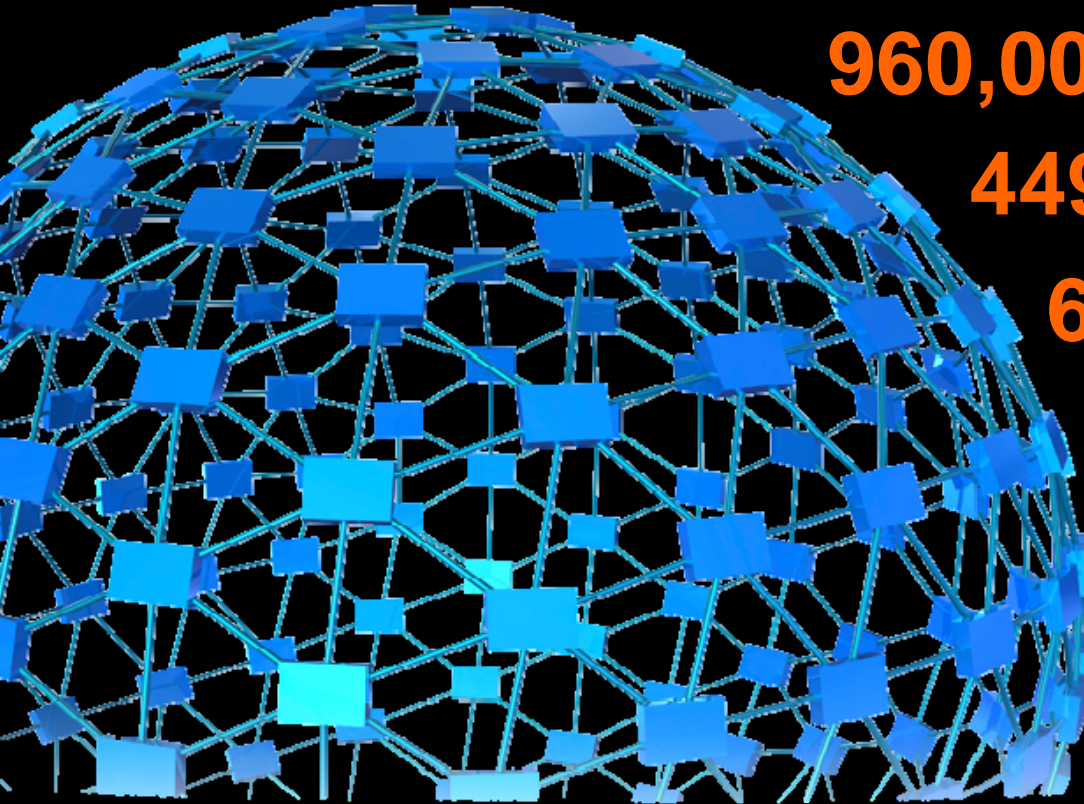
62,000 Employees

12,000+ Distribution/MRO Outlets

1,200 Markets

298 Manufacturing Plants

135 Divisions

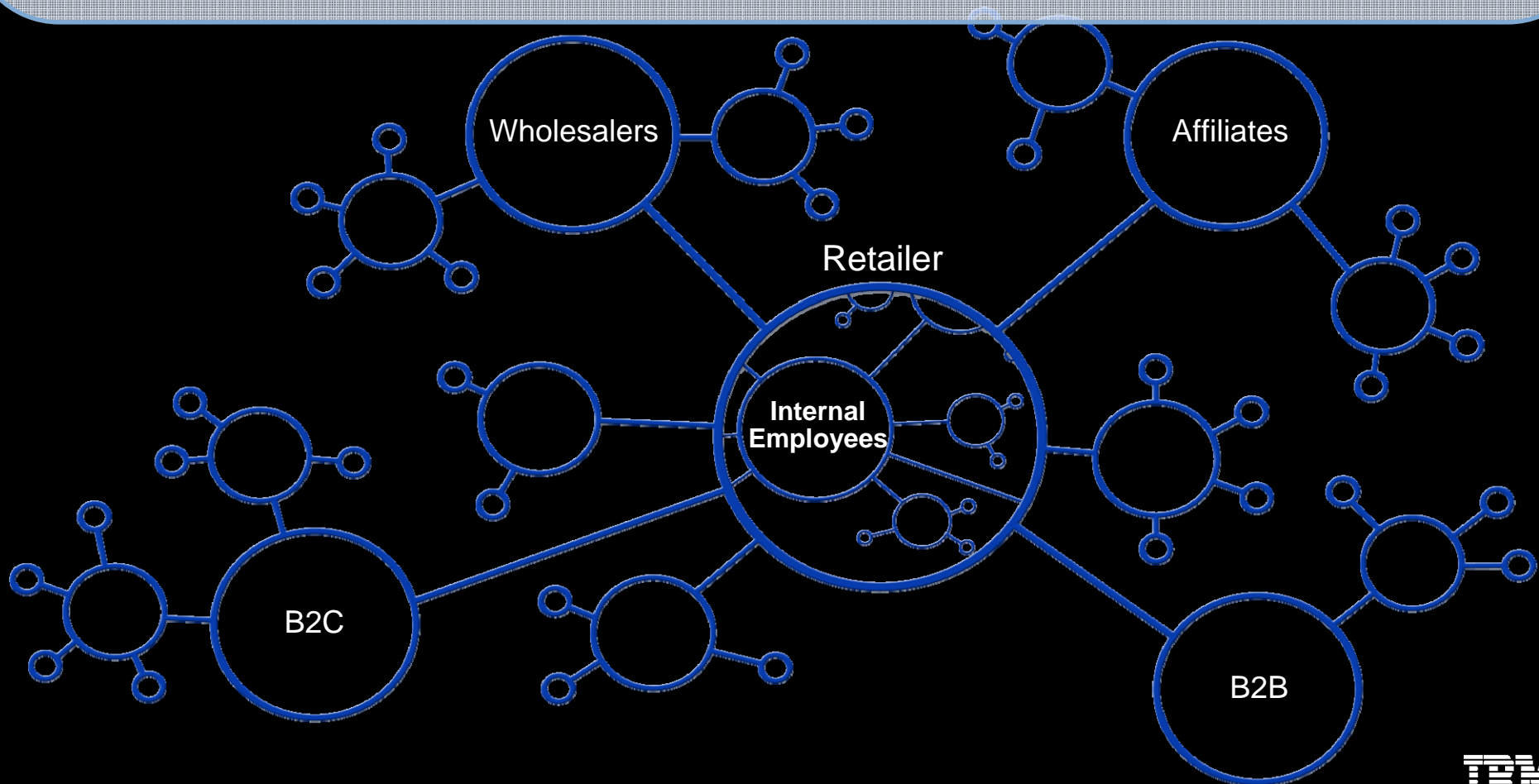


The Modern Enterprise is a Network of Complex Interactions



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Together, IBM and Sterling Commerce help clients manage complexity and improve agility with Industry leading technology and services for cross-channel commerce and integration across trading networks.



IBM and Sterling Commerce



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Enable dynamic business networks through better integration, interaction, and execution across internal operations and extended value chains

- ➔ Enhance the customer experience... by provide a unified marketing, selling and fulfillment capability across sales channels
- ➔ Improve execution, management, and visibility of business transactions... through seamless and secure integration of customers, partners and suppliers




Achieving a Dynamic Business Network Unlocks Significant Opportunities



A leading provider of teaching, learning, and research solutions grew direct-to-consumer commerce revenues year over year by

70%



An international transportation company reduced partner integration time by more than

95%



A retailer achieved ROI in 6 months, reducing message latency by more than

99%

Break down silos to increase business agility and profit from complex and changing business environments

With Sterling Commerce, IBM is now the leader in B2B integration solutions



B2B Integration extends and compliments IBM's ESB portfolio for Multi-enterprise integration

- **Sterling Integrator** will provide the foundation for IBM's B2B Integration Solutions
- **The Sterling Collaboration Network** is strategic to IBM, leveraging the power of the network to provide differentiated B2B solutions
- **Value added Collaboration Network offerings** for trading partner community development, onboarding and management





With Sterling Commerce, IBM now offers Comprehensive Managed File Transfer Capabilities



Addressing multiple use cases and scenarios for both internal and multi-enterprise file transfer

- **Sterling File Gateway** provides broad file transfer protocol support, management and visibility
- **Sterling Connect Direct** provides peer-to-peer file transfer optimized for high-volume data delivery of files within and between enterprises
- **For comprehensive file transfer needs**, Sterling File Gateway will be offered as the central file transfer environment with “cartridges” for MQ FTE and Connect:Direct extensions



Cross-Channel Commerce



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- **Improve** customer satisfaction and loyalty by enhancing the customer experience with seamless cross channel e-commerce
- **Deliver** a rich customer and partner experience by extending a common set of business services across all points of interaction
- **Effectively** manage orders across the extended enterprise and optimize complex order fulfillment and logistics processes

Sales,
Marketing,
Fulfillment



Supplier



Sterling Commerce
An IBM Company

Outlet



Capabilities available in a variety of delivery models fit for purpose (on premises, as-a-service or hybrid)



69% percent of consumers who buy mostly online **visit social networking sites**, while **50%** have listened to **podcasts** and **49%** have **blogged**

* *Pricegrabber*

Social Commerce is about...



Listening



Engaging



Participating



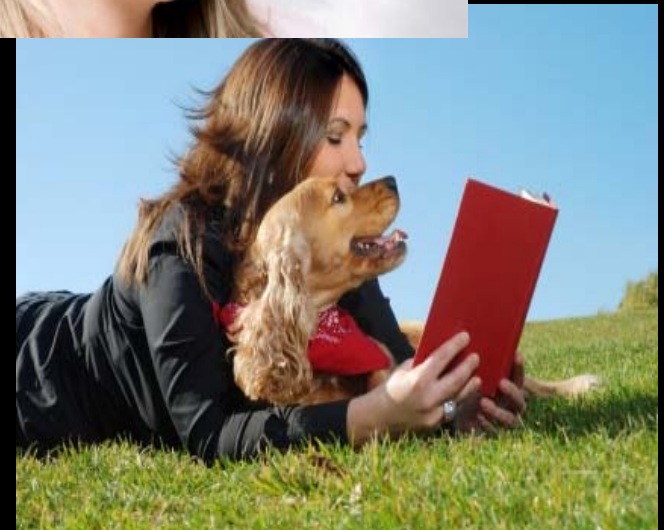
The key is not telling them a story – but enabling them to tell it

Social Commerce is about...

- Making your brand participatory
 - Engage your customer and get them involved
 - Give them a reason to come back and spend time on YOUR site
 - Bringing your brand chatter to your site
 - Provide all the information necessary to research, compare, make a decision and complete the transaction with YOU
 - Increased cart conversion rate
 - Capitalize on impulse buying
 - Reduce return rate

Social Commerce is about...

- Listening to your customers
 - Make inventory decisions based on customer feedback
 - Make changes to website features
- Enhancing the shopping experience



Social Commerce is about...



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- Rewarding customers who get involved and participate
 - Offer super reviewers coupons and offers
 - Incentivize community participation with loyalty points
- Turning your customers into brand advocates





WebSphere Commerce

- Integrated Product Blogs
- Social Profiles
- Photo and Video Gallery
- Precision Marketing
- Social user segmentation
- Ratings and Reviews




Profiles, Blogs,
Comments, Photo/Gallery

Lotus Connections



Enhance Social Commerce Experience with Co-Shopping

- Fundamental differences between online & in-store shopping experience
 - Online is traditionally an individual experience
- Enables two shoppers to shop together
 - Explore a store
 - Take control of a session
 - Highlight web page elements
 - View products
 - Chat about products
- Real-time synchronization of the web browsers of two users to create a single collaborative shopping session controlled by a single user
- Leverages and extends the Communications Enabled Applications function of WebSphere Application Server



The diagram illustrates the transition from an individual online shopping experience to a collaborative co-shopping experience. It features two images: a woman sitting on the floor with a laptop and shopping bags, and another woman sitting on a leather sofa with a laptop. Arrows indicate a flow from the individual experience to the collaborative one. Below the images are two screenshots of the 'CONSUMER-DIRECT' website interface, showing product listings for furniture like lounge chairs and tables.

IBM and Sterling Commerce Marketing, Selling & Fulfillment Portfolio Solutions



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- **Expand e-Commerce** with WebSphere Commerce and Sterling Configure, Price, Quote solutions
- **Differentiated Commerce Selling to Order Management** with WebSphere Commerce and Sterling Order Management
- **Rapid Integration with SaaS/Cloud Applications** with Sterling Configure, Price, Quote, Sterling Order Management
- **Supply Chain Execution & Optimization** with Sterling Order Management, Warehouse Management, Transportation Management and IBM ILOG Supply Chain Optimization Solutions
- **Smarter Commerce** with the Sterling Selling & Fulfillment Portfolio, WebSphere Commerce and IBM Business Analytics solutions

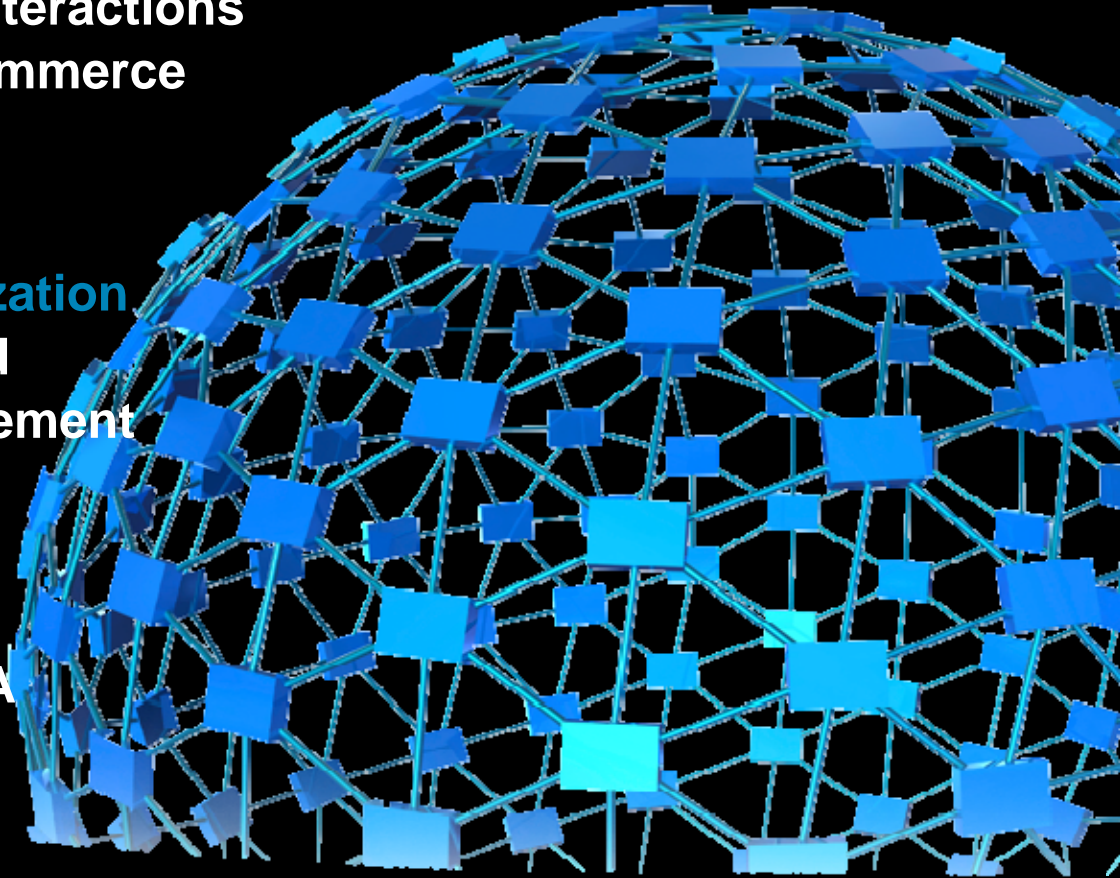


Driving Customer Benefits



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- ➔ **Improved Customer Experience**
with more targeted marketing interactions
and complete cross-channel commerce
capabilities
- ➔ **Increased Supply Chain Optimization**
fulfillment, greater visibility, and
supply chain execution management
- ➔ **Faster Business Innovation**
by leveraging an integrated SOA
solution platform





Customer Overview

- Australian owned, leading manufacturer and supplier of commercial explosives, mining, industrial and specialty chemicals and paint

Customer Challenges

- Needed to streamline and automate its sales processes internally and externally to promote standardization, reduce costs and increase supply chain visibility

“The return on investment has far exceeded our initial expectations. We started off with a system intended for use in one business and one country, and we are now using it across four businesses and 20 countries. Yet, we are still probably only using ten percent of the technology’s potential.”

Donald DeFoe
Applications Manager, Orica

Business Benefits

- Improved operational efficiencies by streamlining the commerce lifecycle and reducing manual efforts
- Reduced transportation costs
- Maintained IT staff levels while electronic transaction quadrupled
- Improved the balance of supply and demand

Case Study – IBM Sterling Business Integration Suite



Customer Overview

- Provides a range of pharmacy spend management solutions and information technology services for organizations in the pharmaceutical supply chain

Customer Challenges

- Due to the amount of information being sent to all aspects of the pharmaceutical supply chain, SXC must have a secure and reliable system for data exchange

“Sterling Business Integration Suite is a great fit for our company as a technology enabled Prescription Benefit Management provider. It is one of the reasons why we are able to compete against much larger competitors and win.”

Scott Schrader
Director of Information Systems
SXC Health Solutions Corp.

Business Benefits

- Comprehensive integration serving as their hub for inbound and outbound data
- Secure and reliable exchange of data
- Process visibility allowing them to check all attributes of their files



Customer Overview

- Improve productivity of their online and offline selling efforts.
- Allow users to identify, select, configure, and order from more than 17,000 different products.

Customer Challenges

- Mobile data management systems manufacturer including bar code scanning, mobile computing and wireless communications.

“Sterling Commerce provides the software and services that support our e-business objectives, and in a manner that should deliver significant return on our investment.”

Judy Murrah
Vice President
Motorola

Business Benefits

- Shortened the configuration and ordering process to an average of about three minutes
- Reduced order errors by eliminating manual processes
- Within the first three months of operation, accurately facilitated over 15,000 product configurations

Case Study – IBM Sterling Order Management System



Customer Overview

- One of the world's largest and best-known ceramic tile makers
- Operates in 8 manufacturing facilities, 5 distribution centers, and over 250 Sales Services Centers throughout the U.S., Canada, and Puerto Rico.

Customer Challenges

- A sales center could only see what they had available in their individual store
- Existing system was costing them time and money due to its inflexibility
- Manage all of the customer needs through a single sales center

“Sterling Order Management is the system engine we have been looking for to take our organization to a world class level of customer service now, and for many more years to come.”

Rick Odorico
General Manager
Dal-Tile Business Operations

Business Benefits

- Enables Dal-Tile to keep inventory at a minimum and reduce their inventory costs
- Reduce order fulfillment costs by efficiently orchestrating order and service fulfillment
- Improves the customer buying experience by providing visibility into all available inventory in all locations
- Flexibility for future growth required to meet changing customer demands
- Stores can capture and modify orders through a single system for all delivery methods -- including home delivery, in-store pickup, and plant delivery

Customers Around The World

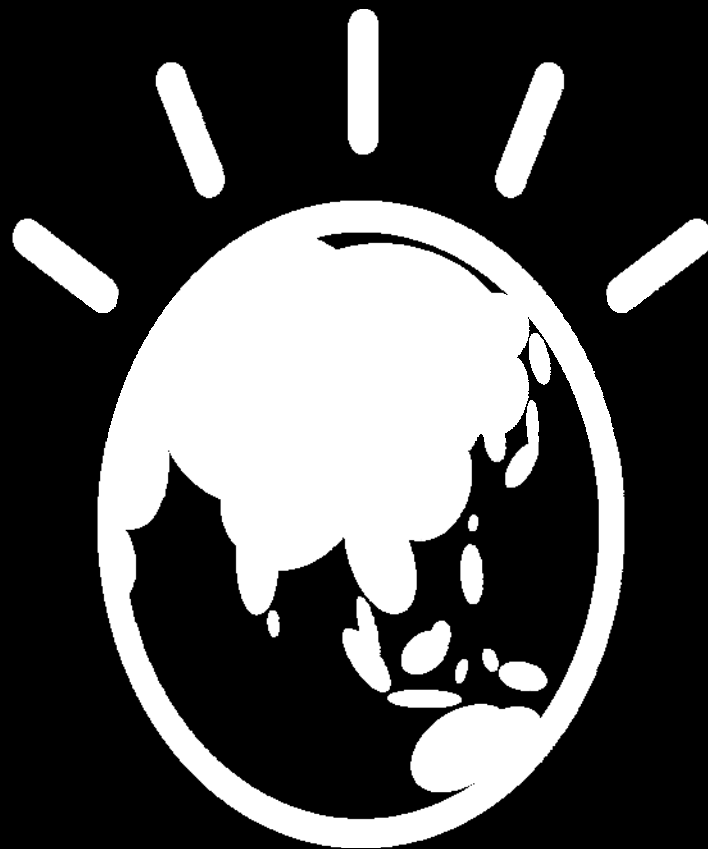


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Let's build a smarter planet