



DB2 solutions for customer relationship management applications

Leverage information to:

Understand who your best customers are and what attracts them

Discover trends in customer behavior, including buying patterns

Allow customers to reach you through the channels they prefer

Increase customer loyalty by knowing your customers inside and out

Put your customers first

A customer logs on to a popular online music store and is greeted with a special discount for the Dave Matthews Band's latest CD. Because the store knows the fan frequently clicks on the Dave Matthews Band news links and has also purchased three of the band's CDs in the past month, the store can tailor its promotions to this particular customer. Pleased with the offer, the fan buys the CD. Anxious for its arrival, the fan phones the store. A customer interaction center representative tracks

the order status, assuring the fan that the CD is on its way. Another loyal customer relationship is built.

Increasingly sophisticated customer relationship management (CRM) solutions are making this level of customer service possible. For businesses to thrive in the Internet economy, they must use their understanding of their customers' needs to refine their level of service and find efficient ways of delivering and disseminating information.



Building scalable e-business applications

This dynamic business environment has turned CRM into a flourishing field. AMR Research estimates that the CRM software market will grow from \$3.7 billion in 1999 to \$16.8 billion by 2003.¹ Among the innovative CRM applications your business can deploy are:

- Automated marketing to make smart use of your customer information
- Web-enabled customer interaction centers to help the people who help your customers
- Sales force and field agent automation to make your customer interactions more effective
- Web self-service information sites to provide a higher level of service.

The IBM DB2® family of products is ideal for these applications because they enable you to efficiently collect and analyze relevant information about your customers, gaining insights to:

- Target marketing campaigns
- Enable just-in-time (JIT) inventory management
- Provide around-the-clock customer service, while optimizing staff requirements.

IBM DB2 Universal Database™ is the engine supporting CRM solutions from leading Independent Software Vendors (ISVs). For example, the combination of Siebel Systems e-business application software with DB2 allows even the largest global organizations to easily and quickly deploy highly scalable, state-of-the-art, Web-based CRM solutions and extend their existing distribution channels to include the Internet.

Make smart use of your customer information

Only when you really understand what your customers need can you develop effective marketing strategies to encourage their loyalty. IBM business intelligence solutions, powered by DB2, offer tools for building powerful customer-centered data warehouses and datamarts. This gives you a complete view of your relationships with customers by accessing, cleansing and integrating customer data from diverse production systems and external data sources (including non-DB2 sources using IBM DB2 DataJoiner®). And, by adding advanced analytics such as data mining to the mix, including front-end tools from IBM Business Partners such as Hyperion, Brio Technology, Business Objects and Cognos, you can uncover the hidden facts or predict behaviors that help you:

- Make realtime decisions
- Identify your most profitable customers
- Increase campaign response rates
- Determine what product or services you need to provide individual customers in order to tailor their buying experience and encourage their return.

McDonald's Canada, for instance, used DB2 Universal Database Enterprise-Extended Edition, IBM DB2 Warehouse Manager, IBM DB2 Intelligent Miner™ for Data and IBM DB2 OLAP Server™ to create a data warehouse. The warehouse is helping the restaurant chain pinpoint the best times to launch new campaigns and determine the combination of products that are the most popular at any given time. Armed with this data, McDonald's can better cater to customers' desires, thereby growing its sales and reducing operational costs.

"We've achieved enormous returns from our investment in DB2 Warehouse Manager. It gives us access to information that is helping us to substantially increase restaurant sales and reduce operating costs," notes Oswald Edwards, manager of information warehouse for McDonald's Canada.

Help the people who help your customers

Customers enter your business in more ways than ever, from customer interaction centers to the Web, e-mail and in-person visits. Your organization's customer service representatives need to support all of these touch points so they can provide consistent service and build customer loyalty. They need timely access to a vast amount of enterprise information, related to products, service, billings, accounts and much more.



Hewitt Associates uses DB2, IBM Content Manager and IBM Enterprise Information Portal to provide its clients convenient online access to human resources documents, saving \$8 million annually from its improved way of managing information.

“Without question, DB2 is the highest performance, most scalable database platform for an enterprise deployment of the Siebel Enterprise Applications.”

— Thomas M. Siebel, Chairman and CEO, Siebel Systems, Inc.

“The DB2 data warehouse is a key element in supporting our customer relationship management strategy. It gives our business users easier and faster access to the information they need to make the decisions that impact our bottom line.”

— Jane Landon, Systems Executive, Prudential Insurance Company of America

IBM content management solutions, powered by DB2, help businesses electronically archive and manage customer documents, such as account histories and invoices or product services information like diagrams and instructional videos. Representatives can then retrieve relevant information from the convenience of their workstations to answer inquiries online, no matter how they arrive.

Make your customer interactions more effective

What about your customer-facing employees who work outside the office? How do you make them the most effective in the precious, face-to-face minutes they have with the customer? That's where sales force and field agent automation CRM solutions come in. For example, employees can use these solutions to configure quotes on the spot, thus speeding the sales cycle. By providing them information about back orders or bottlenecks, you can increase your employees' credibility and improve their understanding of purchase patterns so they can cross-sell related offerings. That's why it's important for your sales force and field agents to have access to the same, updated product or customer account information as your in-house staff.

DB2 provides lightweight offerings that fit on laptops or palmtops for hosting critical customer information and sales applications, as well as data replication solutions to keep the sales force in sync with changes. DB2 Satellite Edition is a full-function, high-performance version of DB2 designed especially for laptops running Microsoft® Windows® 95, Windows 98 or Windows NT® and soon, Windows 2000. DB2 Everywhere is a small footprint database designed to run on devices such as personal digital assistants (PDAs) and handheld personal computers (HPCs).

Provide a higher level of service

Web self-service is a cost-effective, convenient way for customers to submit routine inquiries, check order status and more—whenever they want. This frees up your customer service representatives to focus on more complex customer issues. As more customers take advantage of your convenient self-service options, you can count on DB2 solutions to scale with your needs, handling unpredictable volumes of customers over the Web. And because DB2 offers high reliability and availability, e-business CRM solutions powered by DB2 will be up and running whenever you or your customers need them.

Making your company more accessible to your customers means building e-business CRM applications that can support multiple channels of communication and data exchange. Integrated support for Java™ and XML technologies gives DB2 solutions the portability and information-sharing flexibility to interact with almost any application, or desktop, or portable computer platform, or Internet appliance.

Java technology also makes it easier to create e-business applications that display images, audio, video and spatial data, so you can offer customers additional services like online multimedia catalogs. DB2 Extenders™ and IBM DB2 Digital Library make these types of applications a practical reality, helping you provide a rich, interactive online shopping experience or an equally impressive research site.

For example, Florida credit insurer Life of the South (LOTS) created a self-service extranet with DB2 for AS/400®, IBM Net.Data® and IBM HTTP Server. LOTS customers can now access account information online. As a result the company is seeing a 50 percent reduction in the number of incoming service calls and a 60 percent reduction in external paper handling and distribution.

DB2: the power behind your CRM solutions

When you think of your business' most valuable assets, your customers are sure to top the list. Successful CRM requires dynamic integration and management of distributed information—information that must get into your employees' hands. With the DB2 family of products, you have the scalable, robust e-business solutions you need to make the most of your information and, in turn, your customer relationships.

For more information

Contact your IBM marketing representative or IBM authorized software reseller or visit our Web site at www.ibm.com/software/data.



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¹ AMR Research, *Customer Relationship Management Software Report, 1998-2003*.

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