# Gain Leadership in the New Era of Smart.

# Leadership in the New Era of Smart Keynote

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**Simplicity. Profitability. Growth.**

# In 2013, together we achieved outstanding results and growth

**~$59m**
value of leads passed to IBM Business Partners

**>115K**
IBM BP software certifications

**37 acquisitions**
to expand software portfolio since 2010

**22K+**
SVP Authorizations, more than double last year

**Y-Y Growth**
software revenue growth through Business Partners

*Thank you!*

# IBM Software: A broad portfolio of market-leading capabilities

| Need | Capabilities |
|---|---|
| **Engage customers, citizens and employees as individuals** | ■ Commerce<br>■ Enterprise Content Management<br>■ Enterprise Marketing Management<br>■ Procurement<br>■ Smarter City Operations<br>■ Social Collaboration<br>■ Talent and Workforce Management<br>■ Unified Communications<br>■ Web Experience |
| **Capitalize on big data to know and act** | ■ Big Data<br>■ Business Analytics<br>■ Data Management<br>■ Data Warehousing<br>■ Information Integration and Governance |
| **Engage anyone, anytime, anywhere** | ■ Mobile Development and Connectivity<br>■ Mobile Insights and Analytics<br>■ Mobile Management and Security |

| Need | Capabilities |
|---|---|
| **Speed delivery of new products and services** | ■ Application Infrastructure<br>■ Business Process Management<br>■ Connectivity, Integration and Service-Oriented Architecture<br>■ Application Lifecycle Management<br>■ Product and Systems Development<br>■ Enterprise Modernization<br>■ Expert Integrated Systems |
| **Use cloud to drive strategic change** | ■ Asset and Facilities Management<br>■ Cloud and IT Optimization<br>■ Enterprise Endpoint Management |
| **Protect the brand and future** | ■ Application Security<br>■ Data Protection<br>■ Identity and Access Management<br>■ Infrastructure Protection<br>■ Security Intelligence and Compliance Analytics |

# Acquisitions are important to our growth strategy

**Engage customers, citizens and employees as individuals**

Emptoris
Procurement and sourcing

tealeaf
Customer Experience

DemandTec
Cloud-based analytics

CÚRAM SOFTWARE
Social enterprise mgmt

DAEJA Image Systems an IBM Company
Image viewing

Sterling Commerce
B2B integration, supply chain management

Coremetrics An IBM Company
Web analytics

unica
Enterprise marketing mgmt

Kenexa
Workforce mgmt

i2
Threat analytics

**Capitalize on big data to know and act**

VARICENT an IBM Company
Sales Performance Management

CLARITY SYSTEMS
Financial governance

OPENPAGES
Governance, compliance, risk management

Vivísimo Information Optimized
Big data

THE NOW FACTORY an IBM Company
Big data

STAR ANALYTICS
Financial analytics

Algorithmics Ai
Financial risk management

StoredIQ Active Management for Active Data
Big data

Initiate
Master data management

PSS SYSTEMS An IBM Company
Legal and information governance

Datacap for Demanding Capture
Data and document capture

NETEZZA
Data warehouse appliances

**Engage anyone, anytime, anywhere**

Worklight
Mobile application development

xtify An IBM Company
Mobile messaging

MaaS360 by Fiberlink, an IBM company
Mobile management and security

**Speed delivery of new products and services**

Lombardi
BPM for LOB

CAST IRON SYSTEMS
Cloud integration

GREENHAT
Software testing for complex systems

urban{code} An IBM company
Automating software delivery

**Use cloud to drive strategic change**

TRIRIGA
Enterprise asset management

INTELLIDEN
Network automation

BigFix
Endpoint management

Butterfly AUTOMATED DATA MIGRATION
Storage planning

SOFTLAYER an IBM Company
Cloud infrastructure services (GTS)

**Protect the brand and future**

Q1Labs
Security intelligence

Trusteer an IBM Company
Fraud protection

SWG acquisitions since 2010

# IBM Software One: Your prioritized portfolio for new clients, new buyers

**Big Data & Analytics**
- Data Warehouse Augmentation
- Big Data Exploration
- Financial & Operational Performance Management
- Predictive Customer Intelligence
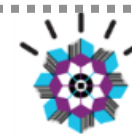- Narrative Reporting & Disclosure Management

**DevOps & Product Development**
- Collaborative Development
- Continuous Testing
- Continuous Release & Deploy
- SW and System Engineering

**Cloud**
- Virtualization Cost & Complexity Reduction
- Simple, Scalable, Efficient Data Protection
- Unified Endpoint Management

**Smarter Process**
- Improving Effectiveness of Business Operations

**Mobile**
- Cross-platform Mobile Applications
- Mobile Application Testing
- Bring-Your-Own-Device (BYOD)

**Smarter Cities**
- Integrated Law Enforcement
- Smarter City Platform
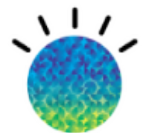- Counter Fraud Management

**Social Business**
- Platform for Social Business
- Customer Digital Experience
- Employee Digital Experience

**Security**
- Security Intelligence
- Advanced Threat Protection
- Database & Application Protection
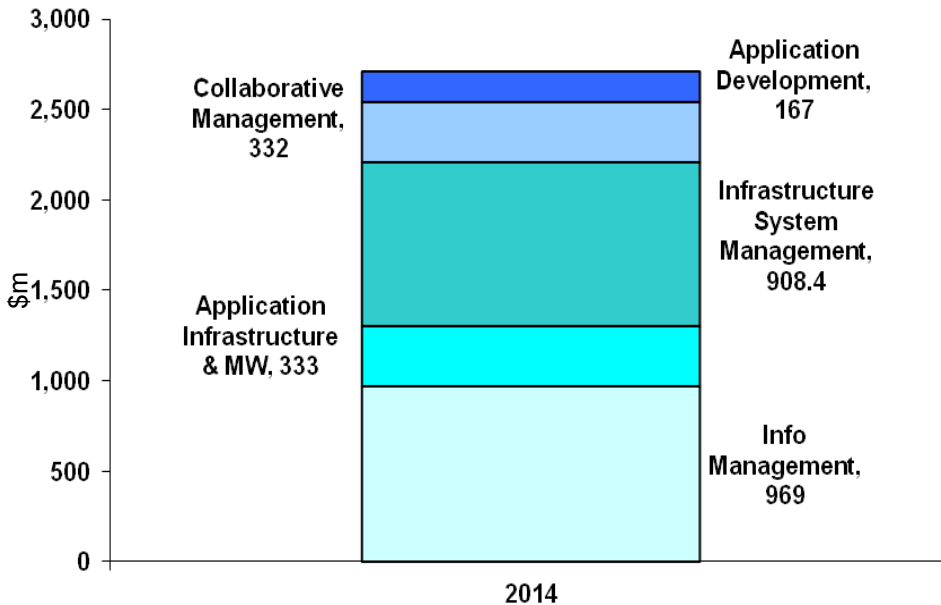
**Smarter Commerce**
- Digital Marketing Optimization
- Governance, Risk & Compliance for Critical Corporate Data
- Multi-Enterprise Process Collaboration
- Supply Chain Optimization

- eCommerce
- Campaign
- Customer Experience Management
- Price and Promotion Optimization
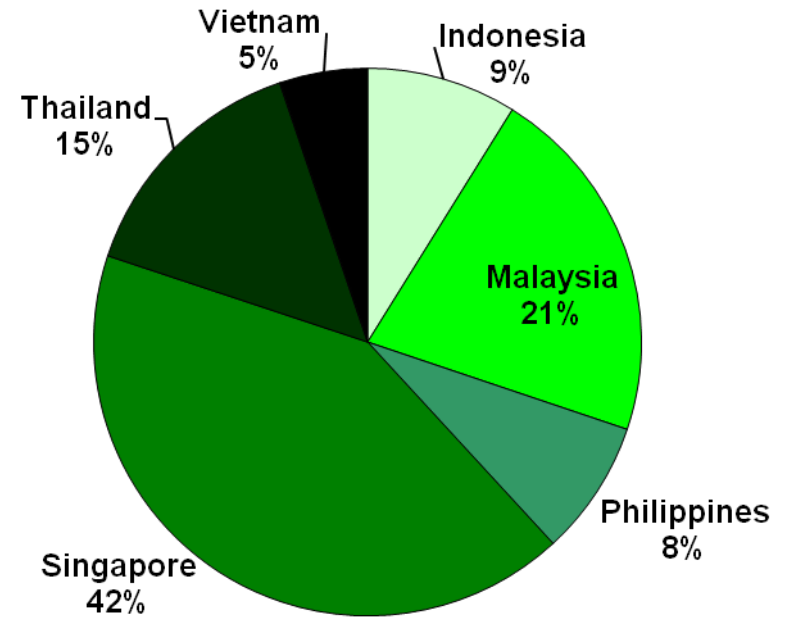- Supplier Management, Risk & Compliance

## Grow revenue in Enterprise and Midmarket accounts

# Market opportunity for ASEAN SW in 2014 totals to $2.7b with Singapore contributing 42% of revenue

### ASEAN SW Market Opportunity



- Collaborative Management, 332
- Application Development, 167
- Infrastructure System Management, 908.4
- Application Infrastructure & MW, 333
- Info Management, 969

$m — 2014

### 2014 Market Opportunity by Country



- Vietnam 5%
- Indonesia 9%
- Thailand 15%
- Malaysia 21%
- Singapore 42%
- Philippines 8%

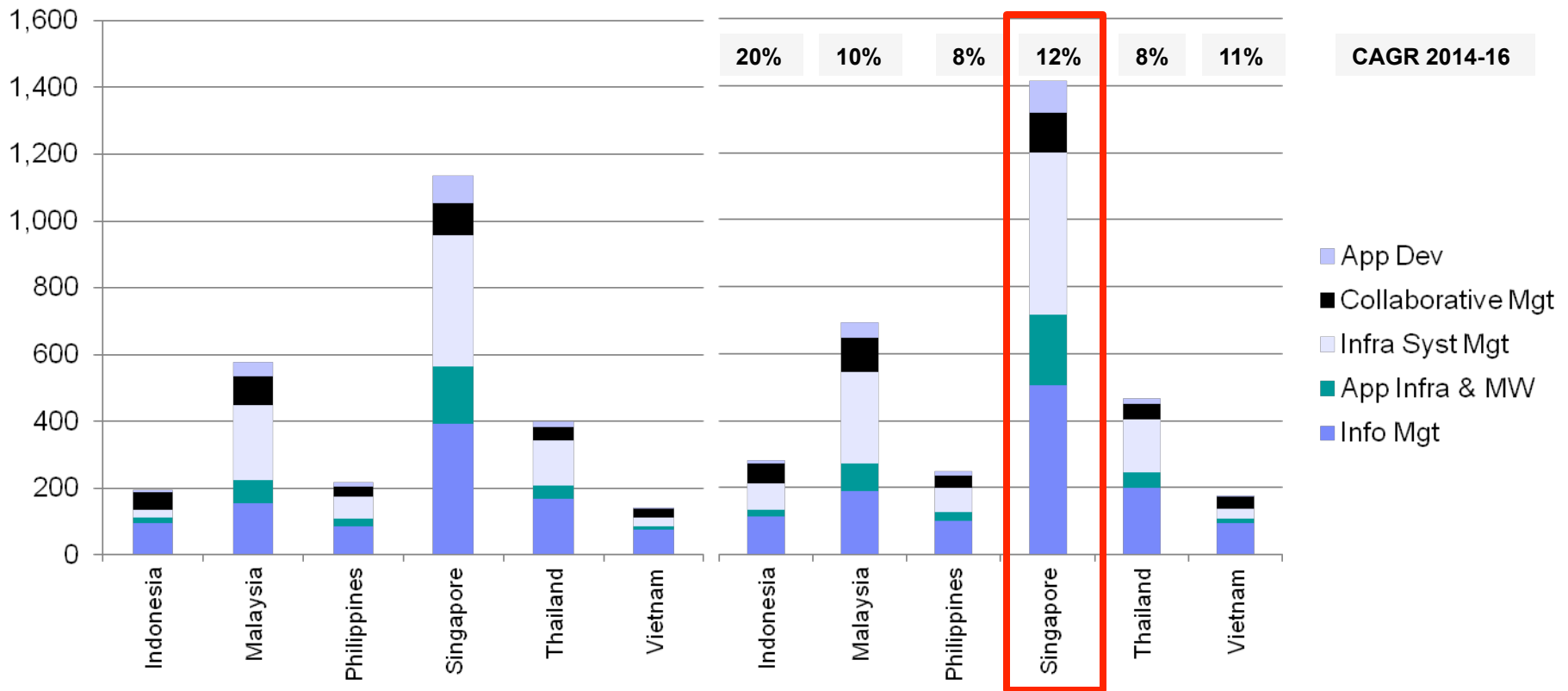- **Information Management (36%)** and **Infrastructure System Management (34%)** are main revenue generators

Note: Info Management includes analytics
Source: Gartner

# Total ASEAN SW market opportunity increases by $572m from 2014-2016 – Growing at a CAGR of 10%

**ASEAN Country Level SW Market Opportunity (by Segment)**

**2014 ASEAN Market Opportunity: $2.7B**

**2016 ASEAN Market Opportunity: $3.3B**



| 20% | 10% | 8% | 12% | 8% | 11% | CAGR 2014-16 |

Legend:
- App Dev
- Collaborative Mgt
- Infra Syst Mgt
- App Infra & MW
- Info Mgt

Countries (both charts): Indonesia, Malaysia, Philippines, Singapore, Thailand, Vietnam

- In 2016, **Information Management** and **Infrastructure System Management** continue to be the main revenue generators across ASEAN

Source: Gartner

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Note: Info Management includes analytics

# Our IBM Software Business Partner strategy remains focused on growth and Business Partner profitability



IBM Software and Systems

Reach Broader Markets

Grow High Value Revenue

Embrace New Business Models

## Simplifying your IBM experience

# The strategy is working and helping to drive profitability for our Business Partners

**22%**
average increase in profitability from SVP Authorization

**64%**
of SVP BPs have increased IBM Software revenue since becoming Authorized

**61%**
of SVP BPs have driven complementary business revenue

**80%**
of SVP BPs will seek additional IBM Software certifications

# 2014 program refinements build on incentives while simplifying processes to improve Business Partner opportunity

**1** Recognize Business Partner loyalty and trust

**2** Incent you to go after new markets and customers

**3** Help you transform with IBM

IBM.

# We're building on incentives so you continue to be rewarded for delivering higher value

**Software Value Incentive**

**5%-20%** additional for resale or influence

**Renewal Value Incentive**

**+12%** average payout

COMING SOON

**SVP Small Deals Reward**

**20%** bonus opportunity

EXPANDED

**Business Partner Led Model**

Earn up to **25%**

**Competitive Incentive**

**3%-20%** incremental for approved deals

**Software Value Plus Solutions**

**20%-30%** earning opportunity

**Software-as-a-Service Options for Business Partners**

**5% - 25%+** margin opportunity

# SAAS Update

## IBM Business Partner Offerings for IBM SaaS Products

### ❖ Resell
*Sell, configure, price, quote & invoice*

**Software Value Plus Business Partner Agreement**

- Two tier distribution model
- Reseller SVP approved by Product Group
- Service Agreement and TOU between Customer & IBM
- IBM provides support
- Earn base discount & SaaS instant rebate

### ❖ Influencer
*Influence customer purchase - IBM quotes & invoices*

**Software Value Incentive**

- Single tier relationship
- Business Partner SVI approved by Product Group
- Business Partner co sells with IBM
- IBM quotes and fulfills Customer order
- IBM provides support
- Earn fees up to 20%

### ❖ Own Customer Relationship
*Sell, configure, price, quote, terms, invoice & support*

**Solution Provider for IBM SaaS Business Partner**

- Single tier distribution model
- Reseller SSP approved by product
- Service Agreement and TOU between BP & IBM
- BP has service agreement and TOU with user of the service
- BP provides support interface to user of the service
- Earn enhanced discount

### ❖ Referral
*Influence customer purchase - IBM prices, quotes & invoices*

**Business Partner Referral Incentive**

- Single tier relationship
- Business Partner referral approved by product
- Business Partner co sells with IBM
- IBM quotes and fulfills Customer order
- IBM provides support
- Earn fees up to 15%

**NEW**
**KeneXa**
*Smarter Workforce solutions*

10    IBM SaaS product participation varies by offering.

# We've simplified the Business Partner Led Model and raised incentives to help you go after new clients

**NEW**

- **15%** base incentive

- Additional **10%** incentive for new & inactive accounts
  - Beginning 1Q14

- BPLM simplified
  - From region level to country level
  - From single brands to all brands

- Automated on-boarding

- No hard targets and penalties

**EARN MORE: Up to 25%**

To be announced in Asean soon!

# Expanding focus and incentives on small deals helps you grow new client opportunities

**SVP Small Deals Reward**

**20%**

- No need for sales documentation

- Same SVI registration process

- VAD and Business Partner request bonus at order processing time

- Maximum software order of $25K US*

- Worldwide roll-out begins in Q2'14

*Applicable for commercial or enterprise non-select clients only

# We're helping you grow into hot market categories with new education on PartnerWorld

**NEW**

- [THINKAcademy](#) launched on PartnerWorld

- Gain insights on hot market categories from IBM executives

- Sessions available now:
  - Mobile
  - Cloud
  - Big Data & Analytics
  - Social
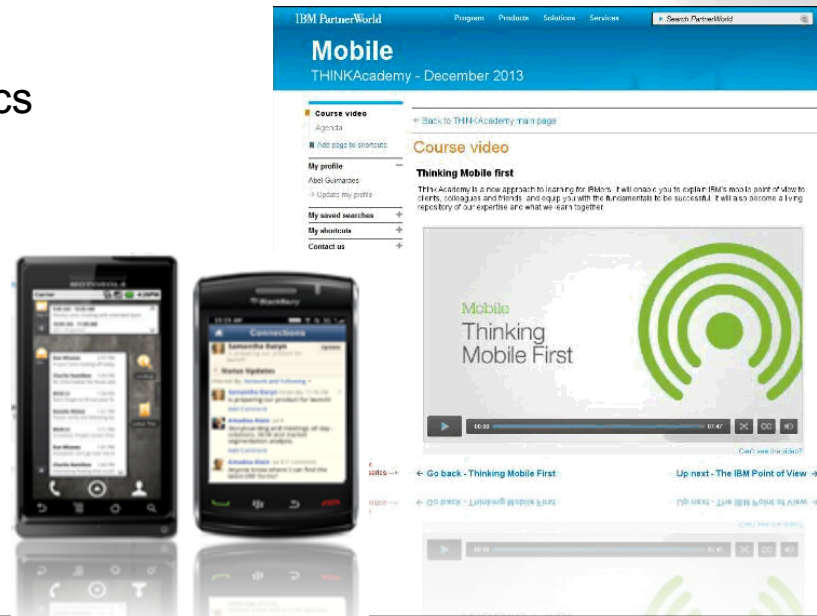
# …and we're providing the right tools to help you transform your skills to deliver higher value solutions



Deployment Experience

**Software Practice Accelerators**

Implementation Training

Accreditation

## What's new for 2014:

- Enhanced and expanded deployment training

- Simplification of program

- Increased focus on services with learning objectives

- Increased transparency of accreditation process

- Higher profile for accredited partners and program

# Double your marketing budget to drive continuous demand



Speaking opportunities

Advertising

Learn

Thought leadership content

Events

Social media

Press & analyst coverage

Retain

**Integrated Customer Experience**

Solve

SEO

Videos

Peer references

Web Content Syndication

E-mail

RFP Process

Direct mail

Demos / POCs

Collateral

Solution presentations

Purchase

Compare

Case studies

Analyst reports

Face-to-face meetings

Telemarketing

# Gain Leadership in the New Era of Smart.

## Call to Action

**1** Increase your profitability – take advantage of incentives

**2** Expand into a new market or solution focus area

**3** Build skills to deliver high value solutions

THANK YOU