IBM

Deliver seamless cross-channel shopping to maximize profitable revenue and create competitive advantage.

Highlights

- Increase revenues by providing a seamless shopping experience across all channels and touch points, allowing customers to interact however, whenever and wherever they choose

- Integrate and streamline critical business processes across multiple systems, departments and organizations

- Maximize loyalty and customer lifetime value by creating a unified view of the customer

- Optimize efficiencies and brand integrity by centrally managing and syndicating product and brand information across channels consistently and accurately

- Minimize risk and IT costs by deploying a single, integrated multichannel platform that enables cross-channel integration and scales as your business grows

Retailers are in the midst of an information revolution. With the advent of pervasive Internet access and ubiquitous networking, retailers find themselves at a crossroads, transforming from product-centric to consumer-centric organizations. As power continues to shift to consumers, they demand more value for their money and the ability to shop however, whenever and wherever they choose.

Sophisticated consumers have online access to a wealth of information from countless retailers. Web-savvy shoppers research products online to make

ON DEMAND BUSINESS™

informed decisions and find the best deals. They expect the convenient cross-channel features, including in-store pickup, store inventory visibility, cross-channel gift registries and Web-based kiosks, because that's how customers buy — using multiple channels. If you don't measure up, customers can easily take their business and loyalty to your competitors. According to Forrester Research, "almost half of cross-channel shoppers researched items on one retailer's site, but then bought that item offline from a different retailer."[1]

Although being a retailer with multiple channels doesn't automatically make you a multichannel retailer. In fact, few retailers have fully integrated their channels to offer their customers a truly seamless cross-channel shopping experience. Most retailers have two or more virtually independent sales channels, such as retail stores, Web site, direct catalog and call centers; each with its own policies, procedures, processes, metrics and customer views. This departmental structure has created artificial barriers that prevent employee collaboration and has become a major obstacle that must be overcome to achieve a multichannel vision.

But changing your organizational structure isn't enough. You need a flexible, standards-based, multichannel platform that can enable you to automate and streamline key multichannel processes, while facilitating contextual interactions with your customers. You also need to seamlessly integrate your sales channels and touch points to capitalize on consumers' cross-channel shopping behaviors. The end goal is to have multichannel shopping experiences become transparent to your customers. Why? Because even though customers physically buy from multiple sales channels, they in reality buy from brands. To successfully execute your multichannel vision, IBM offers IBM WebSphere® for Integrated Multi-Channel Retailing, a software solution that enables you to:

• Deploy a next-generation online commerce site that facilitates cross-channel integration.
• Offer guided selling and gift registry capabilities across channels and touch points.
• Establish a single, consolidated view of customers, orders and inventory.
• Unify the management and syndication of information across channels.
• Extend the wealth of capabilities and information on your online commerce site to self-service and assisted-service devices in retail stores.
• Provide a consistent shopping experience across channels and touch points.

Leverage IBM technology to deliver integrated multichannel shopping

IBM solutions for the retail industry bring together IBM's extensive portfolio of hardware, software and high-value services — and its wide network of partners — to address the most prevalent challenges for retailers. IBM solutions and retail experience help our clients accelerate their progress in becoming an On Demand Business — so they can respond with flexibility and speed to virtually any customer demand, market opportunity or external threat.

IBM Workplace™ and WebSphere are key software building blocks of the IBM solutions for the retail industry. IBM Workplace helps transform the way retailers work — making people more productive by enabling them to make well-informed decisions and take targeted actions, rapidly. And IBM WebSphere delivers business flexibility through information and process integration, and IT infrastructure optimization.

WebSphere for Integrated Multi-Channel Retailing delivers a proven, flexible multichannel platform that can help your retail business create a competitive advantage and maximize profitable revenue. By becoming a consumer-centric organization. By integrating sales channels and touch points. And by enabling your customers to shop however, whenever and wherever they choose. Retailers can leverage WebSphere for Integrated Multi-Channel Retailing to address areas such as:

• Next-generation e-commerce.
• Unified product and content management.
• Consolidated order and inventory management.
• Multichannel gift registry.
• Guided selling.
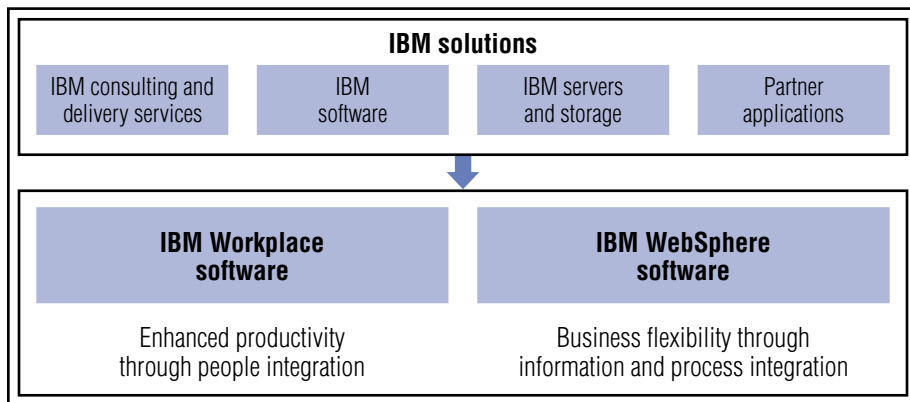• In-store online shopping.
• Single view of customer.

The result? Seamless cross-channel transactions, contextually aware inter-actions and streamlined business processes that help provide a more

relevant, engaging and personal-ized shopping experience for your customers. Armed with these capa-bilities, you can react swiftly and appropriately to any customer demand or market trend by leveraging the strengths of each channel — leading to optimized customer satisfaction, costs and revenues.

Provide seamless, cross-channel shopping to drive revenue

According to Forrester Research, "Companies that fail to deliver a consistent experience across every interaction channel will disappoint their customers."[2] Today's consumers want to do business on their own terms, where convenience, expedience and flexibility are paramount. They expect product information, capabilities, poli-cies and procedures to be available and consistent, whether shopping online, in the store or any other channel. They also expect to have the ability to begin a buying process in one channel and complete it in another — in a seamless manner.

To help optimize the retail experience, WebSphere for Integrated Multi-Channel Retailing enables companies to provide customers with consistent

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*IBM software is a key building block of IBM solutions.*

capabilities and information across multiple channels and touch points. In addition, companies are able to offer the benefits of online shopping — such as out-of-stock ordering, product comparisons, and cross- and up-sell opportunities — through in-store devices like kiosks, personal shopping assistants (PSAs) and point-of-sale. WebSphere for Integrated Multi-Channel Retailing provides the breadth and depth of capabilities to satisfy your most complex requirements. Whether it's:

- Deploying a best-of-breed, next-generation online commerce solution.
- Offering gift registry and guided selling across every channel and touch point.
- Allowing customers to buy online and pick up in the store.
- Providing buying tools through kiosks and wireless devices

IBM's multichannel platform gives you the flexibility to deploy a wide variety of multichannel solutions within your own timeframe and will grow as your vision grows.

[call-out]

[IBM will provide approved customer quote]
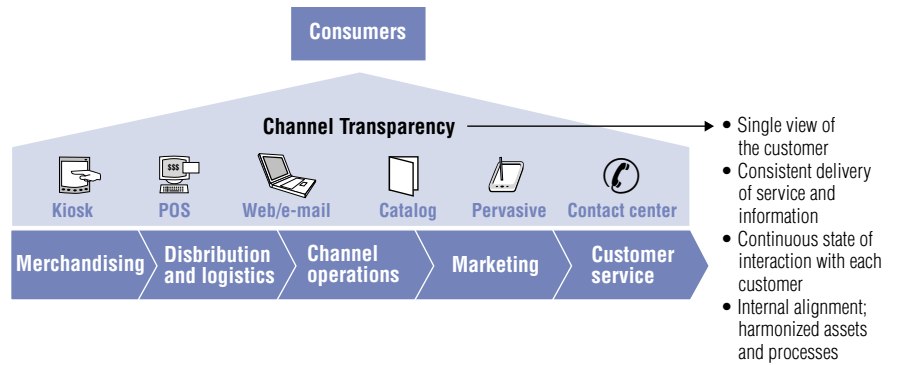
Multichannel retailing means delivering a seamless consumer shopping experience across multiple channels and touch points.

Enable contextually aware interactions that maximize customer loyalty and satisfaction
Contextually aware interactions. Personalization. One-to-one relationship management. Dynamic recommendations. Whatever you call it, being able to provide your customers with the right information at the right time at any point of interaction can lead to a more satisfying shopping experience — leading to greater customer satisfaction and loyalty. Today's consumers are fed up with being spammed with irrelevant e-mails or promotions that don't pertain to their needs. As retailers are beginning to understand the importance and benefits of contextually aware Web interactions, most still find it difficult to provide these relevant interactions in other channels or touch points. The reason for this inability is two-fold.

First, most retailers don't have a "single view of customer" spanning across channels that offers complete insight into customer preferences, buying behaviors and transaction history. With a unified customer view, you have the foundation for completely understanding your customers and are better equipped to provide accurate, customer-aware interactions. Secondly, many retailers don't have a "business context engine" that provides context to any piece of information, process, promotion or capability at the time of interaction. With a business context engine, you can recognize each customer, utilize the information from the single view of customer database and deliver the most relevant interaction — whether it's a promotional offer, product recommendation, special VIP capability or courtesy phone call.

WebSphere for Integrated Multi-Channel Retailing provides you with an enterprise customer data warehouse built specifically for retailers utilizing a retail data model. This data warehouse allows you to aggregate customer information from all channels and touch points and provides the analytic and data mining tools you need to analyze and recognize your customer's preferences, propensities and buying behaviors. WebSphere for Integrated Multi-Channel Retailing also delivers a robust business context engine to drive contextually aware interactions at any channel or touch point.

Optimize the strengths of each channel to increase effectiveness and minimize operational expenses

Operating multiple sales channels doesn't have to be a liability. In fact, it can become a competitive advantage. Because today's consumers demand consistency while shopping across channels, you need to leverage the capabilities and information from one channel to help optimize operations in another. With WebSphere for Integrated Multi-Channel Retailing, you can help

transform your IT infrastructure into a productive and efficient resource that enables you to:

- Centrally manage and syndicate your structured and unstructured content across various channels and touch points, resulting in more consistent information and brand, faster time to market on product launches and reduced expenses by eliminating redundant activities.
- Consolidate, automate and streamline order and inventory management capabilities and processes across disparate order and inventory management systems, allowing effective control of order, inventory and fulfillment costs.
- Leverage a common set of processes and provide a consolidated view of order and inventory, giving your customers and employees access to the right information at the right time.

Built on a unified, service-oriented multichannel platform, WebSphere for Integrated Multi-Channel Retailing also enables ease of integration and allows for reuse of capabilities and processes — so you can leverage, not recreate, the platform for each channel. This faciliates consistency of capabilities and processes for your customers across multiple channels, reduces the complexity of your IT environment, and drives down operational and IT expenses.

According to Aberdeen Group, more than 60 percent of retailers found multichannel buyers to be more profitable than single-channel buyers.[3]

Create opportunities for growth in an on demand retail world

Stand out from the expanding crowd of multiple-channel retailers by becoming a fully integrated multichannel retailer. IBM can help you seamlessly integrate your sales channels, allowing you to offer the services and resources that today's consumers demand, while opening up new revenue streams, maximizing operational efficiencies and minimizing costs. Based on a highly scalable service oriented architecture comprised of leading IBM software — such as IBM WebSphere Application Server and IBM DB2 Universal Database™ — WebSphere for Integrated Multi-Channel Retailing builds on a solid IT foundation that can accommodate additional IBM and third-party retail solutions as needed.

Get the most from your investments

IBM provides a host of services, systems and highly certified IBM Business Partners to help you gain the most value from your retail solutions.

Services — As the world's largest business and IT consultancy, IBM Business Consulting Services fuses industry insight, best practices, thought leadership and world-class technology, such as radio frequency identification (RFID), to help provide successful implementations that deliver a sustainable return on investment (ROI). IBM also offers strategic IT delivery methods, including a portfolio of flexible IBM e-business Hosting™ services designed to provide you with affordable, continuous access to a scalable, security-rich, on demand operating environment.

Systems — IBM and IBM Business Partners offer leading-edge, customer-facing hardware, including IBM @server™ and IBM TotalStorage® systems, point-of-sale (POS) systems, kiosks and wireless handheld devices. Moreover, IBM can help integrate these solutions across your enterprise. For your back office, IBM offers the

comprehensive portfolio of IBM on demand solutions built to meet a vast spectrum of business needs, enabling you to design a comprehensive solution for your retail environment.

IBM Business Partners — IBM Workplace and WebSphere software for the retail industry provides a world-class foundation for your solutions, and applications provided by an extensive network of industry-focused independent software vendors (ISVs) complement the full solutions. IBM ISV Business Partners provide leading industry-specific business applications that run on IBM Workplace and WebSphere platforms.

For more information

For solutions that help you effectively manage multichannel retailing operations, count on IBM. To learn more about WebSphere for Integrated Multi-Channel Retailing and other offerings for the retail industry, including case studies and more detailed information on components, call your IBM representative or IBM Business Partner, or visit **ibm.com**/software/industries/retail

[1] Carrie A. Johnson. Multichannel Retailing Best Practices. Forrester Research. September 15, 2004.

[2] Mike Gilpin. The Interaction Platform. Forrester Research. October 4, 2004.

[3] Jeffrey Grau. Online Consumer Selling: A Multi-Channel Perspective. eMarketer. February 2005.