



IBM Systems and Technology Group University 2005

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ON DEMAND BUSINESS™

1/8/2005

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Solutions Selling – Your Guide to Survival

Course #: CB43



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Learning Objectives

At the conclusion of this session, you should be able to:

- Know what solutions customers want and how this will influence our selling teams
- Understand how to address our performance gaps during sales engagements
- See clear solutions definitions and sales role descriptions

What Our Customers are Demanding:

- Customers aren't buying applications directly from ISVs like they used to
- Instead they are purchasing integrated solutions that can solve business issues
- Customers want solutions that will:
 - ***Lower operating cost by simplifying IT architecture***
 - ***Create integrated global technology platform***
 - ***Allow business units to share information more easily***
- They are looking for IT providers who can guide and support them through the complexity of problem definition, application and infrastructure design and solution implementation

What do **customers** want from their application vendor?

- “New business models to transform/extend the enterprise”
- Trading partner enablement
- Content management
- Master data management
- “Flexible and secure IT solutions for inside and extended enterprise”
- Business Process Outsourcing

What Did We Get For The Technology Investments?

- **Foundations For Next Generation Have Been Built**
 - Internet Built (Now available across the Enterprise)
 - Global Telecommunications Infrastructure Put in Place
 - Wireless Infrastructure
 - Application Functionality
 - Mobile Telephony
 - Dramatic Hardware Price/Performance Improvements
 - Emergence of Business Process and Integration Standards
- **Most Of This Capacity Has Not Been Used**

The Post Technology Era: What Does This Mean For ISVs?

- The post technology era is not about features/functions or “gizmos and gadgets”
- ISVs need to focus on business process improvements and simplification, reducing the cost of deployment and operation, and “customer profitability”
- ISVs need to re-think messages, pricing, strategy...and live with modest growth rates
- As spending shifts, ISVs need to know that they may not be on the “short list”

The Solutions Marketplace Today

Cause

Effect

ROI unproven for past ERP, CRM, SCM, PLM purchases; sluggish economy persists



Rigorous financial justification for purchases

Big enterprise-wide deals have given way to smaller buys



Vendor focus on upgrades to installed base, SMB, emerging economies

Emphasis on the entire Value Chain/ Demand Driven Supply Network for cost savings, productivity, and enhanced customer support



Next wave of development for new processes to manage the flow of info through entire supply chain

Customer demand for flexible applications developed for their business



Shift from cross industry silo applications to industry specific service oriented composite applications (SOCAs)

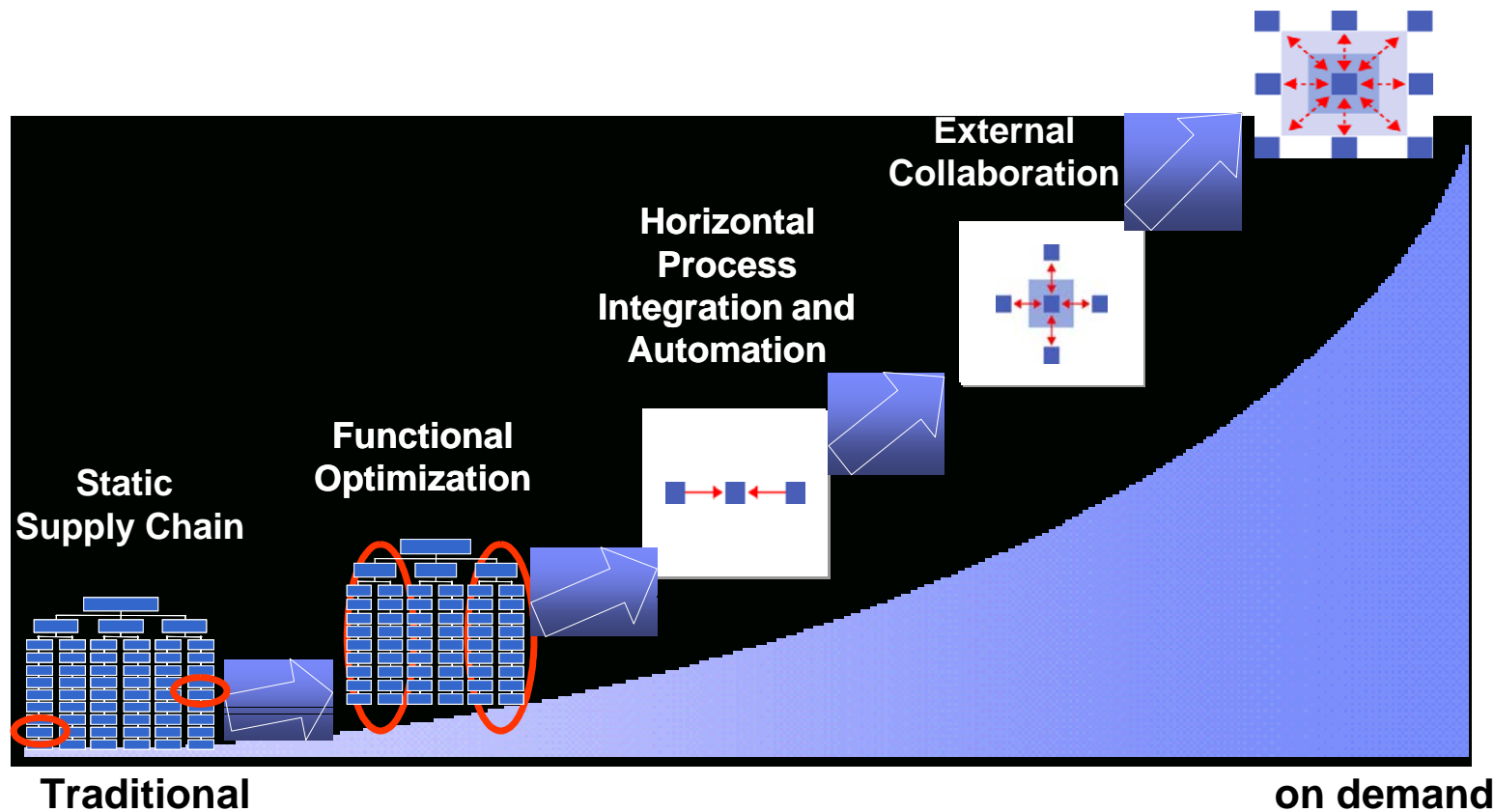
Customers need greater adaptability/flexibility for constantly changing business processes



The line between applications and infrastructure is blurring:
Applitecture is newest buzzword

Innovative value chain management performance is characterized by on demand maturity

on demand Value Chain



IBM has the ecosystem and technology leadership to enable companies progress from a static, nonintegrated enterprise model through phases – vision of on demand is integrated end-to-end across business with key partners, suppliers and customers

How Will Customers View ERP in 2005 and Beyond?

- **“ERP gives you data on what you own, but, we need visibility into supplier-owned inventory across the supply chain. And, we need to monitor consumption and supplier and 3PL performance ... in near real-time.”**
- **The role of ERP will be to serve as the primary source of “clean data”**
- **This will require a new network or “composite” layer on top of ERP**

The Reality Is.....

- Most client/server ERP installs will be 8-10 years old
- The Internet versions will be 3-5 years old
- CIOs should have completed their instance consolidations
- What this means:
 - “ERP is infrastructure.”
 - Push for longer periods (3-5 years) between major upgrades -- “skip one release upgrade”
 - Increased pushback on maintenance fees
 - More focus on services than feature/functions

What this means: There will be a shift from ERP spending to building new inter-enterprise business processes.

We start with a simple, market-based definition of an IT solution

Market-based High-value Solution Definition

A “solution” is an offering – from one or more companies – that solves a client’s business problem through value-added combination of technology and high-value services

“Design & Build” Delivery



“Outsourced” Delivery

- **Address business problem, IT problem, or both**
- **Design & build or outsourced delivery**
- **Single integrated purchase or multiple related purchases**

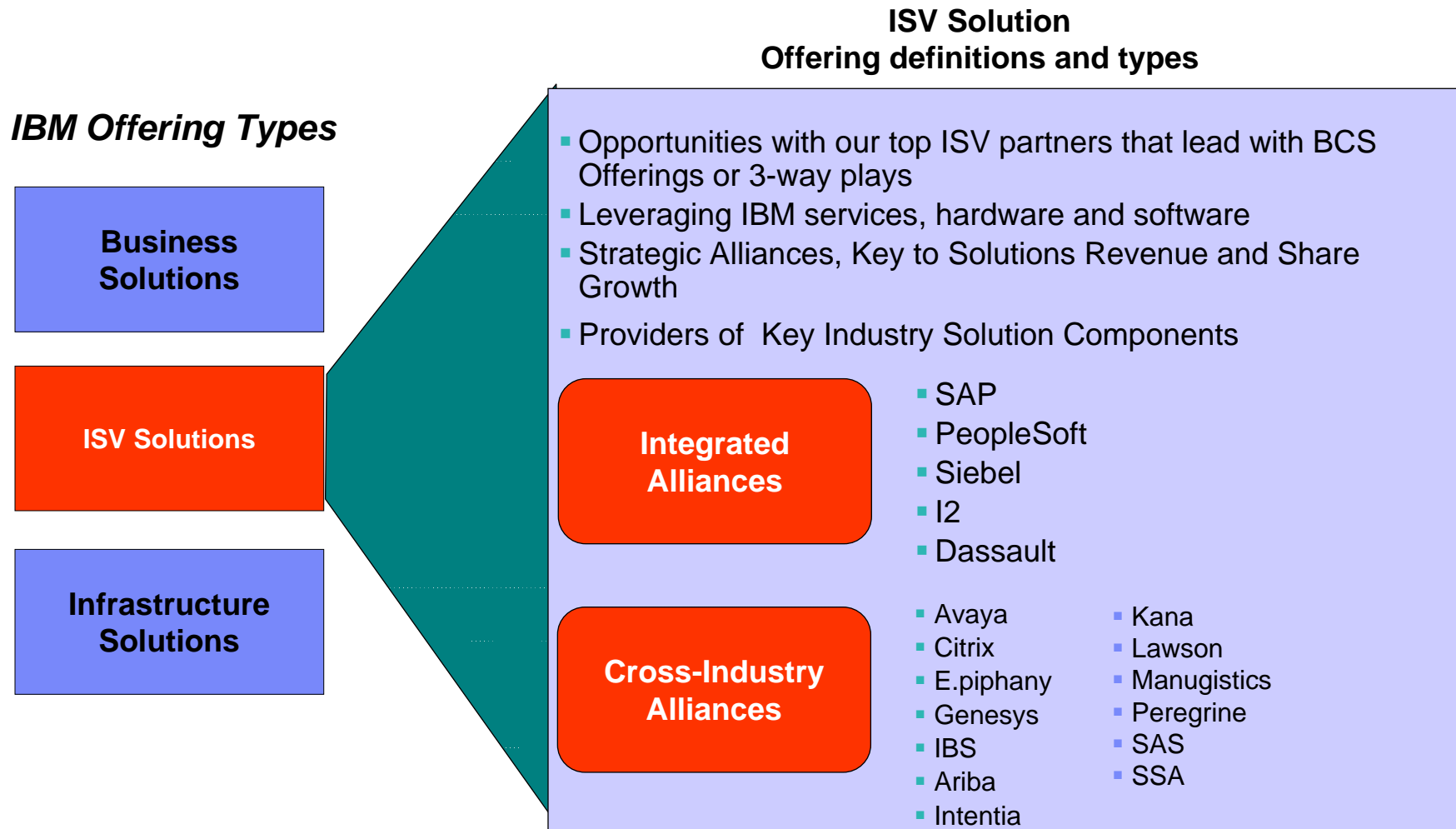
IBM is Delivering a full portfolio of Solution offerings



In place for 2005:

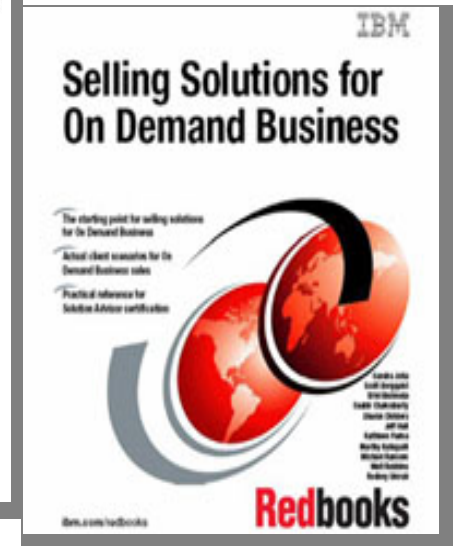
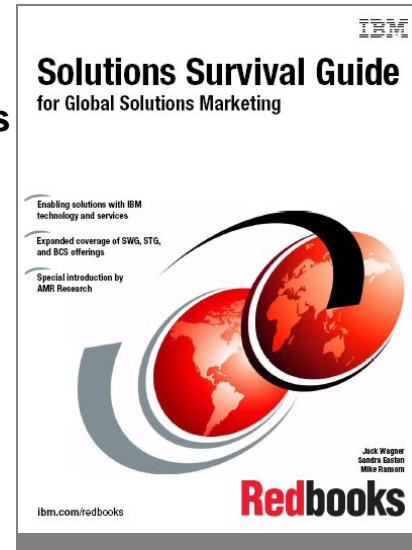
- Solution Discipline that attracts our best sellers who are able to build innovative solutions which address customer problems
 - Business Solution Professionals
 - ISV Business Solution Professionals
 - Technology Solution Professionals
- Ledger-based financial measurements and compensation metrics
- Enhanced solutions opportunity support focused on solutions
- Solution Sales execution management system
- Solution processes that help market, develop, plan, sell and deliver

Strategic Alliances are Key to Solutions Revenue and Share Growth



Thought Leadership in solutions selling in 2005

- **Channel Enablement for Sales Teams and Partners**
 - **Sales Tools and Support Programs**
 - Solutions Survival Guide
 - References
 - Sales Kits
 - **Education and Solutions Vitality**
 - Alliance Solutions University
 - **Content Management**
 - Linkages with Sector and Brand teams
 - **Communications**
 - Monthly Newsletter
 - Sales Support Advisor w3 site
- **on demand - Assessment Tool Family**
 - **Profiler / ebC / Competitive Advisor**
- **Thought Leadership / Breakthrough Thinking**
 - **Joint IBM Research with Industry Experts**
 - **Joint Programs with leading Analysts (AMR, B2E Analysts)**
 - **Industry Focused Offerings in 2005**
 - **On Demand Certification Guide**



Welcome to Alliance Solutions University



New to Solutions Selling; Here is the FAST Path to Solutions



- ***Define your Profile to Receive Solutions Related Information on W3 Home Page***
- ***Bookmark the Sales Support Advisor Intranet***
- ***Sign up for Solutions Newsletters and Flashes***
- ***Get educated at the Alliance Solutions University***
- ***Download or bookmark the Solutions Survival Guide***
- ***Use the key messages in the Solutions and Technology Sparklers Redpaper***
- ***Learn about On Demand Assessment Tools***
- ***Use and contribute references - they are powerful sales tools!***



IBM's On Demand Assessment Tools Value Proposition

For.....	C-Level Executives and Line of Business Leaders
Who needs	To understand where they are on their journey to becoming an on demand business
The On Demand Business Assessment Tools Provides	<p>Assessments that can help you:</p> <ol style="list-style-type: none"> 1. Identify the value and benefit of being an on demand business 2. identify which functional areas can increase your profitability. 3. validate directional thinking for technology investment
Unlike	No other IT vendor
IBM (differentiator)	IBM stands alone in the marketplace by providing you an assessment via an expert tools, built from IBM's intellectual capital, containing questions that are relevant and industry specific to your clients business.

IBM's on demand Assessment Family of Tools

Profiler for On Demand business

Competitive Advisor

e-business Collaboration

- What are the e-business on demand Assessment Tools

- Consultative sales aids

- ✓ Help identify competitive advantage
 - ✓ Diagnose on demand readiness
 - ✓ Analyze on demand functionality

- Expert based systems to drive end-to-end solution engagements



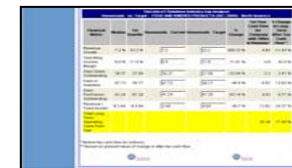
- Why should I be interested in these tools?

- Reduce time** to deliver high-quality client deliverables

- Proven templates** to leverage resources or demand generation campaigns

- Allows you to **leverage**:

- ✓ Thought Leadership with Client
 - ✓ Comparison information to **generate sales opportunities**



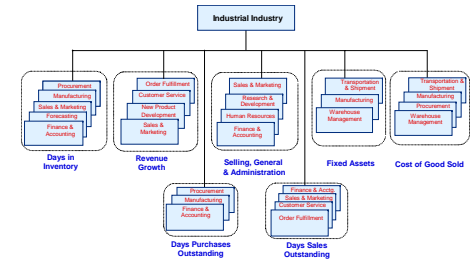
The Competitive Advisor

Business Value

- A four step process using financial benchmarks to reveal competitive constraints
- Demonstrates bottom line value by quantifying financial results from competitive constraint resolution
- Uses key industry financial drivers - executives are measured on these metrics
- Maximizes industry knowledge with minimal skills

Use this tool to

- Conduct an industry specific discussion with C-level or Senior level LOB managers
- Show the bottom line value of becoming competitive
- Show how IBM and IBM Business Partners can provide an end to end solution to achieve the bottom line benefit



Category	Metric	Current	Target	Change	% Change	Industry Avg	% Change vs Industry
Revenue	Revenue	100.0	100.0	0.0	0.0%	100.0	0.0%
Operating Profit	Operating Profit	22.2%	22.2%	0.0	0.0%	22.2%	0.0%
Operating Profit Margin	Operating Profit Margin	22.2%	22.2%	0.0	0.0%	22.2%	0.0%
Operating Profit Margin	Operating Profit Margin	22.2%	22.2%	0.0	0.0%	22.2%	0.0%
Operating Profit Margin	Operating Profit Margin	22.2%	22.2%	0.0	0.0%	22.2%	0.0%
Operating Profit Margin	Operating Profit Margin	22.2%	22.2%	0.0	0.0%	22.2%	0.0%
Operating Profit Margin	Operating Profit Margin	22.2%	22.2%	0.0	0.0%	22.2%	0.0%
Operating Profit Margin	Operating Profit Margin	22.2%	22.2%	0.0	0.0%	22.2%	0.0%
Operating Profit Margin	Operating Profit Margin	22.2%	22.2%	0.0	0.0%	22.2%	0.0%
Operating Profit Margin	Operating Profit Margin	22.2%	22.2%	0.0	0.0%	22.2%	0.0%

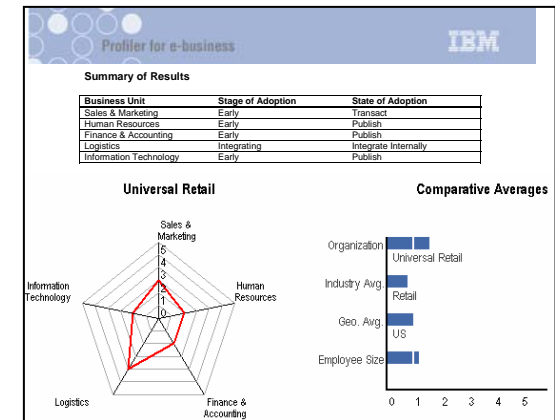
The IBM Profiler for e-business

Business Value

- Designed to make a comprehensive assessment of on demand adoption
- Drives on demand business revenue
- Ease in completing consultative calls on Line of Business executives
- Qualifies leads or use as part of account planning activities

Use this tool to...

- Identify opportunities in early stages of the sales cycle
- Evaluate the business environment
- Develop business strategy and initiatives and recognize needs



The e-business Collaboration Tool

Business Value

- Diagnoses a customer's current state of business practices by focusing on levels of functionality available to their business practices
- Work with key line-of-business executives to review and evaluate business processes by business unit
- Ranks the levels of functionality and identifies solution areas for broadening the enterprise and moving to greater levels of on demand business

Use this tool to...

- Shows thought leadership and industry expertise
- Identify and propose end-to-end solutions based on current functionality in ERP, SCM, CRM, PLM, and Human Capital



ISV's are the Cornerstone of IBM's on demand Solutions Strategy

The screenshot displays the IBM Business solutions website interface. At the top left is the IBM logo, and at the top right is a search bar. A navigation bar includes links for Home, Products & services, Support & downloads, and My account. Below this is a 'Select a country' dropdown menu.

The main content area is titled 'Business solutions' and features a large banner with the text: 'Complete solutions. The right results. Achieving the benefits of e-business requires tailored solutions. At IBM, we draw on our distinctive industry experience and a full range of resources--consulting, technology, alliances, integration, financing --to help build a strategic plan and deploy the right solutions. Use the Solutions profiler below to learn how IBM can help find the best solution for your business needs.' A photo of a man in a blue shirt is visible on the right side of the banner.

Below the banner is the 'Solutions profiler' section, which includes a 3-step process:

- Step 1: Identify your overall business goal:**
 - Gain competitive advantage
 - Improve corporate profitability
 - Effectively lead and manage change
 - Increase customer loyalty
- Step 2: Narrow your focus and select a strategic approach:**
 - Effectively manage marketing & sales channels
 - Enhance supplier relationships
 - Improve ability to react to changes in the marketplace
 - Improve availability to promise capability
- Step 3: Pinpoint a means to execute your approach:**
 - Align channel partners to capture opportunities
 - Align marketing, sales and services to capture opportunities
 - Collaborate with your partners throughout marketing & sales process
 - Communicate effectively with channel partners

At the bottom of the profiler is a section labeled 'Your solutions'.

On the left side, there is a vertical navigation menu with categories: Business solutions (CRM, e-Marketplaces, ERP, SCM, Case studies, Resource center, Alliance directory, Search Business solutions site, Support), and Related links (eServer Solution Connection, Industries, IBM PartnerWorld).

On the right side, there is a 'Business solutions' sidebar with a 'BUSINESS VIEW' button, a 'Click above to customize view' section with links for Register, Why profile, and Sign in, an 'In focus' section with a link to 'Request the IBM e-business Playbook. Play to win.', an 'e-business On Demand is here. Are you ready?' section with a small image of a server rack, a 'Contact us' section with a link to 'Questions? Contact a business solutions specialist', and a 'General' section with a link to 'Where do you go next?'.

Business Solutions – Sales Support Advisor

The screenshot shows the IBM Sales Support Advisor website. The browser window title is "Sales Support Advisor : Solutions - Microsoft Internet Explorer". The address bar shows the URL: <http://w3.ncs.ibm.com/solution.nsf/SolutionsMain?ReadForm>. The website header includes the IBM logo, the text "Sales Support Advisor", and navigation links for "BluePages", "Search", "HelpNow", and "Feedback". A search bar is also present.

The main content area is titled "Business Solutions" and is organized into several sections:

- Enterprise solutions:**
 - [Customer relationship management \(CRM\)](#)
 - [Enterprise resource planning \(ERP\)](#)
 - [Enterprise spend mgt \(ESM\)/Procurement](#)
 - [Product lifecycle management \(PLM\)](#)
 - [Supply chain management \(SCM\)](#)
- Alliances: Integrated ISVs:**
 - [Dassault Systemes](#)
 - [i2](#)
 - [PeopleSoft](#)
 - [SAP](#)
 - [Siebel](#)
- Alliances: Cross-industry ISVs:**
 - [Ariba](#)
 - [Avaya](#)
 - [E.piphany](#)
 - [Genesys](#)
 - [IBS](#)
 - [Intentia](#)
 - [KANA](#)
 - [Lawson](#)
 - [Manugistics](#)
 - [Peregrine](#)
 - [SAS](#)
 - [SSA Global](#)
- Education:**
 - [Alliance Solutions University](#) [Web lectures]
 - [Solutions University](#) [Training sessions]
 - [Teleconferences, webcasts, workshops](#)
- Marketing communications:**
 - [Analyst reports and press releases](#)
 - [ISV solutions and technology sparklers](#)
 - [Newsletters and Flashes](#)
- Sales tools:**
 - [Business Consulting Services snapshot](#)
 - [Business Solutions Portfolio](#)
 - [FAST Path to Solution Selling](#)
 - On Demand Business:
 - [Assessment tools](#)
 - [ISV brochure](#)

On the right side, there is a "GlobalSolutionsMarketing" banner and a "Top stories" section with several news items, including "PeopleSoft unveils EnterpriseOne Rapid Start 8.11" and "EU gives Oracle green light to acquire PeopleSoft". There is also an "Events" section with "EMEA class: on demand operating environment top gun".

The left sidebar contains navigation links such as "W3 Home", "Selling for IBM", "Advisor Home", and "Business Solutions". It also includes an "Advisor Site Index" dropdown menu and a "My Advisor" section with a link to create or edit a personalized page.

IBM SAP Sales Cookbook (Example)

IBM e-business Advisor

16 April 2004

IBM SAP Sales Cookbook

Welcome to a quick access guide for IBM/SAP resources. Use this tool to find, understand and access sales oriented information collected from a variety of IBM sources.

If you are preparing for a SAP customer call we strongly recommend you contact the regionally based SAP attack SWAT team and talk over your strategy. The [IBM/SAP SWAT Team](#) represents a group of subject matter experts who know how to help you close business.

Resources
See what sales resources are available.

SAP Customer Pain Points
Solutions to problems typically encountered in operational SAP accounts.

SAP Customer Scenarios
Ideas and tools to approach SAP customers business situations.

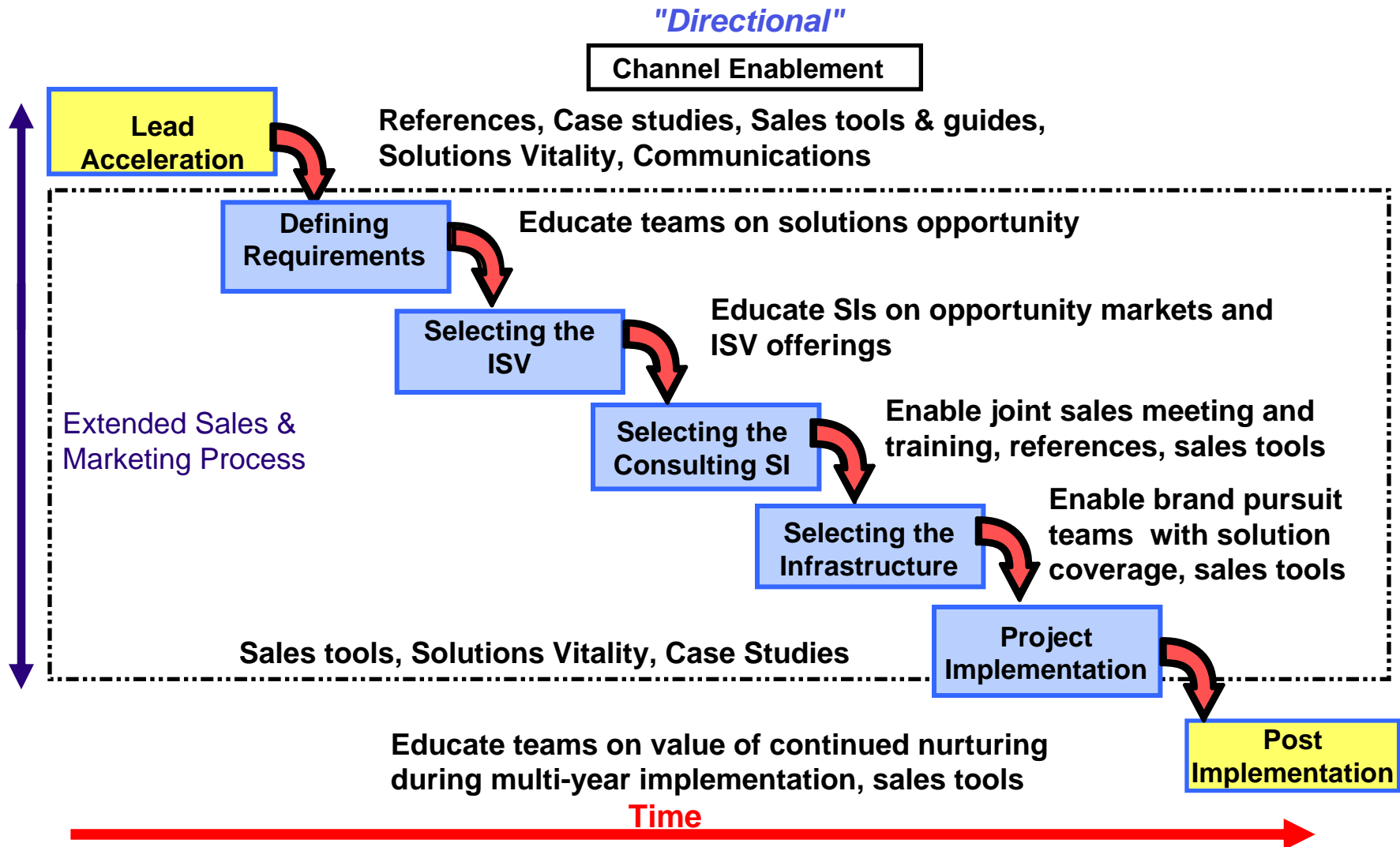
Selling in the SAP Environment

- [IBM's SAP Software Portfolio](#)
- [IBM SAP Fact White Paper](#)
- [SAP Attack Teams at your call](#)
- [Sales Team Successes](#)
- [Making the sale - links to IBM competitive and SAP focused brand links](#)
- [Talk to someone about competition - now](#)
- [IBM Competitive Sales](#)
- [IBM SAP Alliance Internet](#)
- [SAP Info Newsletter](#)
- [Subscribe to the IBM/SAP Newsletter](#)
- [IBM SAP Sales Portal](#)

Most Popular Cookbook Links

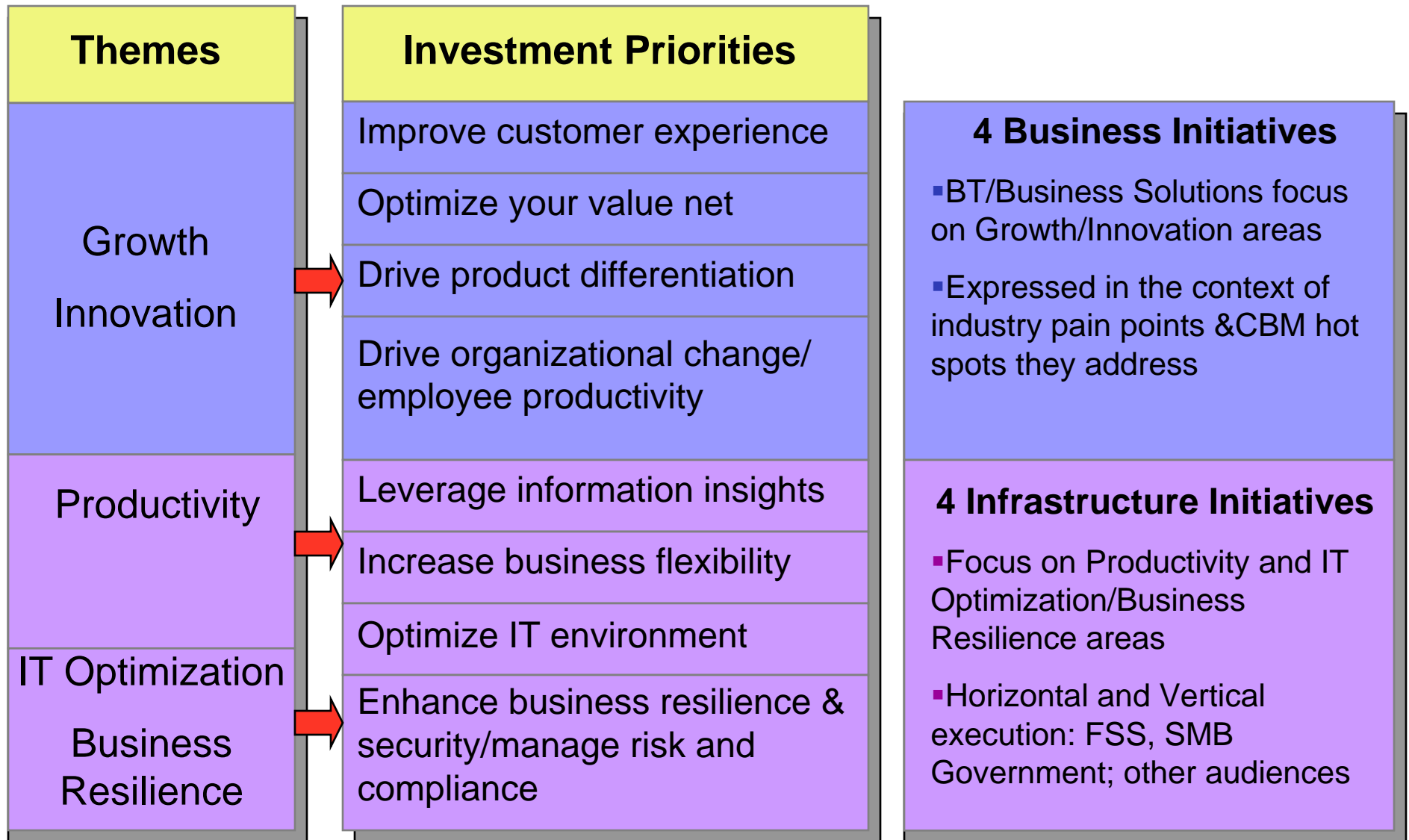
- [Insight Analysis Tool - A reason to call on any SAP customer](#)
- [IBM SAP - 8 questions to find the customer pain points!](#)

Channel Enablement activities will be aligned with the solution sales process



Note: Based on MI Database Analytics

On Demand Initiatives - Business and Infrastructure Focus



Our solutions support CHQ's approach to the "CEO Agenda: Growth and Innovation"





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Closing slide

Questions?



1/8/2005

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