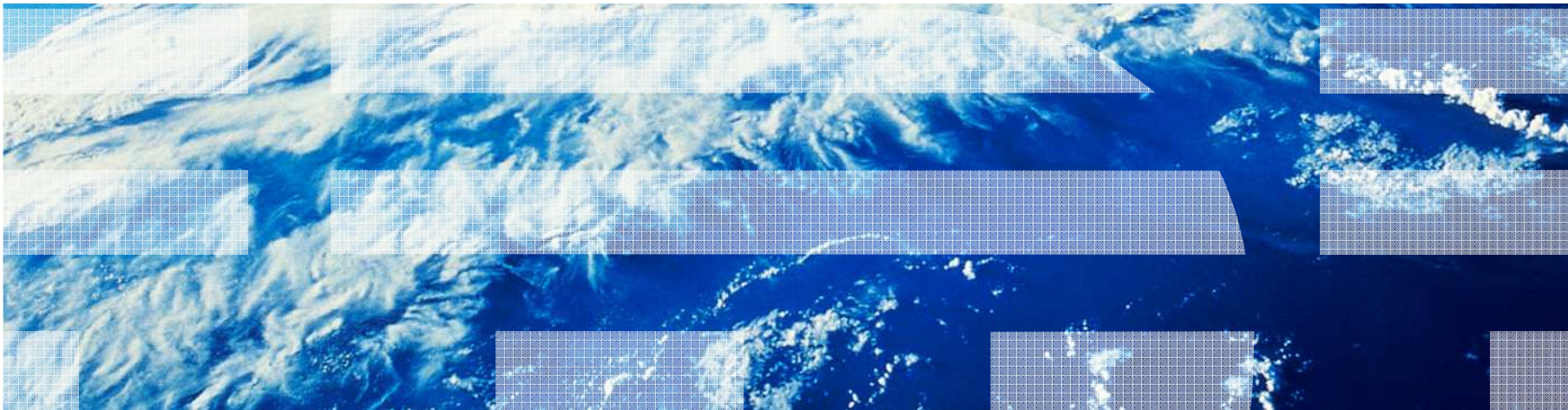


OUTPERFORM

2010 Business Partner Rally



Sanjay Gupta

Asia Pacific Channels and Alliances Executive



Cognos.
software

Agenda

- IBM and Business Analytics
- Business Analytics Positioning and Opportunity
- IBM Software Group Channel Goals
- IBM Business Analytics Channel Review and Goals
- 2010 Call to Action



OUTPERFORM 

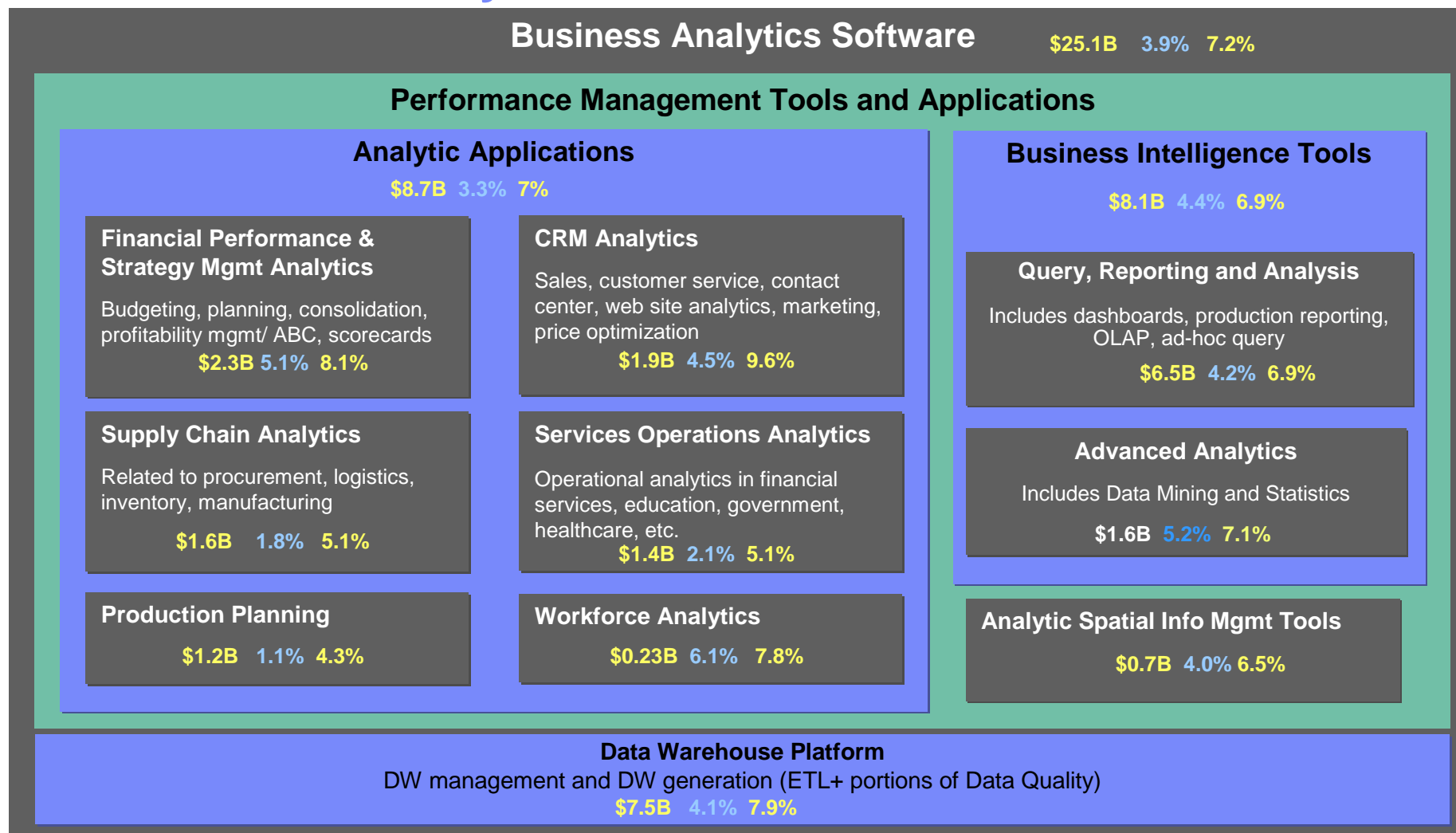
How will IBM grow? 4 priorities

1. **Growth Markets – both in GMU and in Major Markets**
2. **Next-generation Data Center and Cloud**
3. **Smarter Planet & Smarter Cities**
4. **Business Analytics !**



IDC Business Analytics Software Market

'09 Market Estimate, projected 08-09 growth, 5 yr CAGR 08-13



IBM Software for a Smarter Planet



Breaking Away with Business Analytics & Optimization

1 in 3

Business leaders **frequently make decisions** based on information they don't trust, or don't have

1 in 2

Business leaders say **they don't have access to the information they need** to do their jobs

Top Performers Demonstrate Expertise

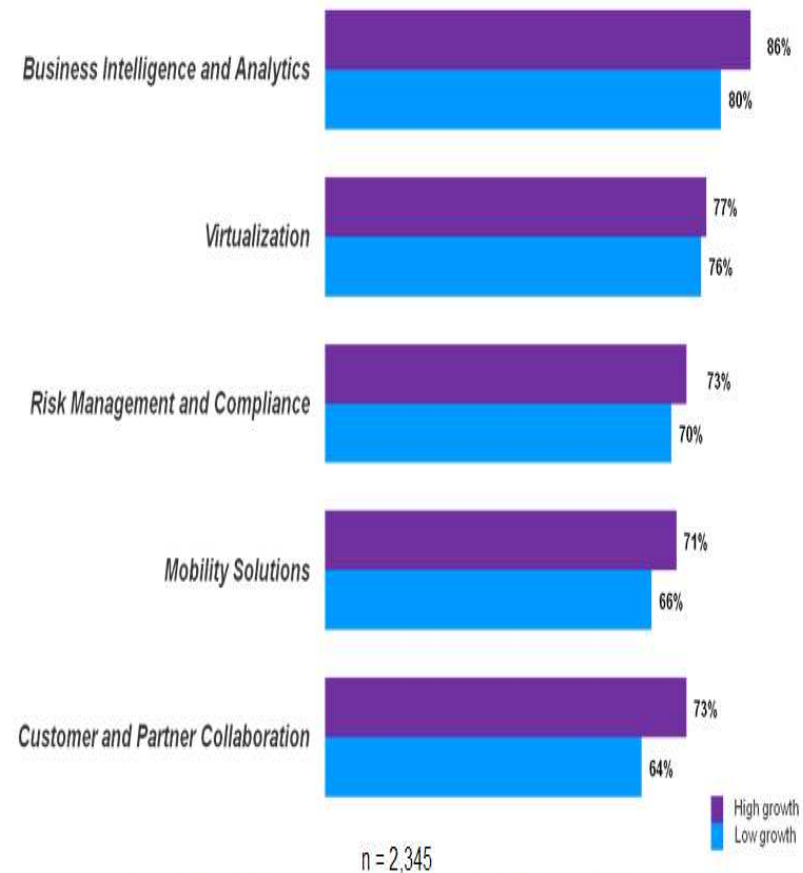


*Source: IBM Institute for Business Value

IBM Software for a Smarter Planet



Business Analytics is the #1 Concern IBM Global CIO Study 2009...





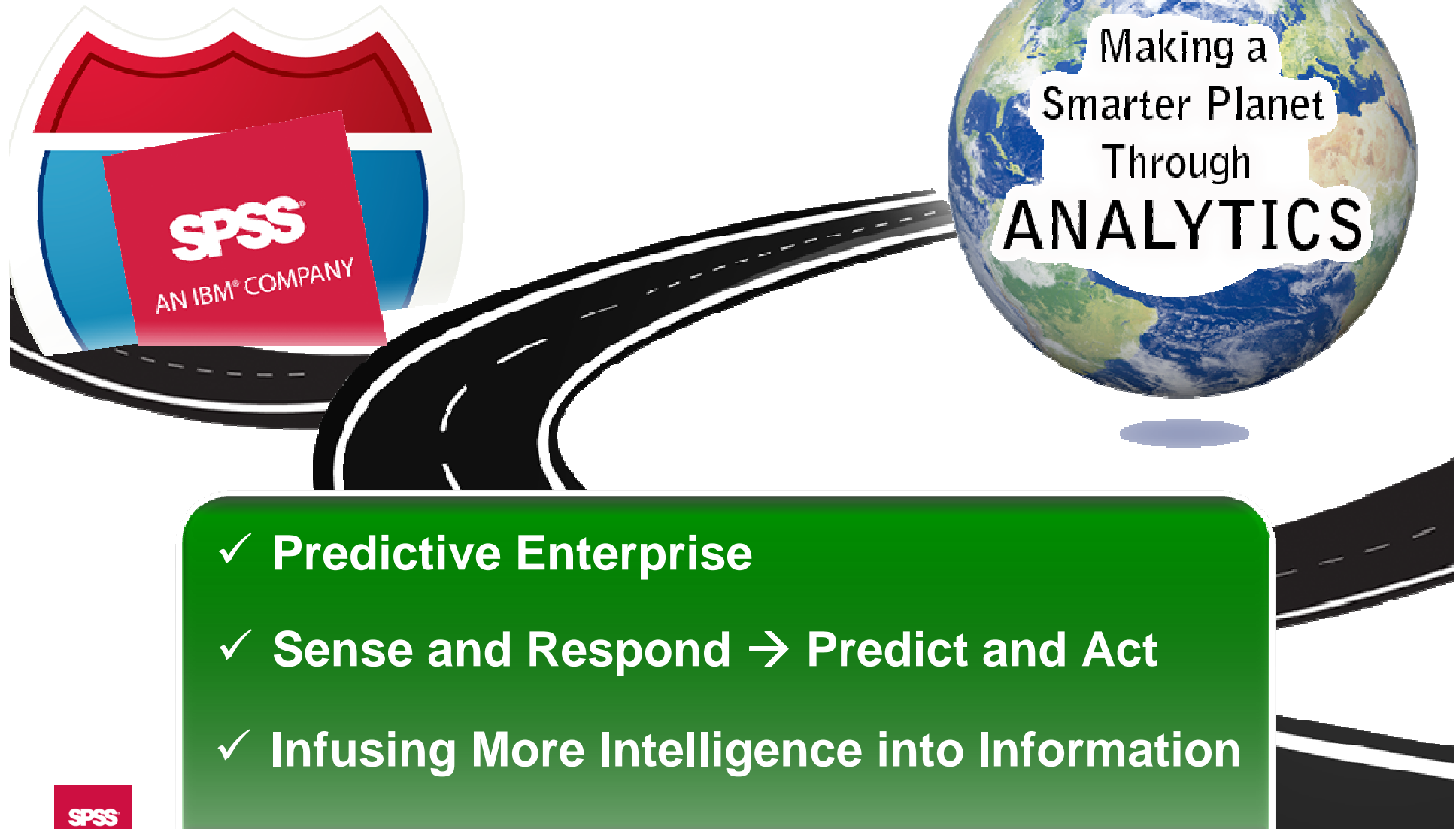
✓ Over \$12B in software investments since 2005

✓ Over 4,000 dedicated consultants

FORRESTER

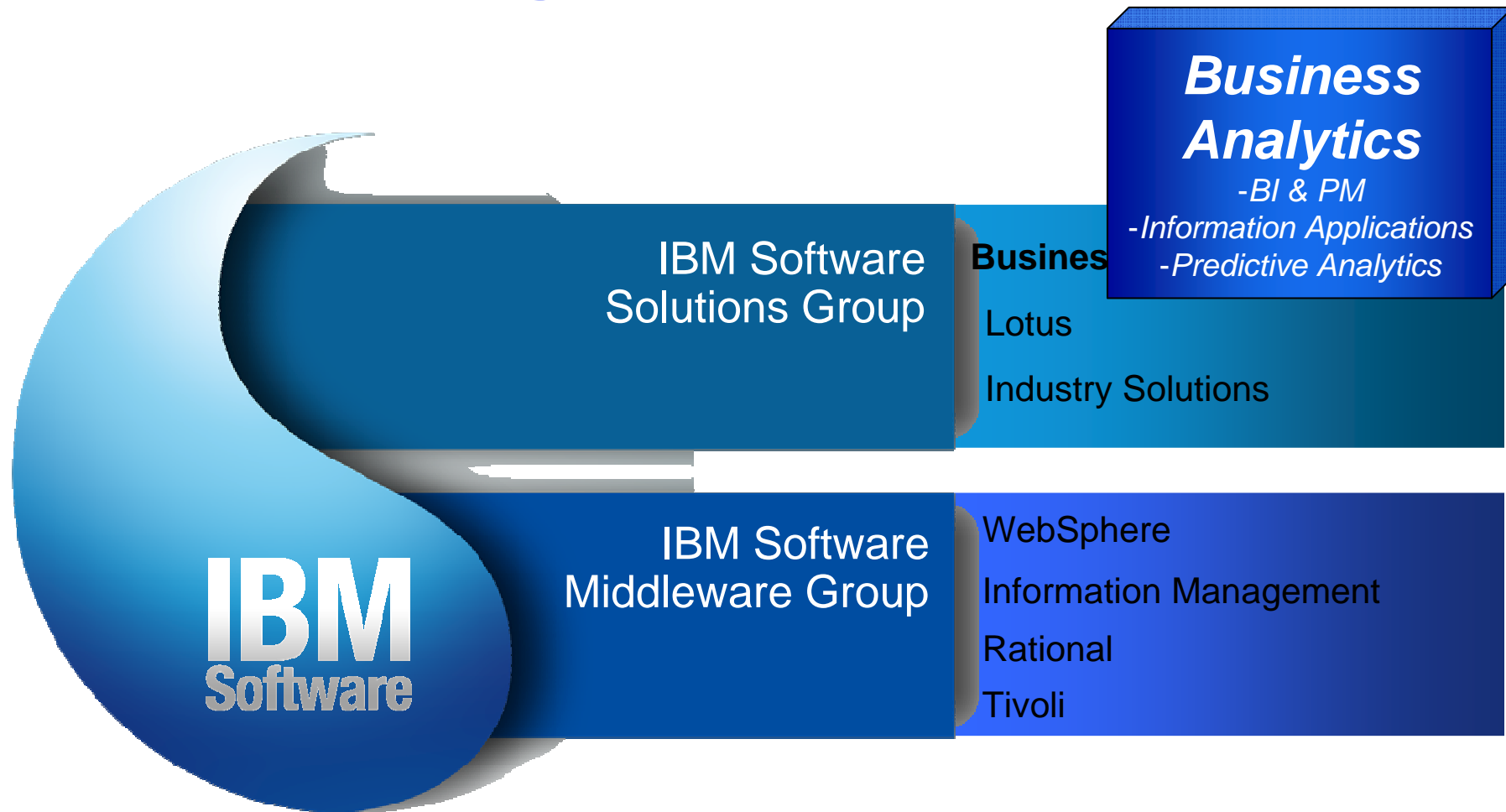
“IBM, not SAP or Oracle, is now the industry's premo analytics solution/platform vendor...”

A Common Destination



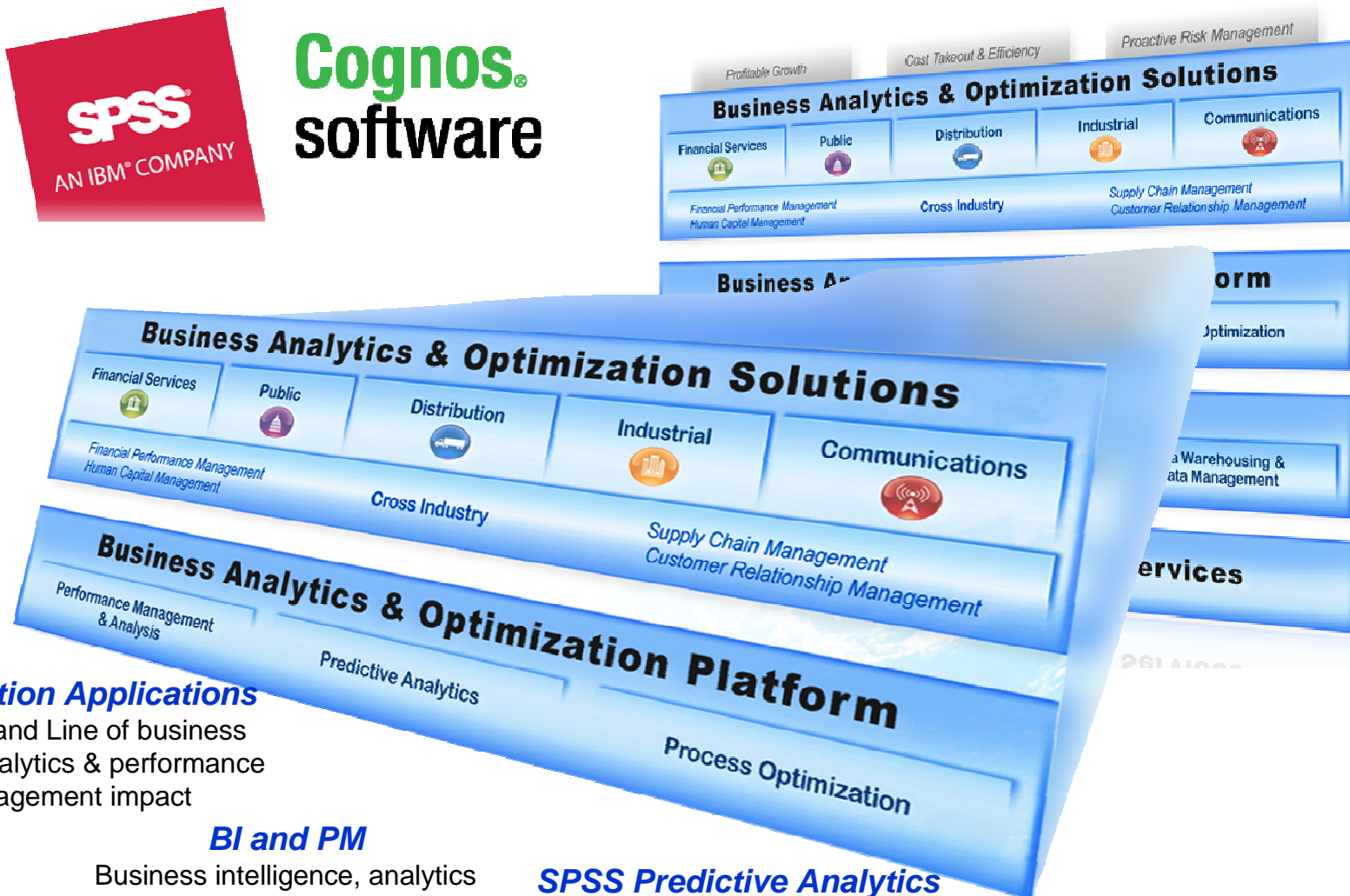
- ✓ Predictive Enterprise
- ✓ Sense and Respond → Predict and Act
- ✓ Infusing More Intelligence into Information

IBM Software Realigns to Address Market Demands





Cognos.
software



Information Applications

Industry and Line of business
specific analytics & performance
management impact

BI and PM

Business intelligence, analytics
and performance management
platform

SPSS Predictive Analytics

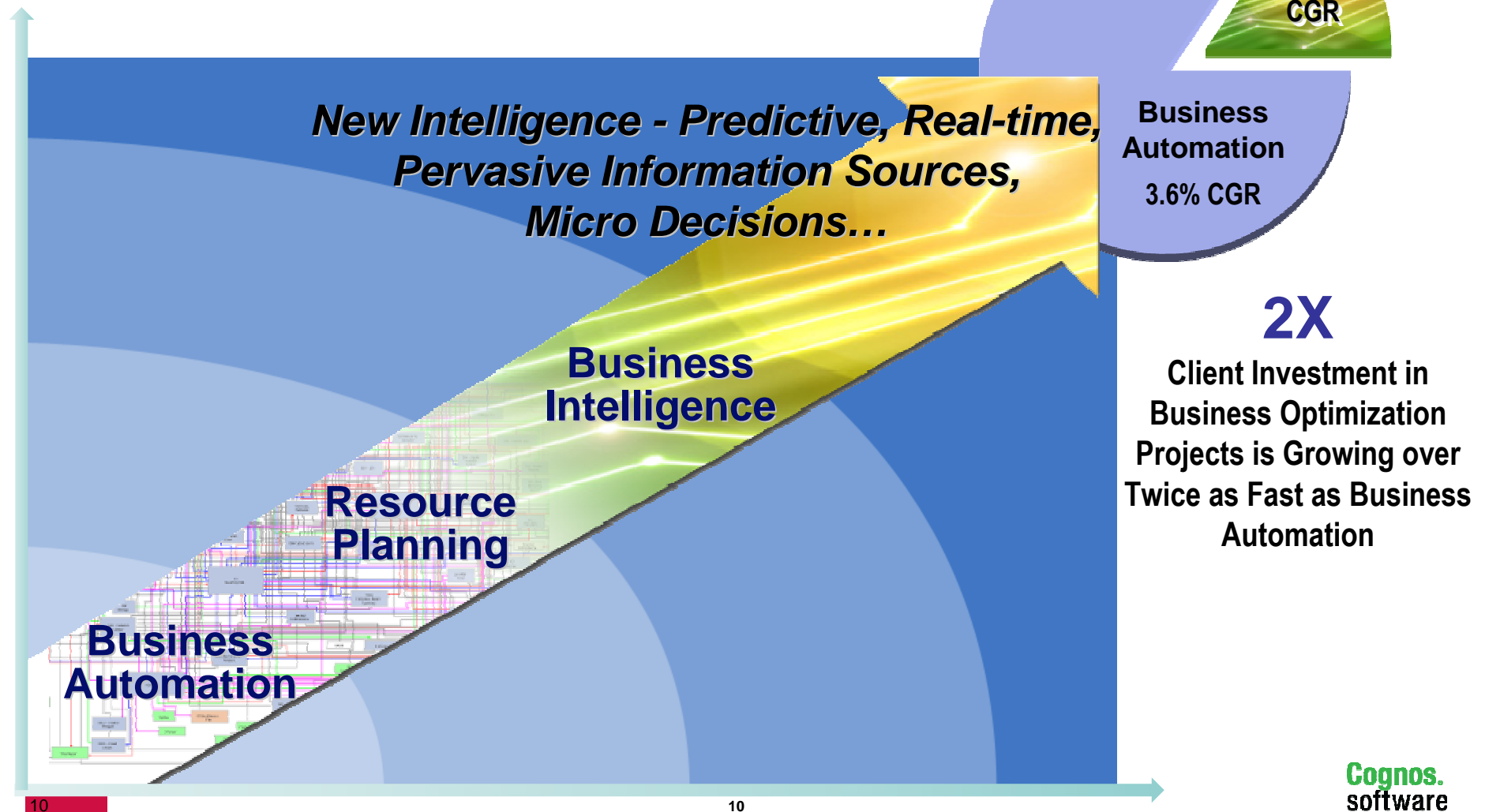
Stats and predictive analytics for
high impact decisioning



Cognos.
software

A Shift is Underway...

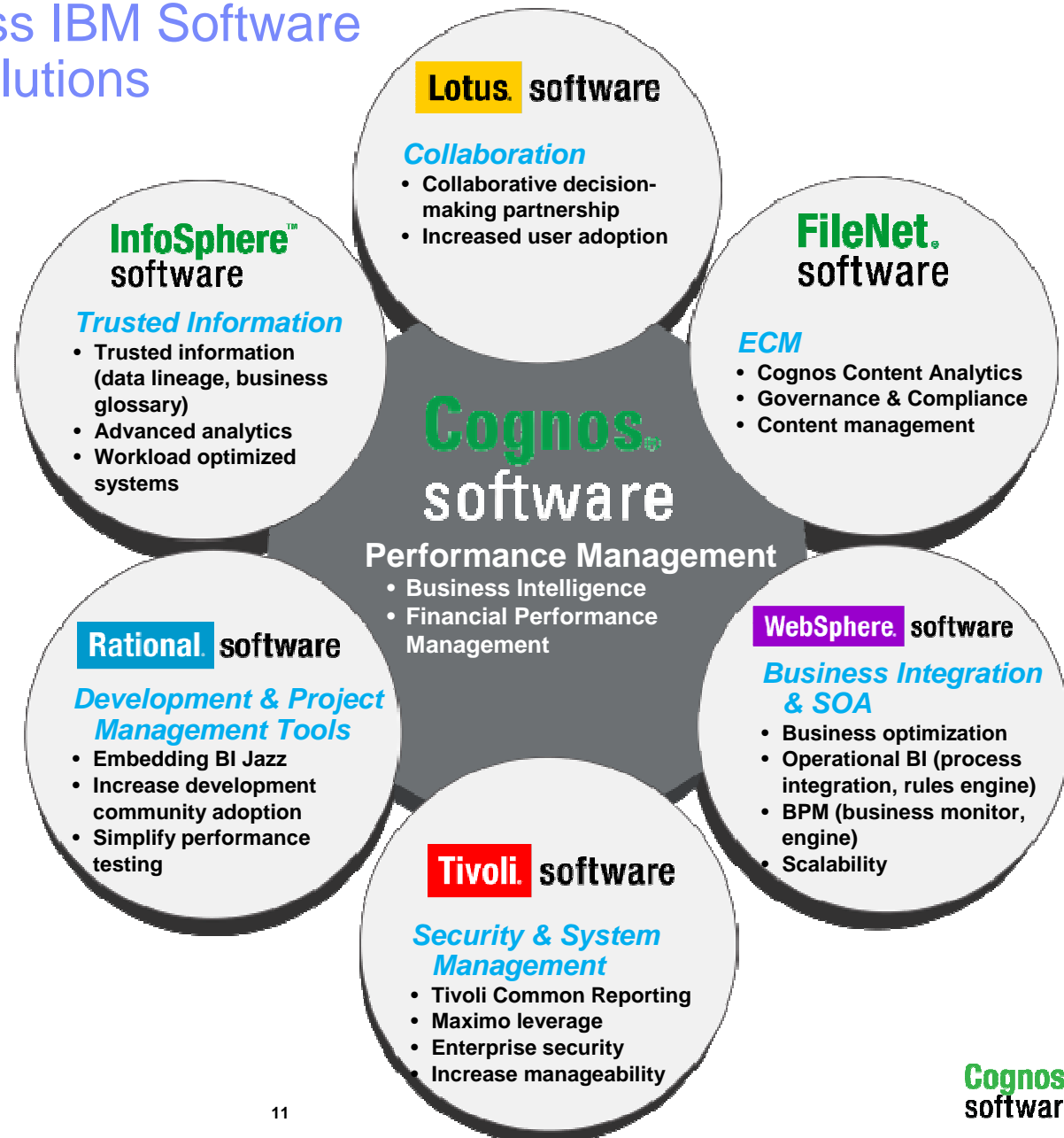
Information-Led Transformations will change business the same way as ERP & CRM...



Gaining Synergy across IBM Software to Deliver Strategic Solutions

Strategic Initiatives that Drive Synergy Requirements

- **Collaboration for decision making**
- **Business Optimization and process**
- **Information Agenda**
- **Governance and Regulatory Compliance**
- **Standardization / TCO**



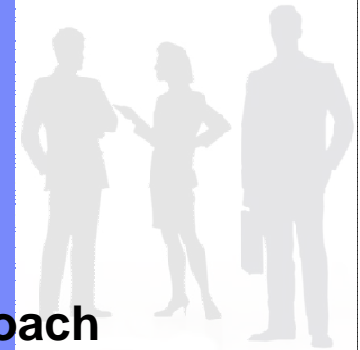
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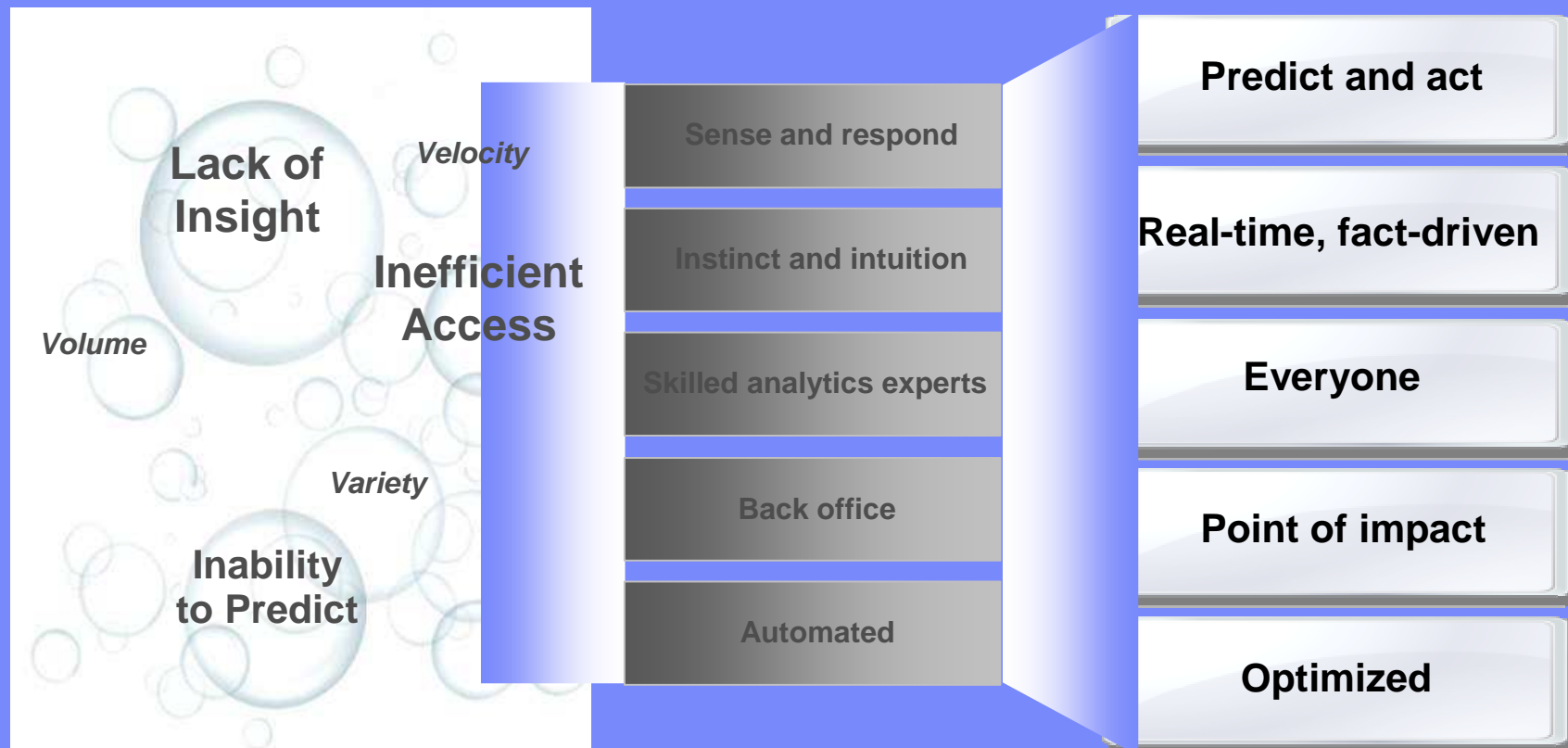
OUTPERFORM 

New ways of working to optimize decisions and actions

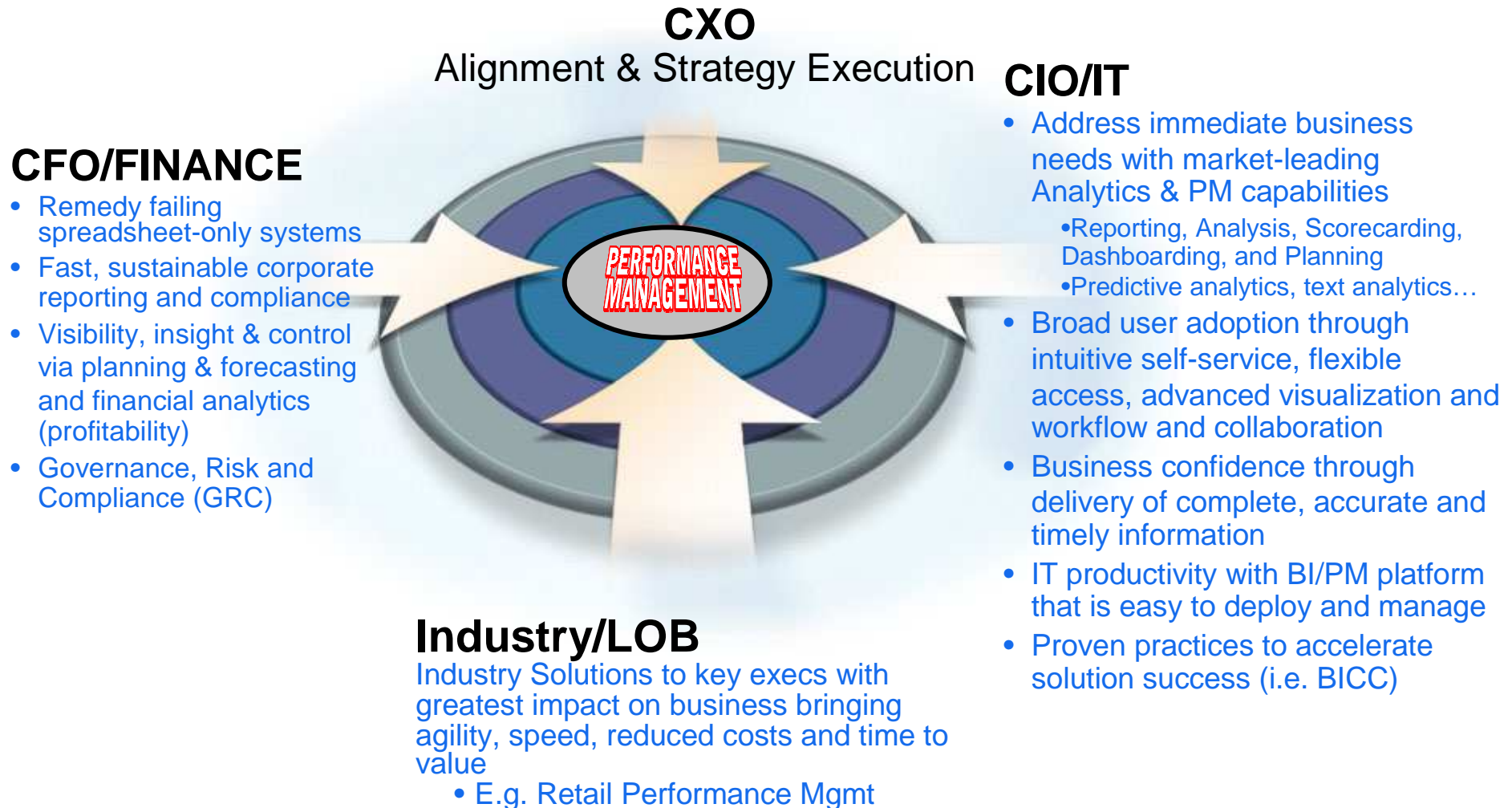


Traditional Approach

New Approach



Business Analytics Business Driven Customer Segmentation Strategy: Segmentation by point-of-entry & buying priorities



Business Analytics

IBM



SPSS
AN IBM COMPANY

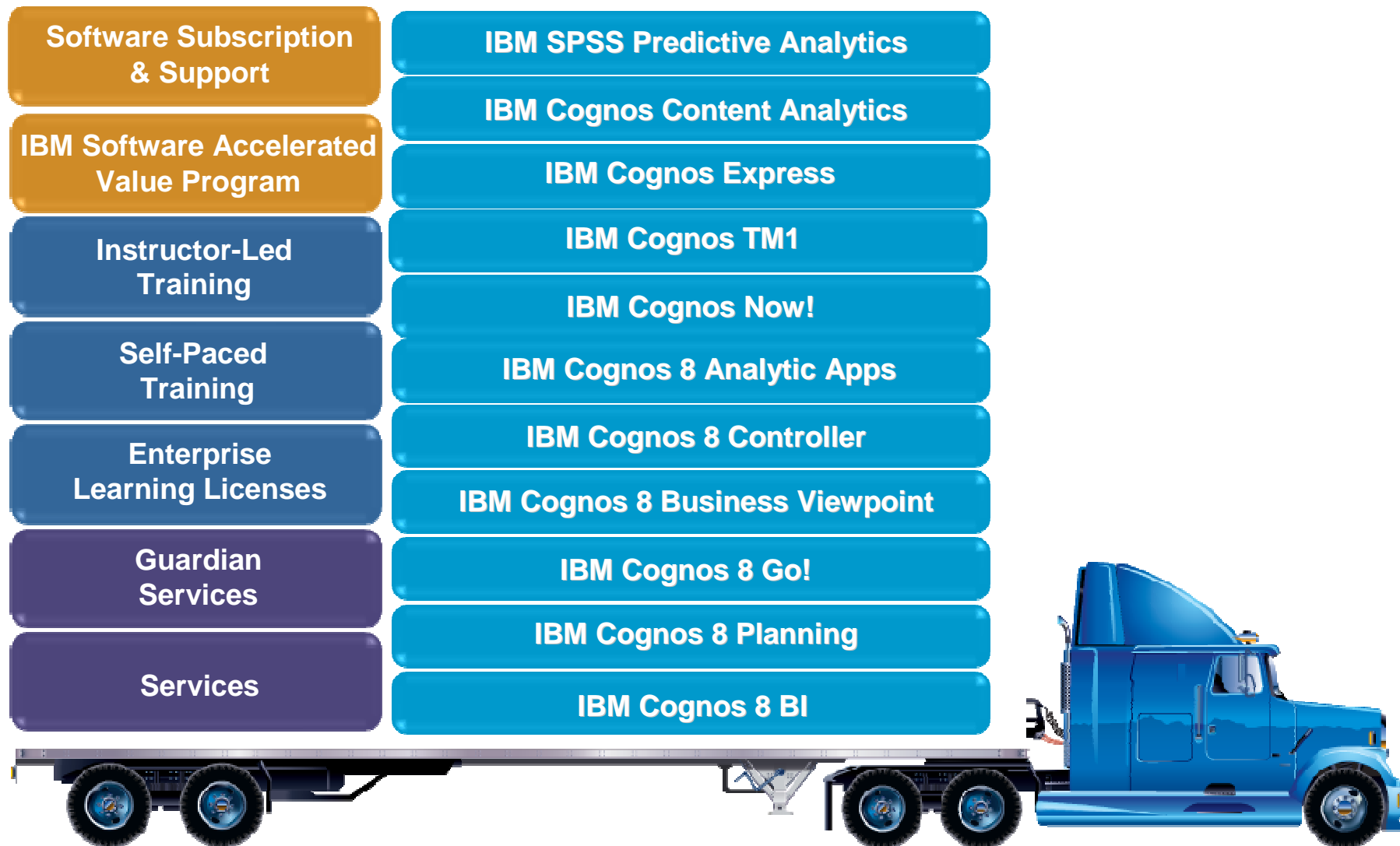
Source: Nucleus Research 2008, 2009

Cognos.
software

Plays - What are we doing for your success?



Business Analytics





INSURANCE

- Product Profitability Performance (EP/BI)
- **Executive Insight (BI)**



BANKING & FINANCIAL MARKETS

- Branch Performance (EP/BI)
- Client Servicing (BI)
- Customer Segment Performance:
 - Corporate (EP/BI)
 - Retail (EP/BI)
- Cost Transparency (EP/BI)
- **Cost Transparency (TM1/BI)**
- Relationship Pricing (EP/BI)
- Risk Adjusted Profitability (EP/BI)
- **FIRM Risk Modeling (TM1/BI)**



LIFE SCIENCES

- Clinical Trials:
 - Forecasting (EP/BI)
 - Enrollment Forecasting (EP/BI)
 - Resource Planning (EP/BI)
 - Modeling & Resource Tracking (EP/BI)
- Integrated Brand Management (BI)
- Sample Optimization (EP/BI)
- Sales Quota Allocation (EP/BI)



HEALTH CARE

- **Provider Planning (TM1/BI)**



OIL & GAS

- Upstream Planning (EP/BI)



GOVERNMENT

- Earned Value Management (EP/BI)
- Program Objective Management – POM (EP/BI)
- Municipal Performance Management v1 (BI)
- **Municipality Performance Management v2 (TM1/BI)**



RETAIL

- **Assortment Management (TM1/BI)**
- Financial Workbench & Scorecard (EP/BI)
- Store Development (EP/BI)
- Store Operations (P&L) Planning (EP/BI)
- Strategic Merchandise Planning (EP/BI)
- Strategic Promotion & Marketing Planning (EP/BI)



HIGHER EDUCATION

- Enrollment & Tuition Planning (EP/BI)
- Salary Planning & Position Control (EP/BI)



MANUFACTURING

- Sales & Operations Planning - S&OP
 - Baseline (EP/BI)
 - Distribution (EP/BI)
 - Executive Review (EP/BI)
- **Demand Planning (TM1/BI)**
- SCOR Performance (BI)
- Trade Promotion Management (EP/BI)

PLANNING

- Expense Planning and Control v1 (EP)
- Expense Planning and Control v2 (TM1)
- **Expense Planning and Control v3 (TM1/BI)**
- Capital Project Planning v1 (EP)
- Capital Project Planning v2 (EP/BI)
- Capital Project Planning v3 (TM1)
- **Capital Project Planning v4 (TM1/BI)**
- Capital Expenditures (EP)
- Workforce Planning v1 (EP)
- Workforce Planning v2 (TM1)
- **Workforce Planning v3 (TM1/BI)**
- Integrated Financial Statements v1 (EP)
- Integrated Financial Statements v2 (TM1)
- **Integrated Financial Statements v3 (TM1/BI)**
- Allocations Planning (EP)
- Initiative Planning (EP)
- Risk Analysis (EP)
- Sales Compensation Planning (EP)
- Sales Planning and Forecasting (EP)
- Strategic Finance (EP/BI)
- Strategic Investment Management (EP/BI)
- Strategic Long-Range Planning (EP)
- Workforce Resource Management (EP)

BUSINESS INTELLIGENCE

- Call Center and SLA Monitoring (BI: Cognos NOW)
- Sales Performance Management for Salesforce.com (BI)

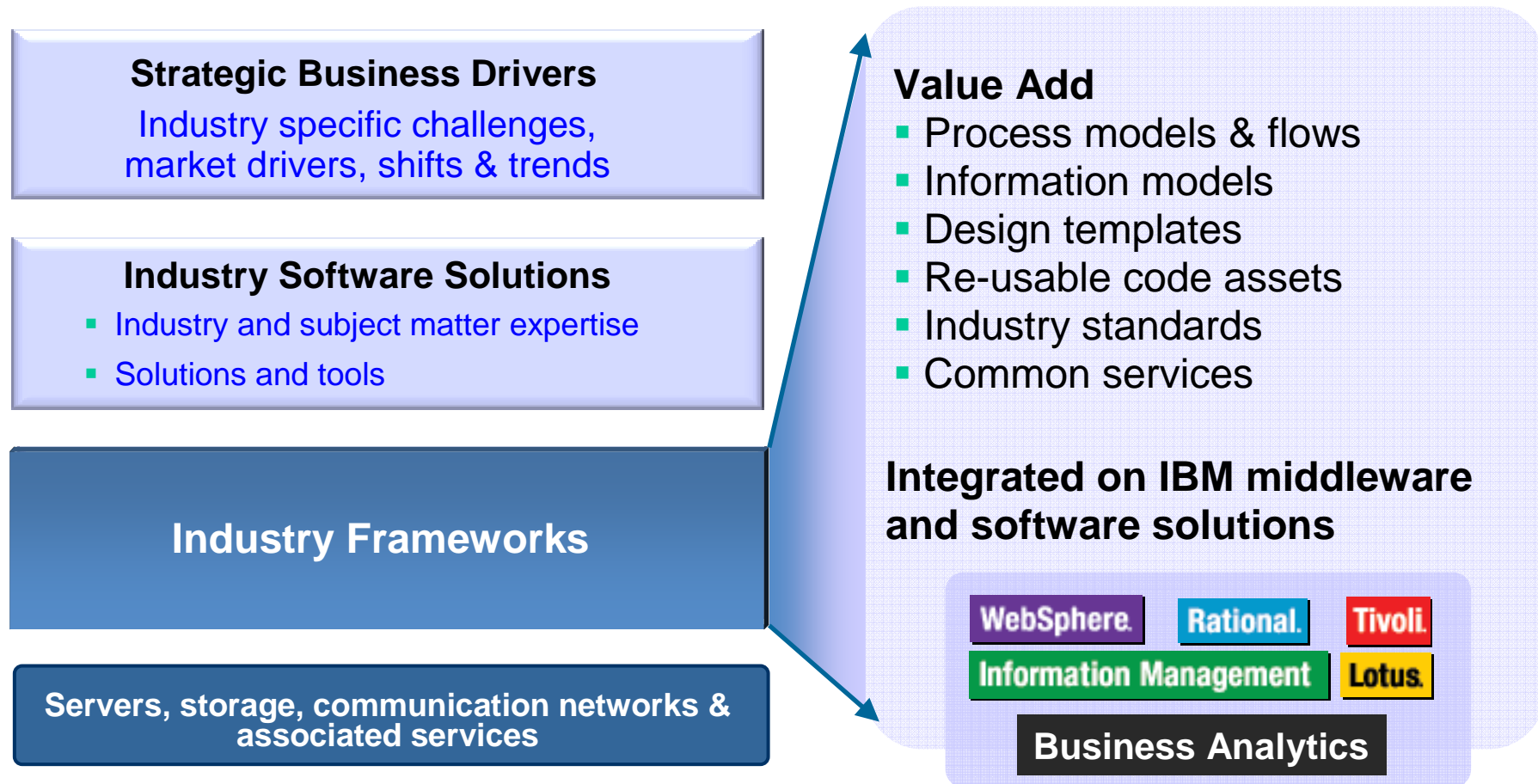
FINANCIAL MANAGEMENT

- Close, Consolidate, Report (CNTLR/BI)
- Internal Controls (CNTLR/BI)
- Management and Financial Reporting (CNTLR/BI)
- XBRL (CNTLR/BI)
- Group Consolidation and Corporate Reporting (CNTLR/BI)

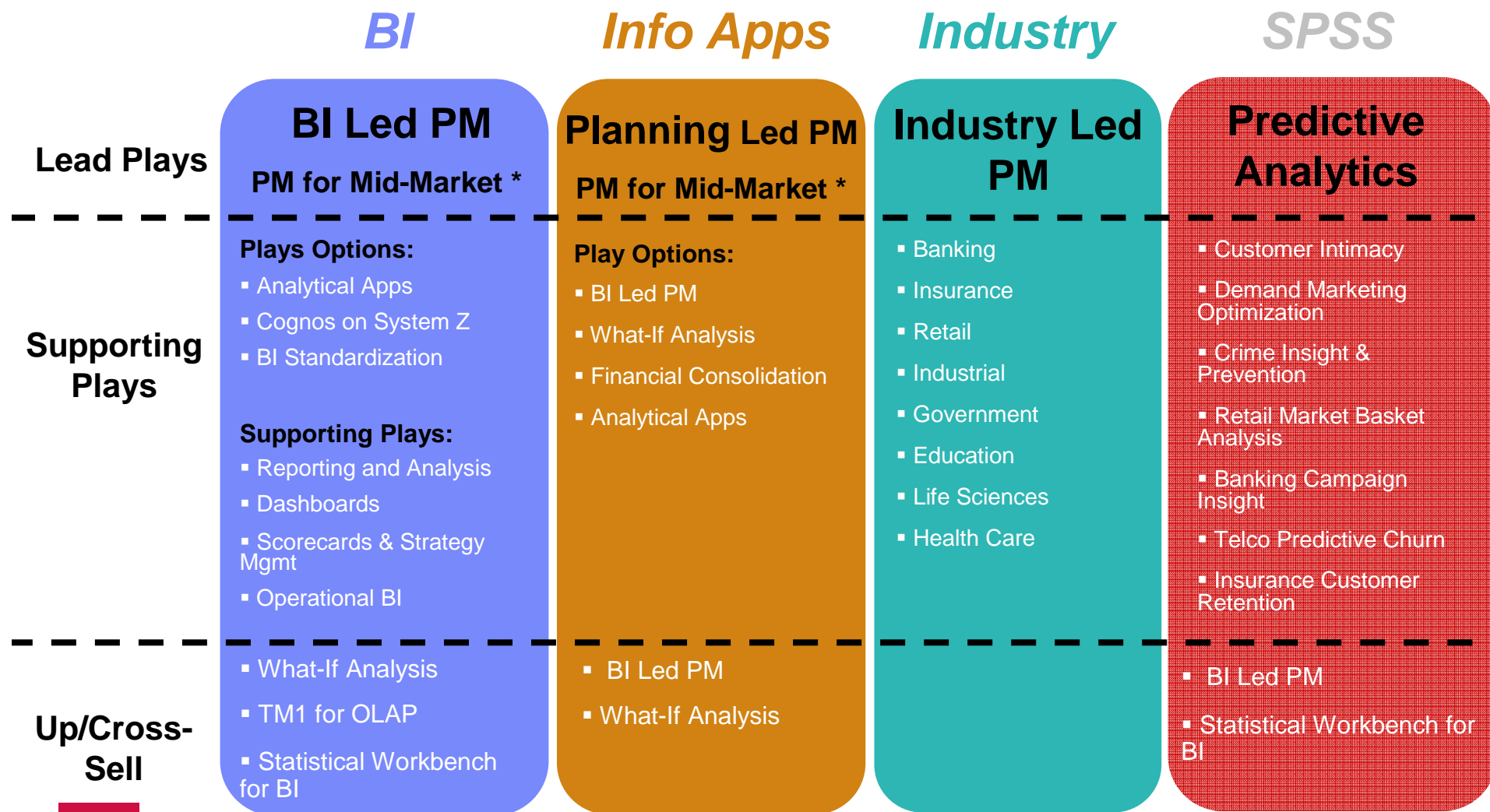
FINANCIAL ANALYTICS

- Product Profitability Analytics (TM1/BI)

SWG Industry Frameworks deliver technology in an industry context, aligning IT to business needs



Plays – Selling what is on your truck



* Lead Play for Mid-Market Opportunities



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Gartner states the opportunity is there for both new business and cross selling more of the Business Analytics offerings

- “The study [Gartner Financial Executives International] found that **57.6% of organizations plan to upgrade their analytical and decision support capabilities** with a clear focus on CPM applications.”

Source: Gartner, 2009 FEI Technology Study, June 09

- Gartner estimates that nearly **50% of large enterprises and 75% of midsize businesses are still using spreadsheets...** Furthermore, most CPM suite evaluations are still focused on improving the financial functions (primarily BP&F), and less on the strategic aspects of CPM... Hence, there is still a **significant and growing demand for CPM solutions.**

Source: Gartner “CPM Suites Market Growth Underlines Strategic Priority for Users”, October 2009

- “Despite its broad functional footprint, the **majority of Cognos 8 deployments are still reporting-centric.**”

Source: Gartner “Magic Quadrant for Business Intelligence Platforms”, January 16, 2009









Megavendor Corporate and Market Ratings

Corporate	IBM	Microsoft	Oracle	SAP
Strategy	Strong Positive	Promising	Positive	Promising
Financial	Positive	Strong Positive	Strong Positive	Positive
Marketing	Positive	Caution	Positive	Promising
Organization	Positive	Positive	Positive	Promising
Support/Account Mgmt.	Strong Positive	Positive	Promising	Caution
Vendor Rating date:	May 2009	August 2009	November 2009	October 2009
Markets	IBM	Microsoft	Oracle	SAP
BI Platforms	Leader	Leader	Leader	Leader
CPM Suites	Leader		Leader	Leader
Data Quality Tools	Leader			Leader
Data Integration Tools	Leader	Challenger	Leader	Leader
Data Warehouse DBMS	Leader	Leader	Leader	

Note: Market ratings from relevant Magic Quadrants

Gartner BI Competitive Analysis (Dec 2009)

Table 3. Vendors' BI Platform Product Scores by Critical Capability

Critical Capability	IBM Cognos	Oracle	SAP	Micro-so ft
Common authoring tools	3.8 	3.5	2.0	3.0
Consistent UI across tools	4.0	3.3	3.3	5.0
Common delivery	4.6 	3.9	4.3	2.6
Data lineage and impact analysis	4.8 	3.3	4.0	2.0
Extended BI capabilities integration	4.1 	3.4	3.6	3.2
Common security	5.0 	4.5	4.5	3.0
Common administration and infrastructure	4.3 	3.8	3.9	2.5
Common metadata	4.1	4.3	3.5	3.0

- ‘Generally speaking, **BI platforms that are tightly integrated deliver quicker results**....A BI platform with strong integration reduces the amount of custom integration and duplication required to build BI applications; streamlines BI content authoring, administration and security; and incorporates related technologies into the broader information infrastructure.’
- New in-depth Gartner report on “Critical Capabilities for Business Intelligence Platform Integration (Dec/09)” ranks IBM Cognos highest among the megavendors for platform integration, and 2nd highest of 14 vendors reviewed. **IBM Cognos scored higher than SAP in every single category, and beat Oracle in all categories but one.**
- Gartner noted that **‘if Cognos 8 BI was the only product evaluated from Cognos it would have scored tops.** However, due to the fact that TM1 and Cognos Now! were also evaluated as part of our platform, and they have different UIs and management systems, this brought our scores down a bit.’

Source: Gartner (December 2009)

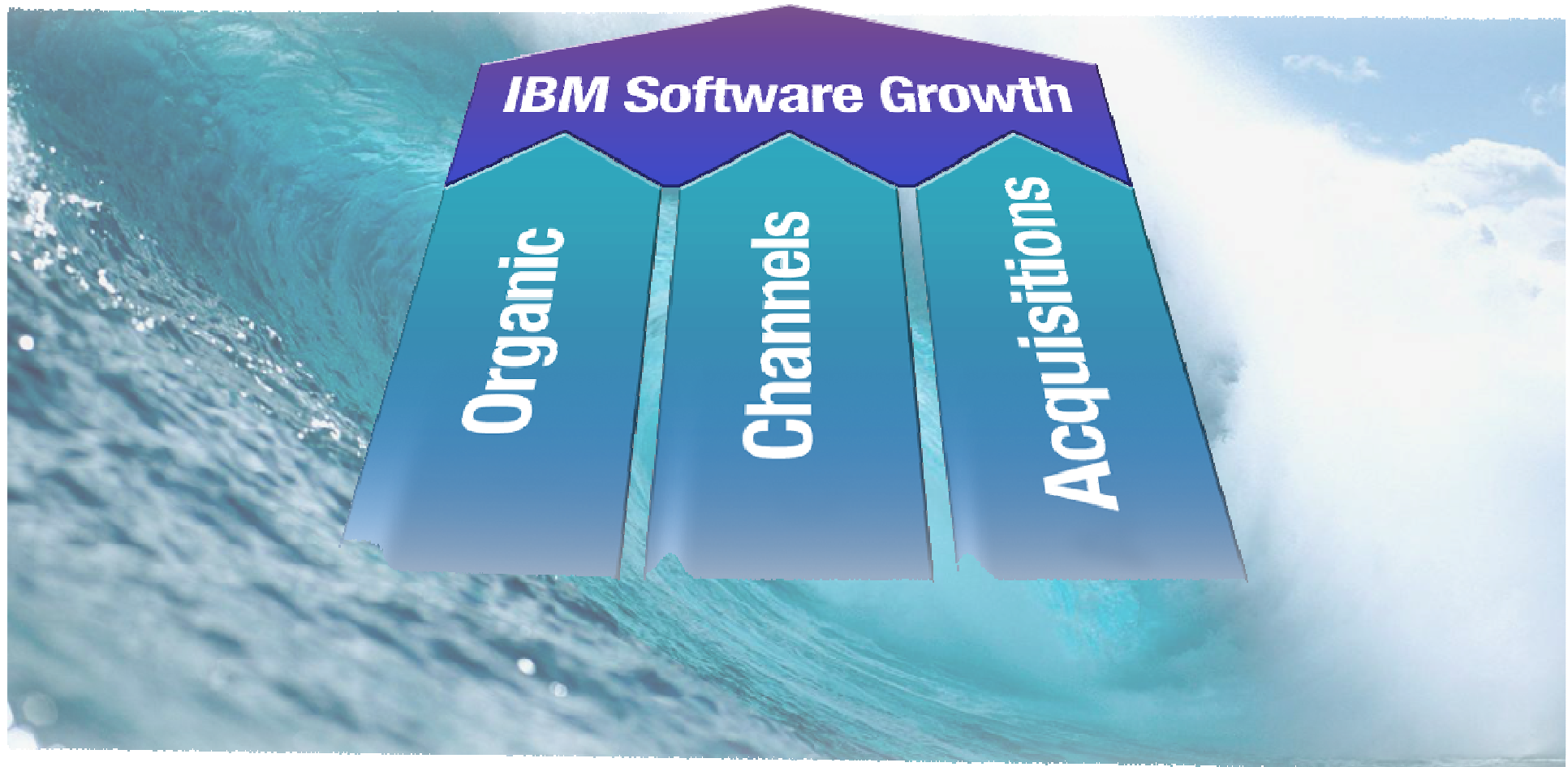
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OUTPERFORM 

Channels – Key Driver of Client Value and Growth



IBM invests in Business Partners to catch the next wave of growth!

IBM Business Analytics Partner Relationships



SOFTWARE VALUENET BUSINESS PARTNER TYPES

ISV	Services Provider	VAR	Solution Provider
Business Partner delivers after-market, independent software applications that work with IBM software technology and enhance the product functionality or administration.	Business Partner delivers post-sale consultative services to customer, including installation, configuration, performance tuning, application development and customizations.	Business Partner resells IBM software and performs the same post-sale services as a consulting partner.	Business Partner resells IBM software and creates repeatable, industry or segment focused solutions based primarily on IBM software and add considerable Partner intellectual property. A solution provider (not ISV) sells an application-like solution built on top of IBM software.

Influence

Resale + Influence



Global SIs -



Support Provider Capability (Extension)

VARs or Solution Providers who also provide first level technical support to their End Users as a seamless extension to the existing IBM support channel. Support Providers are authorized to sub-license the eligible Programs to End Users, and to acquire and renew subscription and support from IBM for their End Users.

Global Strategic Alliances -



ASL- Custom (300+)



You Asked Us for a View into the Future: *Software Value Plus 2011*



Tomorrow

New rewards and incentives for Industry skills

Greater business model options across all products

Extended benefits for most highly skilled Business Partners

1H10 Business Models

*Business Partner
Models and
Benefits Defined*

2H10 Industry Skills

*Industry Certifications
and Benefit Defined*

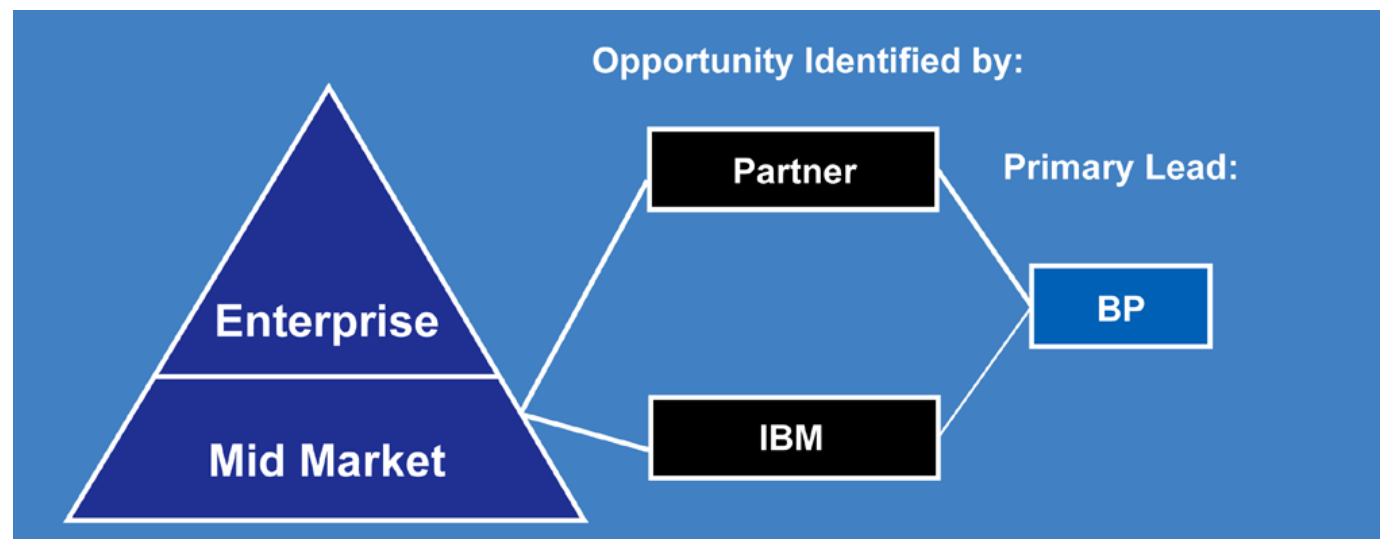
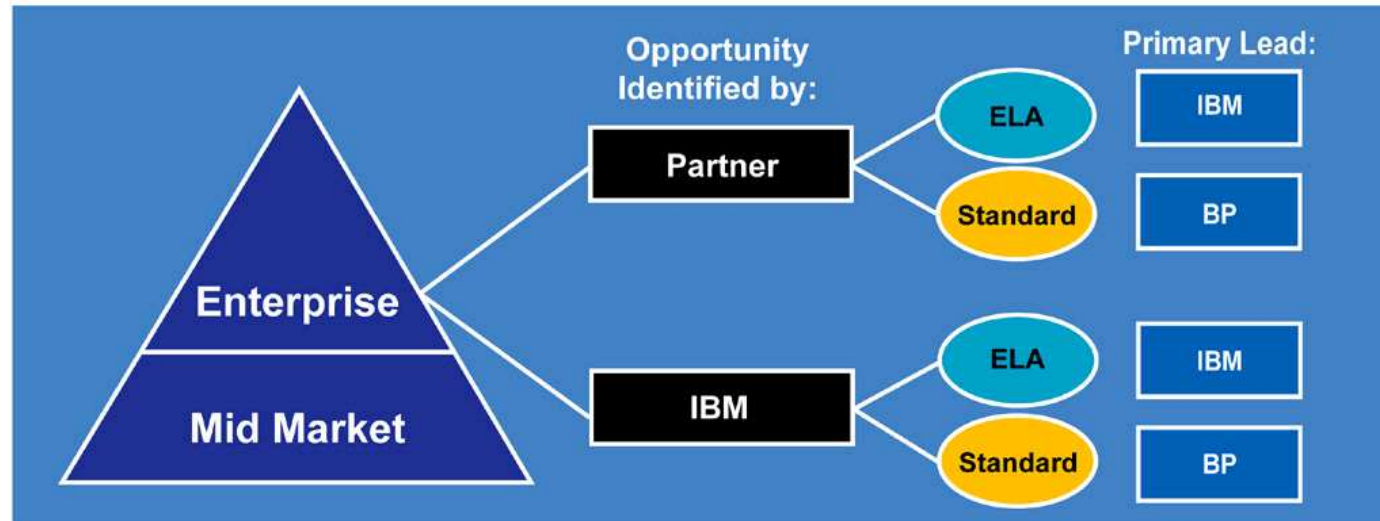
1H11 Program Rollout

*SVP 2011 goes Live with
new models,
certs and benefits*

Software ValueNet to SVP 2.0 Convergence

- **Software ValueNet in 2010: business as usual**
- **Work under way to leverage new SVP programmatic benefits with automatic deployment in IMTs, countries**
 - Examples:
 - Principles of engagement
 - Local enablement events
 - Automatic lead passing to partners
- **Continue work with Partner Advisory Board, obtain feedback for SVP 2.0 convergence implementation**
- **SVP 2.0 focus areas**
 - Solution Providers, Industry Skills
 - Certifications
 - Cross Portfolio capabilities
- **Converged implementation early 2011 (exact dates TBD)**

IBM SWG Channels Principles of Engagement



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OUTPERFORM 

Analytics and Performance Management Channels and Alliances Organization Mission

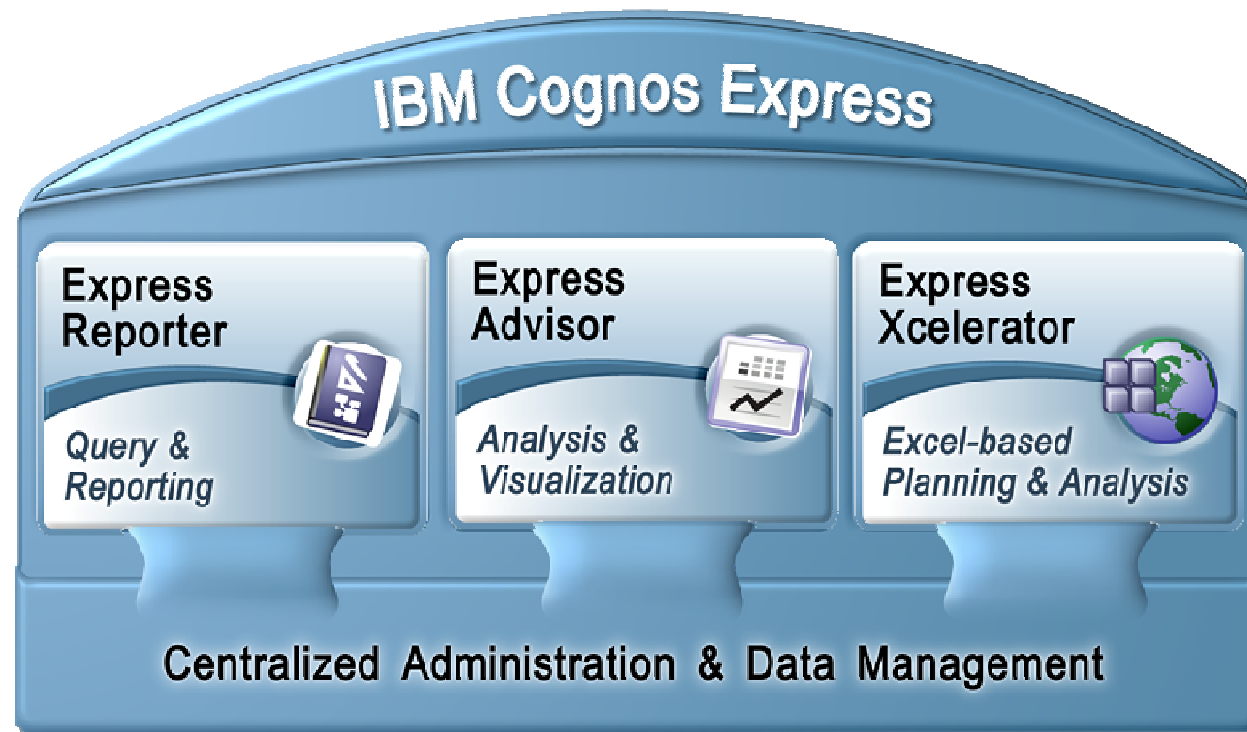
“Be the best Performance Management Partner in the Industry by maximizing the *value* delivered to customers, channel and alliance partners and to the IBM Analytics and Performance Management segment”

2010 Business Analytics Channel Initiatives



People

IBM Cognos Express



The only integrated Reporting, Analysis, Planning, Forecasting and Budgeting solution purpose built and priced for midsize companies

Designed to be a Partner Play !

IBM Cognos Express Partner Highlights

- ✓ **450+ Partners enabled in Q3 & Q4**
 - ✓ 45 Partner Training Classes in Q3 & Q4
- ✓ **20 – Q4 Partner training classes**
- ✓ **1,700+ - Partner resource views of On-Demand Sales/ Pre-Sales enablement assets**
- ✓ **370+ – Partner downloads of Cognos Express lead generation launch**
- ✓ **Wins**
 - 60+ Wins
 - 96% of
 - Sales in 15 countries
 - Average Selling Price \$30,000
 - Average number of users = 15
 - Most transactions included acceleration of another module
- ✓ **Pipeline**
 - 500+ opportunities

CRN

Top Midmarket Products Winner



"The product already has some differentiators that its competitors lack"
– Intelligent Enterprise

Cognos Express - 2010 Top Partner Focus

- **Enablement**
 - New enablement of existing Partners
 - Infrastructure & Assets to support second mile of enablement for 450+ Partners who attended 5-day training classes
 - New IBM Cognos Express Training Courses and Certifications - new Partners & new Partner hires
 - Workshop and Campaign Lead Generation Asset & Tools
- **Recruit & Ramp-up New Partners**
- **Language Translation – Product, Manuals, Training Materials, Campaign Programs**

Cognos Express - 2010 Top Partner Focus (cont.)

Pricing

- Competitive Pricing in Local Markets

Campaign/Lead Generation Programs & Lead Distribution

- Streamlined and consistent criteria for lead flow distribution processes

Hosted Environments

- Better control of successful Try-and-Buy experience
- Increase demo environment performance
- Selling hosted IBM Cognos Express Solutions

Assets

- Wins communications, Case Studies, Workshops (local & web events)

Transition into New Systems for Pipeline Management/Measurement

- Partner & Mid-Market System Requirements incorporated
- Web Session Training classes and on-demand training

IBM Business Analytics Partner Learning Center

IBM Cognos Partner Learning Center

Software

Membership

Join PartnerWorld

Go to member resources

Very excited to see this - you've made it so easy, everything in one area, clearly defined - no excuses for not getting enabled and educated."

"I love it... this will truly save me time and cycles in getting our resources trained on the content that is relevant to their role."

"Very impressive... no more searching through multiple areas. Now I can go to one spot to find the education offerings I need."

"Just saved me ages trying to get a BP rep to build a plan with a partner, 2 clicks and was all there! THANK YOU."

Manager

Technical Sales Specialist

Designer

Developer

Coming in

AN IBM COMPANY

- One location for IBM Business Analytics partners to access enablement, education and certification

Guided paths to grow skills by role

Allows partners to self-identify based on their role in their organization

Links to You Pass We Pay benefit

Mechanism to share IBM Business Analytics Best Practices with partners to elevate game:

- Specialization
- Acceleration Plays
- Industry Value

Sales Acceleration Plays

IBM PartnerWorld®

Marketing

Selling

Technical

Training and certification

Collaboration

Products

• Find product resources

• Software

• Systems, servers and storage

• Semiconductors

• Point-of-sale and self-service

• Operating systems

• Certified pre-owned equipment

• Equipment removal

Solutions

Services

Industries

Small and medium business

Orders and fulfillment

Forms and agreements

Events

News

PartnerWorld program

Contact PartnerWorld

IBM PartnerWorld > Products > Software > Information Management >

BI led performance management

Overview

Prepare

Prospect

Progress

Propose

Close

↓ Overview sales guidance

↓ Opportunity flow for BI

Overview sales guidance

Why should this BI "Play" matter to you?

- The most effective way to sell BI today is to sell to a larger BI vision and strategy, as opposed to starting with the point agendas of reporting, dashboards, analysis and scorecards
- This play will act as a guide to Cognos BI selling materials and resources, organized for consumption at the right stage of the BI sales cycle
- It offers guidance on how and when to bring additional IBM resources, technologies and solutions into play to expand a BI sale as necessary to win or extend the deal
- It defines a standard method to drive alignment across all individuals who will be involved in BI sales cycles

↑ Back to top

Opportunity flow for BI



Welcome

→ Update your profile

→ Find a Business Partner

→ Find a solution

We're here to help



Easy ways to get the answers you need.



PartnerWorld
Contact Services

Information Management

Cognos.
software

Example: Quick Guide For Reporting Deals

How do you identify a reporting opportunity?

You probably have an reporting opportunity if your customer mentions one of the following: **reporting backlog**, **need to reduce the number of reporting tools**, **need for employee self-service of information**, and **data in many different source systems in the enterprise**.

Reporting solutions frequently need to access and deliver data from **many different systems and data sources holding high volume, high value data** (e.g. different ERPs, Data Warehouses, etc.). Reports need to support the business manage critical **business processes** and include **ad hoc requests, dashboards, managed reports, multi-dimensional analysis, production reports** and **operational / transactional reporting**.

What is the strategic impact of reporting?

BI is a hot market because it delivers proven value to all industries in the following areas:

- ✓ Consistent information for the business (single version of the truth)
- ✓ Insight into business performance
- ✓ More people involved in fact-based decision making

IBM Cognos BI solutions have helped organizations realize ...

- better performance--one company saw how to save a million dollars with its first report.

> sustainable competitive advantage through better use of their information--what's working, what's not, what's possible, what's next.

> alignment between tactics and strategy, executives and the front line, across departments.

> a common definition of success, and the means to measure it.

How hot is BI and Reporting?

- BI is the **#1 agenda for CIOs** for the third year in a row (Garner 01/08)
- CIOs are planning to spend an **additional 11.8% on BI this year**, significantly more than any other technology purchases (Gartner 01/08)
- The BI platform market will continue to experience **healthy growth** based on two macro trends: **more users** and **increased breadth of BI capabilities** (Gartner 01/08)
- **45% of companies** either plan to **purchase or upgrade** their BI software in 2008 (Forrester 01/08)

What can you expect from an IBM Cognos BI sale?

- **More Revenue!** IBM Cognos BI sales pull **Servers & Storage Devices, DB2 and IBM Software** for IOD solutions
- **More Services!** BI solution **require consulting and implementation services** to develop and deploy a total solution
- **Competitive Barriers!** IBM Cognos BI implementations allow us to **block Oracle** and **extend SAP investments**
- **Influence!** BI solutions position us as **partners to solve customers' business performance problems**

Why will you win?

- **Analysts agree that IBM Cognos is a BI market leader:** **Leader quadrant of Gartner's BI Magic Quadrant (02/08)**, **Forrester Business Performance Management leader (Q4/07)**
- **No other vendor** can match IBM Cognos' BI **breadth of functionality, data reach, proven ability to deliver, customer base or references**

How should you work a reporting opportunity?

- Contact your IBM Cognos Sales Rep or **ASKCOGNOS** (askcognos@us.ibm.com) to find the IBM Cognos Sales Rep assigned to your account
- IBM Cognos Sales Reps are ready, willing and able to **deliver a strong BI value proposition** to your customer!

Sales Best Practice: Quantifying Industry Value

Integrating Industry ROI into specific plays:

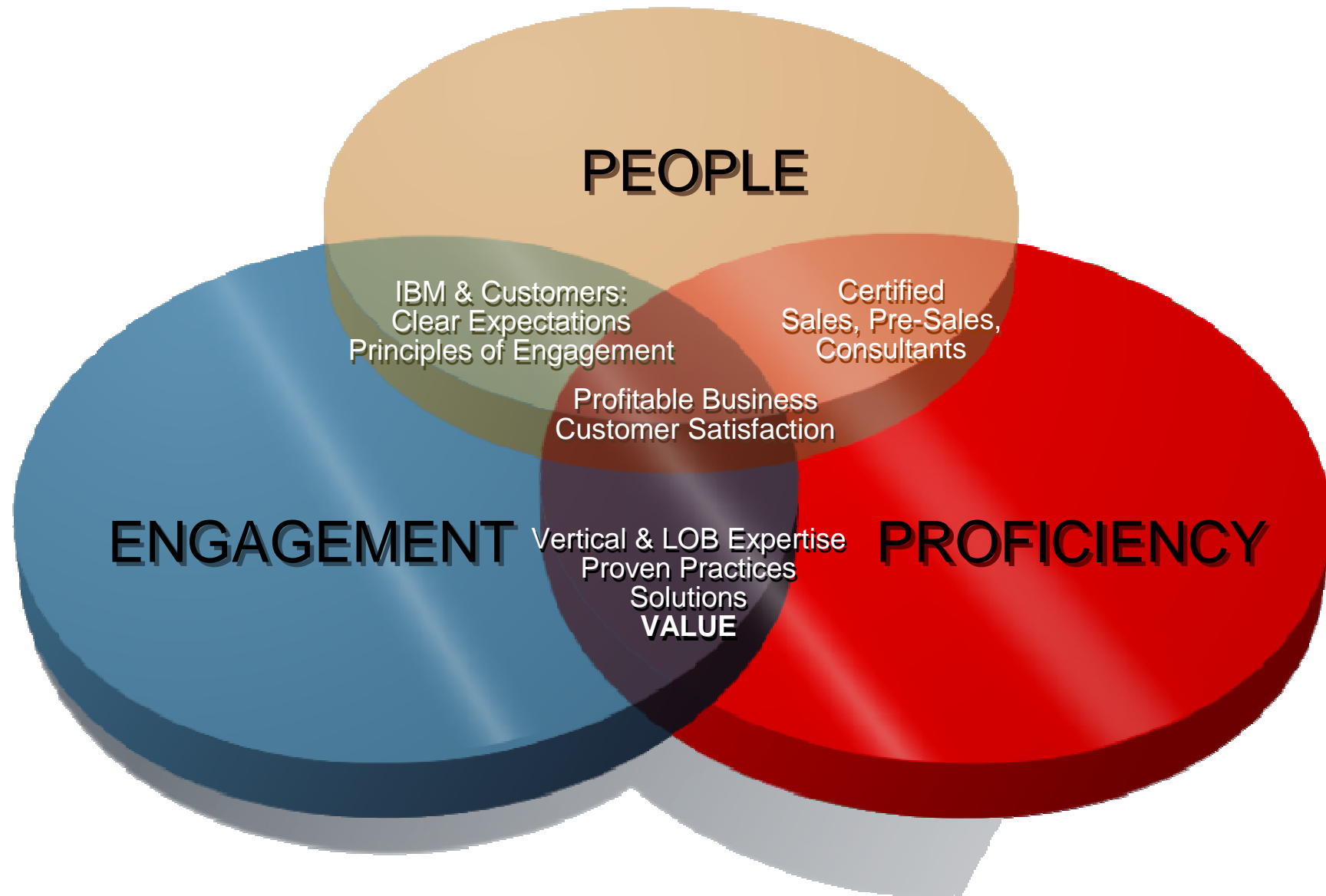
- **Banking**
 - Branch Insight & Performance for Retail Banking
 - Risk Insight & Optimization for Financial Services
 - Customer Insight & Performance for Corporate and Retail Banking
- **Insurance**
 - Product Profitability for Insurance Providers
 - Executive Insight for Insurance
- **Retail**
 - Store Operations Performance
- **Industrial**
 - Sales and Operations Planning
 - **Supply Chain Performance**

Reduce supply chain costs by leveraging unified-organizational view of manufacturing, supply chain, and sales data to optimize supplier management. (Supplier Performance)			
	Variable	Baseline	Target
# of suppliers that organization currently sources from	A	225	225
Average Hourly Production Costs (Employee Costs)	B	\$25,000	\$25,000
Average Hourly Production Costs (Facilities Costs)	C	\$10,000	\$10,000
# of instances per annum of unscheduled downtime as a result of supplier related issue (incorrect shipments, incomplete shipments, delayed shipments, product quality issues, etc.)	D	25	25
Average duration of unscheduled downtime (Hours)	E	4.00	4.00
% Forecasted increase in ability to identify and eliminate poor performing suppliers as a result of enabling supplier performance-based scorecarding capabilities	F	50.00%	85.00%
% Forecasted decrease in unscheduled downtime instances as a result of sub-standard supplier performance	G	0.00%	10.00%
Formula	$(B+C)*D*E*(1-G)$	\$3,500,000	\$3,150,000
Annualized Benefit (Baseline - Target)		\$350,000	

Solution Provider General Criteria

- Ability to build, market, sell, deploy and support a business value solution leveraging IBM Cognos technology
- Solution containing significant partner's Intellectual Property in a specific Industry Vertical, Cross Industry or Functional Area
- Solution repeatability based on pre-built components
- Documented solution implementation methodology
- Defined solution support model, warranty or service level agreement
- Marketing of the solution with specific and unique brand identity
- Successful solution reference customers

Profile of the Best Business Partners



Business Partner Metrics for Success

- **Updated Business Plan**
 - Marketing
 - Lead Generation
 - Pipeline
 - Revenue
- **Training (Sales, Pre-Sales, Technical)**
- **Resourcing (Sales, tech Sales & Services)**
- **Certifications**
- **Industry and/or Line of Business Specialization**
- **Solutions**
- **IBM Business Portfolio Breadth**



Call to Action – Fast Start in 2010

- **Get educated on the Sales Plays**
- **Always Be Learning! Leverage Partner Learning Center, YPWP, Certifications, etc.**
 - Continuously improve your Business Analytics Expertise!
- **Expand partner capabilities around new offerings**
 - **Cognos Express ***
 - **Information Applications**
 - **Predictive Analytics**
- **Always Be Creating Pipeline**
- **Elevate your Game** and focus on **Consistent Execution** to deliver your **revenue targets!**



Thank
You