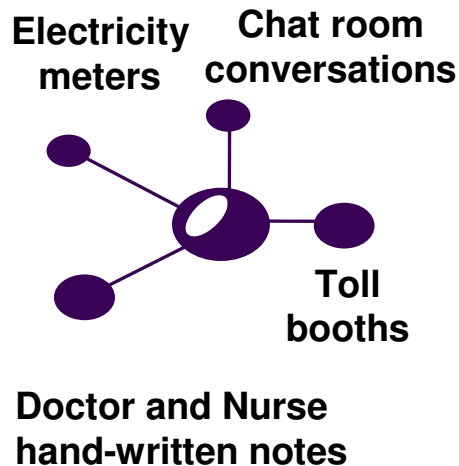


Outperform with IBM Business Analytics

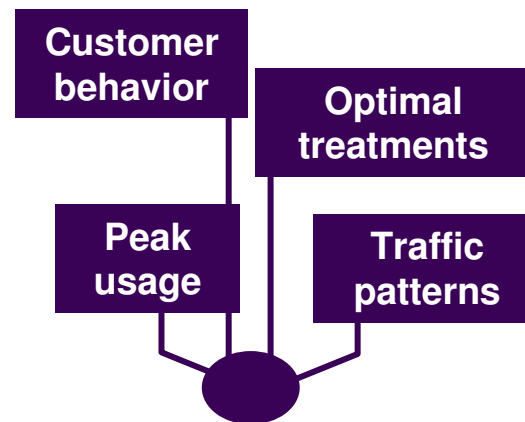


Today, nearly everything is instrumented, creating an explosion of new information

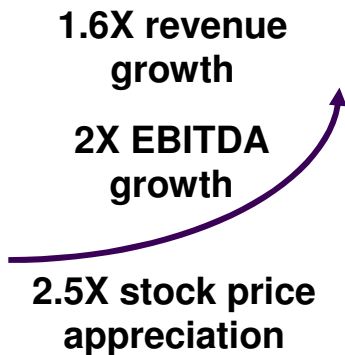
And increasingly interconnected, to provide access to valuable information



Information that can be analyzed to understand what is happening and predict what will happen



Delivering new insights, new opportunities, and better results



Key shifts are fueling the urgency for Smarter Analytics

The emergence of big data analytics



65%

of business are not using big data for business advantage

Increasing consumer expectations



84%

of consumers rely on social networks for purchase decisions

Accelerating pressure to do more with less

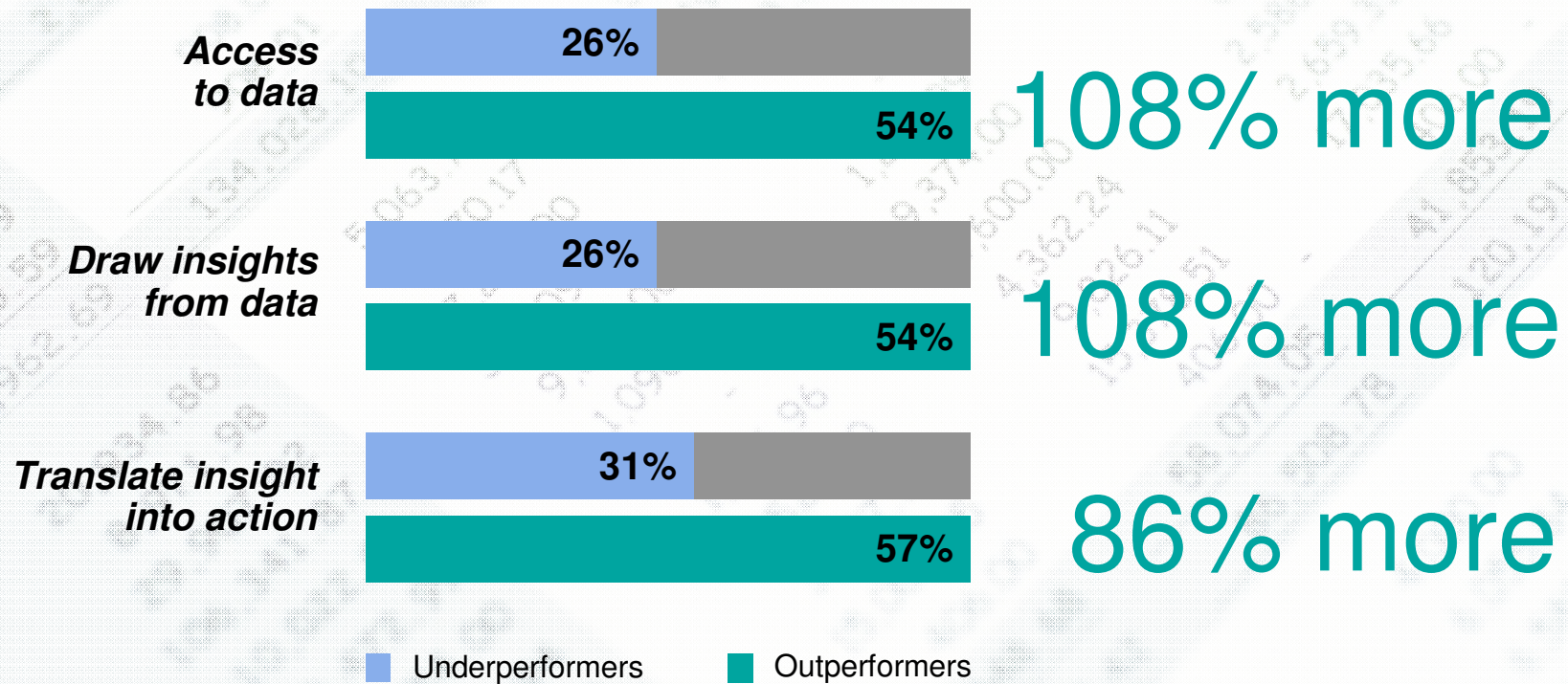


32%

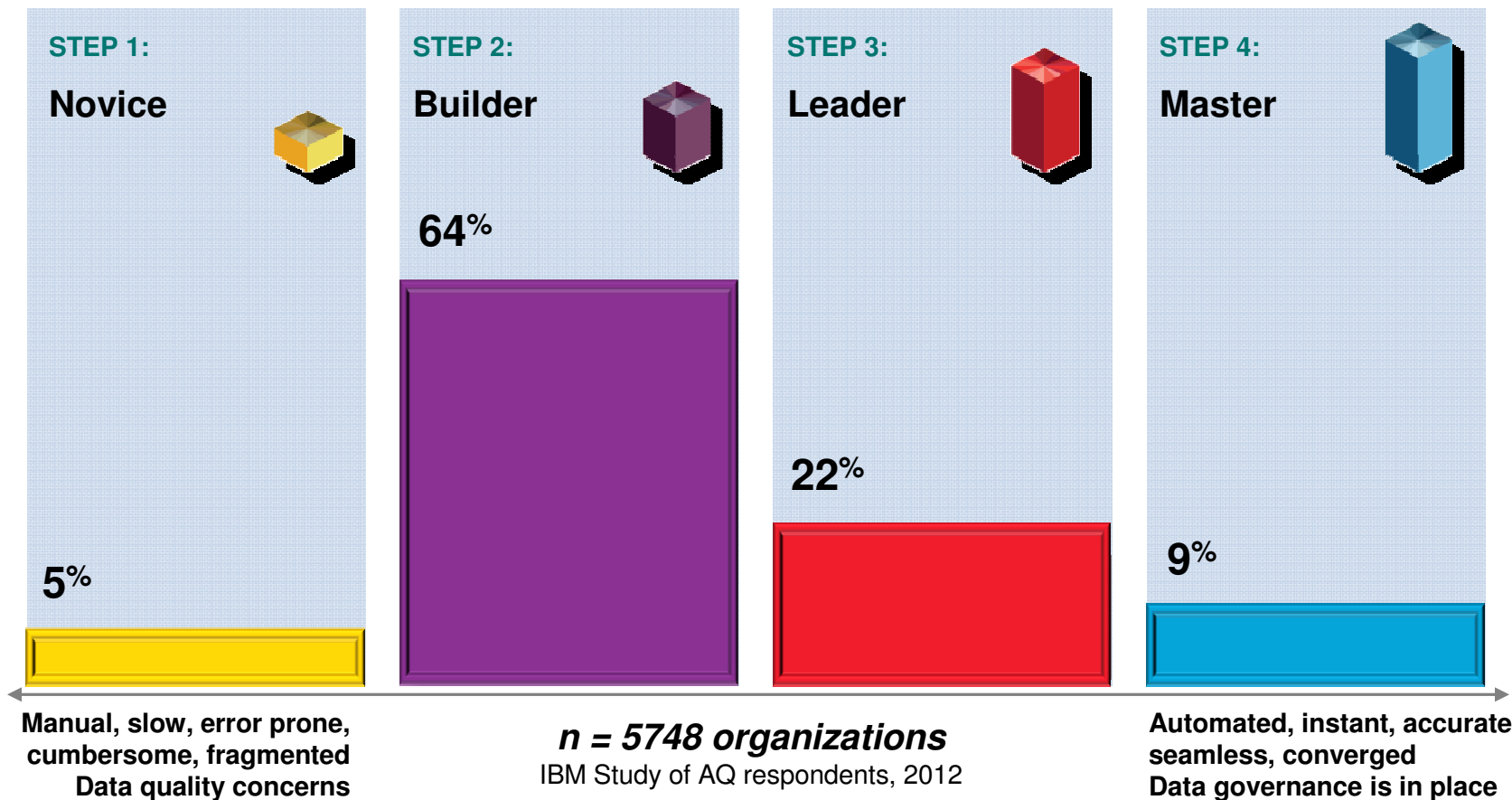
Organizations using advanced analytics enjoy 32% higher return on invested capital

Outperformers have a higher Analytics Quotient

Percent of CEOs who believe their organization is good at driving value from information



Where are organizations on the AQ Journey?



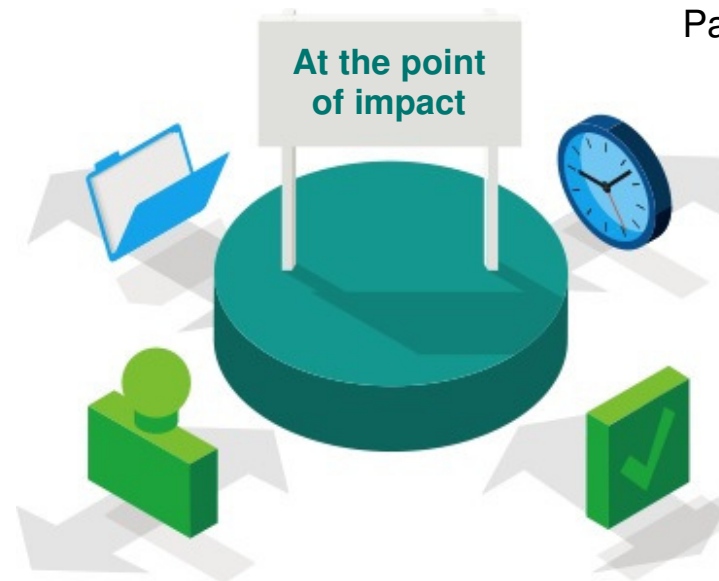
ANALYTIC-DRIVEN ORGANIZATIONS are distinguished by their ability to leverage ...

All information

- All information
- Transaction data
- Application data
- Machine data
- Social data
- Enterprise content

All perspectives

- Past (historical, aggregated)
- Present (real-time)
- Future (predictive)



All people

- All departments
- Experts and non-experts
- Executives and employees
- Partners and customers

All decisions

- Major and minor
- Strategic and tactical
- Routine and exceptions
- Manual and automated

...and focusing on high-value initiatives in core **BUSINESS AREAS**

1

Customers



Examples

- Advanced client segmentation
- Leveraging customer sentiment analysis
- Reducing customer churn

2

Finance



- Enabling continuous planning and forecasting
- Automating financial and management reporting
- Improving visibility, insight and control

3

Risk



- Making risk-aware decisions
- Managing financial and operational risks
- Reducing the cost of compliance

4

Operations



- Optimizing the supply chain
- Deploying predictive maintenance capabilities
- Transform threat & fraud identification processes

Customer Issues & Challenges



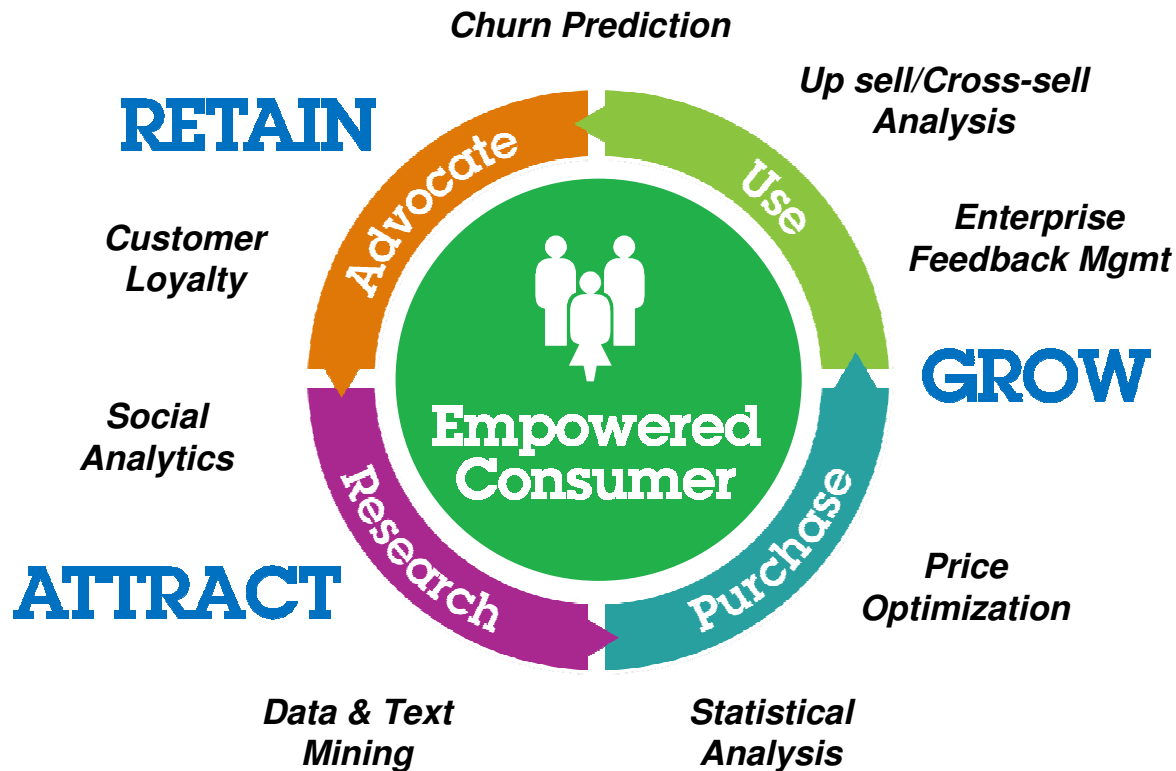
Decreasing Loyalty Consumerization of IT
Intensifying Competition Social Networking
Soaring Customer Expectations **Increasing Transparency**
Globalization Channel Proliferation and Complexity
Mobile Commerce Shrinking Wallet Share



In this **Era of the Empowered Consumer**, organizations are focused on optimizing the customer experience



IBM Customer Analytics solutions provide actionable insights to attract, grow and retain customers



Capabilities	Reporting & Visualization	Predictive Modeling	Business Rules & Optimization	Sentiment Analysis
	Scorecarding & Dashboarding	Real-time Decisions	Forecasting & Simulation	Social Analytics

Outperforming organizations **attract, grow & retain customers**



Need:

Understand and anticipate
customer behavior
and needs

**Effectively segment
and target**
to deliver the right
offer at the right time



Smarter
customer
insights

Results

- ROI of **122%** In just 7 months
- Decreased campaign management and data processing times by **90%**

Recent Advances in **Customer Analytics**



Decision Management

Improve customer relationships, up sell and cross-sell

Social Network Analysis

Analyze social relationships to determine behaviors
Improve Lifetime Value scores with network influence

Entity Analytics

Identify non-obvious data relationships between multiple records to create a complete customer profile

Comparison: Customer Analytics



SAS

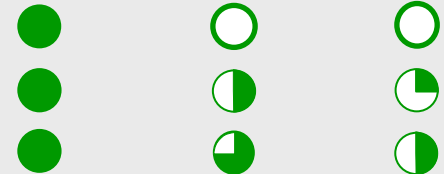
Oracle



Coherent, 360° View of the Customer

- Collect voice of the customer through survey research
- Data mining and preparation across all customer data silos
- Social media monitoring and analysis

Align



Comprehensive Analysis for Actionable Insight

- Powerful, yet easy to use predictive modeling workbench
- Rapid, accurate insights and predictions – regardless of where data resides
- Complete analysis of all data formats

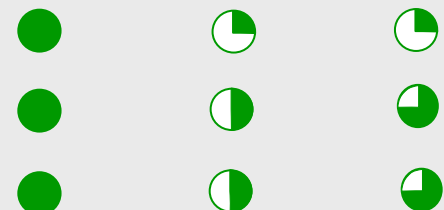
Anticipate



Deliver Next Best Action at Point of Impact

- Combine predictive models, business rules, and optimization for best of breed solution
- Personalize every customer interaction in real-time by embedding into operational systems
- Measure and share performance across the organization

Act



Finance Issues & Challenges



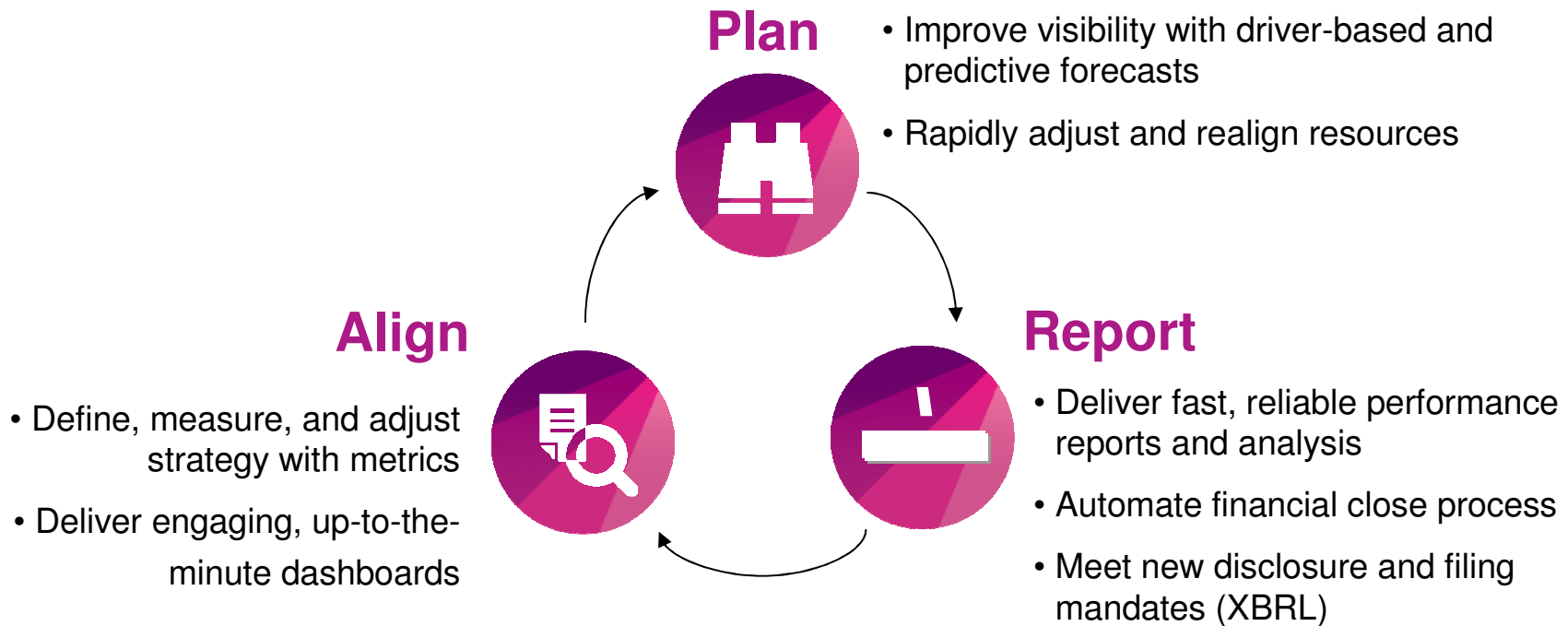
Volatility Expense **Risk** **Growth**
Reporting **Forecasting** Cash Flow
Shareholders Revenues **Regulation**
Transparency **Uncertainty** **Working Capital**
Capital **Profitability** **Variability**



As finance evolves, organizations need to understand **what** happened, **how** they are doing, and **what** the future may hold



IBM Financial Analytics solutions help organizations transform processes and optimize performance



Capabilities	Financial Reporting	Financial Consolidation	Profitability Modeling	Predictive Analytics
	Scorecarding & Dashboarding	Disclosure Management	Performance Management	Incentive Compensation Management
				Planning, Budgeting & Forecasting

Outperforming organizations **transform processes in finance**



Need:

Make better
capital investments

Lower
accounts receivable



Smarter
financial
planning

Results

- Saved **4%** of cost of goods
- Saved over **40 million**
miles in transportation costs

Recent advances in **Financial Analytics**



CFO Performance Insight

Predictive Modeling, Performance Measurement & Monitoring and What-if Analysis

NEW Cognos TM1 10.1.1

Planning, Analysis & Forecasting
Profitability Modeling
Support for Cognos Insight

NEW Cognos Disclosure Management

Narrative Reporting and Disclosure Management

NEW Cognos Incentive Compensation Management 8.0

Incentive Program Modeling, Administration,
Reporting and Analysis

Comparison: Financial Analytics



IBM

Oracle

SAP



Time

Drive efficiencies and scale

- Eliminate intensely manual efforts
- Structure and automate dynamic processes
- Scale to large user communities and data sets



Control

Gain agility and preparedness

- Link operational and financial performance management
- Support advanced analytic techniques (e.g., scenario and predictive analytics, narrative performance reporting)
- Eliminate delays in coordinating around emerging realities and align resources with critical business priorities



Confidence

Improve effectiveness and outcomes

- Dramatically reduce risk of errors
- Cost-effectively address compliance and regulatory requirements
- Drive new confidence in analytics-driven decision making



Risk Issues & Challenges



Increased regulatory oversight

Liquidity

Risk information silos

Basel III

Solvency II

Risk exposure

Risk Convergence

Rogue trading

Dodd-Frank

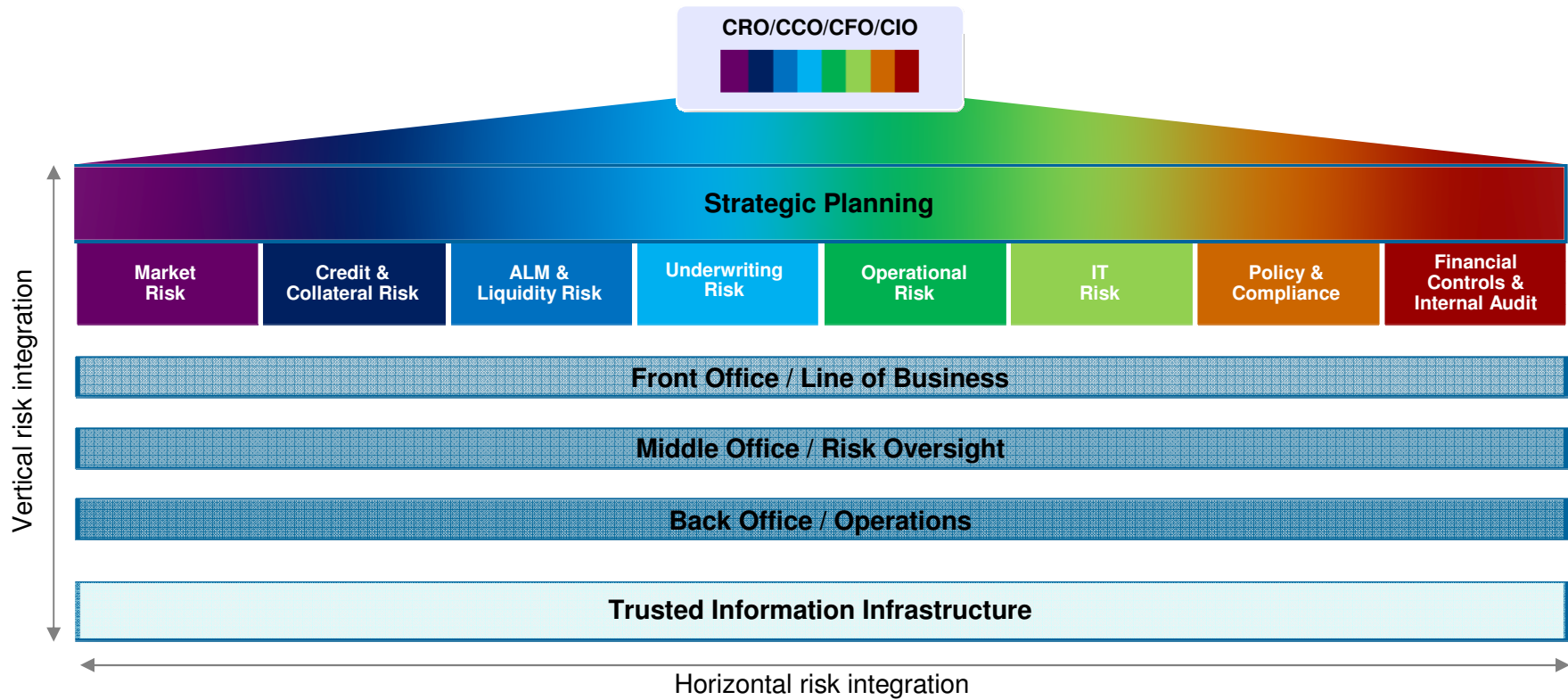
Capital charges



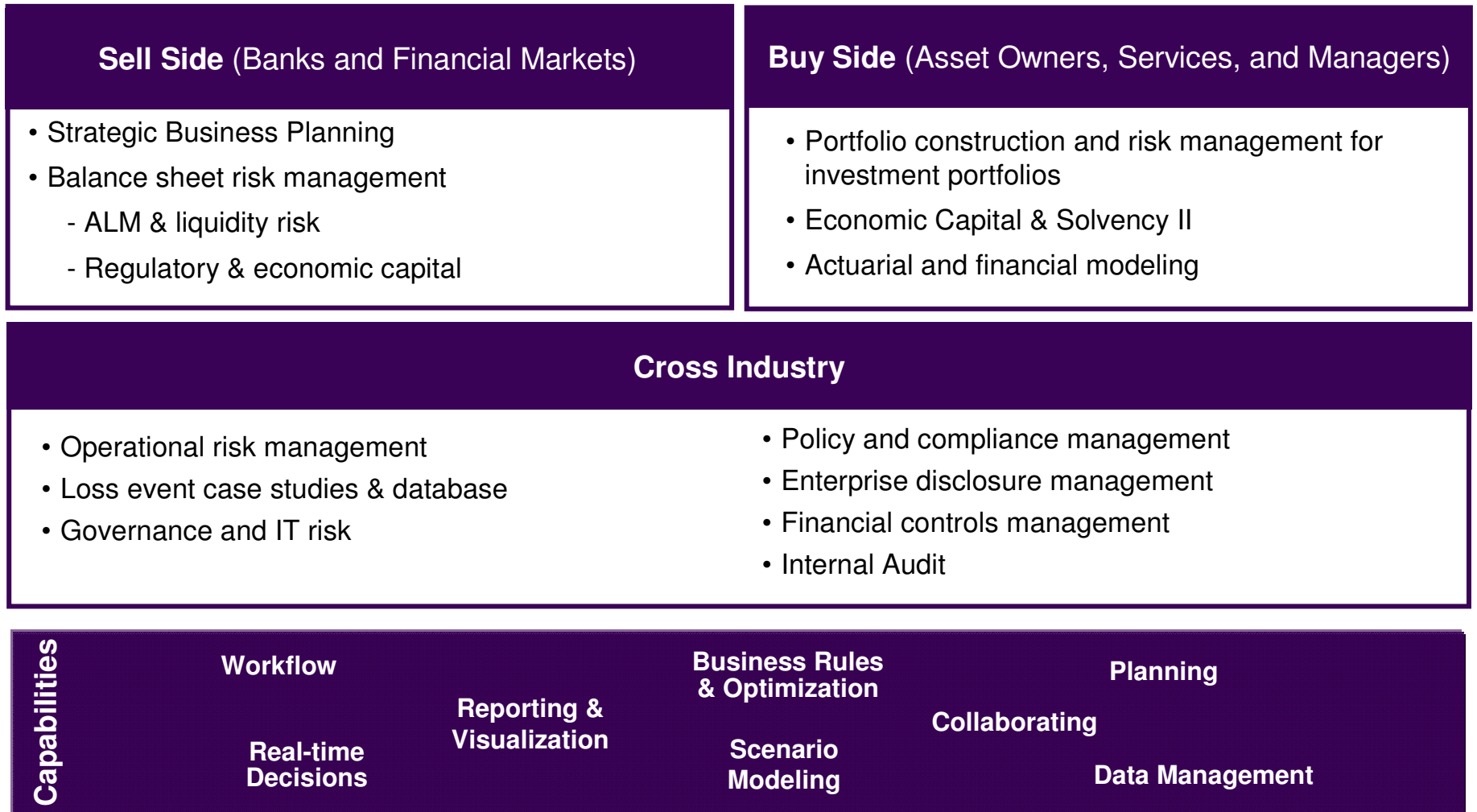
Organizations are focused on **managing risk across the enterprise**



IBM Risk Analytics provide horizontal and vertical risk integration



IBM Risk Analytics solutions enable **risk-aware business decisions** and **improved compliance management**



Outperforming organizations **manage regulatory compliance and risk**



Need:

Identify and manage
risk sooner

Improved
trading decisions



Smarter risk
management

Results

70% of counterparty exposure
measurements changed by **20%** or more

Recent advances in **Risk Analytics**



IBM Algo One
Integrated market and credit risk

Advanced analytics to optimize
return on capital

New for
Trading

IBM Algo One
Capital Workflow Manager

For Solvency II modeling and
reporting requirements

New for
Insurance

IBM Algo One
Cross portfolio

Basel 3 – Liquidity coverage ratio,
Net stable funding ration

New for
Banking

Comparison: Risk Analytics



		Sungard	SAS	Oracle
Core Technology	●	◐	●	●
Functionality	●	●	●	◐
Innovation	●	◐	◐	◐
Customer Satisfaction	●	◐	◐	◐

Source: IBM. See *Chartis for their risk technology rankings*
[Access the Chartis RiskTech100 report here \(PDF, 413KB\)](#)

Operational Issues & Challenges



Demand Shaping **Fraud** **Assets** Process
Real-time Waste Price Volatility
Inventory Improvement Optimization
Abuse **Sustainability** **Supply** Compliance
Efficiency **Costing** Variability



Organizations are leveraging analytics to drive **the next wave of efficiency and asset productivity** in key business areas



Supply Chain Optimization



Asset Management



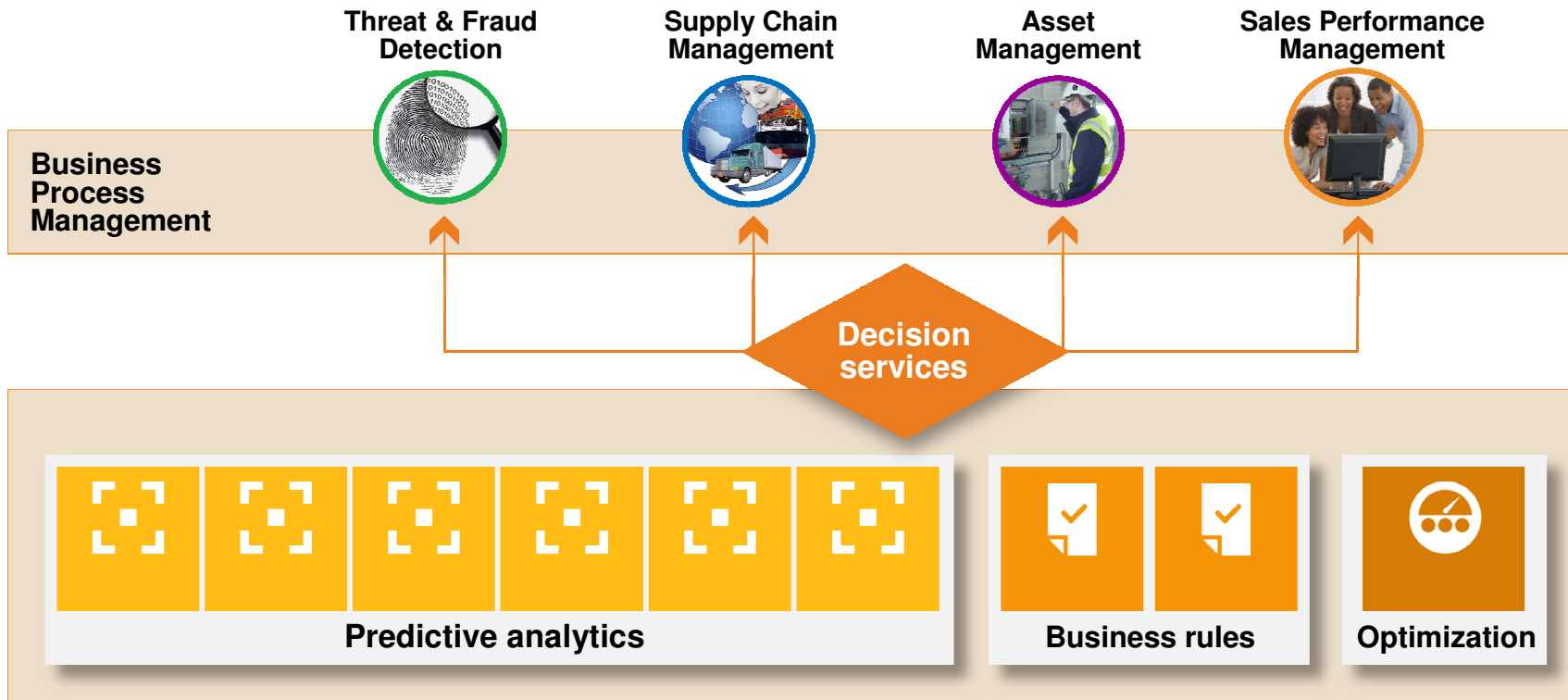
Threat & Fraud Detection



Sales Performance Management



IBM Operational Analytics solutions use predictive analytics business rules and optimization to drive **dynamic decision-making**



Capabilities	Reporting, Analysis, & Predictions	Data & Text Mining	Predictive Analytics	Statistical Analysis
	Scorecarding & Dashboarding	Planning, Budgeting & Forecasting	Business Rules & Optimization	
	Modeling	Real-time Decisions	Forecasting & Simulation	Resource Optimization

Outperforming organizations **increase efficiency in inventory processes**



Need:

Visibility

and analysis of all inventory

Optimize

processes for maximum efficiency

BRAMMER

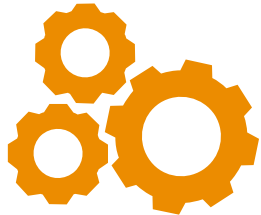


Smarter inventory management

Results

- Increased inventory turnover by **17%**
- Accelerated report creation by up to **97%** providing near real-time analysis

Outperforming organizations **transform threat & fraud identification processes**



Need:

Identify

fraud early with a predictive analytics solution

Improve

productivity and reduce cost



Smarter fraud detection

Results

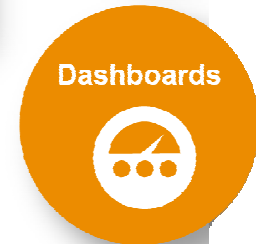
- Identified major fraud ring less than 30 days after implementation
- Saved more than USD **2.5 million** in payouts to fraudulent customers
- Reduced claims processing time on low-risk claims by nearly **90%**

Recent advances in **Operational Analytics**



Sales Performance Management

Compensation Management	Territory Management	Quota Planning	Channel Management
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Comparison: Operational Analytics



IBM

SAS

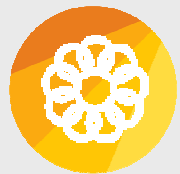
Oracle



Align

Insights into Business Processes

- Collect additional data from all stakeholders with advanced survey capabilities
- Easily create dashboards, scorecards, and reports for mobile, desktop, and enterprise views
- Leverage forecasting and planning capabilities to ensure future success



Anticipate

Comprehensive Analysis for Actionable Insight

- Utilize user-friendly, predictive analytics workbench for structured, text, and social media information
- Ensure all data is analyzed, regardless of where the data resides, due to open architecture
- Leverage manual-driven and machine-learning techniques to gain insights



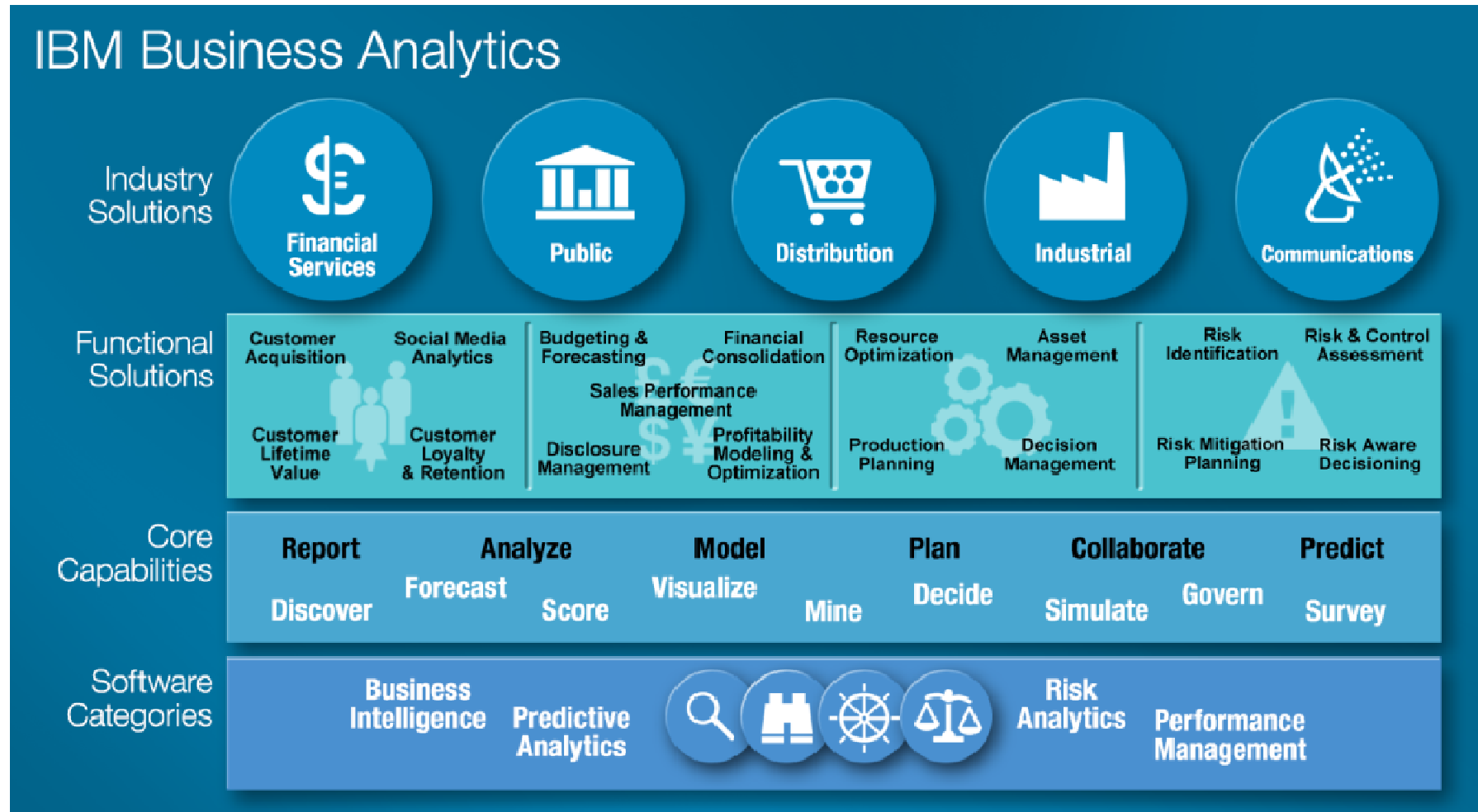
Act

Deliver Next Best Action at Point of Impact

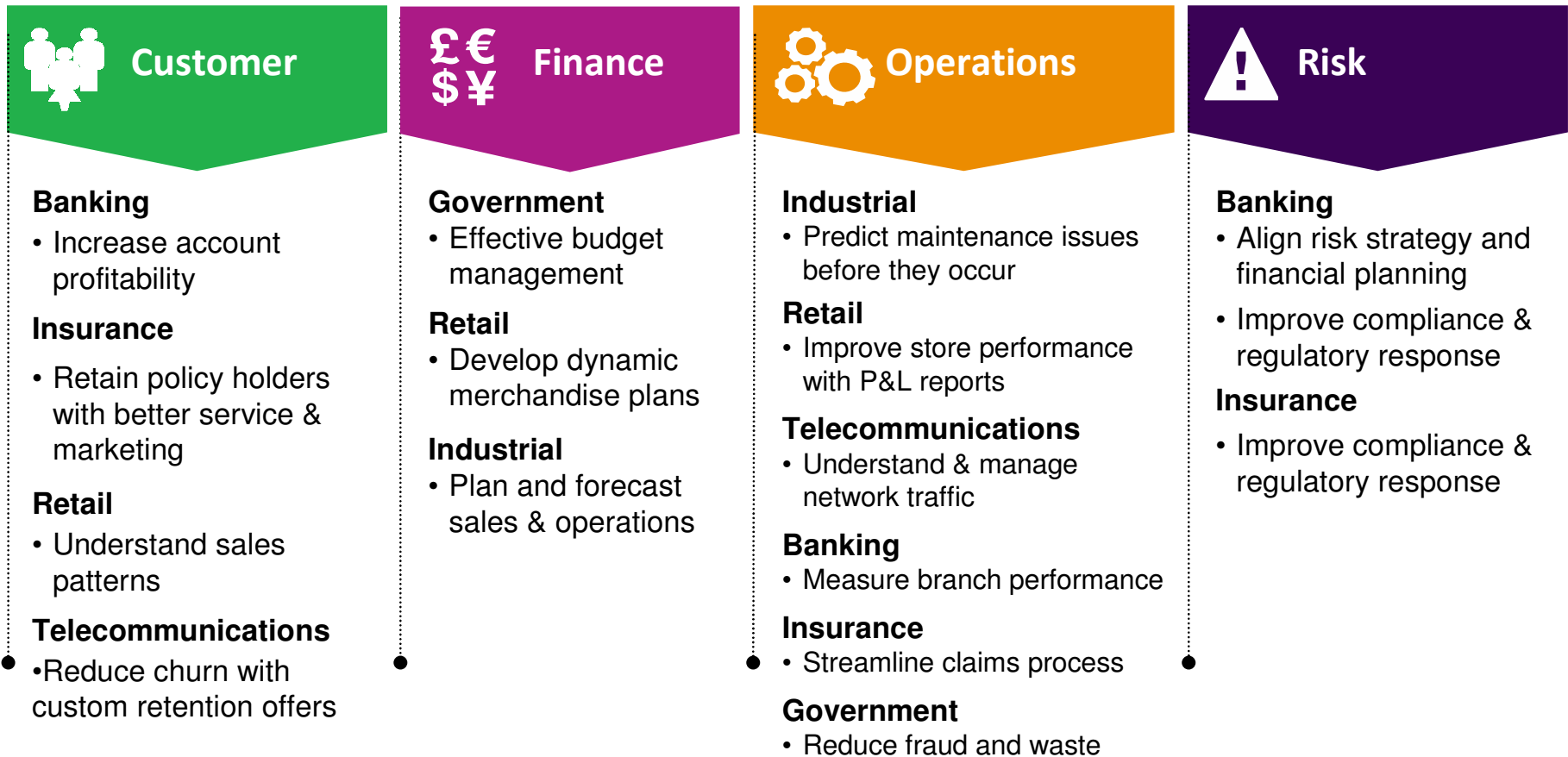
- Combine predictive models, business rules, and optimization for best of breed solution
- Enhance real-time decision-making by embedding insights into existing processes
- Measure and share performance across the organization



The IBM Business Analytics portfolio

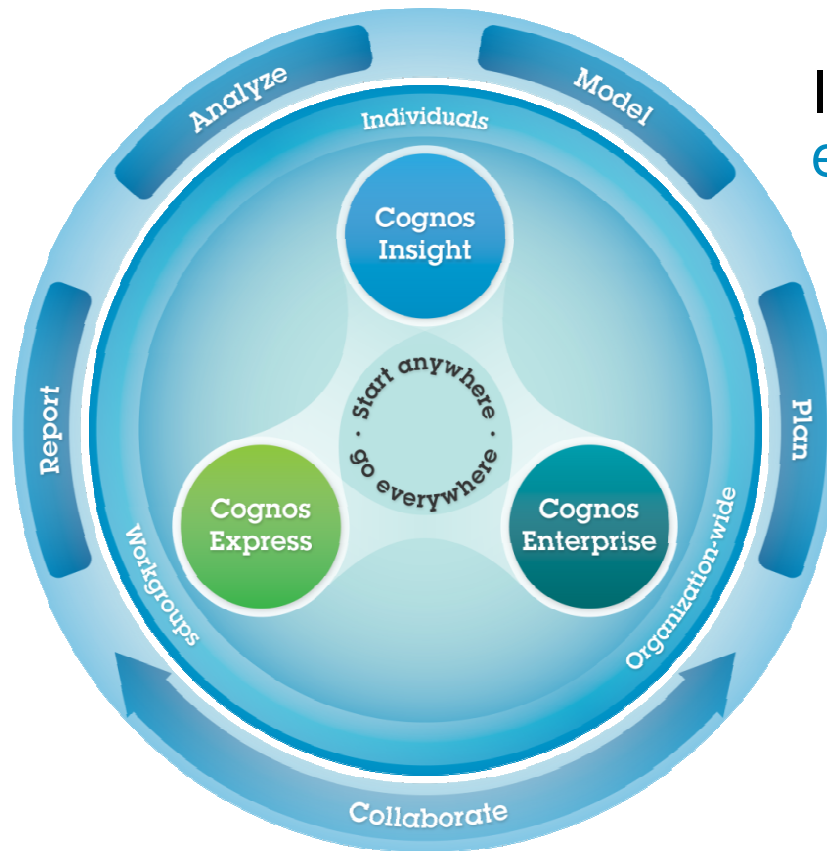


And the industry experience to help clients address key imperatives



IBM Business Intelligence

Harness the data explosion, deliver flexible deployment options, and satisfy user expectations with powerfully simple analytics.



Insight to action with every product

Right-sized for your organization

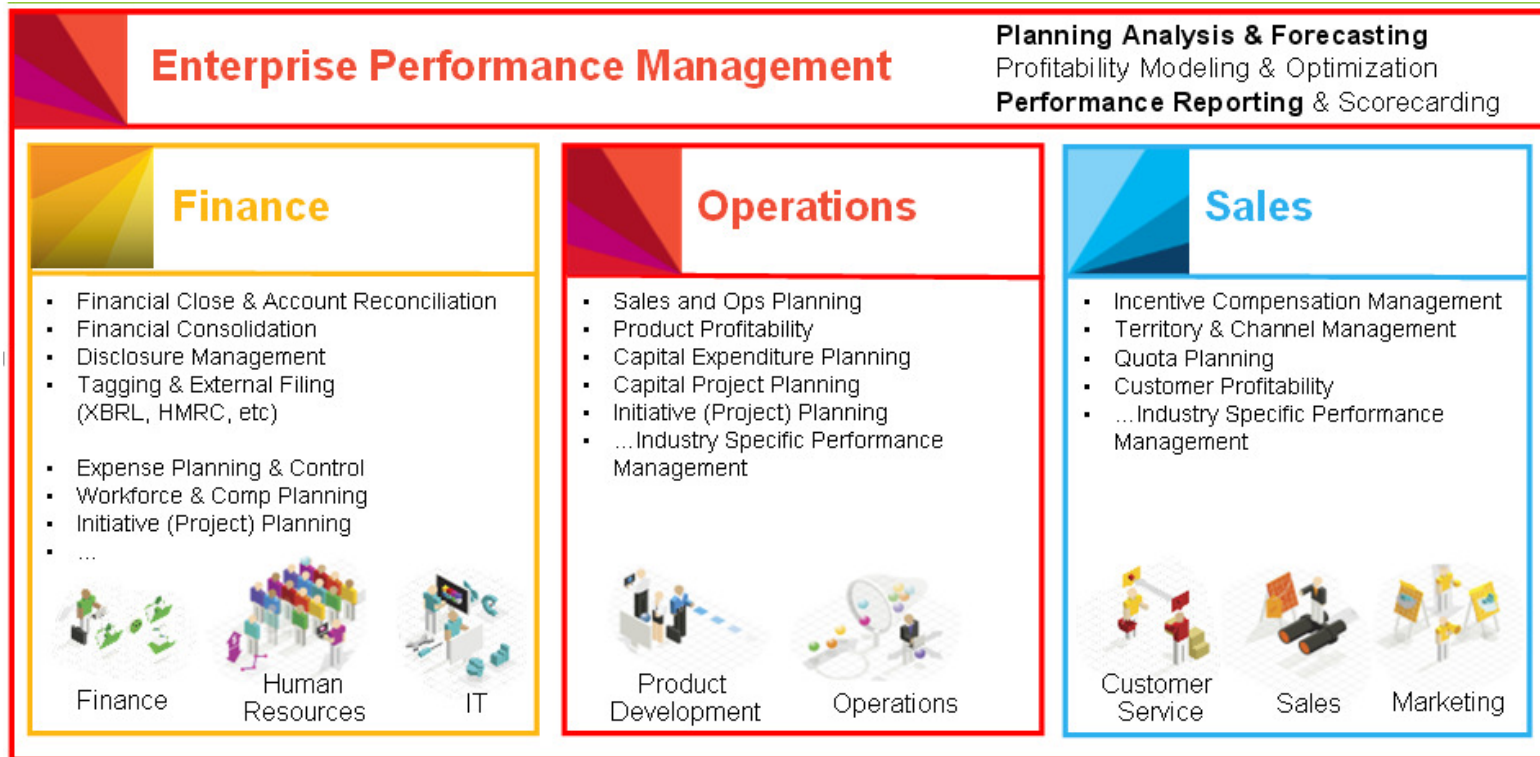
Built to future-proof your investment

Analytics in the hands of everyone

IBM Performance Management



Align resources with corporate objectives and market events through improved visibility and control over the levers of performance



Integrating hindsight current sight and foresight in order to deliver improved business insight

IBM Predictive Analytics



Discover patterns and associations and deploy models that optimize decision-making

Customer Analytics

- Acquire
- Grow
- Retain



Operational Analytics

- Plan
- Manage
- Maximize



Threat & Fraud Analytics

- Monitor
- Detect
- Control



Optimized decisions made possible

IBM Risk Analytics

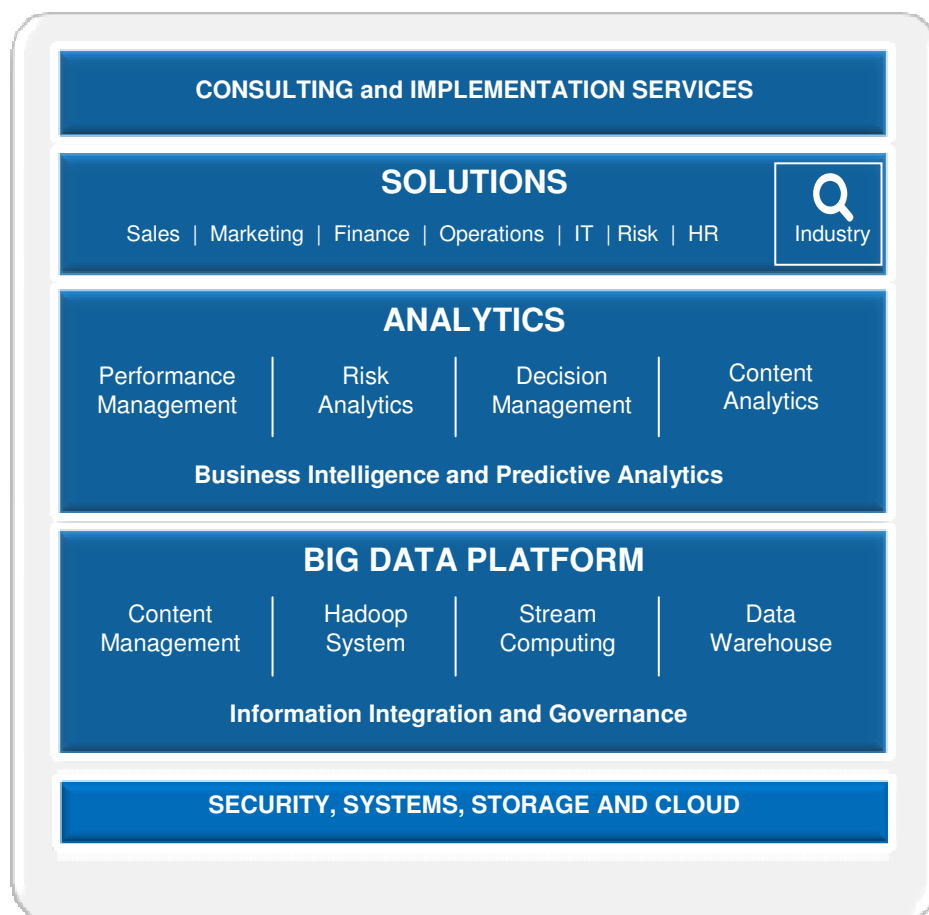


Make risk-aware decisions and meet regulatory requirements with smarter risk management programs and methodologies



Reduce complexity while improving governance

IBM Provides a Holistic and Integrated Approach to Big Data and Analytics



Enabling organizations to

- Assemble and combine relevant mix of information
- Discover and explore with smart visualizations
- Analyze, predict and automate for more accurate answers
- Take action and automate processes
- Optimize analytical performance and IT costs
- Reduced infrastructure complexity and cost
- Manage, govern and secure information

Why choose IBM Business Analytics?



ANALYTICS INNOVATION that matters

Only IBM BA offers best of breed from a single vendor and has access to IBM SW, HW, Services and Research to fuel innovation and integration that matters - constantly moving the needle on what is considered best of breed



DEEP BUSINESS EXPERTISE

We believe that our clients want more than software products and capabilities, they need solutions to address business issues and opportunities and that IBM and BA have the deepest business expertise and acumen to deliver on that goal.



TRUSTED ANALYTICS ADVISOR with a proven track record for delivering value

Only IBM Business Analytics offers the proven analytics experience gained from tens of thousands of successful engagements AND the unparalleled experience drawn from our market leading analytics services and IBM Research teams