

Retail Business Intelligence Solution from IBM



Empowering retail operations to become customer-centric



Optimize retail operations with business intelligence

The modular, functionally rich and easy-to-use technologies that comprise the IBM® Retail Business Intelligence Solution (RBIS) are designed to help retailers use an open standards-based framework to optimize merchandising processes, focus the supply chain, revolutionize the store and motivate shoppers.

The solution can help retailers:

- Enhance store operations by increasing employee productivity, reinventing the customer experience and bolstering loss prevention
- Streamline the supply chain by improving vendor collaboration and responding to supply chain events in real time
- Maximize the power of merchandising by improving buyer effectiveness and creating digital media repositories for advertising and marketing collateral
- Provide a seamless cross-channel shopping experience to enable cross-channel coordination, improve shopping consistency, increase conversion rates, streamline order processing and improve customer insight



- Create a common customer view that integrates customer identifiers, organizational structures and account hierarchies across lines of business and functions
- Improve product lifecycle management by integrating product management and performance measurement across lines of business and functions
- Enhance campaign performance by improving program planning and tracking performance metrics across channels and touch points

As the world's leading business intelligence provider, IBM can help retailers make better informed decisions through software, servers, storage and services. The IBM Retail Business Intelligence Solution offers new, exciting possibilities—from analyzing customer needs and behavior to optimizing store locations and merchandising.



Meet challenges facing the retail industry

The retail industry today faces tough challenges. Customers are becoming “super shoppers” armed with ubiquitous access to information. Mega-retailers and mega-brands are increasingly dominant, while undifferentiated, mid-tier competitors are failing. Competitive advantage is being eroded faster than ever.

What do these trends mean for retailers? To succeed in the on demand marketplace, retailers must focus relentlessly on revolutionizing the customer experience, motivating shoppers, focusing their supply chains and maximizing their merchandising decisions. As truly customer-centric organizations, retailers can craft focused, distinctive brand propositions and drive

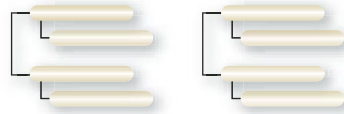
customer-valued innovation through deep insight. Real-time visibility into information, analytics and automated systems can help them optimize core activities via systematic business intelligence.

To achieve these goals, retailers must become ultra-efficient, globally integrated enterprises. The technology supporting their businesses must be based upon flexible, open standards-based architectures designed to enable faster speed-to-market. And most importantly, they must leverage retail-specific intelligence from multiple sources of information to anticipate customer preferences and respond in real time.

Retail Business Intelligence Solution

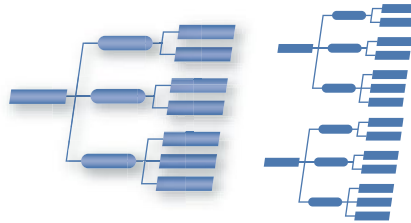
Business Solution Retail Templates

Predefined OLAP cubes and reports



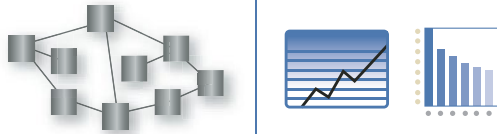
Retail Services Data Model

Industry concepts and classifications



Relational Model (RDWM)

Data warehouse structures and summaries—reference architecture



Balanced Configuration Unit (BCU)

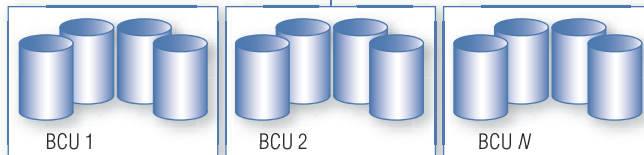
Retail optimized business intelligence infrastructure (integrated and performance optimized: server, storage and software)

IBM DB2 Data Warehouse Edition

- Alphablox®
- Intelligent Minor
- Information Integrator

IBM WebSphere Data Integration Suite

IBM @server pSeries and IBM @server xSeries® Server TotalStorage



Retail and Business Intelligence ISVs

Retail and Business Intelligence Services

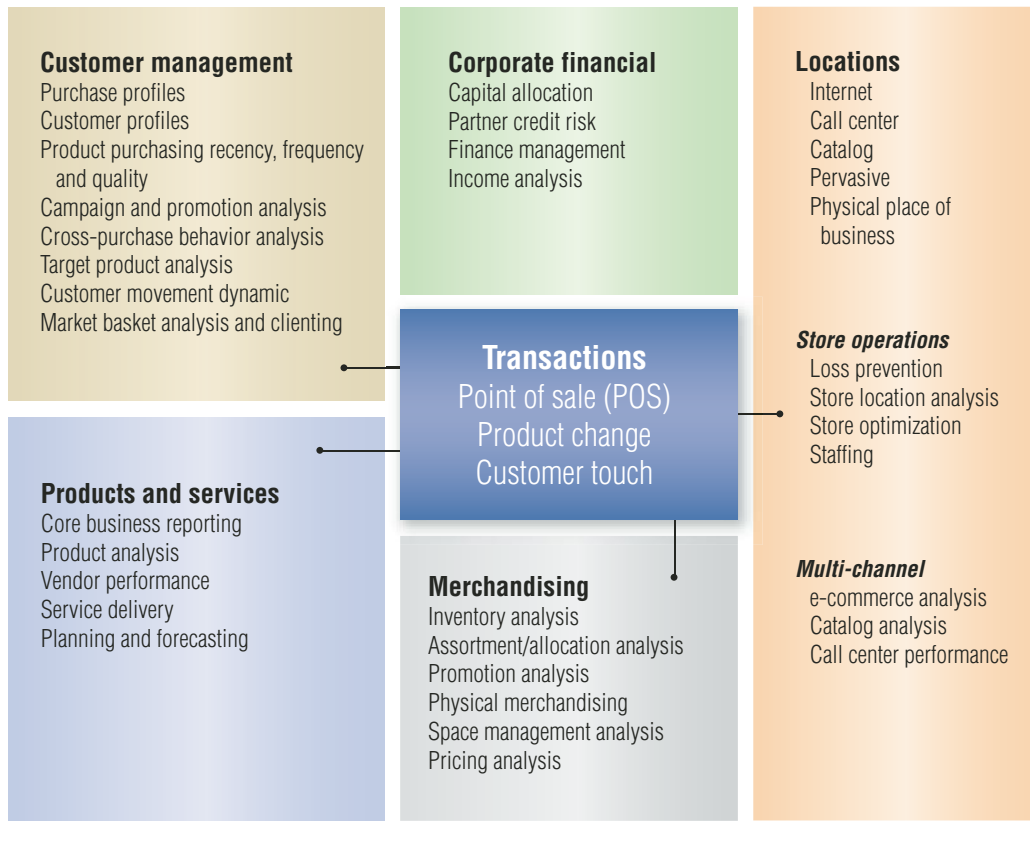
Harness the power of information within systems across the retail enterprise

The IBM Retail Business Intelligence Solution is designed to help retailers meet the challenges of the on demand world by facilitating advanced analytics and insight into core retail process areas. This modular, open suite of products and services is designed to unlock key data and provide a consistent view of information across the enterprise.

IBM RBIS includes five key components designed to be deployed together or as modules:

- A data model framework to be used as a blueprint for implementing your retail data warehouse
- Data management software tailored for retail business intelligence applications
- Business solution templates designed to enable quick-start analytics and reporting
- Hardware infrastructure that is preconfigured and optimized for balanced server and storage performance
- Services that can help prioritize high business impact areas and facilitate easy deployments

Retail Business Intelligence Solution: Cross-organizational Areas Addressed



Align key processes and strengthen your organization's strategic position

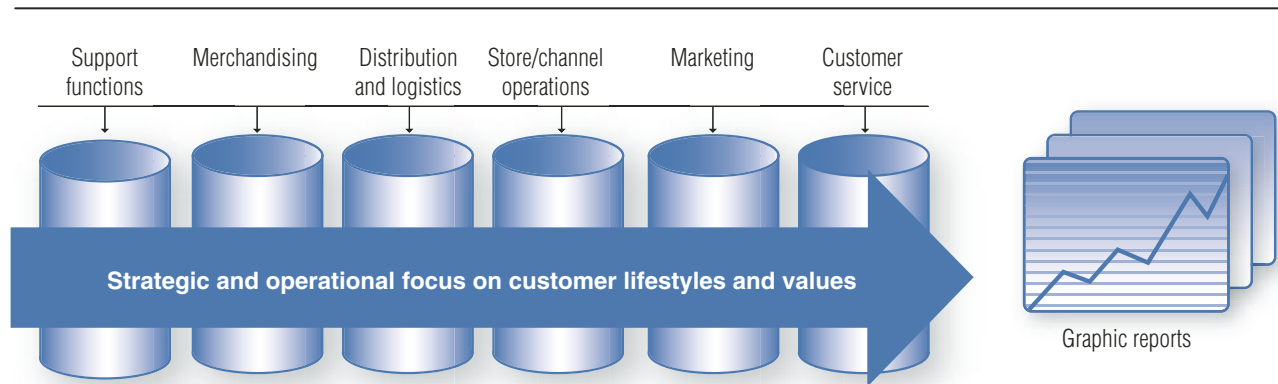
IBM RBIS reference architecture can help automate the organization of large volumes of data from across the enterprise, helping transform it into useful intelligence for business analytics. IBM RBIS gathers and processes information from products and services, merchandising, store operations and other retail divisions to influence transactions, product change and ways to touch customers. This data is stored using IBM DB2 Universal Database™ Data Warehouse Edition (DWE) software, and customizable retail business solution templates (RBSTs) can provide dashboard reporting views of standard business metrics. IBM offers Business Consulting Services

that can aid in strategic IT planning and deployment. In addition, the retail-optimized Balanced Configuration Unit can provide a highly flexible, reliable hardware platform.

In this manner, IBM RBIS can help retailers accomplish five key objectives:

- Revolutionize store operations
- Focus the supply chain on what customers want
- Make merchandising decisions that maximize sales
- Empower teams in the on demand workplace
- Integrate operations across multiple channels

Customer Centricity Practices



Customer centricity—A shift in retail business models

New capabilities

- Targeted marketing
- Customer-driven supply chain
- Cross-channel orchestration

New analytics and metrics

- Customer behavior modeling
- Lifetime customer profitability
- Customer segment revenue and profitability

New operating model

- Experience and lifestyle focus
- Customer segment managers

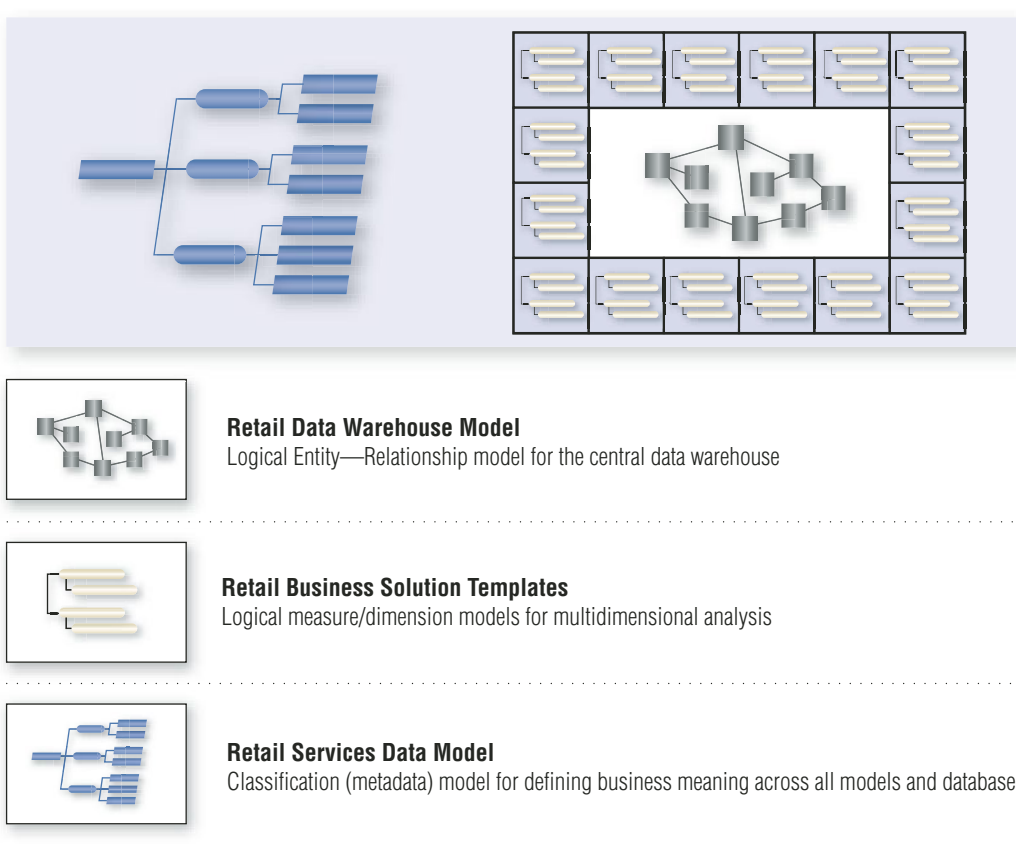
Use new capabilities to deliver what customers want

With IBM RBIS, the focus is on customer knowledge that can help deliver the right products and services to customers at the right time. Advanced analytics can help optimize core activities through systematic intelligence, while clear brand positioning, which is important to capture target customers, can help to maximize conversion and retention efforts. New sources of information and new ways to view the data can

translate into more innovative product, concept and marketing strategies.

By becoming truly customer-centric in both strategy and execution, your company can use customer insights to drive the business and provide tailored, targeted value to the customer—a must for retailers competing in the on demand world.

IBM Retail Enterprise Data Warehouse Models



Deploy a flexible architecture for scalability and growth

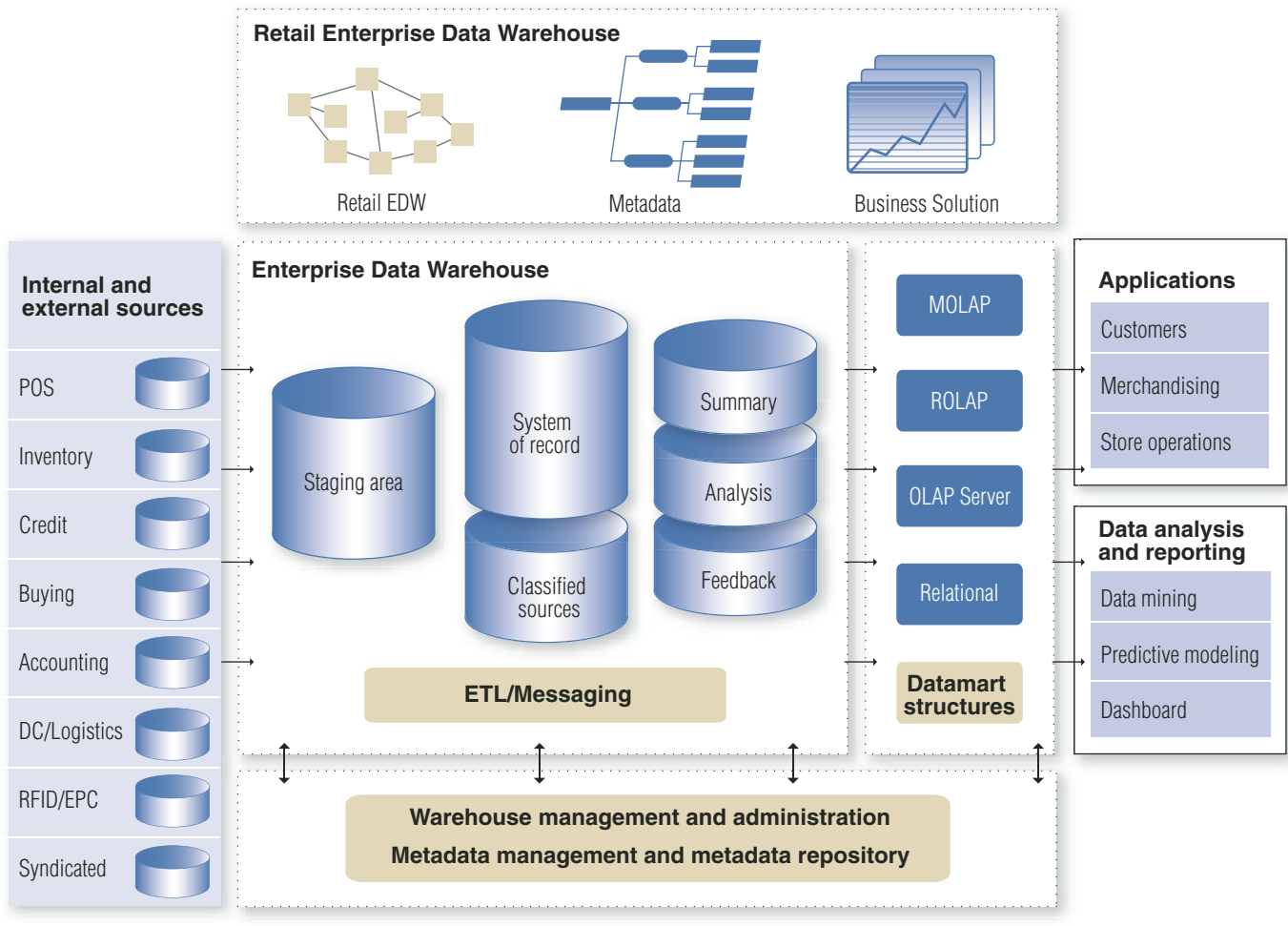
IBM RBIS offers data models that can be used separately or together. These data models provide the structure for a versatile and powerful environment.

- The Retail Data Warehouse Model (RDWM) helps consolidate information that is located across the enterprise so it can be presented in a single, comprehensive view.
- The Retail Business Solution Templates (RBSTs) allow data to be classified into groups that enable advanced and guided analysis.

- The Retail Services Data Model (RSDM) helps define the business meaning of relationships among data elements captured by the RDWM and RBST models.

A model management tool accompanies the solution to provide flexibility in making changes to the data models and mapping systems into the data warehouse.

Enterprise Data Warehouse Foundation for Retail



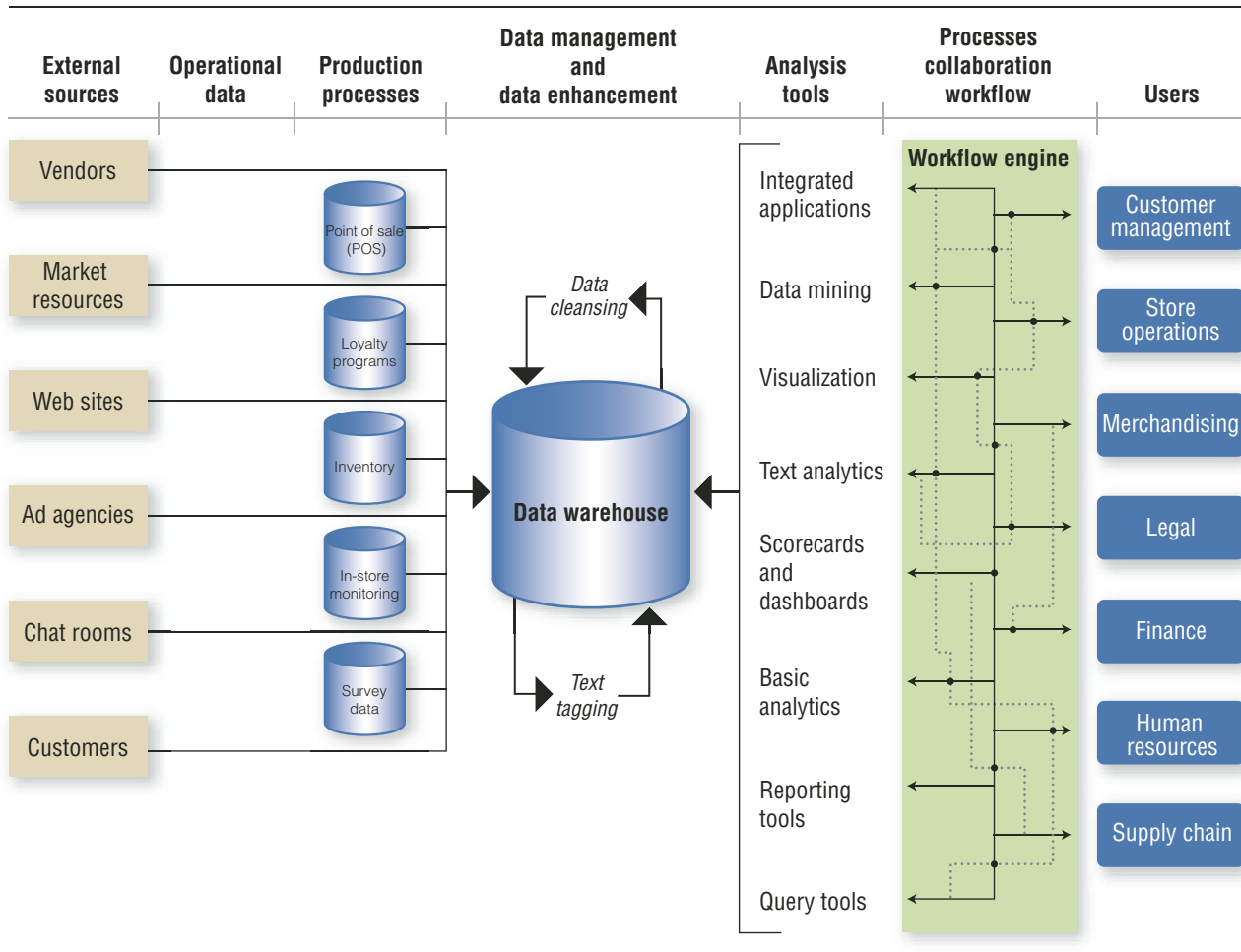
Choose the components that meet your business requirements

RBIS components and software

IBM RBIS components include software that is specifically tailored for business intelligence applications in retail. By using open industry standards, the solution can help simplify data integration across the enterprise and its modular approach enables scalability as the business grows. Some major components of RBIS include:

- The IBM Retail Enterprise Data Warehouse Models are compliant with the Association of Retail Technology Standards (ARTS).
- IBM DB2 Universal Database Data Warehouse Enterprise Edition software anchors the solution, which can be extended with complementary IBM software.
- IBM DB2® Entity Analytic Solutions technology helps retailers understand their customers, employees, vendors and job applications.
- IBM WebSphere® Product Center provides a flexible and highly scalable repository for managing and linking information about product, location, trading partner, organization and terms of trade.
- IBM WebSphere Customer Center provides a single view of customer information.
- Balanced Configuration Unit (BCU), such as the IBM @server® pSeries® and IBM TotalStorage® servers, is integrated and tested as a preconfigured solution for data warehousing.
- Services are available from IBM to help accelerate the design and implementation of RBIS.
- *IBM Business Partners offer a range of software that complements IBM RBIS.*

Enterprise View of the RBIS Information Flow

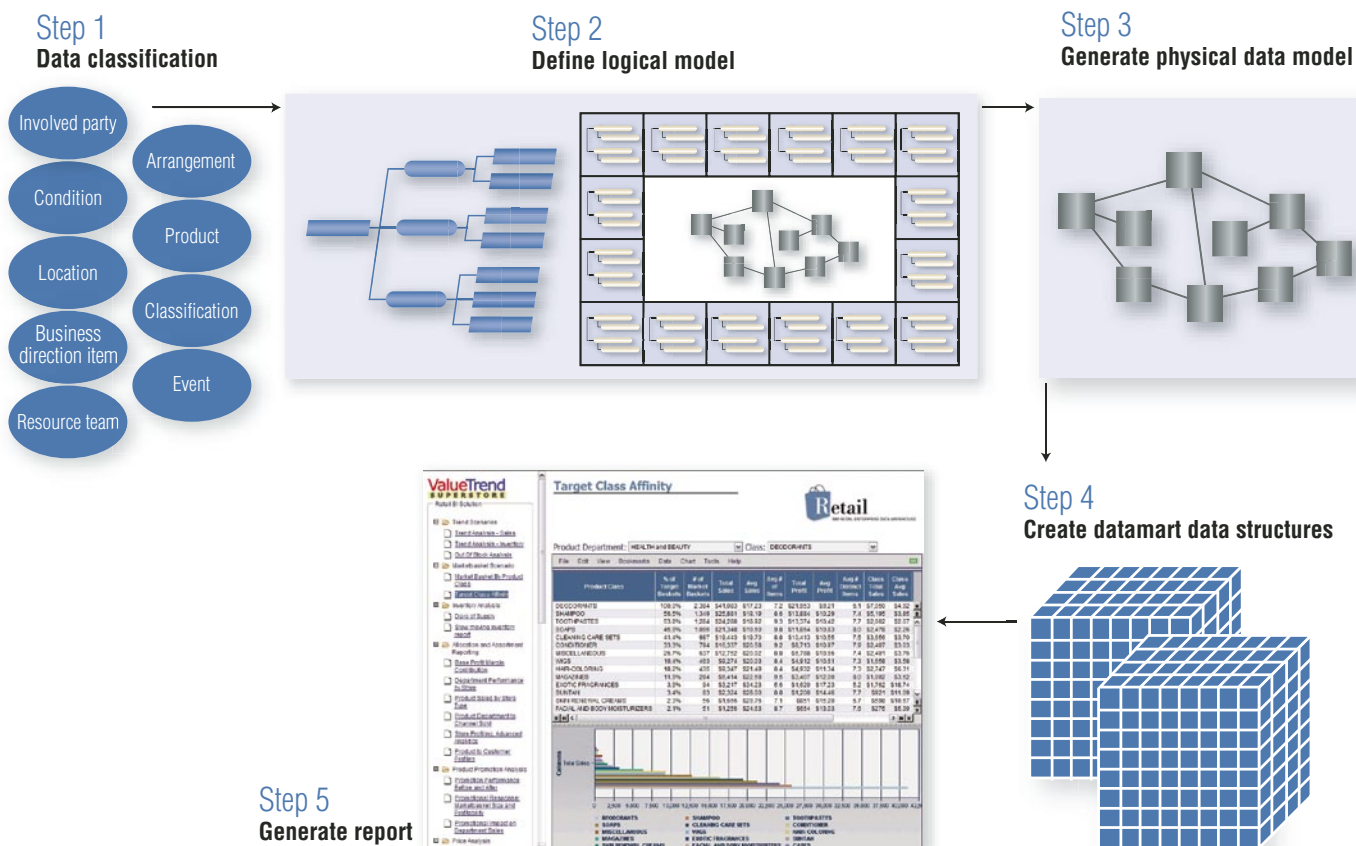


Leverage information flow to make better informed decisions

From the enterprise perspective, IBM RBIS enables retailers to collect data from across the enterprise and from virtually all relevant external sources. By integrating structured, semi-structured and unstructured data, the solution can help deliver information on demand when and where it is needed—in real time.

Analysis tools such as integrated applications, data mining and query tools work together with the data warehouse processes to present views of data relevant to many retail job functions including store managers, inventory control managers or corporate financial analysts among many others. These customized views of data offer valuable insight into the entire retail operation that can lead to a better informed decision-making process.

Processing Data from Model to Application



Differentiate your business by anticipating and responding to customer demands

From the model to the application, IBM RBIS can help you predict and respond more effectively to customer demands.

IBM RBIS is designed to help retailers succeed in the on-demand marketplace by helping them become truly customer-centric in both strategy and execution. With focused, accurate

business intelligence delivered in real time, retailers can build clear positioning that leverages the dimensions most important to target customers. Multi-dimensional customer insights can translate into innovative product, concept and marketing strategies, while advanced analytics can help boost margins by optimizing core activities.



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