

# The Transformation of Commerce

Alberto Jimenez  
OMS & Payments Leader  
IBM Watson Commerce

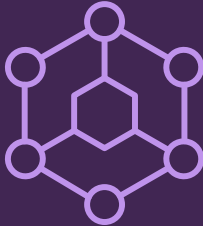
# Key trends will change retail forever...



**Data growth**



**Personalization**

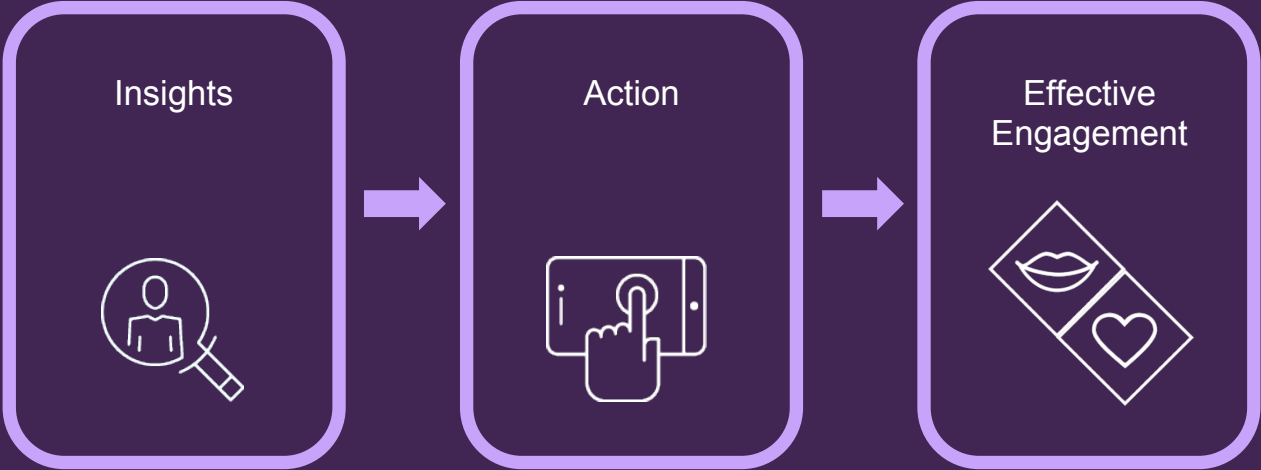


**Omni-channel**



**Fulfillment**

# Our mission is to deliver insights to action





# cog·ni·tive

/ˈkɑɡnədɪv/



**Understand**  
Like humans do



**Reason**  
to extract ideas



**Learn**  
From past results



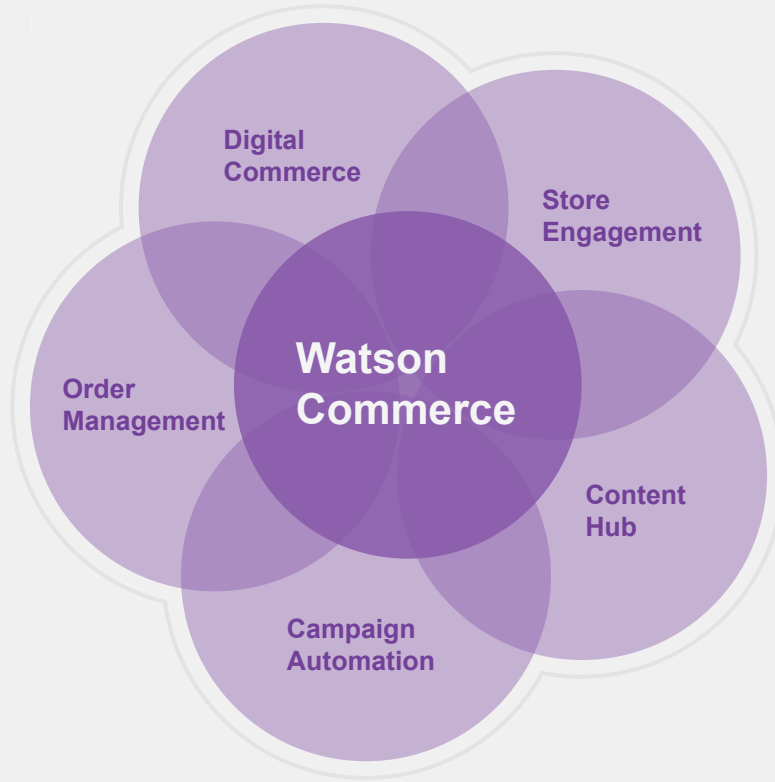
**Interact**  
In a natural way



# Watson Commerce



# Watson Commerce



Delivering, as promised, across  
all channels



**Customers expectations are evolving...** demanding faster and more flexible order fulfillment for how, when and where they receive their orders.

In fact, the cost-to-serve omni-channel customers can be **3x more** than traditional fulfillment.

# WHY?

Simply the complexity of fulfillment.

Retailers must find the  
balance...

between the competing  
objectives of customer  
service and the cost to fulfill



... all while online order volume is on the *rise*

You must understand the **primary cost factors** that impact your omni-channel margins:

Carrying Inventory

Cancellation

Operational

Shipping

Load Variance

DC / Store

Stores are emerging as the key asset in the battle against digital-only players



# Customers will continue to demand a seamless, omni-channel shopping experience

Over 90% of all transactions still take place in the physical store, and by digitizing it, retailers will get the best of both worlds





# Consumers who consider a capability important enough to choose to shop at one retailer over another



- 85% - In-store returns of online/mobile purchases
- 83% - Quick, easy, efficient in-store returns process
- 81% - Store associate can quickly & efficiently find an out-of-stock item at an in-stock location
- 79% - Quick, easy, convenient in-store pickup process
- 74% - In-store pickup of online/mobile purchase

# Empower associates with customer, product, and inventory information at their fingertips

- Deliver in-store service and experiences that complement your other channels
- Efficiently utilize store inventory to serve customers across channels
- Increase store revenue and customer satisfaction with order capture, save the sale, line busting, and returns
- Leverage omni-channel view of orders to better understand a customer and improve satisfaction and loyalty

