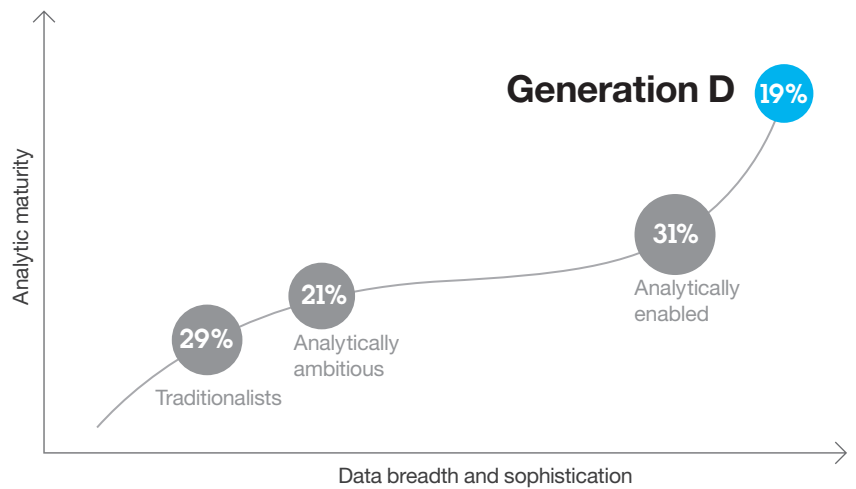


Meet Generation D

Data-rich, analytically driven enterprises



A new class of enterprise is emerging. In a world where the majority of organizations *believe* data and analytics are transforming industries and changing professions, Generation D is actually *making it happen*.



In a crowd of **1089** organizations, spanning **22** countries, a group of **data-rich, analytically driven** enterprises stands out from their peers.

These Generation D enterprises think and behave differently...



3x more likely to report they excel at developing **insights** about their customers and marketplace



2x more likely to believe cloud is transforming their **business model**



2x more likely to **engage customers** via mobile and social channels

2x more likely to **automate** processes and decisions based on insights from analytics

They're using sophisticated analytics to change how their business works.



Compared to peers, Generation D reports that it is:

4x more likely to use **prescriptive analytics** and...

...**2.9x** more likely to use **predictive analytics** to inform most processes and strategic decisions

2.7x more likely to **educate employees** on the use of data and analytics

2.2x more likely to use advanced data sources such as **unstructured text, location data, audio** and **video**

1.7x more likely to enable more proactive **security** with data and analytics

"We used to inspect nearly 100% of the homes we insure. Now, by pulling data from new sources like aerial footage and building permits, we're only inspecting 40%. If somebody says they have a 3000 square foot home and their roof is only 1000 square feet, we know something's off."

– Senior Manager of External Data & Analytics, Insurance

"We've gotten involved in more predictive analytics, analyzing patterns across our loan portfolio to predict potential charge-offs. It allows us to be proactive and instead of just tracking as loans become delinquent, we can launch campaigns to reach out to those people more often and ultimately reduce charge-offs."

– COO, Bank

They're relying on cloud to enable transformation.



Compared to peers, Generation D reports that it is:

2.5x more likely to use cloud
for analytics

1.8x more likely to use
API-based services



These enterprises indicate they're using APIs to help:

- expand reach
- increase agility and speed
- improve customer engagement
- tighten integration with partners

“New options like the cloud allow our clients to check in faster, order upgrades faster and get more of the things they want. Cloud provides such fast and precise information. To fully take advantage of it, you really have to catch up your infrastructure and realign your people.”

– Transportation Manager, Airline

They're embracing new ways to engage customers, employees and partners.

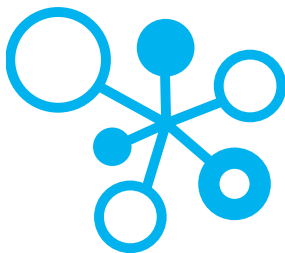


Compared to peers, Generation D reports that it is:

1.7x more likely to **personalize interactions** with customers

1.8x more likely to **use mobile** and **social** to drive business processes

2.1x more likely to **link customers, partners and employees** to better engage the market



“The retail game has changed. Customers now shop for lower prices with their mobile devices while they're in our store. So we're focused on our ability to interrupt that stream and offer to match that price, so that the customer can go out the door with the product in hand.”

– IT Director, Retailer

Generation D is adopting a more systematic approach to data and analytics, cloud and engagement.

... Infusing the majority of processes and decisions with **analytics**

... Tackling complex **data sources** and applying more **predictive** and **prescriptive analytics**

... Changing their **culture**, not just their technology

... Managing more of their **data** and **analytics** on the **cloud**

... Moving toward **mobile** and **social** as their primary methods of **engaging customers**



And here's why a systematic approach matters.

As a group, Generation D reports stronger results across a range of key performance indicators:

+10% points above peers
Share of wallet

+17% points
Promoter/advocate scoring

+13% points
% of revenue through digital channels

These enterprises also indicate they're more likely to excel at:

3.7x more than peers
Developing new revenue streams

3.0x
Operating efficiently

2.6x
Managing risk

2.5x
Improving interactions with customers

2.4x
Faster time to market

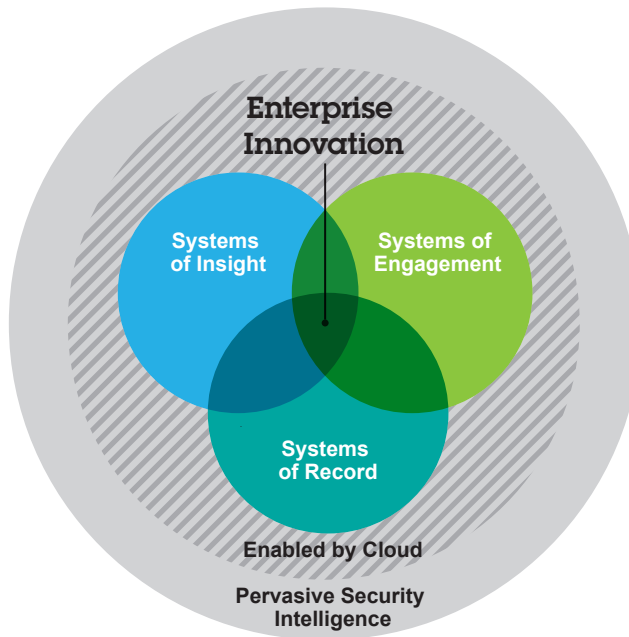
We believe today's discrete and disparate innovation ...



...needs to be approached systematically to drive enterprise innovation.

How have you applied advanced analytics to find new patterns in structured and unstructured data to inform faster, better decisions across your enterprise?

Have you deployed a dynamic approach to threat reduction through a life cycle of prevention, detection and response?



How have you integrated mobile and social to build trusted relationships with customers, employees and citizens at a personal level?

How are you enabling innovation, speed, scale and improved economics with cloud?

How are you transforming your existing IT systems for the requirements of the new era?

Note: Study findings were based on what was reported by respondents in an IBM survey conducted by phone with 1,089 enterprises across 22 countries. Generation D was identified through clustering analysis of respondents' strategy and approach to data and analytics.

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