

# The new era of customer

The future of enterprise lies with customers

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# Things to talk about...

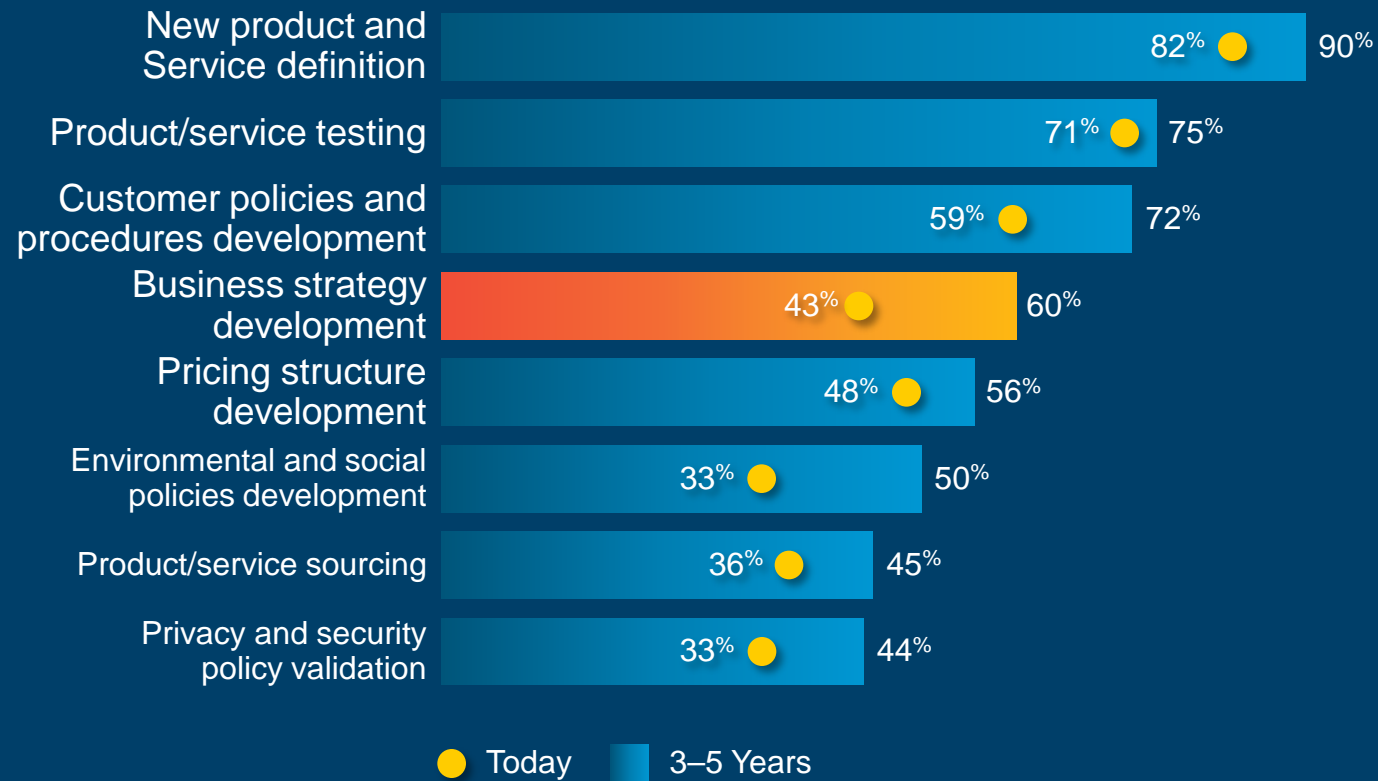
1. The Customer-activated Enterprise
2. Three technology shifts to bring new value to clients
3. The New Era of Cognitive Computing

1.

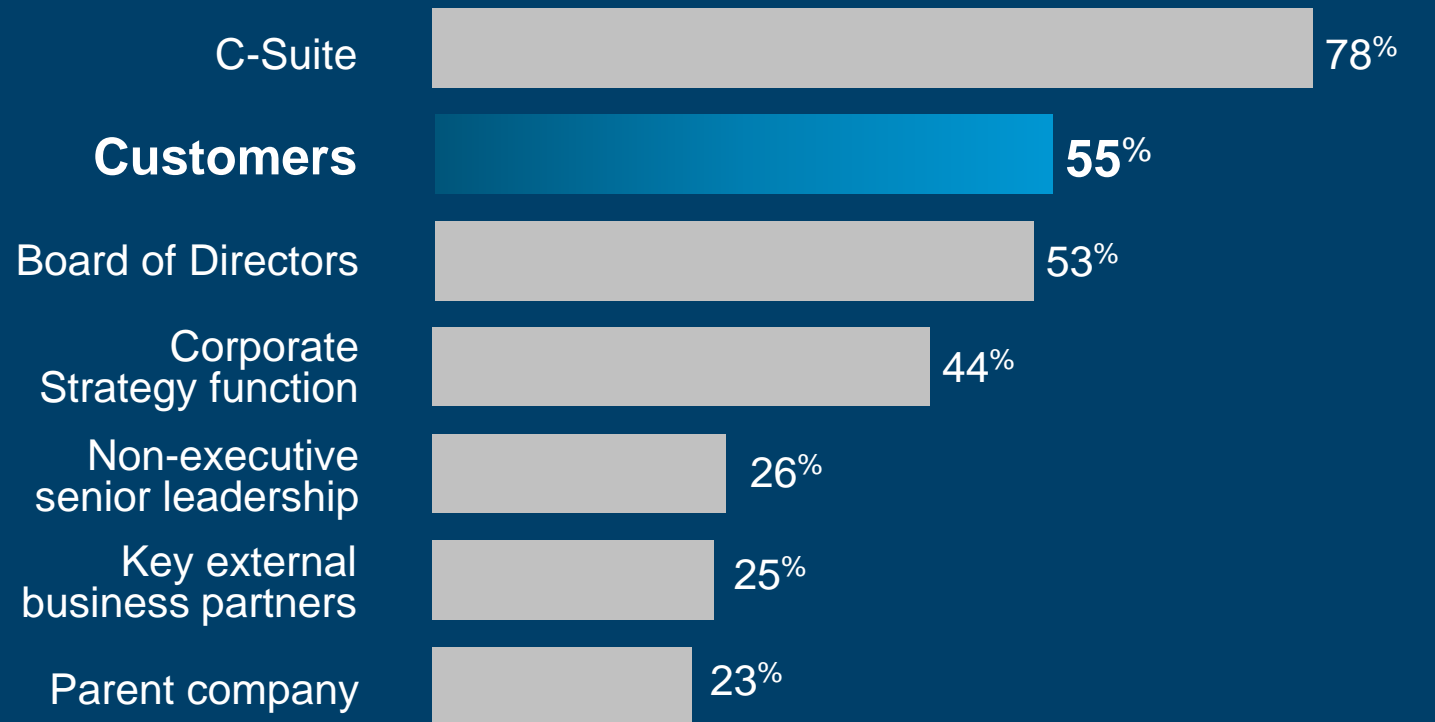
**The Customer-activated  
Enterprise**

# CEOs' priority – open up for customer influence

## Areas of the business where CEOs want to include customers



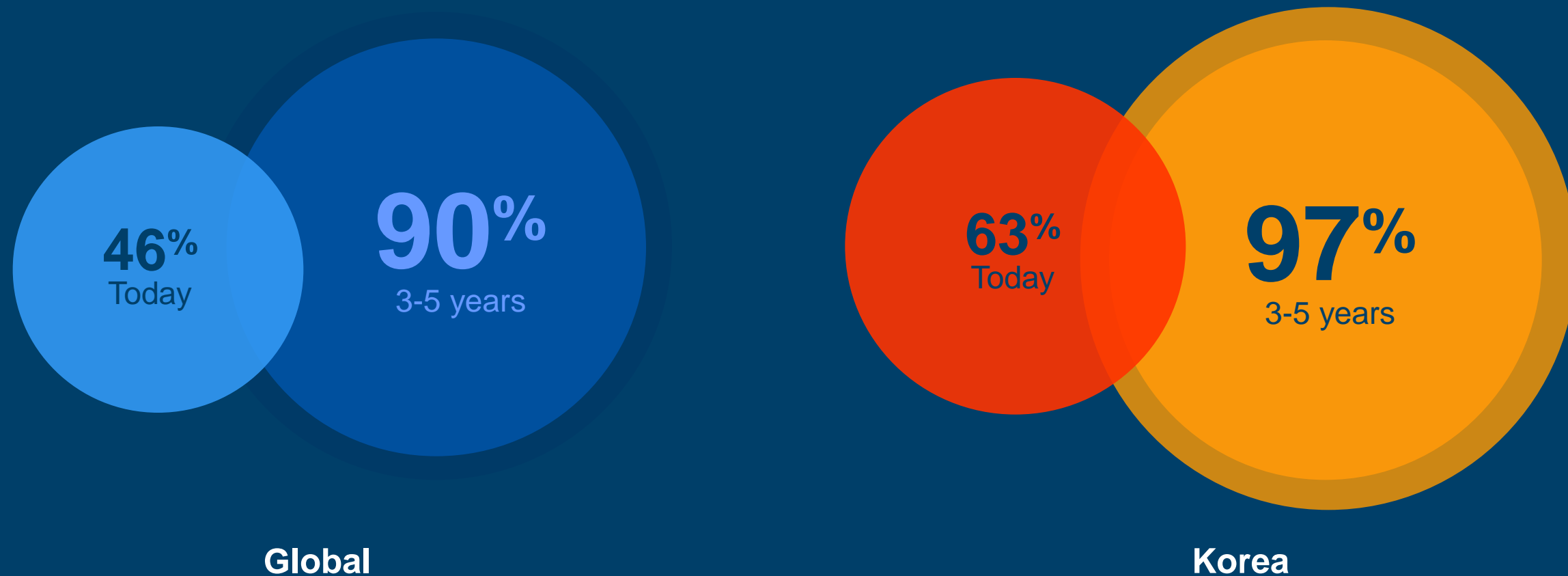
## Key influencers on business strategy



Source: Question CEO4.c–In which parts of your business are customers included? [Business strategy development]; Global n=368 to 523 [CEO only]

# CxOs' ambition to work with customers

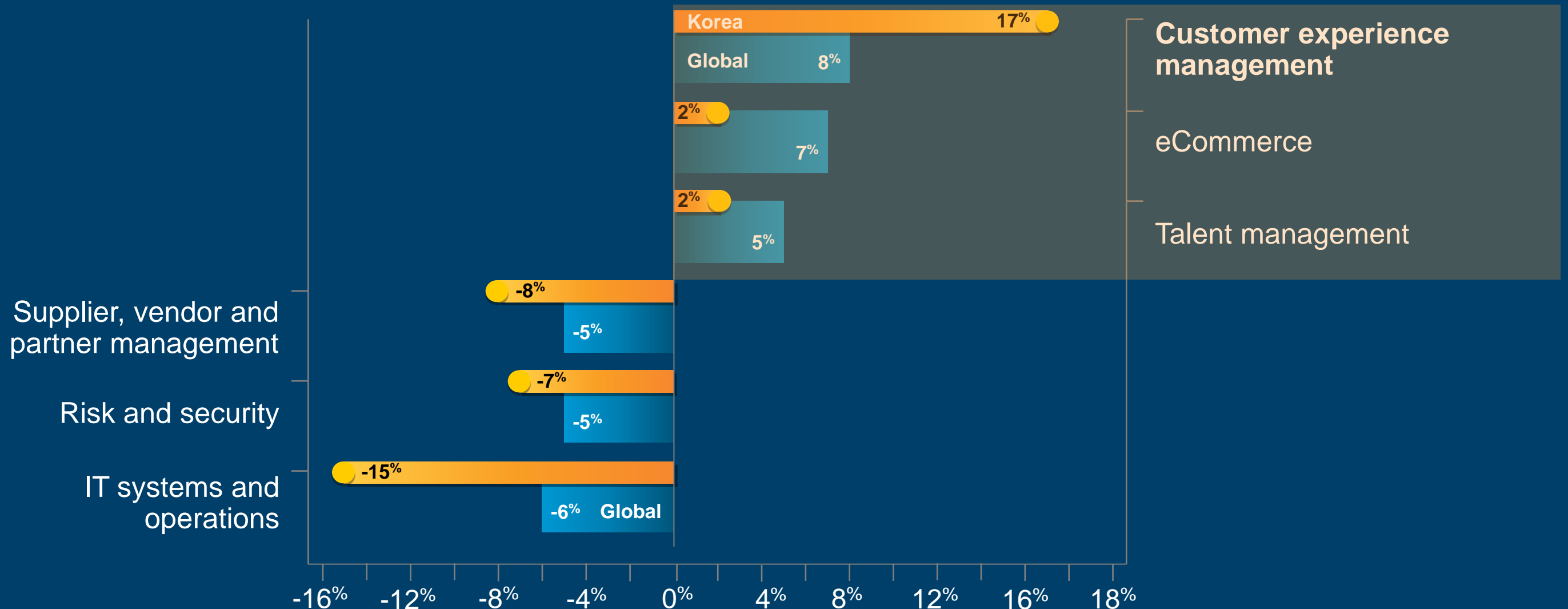
Deep collaboration is a universal ambition: nine out of ten CxOs in global expect to work more closely with customers in the near future



Source: Question B2—How strong is your collaboration with customers?; Global n=2,926 to 2,929; Korea n=104

# CxOs are rebalancing their priorities

## Areas of personal involvement



Source: Question B3—What are the top five areas you are personally involved in at an enterprise level?; Global n=2,940 to 2,954

# Insights from the Global C-suite Study



- Open up to customer influence
- Pioneer digital-physical innovation
- Craft engaging customer experiences



**“The Customer-activated Enterprise”**

# 2.

**Three technology shifts to  
bring new value to clients**



# Data is becoming the world's new natural resources

## 2.5B

gigabytes of new data generated every day.

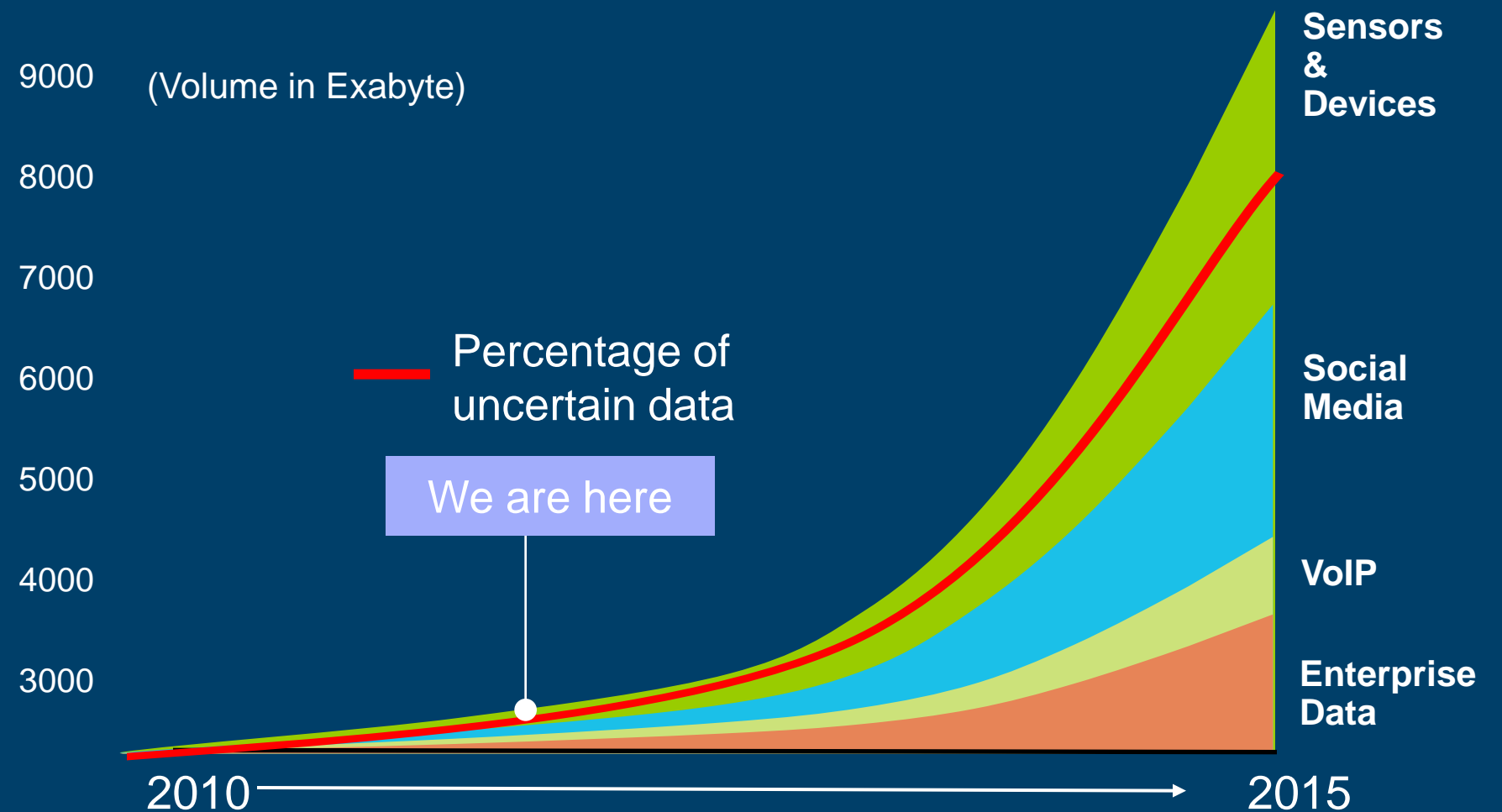
## 80%

Of data is unstructured including text, image, audio, video, sensor data and son

## 300X

By 2020, the data will be created up to 40 Zeta byte, an increase of 300 time from 2005,

## Big Data: This is just the beginning



# The emergency of cloud computing is transforming IT and business process into digital services

**1/4<sup>th</sup>**

of world applications will be available in the cloud by 2016.

**85%**

of new software is now being built for cloud.

**50%**

of large enterprise will have hybrid cloud by 2017



# Social, Mobile, Data. Together they are empowering people

# 84%

of smartphone users check an app as soon as they wake up

# 5 minutes

The response time users expect from a company once they contacted them via social media

# 57%

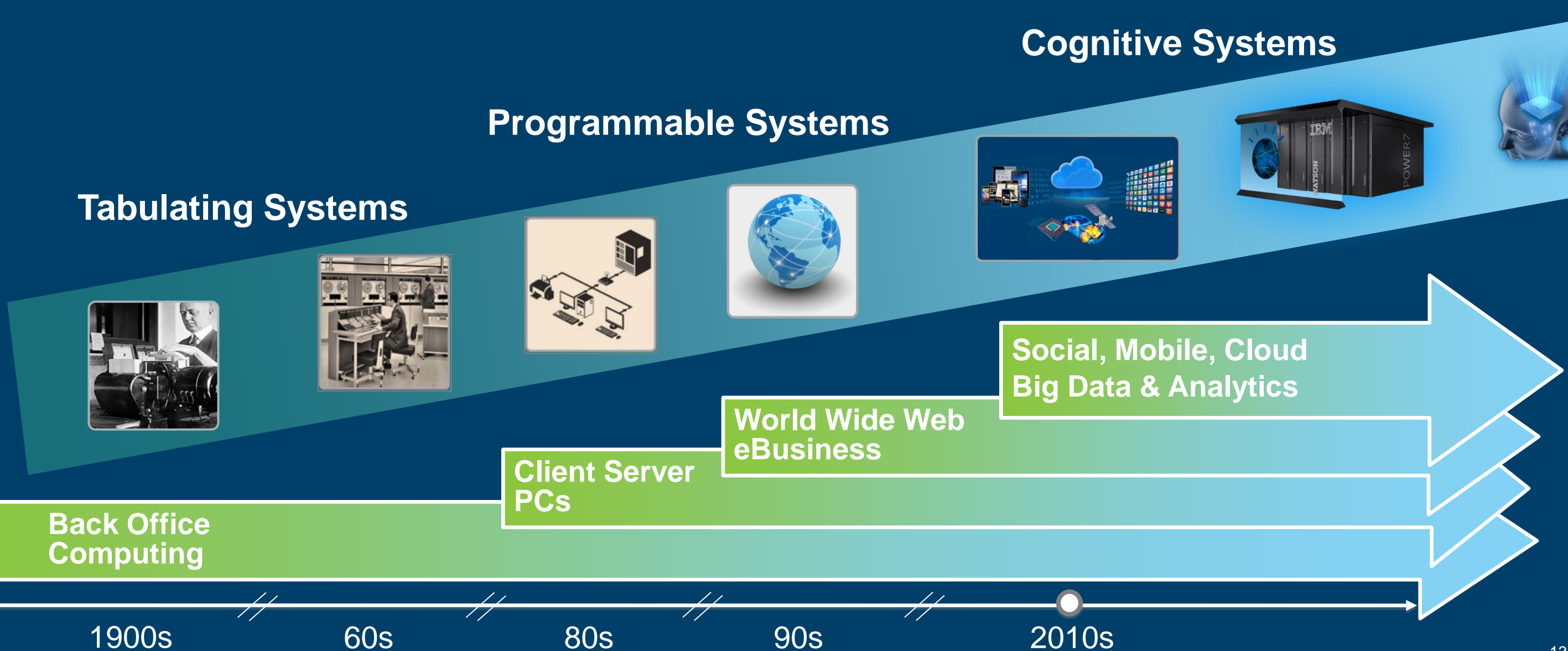
of companies in 2014 expect to devote over 25% of IT spending to systems of engagements



**3.**

**The New Era of Cognitive  
Computing**

# The New Era of Cognitive Computing



# Human-computer collaboration at speed

Learning systems, designed to collaborate with people, to scale and magnify human cognition



## Left Brain

Language,  
analytical thinking

## Right Brain

Sensory, pattern  
recognition

## Cognitive System

- Trained using artificial intelligence and machine learning algorithms
- Improve discovery & decision making with domain expertise
- Naturally interact with human on human terms

# Brain inspired chip breakthrough, SyNAPSE

By addressing the sense and pattern recognition of right brain , the cognitive chip will spur innovation around a new class of application with sensory capability at low power level



- IBM True North Chip**
- 5.4 billion transistors,
  - 4,096 cores
- which are equivalent to
- 1 million neurons
  - 256 million synapse



Navigation glass

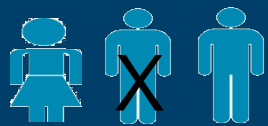


Roller Bot

and many other areas.....

# Watson at work to beat cancer with personalize care

**1 in 3**  
individuals will die  
from cancer



**3X**  
rate cancer cost climbs vs. std. health costs  
or 15-18% / yr.



Cancer (US ONLY)	2011 New Cases (est.)	2011 Deaths	%
Respiratory	239320	161250	28%
Digestive	277570	139250	24%
Genital	338620	63980	11%
Breast	232620	39970	7%
Urinary	132900	28970	5%
Lymphoma	75190	20620	4%
Leukemia	44600	21780	4%
Oral	39400	7900	1%
Other	216450	88230	16%
<b>TOTAL</b>	<b>1,596,670</b>	<b>571,950</b>	<b>100%</b>

**20%**

of cancer cases receive the wrong diagnosis  
initially with some as high as 44%



**\$263.8B**

overall costs of cancer  
in the US in 2010



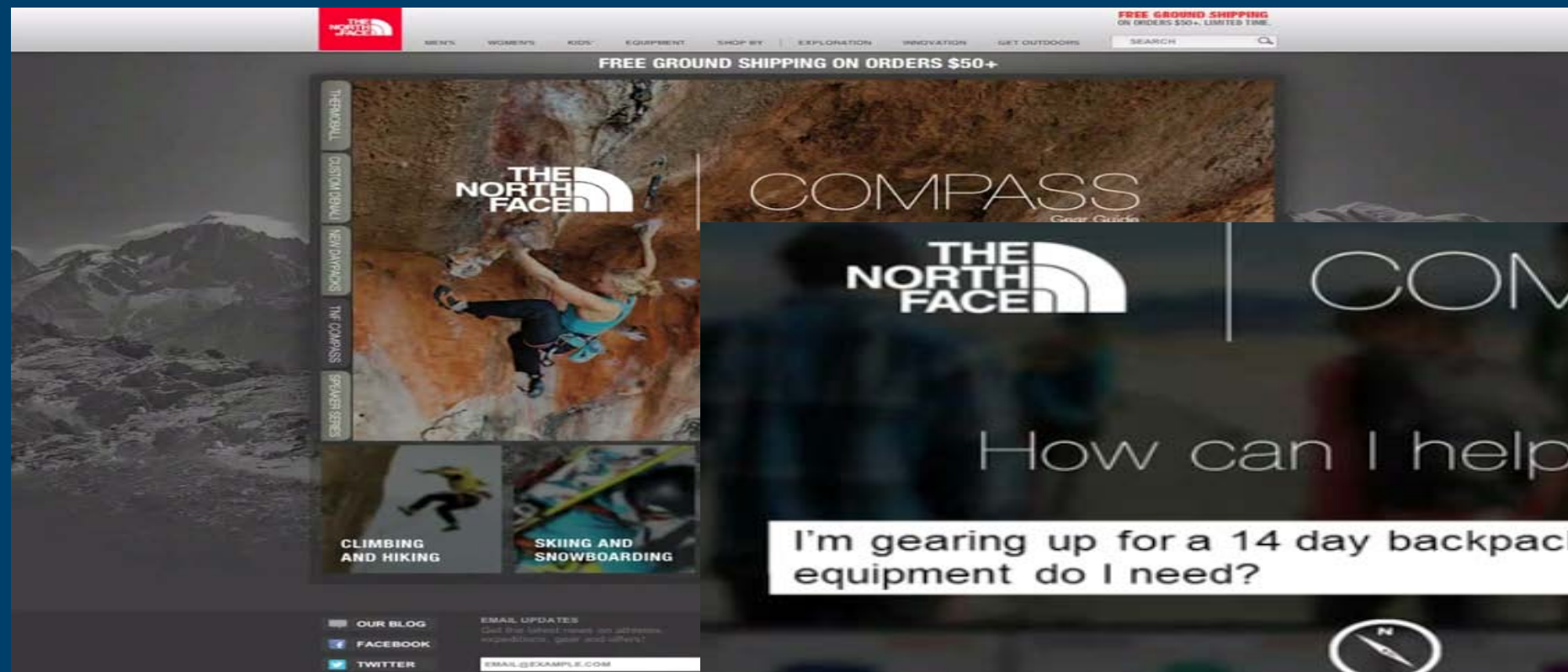
*Working Together to Beat Cancer*

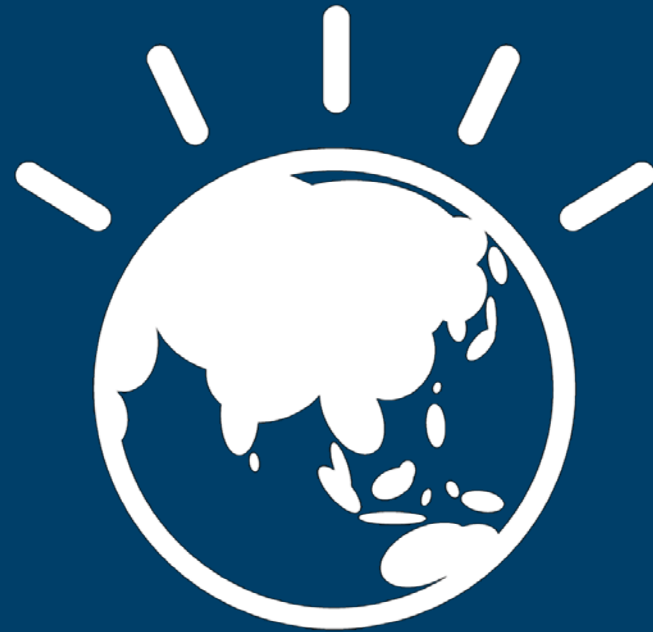
Source: American Cancer Society, National Health Institute



# Watson at work to transform customer engagements

Cognitive computing technology based 'Expert Personal Shopper' brings a new level of client experience





Let's build a smarter planet