

# **IBM e-commerce Services**

# **Return on Web Investment**

# Highlights

Adapts your industry's accepted ROI methods to an emerging business model

Helps you create a business case to analyze the ROI of your e-business initiatives

Helps you predict probable outcomes of your e-business initiative based on likely scenarios

Develops custom tools to measure your e-business success

**Provides concrete data to justify expenditures** 

# New model, new challenges

As the number of electronic commerce (e-commerce) transactions increases, companies involved in Web selling—and those thinking about it—ask, "Can we make a profit selling on the Web?" The answer is not as simple as it seems, as success has become increasingly difficult to measure.

While the number of consumers buying on the Web is rising dramatically, Web

retailers need concrete data to justify the expense of moving online. However, traditional guidelines for calculating return on investment (ROI) don't apply to the rapidly changing Internet market. Less measurable objectives also influence the success of your e-business: customer satisfaction, extended market reach, new business opportunities and visibility.

To address this new business model, IBM® introduces Return on Web Investment, a





dynamic new offering designed to help you build a sound business case for your e-commerce initiatives. This series of consulting engagements will help develop a framework for analyzing the ROI of your e-business projects at any point in the implementation.

#### e-business experience

Return on Web Investment allows you to take advantage of IBM's extensive e-business experience. Let our specialists with knowledge of your industry provide custom deliverables to meet your needs—at any stage in your Web initiative's development.

Delivered end-to-end, the consulting engagements evaluate your project in detail. We'll help you develop and validate your business case, establish a framework for the ROI of your initiative, then plan and execute the ROI analysis. The modular consulting engagements are tailored to meet your company's needs.

#### **Business case engagement**

As a result of the first engagement, you will have developed a completed business case. We help you evaluate comparable e-business, the accepted wisdom about ROI in your industry and your current ROI measurement infrastructure. We help document basic business assumptions and the desired outcomes of the initiative. Your resulting business case helps determine how you can generate revenue and reduce costs, and looks at related intangibles and decision-making criteria.

#### **ROI framework engagement**

In the second step, we help you test your business case. By applying variables and evaluating assumptions, we help you determine whether your business case is realistic, and suggest ways to strengthen it to support various outcomes. Our consultants help you develop criteria for a measurement plan, including the financial measurements, indicators of success and projected return based on existing assumptions.

#### **ROI development engagement**

The final stage provides a plan for creating business processes and systems to capture financial information. We use high-level system design, workshops and workflow analysis to develop tools for collecting the data required to evaluate your project.

After implementation of your e-business initiative, we help you measure the ROI and compare the results with the projected ROI.

### **Timing is everything**

Calculating ROI for Internet commerce can be complex and confusing. Many organizations involved in Web-based selling have avoided ROI calculation since many guidelines no longer apply. A new business model, however, still requires sound business sense—you must still justify expenditures and measure success. Let IBM help you make the Web a profitable business partner.

#### For more information

To learn more about IBM e-commerce Services or other IBM Global Services, contact your local IBM sales representative, Business Partner or visit our Web site at www.ibm.com/services.



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