

Performance Bicycle Extends Journey with IBM Cloud and Watson Customer Engagement Solutions

Retailer Prepares for Cognitive Journey with IBM Watson-Powered Solutions

LAS VEGAS, March 20, 2017 [PRNewswire/](#) -- IBM (NYSE: [IBM](#)) today announced that Performance Bicycle, the nation's largest independent bicycle retailer with more than 100 locations around the U.S., is using Watson Customer Engagement solutions running on the IBM Cloud to help create personalized customer experiences that extend from online to each of its brick-and-mortar stores.

The retailer is also preparing to infuse the cognitive capabilities offered today in the Watson Customer Engagement solutions, which will help Performance Bicycle better understand and learn how individual pieces of content from their vast library of resources can impact the customer's purchasing decision.

Performance Bicycle is a popular destination for cycling enthusiasts researching the latest products before taking a trip to their local store to test them out first hand and make a purchase. To best serve customer needs at each step, the retailer wanted to understand the content customers invested time looking at online and then get this into the hands of associates to meet their unique needs once setting foot in the store. It's this pervasive personalization that can help drive loyalty among customers who are spending as much as \$5,800 on a new bicycle.

"Retailers that don't think bridging the on and offline world is important better think again. Companies with omni-channel customer engagement strategies retain on average 89 percent of their customers¹," said Harriet Green, General Manager, IBM Watson Customer Engagement. "IBM cloud and cognitive solutions are available now and helping brands such as Performance Bicycle deliver service excellence anywhere, as well as a personalized touch whether you are online or in store."

Working with IBM and Business Partner BlueSky Technology Partners, Performance Bicycle is beginning to incorporate new cognitive capabilities, including Watson Content Hub. In fact, the company has already leveraged these capabilities, which understand and learn about the data in its content management system, including dark data that accounts for more than 80 percent of information has been invisible to computers. The solution then trains itself to better understand what has been stored and recognizes and automatically tags content including images, videos and documents based on millions of previous examples.

Performance Bicycle found that the offering tagged content and made connections that the team could not have done previously. For example, Watson discovered that customers who bought mountain bikes were watching specific videos that the team had not tapped into previously, including one featuring desert riding. By seeing these connections, the retailer will be able to proactively present this content to others in the future to help drive sales.

In addition, Performance Bicycle is leveraging additional IBM Watson Customer Engagement capabilities on IBM Cloud to bring together information from its e-commerce sites (products they are researching, preferred price range, etc...), email marketing campaigns (which ones are driving action), contact center and more. As a result, marketing teams can deliver personalized experiences to customers across multiple channels, and with IBM Watson Customer Experience Analytics, assess their responses and refine them as needed to drive the desired outcome. Performance Bicycle can also study how customers combine their in-store and on-screen browsing, identify patterns and create customized journeys that can lead to an increase in store visits and purchases while strengthening brand loyalty.

"Today, a lot of customers will do extensive research on our sites before they visit, and move back and forth between channels throughout the decision-making process. We needed a single view of the journeys our customers took with us to best meet their needs," says Mike Starkey, Senior Vice President of Information Systems at Performance Bicycle. "We are excited to expand

on our relationship with IBM which is allowing us to better understand what inspires our customers to purchase now while at the same time paving the way for our cognitive journey which will allow us to continue meeting their needs through the power of Watson."

Today with Watson Customer Engagement solutions on IBM Cloud, Performance Bicycle's marketing team can, for example, see large numbers of novice customers viewing bike review videos on their Learning Center website. With this insight, they can adapt the content into a targeted email campaign, providing links to additional information and local beginner riding clubs, setting up an in-store appointment to look at and try out bicycles and delivering offers off their first purchase, everything needed to give them the confidence to visit their local store. Once in store, the sales team has the customer's preferred bicycles and other alternatives ready for viewing as well as accessories that beginners should consider (helmets, gloves, etc...).

In addition to its impact on customers, IBM Cloud is also helping expand the retailer's presence globally. In 2016, Performance Bicycle was acquired by Advanced Sports Enterprises, which designs, markets and sells premium bicycle brands in 80 markets around the world. Through the IBM Cloud, they are in the process of efficiently integrating the two business systems that will allow them to combine the B2C expertise of Performance Bicycle with Advanced Sports Enterprises' global trading partner network to reach thousands of new customers while helping to gain a valuable advantage.

IBM Watson Customer Engagement powers a full spectrum of solutions including cognitive engagement offerings delivered as a service and on premise. Today IBM is the only vendor that helps companies infuse cognitive technologies into their marketing, commerce and supply chain capabilities on their terms, when and how they need.

IBM currently is working with more 17,000 companies around the world including [Amadori Group](#), [American Eagle Outfitters](#), [Boots](#), Ermes, Luxottica, [Moosejaw Mountaineering](#), [Office Brands](#), [Performance Bicycle](#), REI and [Sherwin Williams](#)

For more information follow us at #IBMamplify and #WatsonCE.

About Performance Bike

Founded in 1982 and headquartered in Chapel Hill, North Carolina, United States, [Performance Bicycle](#) is a leading retailer of cycling products. With 1,800 employees, a presence in 20 states and a comprehensive offering of more than 10,000 products, the company operates bricks-and-mortar stores, a printed catalog business and an e-commerce website.

1. 10 Notable Omnichannel Trends and Statistics [Infographic] <http://bit.ly/2mDuKH5>

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