

IBM Cloud Aids Shop Direct's Path to Becoming World Class Digital Retailer

Shop Direct Taps IBM Cloud to enable £50m Financial Services 'Personalisation Programme' to Accelerate Digital Transformation

LONDON and ARMONK, NY - 27 Jan 2016: IBM (NYSE: [IBM](#)) today announced it has signed an agreement as part of a £50 million Personalisation Programme with Shop Direct to redesign the retailer's financial services platform that will be hosted and managed through IBM's [hybrid cloud](#). The new platform will provide Shop Direct customers with a wide range of innovative, personalized financial services products to help make the retailers world famous brands even more affordable to customers.

Today's announcement extends the existing digital transformation partnership which saw IBM Cloud and the company's consulting services help Shop Direct react to shifting customer demands in a mobile connected, cloud enabled world. The 10-year, large-scale services agreement announced in 2015 moved the multi-brand digital retailer to a hybrid cloud model. The deal was a significant milestone in the deployment of enterprise cloud and extended IBM's position as a market leader in cloud with its secure, open enterprise cloud platform. Shop Direct can now quickly deliver new innovations to its customers and staff and continue to build its leadership as a digital retailer.

Retail customers desire a personalized and agile experience across all digital touch points, and as a result the demand for cloud computing has increased in response to this new wave of consumer. Cloud is transforming businesses like Shop Direct and providing a much more engaging and immersive customer experience.

Shop Direct Financial Services is one of the largest non-bank lenders in the UK and lives at the heart of its

customer offering, playing a major role in differentiating Shop Direct from other retailers. The new platform will help Shop Direct build on a clear proven and successful strategy for cloud technology which has already driven significant levels of flexibility enabling it to respond better to the market and demand to drive business growth.

Shop Direct will transform their credit offerings and work with IBM to provide customers with a broader set of financial services options, a more personalized experience and more options to self-serve. The project will separate the Shop Direct financial systems from the retail systems and provide a new financial platform on IBM's hybrid cloud. The platform will help Shop Direct bring together applications and data from public and private clouds and across multiple sources so it can deliver a range of flexible credit product offers that meet customer needs, respond quickly to new offers that come into the market and launch new credit offerings faster and at better cost. The new financial platform will also enable quicker responsiveness to regulatory changes and streamline processes while reducing the cost to serve as Shop Direct will only pay for what they use.

COMMENTING ON THE CONTRACT, ALEX BALDOCK, GROUP CEO, SAID:

"I'm proud to announce our Personalisation Partnership with IBM today. We already work closely with IBM in areas such as data security and the way we personalize the retail shopping journey.

This deal will broaden that relationship as we work with IBM to give Shop Direct groundbreaking capabilities to use our unique understanding and relationship with our customers to offer financial services products tailored to them."

DAVID STOKES, CHIEF EXECUTIVE, IBM UK AND IRELAND:

"Consumers now expect an increasingly personalized and flexible user experience across all of their digital interactions, personal or professional. There has been a boom in cloud computing to meet the demands of this marketplace, offering access to unlimited computing power as required and easier ways to process large amounts of information. Cloud is no longer an IT trend. It's driving businesses like Shop Direct forward. The real winner in all this is the Shop Direct consumer as they are being provided with a much more engaging and immersive customer experience through the cloud."

Link to 2015 IBM and Shop Direct Announcement: <http://www-03.ibm.com/press/uk/en/pressrelease/46047.wss>

ABOUT IBM CLOUD

IBM is the global leader in open enterprise cloud enabling secure data and infrastructure integration in the cloud. For more information about cloud offerings from IBM, visit <http://www.ibm.com/cloud>. Follow us on Twitter at @IBMcloud and on our blog at www.thoughtsoncloud.com. Join the conversation #ibmcloud.

ABOUT SHOP DIRECT

Shop Direct is the UK's second largest pureplay online retailer, with annual sales of £1.8 billion. Our digital department store brands are Very.co.uk, Littlewoods.com and VeryExclusive.co.uk, and receive an average of 1 million website visits a day, with more than 60% of online sales completed on mobile devices.

We exist to *make good things easily accessible to more people*. With our department store range of famous brands, market-leading e-commerce and technology capabilities and unique financial services products offering flexible ways to pay, we're well placed to deliver on that promise.

We sell more than 1,100 famous brands, including big name labels and our own exclusive brands. We have 4 million customers and deliver 48 million products every year. Our free click and collect service, delivers to 5,800 stores across the country, increasing ease and convenience for customers.

For more information on Shop Direct, visit www.shopdirect.com or follow us on Twitter at @ShopDirect.

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