

OUT WITH THE OLD

Wipro helps a leading financial services provider move away from legacy systems and applications.



INDUSTRY LANDSCAPE

The US credit card industry has been drastically reshaped in the recent financial meltdown. Card players are struggling with slow growth, regulatory scrutiny, credit losses and changing customer behaviours. However in these tough times, the acceptance of online channels is growing faster than traditional channels. A recent research suggests that online transactions grew at 12.6% annually since 2008 while other channels remained flat.

CLIENT BACKGROUND

The client is a leading financial services provider with significant presence in the credit cards, retail & commercial banking, auto financing and mortgage industry across Europe and North America. In recent years, the client has consolidated its position by acquiring multiple banks offering different credit and savings products.

THE OPPORTUNITY

The customer observed that the online acquisition channel would provide them the desired growth in coming years and their legacy platform would not be able to keep up with the volume of growth.

The key challenges were:

- Technology limitations in the legacy system resulted in lack of scalability and performance
- The legacy application was unable to keep pace with the new disclosures required as part of the changing regulatory system, thus inducing a serious compliance risk
- The business received low ratings on the customer experience parameters
- The rigid architecture of the legacy system created inefficiencies, build up maintenance and audit cost for the customer

Wipro was presented with the opportunity to replace the client's legacy system with a contemporary solution that would address the challenges and support the growth forecasts across multiple lines of business. Besides a flexible architecture, the system had to be scalable, provide customers with a richer experience and help the client cut their customer acquisition costs.

Wipro delivered a new customer acquisition platform which processes 76% of the total new card application in contrast to only 20% before the start of the engagement.

SOLUTION

Wipro engaged with the client right from the conceptualization stage. Working closely with the stakeholders, Wipro designed and delivered the application and followed it up with a steady-state review and maintenance program. The constant engagement with the customer allowed Wipro to provide value additions in the form of enhancements and process improvements carried out in a proactive manner.

Through a combination of offshore and onsite delivery models, Wipro provided an end-to-end solution while ensuring seamless transition of all lines of business from the legacy application. The process was completed within 18 months and had a minimum impact on the business continuity. The 40-member team built the solution using the latest technologies.

BUSINESS IMPACT

The Wipro solution increased the organization's efficiency by enhancing the usability of the system and reducing maintenance costs. Other business benefits include:

- Reduced acquisition costs per account by 45%
- Reduced Time-to-Process from 3-4 days to real-time decision and booking
- Increased volume of subscribers from 1.8 million to 4 million
- Increased volume of credit card applications from 4.7 million to 13 million
- Increased acquisition rate of customers through the internet from 20% to 76%
- Created capacity to handle peak application load of 11,000 application per hour
- Reduced application drop-offs by 50%

ENGAGEMENT HIGHLIGHTS

- Setting up a scalable application platform that supports over 11,000 applications during peak load hour and assures a sub-60 seconds response time
- Connecting with external agencies to minimise application stage frauds like anti-money laundering
- Supporting real-time account booking and on-the-spot purchase using the approved card
- Providing Real-time access to credit bureaus for applicant's data related to credit scores, thus enabling real-time credit decision-making
- Ensuring a configurable product set-up and dynamic content delivery that minimizes platform changes to launch a new product, leading to a faster time-to-market
- Supporting multi-language user interface
- Allowing the business to pick and choose the features that it wants to roll out across multiple user segments and those that it wants to retain within one line of business
- Creating the ability to cross-sell products like over limit option, balance transfer, etc.
- Enabling a single source of integrated contents for all channels and lines of business (internet, phone, partners and branches)
- Delivering 12 enhancement projects on an average besides supporting the launch of 50 new credit card products each year

Wipro Banking and Financial Services

Wipro's Banking Practice has partnered with over 50 of the world's leading banks including 4 of the top 5 banks worldwide as well as leading banks in the Asia Pacific. Our expertise across retail banking, enterprise banking, investment banking, regulatory risk and compliance, mobile banking, channels, payments, lending & mortgages and wealth management address transformational changes for our customers. Our solutions on cloud, mobile, social computing and analytics enable our customers to build a bankable future.

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