

KEEP YOUR FRIENDS CLOSER

Wipro helped build an intuitive channel to market affinity credit cards for one of the leading credit card providers.



INDUSTRY LANDSCAPE

Intense competition in the global credit card industry has induced banks and financial service providers to adopt new and innovative strategies to connect with a wider customer base. The economic meltdown further highlighted the importance of having a diverse customer base, especially in the consumer lending sector. Improving credit worthiness became the name of the game and resulted in affinity cards becoming a low cost option for bringing in high value customers.

Banks and financial institutions sought IT support for achieving these business goals, more so in the case of enterprises that were testing new frontiers like the social space. With credit card services getting bundled across business and social sectors, the need to develop cutting edge solutions began to be felt acutely amongst banks and other financial service providers.

CLIENT BACKGROUND

The client is a leading global Banking and Financial Services provider with a significant presence in the credit card and auto financing industry across Europe and North America. They are pioneers in marketing differentiated financial products within a customer segment.

THE OPPORTUNITY

The client's biggest challenge was to revamp its credit card marketing strategy by building a sustainable and comprehensive B2B channel for affinity credit cards. The client zeroed in on micro affinity marketing across charity institutions and not-for-profit organizations, and targeted card products at their base of donor / benefactor members.

Wipro, perceived a huge opportunity as this change represented a fundamental shift from traditional direct marketing techniques to soliciting cardholders. The affinity relationship works on marketing synergy, whereby the client benefits from access to super-prime customer status and relatively lower customer acquisition costs.

Wipro's solution helped the client access super-prime customers, resulting in a higher credit quality while reducing cost by 30-40% in terms of schedule, operation and infrastructure.

Organizations partnering in affinity card programs benefit from additional revenues arising via commissions linked to card transactions. They also claim greater member loyalty and lower costs of outreach to a larger base of benefactors. The client was keen to leverage the short window of business opportunity by rapidly building a scalable solution.

SOLUTION

The ability to transform an idea with agility and accuracy into a self-sustaining product was mission critical for the business. Since the novel marketing concept was expected to enhance the quality of customer base for the client, the need for a quick turnaround time from incubation to market launch was essential to enable business growth.

A cross functional group, including stake owners from the client's end, Wipro architect & domain consultants & the implementation team ensured that the most optimal solution was arrived at and worked on rapidly to build critical solution components and mature them as the requirements evolved. The solution covered architectural & domain services, hosting & infrastructure services, rapid release cycle development & deployment and rollout.

The complete market launch happened within six months of its initiation - a record for the client in terms of time-to-market across all similar business projects.

BUSINESS IMPACT

Wipro's solution helped the client to market a competitive product (affinity credit cards) in a sensitive business environment. It also enhanced their brand value as a socially responsible institution.

Other business benefits include:

- Creation of a B2B channel with affinity organizations for marketing credit card products that resulted in the client tying up with 1,100 small charities and 18 mid-size educational institutions
- Ensured access to a long tail of super-prime end-customers, essentially translating to a greater share of customer spend and high intrinsic credit quality of receivables
- Minimized sunk costs associated with any new investments, especially applicable to test and learn, kind of engagements
- Reduced the terms of schedule, operating costs and infrastructure setup costs by an average of 30 to 40%
- Provided the client with a 'second pair of eyes' to help evaluate credibility of the business idea

ENGAGEMENT HIGHLIGHTS

- Setting up complete infrastructure including, development, QA and production within two months with assured scalability
- Initiating the project within two weeks of conception and deploying a pilot within three months with a full market launch within six months

Wipro Banking and Financial Services

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