

FINANCIAL SERVICES CASE STUDY

CIMB Bank

“OF THE PROPOSALS WE EVALUATED, ONLY PITNEY BOWES BUSINESS INSIGHT HAD THE HIGH LEVEL OF INTEGRATION AND COMPLETENESS WE WERE LOOKING FOR.”

David Chong, Head of Retail Strategy & Marketing, CIMB Bank

CIMB BANK WANTED AN END-TO-END CUSTOMER COMMUNICATION MANAGEMENT SOLUTION FOR ITS RETAIL BANKING BUSINESS.



Challenge

CIMB Bank's consolidated statement engine could only handle accounts hosted on its mainframe. The system was not robust enough to support personalised 1:1 marketing communication. These deficiencies resulted in customers receiving multiple monthly statements and waste of marketing materials.

Solution

CIMB Bank turned to PitneyBowes Business Insight for an end-to-end customer communication management solution that integrates and consolidates data from a variety of source systems, consolidates statements, and enables 1:1 marketing.

SUMMARY

CIMB Bank is the consumer banking arm of CIMB Group, Malaysia's second-largest financial services provider and one of Southeast Asia's leading universal banking groups, offering a full range of banking products and services to over 5.3 million customers in Malaysia. Headquartered in Kuala Lumpur, the bank also operates in Singapore, Indonesia and Thailand.

In September 2006, CIMB Bank started sending consolidated monthly statements to its upper affluent and mass affluent customers using a statement generation engine developed in-house. However, this engine could only handle accounts hosted on the bank's mainframe system. Tools to integrate accounts residing in newer non-mainframe systems were not available and thus there was no true consolidation on a per customer basis. As a result, each upper affluent and mass affluent customer received a 'consolidated' statement plus individual statements for each of their other accounts each month. Customers were confused and dissatisfied. Plus the waste of printed leaflets inserted was unacceptable.

More over, the consolidated statement generation engine was lacking in system robustness, resulting in manual workaround processes. The engine was also unable to facilitate personalised and targeted 1:1 marketing communication, and this adversely affected the effectiveness of new products, service announcements and marketing campaigns.

CUSTOMERS FIRST

In late 2007, as part of a three-year master plan called Project Optimus to enhance customer centricity, CIMB Bank embarked on a project to improve account statements for its retail banking customers, starting with those in the upper affluent and mass affluent segments. Its primary goals were: consolidated statement for each customer's multiple accounts with the bank's various product systems, automated processes, e-statement capabilities and personalisation of the bank's messages to each customer. The larger goal: to support the implementation of true customer-centric business model.

After setting out the project goals for the consolidation statement initiative, CIMB Bank determined that it needed a robust, scalable and integrated customer communication management solution. Functionally, the solution had to be able to: verify and match data from multiple systems to create a consolidated database, reflect multiple accounts into a single consolidated statement, enable 1:1 marketing, and support the entire customer communication cycle from the creation of personalised documents and multi-channel delivery through to archival. Also on CIMB bank's wish-list were capabilities to tag customer accounts at the front end, business rules-oriented template design, and robust output management.

END-TO-END SOLUTION

In early 2008, CIMB issued an RFP inviting potential vendors to propose solutions. An evaluation team comprising of members from various departments and business units assessed

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the proposals and found the Logica Malaysia proposal, a Pitney Bowes Business Insight partner, to be superior to the other proposals.

“Of the proposals we evaluated, only Pitney Bowes Business Insight had the high level of integration and completeness we were looking for in the customer communication management solution,” said David Chong, Head of Retail Strategy & Marketing, CIMB Bank.

The winning proposal integrated multiple solutions from PBBI. They include Extract, Transform & Load (data integration), the Spectrum™ Technology Platform (data matching and standardisation), Automation (process automation), DOC1® Designer (statement template design), Content Author (1:1 marketing), DOC1® (statement generator), and e2™ Vault (document archival).

As part of the implementation, CIMB Bank also took the opportunity to build a loyalty point program for banking relationships for selected segments, riding on the consolidation engine.

Project implementation commenced in November 2008, driven by Logica Malaysia’s professional services team, supplemented by Pitney Bowes Business Insight Asia Pacific Professional Services resources. The first two phases, Loyalty Point Calculation and Wealth Management Consolidated Statement, went ‘live’ in September 2009 and January 2010 respectively, with the remaining phase readied for parallel run and validation in April 2010.

RESULTS

With the PBBI Customer Communications Management solution in place, customers now have a consolidated view of all their accounts in a single statement. Other than account

The screenshot shows a 'Consolidated Statement' from CIMB preferred. It includes a table with columns for 'Account Name', 'Balance', and 'Currency'. The table lists various accounts such as 'CIMB Preferred Current Account', 'CIMB Preferred Savings Account', and 'CIMB Preferred Fixed Deposit Account'. To the right of the table is a pie chart titled 'ALLOCATED BY ASSET TYPE' showing the distribution of assets across different categories. Below the table and chart, there is a section for 'Important Notice' and a promotional message: 'LOCK in your profits at the highest point.'

information, they also receive valuable information such as portfolio summary, breakdown by product type, local currency equivalents of their foreign currency holdings, etc. CIMB Bank plans to further enhance the customer experience soon by making it possible for customers to view and print e-statements through its Internet banking portal.

Besides making CIMB Bank more customer-centric, the Pitney Bowes Business Insight solution had also enhanced operations at the bank. “We’ve managed to shorten the time taken to process and generate consolidated statements from five days to two despite the expected ten times increase in volume. Similarly, statement archival now takes just half the time it used to. Consolidating statements has also brought us cost savings through reduction of paper, printing and postage costs, as well as elimination of manual processes. E-statements, when available, will further lower costs,” said Chong.

In addition, he added, “The newly gained capability on loyalty program has enabled us to offer new products and services to the customers and market.”

THE PITNEY BOWES BUSINESS INSIGHT ADVANTAGE

With the Pitney Bowes Business Insight Customer Communication Management solution, CIMB Bank is able to integrate and consolidate data from various disparate systems, consolidate statements and generate other communications with greater speed and personalisation.

Every connection is a new opportunity™

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