



Let's build a smarter planet



Smart is...

Knowing your customer and being able to customize product offers based on each customer's needs

For BNP Paribas, a European leader in global banking and financial services, personalization is key to winning customer loyalty and increasing profits. To this end, the bank is rolling out a new master data management initiative that will give it unprecedented flexibility and speed to adjust to changing market conditions and customize offers for each client.

BNP Paribas

Providing customers with personalized offers through any channel

Today's consumers demand more from their banks. They want products and services tailored to their personal needs. They want convenient, consistent banking service through a local branch, on the web or by mobile phone. And they also want to be rewarded for their loyalty.

Many banks aspire to such a vision, but few can deliver on it. With critical data locked in silos across departments and applications, each banking division has a limited perspective of the business. But in a bold competitive move, BNP Paribas, a European leader in global banking and financial services, is building an agile infrastructure that will allow it to quickly build new product offerings and deliver targeted promotions.

"There is always someone who will challenge you on services," says Vladimir Milojkovic, prime contracting project manager at BNP Paribas. "We needed to gain control of our data if we were to create on-demand offers for our clients."





Business Benefits

- Enabled the bank to personalize offers through any channel—Internet, mobile phone, branch and more—based on each customer's profile
 - Reduced time-to-market for new products from weeks to days
 - Improved competitiveness with the ability to flexibly and rapidly evolve offers based on market conditions, competitive actions and new regulatory requirements
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Focusing on the customer

To deliver on its strategic vision, BNP Paribas had to put the customer at the center of each transaction, which meant creating a flexible framework that would allow bank staff to:

- Quickly construct grouped offers mapped to customer requirements, such as providing home insurance with a mortgage.
- Personalize fees based on the customer's profile and service channel, such as giving discounts to some clients.
- Develop multi-brand customer loyalty offerings that can be delivered on demand, and that allow the bank to provide special incentives—such as waiving a monthly fee for a specified period—to clients who use several BNP Paribas products.

“We are building a flexible solution to ‘sell’ to our businesses in different countries,” says Cyrille Oudard, head of master data management, retail banking at BNP Paribas.

Smarter Banking:

Personalizing service across channels



Instrumented

Captures, enriches and maintains product, channel, pricing and other information in a single repository.



Interconnected

Provides a trusted source of data and decisions across service channels (Internet, phone, branch) so that customers receive consistent service at all points of contact.



Intelligent

Applies advanced business rules to customize product offers and fees based on each customer's profile and requirements.



Solution Components

- IBM® InfoSphere® Master Data Management Collaborative Edition
 - IBM WebSphere® ILOG® JRules business rule management system
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Selecting the right partner

The team launched an evaluation and a proof of concept (POC) and compared solutions from several vendors, including IBM. Members from BNP Paribas's IT, business and procurement teams participated in the process. Solutions were rated on product functionality, technology and pricing.

Portability and flexibility were essential because financial rules and regulations differ from country to country. "We needed a platform that could be reused regardless of the country or the types of products," says Milojkovic. "This is a main challenge because the products that are distributed in Ukraine, for example, are not the same as the products in Italy."

After an extensive review, IBM® Software was selected. "IBM provided the best solution for our needs and was experienced in managing product delivery across multiple countries," says Oudard. "The project's construction phase was launched in July 2009. We delivered a first release for user acceptance testing in the Ukraine by mid-November and a 'go-live' by the end of 2009."

Rapidly building new products and promotions

Using IBM Software, the bank can create, manage and access the master data that is commonly shared across systems and product catalogs. It could also quickly define product offers, the complex relationships between them and the conditions under which they are sold. Customers can receive product offers filtered according to their profile and eligibility.



“We will be able to reduce time-to-market for businesses from weeks to days.”

—Vladimir Milojkovic, Prime Contracting Project Manager, BNP Paribas

The solution lets business users, instead of IT, generate, change and manage offers—a critical factor for reducing time-to-market. “We cannot afford every update being an IT project,” says Oudard. “With IBM Software, our business users have the tools to reduce the time from idea to delivery.”

IBM InfoSphere® Master Data Management (InfoSphere MDM) provides a single, up-to-date repository of product and pricing information, and business processes also enable the bank to confirm grouped-offering compatibility, base fee enforcement and conditional eligibility. Once validated, new offers can be deployed in the core banking system and made available to business applications across all channels and operations (online, branch, back office and so on). With multilingual and multicurrency capabilities, the bank can deliver a generic asset that will be integrated with the core banking system across all countries where it operates.

“InfoSphere MDM provides a framework that allows our business users to work faster inside the product and offer catalogs,” says Milojkovic. “They don’t have to wonder what to do or where to go when building grouped offers.”

IBM WebSphere® ILOG® JRules business rule management system allows the bank to precisely define highly variable decision logic, such as eligibility and pricing rules. This precision enables it to target the right product or offer to the right person, or adjust service fees and interest rates based on competitive activity in the marketplace. Because rules are authored and maintained in a business vocabulary and accessible through a web-based interface, business users can easily review, modify and deploy rules for use across multiple systems. These users are provided with comprehensive governance capabilities to effectively manage large numbers of frequently evolving and interrelated rules, while also being able to work collaboratively with both technical and nontechnical roles involved in rule management.



“If you provide the best product for each customer’s needs, the customer will be satisfied and will reinforce loyalty with the bank, leading to more profitability.”

—Vladimir Milojkovic, Prime Contracting Project Manager, BNP Paribas

Customizing services on demand

Through this strategic initiative, BNP Paribas will reduce time-to-market for new products and promotions so staff can flexibly and rapidly evolve offers according to market conditions. “Product changes and offers can be created almost in real time and deployed very quickly,” says Milojkovic. “We will be able to reduce time-to-market for businesses from weeks to days.”

The most significant benefit, however, will be noticed by consumers, who can receive personalized offers through any service channel, on demand. For example, when the bank renews a client’s credit card, the system will identify if the client is eligible for premier credit services and offer special terms for upgrading. The system can also recommend new products based on the client’s profile, such as an investment account for clients with a large balance in their savings accounts. For BNP Paribas, this will be an important differentiator in a highly competitive market.

“Every bank provides packages to their customers,” says Milojkovic. “But we can really target the right product to the right customer. If you can provide the best product for each customer’s needs, the customer will be satisfied and will reinforce loyalty with the bank, leading to more profitability.”

For more information

To learn more about how IBM can help you transform your business, please contact your IBM sales representative or IBM Business Partner, or visit:

- ibm.com/software/data/master-datamanagement
- ibm.com/brms

For more information on BNP Paribas, visit:
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