

One of the World's Largest Banks Revamps Revenue Management; Plugs 6-8% of Revenue Leakage



After decades of dominating the European and global banking sector, this leading banking institution needed a modern centralized platform for managing revenues, plugging leaks, improving their corporate banking processes, and consolidating operations across multiple geographies.

The business of banking is tougher now than ever before. Changing customer expectations, competition from fintechs and technology giants, and events in the macro environment with profound impact on the banking sector have left traditional banks on the backfoot with eroding customer bases and shrinking revenues. In Europe, particularly, the fintech action is getting stronger with France rapidly consolidating its position as one of the fastest growing fintech powerhouses in the region. For traditional banks in the region, digitally transforming their infrastructure and moving to customer-centric, value-driven operational strategies is now a critical business imperative. They require efficient and centralized processes, increased personalization in their offerings, effective revenue management, modernized billing, and pricing and much more to stay ahead of the competition.

This leading bank (among the top 10 banks in Europe) has strong global footprint across 72 countries. Their legacy core banking system was not flexible enough to manage liquidity, cash, and payments across the entire network. There was significant revenue leakage due to process inefficiencies that the bank wanted to stop and they also wanted to automate processes for quicker time-to-market. Above all, the bank wanted to modernize their core infrastructure and operations to improve their positioning in the highly competitive transaction banking landscape.

Managing operations across multiple geographies seamlessly can be a challenge without a centralized revenue management platform. A leading multinational bank in Europe wanted to not only manage its revenues better but also scale up its corporate banking infrastructure across all regions.

Improving Revenue Management across a Large Global Network

Given their vast operational network, the bank wanted an integrated solution for a global roll out of corporate deposit line, liquidity management, payments, cash management and correspondent banking. They wanted to deploy a consolidated account analysis platform that could handle multi-country and multi-currency interest calculations and improve their position in the competitive transaction banking landscape. Upgrading their pricing strategies for the hyper-personalization era with a dynamic rule-based configuration solution for differentiated pricing was also high on their list of priorities. Further, they wanted to correct fragmented treasury interest computation processes and stop revenue losses due to non-differential pricing of incoming payments. And given the competitive market they operated in and the pressures on profitability, the bank also wanted to identify and plug revenue leakage quickly.

The Power of a Modern Revenue Management System

The bank chose to partner with SunTec to deploy Xelerate, to modernize and automate key banking functions. The modules deployed included Relationship-based Pricing and Enterprise Billing and Statements Management. The solution was rolled out across multiple tracks including corporate deposit line, and corporate banking line of business across 20+ countries. With SunTec solutions, the bank was able to consolidate, automate and improve their multi-country operations by streamlining key processes like invoicing and statement generation for different currencies and in multiple languages. They were able to manage interests, incomes, fees, and account analysis in multiple languages as well. The easy scalability of the platform made it easy for the bank to compute and optimize complex debit and card interest for corporate customers, ensuring that their corporate banking business was running seamlessly and efficiently. The bank was able to maximize revenue management efficiencies by calculating differential pricing based on payment status and identifying and processing uncharged transactions. This led to quicker ROI. The platform could also automatically identify and plug revenue leakage. This amounted to almost 6-8 percent of the total revenue.

Benefits:

- Plugged leakage amounting to 6-8% of total revenue
- Realized ROI quickly

