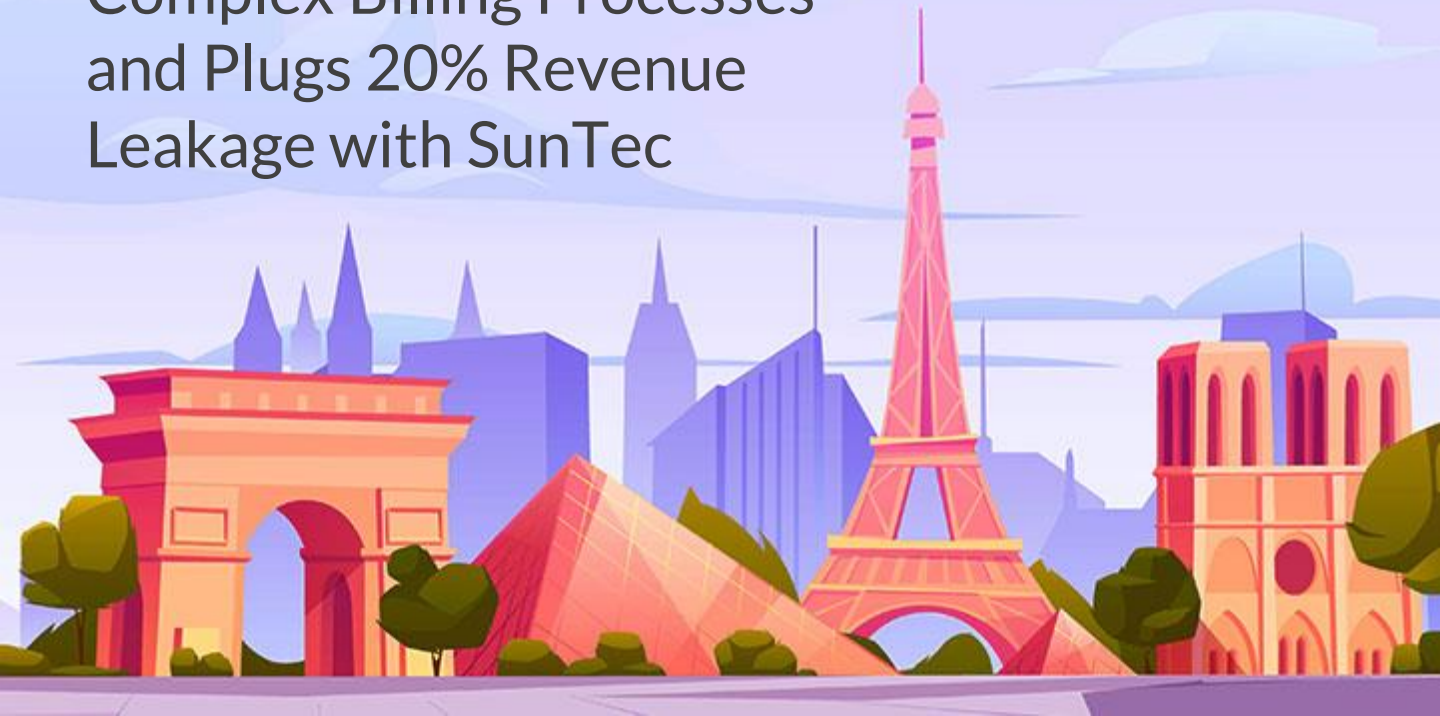


# European Bank Modernizes Complex Billing Processes and Plugs 20% Revenue Leakage with SunTec



## About the Customer

This 150-year-old bank is a leader in the European banking and financial space with a presence across eight countries. They have more than 200,000 small and medium sized business customers and more than 35 percent of large corporates in the region bank with them. They employ more than 20,000 people and are committed to facilitate easy, seamless, and sustainable banking choices and decisions.

## The Challenge

The bank worked with a legacy pricing and billing system that limited their ability to deliver accurate, personalized pricing, better deal management, and handle complex billing functions. They were using manual processes and Excel spreadsheets integrated with a mainframe program for processing fees. They wanted to identify and manage exception pricing for specific customer segments based on factors like customer relationship, age, number of transactions, and amount of money handled, which their legacy system could not execute.

The legacy system was also not powerful enough to execute a complex billing process that involved different billing cycles, currency-based split, different agreements, and fee advisory metrics. The bank was unable to generate statements for external accounts that a customer maintained as part of their overall financial relationship. Consequently, the bank was experiencing significant revenue leakage of up to 20 percent of their total revenues.

## The Solution

The bank partnered with SunTec to deploy SunTec Enterprise Billing and Statements Management to modernize their billing and pricing processes. SunTec deployed the Customer Data Management, Customer Negotiations, Pricing, Billing, Payment, and Reporting modules within the SunTec Xelerate platform for modernizing pricing, billing and offer management. An intermediate ETL (export, transport, and load) layer was deployed to sit between the bank's source systems and the customer facing platform. It collated and made available all data relevant for billing and pricing processing. This included data such as customer account information, agreement details, transaction events, and currency exchange rates. SunTec deployed the foundational library and customer account set up configurations in SunTec Xelerate to process the inputs from the ETL layer and set up the pricing models. The SunTec pricing model helped the bank deliver accurate and personalized transaction pricing as well as variation pricing for specific customer segments such as entities who worked with special rates. The platform also helped improve the offer management process by facilitating short duration condition-based offers. Individual negotiations and exceptions were managed through customer account price lists.

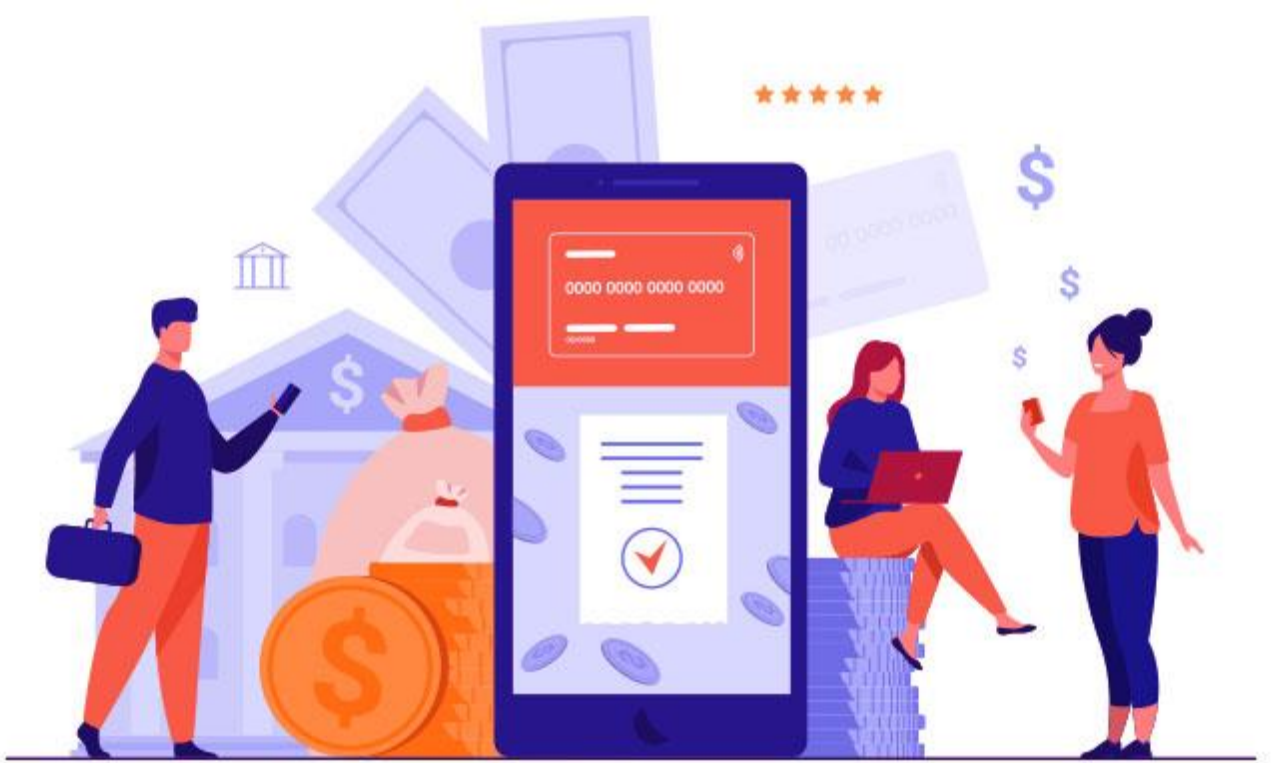
Transforming the bank's billing function was a complex and detailed process. The first phase of the project focussed on automating the pricing of CAMT statement requests made by corporate customers. CAMT is a cash management service format or account statement, and customers request CAMT balance or account statements on a monthly or quarterly basis, which has an impact on billing. SunTec Xelerate was set up to receive these events and process the billing based on them. They deployed a robust fee-based advisory matrix within SunTec Xelerate to determine the billing and payment cycles according to:

- **Billing Cycle:** The bank had operations in multiple countries with different billing cycles as per country specific rules. Their customers were divided into two broad categories – individual or sole traders and corporates or large businesses. Each segment in each country had different billing

rules. For example, in one country private customers were billed monthly while corporate customers were to be billed every quarter. A customer's billing cycle could also vary based on the country where their account was held. For example, a customer living in one country with their account in another, would follow the billing cycle of the country where their account is held irrespective of the cycle in their country of residence. There were also different country-specific rules to be adhered to. For example, some countries required invoices or fee notes to be sent 15 days before an account could be debited. Billing in these countries is in the form of a fee note/ pay note which serves as pre-advised notice of charges. SunTec Xelerate was configured to maintain a fee, debit, and billing cycle with these details and carry out the billing processes accurately as per the specifications.

- **Currency-based Split:** The platform was also capable of handling multi-currency billing. A customer could have three accounts with three different kinds of currencies. The platform could analyze the transactions across each currency and split the invoice across the applicable currencies.
- **Agreement ID-based split:** With SunTec Xelerate, the bank was also able to split the invoices based on different commercial agreements the bank had with the corporate entity. A customer could have one account with different agreements at different levels and could require transaction statements under each agreement. SunTec Xelerate could generate invoices for each commercial agreement seamlessly resulting in greater ease of business and customer satisfaction.

With SunTec Xelerate the bank could also handle changes in pricing agreements seamlessly, to apply the old rate to transactions conducted before the change was affected and the new rate to the ones that took place after. It also could handle re-pricing easily, and retroactively adjust pricing if the new agreement specified a rate change effective from a previous date.



### Benefits

With SunTec Xelerate, the bank was able to:

- Modernize its billing and pricing processes to be robust, flexible, and accurate.
- Plug 20% revenue leakage effectively.
- Ensure accurate, error-free billing and debiting cycles based on rules defined in the fee advisory matrix.
- Reduce customer disputes and ensure customer satisfaction.
- Improve billing and payment accuracy since the fee advisory matrix ensured that payment cycles were well defined and consistently applied.