

Lotus knows.

Smarter software for a Smarter Planet.

Exceptional Web Experience – Expanding the Boundaries of Banking

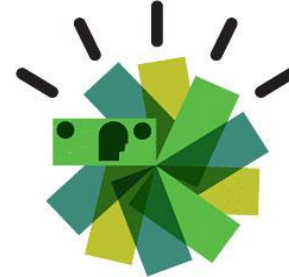
Gary McBride | Global IBM Web Experience Software Leader - Banking



lotusknows.com

Agenda

- 2010 Banking Market
- Banks Need an Exceptional Web Experience
- IBM Delivers Value to Many Banks
- Wrap-up & Next Steps



Banking Industry Imperatives - 2010



Macro

- § Changing economic conditions
- § Globalization
- § Risk management



Competitive

- § Consolidation
- § New business models



Improve customer care and insight

Manage governance, risk and compliance

Increase operational efficiency



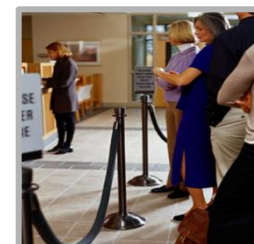
Consumer

- § Empowerment
- § Changing preferences



50%

Percentage of customers who would give their bank only two chances to fail before considering a change in banks.



Emerging technology

- § Technology innovation
- § Pervasive connectivity



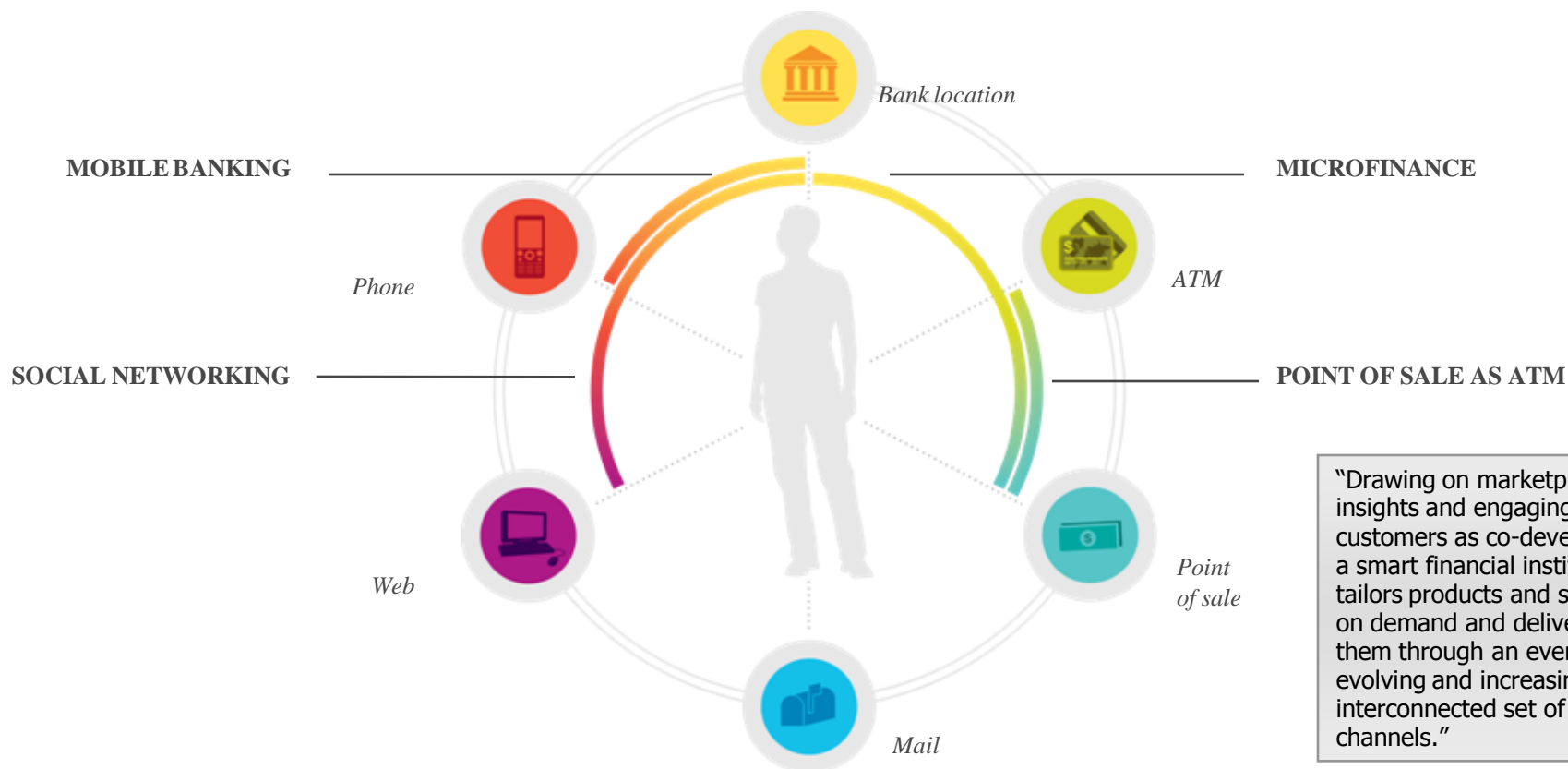
25 billion

Global trading systems are under extreme stress, handling billions of market data messages each day.



IBM Smarter Banking Insights

- Banks want a 360° view of their customers
- Banks want their customers to have an unified experience at every touch point



"Drawing on marketplace insights and engaging customers as co-developers, a smart financial institution tailors products and services on demand and delivers them through an ever-evolving and increasingly interconnected set of channels."

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Web Experience Software

Addresses Top Imperatives for Banks

1

Improve Customer Care and Insight *through Rich User Experience*

- Account information, customer service, targeted marketing tailored for each customer
- Interactive, integrated search and help
- Built-in Web 2.0 online collaborative experience

2

Increase Operational Efficiency *by Maximizing Existing Assets*

- People, processes and data are all linked by Portal
- Empower everyone with managed content they need in a format they understand
 - To all channels, mobile, web, desktop clients
- Portlet Factory speeds up portal delivery

3

Manage Governance, Risk and Compliance *through Transparency and Standardization*

- Integration at the glass streamlines cross-department productivity
- WebSphere Portal is the 7-year Portal market leader
- IBM at the forefront of major business innovations: SOA, Web 2.0, Enterprise Mashups

**From interviews of Americas, EMEA and AP retail banking leaders (October 2008 – January 2010)*

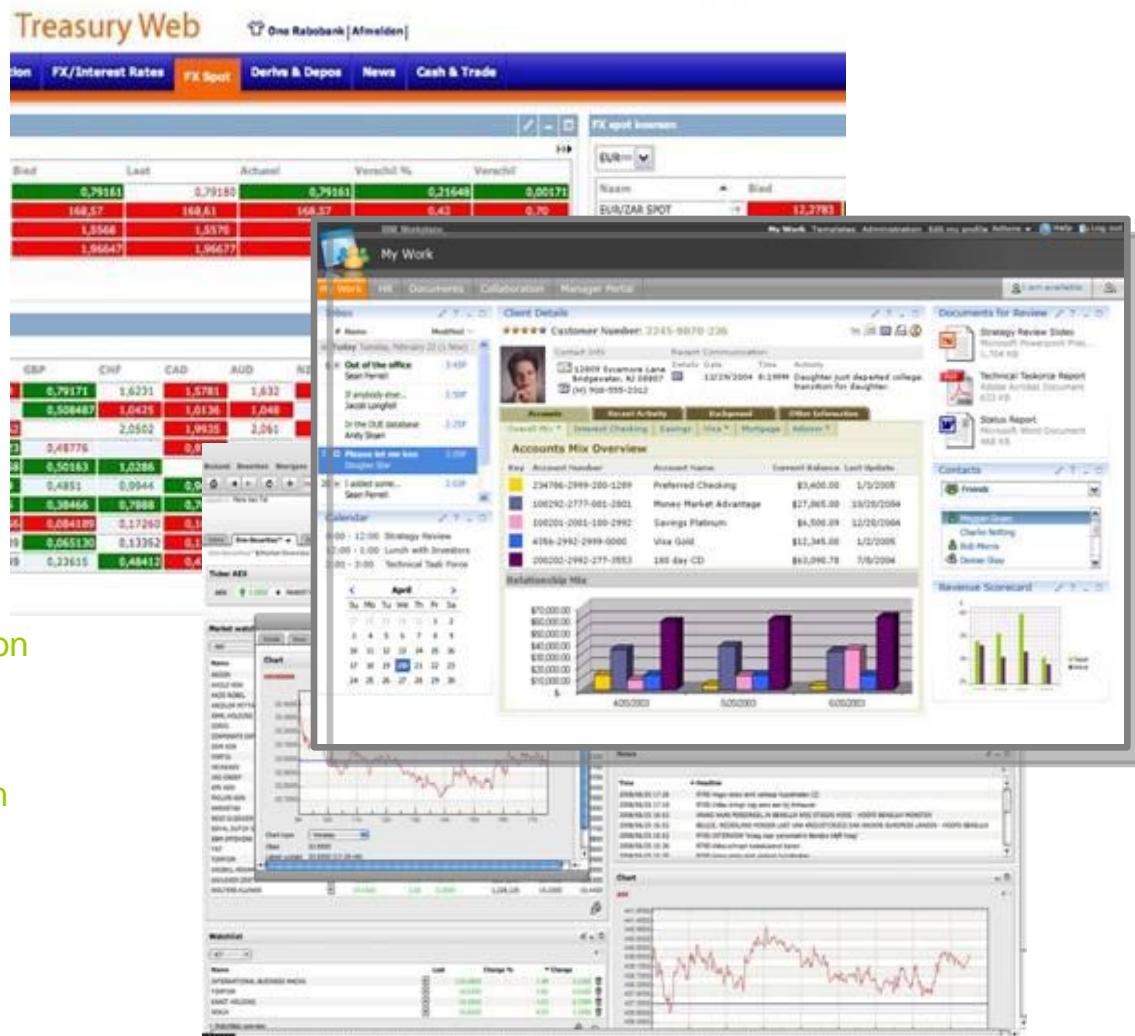
Portal + Collaboration Address Banking Needs

Who is using Portal?

- Online Customers
- Tellers
- Customer Service Reps
- Payment Managers
- Risk Analysts
- Sales/Marketing
- Human Resources

How is Portal being used?

- Customer-service gateways
- Employee intranet
- Evaluation information aggregation
 - Marketing campaigns
 - Investment opportunities
- Back-office process consolidation
 - Payment processes
 - Auditing
- Hot-button dashboards
 - Event notification
 - News aggregation



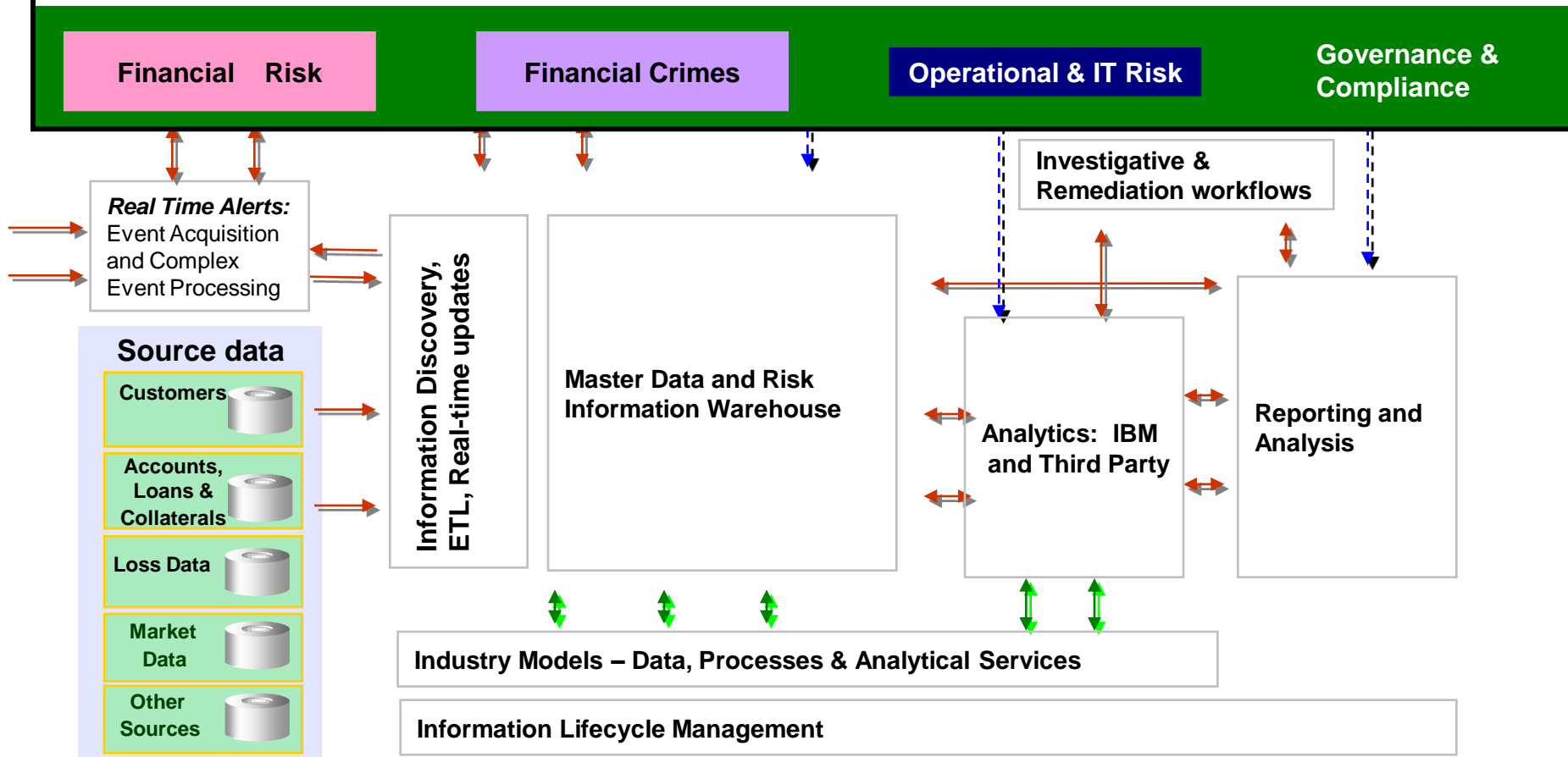
A common view to Payments, Commercial, Treasury Systems

The screenshot displays a Treasury Web application interface with the following components:

- Navigation Bar:** Includes 'Treasury Web', 'One Rabobank | Afmelden', and menu items for 'FX/Interest Rates', 'FX Spot', 'Derivs & Depos', 'News', and 'Cash & Trade'.
- Table 1 (Left):** A table with columns 'Bid', 'Last', 'Actual', and 'Verschil %'. It shows data for various currency pairs.
- Table 2 (Bottom Left):** A table with columns 'GBP', 'CHF', 'CAD', 'AUD', 'NZD', and 'SEK'. It displays exchange rates and percentage changes.
- Chart (Center):** A line chart titled 'IBM Woldshare Part' showing price fluctuations over time.
- Table 3 (Bottom Right):** A table with columns 'Name', 'Last', 'Change %', and 'Change', listing various financial instruments.
- News (Right):** A section titled 'News' containing several news items with dates and brief descriptions.
- Chart (Bottom Right):** A line chart showing price fluctuations for a specific instrument.

IBM Integrated Risk Management (IRM) Portal Dashboard

Integrated Risk Management: Portal & Dashboards



• TSIEM

SOA Foundation & Service Mgmt.

- Trusted Identity Framework ?
- Transaction Monitoring ?

Fraud Detection & Banking Mashups

alert_id	alert_type	alert_type_description	alert_description	alert_st
1001	Check fraud			OPEN
1002	Wire transfer fraud			ASSIGN
1003	Counterfeiting			ASSIGN
1004	Duplicate Transfer fraud			ASSIGN
1005	Wire transfer fraud			ASSIGN

Alert Aging Information

Alerts
1.0
1.0
2.0
1.0
1.0



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HSBC – Global Customer Service

- running the brand on WebSphere Portal



HSBC PREMIER SERVICES

Premier is the personal banking service that we reserve for our best customers.

Apply for HSBC Premier

APPLY

Become a Premier customer at no extra cost. You simply need to hold savings or investments of at least £60,000 (or equivalent) with HSBC Bank International.

Rewarding rates and reduced charges

GO

Free international money transfers* and

HELP ME CHOOSE

The Premier Advantage - over £1000 of potential savings compared to our standard offshore products



Premier interest rates



Case study - how Laura benefits from having a Premier Relationship Manager



MELA Akanni - Wealth planning for the



- Over 50 million customers
- Personalized content based on account level and usage
- Regionalized content delivered to over 40 countries/languages
- Scalability to meet increased demand
 - > 50K concurrent user capacity at one site alone
- Portal supports lines of business:
 - Personal Financial Services
 - Corporate Banking
 - Payments
 - Insurance
 - Premier
 - Stock Trading

<http://www.hsbc.com>

HSBC – Targeted Selling

WebSphere Portal and Content Management allow marketers to create campaigns dynamically



- Ability to test-market campaigns *before* general availability
- Give customers an offer they want to see*
- Increase upsell / cross-sell

Which picture had the best click thru rate on the Home Page?

Four identical offers, test-marketed

Portal click-through tracking gave real-time data

HSBC can go to market with best offer

A

B

1.75%

35% Difference
Between Best & Worst

2.30%

C

D

1.71%


23% uplift just from changing a door color! Who would have guessed?


1.88%

The optimized content can be anything – image, text, links or tools

HSBC Hong Kong – *Bringing Mobility to Banking*

Hong Kong | Home | Personal | HSBC Premier | Commercial | Corporate | MPF | About HSBC | Careers | Contact us

HSBC  The world's local bank

Search:  中文

- ▶ Personal
 - ▶ HSBC Premier
 - ▶ Banking
 - ▶ Investments
 - ▶ Cards
 - ▶ Mortgages

RetireEnrich Protection Plus
Successfully enroll to enjoy HK\$800 supermarket coupons

Enjoy a steady income even after retirement

Mobile Business Banking available at HSBC Hong Kong

November 24, 2008 at 11:23 pm · Filed under [Software](#)

★★★★★ (5 votes, average: 5 out of 5)



Service Highlights

- Access your account details
- View up-to-date account balances
- View transaction history



Though this mobile service does not provide that much in functions than just passive access it is a step forward. It helps to check on the go if a customer paid invoice number #4711 already or not. The service works pretty well with the BlackBerry Curve 8320 browser (which I used for testing) but it should work on new BlackBerry devices like the Bold, Flip and Storm as well.

Mobile Website for HSBC [Commercial Banking: https://mobile.commercial.hsbc.com.hk](https://mobile.commercial.hsbc.com.hk)

<http://www.blackberryinsight.com/2008/11/24/mobile-business-banking-available-on-hsbc/>

Increasing Efficiency Globally

Business Challenge

As a worldwide enterprise, HSBC had been running its business and IT operations independently across different geographies. Wanting to take advantage of its size and economies of scale, the financial institution launched an initiative designed to migrate the enterprise from several moving parts to one cohesive unit.

A component of the initiative was to standardize the enterprise's messaging and collaboration platform, which would help cut costs and drive business growth. The company had been using IBM Lotus solutions since the mid 1990s, and it wanted to either refresh its environment with the latest in Lotus technology or migrate to a new vendor that could help it achieve enterprise wide standardization.

Solution

As a long-time IBM Lotus software and Microsoft Office client, HSBC decided to compare the two IT authorities' solutions and choose the best messaging platform between them. Using a defined decision-making process, the company chose the IBM offering as the best option because of the IBM solution's enterprise-class, next-generation capabilities and its ability to run enterprise wide operations on a centralized server environment, which is the direction that the bank plans to go. Functionality, scalability, standardization and cost were primary considerations in choosing Lotus products.

Benefits

- More effective collaboration and reduced travel costs.
- Faster identification of resources thanks to accurate and richer contact information for colleagues across the different geographies.



Sparda Bank

One Portal for All

- 3 Million Bank Customers in 12 regional banks
 - 1.5 Million Internet Banking Customers
 - Of which around 1 Million are regular users, resulting in
 - 10 Million sessions / month
- Sparda needed a single Portal
 - For customers; for employees
- WebSphere Portal's high performance
 - Exceeded Employees' requirements
 - Exceeded Customers' expectations



- Availability of banking systems critical to success and acceptance**

Performance

	Performance	Avg [s]	Min [s]	Max [s]	Std.Dev.	Histogram
<input checked="" type="checkbox"/> Transaction Response Time		18,46	0,13	23,66	2,51	
Page Times						
	Performance	Avg [s]	Min [s]	Max [s]	Std.Dev.	Histogram
<input type="checkbox"/> Average Page Time		3,09	0,10	10,62	1,88	
<input type="checkbox"/> Internet_Portal SPB DSL 01 Verbinden	100,00	2,31	0,10	3,59	0,23	
<input type="checkbox"/> Internet_Portal SPB DSL 02 Anmeldung	100,00	2,68	2,42	5,22	0,39	
<input type="checkbox"/> Internet_Portal SPB DSL 03 Abmeldung	100,00	1,05	0,88	2,28	0,13	
<input type="checkbox"/> Internet_Portal_ZVB SPB DSL 01 Ueberweisung Formularaufruf	100,00	2,83	2,65	4,67	0,19	
<input type="checkbox"/> Internet_Portal_ZVB SPB DSL 02 Ueberweisung Ablehnung	93,49	6,55	3,40	10,62	2,02	
<input type="checkbox"/> Internet_Portal_ZVB SPB DSL 03 Empfaengerliste	100,00	3,13	2,84	4,69	0,22	
Custom Timers						
	Performance	Avg [s]	Min [s]	Max [s]	Std.Dev.	Histogram
<input type="checkbox"/> Internet_Portal_ZVB SPB DSL Session komplett		18,58	15,41	23,64	2,01	

Show Comparison Report Add to Comparison Report Select all Deselect all Show Boundary: 2 Violations

Royal Bank of Scotland – Multiple Brands

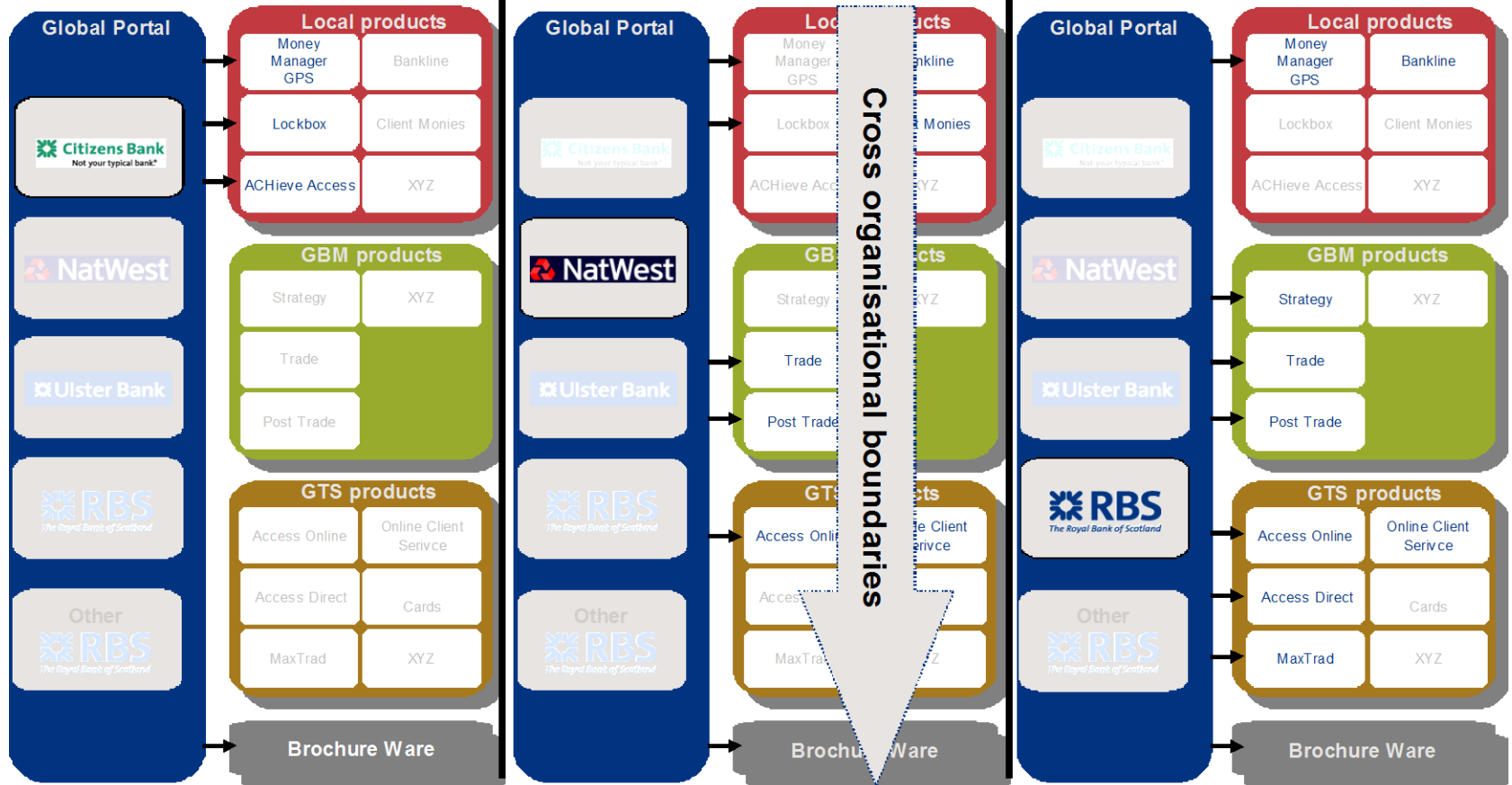


Offering – Crossing organisational boundaries

Regional / domestic customer, minimal international requirements, e.g. Citizens customer

Regional / domestic corporate with centralised treasury functions

Highly centralised and automated treasury functions RBS (former ABN Amro) global corporate customer e.g. BT



Bank Hapoalim – Global private banking portal

Business focus

Global phone directory

News & events

Calendar

Product in focus

Survey

Index ticker

System health reports

World clock

World Markets

SP500 09:07 23:49	Nasdaq 09:07 23:49	Ikkel 10:07 10:00	Tel Aviv 100 10:07 13:50	Dax 10:07 13:50	FTSE 10:07 13:50	CAC 10:07 13:50
1531.85 0.09%	2800.00 0.00%	18252.67 -0.05%	1135.939 -0.42%	8043.46 -0.42%	6693.7 -0.28%	6078.44 -0.43%

Display time is Israel (GMT+2)

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Bank Hapoalim

27 sites launched within Company-Wide Organizational Portal

The image displays a central screenshot of the Bank Hapoalim organizational portal, surrounded by 27 smaller screenshots, each representing a different site launched within the portal. The central screenshot features the BHI logo, a search bar, and navigation links. A prominent red banner reads "Tommorow the portal platform will be upgraded". Below this, a "WELCOME" sign is visible. The main content area includes a "BHI Calendar" for Monday 28 Dec 2009, a "World Clocks" section showing times for various locations, and a "Main Links" section with links to Lotus Notes and Outlook Switzerland. A notice at the bottom states: "If you do not remember you user name (externalusername) and password, please turn to your GST to issue a new one. for further details regarding the upgrade, please click on 'more'".

Labels for the 27 sites (clockwise from top-left):

- מדיניות אשראי
- BHI
- מסחרית
- ציות
- משכנתאות
- יועצי השקעות
- ניהול פרויקטים
- אתרי 9 הסניפים
- אגף עסקי
- ניפי קספרס
- מת"ן
- ניהול אתרים
- טכנולוגיה ומחשוב

Improving Customer Service

across Branches

■ Challenge

- U.S. Bancorp has more than 2,900 locations in two-dozen states including acquired subsidiaries of the failed FBOP Corporation. They lacked the ability to effectively collaborate, share content, and coordinate operations with branch locations resulting in inconsistent customer retail experiences and high employee attrition.

■ IBM Solution

- Using Lotus Quickr and Lotus Connections, retail bank employees can now find expertise via Profiles, share their branch experiences via Bookmarks and Blogs, learn from others leveraging Communities of Practice and easily share content in Teamrooms.

Results/Benefits

- Social software allows the bank's 58,000 employees to easily capture, find and share best practices
- Customers receive enhanced customer service because retail bank employees can easily find experts or information needed
- Implement consistent operational practices through better communication with HQ and social interactions with peer employees working in other retail locations



"Keeping up with economic developments and policy changes and the need to quickly communicate while innovating for growth would be nearly impossible with traditional methods, and that's why **Lotus collaboration software will continue to be incredibly useful to us**, especially as we continue to solidify our company's position as a leader in the financial services industry."
--Mark Dickelman, Sr VP, US Bank

[ComputerWorld Article](#)

Connecting Employees



THE BANK OF NEW YORK MELLON

Challenge

- BNY Mellon sought a way to allow employees to link up and share ideas, from professional concerns to personal interests.
- Like many financial institutions, BNY Mellon has acquired and merged with several firms. Each Line of Business (LOB) is mostly autonomous with little interaction with other LOB's. Even interaction within a single LOB collaboration is limited.

IBM Solution

- Lotus Connections software gives employees a forum through which they can share interests or collaborate on business projects among all of its 40,000 employees.

Benefits

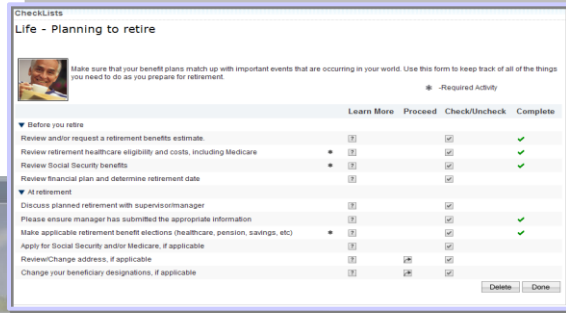
- Blending of information and interests of the technical employee pool, which formed from the previous merger of the two banking companies.
- Future use can expand to accommodate myriad banking issues: concerns about issues with compliance, or needs in the back-office, employees will be able to synergize by sharing information.
- Increased interaction will drive new cross-selling opportunities
- Future plans include collaboration with clients to increase customer loyalty and increase revenues

Agenda

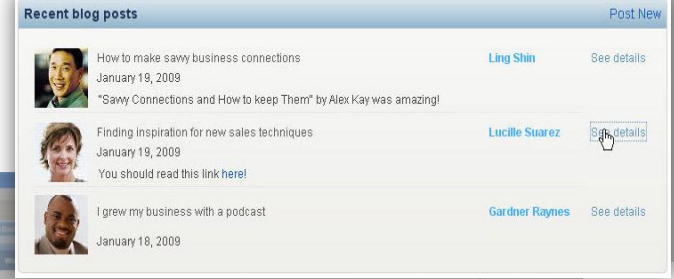
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User Contribution enriches Web Experience

Instant Messaging



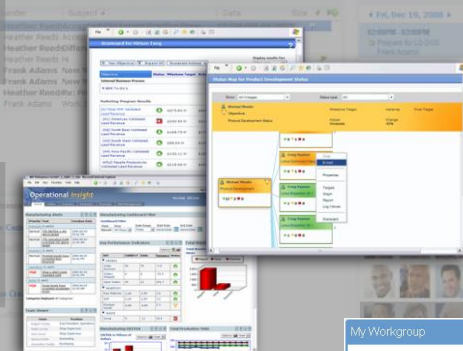
Workflow



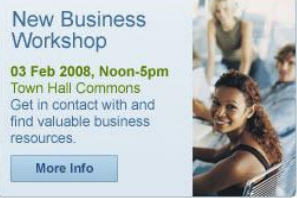
Blogs



User Ratings



Dashboards



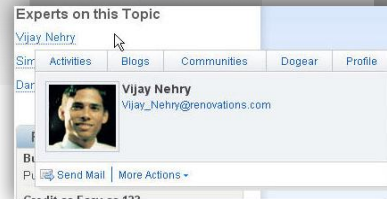
Authoring

Universal Task List

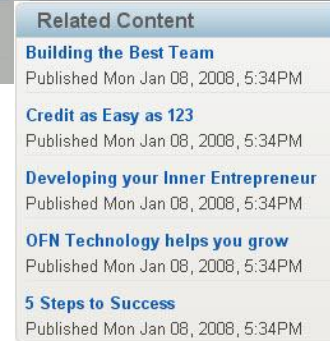
Refresh

Title	Modification date	Due date	Application
New Hire checklist	29-01-2009	3/17/09 12:00 AM	Checklist
Loss of a family member	19-02-2009	4/19/09 12:00 AM	Checklist
Life - Planning to retire	19-02-2009	4/20/09 12:00 AM	Checklist

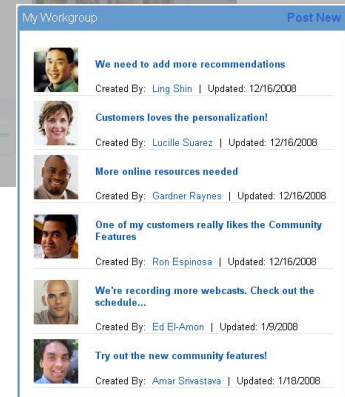
Task List



Experts



Personalized Content



Communities



Video

Lotus knows.

Smarter software for a Smarter Planet.

WebSphere Portal – Integration Excellence

Seamlessly Combines Internal & External Applications/Services



Combined with Web 2.0 & social capabilities, employee intranets & partner extranets help drive better business outcomes

Lotus knows.

Smarter software for a Smarter Planet.

WebSphere Portal...

A strategic product for your strategic applications

***Over 300 million named users in our top 15 customers alone!!
1 in 6 people worldwide with internet access is a
named user in a WebSphere Portal application***



Lotus knows.

A Better Web Experience is a Better Business Experience

Exceptional Web Experiences can result in

- **400% higher** visit-to-lead conversion rate
- **200% higher** visit-to-order conversion rate
- **41% lower** page abandonment rate
- **16.6% more** recommendations by customers for your products and
- **15.8% fewer** customers lost to competitors
- **14.1% repeat purchase** interest by customers

Great User Experiences Are Useful and Desirable

Useful

Customers can accomplish their goals

Usable

Customers can easily perform tasks

Desirable

Customers enjoy their experience

"Best Practices In User Experience (UX) Design", Forrester Research, Inc., September 2009.



Resources

- **Application Briefs**
Portal solutions for retail banks,
Streamlining account opening
- **Software Assets**
Loan application forms, banking dashboard KPIs
Banking Template
- **Demos**
Loan origination, online banking, bank branch teller,
mortgage processing
- **Case Studies**
Fifth Third Bank, HSBC, Navy Federal Credit Union,
Raiffeisen, SOCRAM

...For More Information

Banking Industry Toolbox

for Web Experience Software

Solution Areas

▪ **Customer Care and Insight**

▪ **Multi-Channel Transformation**

▪ **Payments**

<http://ibm.com/software/websphere/portal/industry/banking>

Lotus knows.

Smarter software for a Smarter Planet.

धन्यवाद

Hindi

Gracias

Spanish

תודה רבה

Hebrew

Спасибо

Russian

Grazie

Italian

Thank You

English

Obrigado

Portuguese

شكراً

Arabic

Merci

French

多謝

Traditional Chinese



Gary McBride

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Danke

German

Terima kasih

Bahasa

நன்றி

Tamil

ขอบคุณ

Thai

多谢

Simplified Chinese

ありがとうございました

Japanese

감사합니다

Korean

Salamat

Tagalog



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All references to [insert fictitious company name] refer to a fictitious company and are used for illustration purposes only.

IBM WebSphere Portal

9 out of the top 10 global banks
10 out of the top 10 US banks

“According to IDC, IBM leads the EPS market for the sixth consecutive year in 2007.”

— IDC: “Worldwide Enterprise Portal Software 2008-2012 Forecast Update and 2007 Vendor Shares: A New Landscape”, Doc #213165 July 2008

8 out of the top 10
worldwide retailers

“Gartner, Inc. has ranked IBM as the worldwide market share leader in Portal software based on revenues from 2002 through 2007.”

— Gartner Inc. “Market Share: Application Infrastructure and Middleware Software, Worldwide, 2007” by Fabrizio Biscotti, Terese Jones, Asheesh Raini and Joanne Correia June 4, 2008

4 out of the top 5 US
health insurance
companies

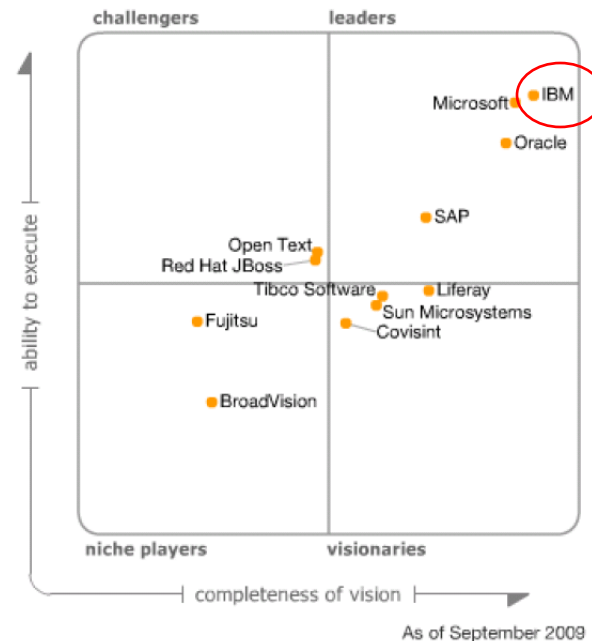


30 hospitals, clinics
and health delivery
networks worldwide

Every G8 Country

#1 Portal Market Presence

Horizontal Portal Magic Quadrant, 2009*
leader for 8 consecutive years!



Source: Gartner (September 2009)

***Magic Quadrant for Horizontal Portal Products, 2009**
Gartner: September 17, 2009 by David Gootzit, Gene Phifer, Ray Valdes

Over 40 U.S. Federal
Agencies