

Kiwibank's new account in IBM Cognos business intelligence is gaining dividends

Overview

■ Challenges

Achieve control over the accuracy and consistency of burgeoning business information in a rapidly growing organisation and make that information available to a broad user base

■ Why IBM?

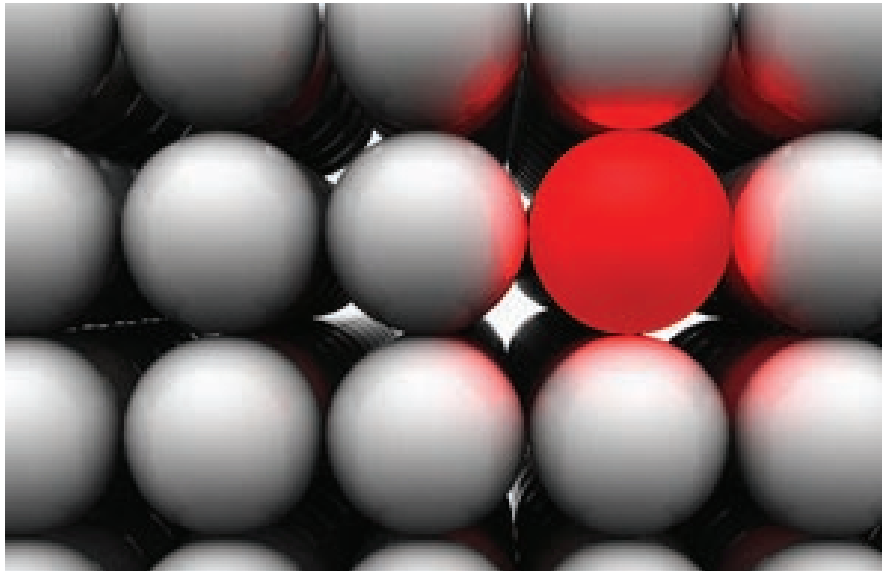
As well as supplying the technology, IBM Cognos provided the support and service Kiwibank wanted in a project of this nature

■ Solution

A comprehensive, flexible business intelligence (BI) strategy that provides greater insight into product marketing and customer service

■ Benefits

Enabled senior managers, product owners and relationship managers to market the right product at the right time through the right channel; improved customer service through greater understanding and insight into customer profile dynamics; eliminated data silos; reduced user reliance on the IT group



Kiwibank is a 100 percent New Zealand-owned and -operated bank with branches in hundreds of locations across the length and breadth of the country. In fact, it has the biggest branch network of any bank in the country, and has recently won several awards for its innovative approach to banking. The bank has over 650,000 customers and successfully signs on 2,000 new customers every week, a sterling result for an organisation which has only been in operation for six years.

“With IBM Cognos, we get that one-stop shop for reporting, querying and analysis. It complements our new enterprise data warehouse perfectly and forms a key component of our BI strategy for the present and the future.”

*Tracy Bellamy, Manager
MIS Strategy and Delivery,
Kiwibank*

Challenges Faced

By late 2006, it was apparent that the account-based nature of Kiwibank data was not a good match for the new BI strategy. Data accuracy and consistency were at issue, and being compounded by the fast growth of the organisation itself and the introduction of new products and services.

For example, a basic search for the number of customers that Kiwibank deals with could produce multiple answers, simply because business rules were embedded in individual reports. At the same time, the biggest single problem was that the business could not access and analyse the data readily.

"The approach wasn't meeting the needs of the business people, and it was quite time-consuming for report developers to source the required data and build the reports," says Tracy Bellamy, Manager, MIS Strategy and Delivery, Kiwibank. "However, being a fairly new organisation, we were lucky in having virtually no existing systems. We were given the mandate to build a new BI platform in order to rectify the situation. At the same time, though, we had to try and anticipate the growth of the business and select a reporting tool that would sustain the business in the future."

Strategy Followed

Kiwibank management decided it was time for a comprehensive business intelligence (BI) strategy. Long-term commitment from the senior management team was recognised as essential to the success of the project. The enterprise data warehouse architecture was settled early in the BI platform development process, and Kiwibank initiated a reporting tool selection process involving three different vendors. IBM Cognos was selected after an in-depth evaluation by both technical and business people.

Kiwibank engaged IBM Cognos partner, CDP Group Limited, to set up the reporting and analysis part of the new BI platform. CDP and Kiwibank staff began working side-by-side to deploy IBM Cognos 8 BI Analysis, IBM Cognos Query, IBM Cognos 8 BI Reporting and IBM Cognos Metrics Manager. CDP expertise helped with the set up of IBM Cognos Framework Manager, the component of the tool that links the enterprise data warehouse to the other IBM Cognos applications. In addition, workshops were held on scorecarding approaches, and on-site training is scheduled.

"The CDP team has been very flexible and responsive. They have a lot of experience to share with us and work with IBM Cognos on our behalf towards resolution of any issues we encounter," says Bellamy

Benefits Realised

With the new IBM Cognos BI platform live, Kiwibank will be able to obtain a unique profile of each customer and analyse product, service and channel choices. This will be of significant benefit to senior managers, product marketing managers, relationship managers and business analysts throughout the organisation.

The platform currently handles personal loan and credit card information, and analysis and reporting functionality is being added.

"We're currently taking data from some of our core systems. We extract, transform, and load (ETL) the information into the enterprise data warehouse," says Bellamy. "Once we have sourced data from our remaining systems, Kiwibank will be armed with the capability to report on the information held in various data marts—for example product arrears trends, portfolio performance by geographical area and customer activity in branches."

The development of a number of data marts will enable the organisation to create accurate and informed daily, weekly and monthly reports for operational and management decision making and planning.

Effort is also being put into developing a set of standard business definitions. By gathering and consolidating definitions and business rules in one place, the costs incurred when staff arrive and depart from the organisation will be reduced.

The team at Kiwibank are justly proud of what they have achieved on the project to date. It's been a hectic business climate in which to get started. Bellamy believes that early attention to the roadmap and the ongoing support from the senior management team has been an important part of the bank's success with its BI platform development.

Bellamy also suggests that engaging an external consultancy can bring valuable additional skills to a project. "Working with CDP gave us access to superior technical knowledge and reporting experience from a wide range of industries."

About IBM Cognos BI and Performance Management

IBM Cognos business intelligence (BI) and performance management solutions deliver world-leading enterprise planning, consolidation and BI software, support and services to help companies plan, understand and manage financial and operational performance. IBM Cognos solutions bring together technology, analytical applications, best practices, and a broad network of partners to give customers an open, adaptive and complete performance solution. Over 23,000 customers in more than 135 countries around the world choose IBM Cognos solutions.

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