

## Banca Lombarda vies for bigger market share with responsive CRM system.

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### Overview

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■ **Challenge**

*Create responsive customer service system to build customer loyalty and increase market share*

■ **Solution**

*Realtime customer information available across all banking channels to guide and enhance customer contacts*

■ **Why IBM?**

*IBM @server® zSeries® systems and IBM DB2® Universal Database™ provided needed performance and scalability while enabling Banca Lombarda to leverage existing in-house skills*

■ **Key Benefits**

*Improved customer service; projected increase in market share and sales of bank products*



*One of the major banking groups in Italy, Banca Lombarda decided it could increase its market share by instituting a CRM system designed to help financial consultants—and other representatives of the bank—better understand customers' needs.*

Delivering good customer service isn't always just a matter of good manners. The people and systems you invest in to respond to customers' needs must be equipped with impeccable data—and tools to help solve the customers' problems.

That's what Banca Lombarda e Piemontese (Banca Lombarda) discovered when it reviewed its position in the Italian banking market. The choice for nearly 1.1 million customers, Banca Lombarda ([www.bancalombarda.com](http://www.bancalombarda.com)) strives to

*“We couldn't deliver the responsive customer service we wanted to provide. To improve customer satisfaction, increase our customer base and sell more services, we needed to implement a systems that aggregated information about the customer.”*

*—Paolo Galbardi, Project Manager, Lombarda Sistemi e Servizi*

## ***Integrating solutions that help enable On Demand Business***

### **On Demand Business Benefits**

- Service representatives can be much more productive in satisfying customers and selling bank products
- Projected increase in market share and sales of bank products
- Savings in time and money from using DB2 Universal Database over other information management systems
- Integration with back-end transaction systems for accurate, realtime data
- Resilient CRM infrastructure equipped with storage facilities for data restores

build loyalty by providing outstanding customer service at its 770 branches and through an online banking Web site, a contact center and a field force of financial consultants.

Until recently, however, these channels were not integrated. Contact center service agents could not access account activity online, and financial consultants had no way of knowing what transactions customers had made through the contact center. This lack of coordination hampered the bank's attempt to increase its market share. "We couldn't deliver the responsive customer service we wanted to provide," says Paolo Galbardi, project manager, Lombarda Sistemi e Servizi (the IT group for Banca Lombarda). "To improve customer satisfaction, increase our customer base and sell more services, we needed to implement a system that would enable our customer service representatives to use aggregated information about the customer."

By integrating such a system with all of its banking channels, Banca Lombarda hoped to enable its customer service representatives, financial consultants and Internet banking application to work with the same up-to-date information. Accuracy would improve, as would customer satisfaction. No longer would customers receive different balances from the call center and financial consultants, depending on how quickly each system was updated.

With a 360-degree view of customer accounts, the bank's customer service representatives would be able to cross-sell and up-sell to customers based on their most recent activity. For instance, a customer using the contact center during the day to invest in a mutual fund might receive a call that evening from a financial representative selling other investment opportunities. And based upon this data, Banca Lombarda would plan and perform outbound campaigns contacting specific, targeted accounts.

#### **Turning to CRM for on demand solution**

There was no doubt in the minds of the bank's planners that a customer relationship management (CRM) system would provide the realtime responsiveness it needed. "It's a given in the banking market that the institutions with CRM systems have an advantage in attracting new customers," says Galbardi. "This is a key factor in the Italian market where banks' customer retention activities have lagged behind those of banks in other European countries. We decided that a CRM solution would give Banca Lombarda a competitive edge."

*"With this platform, we get the proven combination of the zSeries and DB2, which is a bullet-proof solution for an enterprise database."*

*—Paolo Galbardi*

For maximum customer reach, the bank decided that its CRM solution would have to be Web-based. "We needed a reliable and scalable platform to grow with us," says Galbardi. After choosing a leading CRM product, the bank decided to support it with robust IBM **@server** systems and IBM DB2 Universal Database for a resilient, responsive on demand solution. The implementation began with the contact center and financial consultants, and this first phase is now in place. Thus far, the results indicate that the bank's service representatives can be much more productive in satisfying customers and selling bank products.

### **Building a resilient CRM application environment**

Before the solution could go live, the bank needed a development environment that would provide easy and seamless transition to the production environment. To support its CRM software, Banca Lombarda chose IBM DB2 Universal Database Enterprise Edition for Windows NT, Version 6.1, along with IBM DB2 Connect Enterprise Edition. All the software runs on Intel processor-based servers.

DB2 Universal Database was the clear choice for a database to manage all customer, transaction and product data. The bank's employees already had DB2 skills from their experience with an enterprise resource planning (ERP) solution. By choosing DB2, the bank would be able to keep down total costs and speed up implementation. Also, according to Galbardi, "Compared to other information management systems, DB2 offered superior scalability, performance and reliability for supporting the large amounts of data we needed."

In the production environment, the CRM modules and DB2 Connect run on four Microsoft® Windows NT servers, which are clustered two-by-two and attached to a storage area network (SAN) for resilience in the event of accidental data losses. DB2 Connect Enterprise Edition accesses data from DB2 Universal Database for OS/390, Version 6.1, running on two IBM **@server** zSeries systems. The servers are linked in an IBM Parallel Sysplex configuration for maximum availability.

The system is also integrated with the bank's IBM CICS® applications on the mainframe for the authorization and authentication of contact center transactions, ensuring accuracy. In addition, the CRM system is integrated with approximately 180,000 customer records in IBM IMS™ on the zSeries.

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## **Key Components**

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### *Software*

- IBM DB2 Universal Database for OS/390®, Version 6.1
- IBM DB2 Universal Database Enterprise Edition for Windows NT®, Version 6.1
- IBM DB2 Connect™ Enterprise Edition, Version 6.1

### *Servers*

- IBM **@server** zSeries 900 in a Parallel Sysplex® configuration
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*Banca Lombarda's contact center representatives can follow up on their customers' most recent banking activity, and cross-sell new products, as a result of IBM's scalable, resilient infrastructure.*

Banca Lombarda considered alternative solutions, including Microsoft SQL Server running on Microsoft Windows 2000 and Oracle running on Sun Solaris, but chose to implement a familiar technology. "By choosing zSeries, we get to take advantage of the mainframe's legendary performance and our existing skill set in mainframe technology—as well as new features such as capacity upgrade on demand—which helps us scale our costs to our need for capacity," Galbardi says. "With this platform, we get the proven combination of the zSeries and DB2, which is a bullet-proof solution for an enterprise database."

### **Anticipating dramatic growth**

Right after the first-phase completion of its CRM project, the bank—expecting a dramatic increase in sales—moved quickly to staff its contact centers. Banca Lombarda expanded its contact center staff from 16 to 40 employees and its field force of financial consultants from 32 to 470 employees.

"We're anticipating a jump in sales for financial products and an increase in our customer base, simply because our customers now feel that we've taken the time and effort to get to know them," says Galbardi.

In the near future, Banca Lombarda will complete the CRM implementation, connecting branch banking and commercial customers. Banca Lombarda is looking forward to the day when customers will purchase the bank's products because they are backed up by the best customer service available. Says Galbardi, "Our IBM solution will be working to respond to our customers' needs and to deliver on our belief that better service is the path to continued growth."

### **For more information**

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