

What Happens When a Telecom Provider Buys a Bank and is Powered by the IT Leader?

A case study for the first mobile online bank in the SEE region: Telenor Banka





We don't see Telenor Banka opening as a mere business opportunity, but also as an initiative that **will change** how people in Serbia do banking.

Ove Fredheim, CEO of Telenor Serbia and Chairman of Managing Board Telenor Banka.



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Background Story



Telenor Group, one of the leading mobile operators in the world, had a vision of entering the banking services market in Serbia and introducing a completely new way of doing banking in this region, direct banking. The focus was on creating a new and different experience for customers in traditional banking channels (in branches, at ATMs and from the contact center), while online banking (internet and mobile) would be shifted from the alternative channels category to the main access channel, becoming “the way of banking”.

Telenor Banka in Serbia, owned by Telenor Group, is the first full-fledged bank. It was open in 2014 and it is a completely online bank, allowing consumers to enjoy innovative mobile banking services anytime and anywhere. All processes can be completed immediately, in just a few clicks. Assecoco SEE had supplied the Core Banking System to KBC Bank, which was acquired by Telenor for the purpose of setting up Telenor Banka. Telenor wanted to upgrade the system to make the bank's back-end systems

suitable for a digital/direct bank and to deliver a multichannel platform that would be the single point of contact between Core Banking System and all channels.

The selection process was international, including widely recognized front-end vendors with a long experience of banking. Assecoco SEE was invited primarily because of our banking expertise, our values and our strong commitment to meet the business and technology requirements. Assecoco SEE was chosen after a tough, competitive process because of our ability to deliver an end-to-end solution regarding all aspects of the direct/digital bank, combined with our extensive experience of UX, design, business processes, technology and integration, all of which would be required for the advanced front-end solution that Telenor Bank required.

One of the strong points of the Assecoco SEE offering was the business and UX consultancy provided by one of the leading experts in a digital banking project in Poland.



It is our great pleasure to see that Telenor Banka has been recognized as one of the important innovations in banking and financial services in Europe in 2015. Our business model has been created with the vision of the mobile phone as the primary channel of communication with the customer. The innovation is based on the **advantages of direct banking technology** and the possibilities it offers. This is a true example of local knowledge being competitive on the international market by both idea and realization.
Martin Navratil, Chairman of Telenor Banka Executive Committee.



As a customer - oriented mobile online bank, our solution is focused on enabling our customers to get the best out of two industries in one place - **telecommunications and banking**. Our complex IT banking solution enables real Omni-channel and cross-industry experience. As an example we can mention offer of flexible post-paid contracts and interest free loans for purchase of the latest smart devices in Telenor offer, introduced in December 2014.

Marko Carevic, Telenor Banka Marketing Director.

The Challenge



Focus on UX and customer journey

The customers are the first concern of Telenor Banka, and they are offered an advanced self-care option within the mobile and online application. This solution empowers any on the go customer to meet his/her banking requirements without visiting the bank. Starting with account opening, throughout transaction ordering, requesting new products and arrangements, and finally with checking the status of orders and the financial overview – all of which had to be very simple and easy to use.

As well, Telenor Banka intended to acquire customers through recruiting Telenor Telco clients, by targeting them with the right offer at the right moment, and using the right channel.

Another request referred to acquiring the right tools to sell products online. Telenor needed flexible software which could be easily integrated with the Telco's IT system to create synergistic products for the customers of both companies, hassle-free and available at the best possible moment with just a few clicks.

Moreover, there had to be a user friendly application for web, mobile and ATM channels. Plus, the Core Banking System had to be adapted to the increasingly demanding banking market. The Core Banking System had to be flexible enough to quickly accommodate new products for the fickle and less loyal Y generation.

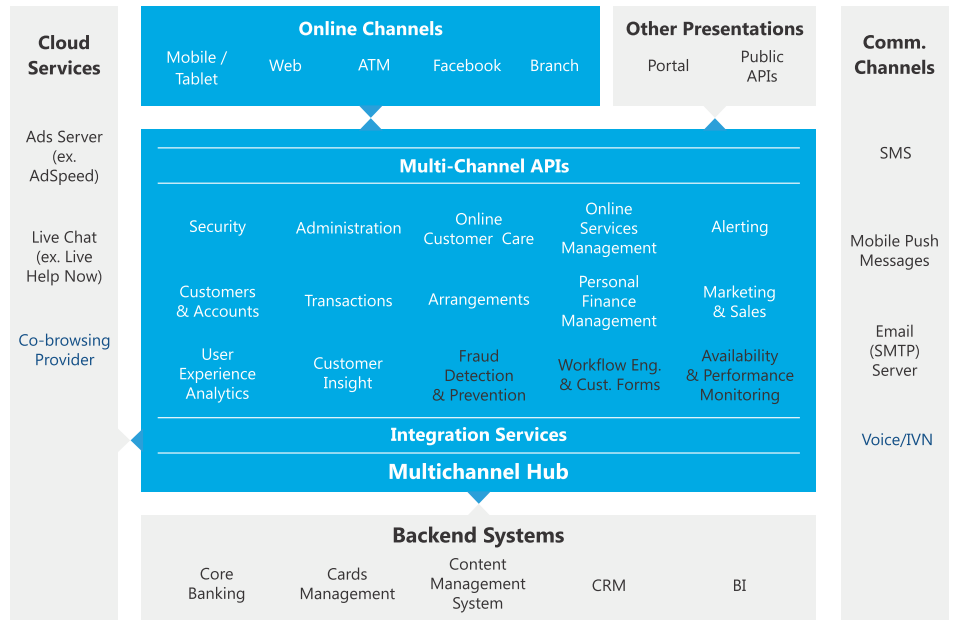
The Solution

Asseco SEE succeeded in implementing a very mature and flexible Core Banking System for Telenor Banka, which has already been successfully installed in our region many times before. This Core Banking System is the foundation of the newly launched digital bank's IT system.

On top of the Core Banking System, Asseco SEE implemented the ASEBA Multichannel Hub, which is a very innovative component. The ASEBA Multichannel Hub has a complete set of services for all channels (web, mobile, ATM, branch, call center, etc.). ASEBA Multichannel is also a very adaptable component. It has intrinsic business features and it can be connected to business services on external back-end applications and systems. It is an open component and its services can be integrated with other channels or applications, like ERP systems or portals. ASEBA BPS is the basis for the seamless integration of all presently used and future channels.

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Since the launch of Telenor Banka, growth in mobile banking usage in Serbia has doubled from 6-12% to 24-31% per Q

Martin Navratil,
Chairman of the Executive Committee at Telenor Banka.



ASEBA Multichannel Hub

ASEBA Multichannel has a dedicated CRM module with a useful 360-degree view of clients, which can help the bank to assist customers in their day-to-day activities. The CRM module was integrated with Telco's systems and it provides:

- High volume data processing for identification of relevant offers at the relevant time
- Straight-through processing with full automation of processes, including provision of new products for both the Telco and banking divisions
- Real-time offering of financial products

All the above, help the bank to create the desired synergistic products of both companies.

Moreover, ASEBA Multichannel provides efficient tools for assisting online sales processes like campaign definition, conducting and evaluation. All campaign feedback from customers is stored in the hub and used to evaluate each campaign separately, as well as to identify future campaigns opportunities.

As the bank is customer oriented, ASEBA Multichannel provides full online helpdesk functionality by using chat, complaint management and callback request management options. From the start, the deadlines were very challenging, but with mutual cooperation, Telenor banka was up and running after seven months.

The Consultancy

One of the advantages of Asseco SEE was that it not only provided an advanced IT solution, but it also has a specialized consultancy team, which helped Telenor to define front-end applications for all self-service channels, like web, mobile and ATM, as well as for assisted channels like in branches and its call centers. Since Telenor already has huge experience in online business and Asseco SEE's consultants have a specialist experience in the banking business, together they were able to create a very usable, modern and beautiful UI.

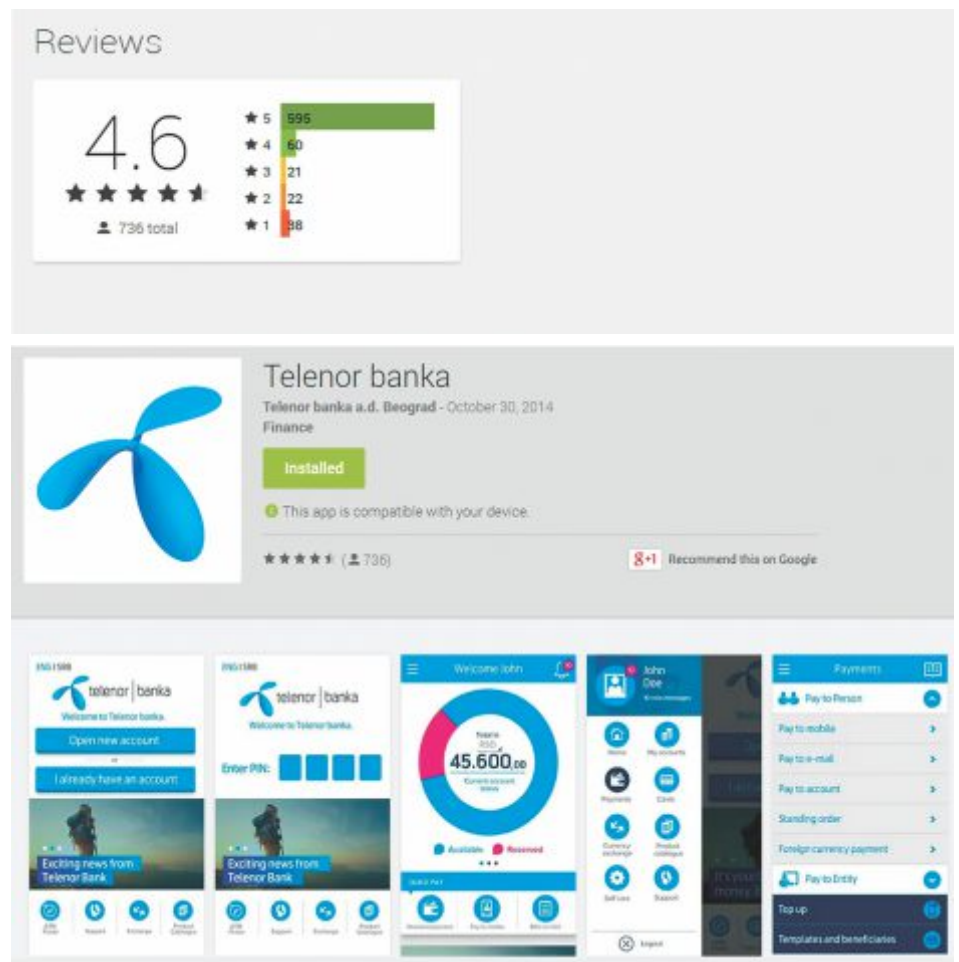
And as everything can be improved, ASEBA Multichannel has very intelligent analytics for measuring the user experience, which can identify bottlenecks in any channel and help to eliminate them.

The usable and beautiful UI helps customers to access almost all of the bank's services for ordering domestic and international payments, for peer-to-peer payments, currency exchange operations, etc.

Modules currently operating in Telenor Banka are as follows:

- A multi-currency current account with a contactless MasterCard debit card
- Local transactions and money transfers abroad
- Currency exchange at favorable exchange rates
- All transactions can be handled via an app on a mobile phone, tablet or PC
- Money withdrawals and deposits can be transacted at Telenor shops and through a network of ATMs

Subsequent phases of this project will include additional functionalities.



The end result

About Asseco SEE group

Asseco SEE group is one of the largest IT companies in the area of production and implementation of its own software solutions and services in the region of South Eastern Europe. The Company provides ICT solutions for various industry verticals including the financial sector, public administration and telecoms. Since October 2009, the shares of Asseco South Eastern Europe (Asseco SEE) have been listed on the Warsaw stock exchange. Asseco SEE group employs over 1,400 people in 13 countries. More than 10 banks out of the 15 largest ones in southeastern Europe are already clients of Asseco SEE.

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