BANK SOHAR ENHANCES CUSTOMER CENTRICITY WITH INSIGHT-DRIVEN BANKING

Infosys® | Finacle

Advanced embedded analytics solution helps the bank deliver results

Profile

Bank Sohar S.A.O.G is one of the fastest growing banks in Oman. It provides commercial, investment and Islamic banking services in the Sultanate of Oman. As Oman's economy experiences sustained growth and the non-petroleum sector emerges as an important economic force, Bank Sohar has positioned itself as a 'one-stop financial super-mall' catering to the diverse needs of individual and corporate customers. By adopting a lifecycle approach to the household sector, the Bank has created a cache of value-added products. This includes various savings deposits options, mortgages, consumer lending, insurances and wealth management products, customized to specific consumer touch-points. Bank Sohar believes that the development of a widespread branch and ATM network is a key contributor to the success of retail banking combined with the enhancement of alternative electronic channels like internet banking and SMS banking.

Solution Highlights

Bank Sohar chose to implement Finacle Analytics – an advanced banking-analytics and big-data solution. It integrates banking data models and new-age, open-source technologies to rapidly develop and deliver actionable insights. The solution promotes innovation and helps the bank with potential business opportunities to augment growth. It includes interactive and role-specific dashboards and KPIs, with built-in predictive analytics capabilities, models and interfaces.

Here's how the new platform will help the bank effectively capitalize on data that would flow from multiple systems:

Data required for analytics will get extracted from the bank's source systems such as the core banking system, CIF, CRM and other systems using custom-built data ingestion components of the analytics platform period.

Unstructured data such as social media and Web logs can now be extracted period.

The extracted data will be stored as integrated files on Hadoop Distributed File System (HDFS) in Finacle Data Lake period.

> "Bank Sohar embarked on a journey to transform its technology in line with the bank's vision and strategy to become a digitalized bank & one of the most valuable assets for a digital bank is analytics & insights. The ability to quickly capture and convert data into actionable insights will be key to success. Implementation of Finacle Analytics Solution empowers all our bank employees and management with the right insights to have more contextual engagements with our customers."

Mujahid Said Al-Zadjali
Deputy General Manager – IT & Alternate Channels, Bank Sohar

Asset size – 7.4 billion USD

- Fastest growing bank in Sultanate of Oman
- Provides commercial, investment and Islamic banking services

Objective

- Become extremely customer-centric by capturing and capitalizing on deeper customer insights
- Leverage advanced embedded analytics to engage better with customers, generate new streams of revenue and remain profitable
- Capitalize on emerging technologies and establish itself as a leader across channels

Approach

- **Capitalize on an advanced embedded analytics platform that integrates banking data models and new-age, open-source technologies to rapidly develop and deliver actionable insights**
- **Automate the manual processes pertaining to data extraction and data analytics across multiple systems**

Using the data stored in Finacle Data Lake analytical models will be built and the output of analytical models will be stored in Hive.

Tableau was used as data visualization tool to view the analytical model outputs in the form of dashboards and other interactive visualizations.

The solution utilizes a set of open-source technology elements making it more cost-effective, thereby reducing TCO. It is a flexible solution that can adapt to the evolving needs of the Bank.

Business Benefits

Bank Sohar was marred by a lot of manual processes for extracting data and analyzing them to take appropriate decision. With the inclusion of the analytics platform, manual effort is eliminated and analysis is made easy by the use of pictorial representations. The advanced analytics capability helped capture deeper consumer insight, which in turn helped the bank become extremely customer-centric. It uses Hadoop which can connect to any data source. This helped the bank in planning for data extraction from various sources to leverage the capability of the analytics platform and drive faster business decisions.

Bank Sohar now has access to key business metrics on the Finacle analytics solution with the ability to:

- Have individual and aggregated views of customer cross-sell, up-sell opportunities
- View the performance of relationship managers
- Identify possible causes of loan defaults as part of asset classification and provisioning in alignment with prudential norms
- Identify next best offer based on behavior analytics of the customer data
- Facilitate introduction of contemporary products and services as per various customer segments.

With the new analytics platform, the bank benefited from:

- Significant reduction in the processing time of key data-driven process, review, reconciliation, finalization, due-diligence, by 60%
- Significant reduction in overall efforts by 67% (man hours, and associated resources)
- Drastic dip in non-performing asset levels thereby reducing the provisioning resulting in enhanced profitability
- Substantial increase in alternate revenues and fees from up-sell, cross-sell opportunities, in addition to improved sales efficiency

Outcome

- Increase in alternate revenues and fees from up-sell, cross-sell opportunities
- Right selling by capitalizing on behavior analytics of the customer data
- **60%** reduction in overall time taken across processes
- Over **67%** reduction in human resource utilization across effected processes
- Introduction of contemporary products and services as per various customer segments

Analytics Dashboards

- CEO Dashboard
- Customer Lifetime Value
- RM/BM Dashboard
- Channels
- ATM Analytics
- Global Payments
- Limits and Collateral
- Non-Performing Assets
- Customer Attrition
- Complaints Management

> "Data-driven insights are the lifeline of any digital business today. To fulfil the vision of making Bank Sohar one of the best digital banks in the region, we needed a solution that would help empower everyone in the business with actionable insights. Finacle Analytics Solution brought in a unique value proposition of open source technologies with deep domain knowledge. Today, our organization is enabled with the right analytics at the right time for delivering superior customer experience, enhanced risk management and efficient internal operations."

Ahmed Al Musalmi
CEO, Bank Sohar

About Infosys Finacle

Finacle is the industry-leading digital banking solution suite from EdgeVerve Systems, a wholly owned product subsidiary of Infosys. Finacle helps traditional and emerging financial institutions drive truly digital transformation to achieve frictionless customer experiences, larger ecosystem play, insights–driven interactions and ubiquitous automation. Today, banks in over 100 countries rely on Finacle to service more than a billion consumers and 1.3 billion accounts.

Finacle solutions address the core banking, omnichannel banking, payments, treasury, origination, liquidity management, Islamic banking, wealth management, analytics, artificial intelligence, and blockchain requirements of financial institutions to drive business excellence. An assessment of the top 1250 banks in the world reveals that institutions powered by the Finacle Core Banking solution, on average, enjoy 7.2% points lower costs-to-income ratio than others.

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