CHINATRUST (PHILIPPINES) COMMERCIAL BANK

INCREASING CUSTOMER SERVICE QUALITY WITH SAP® SOFTWARE

QUICK FACTS

Industry
Banking

Revenue
P 1.795 billion[1] (US$41 million)

Employees
524[2]

Headquarters
Bonifacio Global City, Taguig City, Philippines

Web Site
www.chinatrust.com.ph

SAP® Solutions and Services
SAP® Customer Relationship Management application, SAP Business Communications Management software

Implementation Partner
ecenta AG

Chinatrust (Philippines) Commercial Bank Corporation, a subsidiary of Chinatrust Commercial Bank, wanted to get an edge on competitors in the very competitive personal loan market by gaining insight into customers' needs so as to acquire and retain customers more effectively. Chinatrust has leveraged SAP® applications to achieve significant revenue growth in this market, along with excellent customer service.

Key Challenges

- Acquire and retain customers in a fiercely competitive personal loans market
- Segment customers to tailor marketing campaigns with their profile
- Automate, integrate, and scale processes in customer service and personal loans departments
- Integrate customer relationship management (CRM) and contact center system
- Support aggressive growth in the bank's personal loans business without increasing the cost of call center operations

Why SAP Was Selected

- Wide range of contact center functionality covering comprehensive business processes
- Ability to deliver an on-premise CRM solution with a high level of security for customers' financial data
- Close integration between CRM and contact center system
- Ability to support company's strategy to grow personal loans business
- Reputation of SAP in CRM arena

Implementation Best Practices

- Close collaboration and communications between project teams of the bank and the implementation partner
- Reliance on SAP® standards and supported best practices to avoid customization efforts
- Strong sponsorship from president and parent company in Taiwan
- One provider for communications platform and CRM, making the implementation work easier

Low Total Cost of Ownership

- Increased productivity so that more calls could be handled by the same number of agents
- Decreased need for IT support
- Achieved fast implementation of just 5 months
- Employed train-the-trainer strategy to maximize user adoption

Financial and Strategic Benefits

- Projected payback period of 3 years and 4 months
- Expected revenue increase by 10% year on year while maintaining the same number of sales agents
- Gained ability to monitor quality of sales call outs and the transaction history
- Increased cross-selling with better customer segmentation
- Enabled significant increase in outbound calls without increasing number of FTEs in the contact center
- Reduced need for customer service FTEs on a monthly basis by 14%

Operational Benefits

Key Performance Indicator	Impact
Calls handled by call center	+23%
Average conversion rate	+22%
Overall call handling rate	98%
Customer service level (calls answered within 10 sec.)[3]	From 35% to 86%
Abandoned call rate[3]	From 60% to 2%
Login efficiency	98%
Average handling time per call	3 min.

1. Unaudited revenue
2. As of end of October 2010
3. From October 2009 after going live to October 2010

Chinatrust 中國信託

SAP®

"Now we can focus on employee management and development. With SAP Business Communications Management and SAP CRM in place, we not only understand our customers better, we also add value to our employees."

Joy Bitoy, Head, Customer Care Department, Chinatrust (Philippines) Commercial Bank Corporation

www.sap.com/contactsap

Seeking Competitive Advantage with Process Integration and Automation

Chinatrust (Philippines) Commercial Bank Corporation, a subsidiary of Chinatrust Commercial Bank, began providing financial services to companies in the Philippines. With the highly competitive situation in the personal loan business, the company embarked on process integration and automation in customer relationship management (CRM) and its contact center to help it acquire and retain customers more effectively.

The company's legacy business processes relied heavily on Microsoft Excel and manual work to handle interactions with its customers. This prevented the bank from capturing customer requirements in a personal loan market, which was growing significantly. To better manage the rapid increase in its personal loan products, the bank selected the SAP® CRM application and SAP Business Communications Management software for their breadth of functionality covering core business processes in customer service.

Implementing Smoothly

Chinatrust Philippines completed the deployment in just five months. Within this time, the integrated solution, including both the communications and CRM software, was in place. The implementation went smoothly because the two solutions are preconfigured to work together, so there was no need for additional middleware. And by leveraging SAP software–supported best practices, the company avoided lead time needed for customization.

Improving Customer Service

Before SAP CRM was used, Chinatrust Philippines did not have reliable data on call volumes, service levels, or abandoned calls. All calls were handled by live agents, and automated voice response was not used.

Now, with SAP CRM, all customer interactions are recorded and can be pulled up readily for better account monitoring and tagging. Historical account reference is also provided, giving agents insight into their customers. As the communications system is integrated directly into the CRM system, the agents have better data at hand for each call, and thus they are able to provide better service and solve requests faster. Chinatrust Philippines is also using interactive voice response (IVR) system to automate routine tasks and save agents' time for more complicated requests.

Within one year after the new solutions went live, Chinatrust Philippines was able to surpass the target service level (calls answered within 10 seconds) of 85%. And online reporting lets it track service performance, agent productivity, and call volume. This helps the bank determine resource requirements in an optimal manner, cutting the number of call center employees needed by 14% on a monthly basis.

Growing Revenue via Customer Insight

In the personal loan sales area, prior to using SAP software, Chinatrust Philippines could not track its customers' transaction history. This made it difficult to do customer segmentation to perform up- and cross-selling.

With SAP CRM, empowered with business intelligence, the bank has gained deeper insight into its customers. By having available transaction history for analysis purpose, sales agents are able to devise appropriate strategies for up- and cross-selling. Also, real-time monitoring capabilities enabled by the SAP software allow the bank to keep track of productivity of telesales. By targeting customers more effectively, Chinatrust Philippines expects to increase revenue from its personal loan business by 10% year on year while maintaining the same number of sales agents.

Looking Ahead

Moving forward, Chinatrust Philippines plans to roll out SAP CRM across all its customer touch points. It is also exploring automation of more services via the IVR system for its mortgage loans, cash management, and deposit products and services.

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