

STRATEGIC DEAL WITH CGI ACE key part of Employee Portal

The Automated Contact Expert (ACE) will be doing the customer relationship management in scores more credit unions thanks to a deal CGI signed this month with St. Willibrord Community Credit Union and Neocog Technologies Inc. CGI purchased an exclusive license to make ACE the CRM aspect of the Employee Portal it has developed for its banking clients.

During a trial run marketing window from November 2001 to January 2002, CGI signed up nearly a dozen of their service bureau clients who wanted ACE capabilities; in February, another dozen said they wanted on board as well. Like most ACE users across Canada, these credit unions view CRM software as a necessity in a multi-channel banking environment.

The first step toward this month's strategic agreement occurred a year ago when CGI VP of Financial Services Rod Matlock observed ACE customer relationship management software in action at St. Willibrord Community Credit Union in London, Ontario. He was impressed by the design of ACE and its powerful functionalities.

Through ACE, a staff member (whether at a call centre or in any of the branches) can view all previous contacts with a client, quickly understand the relationship the client has with the financial institution and be prompted to sell products for which the client has been targeted. ACE also automatically reminds clients doing Internet banking of targeted products they could use and refers any such interests (by automated email) to a staff member to follow up.

Chris Palmer, CEO of Neocog Technologies and the architect of ACE, was part of the IT department team at St. Willibrord

on the introduction of call centre banking, wanted to maintain a "personal" touch with its members.

Cognito, Neocog's macro or enterprise customer relationship management tool is also part of the package deal with CGI. Palmer, who is also the Cognito designer, says CRM implementation usually works best as a two stage process. He says ACE can first provide micro, "at the counter," CRM and Cognito can be put in place a year or so later as the macro or "back office" dimension to develop long term marketing strategies. This sequential approach provides time to reinforce sales culture mentality in the financial institution while moving into a holistic CRM suite.

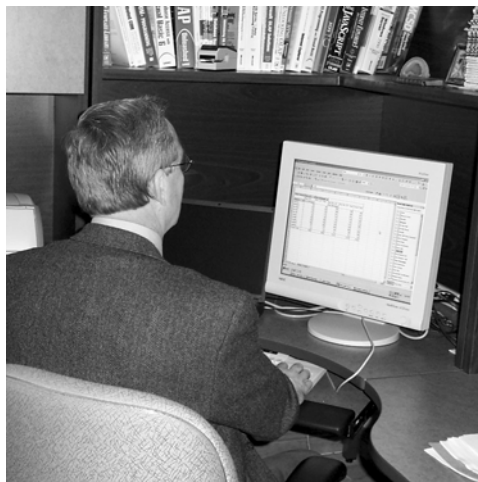
The CGI agreement also involves St. Willibrord's Profitability Engine that can be



St. Willibrord Community Credit Union, London, Ontario—where ACE was born!

incorporated into ACE as an optional functionality. This feature allows a financial institution to identify who are the valuable clients, the ones whose loyalty ACE CRM will be put into action to maintain.

Decision Makers Impressed By Cognito



At Neocog's London office, Ted Palmer demonstrates Cognito's functionalities.

During Neocog's WebEx and on site demonstrations of ACE in 2001, a preview of

However, the response was almost always a sustained "WOW!" and a prolonged discussion of this "back office" component of Neocog's CRM suite.

Cognito transforms an SQL 2000 server into a powerful warehouse of data from various sources in a financial institution. But this data is not left to sit on rows of static shelves. Through OLAP (On-Line Analytical Processing) Cognito pre-calculates the interrelationships between all possible combinations of the data. Therefore, whatever multi-faceted mining of the data you undertake, the answer (or "cube") is always ready to be delivered. For example, applying age and mortgage holder filters and dimensions, you can easily and immediately know how many clients would be a well defined target for a campaign to sell Lines of Credit.

Watch For The Neocog Info Booth!



Toronto, Ontario—The Credit Union Central of Ontario AGM Trade Show at the Royal York Hotel is one of the locations where Neocog staff answer questions about ACE and Cognito.

CRM Issues And Opportunities

Customer Relationship Management strategies will both save you money and make you money. In fact a 1990 study concluded that increasing client retention rates by 5% could increase profits by 25-95%. But such remarkable results are not achieved by swallowing a technological magic bullet. Key issues must be confronted; new thinking must be in place.

Customer Centricity

CRM analyst Dick Lee writes that CRM is about “how to create value for the customer, not how to enrich the company.” The latter will occur, but only by an all out focus on the former. That’s why Neocog’s ACE organizes its windows around the client (Contacts, Profile, Notes, Portfolio), not around products. Financial institutions that respond to where their clients are coming from –providing desired choices in channels and in products –will earn their loyalty. We have to fit them, not they us.

Informed Management

The sensitivity to client demands outlined above could result in inefficiency and chaos were it not for proactive CRM back office functionalities such as those delivered by Neocog’s Cognito. This OLAP tool provides management with up to date looks at client demographics as a means to having in place those particular

products and services that the data indicate are going to be wanted. Management is not by fear (of losing a client), but by foresight.

Holistic Approaches

Front counter and back office CRM have to be integrated. That’s why the more progressive CRM companies offer suites, as is the case with Neocog’s ACE and Cognito. Front office tools are a means to achieve what their analytical tool has led them to decide.

But the front counters (Internet, call centre, face to face) all need to have a 360 degree view of the client. To achieve this, ACE is seamless so that any staff member who is in contact with a client can know what has gone on at other touch points.

Sales Culture Mindset

Rodney Sowalskie writes that “Technology is the enabler of CRM . . . However, it is not CRM on its own.” Customer Relationship Management happens when staff see that the purpose of developing knowledgeable relationships is to achieve their goals as financial product retailers. There are “routine” contacts with clients, but even many of them can be turned into sales opportunities if staff are trained to think that way and have a tool to prompt them when they might forget.

Niagara Community Credit Union Proves ACE Is The Place

“ACE is a relationship enabler,” according to Sharon Tait, Senior Manager Sales and Service at Niagara Community Credit Union in St. Catharines, Ontario. In an interview evaluating her credit union’s nearly two years using ACE as its customer relationship management tool, Tait says said most CRM tools were product focused whereas “ACE was people focused.”

Asked how staff responded to the implementation of ACE at Niagara, Tait said “The design of ACE is very user friendly . . . so intuitive that staff wouldn’t have to go through intensive training.” She also saw that “ACE fits with the branch environment “ of a financial institution. This is not surprising, as she first saw ACE demonstrated at St. Willibrord Community Credit Union in London, Ontario where it was created with staff compatibility as a primary criterion.

Tait also said that staff “love the Sales Assistant” which flashes on the taskbar on their desktops to tell them that the member being served is someone who may want to buy a financial product that is the focus of a current sales campaign. Because the ACE “Contacts” folder keeps a record of all member access points, a staff member can see details of what has gone on, including “what (price) quotation may have been made previously.”

The ACE “Householding” approach is a “must have feature in relationship management,” according to Tait. This feature clusters members into economic entities so that all individual members and businesses at a common address are seen in their interrelationships, rather than in isolation.

From an IT point of view, Niagara is impressed that “ACE dialogues well with our banking system.” When there are any technological issues, Tait finds it reassuring that support is given by the same team (Neocog) that architected the system at St. Willibrord.