

# CIBC Business Banking

## CHALLENGES

For CIBC’s Global Transaction Banking team, legacy systems made introducing new products and fee changes a slow and expensive process. In order to implement pricing changes, CIBC’s Product Managers worked with technology teams over a six- to nine-month period to adjust parameters across legacy back office systems, at a cost of over \$1 million per year.

They also faced limitations in running pricing campaigns, such as bonus interest on a certain minimum balance. In addition, special pricing arrangements were also cumbersome, with over 90% of such arrangements created and applied manually. The bank relied on a manual billing process for large clients with customized fee arrangements. Together, these manual processes resulted in sub-optimal revenue management, with significant revenue leakage.

The bank recognized that its existing systems and manual processes simply couldn’t meet the business’ evolving pricing and profitability requirements.

## OBJECTIVES

- Drive customer centricity with products and pricing.
- Enhance agility and flexibility by improving time to market.
- Enhance operational efficiency by rationalizing systems and processes.
- Plug revenue leakage by automating the governance of customized pricing arrangements.
- Control liquidity by influencing deposit behavior.

**15 million+**  
Transactions processed monthly

**50%**

Improvement in time to market

**70%**

Reduction in cost for processing annual fee changes

**\$10 million**

In annual revenue leakage recaptured

**129%**

Increase in deposit balances

**10**

Disparate legacy billing systems rationalized into one

Winner of a 2016  
Celent Model Bank Award  
in Cash Management and  
Trade Finance



*“CIBC’s client-focused strategy is designed to make banking easy, flexible and personalized for its clients. This client-focused strategy is exemplified in CIBC’s myClient platform, which automates pricing, billing and reporting for its 300,000 business customers.”*

Patricia Hines,  
Head of Corporate Banking, Celent

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### SOLUTION

CIBC selected Zafin to deliver an end-to-end product, pricing and billing framework in one flexible platform for all corporate deposit and cash management products. Internally, the platform is known as myClient, which serves as a system of record for all fees and interest computation, integrating with the bank's data warehouse, product processors, customer-facing channels and other shared components.

- Differentiate offerings with customer-centric pricing.
- Business users make pricing changes with no IT interaction required.
- Establish controls around special pricing arrangements to ensure profitability.
- Control liquidity by influencing deposit behavior.
- Consolidate billing from disparate systems.
- Automate the setup and processing of client billing.
- Enhance the client experience with transparent billing.

Phase 1 of the implementation, which covered fee changes for depository products and the launch of a new Everyday Business Operating Account, successfully went live in April 2013. The new account included variable monthly fees to incent use of electronic channels.

Phase 2, which went live in October 2014, included the launch of a new Business Investment Growth Account targeting SMEs, including bonus interest rate campaigns with required conditions. Phase 3, which went live in May 2016, extends functionality to the remaining deposit and cash management products, as well as new offer management capabilities.

### BUSINESS OUTCOMES

With Zafin, the bank has realized significant benefits in both revenue growth and operational efficiencies.

- 40 cash management products
- 600,000+ accounts per month
- 15 million+ transactions per month
- Automate the 90% of exception prices that were manual.
- Recapture \$10 million per year of revenue leakage by automating billing processes.
- Increase deposits by 129% with innovative promotional rate campaigns.
- Accelerate time to market by over 50%.
- Reduce costs by \$1 million+ per year by streamlining annual pricing changes.
- Drive significant cost savings by rationalizing 10 legacy billing systems into one.
- Reduce opex costs by retiring legacy systems.

As a result, the Zafin platform is considered one of CIBC's nine strategic enterprise systems.

**Ready to learn more? Visit [www.zafin.com](http://www.zafin.com).**