

ABN AMRO Internet Banking Enriched after Upgrade:

NEW WEB TECHNOLOGY CREATES INTIMACY AND CUSTOMER INTERACTION

Many publications and seminars have addressed Internet banking—which for years seemed to be a service that was only spoken about. Now, however, 65% of a bank’s customers use online banking. Financial services companies that want to differentiate themselves must seek out new challenges. For example, ABN AMRO recently opened a branch office in Second Life (www.secondlife.com). For its non-virtual customers, though, ABN AMRO created a new, award-winning website whose specifications are down-to-earth but rich in functionality.

The number of visitors on e-banking websites is a good indicator of whether new financial services will be successful or not. The Dutch consulting firm Yellowtail evaluated banking websites offering a new financial product called “bank savings.” Among the first six websites the firm evaluated, the test panel gave ABN AMRO highest ratings for ease of finding the new product, navigation, and calculator features. The same site—evaluated for its total offering—was also nominated for the home shopping and innovation awards. Clearly then, there seems to be more going on behind this site than just cosmetic changes.

With this in mind, we decided to talk to the architects of the new customer portal, Max Mouwen, Head of Direct Channels Interactive Banking, and Jan Willem Gerritsen, Domain Portfolio Manager of Internet Banking. This is what they had to say.

Do What Your Customers Expect

“We personally thought that the various prototypes of the site were more engaging. But for the average customer they turned out to be too complicated,” said Max Mouwen. “So don’t make it too fancy. Instead do what your customers expect of you.”

“In reality we are doing the same as a merchant at a farmers market. We constantly check customers’ opinions about our products and make changes when needed. Our developers are using findings from our customers, reported via our new ‘blackboard’ system on our

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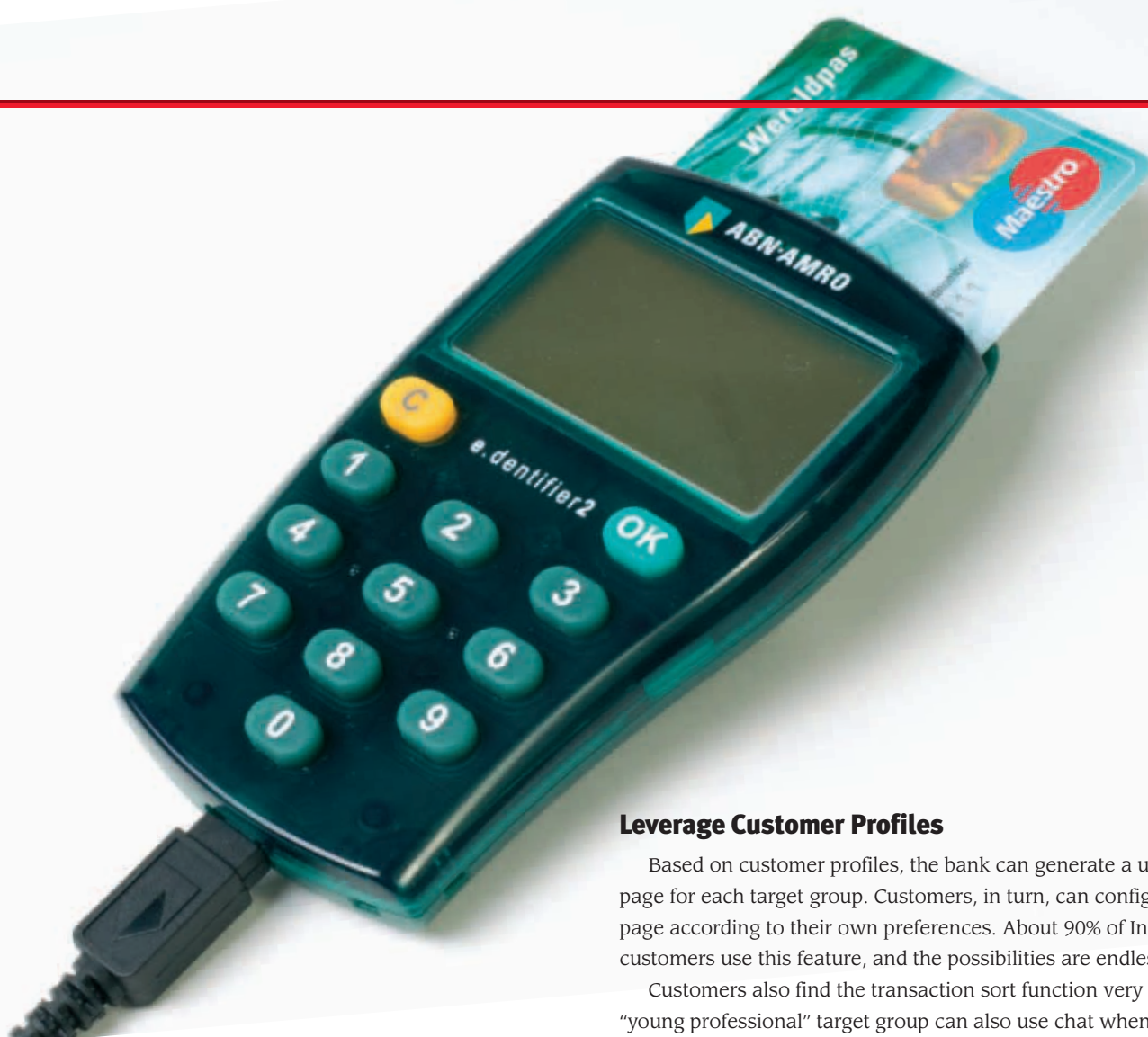
website. We invite customers to provide feedback. That is not unique, of course. It’s totally in line with the era of Internet communities. Nevertheless, we are pleasantly surprised with the results. More than 1,500 people regularly let us know what they think about our site and offer suggestions for improvement. Based on this, we can set priorities for making improvements and adding new functionality. We make the best use of the opportunities we have to engage in a dialog with the customer.”

Increase Customer Intimacy

The same customer focus was the starting point for upgrading the bank’s Internet service.

Mouwen commented, “When I joined in ABN AMRO in 2005, the existing site was already somewhat behind and was not contributing enough to our brand and marketing strategy. ABN AMRO wants to be the preferred banker for all business and private customers.”

He continued, “The customer intimacy model that we strive for can be very well realized via the Internet. We want to appeal to a large group of people with a service that is tailored to their needs. Our customers share the same opinion. Recent research shows that the Internet channel has the highest customer rating, even though it’s the newest one. They see it as the best way to manage their finances.”



A New Identifier

Organizations that process a large volume of daily Internet banking transactions without using batch delivery must frequently enter access codes into an identifier (an electronic device that enhances security). This requirement can be annoying and time-consuming, because an identifier's screen is relatively small. ABN AMRO now offers a solution: a new, large-screen identifier which can be connected to the USB port of a PC. The identifier interacts with the web browser so customer must type in significantly fewer codes.

About Backbase

Backbase technology enables the creation of the Rich Internet Applications (RIAs). RIAs belong in the Web 2.0 category, in which a company like Google is also playing a leading role. Backbase software is instrumental in migrating complex desktop applications to the web. In addition, Backbase technology can be used for creating self-service web applications and for aggregating multiple data sources on a single screen.

Leverage Customer Profiles

Based on customer profiles, the bank can generate a unique start page for each target group. Customers, in turn, can configure the start page according to their own preferences. About 90% of Internet customers use this feature, and the possibilities are endless.

Customers also find the transaction sort function very useful. The "young professional" target group can also use chat when communicating with the ABN AMRO call center in Almere. The richness of the Internet portal has been realized by using a specific web technology called "Ajax," which enhances web browser functionality.

Said Gerritsen, "Despite the fact that we have plenty of bandwidth, it is not a good idea to run all user interface screens from our central server, for manageability reasons. Ajax technology allows us to run customer-specific functions on a customer's local PC."

Why Backbase

ABN AMRO chose Backbase, the Ajax Company, to implement the website's Ajax functionality.

"We also considered open source software," said Gerritsen, "but with the implementation of advanced Web technology in a highly secure environment, we approached the limits of acceptable risk. For the management of the technology we preferred to rely on locally available skills and made good use of this expertise. For really innovative solutions, it is sometimes better to work with a not-too-large supplier. It was beneficial that external parties worked closely together with our own multidisciplinary project team, in which—in addition to IT people—also communication and marketing specialists participated."•