COMPASS PLUS

Success story at a glance

Quipu
Processing

www.quipugmbh.com

Client:
Quipu

Goals:
- to be the first to implement EMV technology in a number of different countries across the Latin American market;

- to increase the number of services available at ATMs in Latin America.

Results:
- Quipu became the first issuer of EMV cards in El Salvador, Nicaragua, Honduras, Ecuador and Colombia;

- offers a complete range of card personalization services;

- increased customization and functionality available at ProCredit bank ATMs, including the implementation of additional services.

Quipu (Latin America): providing financial services in a challenging region

The client

Quipu is an IT consulting and software development company that provides IT solutions for financial institutions as well as offering competitive and insightful consulting services to clients, primarily to the banks of ProCredit Group. ProCredit Group consists of 22 growing banks in transition economies and developing countries in Eastern Europe, Africa and Latin America.

To guarantee an optimal level of support, Quipu has established five regional offices located in Central America (San Salvador, El Salvador), South America (Bogota, Colombia), Africa (Accra, Ghana) and South-Eastern Europe (Skopje, Macedonia and Kiev, Ukraine), as well as a development office in Moscow, Russia. The main role of the specialists working in these offices is to provide direct support to the customers in the neighbouring countries. Quipu's international character is reflected not only in its clients in 22 countries but also in its employees who represent more than 20 different nationalities.

Quipu Processing Centre, as one of the major divisions within Quipu, is a dynamic, innovative service provider with a commitment to supporting business partners in every aspect of their card-based operations – both today and in the future. Quipu's experience in widely varying environments, coupled with its ability to anticipate market developments, form the solid basis on which Quipu builds productive and rewarding partnerships with its clients. Quipu offers a comprehensive and highly flexible service package that can be tailored precisely to the customer.

A long-standing partnership

Compass Plus completed its first project for ProCredit Group in 2001. In that year MEB (now ProCredit Bank Kosovo) implemented a card personalization and processing centre using TranzWare from Compass Plus. In 2004, Quipu GmbH was founded and ProCredit Kosovo's processing centre was migrated to Quipu Processing Centre (Frankfurt). Quipu Processing Centre runs on TranzWare which allows it to deliver an extensive spectrum of processing services to its 22 customers around the world. In the same year, Quipu Sh.p.k. Card Personalization Centre, a subsidiary of Quipu GmbH, was established in Kosovo to be completely responsible for the card personalization service (using TranzWare Card Factory).

Throughout the partnership, Compass Plus has helped Quipu implement numerous successful projects across the globe. When Quipu decided to enter the Latin American market, a challenging region, they therefore turned to their long-standing partner.

Exploring innovation

Whilst global adoption of the EMV standard is moving forwards with some countries in Latin America, such as Brazil and Mexico, others in the region have been slow to follow suit. Quipu recognized the benefits that the EMV technology would bring to its customers and set about migrating the ProCredit banks in Latin America to the standard.

In 2006, Quipu utilized the flexibility of TranzWare as well as its own experience in implementing the standard to help Banco ProCredit El Salvador become the first issuer of EMV cards in the country. Quipu used TranzWare Online to migrate the configuration of their ATMs on the acquiring side, whilst TranzWare Card Factory and TranzWare CMS were used to migrate card issuing to the EMV standard.

In addition to tackling fraud in the region by introducing EMV technology, banks were also trying to address the challenge of access to formal financial services. In response to this, and to numerous requests from ProCredit banks, Quipu introduced new and innovative services to the ATM network alongside the standard set of information and payment functions. This has in turn led to both better customer experience and a higher availability of services in the region.

One example of a new non-standard service is the customer notification service. Quipu utilized the TranzWare Online Algorithmix functionality to enable ProCredit bank customers in El Salvador, Nicaragua, Bolivia and Ecuador to receive customer notifications via ATMs. For instance, when a customer makes a transaction at an ATM they receive a notification that their bank card is close to its expiration date and are advised to visit a branch to receive a new card. As the bank receives reports on all active cards through its core banking system, a month before the expiration date the cards are sent to its personalization centre to be prepared. Therefore, by the time the bank customer sees the notification at the ATM, the card will already be at the branch ready for collection.

Results

After the success of the EMV project in El Salvador, Quipu rolled out the standard across all of the ProCredit banks in the region, becoming the first issuer of EMV technology in Nicaragua, Honduras, Ecuador and Colombia. Quipu now issues EMV cards to all ProCredit banks in Latin America, and is looking to complete migration on the acquiring side in the near future. This forward-thinking approach has given Quipu a clear competitive advantage in the market. The processing centre has successfully addressed the demand for additional services at ATMs in the region by utilizing TranzWare to extend the services and functionality offered through the ProCredit bank ATM network.

"The flexibility of the Compass Plus software allows us to be able to deliver our customers with the individual functionality they require. We make a lot of use of the Algorithmix functionality in TranzWare Online, which allows us to parameterize easily and customize our services for our banks, especially in the ATM network," commented Eugenio Marengo, Customer Service and Support Manager at Quipu.

Uncovering future collaboration

Compass Plus and Quipu continue to work in close partnership and have a number of additional projects planned in the region. To combat the constant battle to have an up-to-date customer information database, Quipu is looking to introduce a service where customers can update their personal information at an ATM which then syncs directly with the banks' databases. Another service they are exploring is the possibility of depositing money at the ATM using cash-in functionality. These additional innovative services will undoubtedly bring value to its customers and showcase Quipu's ability to react to and meet the demands of the Latin American market.

"The lack of confidence in financial services in Latin America, coupled with the lack of access to formal financial services for many, meant that it was an interesting market for Quipu to move into," said Eugenio Marengo. *"Thanks to the TranzWare software, we were able to implement our projects quickly, giving us the competitive advantage that we strive for. Throughout the years Compass Plus has provided Quipu with an excellent level of support and a fast reaction time relating to product development, as a result we have grown together."*

Products

TranzWare Online

Dedicated to providing seamless integration and high-performance, TranzWare Online enables the secure processing of all types of transactions made with multiple card types via all delivery channels as well as driving and monitoring of a vast set of terminal devices – all on a single platform. In addition to traditional functionalities, TranzWare Online incorporates a wealth of innovative and unique features with modules such as Algorithmix – a scripting engine used to substantially change transaction processing logic, as well as FIMI - a user-friendly web interface for remote access to the processing centre facilities.

TranzWare CMS

Being one of the most comprehensive products on the market, TranzWare CMS provides the tools to enable the efficient operation and management of card issuance and lifecycle, bank and merchant acquiring. The product also ventures into the broader retail banking territory to include saving account management, revolving credit management, installments, loans, scoring and many more attractive features. TranzWare CMS includes a variety of built-in financial product templates as well as development tools that enable customers to design their own financial products or services.

TranzWare Card Factory

Created to offer an EMV-compatible (M/Chip, VSDC) card personalisation and issuing centre, TranzWare Card Factory enables card issuing in a cost-effective, efficient and secure manner. The product supports the personalisation of all card types and can be scaled to accommodate an operation of any size - from a small in-house operation to multi-institution Third Party Personalizers (Visa/MasterCard).

TranzWare Fraud Analyzer

Capable of substantially reducing the risk exposure and losses associated with a wide range of fraudulent activities, TranzWare Fraud Analyzer provides advanced fraud detection, prevention and management. The product efficiently monitors, alerts and acts in response to suspicious actions of various system user groups based on pre-defined rules. TranzWare Fraud Analyzer incorporates case investigation and dispute management with extensions for transaction data analysis, operational reporting and the detection of patterns, trends and cross dependencies.

TranzWare Interchange

Boasting great functionality, TranzWare Interchange automates a variety of interchange functions, adeptly processes large volumes of data and provides the efficient clearing and settlement of electronic transactions. Not only is it capable of satisfying the interchange needs of a financial institution operating in a complex environment, it is also highly adaptable and delivers efficiency to a financial institution operating in a relatively confined and simple environment.

About Compass Plus

Compass Plus provides comprehensive, fully integrated and flexible payments software and services that help financial institutions and payment service providers meet rapidly changing market demands. Our diverse customer base spans retail banks, processing centres, national switches and personalisation centres in countries across Europe, Asia, Africa, the Middle East, North and South America. With more than 25 years' experience, Compass Plus helps build and manage all-scale electronic payment systems that generate new revenues and improve profits for its customers.