

# Case Study



## City Bank: staying one step ahead of the Bangladesh banking market with new processing centre

### Case study at a glance



[www.thecitybank.com](http://www.thecitybank.com)

**Client:**  
The City Bank Limited

**Goals:**

- to implement a state-of-the-art future-proof in-house processing centre
- to launch acquiring and issuing of American Express cards and in turn establish the reputation of the bank as a provider of unique banking services in Bangladesh

**Implementation:**

- at the beginning of August 2009 the software was implemented and by the end of the month, American Express offline-tests were successfully completed
- the launch of the in-house processing centre and the acquiring and issuing of American Express cards took place in November 2009, only 4 months after Compass Plus started working on the project
- American Express noted that this was one of the quickest certifications in whole history of their company.

**Results:**

- Compass Plus' software solutions allow City Bank to manage the growing amount of card projects easily and therefore to be one step ahead of all the banks in the region
- the bank has developed and launched a number of loyalty programs for its clients using only the standard functionality of Compass Plus' solutions
- at the time of the project launch, City Bank had signed agreements of intent to work with more than 2,000 retailers and were planning the promotion of the American Express brand in Bangladesh

#### The client

The City Bank Limited is one of the oldest non-governmental banks in Bangladesh. The bank entered the market in 1983, with an initial office in Dhaka. The bank has a distinctive feature with regards to business, in that its orientation lies towards the corporate sector, investments, the retail sector, small and medium scale businesses (SME Banking) and financial risk management. City Bank is the first issuer of dual currency cards in the region and has plans to further develop in the plastic card business and other related technologies. Despite challenges of operating in the local market, the bank constantly expands its range of available services such as Internet banking and mobile banking.

#### The challenge

The existing software solution could not meet the growing requirements and volumes of business the bank was encountering, which led to the bank management decision to initiate the tender for new processing centre. The bank also decided to increase its presence in the market by entering into a partnership with American Express, who, in turn, assigned City Bank the exclusive rights in the acquiring and issuing of American Express cards in Bangladesh.

During the tender for the new processing centre, City Bank considered several vendors. Their criteria included:

- extensive positive international experience of the implementation of complex projects within agreed timeframes
- the functionality of the offered software had to correspond with bank's view of a state-of-the-art processing centre
- extended capabilities of integration with the internal systems of the bank as well as with external hosts
- extensive experience of the system reliably managing large terminal networks, cards and accounts
- compliance with all the required standards of international payment systems, including Payment Card Industry Data Security Standard (PCI DSS) and Payment Application Data Security Standard (PA-DSS)
- local technical support team and successful implementation experience in Bangladesh
- comprehensive experience of certifications in international payment systems to include American Express

#### The solution

Compass Plus was chosen by City Bank as the company that most successfully matched the bank's requirements. Almost the complete portfolio of Compass Plus solutions were included in the purchased solutions: switch, card management system, interchange solution, fraud management system, and card personalisation system.

City Bank set the launch of acquiring and issuing of American Express cards as the main priority. Certification in American Express fundamentally differs from certification in other international payment systems. American Express positions its services as the most reliable and available worldwide and especially with City Bank as the exclusive national acquirer and issuer in Bangladesh, they bring strict requirements

for the users of the payment system. This is accompanied by an extensive set of tests and as a result, very carefully selected partners and certification team.

Compass Plus successfully dealt with these requirements. At the beginning of August 2009, the Compass Plus team had completed the software implementation and by the end of the month had successfully passed online tests. The interim time between testing and product launch in November 2009 was used for beta testing (live system tests using a set of active cards). The team from American Express complimented the highly professional and well coordinated interaction between the specialists from Compass Plus and City Bank, noting that this project was one of the fastest certifications in American Express that they had ever seen.

This project was remarkable in that it enabled City Bank to use dual currency credit cards and that the implementation of this project complied with the requirements of Bangladesh law limiting overseas expenditure.

## The result

As a result of record project implementation times, the bank was able to develop and launch a number of loyalty programs for its clients using the standard functionalities of the Compass Plus solutions.

On 7th November 2009, the ceremony for the official launch of American Express cards in Bangladesh, sponsored by City Bank, was held at Radisson Water Garden Hotel in Dacca. By this time City Bank had signed agreements to serve more than 2,000 retailers with plans to introduce American Express to Bangladesh within a very short period of time. As well as American Express Selects (a program offering worldwide discounts at restaurants, hotels, shops and recreational facilities when using American Express cards), the bank has implemented local bonus programs such as 6% cash-back for cardholders in certain supermarkets, free tickets to recreational facilities, free tickets to the Cox's Bazaar beach by lux-class transport, and more. All of the above projects have been easily implemented using just the basic functionality of Compass Plus solutions.

City Bank is one of the region's most innovative banks using only the most cutting-edge technologies. The installation of Compass Plus solutions is one of many steps the bank has taken to ensure success in the market.

Managing Director of City Bank, Mahmood K. Sattar has said of the project: *"From the first stage of project implementation we realised how right our choice was. The combination of Compass Plus' solutions and highly skilled project team allow us to be one step ahead of all banks in our region. That is what provides us with complete confidence in our future and allows us to build long-term plans for the years ahead".*

Today, the bank's authorisation host manages 50 ATMs, 3,000 POS-terminals and 115,000 cards. In the near future, the bank plans to become certified in Visa and Mastercard international payment systems, to migrate its credit products as well as card products from the automated banking system to the retail platform – Compass Plus' card management system, and also to extend their acquiring network and to continue to attract new clients.