



Success story at a glance



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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 personalisation services
- increased customisation 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 personalisation and processing centre using solutions 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 Compass Plus' platform 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 Personalisation Centre, a subsidiary of Quipu GmbH, was established in Kosovo to be completely responsible for the card personalisation service (using Compass Plus' personalisation system).

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 recognised 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 utilised the flexibility of its Compass Plus platform 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 migrated the configuration of their ATMs on the acquiring side using Compass Plus solutions, whilst the card personalisation system and card management system from Compass Plus 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 utilised the Compass Plus' Algorithmix solution 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 personalisation 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 the new platform 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 solution, which allows us to parameterise easily and customise 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 Compass Plus 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."*