



CASE STUDY: CARD PROCESSOR STANDS OUT IN NEW DATA MARKET

Getting Ahead of Market Trends through New Data Technologies

Overview

Every time you use a credit or debit card, dozens of processes fire behind the scenes to secure and process the transaction. An organization that processes such payments with millions of cardholders, hundreds of financial institutions, and thousands of ATMs in its network recognized that it processes a lot of transactions, but asked an out-of-the-box question. Was payment processing really its most important product?

As payment processing becomes more commoditized (and, therefore less of a value proposition), this provider realized it was time to shift its focus, which also meant shifting its business paradigm.

Market Reality

Mobile and e-commerce growth have created new and different

transaction processing efficiencies and opportunities. In an increasing digital commerce context, data has suddenly rocketed from being a byproduct to being the core value proposition. With this shifted market focus, this payment solutions provider recognized the need for a strong data transformation strategy and roadmap.

The challenges associated with such an enormous undertaking are many, not the least of which are legacy technologies and the time required to process data for consumption. This organization would need a partner with expertise in helping guide such a transformation in a way that aligned with the company's strategy. Fusion Alliance became that partner.

Business Opportunity

As one of the largest credit and debit card transaction processing companies

Objectives

- Get ahead of the evolving payment-processing market
- Create new products to serve merchants' changing needs and help drive revenue growth
- Enable merchants to personalize their services

Approach

- Create a data and analytics strategy based on new technological capabilities
- Balance strengths of older technologies with risks of new technologies
- Enable data scientists to research and test fail-fast proofs of concepts (POCs)

Business Impact

- Fundamental shifts in how the company sees its business offerings
- Vision alignment across all parts of the business

Keys to Success

- Shared vision among leadership and business owners
- Willingness to engage in informed risk
- Knowing and accepting skills and technology limitations
- Willingness to think outside of the box
- Guidance from an experienced partner

in the United States, this provider saw the direction the market was taking and decided to move quickly to stay ahead. The company wanted to expand to other channels and create competitive, new product lines. Doing so required enabling the organization's data scientists to access data more easily, including data that had previously been unavailable to them. In the tension between the need to innovate with new technologies and processes and the need to continue serving its customers securely and efficiently, company leaders realized they needed to rethink the very foundation of how they do business.

The Solution

The organization needed a strategy not only to evaluate their existing technologies against newer, more nimble ones, but also to manage risk while maintaining their current service levels. Moreover, company leaders knew they had to take a hard look at their own capabilities and the gaps they needed to fill in order to affect change.

Having already made great strides toward creating a vision for the future, the organization now partnered with Fusion to help develop a roadmap to get there.

With Fusion's guidance, the client amassed the right blend of thought leadership, technical vision and practical/tactical support, as well as mature processes and program discipline garnered from years of experience in the industry.

Together, the client and Fusion:

- ▶ Created critical alignment between IT and the business
- ▶ Shaped and refined a three-year data strategy and a data transformation strategy

- ▶ Evaluated which technologies to repurpose or replace
- ▶ Implemented new technologies and began data integration and migration
- ▶ Identified change agents and thought leaders who would propel the organization to success

The client's foresight regarding the market and its commitment to vision alignment and cultural change paved the way for the data scientists to create fail-fast product proofs of concepts (POCs) and, ultimately, to uncover new revenue streams and exciting new data products.

Relevant Takeaways

As big data continues to move from buzzword to business opportunity, change needs to move from the risk column to the profitability column.

Yes, new technologies represent risk, but they also enable innovation and create avenues to new products and services. And technologies are only one piece of the puzzle.

Some of the biggest barriers to success are often the less tangible ones: misalignment among departments, the inability to look critically at weaknesses in systems and skills sets, and resistance to change.

This provider prepared for tough conversations early on by identifying change agents and thought leaders within its own ranks and by bringing on a trusted partner to help analyze issues and break down barriers to success.

About This Client

This client, one of the largest debit processing providers in the United States, provides processing services for credit and debit card (PIN) transactions originated at both point of sale and for ecommerce and mobile transactions.



Fusion Alliance

About Fusion

Fusion Alliance delivers actionable insights, customer experiences and human-driven technologies that transform the way our clients envision and shape their businesses.

That's why businesses across multiple industries have relied on Fusion's expertise and partnership for over 25 years. Fusion Alliance is the catalyst that moves your ideas to execution.

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