

## SaaS & SOA in Retail Banking

*The Combination for Success*

Global challenges force financial organizations to seek new technology foundation for business. The combination of Service Oriented Architecture (SOA) and Software-as-a-Service (SaaS) delivers ultimate expandability cost-effectively and prepare organizations for rapid change

SaaS, a delivery model that assumes software will be delivered over the internet in a one-to-many model, combined with a repository of SOA components provide the ability to align technology with the business needs like never before.

Monolithic on-premise applications are no longer viable when it comes to delivering products or services in a highly dynamic environment. SaaS & SOA enable retail banks to design and redesign business processes as fast as possible. Now they can focus on business needs instead of tinkering with technology limitations.

SaaS based on solid SOA framework will play a major role in transformation of financial organizations' operating models towards back-office cross-country consolidation, global knowledge sharing and global marketing practices.

# A Global Delivery Challenge

The banking industry is on the peak of transformation. Globalization that provides access to, and influence from, huge populations in emerging countries like India and China as well as high merger & acquisition activity force financial organizations to consolidate their marketing, client management and support functions on national and cross-border level.

To compete successfully for customers banks also must be flexible enough to develop and replace new products and services as markets needs dictate.

To keep up with the pace organizations should transform their operating model and achieve IT agility in the following areas:

## **Product**

In order to deliver new products and services fast, it is essential to foster an open-finance distribution model (products produced by other financial institutions distributed through the bank's network) and outsourcing of back-office, IT & support functions.

## **Marketing**

Implementation of global strategic marketing, common data structure, analytics, profiling, and client segmentation models ready to be applied in each country. Adaptability of a bank's marketing approach is critical: local branches must be able to customize products according to local needs.

## **IT Infrastructure**

Common IT architecture and a modular application suite will give financial organization the ability to address global challenges as well as react on changes in local markets quickly.