



ENTERPRISE PAYMENTS ARE EVOLVING

When will you?

CASE STUDY

SIAM COMMERCIAL BANK: LEADING THE WAY WITH A FLEXIBLE, FUTURE-PROOF PAYMENTS HUB

Background

Aiming to become one of Thailand's leading transaction banks, Siam Commercial Bank (SCB), the first local bank incorporated in Thailand and the largest bank by assets, loans and deposits partnered with FIS to begin a three-phased implementation of a future-proof, real-time payments platform. Key objectives were to:

- Drive payments innovation via APIs
- Address key business issues like limited system capacity for supporting customers' real-time transactions and the bank's workload expansion
- Expedite speed to market for new initiatives and products
- Strengthen compliance with ISO 20022 and local regulatory requirements
- Improve cost-efficiency
- Enable processing of cross-border transactions from Ripple and other networks

The process

SCB and FIS conducted a three-phase process that began in 2017. The 2019 phase began in January with nine successful live deployments throughout the year; the first live deployment was achieved in less than five months. The solution covered more than 30 channels including customer facing (mobile app and internet banking), automated (ATMs, CDMs and VTMs), internal systems (fund management systems and merchant channels), bank agents (7-Eleven, Big C and AirPay), partner institutions (Ripple and other partner banks) and bulk channels (payment file processing).

A software as factory-like model was established based on agile scrum, with small cross functional teams to continuously deliver the bank's initiatives and payment hub components. Parallel development under a 'One Team' mentality produced monthly releases. Daily risk assessment processes were also conducted to evaluate and mitigate quality issues, defects, scope changes and priorities. Continued automated testing and integration by FIS along with forward pipeline and backlog planning by SCB business owners made the project nimble.

In October 2020, Siam Commercial Bank and FIS were awarded “Best Retail Payment Implementation” at the Financial Technology Innovation Awards 2020 presented by The Asian Banker.

The results

FIS implemented its Open Payment Framework (OPF) to deploy SCB's real-time payment hub, without any time and cost overruns. SCB has achieved its transformation objectives and modernized its system architecture to build new business capabilities. The project seamlessly integrated with the bank's existing legacy systems without the need for data migration. With component-based architecture, OPF is scalable and secure, to adapt to future growth needs and provide the configurability that is essential to fast implementation and product turnaround time.

SCB has already seen the following business improvements:

- **Increased operational efficiency and transparency.**

OPF provides SCB's operations team with a single view of customer transactions. Its innovative architecture can easily integrate new channels or payment types into the standard services API and exposes the API to originate and process products like customer credit transfer, customer direct debit, bills, inquiry and inward payments.

The payment hub also supports services from a variety of SCB channels for easier end-to-end mapping in the payment chain, and enables better support from automated testing tools.

- **Flexibility.** Payment services are developed as an aggregation of key business services that can be configured or switched on and off based on the business use cases. FIS and SCB continuously conducted scalability and performance tests on each release to ensure the application can handle any future demand.

- **Cross-border capability.** SCB can now efficiently process cross-border transactions from Ripple and other networks.
- **ISO 20022-ready.** With the implementation of the real-time payment hub, the bank can meet ISO 20022 and local Bank of Thailand regulations and timelines.
- **Increased bank entry channels.** With its new technology, SCB can easily expand its network of banking agents that allow SCB customers to perform real-time banking activities. Current agents include merchants like 7-Eleven convenience stores and Big C superstores.
- **Agility and capacity for increased real-time transactions.** The payment hub can be scaled up from 80 transactions per second (TPS) to 1,000 TPS across all payment types including (but not limited to): ATM cardless cash, QR code, cross bank bill payment and request to pay bill payment.

As a result, **SCB reached nine million total customers and recorded a transaction volume of nearly 50 million per month.**

- **Increased speed to market.** SCB now makes monthly releases of new functionality to its growing customer base, **achieving a frequency almost unheard of amongst most banks.**
- **Increased deposits.** In April 2019, **SCB and convenience store giant 7-Eleven were the first to offer deposit and withdrawals via QR code. This increased average monthly deposits via 7-Eleven by 116% from 2019 to 2020.**

Let's power next

To learn more about how FIS can support your enterprise payments evolution, [click here](#) or contact us at getinfo@fisglobal.com.



Why FIS?

FIS was selected for its experience and expertise in building successful real-time payment hubs through its technology solutions and execution capability, specifically FIS' capacity to deliver the project quickly.

*This content is excerpted from a co-published article that originally appeared in *The Asian Banker*.