

Case Study



Infusing Tradition with Innovation



Quipu: global banking success across 11 time zones with TranzWare

The client

Quipu GmbH is an IT division of IPC (International Project Consult), the principal consultant of the ProCredit group, which includes 22 banks worldwide. IPC has vast experience (more than 25 years) in the implementation and development of projects for financial institutions in developing countries with emerging economies. The primary activity of Quipu GmbH is the development, implementation and support of software products as well as the outsourcing of software products and the provision of processing centre services. Quipu Sh.p.k is a Visa and MasterCard certified Third Party Personalizer, based in Kosovo as separate division of IPC specifically responsible for issuing cards for banks in the group that do not have their own personalisation solution and also for third-party banks.

Quipu headquarters are situated in Frankfurt, Germany. The company is truly international – with over twenty different nationalities employed at its head office and offices located in Columbia, El Salvador, Kosovo, Macedonia and Russia. This allows the company to offer its services worldwide regardless of lingual and cultural barriers. Currently Quipu works with clients in 17 countries, speaking in 11 languages.

The challenge

Across the world, for the successful operation of the banking business, companies develop and implement plastic card technologies. IPC is no exception, although in the beginning it faced a sizable challenge. It required the organisation of a technologically efficient, fault-tolerant, profitable card business capable of running without idle time for the bank group located in 11 time zones across a number of countries. In order to achieve this goal, IPC made the decision to set up a company named Quipu (the processing centre for the bank group) and started searching for a processing solution provider. IPC considered offers from several vendors. The key criteria were as follows:

- ability to handle large volumes of cards and extensive number of devices;
- host-effective solution;
- multibank software solution allowing flexible integration into the existing bank infrastructure, creation of complex interbank settlement schemes and timely reaction new customer demands;
- appropriate work of the processing host with various devices and protocols;
- complete support of personalisation and acquiring of EMV cards;
- multi-language and multi-currency support;
- ability to incrementally grow system's functionality as and when required;
- supplier's extensive experience in the development and implementing of custom developments due to the varied demands from customers in different countries.

The solution

The solution offered by Compass Plus was the closest fit to the criteria provided and the company was chosen as the supplier of the processing solution for Quipu. IPC obtained the full set of Compass Plus products: TranzWare Online, TranzWare CMS, TranzWare Card Factory, TranzWare Fraud Analyzer and TranzWare Interchange.

The first stage of the project was the implementation of the local card project for ProCredit Bank of Kosovo in 2001. In January 2002, a separate division of IPC was established in Kosovo (Quipu Sh.p.k.) responsible for ATM processing and card personalisation using TranzWare Card Factory. During the later stages of the project in 2003, ProCredit Bank Albania commenced using Quipu's services and the first MasterCard certification took place (ProCredit Bank Kosovo). In 2004, the switching solution was migrated to Germany and Quipu GmbH was founded.



Quipu

Processing

www.qipugmbh.com

Client:

Quipu GmbH & Quipu Sh.p.k.

Challenge:

- to organise a technologically efficient, fault-tolerant, profitable card business capable of running without idle time for the bank group located in 11 time zones across a number of countries.

Implementation:

- a separate division of IPC was established in Kosovo (Quipu Sh.p.k.) responsible for card personalisation using TranzWare Card Factory;
- the certification of Quipu in Visa International and MasterCard International was carried out with the help of Compass Plus specialists; this was followed by the gradual switching of other ProCredit Group banks to the processing centre;
- Compass Plus provided Quipu with comprehensive tools of interaction which allowed Quipu to independently create online interfaces between the banks' IT systems and the TranzWare Online processing solution;
- the banks only have client applications that in turn connect to the processing centre in Frankfurt, which significantly simplifies the system administration for the ProCredit group.

Results:

- today, Quipu GmbH successfully delivers an extensive spectrum of processing services to 17 of the 22 banks in the ProCredit Group;
- Quipu Sh.p.k has a respectable status of Visa and MasterCard certified Third Party Personalizer;
- since the start its business volumes have quadrupled. Currently the processing centre uses TranzWare Online to manage the networks of 5,000 POS terminals and around 900 ATMs working in many languages.

Quipu Sh.p.k currently issues cards for banks in the group that do not have their own personalisation solution and for third-party banks. It is worth noting that the personalisation data for banks is prepared in Frankfurt, not only for TranzWare Card Factory but also for the third-party personalisation systems operating in the ProCredit banking group. The availability of the flexible integration mechanisms was one of the criteria for choosing TranzWare. Since 2001, almost 2 million cards have been issued, including cards of EMV standard.

The subsequent stages of the project involved the multiple certification of ProCredit Banks in Visa International and MasterCard International followed by the gradual switching of other ProCredit Group banks to the processing centre. A feature specific to this stage was that in most cases Quipu demanded a different approach to the online interaction with the IT systems installed at the banks. Compass Plus provided Quipu with tools of interaction such as the FIMI protocol and TCI SDK toolset which allowed Quipu to independently create online interfaces to the TranzWare Online processing solution. On their side, the banks only have client applications that in turn connect to the processing centre in Frankfurt, which significantly simplifies the system administration for the ProCredit group. During the bank switching process Compass Plus invariably supported Quipu in the bank certification processes with the international payment systems, as well as in the system configuration and testing of the interfaces created by the Quipu customers. Quipu also actively uses the TranzWare Interchange functionalities to enable the complete automation of the multi-level settlement processes between the participants of the banking group.

Compass Plus always responded to even the most challenging ideas from Quipu's customers and built them into their products. One of the examples of such a project was the implementation of SMS-transfers from one card to another card for ProCredit Bank Congo – a country where the only widespread communication channel is mobile networks. The implementation of these transfers allowed ProCredit Bank Congo to maximise the usage of GPRS channels for transferring funds between customers. This functionality also became the basis for implementing goods and services purchasing functionality at retail outlets.

The result

Undoubtedly, customer testimonials are the best way of showing a job well done. Quipu has plenty of positive references on their website (www.quipu-processing.com, section 'References'). Here is an example from Solange Arely Lainez, Head of Retail, Banco ProCredit El Salvador:

"To meet our customers' growing demand for cashless payments, we needed to introduce card services – but we weren't sure how to approach this task. Thanks to the sound advice we received from Quipu Processing's consultants, who walked us through every step of the project, we were able to launch our card business much more quickly than we had expected."

Currently, Quipu is one of the most dynamically developing processors in the region and according to the Managing Director, Ralf Niepel, Compass Plus definitely deserves credit:

"Compass Plus has provided us with an EFT solution, which has satisfied all our needs at both the initial and all subsequent stages of the project. Today we see Compass Plus not just as the vendor of software for our processing centre; Compass Plus is our long-term strategic partner. During our years of partnership the company has proved time after time the competence of their professional team providing complete support and guaranteeing the delivery of solution to business-problems of any complexity, which of course also means the growth of our business as a whole."

Today, Quipu GmbH successfully delivers an extensive spectrum of processing services to 17 of the 22 banks in the ProCredit Group. Since the start its business volumes have quadrupled. Currently the processing centre uses TranzWare Online to manage the networks of 5,000 POS terminals and around 900 ATMs working in many languages amongst which are English, Russian, Portuguese, Serbian, Spanish, Albanian and Moldavian. Quipu has not stopped there and continues to grow its functional capabilities offering its customers access to the state-of-the-art payment technologies. In the future Quipu is planning to offer its processing services built on the TranzWare suite to all the banks in the ProCredit Group and also to commence the provision of outsourcing services to third-party banks.

TranzWare Online

A high-performance, scalable, multi-card processing solution providing efficient and secure switching, authorisation, driving and monitoring of an unlimited number of terminal devices and the handling of multiple delivery channels all on a single platform. In addition to the standard features, TranzWare Online is equipped with such an innovative and unique functionality as an algorithmic function (TranzWare Online Algorithmix) for greater user empowerment, as well as enhanced tools for flexible switch management and a user-friendly transaction-based web interface for remote access to the processing centre facilities (TranzWare Online FIMI). The system also enables 24/7 access to banking products via various remote banking channels.

TranzWare Card Management System

A feature-rich comprehensive banking solution providing the tools to enable the efficient operation and management of card issuance and lifecycle, bank and merchant acquiring. TranzWare CMS also ventures into the broader retail banking territory to include saving account management, revolving credit management, instalments, scoring and many more attractive features. The product includes a broad range of card and account management tools for various customer types (including debit, saving, credit, currency, etc.) and banking product definition features that enable the implementation of diverse business logic. This gives our clients the upper hand when it comes to competitive advantage and complete customer satisfaction.

TranzWare Card Factory

A state-of-the-art EMV-compliant solution for effectively managing the card personalization process for any type of card. TranzWare Card Factory enables issuers to promptly satisfy the requirements of any market in a cost-effective manner. TranzWare Card Factory is fully parameterized to adapt to the requirements of any financial institution or card personalization bureau.

TranzWare Fraud Analyzer

An automated analytical system providing advanced fraud monitoring and proactive risk management capable of substantially reducing the risk exposure and losses associated with a wide range of fraudulent activities. TranzWare Fraud Analyzer efficiently monitors, alerts and acts in response to suspicious actions of various system user groups based on pre-defined rules. The product incorporates case investigation and dispute management with extensions for transaction data analysis for operational reporting and the detection of rules, trends and cross dependencies. TranzWare Fraud Analyzer enables the unrestricted interlinking of various control objects and alerts generated to show a complete picture of fraudulent activity. TranzWare Fraud Analyzer is supplied to Quipu with an option of full outsourcing to the ProCredit group.

TranzWare Interchange

A robust interchange system capable of collecting, converting, organising, storing, routing, clearing and settling information in a payment environment of any complexity. TranzWare Interchange was also specifically designed to effectively function in an environment of any composition and is equipped with flexible apparatus to describe the business rules of payment system member interactions. In addition, the system bears other features such as currency conversion, delayed payments, risk control, commission calculation, settling disputes, etc.

About Compass Plus

Compass Plus provides refined state-of-the-art products and flexible business solutions that drive all-scale multi-component EFT systems employed in the financial and retail industries, mobile and electronic commerce, interactive self-service business and in other trade areas that engage in electronic payments. Our in-house developed superior EFT solution – TranzWare™ – incorporates a comprehensive range of integrated customisable products and is fit to suit an array of customer needs. TranzWare™ solutions are capable of reducing clients' total cost of ownership, improving ROI, increasing efficiency and delivering great benefits to the end customers.

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