



COMPU CREDIT

LEVERAGING BUSINESS INTELLIGENCE TO DRIVE PROFITABILITY

QUICK FACTS

Industry

Banking – financial services

Revenue

US\$514.8 million

Employees

3,524

Headquarters

Atlanta, Georgia

Web Site

www.compucredit.com

SAP® Solutions and Services

SAP® BusinessObjects™ Enterprise, SAP BusinessObjects Web Intelligence®, and SAP BusinessObjects Desktop Intelligence™ software

CompuCredit Corporation is a specialty finance company and marketer of credit cards and financial services to consumers who are bypassed by traditional financial institutions. CompuCredit wanted to enhance its business intelligence (BI) functionality to support marketing and risk management decisions while improving data management. CompuCredit succeeded by implementing SAP® BusinessObjects™ BI solutions and can now better manage receivables, service customers, and maintain adequate credit ratios.

Key Challenges

- Establish a single source of data to assess cardholder profitability and collection teams' performance
- Identify the most effective collection strategies
- Profile customers and analyze risks to develop appropriate marketing campaigns
- Improve end-user self-service reporting and ad hoc query capability without "big IT"

Implementation Best Practices

- Leverage internal resources to keep acquired knowledge in-house
- Use existing business intelligence (BI) infrastructure to minimize scope
- Deploy software incrementally to learn and build on success
- Address specific needs of different business users to maximize value derived and support for corporate objectives

Financial and Strategic Benefits

- Greater ability to store and analyze data to support marketing and risk management
- Reduction in time spent on data preparation and reconciliation
- Faster response to regulatory requirements
- Quicker analysis and time to market resulting in bottom-line benefit of US\$2 million within the 1st year of implementation
- Enhanced ability to service institutional investors
- Greater efficiency in tracking promotions
- Greater agility to react to market changes
- Improved user adoption due to enhanced software usability and processing speed

Why SAP Was Selected

- Superior reporting and analysis functionality
- Reputation and positive prior experience
- Scalability to support business needs
- Compatibility with server hardware to improve response time of data warehouse queries

Low Total Cost of Ownership

- Reduced IT support time and improved fulfillment of service-level agreements by 15%
- Implemented BI competency center to address local support needs, reducing incremental IT costs as user base grew from 350 to 750 users
- Reduced complexity and support needs with a zero-footprint Web-intelligence solution
- Avoided integration costs as software was compatible with existing BI infrastructure

Operational Benefits

Key Performance Indicator	Impact
Response time to institutional investor inquiries	-87%
Report preparation time for banking partners' periodic audits	-97%
User base	+115%
Development time for new reporting applications	-75%
Database administrative costs	-25%
Project ROI	<12 months

“The SAP BusinessObjects solutions have provided us with the flexibility and scalability to allow us to effectively grow our business.”

Durgesh Das, Business Intelligence Manager, CompuCredit Corporation

www.sap.com/contactsap

Driving Growth and Averting Risk with Deeper Insight

Unlike many financial institutions that deny potentially high-risk consumers, CompuCredit Corporation has devised a way to turn such risk into opportunity. The company has established a proprietary scoring method to evaluate consumer credit data. Based on these evaluations, the company can successfully predict credit behavior to identify optimal products for its target audience. This model has served the company well, but the data-intensive process was taxing the company's existing legacy information management system and internal IT department. Data volumes were increasing by 50% per year, and requests for business intelligence (BI) reports were growing exponentially. “Users were continually faced with an IT bottleneck due to performance limitations,” says Durgesh Das, CompuCredit's BI manager. “Without rapid access to customer portfolio and daily transaction information, we were concerned that we would not be able to be competitive in the market.”

Freeing the Bottleneck

CompuCredit decided to augment its current data warehouse environment and began a project to build a reporting data mart. Among its objectives, CompuCredit wanted to establish a single source of data to assess cardholder profitability and collection teams' performance to identify the most effective collection strategies. After a false start, CompuCredit found the right hardware and software combina-

tion to deliver the performance and BI functionality it sought. “We had been running SAP BusinessObjects BI solutions and decided to upgrade to the latest version to support our BI needs,” says Das. By upgrading its SAP® BusinessObjects™ BI solutions and converting its hardware to Netezza servers and data warehouse appliances, CompuCredit felt it could improve access to consumer data while increasing end-user adoption to support its business objectives.

Gaining Better Access and Insight

CompuCredit's BI team performed the implementation in six months with minimal outside support. The company was able to reuse much of its existing BI infrastructure to minimize the scope of the project. And it leveraged the BI team's knowledge to conduct training. “For our business users, the upgrade to the new software was seamless,” Das adds.

Streamlining Processes and Improving Performance

CompuCredit is now better able to manage customer files and daily data-warehouse loads. The company's BI team can now quickly provide business units with critical information. Regulatory reports that once took CompuCredit several weeks to turn around take only a few hours now. Equally important, CompuCredit's users have more autonomy and better data access.

“The new BI solution has helped us to increase end-user adoption, growing our user base from 350 to 750 users, all on the

same platform. Users are able to write their own reports so my team can focus on more strategic projects,” Das adds. “We have a single version of consumer data to support our business decisions. Also, we're able to monitor collections on a daily basis and make adjustments to maximize performance.” To support its growing user base, the company has established a BI competency center, reducing incremental IT costs along the way.

Looking Ahead

As CompuCredit plans its business strategy for the years ahead, making the best use of BI will continue to be a key driver. As George Coutrous, CompuCredit's CIO explains, “In an industry that is becoming increasingly more competitive, the ability to fully extract all data-driven insights and react faster than competitors is extremely critical. To achieve a competitive advantage, we look to our SAP BusinessObjects BI solutions to address our critical analytical and reporting needs.”

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