

HSBC Mexico



An enterprising organization.

One of Mexico's top four banks, HSBC Mexico offers more than 1,400 branches, operates 5,000 ATMs, and serves more than 6 million customers throughout Mexico. One of the largest bank holding companies in the country, HSBC Mexico provides a broad range of financial services including insurance, investment, and banking services to consumers and commercial customers. HSBC Mexico is a division of HSBC Group, one of the largest banking and financial services organizations in the world. HSBC's international network comprises over 9,800 offices in 77 countries.

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RAFAEL ARANA DE LA GARZA, HEAD OF PERSONAL FINANCIAL SERVICES, HSBC MEXICO

Setting the strategy.

Like other banks in Mexico, HSBC Mexico faces the challenges of operating in an environment of rapid regulatory change and interest rate fluctuations. After decades of functioning as a “closed system,” Mexican banking has undergone a process of deregulation that has included the opening of the industry to large-scale foreign investment. In addition, the value of banking deposits dropped sharply as Mexican interest rates began to decline. HSBC Mexico has been successful at attracting new accounts, but the company’s executives knew they couldn’t depend solely on revenue from new accounts in Mexico’s stagnant market. They believed keeping existing customers and developing more profitable relationships with them would be extremely important to the bank’s long-term success.

“Since the beginning of our CRM journey, we have had two main goals: to retain our most valuable customers and to grow the profitability of customers who are not highly profitable at the moment but have the potential to become so,” says HSBC Mexico Head of CRM Gustavo Martinez Lira. To do this, the company needed to analyze which customers were most profitable and reach out to them with excellent service and targeted, intelligent offers.

Getting business specific.

HSBC Mexico searched for a solution with sophisticated data mining and campaign management capabilities to take advantage of its customer data and achieve a single view of its customers across all channels. The goal, says HSBC Mexico’s Head of Personal Financial Services Rafael Arana de la Garza, was “to make each contact with a customer both a memorable experience for them and a profitable experience for us.”

After an extensive RFP and evaluation process of CRM applications, HSBC Mexico selected Infor™ CRM Epiphany® Outbound Marketing to achieve their vision. HSBC Mexico is using Infor solutions to improve the quality of interactions with customers, support the cross-selling of services, and retain the most profitable customers. Outbound Marketing provides “intelligence”—the understanding that the bank needs to cultivate customer relationships, and delivers critical, real-time information across the enterprise.

facts at a glance:

> organization	HSBC Mexico
> solution	Infor CRM Epiphany
> product	Outbound Marketing
> industry	Financial Services
> net income	MXP \$5,365 Million
> employees	23,700
> country	Mexico

For support in implementing the solution, the bank turned to its consulting partner, Cima Consulting Group, which provided deep product expertise and systems integration experience. The combined team defined the HSBC Mexico marketing processes to be supported by the solution, configured the solution, and completed all of the functional and technical tasks necessary to integrate it into HSBC Mexico’s broader CRM vision.

Seeing results.

Using Infor solutions, HSBC Mexico is retaining its most valuable customers and growing customer wallet share by cross-selling additional financial services. The company’s outstanding results are especially noteworthy considering the volatility of the Mexican banking industry.

With Outbound Marketing, HSBC Mexico is able to plan, develop, execute, manage, and analyze the results of multichannel marketing campaigns. The company can leverage a variety of channels including email, ATMs, the web, and face-to-face conversations for making offers to customers. HSBC Mexico also uses Outbound Marketing to push offers and relationship-building programs, including product suggestions, preferred relationship-based pricing, and improved asset allocation strategies to its branches.

Since implementing Outbound Marketing from Infor, HSBC Mexico has achieved outstanding results. “We’ve identified the customers that generate the largest portion of company profitability,” Martinez Lira says. “Our goal is to further increase their lifetime value by increasing their retention rate. At the same time, we are focusing on increasing our wallet share for the growable customers by delivering personalized cross-sell campaigns.” The bank has boosted customer profitability from outbound campaigns by 20 percent. Outbound contacts by branch representatives have averaged a 14 percent acceptance rate. And, the outbound program has made productive use of non-peak hours at the branch, allowing for greater flexibility in workforce planning. In addition, HSBC Mexico has twice captured Gartner’s prestigious CRM Excellence Award for Large Enterprises, based on its successful multichannel approach to maximizing customer contacts using Infor solutions.

The effectiveness of HSBC Mexico’s CRM strategy can be seen in the improved business results across their product and solution lines, including credit cards, personal loans, auto loans, mutual funds, and insurance products. The ability to leverage customer insight and implement an intelligent contact strategy has been key to their success. “One of the most valuable lessons we learned is that every customer is an individual,” confirms Arana de la Garza. “Previously, we had the tendency to group them and their needs together. Outbound Marketing gave us the ability to deal with customers individually.”

Being open to an enterprising future.

Based on their success with Outbound Marketing from Infor, the company’s executives are looking to expand their CRM initiative. “The most important thing when implementing CRM is to clearly define your business goals,” says Arana de la Garza. “With Infor, we were able to realize our business goals quickly while continuing to pursue our vision for the future.”

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The next step will be to further tailor offers to individual customers and give them a wider choice of channels through which to interact. HSBC Mexico expects to achieve even higher acceptance rates through the coordination of offers in real time across its network of ATMs, call centers, online banking sites, and retail branches. For the long term, the company will continue to execute on its vision of presenting the “right offer at the right time” by building on its successful implementation of Infor solutions.

About Infor.

Infor delivers business-specific software to enterprising organizations. With experience built in, Infor’s solutions enable businesses of all sizes to be more enterprising and adapt to the rapid changes of a global marketplace. With more than 70,000 customers, Infor is changing what businesses expect from an enterprise software provider. For additional information, visit www.infor.com.

Customer Profile

Infor Corporate Headquarters
13560 Morris Road
Suite 4100
Alpharetta, Georgia 30004
Direct: +1 (800) 260 2640

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local Infor office
regarding availability of
products in your region.

