

USING THE INTERNET TO STREAMLINE INFORMATION-GATHERING

BY GINA LAUER

FINDING WAYS TO CAPTURE AND SORT vast amounts of customer data is becoming a greater priority in bank investment and insurance programs. As banks continue to offer a larger menu of financial products and services, more customer financial information needs to be collected, organized, and analyzed in a timely manner.

Technology providers are working to meet that need in a variety of ways. Many provide software programs and internal mainframe systems. The Internet, too, is quickly becoming a new component in the information gathering and funneling process.

EAI Information System (Beaverton, OR), for example, has completed a new 'paradigm' that allows banks to link up with their various product providers via the Internet and receive a wealth of information, such as account balances, referral information, production data, and more.

"There's a new buzzword called 'application service providers,' meaning that through the Internet, vendors like us can host and provide links with different entities, different banks, and different organizations without them having to have internal system," says Matt Essieh, president and CEO of EAI.

This opens up a new, less costly path; mid-size and smaller banks can gather information and create reports more quickly without having to invest in a major hardware system.

A LINK TO CARRIERS

"All they need is a local Internet account," Essieh says. "They can link to the insurance companies to get their current balances, and transmit and receive electronic information."

This Internet-linked database will also prove valuable for investment reps or insurance agents who want to check their production numbers, access commission information, and examine client information.

Charles Wood, senior vice president at Regions Investment Co., Inc. (Birmingham, AL), a subsidiary of Regions Financial Corp., is gearing up to use the new system. He anticipates that it will enable his unit to run various reports, such as retail branch network reporting

**'ONE OF THE BIGGEST
CHALLENGES IN THIS INDUSTRY
HAS BEEN GETTING THE
INFORMATION INTO THE HANDS OF
THE REP SO THEY CAN
CROSS-SELL.'**

on goals, on a daily basis if desired.

"I expect that it will be more of a weekly process," he says. But he still perceives "being able to get that information while it's still relevant ... and being able to get that to the appropriate cost centers and management" as a big advantage.

Regions' decision to move into this new technological phase was based on several factors. "Access to information has been a huge challenge for us for a couple of reasons; one, because we have such a vast branch network [700 offices in eight states]; second, because of the lack of means of transmitting data," Wood says.

Personnel in regional offices who are responsible for inputting information (particularly as it relates to new accounts) will be entering that information into the Internet-based system. "They will then be able to run various reports that are expanded greatly over what we had through the old DOS-based system," Wood says.

Essieh likens the new Internet-based system to what Charles Schwab & Co. is trying to do—create a central holding area of information for clients so they don't have to check 10 different websites to find out how their funds or investments are performing. EAI's new system provides a central database that contains information on all the customers' holdings, regardless of the product or vendor. Like other companies working on the Internet, EAI has set up firewalls to ensure the security of information being transferred. "We go the extra mile," Essieh says.

Financial institutions are also striving to develop "customer relationship management," Essieh says. This is a compliance issue as well as a key component of data mining and cross-selling.

"A bank, over the years, will build a huge customer base, but it has often not been tracked in a way that makes it accessible for cross-selling," Essieh says. With the Internet-based system, reps will have access to customers' most current information and the value of their holdings, giving them the opportunity to suggest other products or additions to their portfolios. "One of the biggest challenges in this industry has been getting the information into the hands of the rep so they can cross-sell," Essieh adds.

The system also benefits financial programs from a compliance perspective because they are able to monitor their customer relationships and identify their holdings (mutual funds, insurance products, etc.) quickly and easily. "They need all this information to give a true compliance picture," Essieh says.

An additional feature gives reps and management additional opportunities to delve into customer statistics. They can, for example, run a program that will identify customers over 50 years of age who have purchased \$100,000 in annuities. "If you want to look at production by branch, what products were sold and how much revenue was generated, you can do that online," Essieh says.

TAKING DOWNLOADS FROM VENDORS

For those who are not quite ready for the leap to the Internet system, other methods of collecting and compiling customer data are available. TCF Securities, Inc., a subsidiary of TCF Financial Corp. (Minneapolis, MN), is in the process of rolling out a system from EAI that gives them better access to customer information. The system will take the monthly (or daily, if desired) downloads from various vendors and compile them in a database. This will provide several benefits.

First, according to Brian Hurd, president of TCF Securities, the system should provide better service at the "end-customer level" so that a rep can answer questions or obtain information about a customer's account through this in-

ternal online service—as opposed to calling the vendor for the data.

Second, the system can be used for data mining. "With this information on our database, we hope to produce marketing reports," says Hurd. "It will help us identify and segment our customers."

Third, Hurd says the system will be used for reconciling statements. "Right now it's all done manually," he says.

Eventually, the hope is to become even more sophisticated technologically. "We'd like to someday upload electronically, but we're not there yet," says Hurd. "We would like to someday find a way to process annuity transactions on a paperless basis. That, I think, would be the goal."

As technology continues to improve by leaps and bounds, that day may not be too far off. ?

Unlock the Power of the Internet

With EAI's new online financial services technology, a simple Internet connection is all you need to connect your business with its potential.

EAI's online financial services technology gives you:

- ◆ Integrated customer relationship management module
- ◆ Integrated front and back office operations
- ◆ Automated compliance and suitability checks
- ◆ Commissions, referral, and appointment tracking
- ◆ Support for products from all vendors
- ◆ Interface with clearing firms & product vendors
- ◆ Enhance sales management & cross-selling capabilities
- ◆ Integrated Annuities, Mutual Funds, and Life Insurance modules.

To learn more about this exciting product and find out how it can help your financial services firm:

Call Matt Essieh

(503) 644-3057, ext. 222

email: matt@eaiinfosys.com



10550 SW ALLEN BLVD., SUITE 210
Beaverton, Oregon 97005