

# The Co-operators grows revenues, savings with IBM WebSphere Customer Center.

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## Overview

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### ■ Challenge

*Create a source for complete and accurate customer information to drive sales across lines of business and save costs*

### ■ Why IBM?

*Best track record for implementing customer data integration solutions in major companies worldwide; best price-performance ratio*

### ■ Solution

*Core customer information hub built on service oriented architecture for maximum flexibility, with cross-references to policy, claims and billing systems*

### ■ Key Benefits

*Insurance agents and customer service representatives can up-sell and cross-sell more effectively, growing revenues and enhancing customer loyalty; efficiency due to “once and done” processing helps to avoid manual data fixes, and reduce IT maintenance support; service oriented architecture provides flexibility, ease of maintenance and reduced development time*



*The Co-operators' core customer information hub reduces duplicate maintenance, grows revenue and enhances customer loyalty.*

In 1945, a group of Saskatchewan wheat farmers decided to pool their collective resources to start an insurance cooperative. In those first years, many Saskatchewan Wheat Pool field men wore two hats: carrying out the business of the Wheat Pool and selling life insurance for the new company. Now owned by a group of cooperatives, credit unions and like-minded organizations, The Co-operators — the leading Canadian owned, multi-product insurer— offers home, auto, life, group, commercial and farm insurance as well as investment products and property development. With assets of more than

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*— Jay Woo, Vice President, Information Technology*

## ***Streamlining the delivery and presentation of information to the right people at the right time***

### **Key Components**

#### *Software*

- IBM DB2®
- IBM WebSphere® Application Server Network Deployment, Version 5
- IBM WebSphere Business Integration Event Server
- IBM WebSphere Business Integration Server
- IBM WebSphere Customer Center
- IBM WebSphere MQ

#### *Services*

- IBM System p™

*“WebSphere Customer Center provides services that are both reactive and proactive. The product proactively identifies customer events and responds in real time, alerting other applications of the detected events.”*

– Jay Woo

7 billion CAD (6.6 billion USD), the Guelph, Ontario-based organization retains the cooperative spirit which inspired its founders almost 60 years ago.

In the recent past, however, The Co-operators found itself with siloed customer data systems that didn't cooperate or speak with one another. As a result, the company did not have a 360° view of its customers. Fragmented customer data made it difficult to aggregate customer information into households to better meet customer needs. Agents or customer service representatives couldn't know whether a life insurance policyholder they had on the phone also had home and auto policies with the company. Without such an awareness, The Co-operators was missing opportunities to increase revenues through cross-selling and up-selling and providing the best possible customer service.

Aside from not delivering the best possible service to its clients, the company was also leaving potential savings on the table because it could not realize economies of scale in maintaining its data, dispersed throughout multiple systems. Duplicate customer information was inconsistent, leading to poor quality data. In addition, the lack of a single customer relationship view made it difficult to distinguish between insured individuals, agents and claimants.

### **Integrating customer relationship strategies**

To solve its problems, The Co-operators needed to create a source for complete and accurate customer information, including a complete customer profile, in order to support initiatives defined to support improved cross-channel sales, service and marketing. In addition, the company sought a set of processes and technology that would enable agencies and employees to establish, retain and enhance mutually beneficial customer relationships. The Co-operators wanted to be able to deliver superior financial solutions by knowing its customers, responding to their needs and preferences, and recognizing customers' long-term value.

### **Enhancing customer insight**

Seeking a consistent, 360° view of its customers, The Co-operators turned to IBM and IBM WebSphere Customer Center. Developed on a service oriented architecture (SOA), the IBM solution helped The Co-operators streamline the delivery and presentation of information to the right people at the right time while leveraging existing investments in siloed applications and data servers. With WebSphere Customer Center, the company injected customer knowledge and insight into customer-centric, operational transactions. This improved efficiency, cross-selling and up-selling, leading to innovation and growth.

WebSphere Customer Center provides more than 500 business services out-of-the-box. These services manage both complex customer business processes and simple customer data inquiries and updates. This enables WebSphere Customer Center to be a business-process hub for customer-centric transactions.

Designed to enable business flexibility, the SOA sustains ongoing data quality through monitoring, error detection and continuous data cleansing. Automating granular steps, the SOA allows for changes in processes or applications without requiring costly and time-consuming rewrites. Leveraging the functionality of WebSphere Customer Center with its information integration services and the loosely coupled business services of the SOA, the IBM solution provides a mechanism to allow external applications to access customer information. It is capable of integrating with any and all platforms that currently support business-critical applications. The solution has audit capability, security and is well-documented to support governance measures and compliance efforts.

“WebSphere Customer Center is a fully service-oriented application that gives us the best worlds of master data management and business flexibility,” says Jay Woo, vice president of information technology, The Co-operators. “In terms of performance and scalability, WebSphere Customer Center is the leader among customer data integration applications.”

#### **Choosing best-of-breed solution**

The Co-operators found other customer data integration solutions it evaluated to be expensive, complex and lacking in a credible track record. In contrast, WebSphere Customer Center has proven implementations with some of the world's largest companies. WebSphere Customer Center runs on IBM System p with IBM WebSphere Application Server Network Deployment, Version 5, which provides the runtime environment as well as integration services. IBM WebSphere Business Integration Event Server keeps the master customer data up to date when customers get married, move, have children or undergo other changes. The database for WebSphere Customer Center runs on IBM DB2 under MVS™ on the mainframe, while IBM WebSphere MQ provides a messaging infrastructure.

“WebSphere Customer Center provides services that are both reactive and proactive,” says Woo. “The product proactively identifies customer events and responds in real time, alerting other applications of the detected events.”

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*– Jay Woo*

## **Reducing costs and improving operational efficiency**

Because of the IBM solution, The Co-operators has discovered improvements to its business across the board. Service improvements due to master data management enable insurance agents and customer service representatives to grow revenues and enhance customer loyalty. For instance, WebSphere Customer Center sets up correct client households, enforced by business rules, so that customer-facing employees can renew, cross-sell and up-sell other members of the household when they are speaking to a customer. This drives additional revenue opportunities across lines of business.

The Co-operators now has a single reliable source for client-related information for all user groups, including end-users and systems dependent on client data. This enables business units to work together more efficiently. Agents can distinguish when policies have joint owners so they can provide proper support. Correct data is now available to compensate agents for multi-line business.

Efficiency due to "once and done" processing is helping to avoid overhead costs. Manual data fixes, such as back-office support required to merge duplicate customer records, are now unnecessary.

The Co-operators' implementation of IBM WebSphere Customer Center has not only provided a solution to existing issues, but has delivered to the organization an ability to build out additional functionality and more efficiently serve the new and dynamic requirements of the business. Using the fully deployed application as an underlying framework, The Co-operators has entered a new phase of architectural development leveraging this asset to construct composite applications and in turn deliver additional value and flexibility to the organization.

"Our service oriented architecture has enabled us to migrate to a layered architecture, for flexibility, ease of maintenance and reduced development time," says Woo. "This helps us continue to derive benefits well into the future."

### **For more information**

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For more information about The Co-operators, visit: [www.cooperators.ca](http://www.cooperators.ca)

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06-07  
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