

# ABFSG Democratises Data And Empowers Integrated Insights Using Teradata's Data Warehouse Solution from Insightful Data

CASE STUDY / FINANCE



The Aditya Birla Financial Services Group (ABFSG) has a strong presence in the life insurance, asset management, private equity, general insurance broking, wealth management, broking, online personal finance, housing finance, pension fund management, and NBFC spaces. Through these segments, ABFSG is committed to serve the end-to-end, financial services needs of its retail and corporate customers. ABFSG is in the process of seeking a licence from IRDAI to enable it to launch a health Insurance business, in a joint venture with MMI Group of South Africa.

ABFSG embarked on its analytics journey in 2009. The Group commissioned a Teradata Data Warehouse solution to help produce reports and provide information for all sales, marketing, and customer-service-related business units, for Birla Sun Life Insurance Company and Birla Sun Life Asset Management Company.

The solution met the Group's needs for six years. However, as its business and corporate ambitions grew (especially with the omni-channel operation creating a lot more data) the Group realised it needed to expand the scope of its data warehouse solution to be competitive and to enhance the customer experience. ABFSG needed to be able to analyse data and apply the resulting meaningful insights in a timely manner for effective decision making and more-efficient, multi-channel operations across lines of business (LoB). The project was undertaken with a clear understanding of the strategic value of data and how it can be used to drive better business results.

ABFSG's three main challenges are as follows:

- To bring all relevant data from its nine companies together, over time, delivering actionable analytics and Management Information Systems (MIS) reports from a single place.
- To create a single source of data and insights for the entire business.
- To gain a better understanding of customers across the financial services businesses so that ABFSG could provide a better, more relevant, and more timely service for customers.

ABFSG is growing its existing businesses and is also looking for new opportunities. Hence, the company wanted to expand the capabilities created for Life Insurance and Asset Management, and deliver the same operational value to their other businesses.

## Small Steps. Big Benefits.

The Group decided to move to a new, upgraded Teradata 2800 Data Warehouse platform and revamp its Teradata Financial Services Data Model (FSDM) implementation, realising that a Teradata solution upgrade would give it the ability (and agility) to add more and more competences and capabilities, providing quicker turnarounds and informed insights for better decision-making. The FSDM solution provides an enterprise-wide data blueprint to help organise ABFSG's integrated data - and a structure to help manage its information.

FSDM subject areas provide a single-source view of transactional, financial, and risk management data that can help deliver cost savings, including:

- improved consolidated reporting
- reduced external audit fees
- improved product pricing
- improved campaign ROI.

The new system had to satisfy two kinds of stakeholders. First, internal customers - business teams needed to reduce the time it was taking to get answers to their questions from data. And second, the Group's customer (the end user) wanted shorter turnaround times for data questions such as, policy performance-over-time for the life insurance business.

## Why Choose Teradata?

ABFSG had already experienced the value of the Teradata platform but, five years on, thought it prudent to see who else could deliver the desired value, and engaged an independent consultant to carry out an evaluation of four potential partners. Their independent review declared Teradata the clear winner both technically and functionally, as well as from an ROI perspective.

**TERADATA**

Reasons to expand the Group's scope of engagement with Teradata included:

- Teradata's understanding of the Unified Data Architecture (UDA). ABFSG believed in the merit of adopting the UDA which is the only truly-unified solution, leveraging the best-of-breed and complementary values of the Teradata Database, Teradata Aster® Database, and open source Hadoop, to align the best technology to specific analytic needs; all engineered, configured, and delivered, ready to run.
- ABFSG believed that by adopting UDA, they would be able to provide breakthrough insights and the agility to answer new business questions while reducing overall costs and complexity.
- Teradata was positioned as a leader in the Gartner 2015 Critical Capabilities Report for Data Warehousing.
- Minimal effort and lower costs for migration.
- The stability of Teradata's product - ABFSG has experienced no downtime in five years (other than during the upgrade - 2-3 hours over a weekend).
- SLA and Life-in-Challenge experts visited the Group's offices and gave staff insights into what more can be done with Teradata by utilising the FSDM.
- Teradata's alignment to functional rather than just technical knowledge.

"We were looking for a technology partner with proven expertise, an understanding of our business, and one who can meet our growing demands. Teradata has proven to be the best fit."

**G. V. Gopalakrishnan, Chief Operations Officer  
Financial Services, Aditya Birla Group**

So ABFSG selected the Teradata Data Warehouse - with its ability to start small and grow according to requirements - to fuel its business intelligence (BI) and customer relationship management (CRM) initiatives. Also, scalability was a critical factor (ABFSG was looking at a five-year growth of up to 27TB) because it meant they could add more LoBs without spending extra technology dollars.

As their COO said, "I know Teradata will not drop the ball on technology".

## The Results

Now, people have started seeing the value created by

bringing data together, and Group members are more open to dealing with data across the entire business, rather than limiting integration to just MIS-related data.

Practically all senior executive analysis and operational reports come out of Teradata. But it's not only the senior executives that get actionable BI; the CRM team also gets the same insights and operational intelligence. So, democratising the data across different departments and functions, and then operationalising it so they can maximise the value to customers by offering them superior customised offers and experience, has been a huge game-changer for ABFSG. Integrating the analytics solutions has helped the Group achieve the moment of truth for their customers.

Five major benefits of upgrading to the Teradata 2800
Scalability
Enhanced compression, processing power, and memory
Manual input (read database administration) reduced and automated
Month-end financial report used to take four days. Now, less than half an hour
Business-critical MIS - generation of up to 500 reports in a five-and-a-half-hour window

IVR and customer-care call-centre operations are two areas where ABFSG has used web services to leverage Teradata. So when a Birla Sun Life Insurance customer contacts the call centre to surrender a policy and the agent keys in his (or her) customer ID, the system fetches their details from the Teradata solution (profile, longevity, renewals, and so on). Which means the customer is validated from the database itself, not from the board systems. This helps keep the company secure, and allows team members to make more accurate calculations and decisions.

## Return On Investment

As far as ROI is concerned, the Group sees benefits in terms of storage savings and processing improvements, along with the extra competences and services they can now offer customers.

"The upgrade has more than lived-up to expectation because processing time has come down by 30-40%. Storage utilisation and MIS report distribution time has

come down - we used to circulate reports by 11 o'clock and now they're gone by 8am which makes a massive difference to overall performance" said Sanjeev Singh, Senior Chief Manager.

Starting small, ABFSG began the data-driven journey with just two of their 12 umbrella companies. But having Teradata has helped them to get to know their business data better, to process it faster, and to perform more data analysis in a smaller amount of time, paving the way for further business expansion.

## The Future

From a capacity perspective, the business has enough headroom to bring in more LoBs, improve processing capability, and create a single customer view across all LoBs.

So when a customer calls, if ABFSG knows the customer also has trading / asset management / lending portfolios, the call centre team can talk to them about more than just life insurance. And, the system can highlight possible cross- and up-sell products, and services. This enhances customer engagement and allows the agent to hyper-personalise customer relationships, and enables ABFSG to maintain a 360° view of the customer relationship as opposed to applying a product-specific value.

ABFSG recently established a central analytics team to handle risk analytics. They're planning to leverage the platform to do all the data mining and other advanced analytics on the Teradata system. Previously, this was done sporadically by taking data outside, analysing it on a desktop, and putting it back again.

ABFSG's target audience profile is changing too, and it's aiming to attract a full spectrum of new customers.

"What I find great with Teradata is the functional understanding and the long-term integrated vision for the data platform."

**G. V. Gopalakrishnan, Chief Operations Officer  
Financial Services, Aditya Birla Group**

Currently, cross-/up-sell is being done outside Teradata. It'll take time to bring everything in-house but now that it has the platform, the Group is free to build those competences one by one.

"We've started doing some analytics related to the proof of concept. So when that's live, we'll be able to serve real-time analytics. And that will help us acquire more customers and reach new segments of customers which, to date, haven't been touched because the data was never analysed that way" confessed Sanjeev.

## Aditya Birla Financial Services Group

ABFSG ranks among the top five fund managers in India (excluding LIC) with an AUM of INR 185,515 Crore (as at 31 December 2015). Having a strong presence across life insurance, asset management, private equity, general insurance broking, wealth management, broking, online personal finance, housing finance, pension fund management, and NBFC, ABFSG is committed to serve the end-to-end financial services needs of its retail and corporate customers. ABFSG is in the process of seeking a licence from IRDAI to enable it to launch a health Insurance business, in a joint venture with MMI Group of South Africa. For the half year ended 31 December 2015, ABFSG reported consolidated revenue from these businesses at Rs. 6,270 Crore, and earnings before tax of Rs. 743 Crore. Anchored by about 11,500 employees and trusted by over 7.4 million customers, ABFSG has a nationwide reach via 1,350 points of presence and around 112,000 agents and channel partners. For more information, please visit [www.abfsg.com](http://www.abfsg.com).

## About Teradata

Teradata help companies get more value from their data than any other provider. And our Big Data analytic solutions, integrated marketing applications, and team of experts could help you get to know more about your customers and business, too. With more than 10,000 professionals in 43 countries, Teradata service all the major industries including consumer goods, financial services, healthcare, automotive, communications, travel, and hospitality. Teradata are recognised by media and industry analysts, alike, for technological excellence, business value, and ethics.

<http://www.teradata.com/industry-expertise/financial-services/>

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