

New strategy opens the way to easier mobile payments

“The consultancy provided by Fujitsu and Rule Financial has set us on the right path for the next steps in our business growth.”

Geir Norlund – Vice President, Operations, Luup



Challenge

Luup is a leader in the mobile payment industry, specialising in payment processing, the development of mobile payment applications and the hosting of stored value accounts for leading banks and financial institutions around the world.

The company vision is to build the world’s leading mobile payment network, in order to enable customers to send money to friends and family or make payments to merchants simply using any mobile phone on any network.

Geir Norlund, Vice President, Operations, Luup, says, *“In 2008 Luup moved to being a mobile payments provider for an international network of financial institutions. Our existing IT systems had largely been developed in-house and were up to nine years old and required extending and enhancing to ensure that they had the capacity and flexibility to support the new business operating model by enabling high volume, domestic and cross-border, low-cost payment processing.”*

Luup had already initiated a study to determine the business requirements for the new operational strategy. So, in parallel, it also went out to tender for consultancy services to help it review and identify the optimum IT systems architecture.

Solution

Following a competitive evaluation, Luup chose the partnership of Fujitsu and Rule Financial to undertake a highly focused 10 week consultancy project. This involved analysing the company’s existing IT infrastructure, defining a new systems architecture capable of supporting the new business strategy, and producing a roadmap to enable the change, including the identification of possible solutions.

Explaining the decision Geir Norlund states, *“The partnership of Fujitsu and Rule Financial was very appealing, because it offered a really good combination of experience and expertise in the banking and mobile services arena. Fujitsu’s scale and global standing and its proven toolsets and methodologies also made things so much safer. And there was a good cultural fit. They were very good at listening and adjusting to us as a customer and that was obviously a very potent factor.”*

Initially, Fujitsu and Rule Financial undertook a series of workshops with key stakeholders in Luup in order to outline the new approach and gather information about the current infrastructure and the new business requirements. They also physically inspected the existing IT systems to gain a complete insight into their functionality and evaluate which had the potential to be re-used.

“The workshops made it clear that Fujitsu and Rule Financial had the capability and expertise to help us,” adds Geir Norlund. *“It soon became obvious that we were all talking the same language.”*

SUMMARY OF KEY FACTS

Organisation

Luup

Services delivered

Consultancy services to define a systems architecture capable of supporting a new business strategy, including a roadmap for change

Key metrics

- 100,000 customers throughout Europe

Benefits

- **Enabled business growth** – with an industrialised and secure platform offering the scalability and flexibility
- **Improved customer experience** – will help reduce the time to market for new customer value propositions
- **Promoted cultural change** – has been a catalyst for change and mobilisation across the organisation
- **Leveraged existing investment** – with an architecture that reuses as much of the current infrastructure as possible
- **Optimised efficiency** – proven management methodologies and industry expertise minimised risk and sped up results

Using the information gathered from the workshops and data gathering activities, Fujitsu and Rule Financial created a document describing Luup's current IT environment. It also provided a report containing a definition of the optimal systems architecture, including a logical data model. This recommended that certain key components of Luup's existing IT infrastructure, such as the core SMS Subscriber Gateway, could be reused to maximise the return on Luup's existing IT investment. The remaining new business functionality could then be modularised and industrialised using standard, third party applications to ensure maximum long-term flexibility and cost-effectiveness.

Fujitsu and Rule Financial also outlined a roadmap for implementation of the change, which recommended a phased approach for development of the new IT infrastructure, including high-level project initiation documents (PIDs) for a number of initial projects and quick wins.

"The reports and designs provided by Fujitsu and Rule Financial were comprehensive, easy to understand and reached the right conclusions, so it was obvious that they had understood our requirements and gained a good insight into the challenges that we faced," comments Geir Norlund. *"This was especially impressive given the speed of the project and the fact that our exact business requirements were still being finalised. However, there was good communication between all parties and we trusted their expertise, so we were confident we would reach a good conclusion. Now we have a potential platform on which to move forward, so we can build the business case for change and implement their recommendations."*

With the new systems in place, customers will be able to make instant and secure payments and money transfers from any mobile device on any network. Luup's services will also benefit financial institutions and corporate clients by opening up new markets and revenue streams, including migrant workers, the youth sector and the three billion mobile phone users worldwide without a traditional bank account.

Benefits

The consultancy services provided by Fujitsu and Rule Financial have helped Luup to:

- **Enable business growth** – with an industrialised and secure platform offering the scalability and flexibility to accommodate future growth and evolving requirements
- **Improve customer experience** – will help reduce the time to market for a new generation of customer value propositions
- **Promote cultural change** – has been a catalyst for change and mobilisation across the organisation through an inclusive and partnering approach
- **Leverage existing investment** – with an architecture that reuses as much of the current infrastructure as is possible
- **Optimise efficiency** – by utilising proven management methodologies and extensive industry expertise to minimise risk and speed up results.

Geir Norlund says, *"The consultancy provided by Fujitsu and Rule Financial was such an extensive project that we would not have had the bandwidth to do it ourselves. Having a third party's opinion and market*

insight also gave us an objective point of view, accelerated our thinking and knowledge and helped us in communicating our strategy to a wider audience. But, more importantly, it has set us on the right path for the next steps in our business growth."

Approach

Fujitsu and Rule Financial's approach to designing the new systems architecture was based on achieving a close alignment with Luup's new operational strategy through proactive and open engagement with Luup's employees and the utilisation of proven consultancy tools and management methodologies.

In particular, the workshop driven approach enabled Fujitsu and Rule Financial to leverage the knowledge within Luup and add value to it by providing specialist expertise in transactions, messaging and standards for global payments. It was also instrumental in gaining buy-in from key stakeholders and enabling Luup to communicate and mobilise its organisation for the proposed changes.

Fujitsu's change management methodology MacroScope also provided a template of business and IT methodologies developed using international standards and Fujitsu's core set of best practices. Cited by Gartner as a world-class methodology, MacroScope ensures effective governance and helps to identify, structure, monitor, measure and ultimately realise the benefits of a project through the appropriate application of IT.

"Our people have a great deal of expertise in what they do, but the time spent working with Fujitsu and Rule Financial has had a positive impact on the whole team," explains Geir Norlund. *"They are now constantly looking at the total picture instead of small components and they are more open minded to new solutions."*

Expertise

With over 40 years experience of supporting the needs of customers, Fujitsu has a proven track record in providing complex systems integration and application development and management services that reduce costs, improve productivity and customer services and deliver a compelling return on investment.

Rule Financial works with the world's top financial services providers helping to lower costs, improve productivity and extract the maximum value from existing IT investments by offering advice and thought leadership in the areas of investment, corporate and retail banking, brokerages, exchanges and commodity trading operations, hedge funds, payments and information management.

Geir Norlund states, *"The expertise of Fujitsu and Rule Financial is obvious, but the responsiveness and communication skills that they have also shown have been essential to achieving the results that we have. It was our intention from the start to create a long-term relationship and we expect to do more work together in other areas in the future."*

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