

Case Study # 1

SWEDBANK DEC 2005

Swedbank signs on Internet banking security services provider in order to increase efficiency and reduce costs.

Since the advent of Internet banking in Sweden, Swedbank's online customer base has grown at a steady pace and the services needed to provide its 2 million online customers with secure authentication devices have become a complex process in its own right. Today, the task of developing and adding value to the existing services is left to an external service provider. With a focused partner and new tools for reporting and forecasting, the services have been made more efficient. The separation of product and service provisioning has increased flexibility and reduced costs substantially.



The challenge

Purchasing non-core business services from a trustworthy service provider in order to increase efficiency.

For Swedbank, authentication devices for Internet banking purposes are programmed and delivered to the bank's branch offices. After producing a valid id-card the customer will receive the device over the counter and the device is associated with that specific customer's accounts in the bank. The customer then has full access to his or her accounts and loans as well as other banking services online.

The process of forecasting the demand for security devices, ensuring timely delivery of tokens from factories in Asia, programming the devices, storing them in secure premises and delivering them on time to branch offices is not the bank's core business.

Purchasing security related services is appealing because it involves externalising a process which is not core to the banking business and therefore can be handled more efficiently elsewhere.

"But because it is a service relating to the security of the bank's customers there must never be any doubt that the service provider is trustworthy and capable of handling sensitive security devices on behalf of the bank," says Christer Cragnell, Swedbank CIO.

The solution

Today, security devices are produced in Asia and transported to Verisec where the devices are stored and programmed in accordance with stringent security requirements. Local Swedbank branch offices of the bank order devices online directly from Verisec via Swedbank's Intranet. Verisec packages the requested number of devices and delivers them to the branch office. The bank still meets the customer face to face, which is essential to maintaining loyal customers, and also ensures that the bank meets European requirements for avoiding untraceable financial fraud online.

"The services provided by our service provider allow the bank to focus on its core business while remaining confident that provisioning of security related services for the Internet bank is handled in an efficient and focused way."

Christer Cragnell, Swedbank CIO

ABOUT SWEDBANK

Swedbank is one of the leading banking groups in the Nordic countries with total assets of SEK 1,004 billion, 4.2 million household customers and 225,000 corporate customers in its home market. Its own 496 branches and the 289 belonging to the independent and partly owned savings banks together constitute Sweden's largest distribution network for financial products and services.

The Swedbank Group also holds a market-leading position in the Baltic countries of Estonia, Latvia and Lithuania through its Hansabank subsidiary. Swedbank is the dominant issuer and acquirer of debit cards in Sweden, with market shares exceeding 50 percent.

Swedbank's customers are primarily households, SMEs, municipalities, county councils and a number of large corporations. The Group's services are focused on savings and asset management, residential mortgages and financing, payments and transfer services. For more information about Swedbank, please visit www.swedbank.se.

ABOUT VERISEC

Verisec is a world leader in providing end-to end solutions for mass deployment of security devices.

Verisec delivers measurable value through software solutions, services and outsourcing.

