



# Fiserv Signature and IBM FlashSystem

*Empowering users to accelerate core banking processes*

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## Highlights

- Generate higher revenues, improve the customer experience and increase efficiency with the Fiserv Signature bank platform
  - Empower your IT infrastructure to make the most of the features and capabilities of Fiserv Signature by pairing it with IBM FlashSystem
  - Overcome data bottlenecks and keep up with the rapid growth of financial data with the speed of flash storage
  - Take advantage of significantly better performance while also reducing costs and increasing efficiency
  - Integrate with your IBM i environment for optimized storage management
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Today's financial institutions inhabit a rapidly changing world. For one, the dramatic increase in the amount of customer data has created both challenges and opportunities. This data can be used to gain a much deeper understanding of customers, and hence support a better, more profitable customer experience. At the same time, all of this new customer data creates new pressure to ensure privacy, security and availability.

Going hand-in-hand with the explosion in customer data is the growing importance of disruptive technology such as advanced analytics and cognitive computing. These tools provide another opportunity for banks to derive more value from their business data. However, in order to take advantage of this opportunity, banks must have an IT platform powerful enough to support the new tools.

Finally, the expectations consumers have regarding their banking experience have never been higher. With rapid advancements in processing speed and increasingly powerful consumer technology, what was "good enough" just a few years ago now feels like a dramatic step back. If your bank can't provide customers with a great experience, delivered without delay or complications, then those customers will no doubt leave you for another bank that can.

In order to meet customer demand and keep up with the rapid changes going on in the world today, banks need a solution that pairs advanced banking capabilities with the data storage and processing power needed to support those capabilities. By pairing advanced flash storage from IBM® FlashSystem® and the IBM i operating environment with Fiserv Signature, banks get just such a solution.



The Fiserv Signature bank platform is a complete, end-to-end offering that provides everything a bank might need to understand customers better, institute the innovative technology needed to excel in modern banking, and ensure scalability and flexibility to meet the changing needs of tomorrow. IBM FlashSystem offers faster data processing speeds and a lower total cost of ownership than traditional disk storage, making it the ideal storage option to support Fiserv Signature.

### About Fiserv Signature Support for today

The Fiserv Signature offering comes with built-in support for a variety of key banking processes, including:

- **Customer and channel management:** Find the kind of profitable customers your bank is looking for, and offer the innovative products and services those customers expect.
- **Insights and optimization:** Tap into key data sources, and use that data to support more informed decision making that helps increase profits, identify new opportunities for growth, and mitigate risk.
- **Payments:** Take advantage of common processing across all forms of payments. Decrease costs and keep customers happy with innovative solutions that make payments more convenient and streamlined.
- **Processing:** Use the latest technologies to process account-based transactions with greater speed, efficiency and cost savings.
- **Risk and compliance:** Take a proactive approach to protecting your organization from risk, no matter what the source of that risk. Minimize the likelihood of embarrassing data breaches or expensive non-compliance penalties.

### Support for tomorrow

In addition to providing the services and capabilities banks need today, Fiserv Signature also sets up banks for success in the future, even in the midst of turmoil throughout the financial industry. By integrating different systems and applications throughout the organization into a single integrated platform, Fiserv Signature helps your IT environment function as a single unified whole, even in the aftermath of mergers and acquisitions activity.

Also, Fiserv Signature empowers banks to develop and deploy innovative new products and services quickly. No matter what your fellow banks are doing on a local or national level, Fiserv Signature puts you in the position to compete with them.

Finally, with the scalability offered by Fiserv Signature, you won't have to worry about your bank's needs outgrowing the capacity of your banking platform. Fiserv Signature is currently being used to manage client ecosystems as large as 9 million accounts, and has been successfully benchmarked up to 80 million accounts. With the built-in scalability of the Fiserv Signature solution paired with the storage benefits of FlashSystem running on IBM i, you can significantly expand your bank's ability to grow.

### Gaining customer insights for improved service

Using customer data to better understand and act on the business needs of individual customers is one of the top priorities in the new world of data-centric banking. Fiserv Signature can help you meet this need. With more complete visibility into customer accounts and interactions, you can increase the effectiveness of your channel interactions, and offer customized pricing and products to help build profitable long-term customer relationships.

## IBM FlashSystem: Fueling the future of banking

IBM FlashSystem represents the fast, enterprise-ready approach to data storage that the banking world has been looking for. While flash storage is not new technology by any means, only in the last couple of years has it become available with the unique blend of high capacity, speed and reliability required by enterprise operations. This is in large part due to IBM's work in the area of flash storage, including an investment of \$1 billion made in 2012.

### Overcoming data bottlenecks

For many banks, disk speed serves as the bottleneck that makes it difficult to process data quickly and provide a great customer experience. This is because while networks, CPUs, and other elements of the data processing stack have grown significantly quicker in recent years, traditional disk drives are only slightly faster today than they were 10 years ago.

Organizations have tried a variety of measures to overcome the data bottleneck, from adding memory, to adding CPUs, to HDD performance enhancement tactics. However, these measures have proved both ineffective and costly.

In addition, when compared to solid state disks, FlashSystem has the ability to reduce batch processing times up to 85 percent, and online transaction processing (OLTP) times up to 90 percent. Both of these statistics indicate that FlashSystem is capable of supporting the kind of transaction-rich work that banks engage in on a daily basis.

### Cut costs and increase efficiency

In addition to providing significant performance benefits, pairing IBM FlashSystem with Fiserv Signature also offers a number of financial benefits. To start with, IBM FlashSystem can be implemented with a much smaller physical footprint than that of traditional disk storage platforms. In fact, while traditional storage platforms typically take up multiple racks of storage space, a FlashSystem platform can be as small as a few pizza boxes stacked on top of each other.

On average, IBM FlashSystem creates a 75 percent reduction in physical footprint, when compared with disk storage. In addition to the obvious benefits of freeing up space that can be put to better use, the smaller footprint also leads to energy usage reductions of up to 80 percent.

Decreasing the cost of data center infrastructure is just one way in which IBM FlashSystem creates lower costs than typical disk storage. When you include the lower cost of software licenses and the fact that disk systems typically cost more to maintain, it becomes clear that IBM FlashSystem is less expensive than disk storage across the board.

A recent white paper from ESG clearly lays out the financial benefits of FlashSystem<sup>1</sup>. When compared to a traditional storage approach, FlashSystem's three-year total cost of ownership is 44 percent lower. In addition, the ESG report found that FlashSystem offers a payback period of just 11 months. In less than a year, FlashSystem will start generating value that exceeds its initial costs—value that you can direct toward other high-value investments.

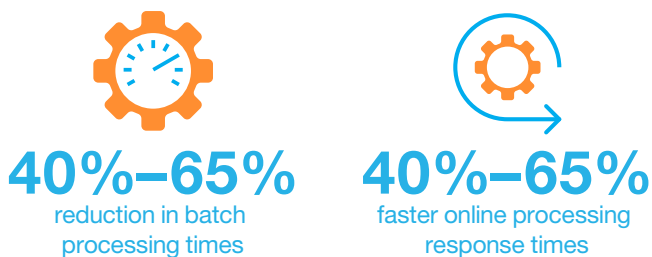


Figure 1: Typical observed industry results for IBM FlashSystem core banking customers

Fortunately, today's organizations have a better choice: with flash storage from the IBM FlashSystem family, they can experience latency that's up to 50 times lower than that of hard drive disks right out of the box. This represents latency levels as low as 150–200 microseconds, well within the levels needed to remove the disk speed bottleneck.



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1 Enterprise Strategy Group, “*Comparing IBM FlashSystem to Traditional Performance Disk Systems.*” February 2015. <https://www-01.ibm.com/common/ssi/cgi-bin/ssialias?htmlfid=TSL03184USEN>.



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Cost type	Cost category	Cost reduction
CapEx	Hardware	15%
	Software	12%
OpEx	Maintenance and support	11%
	Data center infrastructure	6%
Total		44%

Table 1: Three-year TCO reduction for IBM FlashSystem versus the typical present mode of operations (Source: ESG)

## About the IBM/Fiserv partnership

IBM and Fiserv have had some form of business partnership for decades now. The global strategic alliance between the two companies was formally established in 2001. Since then, the two companies have worked together closely to ensure the interoperability of our solutions and to drive more value for our joint customers. The partnership has resulted in a number of successful benchmarks and implementations for a variety of Fiserv offerings in banks across the world.

### Customer benchmark

In Q4 2015, the two companies came together at the IBM Rochester Test Center to perform a benchmark for a customer, a commercial bank located in the eastern United States. The benchmark showed that the IBM FlashSystem storage platform running on IBM i was within the required performance metrics for Signature. Following the successful benchmark, the customer implemented Fiserv Signature running on IBM FlashSystem in Q1 2016. The customer experienced a smooth installation, with no need for application rewrites.

### For more information

To learn more about IBM FlashSystem, visit [ibm.com/storage/flash](http://ibm.com/storage/flash), or contact your IBM representative. To learn more about Fiserv Signature, visit <http://www.fiserv.com/industries/bank-platforms/signature-bank-platform.aspx>.