



Business challenge

Emid aims to support banks with the technology they need to acquire customers across Africa. To succeed, Emid needs IT infrastructure that provides exceptional reliability, security and scalability.

Transformation

Demand for banking services is booming in Africa, making for a competitive marketplace, as established banks, innovative challenger banks and mobile operators all battle to connect with consumers. Using the IBM® Z® platform, Emid offers a scalable, secure and stable hosted core banking system that frees its clients to focus on winning market share.

Business benefits

Reduces

cost and complexity for Emid's banking clients

Enables

fast rollout of banking services, helping clients seize growth opportunities

Helps

Emid retain and attract customers through continuity of service

Emid

Enables banking clients to focus on reaching new customers with reliable, secure technology services

Emid is a leading provider of managed ICT solutions and a pioneer of cloud-based banking systems in Africa. Based in Pretoria, Emid began as part of a major South African retail bank, providing core banking capabilities for other financial providers, and was acquired in 2015 by EOH, the largest technology service provider in Africa. Today, Emid provides managed services including networking, infrastructure, and IT support for businesses across industry sectors, as well as offering its C4 cloud-hosted, core-banking omni-channel platform.

“The IBM Z platform delivers the stability, security, scalability and performance that the banking industry demands.”

— Johan Bosch, Executive Director, Emid ICT

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Seizing opportunities

The financial services landscape across Africa is undergoing rapid transformation. Beyond South Africa, where the retail banking sector is well-established, demand for retail banking services is booming among a rising middle class and formerly unbanked citizens.

For banks and financial service providers, this presents an enormous opportunity to tap into non-traditional market segments—and for the African continent, the rise of financial inclusion could bring huge benefits in terms of individual welfare, and for social and economic development.

Addie Buisinne, Executive Director for Emid C4, states: “As demand for banking services grows in Africa, the marketplace is becoming increasingly dynamic and open to disruption. New challenger banks and digital startups are providing strong competition to traditional financial institutions.

Meanwhile, Mobile Network Operators are launching innovative mobile money schemes that use fresh, highly compelling user experiences to engage consumers and encourage them to move away from traditional banking.

“Established banks are asking themselves how they can increase their agility to compete with these new rivals. The new players in the sector, meanwhile, are wondering how they can roll out trusted customer services as fast as possible, without losing momentum to implement traditional infrastructure.”

As pioneers of cloud-hosted banking systems in Africa, technology services provider Emid enables both established retail banks and new fintech startups to connect with new customers.

Buisinne adds: “We knew that the managed services approach would be the smartest, most cost-effective strategy for banks looking to grow

into new markets rapidly and with low risk. When we launched our cloud-hosted core banking solution—called C4—it was the first available anywhere in Africa.”

The C4 solution enables users to quickly launch a wide range of robust financial services including transactional accounts, lending, card management services, and omni-channel banking services.

To underpin its solution, Emid needed an IT infrastructure capable of supporting multiple financial institutions simultaneously, and offering exceptional performance, reliability and scalability. The company operates in heavily regulated markets, so ensuring strong security was essential.

Trusted platform for digital experiences

To host its C4 solution and deliver secure core banking capabilities to its clients, Emid chose the IBM® Z® platform. The company currently

relies on an IBM zEnterprise® BC12 server, its third IBM Z solution in 15 years.

Johan Bosch, Executive Director at Emid ICT, explains the selection process: “We assessed servers from several vendors in considerable depth before choosing the IBM technology. Of the options we looked at, IBM Z stood out—a proven technology providing what we assessed to be unmatched stability and performance. When it comes to high-volume transaction processing, we believe that the IBM Z platform is in a league of its own.”

The IBM Z technology provides the critical infrastructure layer for the hosted C4 solution, allowing Emid to offer hosted infrastructure services to clients from other industries, keen to take advantage of the robust enterprise servers.

Emid uses IBM z/OS® to run multiple, highly secure client environments on its zBC12 server, as Bosch notes: “We ringfence each of our client’s systems and have added extra

security software to ensure no client can ever access another client's data. On top of that, we provide each customer with separate database and transaction handling resources, and run separate LPARs for development and test environments, helping us continuously add new capabilities to the core C4 solution."

Drawing on the proven capabilities of the IBM Z platform, Emid can offer its clients high levels of availability and reliability previously only accessible to the largest global banks. "Trust is critical in the African banking sector," says Bosch. "As previously unbanked citizens start opening accounts, it's vital that they feel the system won't let them down or deny them access to their money. Loss of faith in banks could swiftly spread, and severely impact the regional economy. Likewise, our clients must trust that our systems won't suffer downtime and damage their reputations."

He continues: "The IBM Z platform delivers the stability, security, scalability and performance that the banking industry demands. For me, it's the only solution that can really deliver. In the team's 30 years working with the technology, we've never encountered security issues or downtime."

"Working with IBM has been an excellent experience. IBM is always on top of developments in the banking sector, and the future roadmap they offer is superb—we can't see ourselves working with any other solution."

Connecting banks to millions of new customers

Supported by the IBM Z platform, Emid has the stable, secure foundation needed to help users of its C4 core banking solution reach millions of new customers, and boost levels of financial inclusion across the continent. Essentially, the C4 solution

running on IBM Z enables the company's clients to roll out innovative customer services without the need for time, money and effort to build traditional on-premise infrastructure.

Emid's C4 solution enables banks to cut their capital expenses by removing the need to keep skills in-house or pay for ongoing maintenance. Thanks to their investment in IBM Z, the company's clients can enjoy the benefits of a solution that would normally only be economically accessible to the largest financial services providers.

The IBM Z technology also enables Emid to scale up its processing resources seamlessly as client needs grow, allowing banks to add more users and services without any concern about impact on performance. In one example, an Emid client added 500,000 customer accounts with the C4 solution in the first nine months of 2017.

For established banks aiming to compete with dynamic new financial providers, Emid provides a gateway to a more agile way of working. As Buissonne notes: "By using our cloud-hosted C4 solution, banks can move their focus from infrastructure and software to business innovation, including optimizing their user experience to engage new customers with their banking services. Likewise, for new challenger banks and digital startups looking to roll out services fast, we provide the critical infrastructure that helps them to start onboarding customers as quickly as possible."

Buissonne concludes: "Working with us and supported by IBM Z solutions, banks don't need to take the time to select the right banking software, find the infrastructure to run it on, add appropriate security measures, train staff to maintain it, and conduct everyday management processes or run updates. We take care of all that for them, so they can concentrate on reaching out to customers, excellent customer service, and competitive differentiation."

Solution components

- IBM® zEnterprise® BC12
- IBM z/OS®

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Take the next step

To learn more about IBM Z solutions, please contact your IBM representative or IBM Business Partner, or visit the following website:
ibm.com/it-infrastructure/us-en/trusted-digital-experiences/

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