Business challenge
Half of Banco Itaú Paraguay's customers bank online—and delivering high-quality services 24/7 is vital to prevent churn. How could the bank improve the stability of its digital banking platform?

Transformation
Working with Softshop, the bank migrated the Oracle databases that support its online and mobile banking applications to a high-performance platform based on IBM® Power® Systems E870 servers and IBM FlashSystem® V9000 storage.

Business benefits:

Delivers
high availability for online banking services, cutting the risk of churn

Shrinks
application response times, supporting higher-quality customer experiences

Reduces
Oracle licensing costs through improved performance, enabling greater investment in service development

Banco Itaú Paraguay
Delivering high-quality digital banking experiences with an ultra-reliable server and storage platform

Founded in 1978 as Interbanco S.A. and headquartered in Asunción, Paraguay, Banco Itaú Paraguay offers retail banking services to millions of customers across the country.

"Our digital services are a powerful way to foster long-term customer loyalty, and the reliability of our IBM and Oracle solutions helps us to nurture those important customer relationships."

Mario Sangenis
IT and Infrastructure Manager
Banco Itaú Paraguay

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Investing in innovation

To attract and retain customers, retail banks around the world are under increased pressure to offer a personalized, responsive experience. The digital channel is an effective way for banks to deliver a high level of service—and for leading financial services providers such as Banco Itaú Paraguay, ensuring that online and mobile banking platforms are available 24/7 is a top priority.

Mario Sangenis, Head of IT, Operations and Digital at Banco Itaú Paraguay, begins: "In recent years, we have seen a dramatic increase in consumer expectations around the speed and convenience of their banking services. To address these new imperatives, we embarked on transformation to bring our banking offering to the digital channel. Today, around 50 percent of our customers choose to engage with us online or on mobile—and we see that demand for these services will only continue to grow in the years ahead."

Any unplanned downtime for the digital banking platform represents a significant reputational risk for Banco Itaú Paraguay. To minimize its exposure and prepare for future growth, the bank is always looking for innovative ways to enhance the performance, availability and scalability of its digital banking infrastructure.

To help achieve these goals, the bank decided to migrate its digital banking applications and its data warehouse to Oracle databases. However, compatibility issues between the Oracle databases, the underlying virtualization platform and the bank's x86 servers began to cause significant stability issues, which threatened to disrupt its digital services.

Francisco Da Rosa, IT and Infrastructure Manager, Banco Itaú Paraguay, continues: "We knew that the instability of our digital banking infrastructure was reducing our ability to deliver high-quality customer services—increasing the risk of customer churn. To protect our hard-won share of the retail banking market, we looked for a server and storage platform with rock-solid reliability."

"Our IBM server and storage platform is extremely stable, which gives us the confidence that we can deliver a high-quality online and mobile banking experience to our customers 24 hours a day, seven days a week."

Francisco Da Rosa, IT and Infrastructure Manager, Banco Itaú Paraguay

Banking on IBM Systems

To help select a reliable and highly available platform for its digital services, Banco Itaú Paraguay engaged IBM Business Partner Softshop. After working together with Softshop on an intensive proof-of-concept (POC) process, Banco Itaú Paraguay chose a new platform based on IBM Power Systems E870 servers running the IBM AIX® operating system and virtualized with IBM PowerVM®.

The bank also decided to upgrade from a mix of internal disks and dedicated storage systems to IBM FlashSystem V9000. Using an entirely flash-based storage architecture greatly increases the speed of both read and write operations, while also enabling the bank to consolidate its storage landscape into a much smaller physical footprint.

Sangenis comments: "We have relied on IBM Power Systems and IBM Storage solutions to support other parts of our business for many years, with great success.

"The reach and responsiveness of IBM's support organization—combined with the positive results of our in-depth POC with Softshop—gave us the confidence that IBM was the optimal choice for our new digital banking platform."

Working together with consultants from Softshop, Banco Itaú Paraguay deployed, configured and tested the IBM Power Systems and IBM FlashSystem platform. Within just three months, the bank successfully migrated its Oracle databases and data warehouse to the IBM Power Systems E870 servers.

Da Rosa continues: "We have worked with Softshop on a number of occasions, and we have always been impressed by their attention to detail. The Softshop team always invests a great deal of time in understanding our business goals at the start of the project, which helps them design solutions that are tailored to our specific needs. This project was no exception, and we are extremely pleased with the results of the collaboration."

Platform for the future

With its Oracle databases running on the IBM Power Systems and IBM FlashSystem platform, Banco Itaú Paraguay has eliminated the stability issues that were putting its digital banking services at risk. And by selecting a high-performance platform, the company gains the compute and storage headroom to accommodate growth in its digital banking application environment for years to come.

Sangenis says: "Since we migrated our Oracle databases to IBM Power Systems

E870 servers, we have not experienced a minute of unplanned downtime. Our IBM server and storage platform is extremely stable, which gives us the confidence that we can deliver a high-quality online and mobile banking experience to our customers 24 hours a day, seven days a week. Our digital services are a powerful way to foster long-term customer loyalty, and the reliability of our IBM and Oracle solutions helps us to nurture those important customer relationships."

Da Rosa adds: "Our IBM Power Systems platform delivers high performance for our digital banking workloads, which cuts application response times significantly for some of our end users. In fact, we are

currently only using around 50 percent of the CPU resources on the platform, which gives us the freedom to deploy new customer-facing services without adding more servers.

"The IBM FlashSystem storage has also improved performance significantly, while saving rack space and improving energy efficiency in the data center."

Finally, by optimizing its approach and leveraging the Oracle-certified hard partitioning technology available in IBM PowerVM, Banco Itaú Paraguay has significantly reduced the licensing costs of its Oracle solutions.

"Guidance from Softshop enabled us to improve our database performance using IBM Power Systems, which translates into significant cost savings on platform maintenance," explains Da Rosa. "We can now redirect this investment into value-added development projects— contributing to higher-quality services for our customers."

Looking to the future, Banco Itaú Paraguay plans to build on its reputation for innovation by continuing to develop digital products and services on its IBM and Oracle platform.

Sangenis concludes: "Our work with Softshop has helped us build a rock-solid platform for our digital banking applications—and today, we can offer every customer a consistent, high-quality service online and on mobile devices. Customer demand for digital banking is on the rise—and with IBM and Oracle solutions supporting our services, we have a solid foundation to drive our business growth."

Solution components

- IBM® AIX®
- IBM FlashSystem® V9000
- IBM Power® Systems E870
- IBM PowerVM®
- Oracle database
- IBM Business Partner Softshop

Take the next step

To learn more about IBM Power Systems or IBM Flash Systems, please contact your IBM representative or IBM Business Partner, or visit: ibm.com/it-infrastructure/power, ibm.com/storage/flash

Softshop, an IBM Platinum Business Partner, specializes in comprehensive IT infrastructure and services, dedicated to offering the best in innovation to its customers across Paraguay. To learn more about services from Softshop, please visit: www.softshop.com.py

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