Raiffeisenbank a.s., part of Austrian Raiffeisen Group, is one of the top five banks in the Czech Republic, with 130 branches and business client centers. To continue offering competitive digital banking services, Raiffeisenbank began an agile transformation. Working with trusted partner Red Hat, the bank deployed Red Hat JBoss Enterprise Application Platform as the open source foundation of its platform relaunch. In addition to migrating users ahead of schedule—and with no downtime—the bank has created a more engaging online experience and a more dynamic, responsive approach to development.

“Red Hat support proved invaluable. Any issues during implementation were solved quickly and transparently.”

TOMAS JABUREK
DIRECTOR OF I.T. OPERATIONS
RAIFFEISENBANK A.S.

**BENEFITS**
- Gained flexibility to provide customized services for different markets
- Created new line of revenue with service differentiation, achieving user satisfaction above 80%
- Achieved seamless migration to new online banking platform, ahead of schedule and with no downtime
UPDATING DIGITAL BANKING TO STAY COMPETITIVE

Raiffeisenbank a.s., part of Austrian Raiffeisen Group, is one of the top five banks in the Czech Republic, with 130 branches and business client centers and managed assets of more than US$13.7 billion. It offers corporate and personal finance services related to savings, insurance, and leasing, including specialized mortgage centers and business advisors. The bank’s growth strategy focuses on service expansion and acquisition to better meet the particular needs of clients.

A key part of this strategy is differentiation in the Czech banking sector, characterized by low interest rates, strong compliance, and slim margins. Raiffeisenbank’s online mobile and banking services help the bank introduce new features faster to stay competitive while also optimizing resource use for physical branches with easy self-service for some customer transactional tasks.

To meet demand and stay competitive, Raiffeisenbank sought to update its digital banking platform with agile, responsive IT capabilities, freeing time and other resources for more complex projects.

“IT plays a key role in the bank’s success,” said Tomas Jaburek, director of IT operations at Raiffeisenbank. “We must help the bank deploy new ideas quickly and effectively. We needed a clear enterprise architecture to avoid having multiple platforms covering the same business need for different segments and applications. This change would mean fewer platforms to manage, as well as fewer middleware suppliers. It’s not enough to simply run the platform—we need it to run in an efficient, cost-effective way.”

MIGRATING TO AN ENTERPRISE OPEN SOURCE FOUNDATION

To build a scalable, flexible foundation for its new digital banking platform, Raiffeisenbank chose to work with Red Hat, a trusted partner. The bank had previously worked with Red Hat to replace IBM AIX running on aging hardware in its data warehouse with Red Hat Enterprise Linux running on Hitachi servers with Intel processors. “We now favor open source solutions,” says Jaburek.

The bank sought to deploy a modular platform architecture, supported by enterprise-grade security, performance, and scalability to seamlessly migrate thousands of customers. With Red Hat JBoss Enterprise Application Platform, services execute as required, offering a low memory footprint and rapid startup—ideal for the bank’s environments, where efficient resource use is critical to meeting customers’ needs for highly available, fast-paced services.

After testing, the bank’s IT teams began a year-long phased launch of the new platform. “We understood we could lean on Red Hat support when needed,” said Jaburek.

After completing the initial user migration ahead of schedule—about 500,000 retail users migrated in just three months—the bank completed a second migration phase even faster: more than 100,000 additional users in just two months.

IMPROVING CUSTOMER FEATURES AND PERFORMANCE

INNOVATIVE, CUSTOMIZED BANKING SERVICES

Raiffeisenbank’s updated digital banking platform offers new, innovative capabilities for customers. Mobile users can independently complete simple processes—such as checking account balances and transaction history—while bank staff can focus on assisting with more complex task, such as choosing new products to meet customers’ unique financial needs. For example, the bank now offers customized services for corporations and small and medium-sized businesses (SMBs).
HIGHER USER ENGAGEMENT AND SATISFACTION

The bank’s redesigned platform and its features have led to higher use than the previous application. Within just a few months, almost 45% of migrated users had logged into Raiffeisenbank’s online banking services, and regular use of these services had increased by 10%. Mobile banking engagement also improved, with a 15% increase in total users and an increase in regular use from 90% to 93%.

Another factor in the bank’s competitiveness, user satisfaction, also increased after the introduction of the new digital banking platform. “More than 80% of the users we surveyed rate our service as exceptional or very good,” said Jaburek.

In an increasingly crowded, competitive market, Raiffeisenbank now has not only a successful product but also a growing base of customer advocates who offer organic, word-of-mouth opportunities to help the bank increase its revenue and user base.

RAPID ISSUE RESOLUTION—WITHOUT DOWNTIME

To ensure its updated platform was designed, deployed, and maintained correctly, Raiffeisenbank’s IT teams worked closely with Red Hat’s technical experts, taking advantage of the support services included with Red Hat product subscriptions. This support helped Raiffeisenbank meet strict prelaunch marketing deadlines and ensure key customers were connected smoothly to the new banking platform.

“Red Hat support proved invaluable. The barrier between us as the customer and Red Hat’s experts is very thin compared to traditional IT companies,” said Jaburek. “Any issues during implementation were solved quickly and transparently. For instance, the biggest technical challenge we faced was correctly running EJB [Enterprise JavaBeans™] calls across JBoss. The calls unexpectedly didn’t go through or end. We’d installed several monitoring systems but still couldn’t find the cause. Red Hat recommended changing our call settings and the default cluster names. Since then, we haven’t had any problems.”

EXPANDING AGILE DEVELOPMENT PRACTICES

With faster, more efficient development of innovative services and features, Raiffeisenbank can continue to meet changing demand and lead its market. The banking institution plans to migrate its remaining corporate users to the new digital platform.

“Red Hat JBoss EAP allows us to create an online experience that is more user-friendly and better deliver new products and services, but we haven’t taken full advantage of its features yet,” said Jaburek. “We’re looking to standardize components in web modules to improve performance. If testing goes well, we’ll use it in production soon.”
ABOUT RAFFESENBAHK A.S.
Raiffeisenbank is a member of Austrian Raiffeisen Group that also offers products and services in the Czech Republic in the area of building savings, insurance, and leasing. According to total assets over CZK 300 billion, the bank is 5th largest in the market. Raiffeisenbank serves clients at more than 130 branches and business client centers throughout Czech Republic. The bank also provides services of specialized mortgage centers, as well as personal, corporate, and business advisors.

ABOUT RED HAT
Red Hat is the world’s leading provider of open source software solutions, using a community-powered approach to provide reliable and high-performing cloud, Linux, middleware, storage, and virtualization technologies. Red Hat also offers award-winning support, training, and consulting services. As a connective hub in a global network of enterprises, partners, and open source communities, Red Hat helps create relevant, innovative technologies that liberate resources for growth and prepare customers for the future of IT.