

Banco Pichincha España launches Pibank digital division with Red Hat



Banco Pichincha España sought a flexible, cost-effective platform to support its new digital division, Pibank. The bank used Red Hat OpenShift, running in a private cloud, to improve its responsiveness and adapt to emerging technologies. As a result, the bank has cut time to market and operating costs by more than 50% each, compared to traditional infrastructure approaches. Pibank can rapidly adapt to changing banking regulations while improving its customer experience—creating an invaluable competitive advantage.

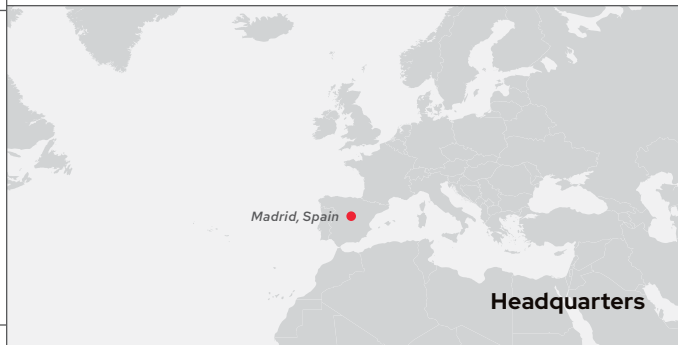
Software

Red Hat® OpenShift®

Red Hat OpenShift
Container Storage

Partner

VASS



Financial services

250 employees

5 branches

Benefits

- Cut time to market for new services by more than 50%
- Gained flexibility to adapt to new regulations without compromising customer experience
- Reduced operating costs by 50–65%

“Red Hat has helped us improve our customer experience. Lower costs than a traditional IT approach give us a competitive advantage.”

Vicent Escorihuela

Director of IT Infrastructure and Core Banking,
Pibank



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and Core Banking,
Pibank

Building an innovative digital bank

Banco Pichincha España is the Spanish division of the Pichincha Group, an international financial institution operating in Ecuador, Peru, Colombia, Panama, Spain, and Miami. The bank offers consumer banking services, as well as corporate banking under the Pichincha Empresas brand.

To grow its consumer banking business in Spain, the bank launched a new digital-focused bank, Pibank, with a goal of providing optimized services that take advantage of the latest technology to provide an improved customer experience.

“We wanted to build something new that would take advantage of native mobile applications, biometrics, and other emerging technology while allowing us to remain connected to our customers,” said Vicent Escorihuela, Director of IT Infrastructure and Core Banking at Pibank. “With a digital banking approach, employees can devote all of their attention to helping the customer, instead of dealing with terminals and internal processes.”

To build Pibank, Banco Pichincha España needed to build a standardized yet flexible platform to support the necessary fast time to market for digital banking services.

Adopting private cloud for digital banking services

The bank worked with VASS, a local Red Hat partner, to find platform technology that would support its goals. “There was a high degree of trust built up with this partner, and when they proposed Red Hat OpenShift, we could see it was the best solution for us,” said Escorihuela.

Red Hat OpenShift is a Kubernetes-based application platform that lets IT teams work together faster and more efficiently across hybrid cloud environments. Supported by Red Hat OpenShift Container Storage, the platform runs in a private cloud with real-time replication to minimize data loss from outages.

The platform’s core function is to support Pibank’s customer-facing website and iOS/Android mobile applications, as well as services including digital customer sign-up, mortgage contracts, and daily banking transactions for accounts and payment cards. Customers can access its services via tablets at five paperless branches in Spain, but the primary method of accessing and managing services is online through personal devices.

Banco Pichincha España also uses Red Hat OpenShift to support middleware for Pibank, developed in-house and connected to legacy core banking systems and databases for customer-facing service delivery and process tracking.

VASS helped Banco Pichincha España with architecture, development, implementation, and project management. It now provides ongoing support of the new platform, with additional technical assistance from Red Hat.

“The deadlines that were set for the project were met perfectly,” said Escorihuela. “There were no problems, no stress, no rushing to meet dates—everything was done as planned. When we’ve had any concerns or issues, we’ve been very satisfied with how VASS and Red Hat have responded.”

Improving customer experience to stay competitive

Reduced time to market for new banking services

Responding quickly to customer demand with rapid time to market is key to attracting and retaining business in the competitive direct banking sector. Banco Pichincha España can launch a new product in half the time compared to its previous, traditional approach.

For example, using OpenShift Container Storage to support its Red Hat OpenShift platform deployment has helped Banco Pichincha España speed and streamline environment provisioning for Pibank.

“With Red Hat OpenShift, we’ve reduced our time to market by at least 50%, if not closer to 65%,” said Escorihuela.

Improved responsiveness to meet changing banking regulations

Pibank must comply with various financial regulations—for example, improving the strength of its customer authentication to comply with the European Union’s recently introduced Revised Payments Services Directive (PSD2)—while minimizing any negative effects to its customer experience.

“To increase the safety of our customer data while making sure customers don’t experience delays accessing our services, we’ve taken a modern approach based on mobile device biometric data,” said Escorihuela. “Our new platform makes it easier to respond to open banking regulations by adapting quickly to new requirements and technologies.”

Substantially reduced operating costs

Banco Pichincha España has also achieved significantly lower operating costs for Pibank than expected. With OpenShift Container Platform, these costs are between 50–65% lower than anticipated due to improved integration between the bank’s customer resource management (CRM) system and back-end infrastructure and easier adoption of new product versions.

“With reasonable and predictable costs, Red Hat has helped us improve our customer experience. Lower costs than a traditional IT approach give us a competitive advantage, in that we can redirect funds to innovation,” said Escorihuela.

Continuing innovation

“In an ambitious project like this, we would almost never expect to hit our deadlines and budgets – which is exactly what Red Hat has enabled us to do. We needed a radical approach, and the project would have been impossible with a conventional infrastructure,” said Escorihuela. “We just haven’t had any major problems; how many projects of this size do you know where the customer can say that?”

“What OpenShift enables us with lower costs than we’d have with other platforms, and we can be in the market with new products within a shorter time frame,” concluded Escorihuela. “The next thing we want to do on the OpenShift platform is to improve the user experience further and add more services to make our customers’ day-to-day lives easier.”

About Banco Pichincha España

Banco Pichincha España, is owned by the Pichincha Group, a financial group founded in Ecuador in 1906. It has a leading position in the Ecuadorian market, where it is the largest banking institution, and also has a presence in Peru, Colombia, Panama, Spain, and Miami. Banco Pichincha España is present in Spain through three different brands: Banco Pichincha, which provides services for individuals, Banco Pichincha corporate, and its new direct banking business, Pibank.

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