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TECHNOLOGY

Fifth Third Says E-Banking Tweaks Are Delivering

■ BY BILL STONEMAN

Fifth Third Bancorp has added an assortment of tools and features to its online banking service, partly as a result of replacing Edify software with a Financial Fusion Inc. system and partly as a result of internal development.

In some cases the customer experience is improved and in others the Cincinnati company operates a bit more efficiently, said Rahul Bawa, its vice president of electronic commerce.

For example, customers can now pay bills as soon as they set up payees instead of waiting a couple of days for the bank to complete the setup, Mr. Bawa said. They can also arrange to make payments automatically and can set nicknames for all payees as well as for their own accounts.

Security has also been upgraded through the implementation of a secure e-mail system and the masking of all but the last four digits of account numbers presented on a computer screen.

Previously Fifth Third could not provide customer-specific information in e-mail because customers' nonsecure e-mail addresses were the only places it could send messages. But it built a tool that allows customers to pick up mail within the secure online banking site. The bank notifies customers



Bawa: Efficiency and the customer experience are better.

at their regular address that mail is waiting for them in the secure area.

Another change is easier exporting of banking data to personal financial management software, and Fifth Third extended the use of reference numbers associated with online bill payments so that the

numbers are reported to the customers at every opportunity, through paper statements.

But at least as important to Fifth Third as features that customers might notice is a new system for managing online bill payments out of customers' sight. By implementing Financial Fusion's bill payment warehouse earlier this year and handing a portion of the payment processing to CheckFree Corp., it has positioned itself to cut the cost of completing customers' online payments.

The payment warehouse has a "least-cost routing" mechanism, said William Ingram, director of product management for Financial Fusion, the Concord, Mass., financial software arm of Sybase Inc. This lets Fifth Third determine, one payment at a time, whether it should handle the

payment itself or send it to Atlanta-based CheckFree.

The bank can process payments to its own customers at a lower cost than CheckFree can, Mr. Bawa said. At the same time, it has extricated itself from the business of preparing paper checks to payees who are not set up to receive electronic payments, he said.

The bank chose to operate its own bill payment warehouse, which links customers to payees, so that it would not become beholden to a single payment processor. Though it is using CheckFree now, it could easily move to any of several other companies, Mr. Bawa said.

About a million customers use Fifth Third's online banking, out of about five million households served by the company, Mr. Bawa said. Use of online bill payment

**The changes include
the elimination of a
two-day delay to make
bill payments.**

has soared since the November system changes, he said, though he said he was unable to provide figures. It may have helped that Fifth Third dropped a 30-cent per-transaction fee at the same time, he said. ■

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