

New S1 System Aims to Integrate All FSP Customer Channels

S1 Enterprise 3.0 promises to link all financial services provider (FSP) delivery channels and relationship management applications. Consider this system if you have a channel integration strategy.

Event: On 30 August 2004, S1 released S1 Enterprise 3.0, a system for FSPs that ties together their branch, call center, Internet and voice channels for interacting with customers. This release adds several applications including teller, sales and service, call center, voice and analytics.

First Take: This version of the S1 Enterprise suite claims to offer much of what financial firms seek — a single vendor and technology platform that integrates all delivery channel and relationship management applications. Banks, especially, want to link their revenue-producing and customer-facing functions. Although some channel integration is occurring, most takes place on a transaction level. Banks instead want a technology platform that can take channel integration deeper.

What S1 hopes to achieve with this offering is more far-reaching than what other delivery channel vendors have attempted, Gartner believes. This system initiates integration of delivery channel software over a unified, Java 2 Platform, Enterprise Edition (J2EE) platform, which promises to cut costs while increasing customer service. Although S1 targets FSPs of all sizes, the suite's multichannel focus and high scalability will likely find greatest adoption among medium to large FSPs.

To challenge competition serving this market, S1 must win high-profile accounts that demonstrate Enterprise 3.0's scalability and integration capabilities. Gartner believes this is key to the system's operational credibility. Many large institutions are accustomed to best-of-breed, stand-alone solutions, so S1 must convince them of the efficacy and strategic value of this integrated system. That requires S1 to provide client reference sites where the system has achieved multiple-channel integration. S1 must also demonstrate that it can implement the suite in large institutions that require customization.

Recommendations:

- Consider this system if you have a strategy to integrate multiple channels. Deploy the system one channel at a time to ease implementation and gain system experience.
- Consider it if you're replacing branch automation systems.
- Secure customer references from S1 to check how the system works in full operational mode.

Analytical Sources: Brad Adrian and Stessa Cohen, Gartner Research

Recommended Reading and Related Research

Gartner

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- “Vendor Rating: S1” — S1 has done a good job of building a broad range of capabilities for financial firms’ customer interaction and delivery channels. **By Brad Adrian**
- “S1/Alogent Deal Aims to Capitalize on Check Deposit Automation” — Banks engaged in branch renewal projects should consider S1 Enterprise Teller as a way to differentiate themselves via remote deposit capture.. **By Stessa Cohen**

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