



## YOMA BANK MAKES BANKING SERVICES ACCESSIBLE TO MILLIONS DESPITE LIMITED BRANCHES



### INDUSTRY FINANCIAL SERVICES

### LOCATION MYANMAR

### KEY CHALLENGES

- Unstable, unreliable and inflexible IT infrastructure
- Limited touchpoints with customers
- Poor disaster recovery capabilities

### SOLUTIONS

Yoma Bank used VMware solutions to develop a secure, flexible and modern infrastructure that supports the way their customers want to do business.

Yoma Bank wants to become the top small and medium enterprise (SME) bank in Myanmar but was hampered by a limited network of branches. Inflexible operating hours and heavy traffic made visits to the branches rather unpleasant for the customers. By deploying VMware vSphere®, VMware vSAN™ and VMware NSX® Data Center, Yoma Bank now has a flexible and robust IT infrastructure that undergirds its capability to offer online and mobile banking services, as well as integrated and tailored banking products. Customers can now make banking transactions 24/7 from anywhere, with the peace of mind that their confidential data is secure.

Established in 1993, Yoma Bank was one of the first private banks in Myanmar. Today, it is the fifth biggest bank in Myanmar with 80 branches throughout the country. It was the first bank in Myanmar to use a computerized accounting system for wireless banking communications. In 2017, they launched their mobile banking services, delivering greater customer convenience. Yoma Bank also decided to focus their financial services and offerings for SMEs.

### The Challenge

During a major financial crisis in Myanmar in 2003, banks across the country were impacted significantly. While some banks were nationalized, Yoma Bank was restricted to domestic remittances for almost 10 years. Yoma Bank regained its full banking license in 2012 and faced massive challenges in serving their customers.

With a limited network of branches nationwide, it has few touchpoints with customers. This is compounded by its opening hours from 9am to 3pm as a domestic bank. With the heavy traffic, it could take more than an hour for a customer to travel to a branch, adding up to a very unsatisfactory experience for the customer. The bank was also unable to go beyond providing basic banking products.

As the economy opened up, more customers, including SMEs, were requesting online banking services so they would be able to have 24/7 access from anywhere. But security was an issue and Yoma Bank's unstable, unreliable and inflexible IT infrastructure could not support it.

Yoma Bank knew they needed a robust, stable and flexible infrastructure, and also one that was affordable. As a developing country, Myanmar did not have enough skilled resources to handle very sophisticated IT solutions. Therefore, the bank set out to look for an IT solution that would be simple to monitor and manage.

“VMware has enabled us to provide services that we could not before. These new digital services have driven significant growth in our revenue. We now have an infrastructure that’s not only easy to operate and maintain but also easy to scale horizontally and vertically as the business grows.”

KYAW SOE LIN,  
CTO, YOMA BANK.

#### BUSINESS BENEFITS

- Reduced capex by 50% due to virtualization of servers
- Increased operational efficiency resulted in a 30% reduction in opex, including staffing costs
- Disaster recovery takes minutes instead of hours
- New digital services contributed to significant growth in revenue

#### APPLICATIONS VIRTUALIZED

- Digital channel applications
- Card management system

#### PLATFORMS

- Oracle
- Cisco

#### PARTNER

- Hexagon System Company

#### VMWARE FOOTPRINT

- VMware vSphere®
- VMware vSAN™
- VMware NSX® Data Center

## The Solution

Yoma Bank started its journey towards a software-defined data center with VMware. First it virtualized its servers using VMware vSphere.

Using vSphere vMotion™, the bank was able to conduct a live migration of running virtual machines from one physical server to another with zero downtime, continuous service availability, and complete transaction integrity.

To lower total cost of ownership, Yoma Bank leveraged vSAN to extend virtualization to storage, eliminating the need for traditional expensive storage arrays while still accelerating overall IT responsiveness. With six vSAN nodes in production and three in disaster recovery, the bank is hosting business critical applications such as digital channel apps in an all-flash environment while the pre-production environment is hosted in a hybrid environment.

In the last two years, the bank has focused more on NSX, the network virtualization platform that delivers networking and security entirely in software, abstracted from the underlying physical infrastructure.

“We chose VMware because it was able to provide a complete suite of solutions and it would be easier and faster to deploy, maintain and upgrade with one vendor. During implementation, the technical support and after-sales support were all very useful,” said Kyaw Soe Lin, CTO, Yoma Bank.

## Business Results & Benefits

When Yoma Bank started on its digital transformation journey, it virtualized 80% of the servers within a year. This immediately reduced their capital expenditure by half. Gone also are the days when engineers had to physically go to the data center to fix issues that crop up.

“With VMware, our engineers can now sleep well,” quips Lin.

Disaster recovery is now simplified, and recovery of multiple virtual machines can be orchestrated and automated easily. Operational efficiency has increased, now that regular manual intervention is no longer required. All these led to a 30% reduction in operating expenditure, including staffing costs.

From being able to provide only basic banking products, such as simple checking or deposit account, along with loans, Yoma Bank is now offering its customers integrated products that are flexible and tailored to their needs.

To the customers, the biggest benefit is the online banking service that Yoma Bank now provides. They can access banking services 24/7 and carry out transactions on their own without having to go to the branch.

This would not have been possible previously when a single system failure required a few hours of downtime to migrate to another system. Now it takes just a few minutes. Even if the entire data center fails, Yoma Bank can fail over to the backup data center easily and seamlessly.

It is this robust infrastructure that provides more uptime, so the customers can enjoy a faster online experience that is always stable and available.

Yoma Bank also depends on NSX to ensure security of sensitive customer data, as it makes network micro-segmentation feasible for the first time. It enables a zero-trust security model inside the data center and allows granular firewalling and security policy enforcement down to the virtual machine. This helps to isolate the systems that store, process or transmit sensitive data.

With more customers preferring to access banking services through the mobile phone instead of a computer, the enhanced agility and scalability of the infrastructure has enabled Yoma Bank to be more nimble in responding to this demand.

“VMware has enabled us to provide services that we could not before. These new digital services have driven significant growth in our revenue. We now have an infrastructure that’s not only easy to operate and maintain but also easy to scale horizontally and vertically as the business grows,” said Lin.

“In Myanmar where less than 10% of the population own bank accounts, we introduced the first mobile financial service in the country, bringing financial inclusion to the unbanked. We are now well-positioned to continue to help transform the financial service industry in the country.”

### Looking Ahead

Now that Yoma Bank has solutions in place to improve customer satisfaction and is on track to become the top SME bank in Myanmar, it is looking to deploy solutions that will benefit its internal organization.

The bank has plans to deploy VMware Horizon, so that branch tellers can access core banking applications securely with minimum downtime. This will also enable the IT team to provision virtual or remote desktops and applications through a single VDI easily and quickly, as compared to them rolling out new applications to over 2,000 computers one by one.

“Previously, we wouldn’t have been able to do it even if we wanted to as Myanmar’s infrastructure was still not up to speed,” said Lin. “Now that the Internet bandwidth is getting better and more stable, we are definitely looking into it.”

