

Cerved tracks bank-company relationships using Dandelion API

Organization

If you want to know everything about a company you are doing business with, ask Cerved (www.cerved.com).

Cerved is the leading Business Information provider on the Italian market with products ranging from credit information to marketing solutions and credit management. It serves 95% of Italian banks and has more than 30.000 corporate clients. Cerved monitors all businesses by tracking their history, payment patterns, owners and executives, and all the information needed to determine these businesses? risk profile and growth potential.

Cerved helps both Italian and foreign companies work effectively in Italy. Likewise, Cerved helps Italian companies be successful abroad, by advising them on where to locate, by analyzing competitors and potential partners, and by providing credit information to protect against risks.

The Cerved IT and analytics team turned to Dandelion API to analyze official company filings to understand the nature of the relationships that companies establish with banks.

Challenge

Understanding how a bank operates, who its clients are and how the bank behaves with regard to different industry sectors and geographic areas is information that is valuable to marketers and to business analysts. Moreover, knowing which banks and what services of those banks a company relies on, is crucial to better assess the behavior and the growth or risk potential of a company.

Until yesterday, it was difficult, if not impossible, to gather this data on a large scale, that is, for every company in a country (>6 million companies in Italy). One reason is that this information is valuable and not readily shared by the banks. Another reason is that this information is highly fragmented; companies often rely on the services of several banks (some companies rely on as many as 10 banks).

Until today, this information was obtained from very expensive, poorly representative and often very imprecise market studies, which were soon out of date. However this information is publicly deposited by companies in the documents they make public and Cerved is one who have access to the entire national database of these documents.

Unfortunately, these are very unstructured documents, with neither standard template nor syntax, plus there's a myriad different ways of referring to a specific bank or to a given kind of relationship the company may have with a bank.

Solution

Thanks to Dandelion API, Cerved is analyzing millions of documents every year to identify with which banks a company has a relationship and of what kind..

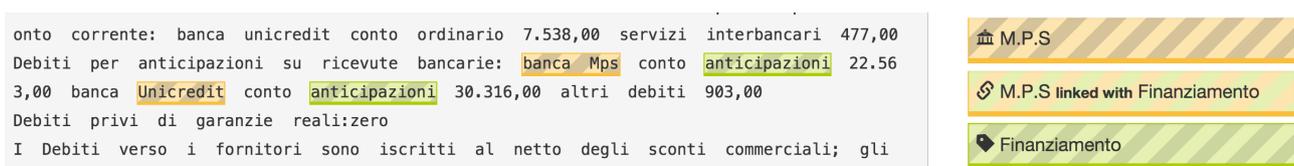


Figure 1: A bank and a relationship identified by Dandelion API inside a company document

The entire analytical process takes just a few minutes and:

- It identifies mentions of banks in official company documents;
- Effectively disambiguates these mentions to link them to the correct bank (banks may have similar-sounding names and the same bank may have more than one name);
- Identifies which kind of relationship a company has with a bank (is it some kind of shareholding? A current account? A loan? Which of the many different kind of loans?);

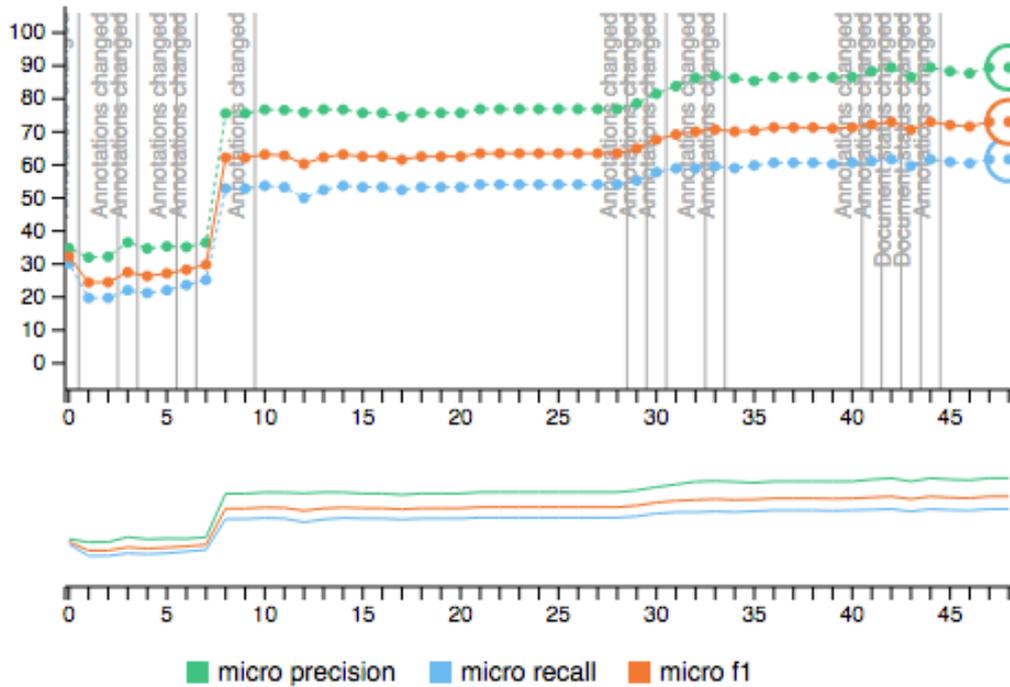


Figure 2: Overall system performances over different runs

Results

Thanks to data extracted with Dandelion API, Cerved improved its business information and marketing products and services by a significant degree with a fast time-to-market.

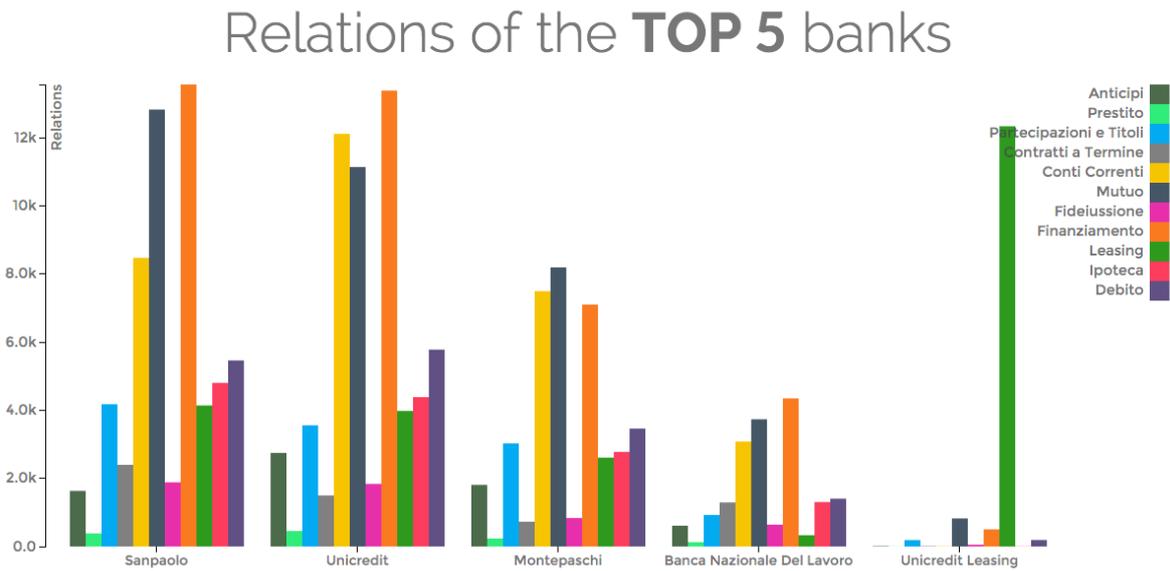


Figure 3: The use of different financial instruments by the first Italian banking groups

“We experimented with several alternative technologies but none performed as well as Dandelion API, plus the integration with our systems was amazingly easy and it took days while we spent several weeks trying to integrate other products” says Flavio Mauri, head of IT at Cerved. Cerved chose to integrate Dandelion API as a cloud-based secure Software as a Service (SaaS) solution, instead of opting for an on-premise deployment on their data centers. “This significantly reduced the initial investment and allowed us to easily scale over time, without worrying about hardware, maintenance, license-fees or anything else. We only had to do the integration with their REST API and SpazioDati took care of everything else”.



Figure 4: The geographic distribution of the customers of a local banking group

Thanks to ease of customization, extensibility and integration of Dandelion API, Cerved was able to build on and effectively deliver to the market new innovative products and services with a minimal initial investment, both in time and financial resources.