

Innovative Remote Adviser Service Redefines Customer Experience and Drives Growth for BNP Paribas Fortis

Executive Summary

CUSTOMER

BNP Paribas Fortis

INDUSTRY

Financial Services

CHALLENGES

- Increase market share and strengthen relationships with mass-affluent customers who don't have time for complex, in-branch transactions

SOLUTIONS

- Web-based service that enables remote advisers to conduct comprehensive financial meetings with customers via video/data-sharing technology

RESULTS

- Substantial improvement in customer satisfaction; double-digit increase in asset base in savings and investment products
- Significant growth in product purchases; twice as many assets under management
- Greater number of mass-affluent customers per DRM versus similar customers assigned to in-branch relationship managers
- Bank is halfway toward its objective of having one-third of its mass-affluent customers subscribe to the service
- Reduced "cost to serve" because meetings are shorter and more efficient

Background

BNP Paribas Fortis, a subsidiary of BNP Paribas, offers a comprehensive package of financial services for private, professional, and corporate clients; wealthy individuals; public entities; and financial institutions. The bank has more than 3 million customers and nearly 1,000 retail branches. Its PC Banking online service is a popular method for conducting financial transactions. This popularity, however, led to reduced customer traffic at the physical branches, particularly among the bank's mass-affluent customers.

Challenges

Many banks across Europe are considering remote relationship manager services to conduct transactions with affluent customers. According to Finalta, 43 percent of European banks have already implemented or are piloting such solutions.¹

While most banks are deploying these services over the phone and through email, few actually use web-based document sharing and video. Moreover, not all customers are open to remote banking, and even fewer customers are comfortable having live discussions with their bankers over the web. In addition, using new technologies in the contact center requires new skills and processes, and relationship managers and sales directors at the physical branches are often skeptical about moving customer ownership to the contact center.

BNP Paribas Fortis, Belgium's leading bank, would take a different and highly innovative approach, challenging these beliefs. Web banking is popular in Belgium, and BNP Paribas Fortis offers online banking through its PC Banking service. More than half of the bank's retail customers use the service to conduct all of their banking transactions, including making money transfers, opening new accounts, managing their investment portfolios, placing stock market orders, subscribing to investment funds, applying for loans, scheduling consultations for finan-

¹ "Remote Relationship Management for Affluent Customers," Finalta Viewpoint, Finalta Financial Services Benchmarking, January 2010.



Cisco Internet Business Solutions Group (IBSG)

cial advice, and purchasing products. The popularity of the service, however, was reducing traffic at the bank's physical branches.

As a result, fewer of the bank's mass-affluent customers were visiting the branches. According to BNP Paribas Fortis, roughly one-third of these customers expressed that they did not have time to go to their branch for more complex investment and savings opportunities. This presented a missed opportunity for the bank to get to know this segment better and increase wallet share.

One of the bank's senior executives in the Retail and Private Banking division, however, was convinced that new technologies, including webcam, could help redefine the customer experience: "The ease of use of new technologies is changing customer behavior and expectations. We have to continuously adapt the way we interact with customers to exceed their expectations."

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Senior Executive
Retail and Private Bank
Division
BNP Paribas Fortis

Solutions

Strategy

Increasing customer satisfaction, matching client needs, developing customer loyalty, and boosting share of wallet are strategic focus areas for BNP Paribas Fortis. Its Multichannel Banking division evaluated the potential business impact of a remote relationship manager service called "James" for mass-affluent customers with movable assets of more than US\$120,000 (EU€85,000). Part of this segment is active and self-directed investors who want to track their portfolios closely and make adjustments quickly.

The idea behind James was to provide customers with dedicated direct relationship managers (DRMs) located at a contact center. Since both Dutch and French are spoken in Belgium, the DRMs would be assigned based on each customer's preferred language.

James would enable DRMs to track their customers' personal assets and investments, and then contact them via phone or email whenever a new investment or savings opportunity arose. At the same time, the customer could contact his or her DRM (or an alternate DRM if the dedicated relationship manager was not available) with questions and receive immediate, qualitative answers. BNP Paribas Fortis believed that by increasing the number of customer interactions and providing relevant and timely information, James would enhance customer satisfaction and strengthen customer relations. Using just phone and email as primary channels, however, would not be enough to help the bank achieve its goal of increasing market share among one-third of this customer segment.

During early discussions with BNP Paribas Fortis and several Cisco® business units, the Cisco Internet Business Solutions Group (IBSG) suggested using video to enable DRMs to offer more relevant information and increase customer intimacy. Cisco WebEx® was recommended because it provides a reliable and secure web-conferencing environment that allows participants to easily share detailed information and conduct face-to-face meetings. The bank's initial investment in WebEx would be low because the service is hosted in the cloud. Moreover,

WebEx includes a WebEx Remote Support solution that would provide a customized environment for contact center agents.

Through additional meetings and workshops with BNP Paribas Fortis, Cisco IBSG shared best practices and discussed the future of customer experience, including the business impact of providing remote expertise to customers via two-way video. Finally, IBSG shared business-modeling tools developed during multiple engagements with customers in both banking and other vertical markets.

Putting theory into practice, Cisco IBSG advisers held several meetings around the globe using Cisco TelePresence® ultra-high-definition video collaboration technology and WebEx to show how quickly and cost-effectively people could be connected.

It became clear to the bank's executives that both video and data sharing via WebEx would be vital to the success of James. BNP Paribas Fortis quickly moved to pilot James. A group comprised of Cisco IBSG advisers, a European WebEx team, and local systems engineers provided on-site support during the pilot, helping configure, customize, and integrate WebEx, and advise on how best to use its tools within the banking environment.

A senior BNP Paribas Fortis executive who was involved in the project said, "It is important for a bank in a highly competitive market to anticipate the technology evolution and its impact on our business. Working with a technology leader like Cisco has proven to be very beneficial to our business."

James: How it Works

Launched in 2009, James is a subscriber-based service that makes nearly 50 DRMs available not just during regular business hours, but also after hours and on weekends (up to 83 hours a week). A DRM initiates a call with a customer via the existing contact center phone system or email. Once they connect, they can choose to conduct a video call via WebEx and a webcam. The DRM can view the customer's complete financial portfolio using various contact center applications and customer relationship management tools. In addition, the DRM can access financial information resources, including real-time financial market feeds such as Reuters/Bloomberg, to address the customer's areas of interest. The ability to access feeds is one benefit of the service; this capability is not usually available to in-branch advisers.

By using WebEx to share data in real time with customers, DRMs can conduct more comprehensive meetings. Furthermore, customer experience is enhanced via the unique value that video provides in enabling face-to-face meetings and creating more personalized relations between customers and advisers.

For complex matters not covered by the DRMs, such as mortgages, customers can schedule meetings with experts at the contact center or branch.

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Results

James is a proactive approach to online banking because it enables quick, intimate, and comprehensive interactions between DRMs and customers. The goal of every James adviser is to have one video-based meeting per day (in addition to phone and email interactions).

Two years after James was launched, customer satisfaction has substantially improved among the bank's mass-affluent customer segment, and the asset base in savings and investment products has increased into double digits.

Customers have also purchased a higher number of products, with almost twice as many assets under management compared to mass-affluent customers of the bank who are not James subscribers.

In addition, DRMs now have a higher number of personal interactions with their customers than do in-branch relationship managers, illustrating the service's positive impact on mass-affluent clients.

Another benefit is that James has enabled the bank to reduce its "cost to serve" because meetings are shorter and more efficient. In time, however, the bank will reinvest this gain in increasing the number of customer interactions and sales activities. Originally run by the Multichannel Banking division, James is now operated by the sales organization. This evolution illustrates further integration of the service across the branch sales teams who endorse the model and drive adoption.

Next Steps

The James service has enabled BNP Paribas Fortis to address an untapped customer base. By using advanced technologies and broadly advertising the James service, the bank continues to build on its positive image.

James has also become a platform for new experiments in multichannel banking. BNP Paribas Fortis is continuously innovating, pushing the boundaries of remote relationship management. The Multichannel Banking division is considering further pilots that test new technologies to help define the future of relationship management and customer experience.

According to a senior BNP Paribas Fortis executive, "It is easy to see a missed opportunity with this customer segment, but for designing a smart solution, you need a creative and solid technology partner. And for rigorous implementation that leads to success, you need courage, persistence, and some magic to ensure full buy-in from the branch network staff—they are the key advocates now talking to their clients about James."

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More Information

Cisco Internet Business Solutions Group (IBSG), the company's global consultancy, helps CXOs from the world's largest public and private organizations solve critical business challenges. By connecting strategy, process, and technology. Cisco IBSG industry experts enable customers to turn visionary ideas into value.

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