

PRESS RELEASE

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BNP Paribas and Boston Consulting Group survey reveals that trust is the key component for corporate treasurers in an increasing digitalised environment

- *The third edition of the survey reveals that corporate treasurers seek a trusted partner that can provide them with a strong and long-term client relationship, business protection and advisory on their strategic projects*
- *In the context of growing regulation and the rise of digital players, trust is highlighted as the key element for securing clients*
- *Winning trust from corporate treasurers goes through an invisible delivery experience, and a data enhanced organisation*
- *Banks therefore need to overhaul their operating model by applying the best practices of technology firms and becoming more agile and data savvy*

The 2018 Corporate Treasury Insights report, released today by BNP Paribas and Boston Consulting Group reveals that acquiring and building a reliable relationship takes a combination of factors that include inherent trust, delivery excellence and a strong relationship model. According to the 700 corporate treasurers and multinational organisations CFOs surveyed, these factors are harder to track and master amid the growing polarisation in the treasurer's role and their renewed expectations. Corporate treasurers' expectations need to be addressed with the highest standards in an increasingly digitalised environment and require a subtle equation based on reliability acquired through digital services, multidisciplinary relationship models and data value.

THE SUBTLE TRUST EQUATION: TRUST, RELATIONSHIP, DELIVERY

The new data highlights that approximately 65% of the respondents confirm a high level of trust in their bank. In fact, most banks benefit from inherent trust due to their compliance with regulation, their scale and their long-term establishment. Yet the survey revealed that banks' historical edge is eroding, as treasurers, especially in mature economy, no longer always see banks as the sole trusted advisor. Trust should therefore be further leveraged by banks as a major proof of quality, in particular as it varies with market maturity and across geographies.

To further distinguish themselves from digital players, banks must be able to answer treasurers' evolving needs by balancing both technological advancement and personalised human interaction. Traditional players can gain differentiation through agility; flexible, responsive processes, enhanced advisory capabilities and high-end service 24/7. Digital and proactive service was echoed by many treasurers.

Although digitisation may be reshaping many aspects of the service delivery – with more than 60% of treasurers now saying they are interested in using digital channels compared to 50% in 2016 – the quality of human interactions continues to play an important role in transaction banking as treasurers have expressed the need for the right balance between an integrated client delivery team that can provide deep business expertise and client understanding backed by digitised, integrated and frictionless processes.

Jacques Levet, Head of Transaction Banking for Europe, EMEA at BNP Paribas, said: *“As treasurers operate in an increasingly complex world, the complete trust they are able to place in their key partners becomes an ever-more critical success factor. If banks do not want to lose part of the inherent trust their clients have in them to new digital providers, they need to focus on improving their operating model both in terms of engagement and delivery. At BNP Paribas Transaction Banking, our objective is to remain at the forefront of innovation with a view to enhance our customers’ experience both in their day-to-day business and in more complex projects.”*

RELIABILITY, HELPING TREASURERS NAVIGATE COMPLEXITY

Treasurers are facing an increasingly uncertain and complex environment with a significant increase in regulatory pressure and a fragmented provider landscape with the rise of digital players. This framework is bringing about a number of risks that directly threaten the viability of treasurers’ business. These concerns have grown considerably since the last survey in [2016](#); from facing two or three critical risks to now managing five or six – including cybersecurity which has risen to the top 5 risks for treasurers. In those troubled waters, trust is a lighthouse that helps them navigate complexity.

Yann Sénant, Partner & Managing Director in Paris at BCG said: *“The traditional Relationship Manager era is over. Treasurers’ expect less human interactions, but the key will be to combine technology with experience and knowledge of treasurers’ needs. The new paradigm is a data-enhanced Senior Banker, working along with an agile client team.”*

WINNING THE TRUST BATTLE WILL TAKE THREE LEVERS

To become a trust champion, the service model must meet the specific needs of all treasurers by:

- Adopting a “zero-interaction model” that will appeal to treasurers who are looking for fast, stable and efficient processes to complete day-to-day business in a quick and automated way
- Eliminating low-value intermediaries and process steps and focus instead on enabling treasurers looking for agile and business intelligence to receive rapid access to the most relevant service, insight and humans
- Leveraging data generated across the client relationship to help them steer their everyday activities. Treasurers are unanimously willing to share additional data to providers if they can leverage it

Notes to Editors

Methodology

This report was developed based on a proprietary cross-industry survey of 700 corporate treasurers and CFOs from organizations around the world with consolidated annual revenue of more than \$500 million. The survey was conducted by Expand Research (a wholly owned subsidiary of The Boston Consulting Group) for BNP Paribas and The Boston Consulting Group. The study also included interviews with roughly 20 corporate treasurers and CFOs from multinational organizations. Building on the findings of prior studies (See Corporate Treasury Insights: It’s All About Security and Client Experience, BCG and BNP Paribas May 2016 and Corporate Treasury Insights: As the Dust Settles..., BCG and BNP Paribas, May 2015) we focused this edition on two important topics: trust and delivery excellence.

About BNP Paribas

BNP Paribas is a leading bank in Europe with an international reach. It has a presence in 73 countries, with more than 196,000 employees, including around 149,000 in Europe. The Group has key positions in its three main activities: Domestic Markets and International Financial Services



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(whose retail-banking networks and financial services are covered by Retail Banking & Services) and Corporate & Institutional Banking, which serves two client franchises: corporate clients and institutional investors. The Group helps all its clients (individuals, community associations, entrepreneurs, SMEs, corporates and institutional clients) to realise their projects through solutions spanning financing, investment, savings and protection insurance.

In Europe, the Group has four domestic markets (Belgium, France, Italy and Luxembourg) and BNP Paribas Personal Finance is the European leader in consumer lending.

BNP Paribas is rolling out its integrated retail-banking model in Mediterranean countries, in Turkey, in Eastern Europe and a large network in the western part of the United States. In its Corporate & Institutional Banking and International Financial Services activities, BNP Paribas also enjoys top positions in Europe, a strong presence in the Americas as well as a solid and fast-growing business in Asia-Pacific.

About the Boston Consulting Group

The Boston Consulting Group (BCG) is a global management consulting firm and the world's leading advisor on business strategy. We partner with clients from the private, public, and not-for-profit sectors in all regions to identify their highest-value opportunities, address their most critical challenges, and transform their enterprises. Our customized approach combines deep insight into the dynamics of companies and markets with close collaboration at all levels of the client organization. This ensures that our clients achieve sustainable competitive advantage, build more capable organizations, and secure lasting results. Founded in 1963, BCG is a private company with 90 offices in 50 countries. For more information, please visit bcg.com.

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