

Cisco Helps BNP Paribas Transform Customer Interaction Through Integrated, Multichannel Services

Executive Summary

CUSTOMER NAME

BNP Paribas

INDUSTRY

Financial Services

BUSINESS CHALLENGES

- BNP Paribas had a long-term strategic vision of reconstructing its services around customers to achieve ever-increasing satisfaction levels.
- The task was to create a fully integrated customer experience across all channels, using technology fusion as the foundation for future success and enhanced revenue streams.

SOLUTIONS

- Integrated, multichannel retail banking platform providing consistent customer interactions across channels
- Extensive back-office process reengineering

BUSINESS RESULTS

- 300 million customer contacts per year and 4.3 billion individual transactions
- Three times as many customer interactions as before
- Improved customer service and 24/7 availability

BNP Paribas became the world's sixth most admired banking brand and a leader in the European financial sector, thanks to a vision of integrated, multichannel services. BNP Paribas worked closely with the Cisco® **Internet Business Solutions Group (IBSG)** to help the bank develop its visionary retail strategy and extend its customer-centered focus into other areas of business.

BUSINESS CHALLENGES

BNP Paribas—born of a merger of Banque Nationale de Paris and Paribas in 2000—is a major financial institution, both in its French home market and internationally, with strong positions in Asia and a significant presence in the United States. It employs 95,000 people worldwide and operates in 85 countries with three main lines of business: retail banking and financial services, including consumer credit; asset management; and corporate and investment banking. Net banking income in 2004 was €18.8 billion, while the group share of net income in the first nine months of 2005 rose 25.8 percent. BNP Paribas is ranked by *Fortune* magazine as the world's sixth most admired banking brand.

While many banks rushed to embrace the Internet as a low-cost business model, BNP Paribas believes the future of customer relationships in the 21st century lies in a balance of old and new. Avoiding an uncoordinated pick-and-mix approach, BNP Paribas has entered into a collaboration with Cisco to integrate new electronic



Prepared by Cisco Systems, Inc.
Internet Business Solutions Group

platforms with existing channels. One major goal was to overcome the constraints of the traditional call center and create a true multichannel customer interaction network (CIN). Another goal was to use the expanded capabilities of the network to enhance business opportunities. “At BNP Paribas, we are convinced that the satisfaction of our customers is a guarantee for a steady increase in our revenues,” says BNP Paribas CEO, Baudoin Prot.

SOLUTIONS

Starting with a set of high-level concepts and a strategic roadmap, BNP Paribas launched its ambitious plan for an integrated, multichannel retail banking platform, in parallel with an extensive program of back-office process reengineering. The five-year project led the bank to redesign all of its channel interactions for maximum business impact—with IBSG providing valuable advice and insight throughout the project.

“FOR ME, CISCO TAKES THE ROLE OF PIONEER IN THE PARTNER ECOSYSTEM. IBSG HELPED US UNDERSTAND THE BUSINESS IMPACT OF THE CONVERGENCE OF INTERNET ROUTING AND TELEPHONY ON OUR MULTICHANNEL MODEL, AND THEIR TEAM SHARED WITH US HOW CISCO HAS RETHOUGHT ITS MISSION TO INTEGRATE CONVERGENCE INTO THE ENTERPRISE.”

**Philippe Laulanie, head of multichannel strategy, retail banking
BNP Paribas**

At the outset, levels of telephone customer service were not satisfactory. So, the first stage of technology fusion was between the bank’s three customer relations centers (CRCs)—with their interactive voice services (IVS)—and its network of 2,200 branches. According to Philippe Laulanie, head of multichannel strategy for BNP Paribas’ retail banking arm, it was a case of “ring and mortar” rather than the familiar “clicks and mortar” model promulgated at the time. “With more than 20 million calls annually, we have a very high call volume, and we handle them over an Internet architecture based on Cisco products and services,” he says.

The critical “click” element did not have to wait long. The bank chose a high-level multimedia platform for real-time information sharing, with infrastructure supplied by [Cisco Systems®](#). The bank’s next move, in early 2002, was to revamp its workstations. It rejected off-the-shelf solutions because most were primarily sales oriented, while the priority was to give equal weight to customer service. Thus, it opted to build a best-of-breed solution. With back-office upgrades under way, it was then a short step to launching the bank’s popular [Internet portal](#), in mid-2003, also fully integrated into the multichannel framework.

The Internet portal, the bank’s three CRCs with their IVS front ends, and the 2,200 branches were then networked and connected in real-time. With a single customer ID number to facilitate the integration, this allowed immediate sharing of customer information, including content and appointment taking, across all channels. Real-time tracing of events and customer file management were enhanced by an event and contact database that records interactions across all channels.

Integration of the bank’s database of 6 million retail clients, with daily reporting of events, means customer profiles can be updated daily. It enables a new model of “scoring”—predictive as

well as historic—and provides a feed to the [customer relationship management \(CRM\)](#) contact systems. One example of how this integration has improved customer interactions is the ability of the salesforce to log reminders of future client intentions in the database—say, the planned purchase of a car in six months—and make contact proactively at the right time. The bank is now working on integrated scoring of client satisfaction, while the challenge of mobility is also high on the agenda.

In corporate and investment banking, too, the Internet is making a huge difference. BNP Paribas was first to launch an electronic platform for bond issues, and was an early backer of Internet platforms for foreign exchange business—almost half of which is now traded electronically. In June 2004, it launched a Global Markets portal, with all services accessible through a single login and a set of custom Web tools that enable real-time alignment between salesperson and client. Its eRoom software permits clients to manage complex documentation, from tenders to consulting, more simply and securely.

“AS A WHOLE, THE INTEGRATED, MULTICHANNEL FRAMEWORK HAS ENABLED US TO MANAGE ALMOST 300 MILLION CONTACTS WITH OUR CUSTOMERS, WHO CAN SELECT THEIR PREFERRED CHANNEL FOR INTERACTIONS DEPENDING ON THEIR NEEDS ON A GIVEN OCCASION.”

**Yves Martrenchar, executive vice president, retail banking
BNP Paribas**

BUSINESS RESULTS

In French retail banking alone, BNP Paribas now clocks up to 300 million discrete contacts with its customers each year. In addition, it manages 4.3 billion individual transactions, peaking at 800 per second, over a single infrastructure. This has enabled the bank to scale its model to handle three times as many customer interactions across all channels, including the branches, the Internet, contact centers, interactive voice response, ATM machines, and mailing of paper statements.

BNP Paribas' retail customers have seen sharp all-around improvements in service. On the telephony channel, the customer relationship centers now handle more than 2 million calls each month, with close to 100 percent availability round the clock. More than three-quarters of those calls are answered within the IVS system, while call switching to branch advisers has halved to 15 percent—well in line with the bank's drive to free up staff time within the branches for more productive commercial activities.

Planning is easier for the bank's sales teams. In 2004, 3.7 million appointments were booked by the electronic appointment system—either indirectly via the CRCs or directly over the Internet. The CRCs play a more proactive role, with 1.5 million outgoing calls to make appointments or sell simple products. And the Internet channel enables more personalized service, with 95 percent of e-mails turned around in one day. Client files were enriched on 80 million occasions in 2004, up 80 percent over the year before, and branch advisers consulted online help files 15 million times, an increase of 150 percent.

“In 2004, we made a 60 percent gain in customer contact opportunities, generating 11 million leads for the salesmen—and 50 percent of those went on to a second contact. This year, the figure was 9 million for the first six months,” says Philippe Laulanie.

The most spectacular change has come in what many regard as the most traditional channel, the branch network, where sales staff gained a new, proactive responsibility for managing contact opportunities generated by the system. As managers embrace this focus, customer satisfaction is becoming a key performance metric—and there are further developments in the pipeline, including the challenge of mobility.

“THE POWER OF CISCO IS ITS KNOWLEDGE OF CRM AND ITS CAPACITY TO MANAGE CRM AT A GLOBAL LEVEL. WE WANT TO BE NUMBER ONE IN EUROPE AND HAVE AT LEAST 15 PERCENT OF OUR PRODUCTION ONLINE. IN GERMANY, WE OPERATE 19 PERCENT OF OUR PRODUCTION OVER THE INTERNET.”

**Frédéric Tardy, head of e-business
Cetelem, Consumer Credit Business, BNP Paribas**

As Yves Martrenchar, BNP Paribas’ executive vice president, retail banking, puts it, “As a whole, the integrated, multichannel framework has enabled us to manage almost 300 million interactions with our customers, who can select their preferred channel depending on their needs on a given occasion.”

Through this project, BNP Paribas has been able to grow its business faster than the market and establish a new benchmark for innovation and best practices in European banking. In the process, BNP Paribas has moved from siloed transactions to consistent and high-quality interactions—both for the bank and the customer—by using technology in new and creative ways.

Meanwhile [Cetelem](#), BNP Paribas’ consumer credit business that provides point-of-sale and Internet-based credit solutions for blue-chip clients in 21 countries, saw fourfold growth in its Web-based lending in 2004 with the aid of Cisco. Frédéric Tardy, Cetelem’s head of e-business, says, “The power of Cisco is its knowledge of CRM and its capacity to manage CRM at a global level. In Germany, we already operate 19 percent of our production over the Internet, and we want to be number one in Europe with at least 15 percent of our production online.”

MORE INFORMATION

The Cisco Internet Business Solutions Group (IBSG) is a global consulting team that helps customers transform their organizations by strategically applying business process innovation and advanced technologies. A unique combination of industry experience and business and technical knowledge enables IBSG consultants to serve as trusted advisers to many of the world's top organizations.

For further information about IBSG, visit <http://www.cisco.com/go/ibsg>



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C36-343481-00 04/06