

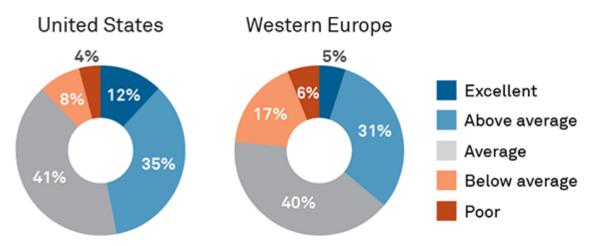
Reinforcing Resilience: Supporting Corporate Clients in the Adoption of Digital Solutions

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Are banks struggling to get corporates to adopt their digital solutions? It's no surprise that corporates are at different stages of digital maturity, and some are not willing to try new digital solutions. Banks that deploy a one-size-fits-all approach may find it's not the best solution for a heterogeneous clientele.

So, **how can banks create digital solutions that cater to the unique needs of corporates?** Here we explore three questions that can help banks design digital solutions that will benefit from high adoption rates, from quantifying the benefits of self-service capabilities to ensuring ease of implementation and having a solid backup plan.

Satisfaction with the Digitalization of the End-to-End Implementation Process



Note: United States based on interviews with 307 corporates with annual revenues of USD 2 billion or more. Western Europe based on interviews with 417 corporates with annual revenues of EUR 2 billion or more. Source: Coalition Greenwich Voice of Client – 2022 U.S. and European Large Corporate Cash Management Studies

1. What Does the Client Need?

As an essential principle of entrepreneurship, developing a solution to a problem requires understanding the needs of the client. However, many corporates feel that banks' digital capabilities are challenging to use and require outsourcing technical support to understand the impact to their internal systems/processes and implement the solution.

In addition, the corporate may not fully understand the benefit of adoption, which may trigger reluctance to

adopt. While there are a growing number of corporates wanting to be at the forefront of digital transformation, for the majority, "good enough" is still the standard, especially if starved of resources and digital in-house expertise.

As a result, corporates are increasingly seeking **tailored solutions and products that respond specifically to their needs**. While banks may do this for the largest wallets in the market, the rest of the corporate world does not receive the same level of personalization for their solutions.

To address this issue, banks should adopt a **three-step approach**:

- 1. Ensure that corporates understand the **quantifiable benefits of using the digital solution**.
- 2. **Incorporate any feedback received** from clients and close the feedback loop to keep clients informed about any changes to the solution.
- 3. **Develop an agile approach** to adding functionalities as they go, but be considerate of the timing of launch.

Reputation and **trust** are the main drivers of sustainable adoption. If the beta version of the solution is not good enough and clients do not like it, relationship managers and product specialists may face challenges in regaining their trust and convincing them to try again. This effort could be better utilized for other opportunities.

The Rise of Self-Service

Self-service capabilities are a prime example of how banks are transferring the workload from themselves to their corporate clients in a rush to optimize expenses. However, this approach can backfire if it becomes overbearing for the corporate.

It's like the self-service checkout option in supermarkets, where customers have to scan and pack their goods themselves without any immediate benefit. Similarly, when developing self-service functionality, banks must ensure that they **do not burden the corporates with additional tasks**.

Instead, they should focus on quantifying the benefits of their self-service capabilities, such as **reducing the number of clicks** or **minimizing the time spent on the phone.** By doing so, banks can support corporates' adoption of their self-service solutions, ensuring that they do not become a source of frustration or additional work for the client.

2. How is the Client Supported?

Once a digital solution has been developed, the next step is to support the client in adopting it. Ideally, the solution should be so user-friendly that it **does not require any training or implementation**. However, in some cases, implementation may be necessary. Banks need to ensure that the process is **easy**, **quick** and **cost-effective** for their clients.

In Europe, only **36%** of corporates are satisfied with the digitalization of the onboarding process, versus 47% in the U.S.



According to our most recent Large Corporate Cash Management Study, global results show a **general dissatisfaction with the entire onboarding process**. Despite the importance of ease of implementation as a key decision factor when selecting a new banking provider, satisfaction with the digitalization of this process is very low. In Europe, only 36% of corporates are satisfied with this driver, while in the US, the figure is 47%.

It is essential for banks to address this issue and ensure that their corporate clients are able to successfully adopt their digital solutions. Learn more about this topic in our recent report, <u>As Challenges Mount</u>, <u>Corporates Seek Enhanced Support from Their Banks</u>.

How Digital Onboarding Capabilities Helped Banks Win after SVB's Collapse

The fallout triggered by the likes of SVB, Silvergate and Signature Bank earlier this year left many clients without an alternative banking provider due to their credit policy requirements. Banks worldwide faced an opportunity to gather these wallets, but **how quickly could they make clients fully functional?**

In times of crisis, there is always a winner—and the winning banks in this situation were not only those deemed as low-risk "safe havens," but those that could **open an account and allow their clients to be operational in days**. This is an example of how **ease of doing business** and **digital onboarding capabilities** can play a **differentiator role**.

3. What is the Back-Up Plan?

In today's digital age, technical difficulties are a common occurrence. From server outages to software bugs, anything can happen at any time. But what happens if your client is in the middle of a digital process when something goes wrong?

This is where having a **solid backup plan** comes into play. As in most real-life situations, if the client has to

essentially change its engine mid-air, it is crucial for banks to ensure that their clients can **continue their journey analog and not have to restart from scratch**. This is essential to manage execution risk and can save time and frustration for both the client and the bank.

In addition, having a resilient infrastructure is critical for building trust with clients. If outages occur frequently, it can inhibit corporates' willingness to test out new digital solutions.

By understanding their clients' unique needs, quantifying the benefits of self-service capabilities, providing easy implementation and support, and having a solid backup plan, banks can increase adoption rates and reinforce resilience. With the rise of digital transformation and the increasing demand for tailored solutions, banks must stay ahead of the curve and meet their clients' evolving needs.

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