

#FinTechs and BNP Paribas

published on 02.03.2017

Some banks have become wary of upstart companies disrupting their traditional economic models. On the contrary, BNP Paribas encourages young entrepreneurs from FinTechs, while supporting innovation and new ideas. This position is in line with our Group strategy, founded on digitization and innovation, and relying on collaboration with FinTechs.

What is a FinTech?

A **FinTech**?short for **Financial Technology**?is a start-up that **capitalizes on new technologies to reinvent financial and banking services**. Some start-ups in the InsurTech category?the FinTech companion in the insurance industry?also fall under the FinTech banner. FinTechs are much more than developers of software and apps dedicated to finance: they offer **disruptive technology and usage solutions that transform the value chain** through the technological innovation they represent.

Examples of FinTech-developed innovations abound: **mobile banking**? applications, **virtual currencies, electronic payments**, online savings tools, and **crowdfunding** platforms that offer new financing methods to businesses and individuals.

Many other innovations are still to come, building on mobile technologies, artificial intelligence and secure transactions, to name a few. **More and more FinTechs emerge every day, operating in a vast range of fields.**

FinTechs in figures

The FinTech sector is booming, with **1,000 startups in Europe**, including about **150 in France**. According to Accenture, investments in the sector reached **\$22.3 billion worldwide in 2015**, up from \$9.6 billion in 2014.

The **United States is by far the market leader, currently accounting for 57% of the global FinTech market**, with Asia representing 31%, and Europe barely 10%.

BNP Paribas and FinTechs

Some banks have become wary of upstart companies disrupting their traditional economic models. **On the contrary, BNP Paribas encourages young entrepreneurs from FinTechs**, while supporting innovation and new ideas. This position is **in line with our Group strategy, founded on digitization and innovation**, and relying on collaboration with FinTechs.

For the Group, collaborating with the startup ecosystem involves **support through a 4-step method: Sourcing, Acceleration, Building pilots, Industrialization.**

The end goal is to accelerate the digitization of the company?s activities, leading to the

production of innovative new products and services that meet the changing needs of business and retail customers. One of BNP Paribas's top priorities by 2020 is to **build a digital bank** that delivers a **high-quality customer experience**, both in terms of customer pathways as well as operational security.

The FinTech Accelerator program...

The ambitious and unique FinTech Accelerator program aims to detect **promising young FinTechs and InsurTechs** to provide them with **concrete support**.

To do so, L'Atelier BNP Paribas selects **about ten startups twice a year**. Each partners with a **BNP Paribas entity, which shares its expertise and works with the startup on an Open Innovation project**.

For four months, these startups also receive **coaching from the teams at L'Atelier BNP Paribas Lab, and mentoring from experts in their sector**. Over this intense period, **within the WAI (We Are Innovation) spaces in Paris**, young companies have an opportunity to advance their projects: developing new business opportunities and new products and services for customers, using new technologies. "With the L'Atelier professionals on our side, we made excellent progress," confirms Yann Torrent, one of the founders of Logmote.

The Aim? detect promising young FinTechs and InsurTechs to provide them with concrete support.

Startups undergo a rigorous selection process: during the first season, **140 FinTech and InsurTech startups** submitted applications. Of these, **BNP Paribas experts found eight** that were pertinent and sufficiently advanced enough to garner support. Each startup made rapid advances: by the end of the program, each had generally reached the fundraising phase, with nearly formed major partnerships. Above all, each startup had completed the development of its project.

?and other programs

Though the FinTech Accelerator is the cornerstone of our FinTech support strategy, it is not the only program in place. BNP Paribas detects and assists innovative ideas?and forward-thinking entrepreneurs?in a variety of ways:

- Organizing **hackathons**
- Hosting budding companies at WAI spaces
- Taking part in key events (such as "Innovators under 35")
- **Occasionally building partnerships with specific startups** or contributing to their financing

This article was first published on BNP Paribas' group website group.bnpparibas/en

Netherlands Antilles

Source URL: <https://www.cashmanagement.bnpparibas.com/our-solutions/trends-vision/fintechs-and-bnp-paribas>