

150
years

adelante



BBVA making the difference



Manuel Castro

Head of Innovation & Business Development

“How technology expands banking limits”

BBVA making the difference



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Contents

- Customer Insights



By Iñigo Aguirre (Psychologist)

- New Marketing Initiatives



By Elena Álvarez (former Google)

- New Digital Businesses



By Enrique González

- New ways of Employee Collaboration



By David Gracia (former eBay)

Conclusions



**The world as we know it
is changing rapidly ...**

**It lacks a permanent
structure**



It's ephemeral

This allows the society to evolve at unseen speeds

**There is a
need to**



**Understand
today's consumer**

Search for new trends

BBVA aims to become a reference in Customer Insight



Four relevant trends that will impact our market significantly



Money as an instrument

The culture of immediacy and the need for simplicity

'Tyranny of the consumer': the information era

The virtual society





Four relevant trends that will impact our market significantly

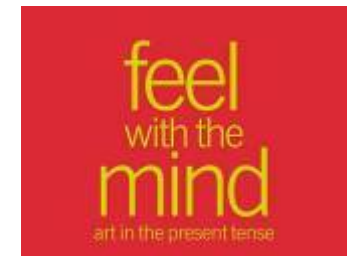
Money as an instrument

"Money should be a mean for enjoyment"



From a retentive conception of money

To money as a mean to obtain enjoyment



Increasing leisure-related consumption



Four relevant trends that will impact our market significantly

The culture of immediacy and the need for simplicity

*“A candy now or 3 in half an hour:
ONE NOW!”*

Intolerant to frustration

The search for the desire



The reward is having your desire satisfied

More immediate forms of reward



The need to sort out difficulties in a complex arena

Increasing importance of self-service as a way of providing customers with 24/7 service availability



Four relevant trends that will impact our market significantly

*'Tyranny of the consumer':
the information era*



Access to multiple
sources of information

Consumer as the
new prescriptor

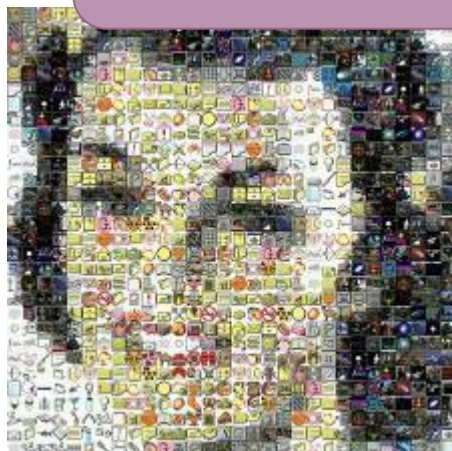
The consumer will have greater power in their relationship with brands

Now it is more important than ever to listen to the consumer



Four relevant trends that will impact our market significantly

The virtual society



The consumer demands innovative ways of entertainment and socialization



In 2004, BBVA created the first R&D unit in the banking industry

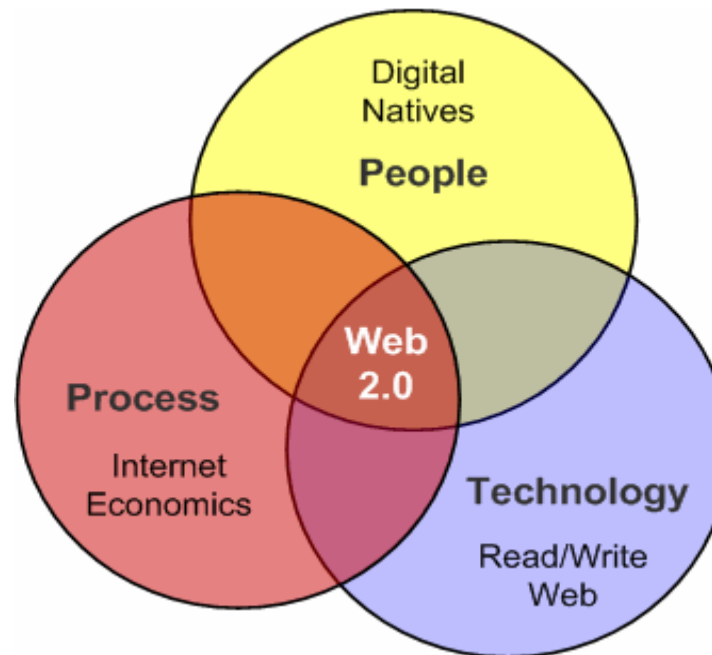
1

Research & develop **new marketing initiatives** to adapt to a new customer



2

Research & develop **new digital businesses** to take advantage of digitalization and connectivity



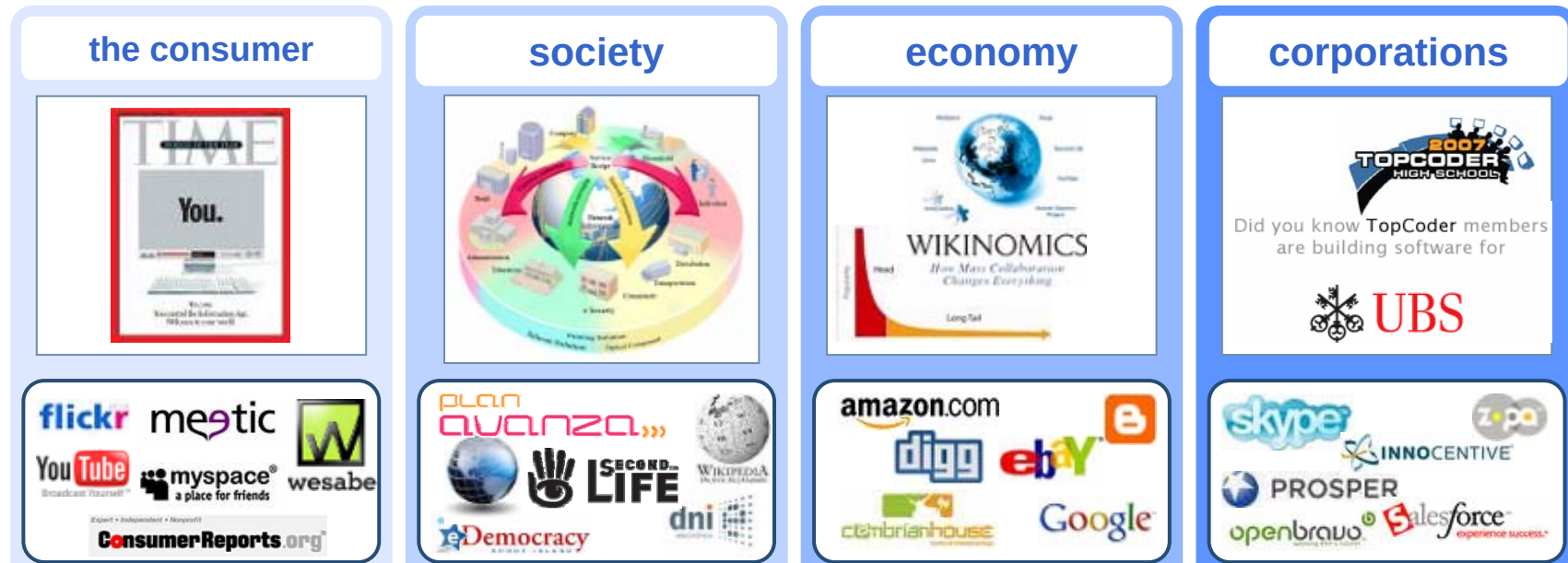
3

Research & develop **new ways of employee collaboration**



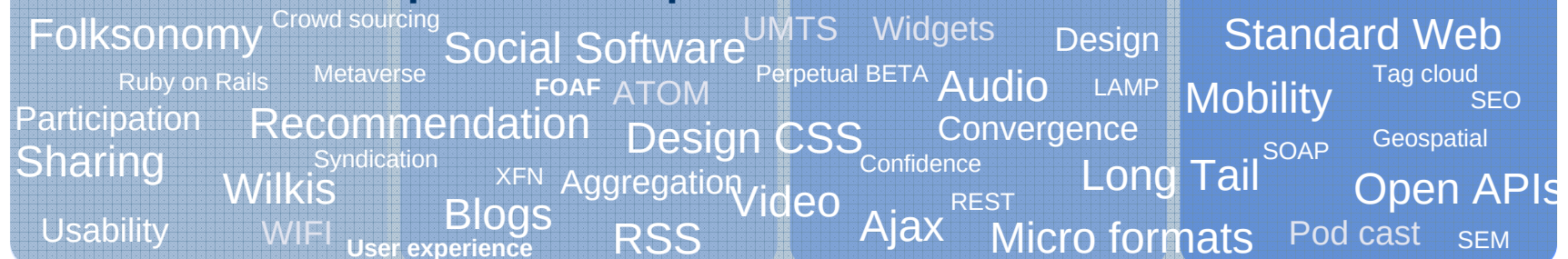
Changes are specially relevant in the web context

Internet is a catalyst of change. The web has evolved to a superior version (2.0): open, standardized and collaborative. It has impact on ...



Web 2.0

Web as a platform to provide customers with services





Evolving towards extended marketing

**Traditional
Marketing**

+

**Contextual
Marketing**

+

**Behavioral
Marketing**

Who are you?

**Social-demographic
criteria
(gender, age, population..)**

**“...it’s predictable that
same age or gender have
the same behavior..”**

**What are your
interests?**

Content segmentation

**“...to link my offer with
customer interests...”**

**What’s your
behavior?**

**Segmentation based
on clickstream and IP
data compilation**

**“behavior vs.
demographics ...”**

From broadcasting ...

... to collaboration marketing



Blue Webzine: the digital magazine opportunity

Contextual

Young
people



Music



Sports

Behavioral



Young people are one of
the biggest consumer
groups on internet...

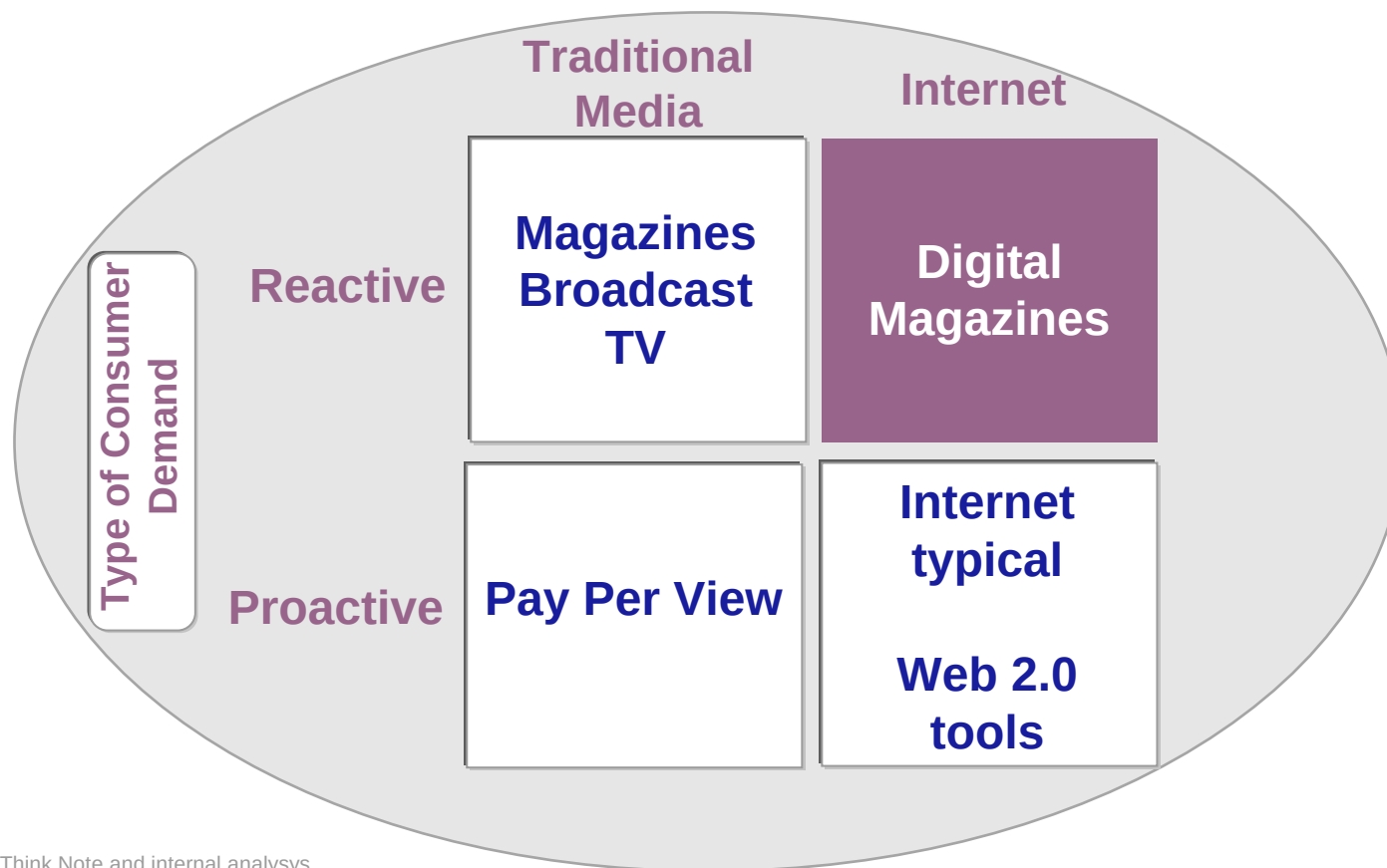
thousands download
content each day.



Blue Webzine: the digital magazine opportunity

Printed content may go down but sometimes people want to consume well-designed edited content

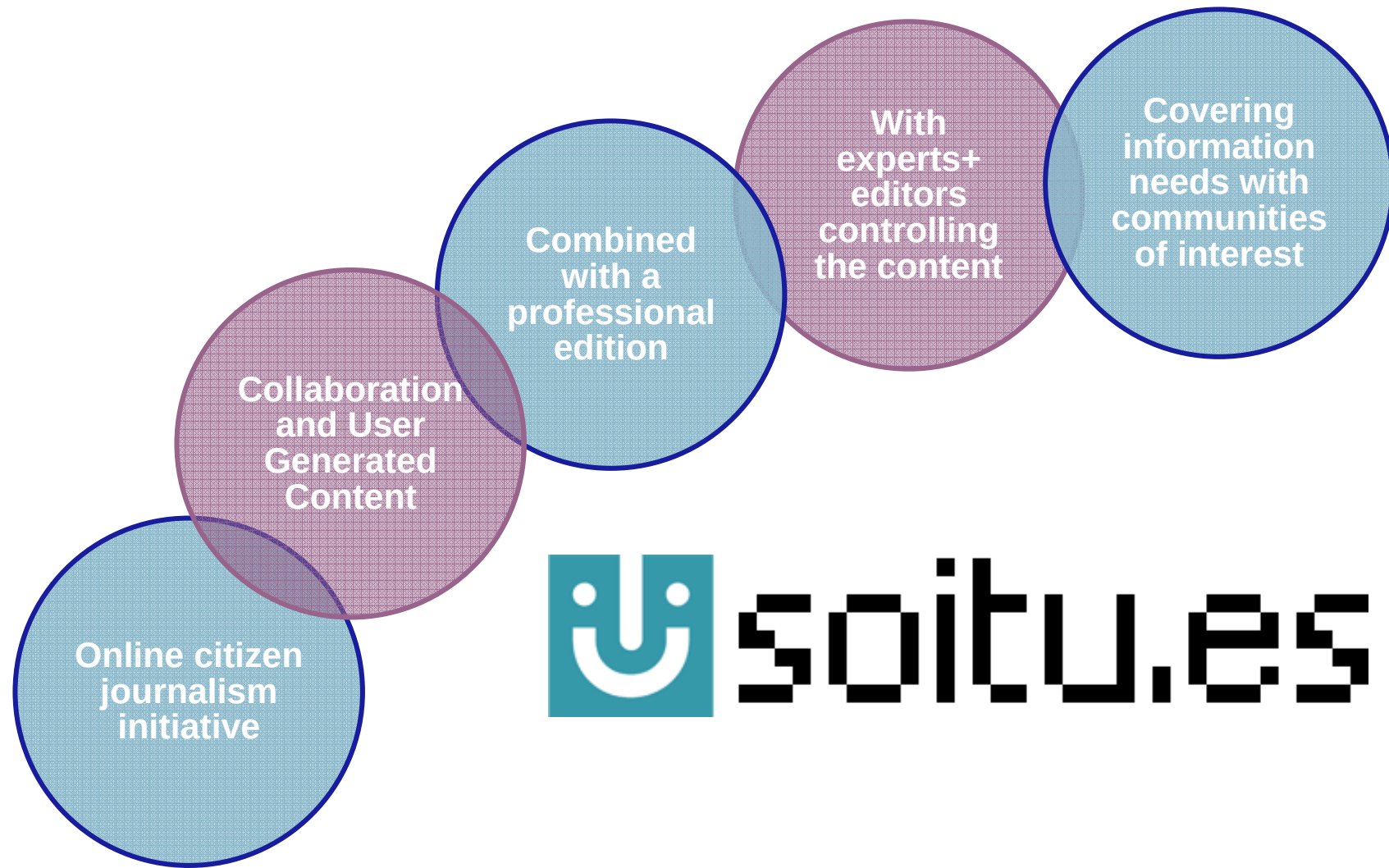
Small investment can be transformed into big audience ...



(*) Source: medialIdeas Think Note and internal analysys



Digital Micromedia: dealing with all the possibilities of the digital world





In 2004, BBVA created the first R&D unit in the banking industry

2

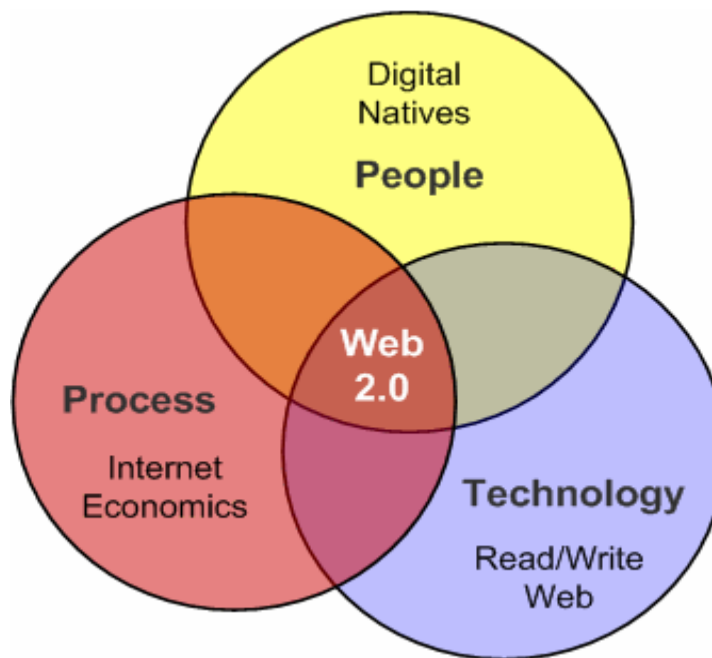
Research & develop **new digital businesses** to take advantage of digitalization and connectivity



Research & develop **new marketing initiatives** to adapt to a new customer

3

Research & develop **new ways of employee collaboration**





We are developing business lines that respond to the new challenges

Leveraging our business models on IT

Individuals

Focus on developing synergies:

- **Distribution synergies...**
- **... and customer synergies**



SME's

Focus on widening scope of the relationship:

- **Increasing demand of professional services ...**
- **... close to our core activity and capabilities.**



Combining online capabilities and offline networks



Distribution synergies with individuals are progressing

Physical network: as a place to relate with customer
Online offer: servicing, automation, 24/7 availability



blueBBVA



BBVA Personal
Banking



BBVA MOTOR



dinero**express**



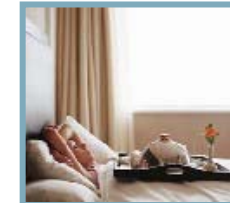
BBVA HEALTH



BBVA SHOP



BBVA LEISURE



BBVA HOME



Distribution synergies with individuals are progressing

... adapting our distribution networks: new concepts of shop

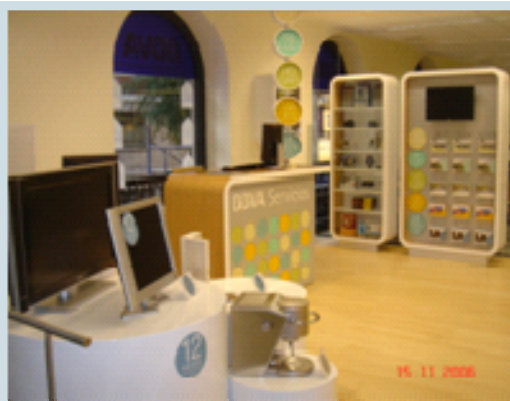
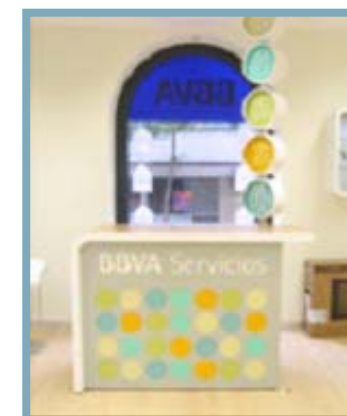
dineroexpress



BBVA
From: 08:00 15:00



Dinero Express
From: 15:00 20:00





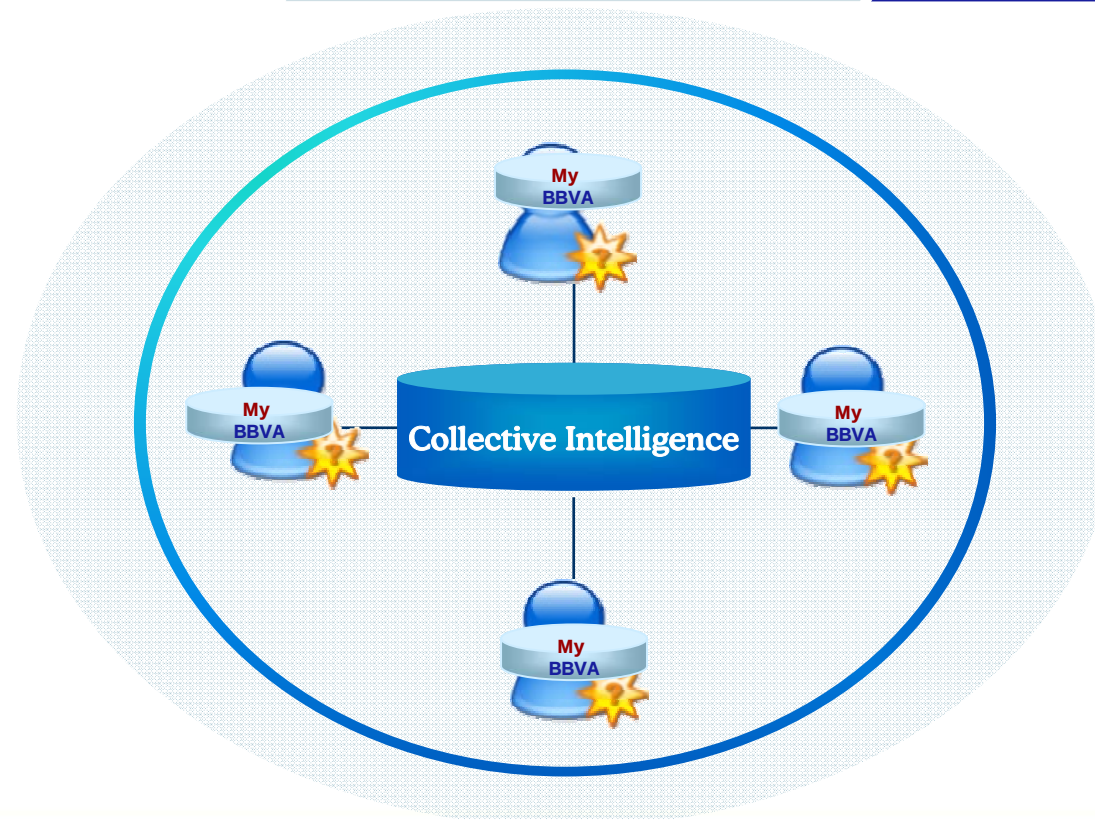
... while exploring new ways of business development: customer synergies

Evolving our value proposition of financial services

Personalization

Intelligence

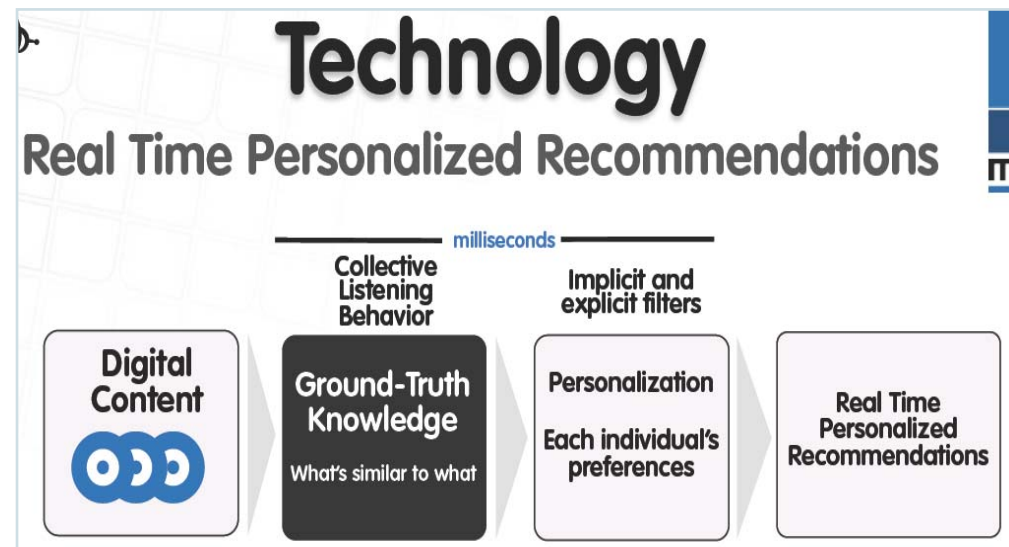
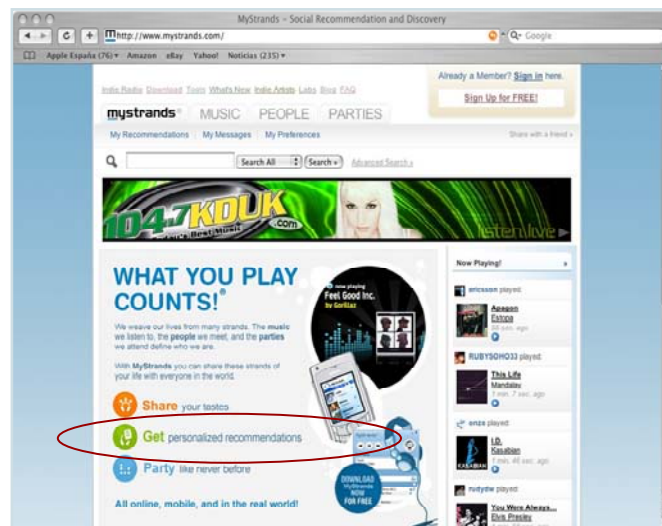
Socialization





Using information as a *'raw material'* for new services development

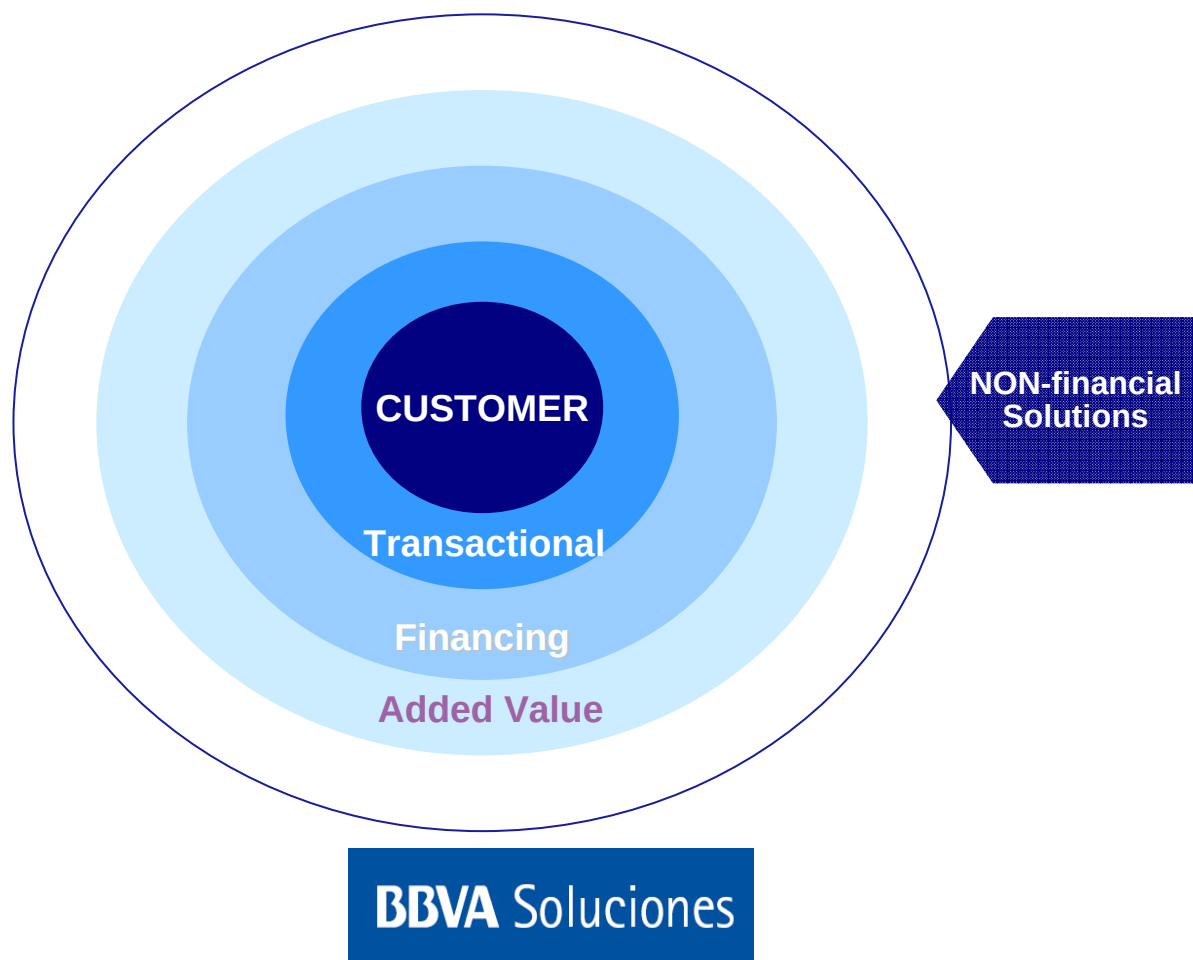
The use of information will allow us to build profitable relationships with customers and to expand banking limits



- Customer behavior recommendation technology
- Real time personalized recommendations
- Building trust by understanding our customers' tastes



We continue to expand our relationship with SME's



BBVA Soluciones is the trademark through which we offer professional products and services to the business

**The offer is developed internally or through partnership...
... and delivered with a multichannel distribution strategy**



econta.com: Online accounting service



eConta: first online accountancy and payroll service in Spain

Targeted to professionals, self-employed, entrepreneurs and SMEs with less than 50 employees

Online:

- **Easy to use**
- **No need of previous knowledge**
- **Expert supervision and assesment**

Business borders and digitalization: moving from financial information to accounting management services



Digipedia: the digital information opportunity

Digital information is much richer than information printed or analogue,
but requires proper protection and management

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```

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management system,Alfresco (software),Archiving,Bolean expression,Computer system,Content management system,
proliferation,Database,Digital asset management,Digital image,Document imaging,Document management,Document
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type="application/atom+xml" title="Wikipedia Atom Feed"
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<title>Document management system - Wikipedia, the free encyclopedia</title> <style type="text/css" media="screen"
projection"> /*<![CDATA[*] @import "/skins-1.5/common/shared.css?100"; @import "/skins-1.5/monobook/main.css?100";
/*]]>*/</style> <link rel="stylesheet" type="text/css" media="print" href="/skins-1.5/common/commonPrint.css?100" />
5.5000]><style type="text/css">@import "/skins-1.5/monobook/IE50Fixes.css?100";</style><![endif]>
```

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<meta http-equiv="Content-Type" content="text/html; charset=utf-8" /> <meta name="keywords" content="Document
management system,Alfresco (software),Archiving,Bolean expression,Computer system,Content management system,
proliferation,Database,Digital asset management,Digital image,Document imaging,Document management,Document
<link rel="search" type="application/opensearchdescription+xml" href="/opensearchdescription.xml" title="Search" />
```

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<link rel="copyright" href="http://www.gnu.org/copyleft.html" /> <link rel="alternate" type="application/rss+xml" title="Wikipedia Atom Feed"
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```

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css">@import "/skins-1.5/monobook/IE50Fixes.css?100";</style><![endif]>
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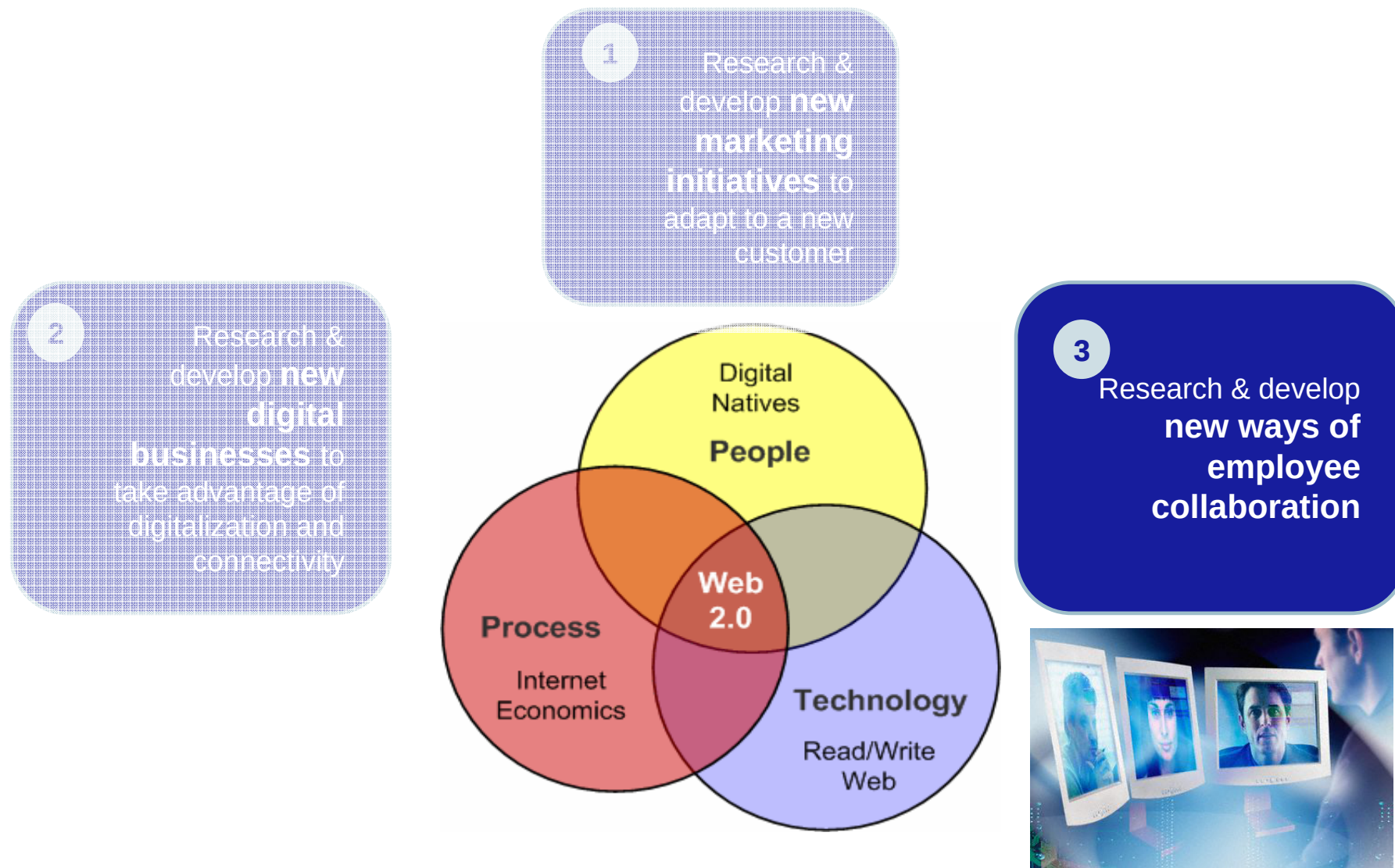
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css">@import "/skins-1.5/monobook/IE50Fixes.css?100";</style><![endif]>
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Information
Digital
Secure
document
Index
storage
Archiving
taxonomy
retrieval
metadata
BPM
Security
workflows



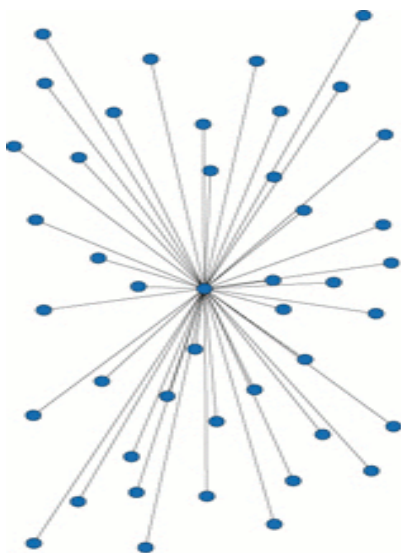
In 2004, BBVA created the first R&D unit in the banking industry





Innovative ways of employee collaboration: harnessing the power of employee networks

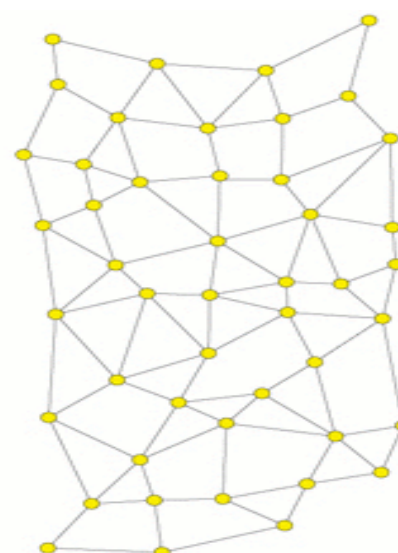
Centralized net



Decentralized net



Interconnected net



Usage of information and knowledge: Key of the new era

To manage the access to and
availability of information

Google

To turn the individual knowledge
into corporate knowledge

BBVA Blogsphere



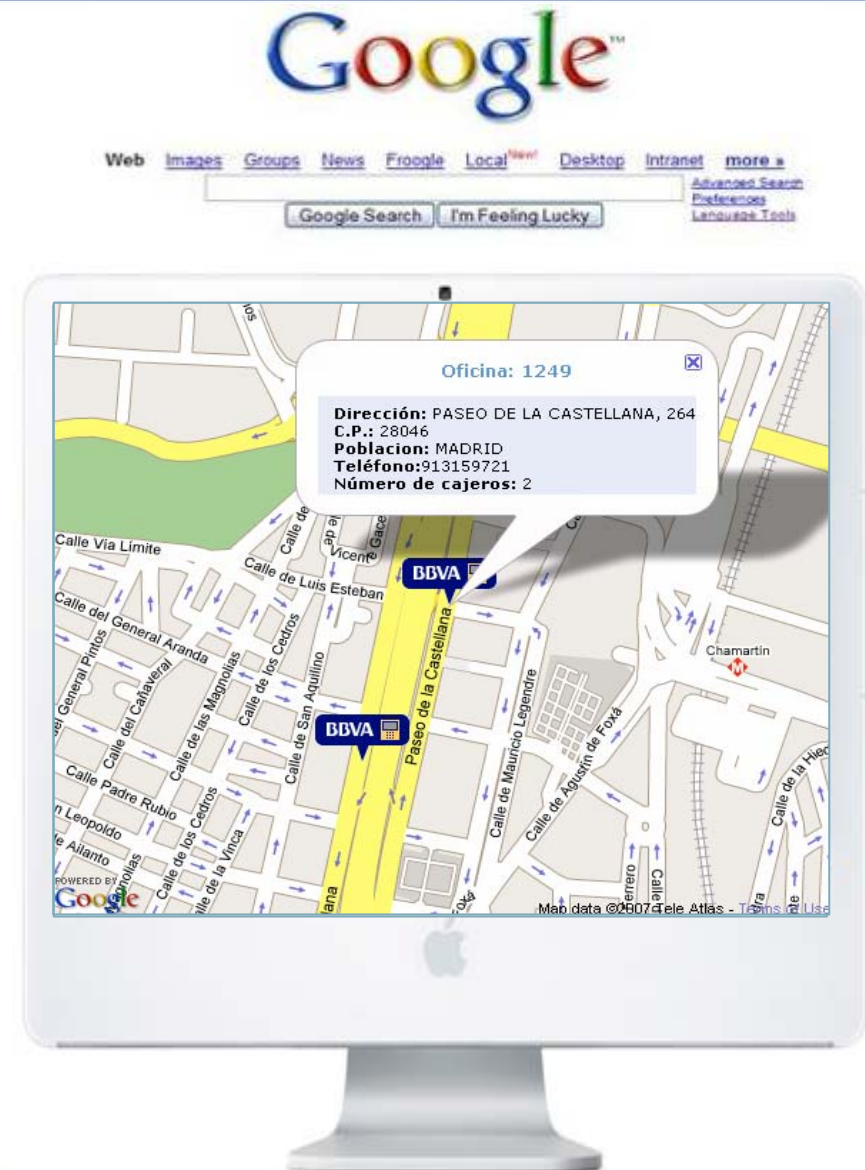
BBVA Google project

Access to information

Welcome and easy to use tool

Knowledge sharing

Moving advantages to clients





Blogsphere BBVA: Digitalization of knowledge across the company

The value of an internal network:
110.000 employees and 32 countries

The screenshot shows the BBVA Blogsphere homepage. At the top, it says "Lo último en BBVA" with a tagline "con toda nuestra gente, algo nuevo nace cada día". Below this, there are navigation links: "Crea tu blog", "Ir a Bligoo", and "Directorio Blogs BBVA". The main content area is divided into three columns. The left column, titled "Noticias y avisos", contains a welcome message and a section "¿Búscas un blog?" with a list of "Los blogs más leídos" including "Futuro del crédito", "¡Blog listo!", "NUEVO SITIO BBVA", "Marketing Estratégico", and "Radio Amadeus, Jazz on-line". The middle column, titled "¿Búscas a alguien?", features a grid of employee photos under the heading "Ellos acaban de llegar". The right column, titled "Lee lo más destacado", lists featured blog posts such as "Lo nuevo de la Web 2.0", "Innovando en medios", "Youtube y La Banca", "Innovando en Planta 29", and "Tendencias en TI". At the bottom, there is a section "Lee lo más reciente" and a search bar labeled "Busca por correo electrónico". The BBVA logo and the Bligoo logo are also visible.

- New idea generation
- Co-creation and collaboration
- Discovering new talent
- Open communication
- Identification of relevant events
- Best practice sharing
- Deeper expertise

Developing a global blogsphere



BBVA is developing a public blogosphere to 'dialogue and blog' with customers



To listen to our customers and communicate with them through their preferred channel

To manage the brand image in the online world

To develop a pioneering position on the internet

Creating a social network around its business and values



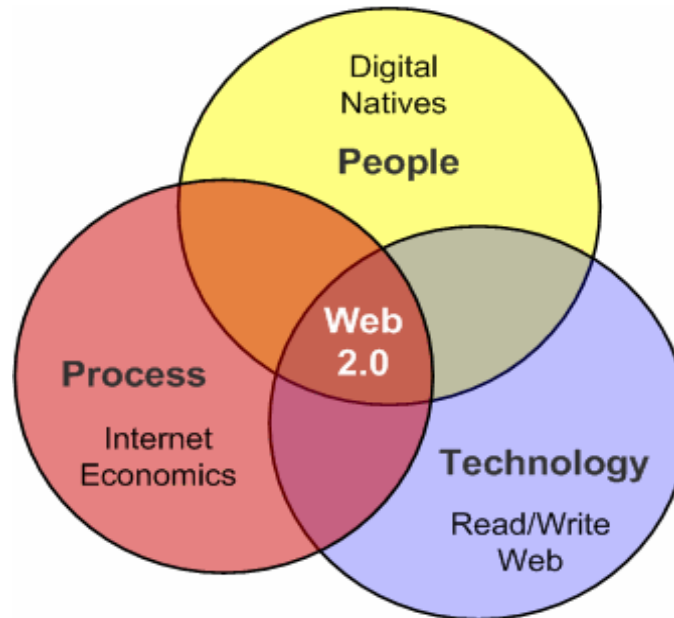


We are implementing 3 different action lines

Research & develop **new marketing initiatives** to adapt to a new customer



Research & develop **new digital businesses** to take advantage of digitalization and connectivity



Research & develop **new ways of employee collaboration**



Building the levers for BBVA's future growth



Thank you

“How technology expands banking limits”

BBVA making the difference

150
years

adelante



BBVA making the difference