

Digital Transformation Spain

September 11th , 2017

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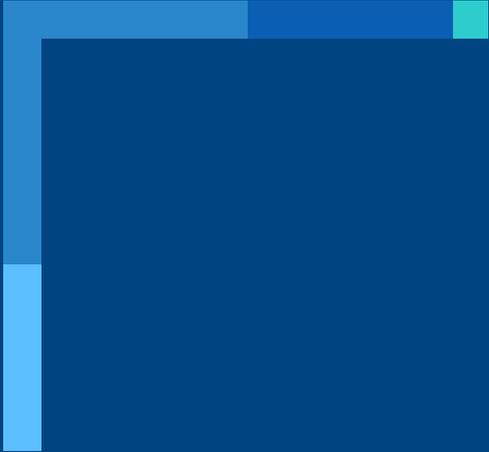
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02 KPIs

03 What's next?



01

BBVA's Transformation

6 strategic priorities



New standard in customer experience

Helping customers and clients with their financial lives



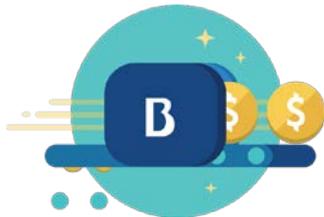
Drive digital sales

Digital and mobile customer base and digital sales growth



New business models

New revenue streams



Optimal capital allocation

Growth with adequate profitability above cost of capital



Unrivaled efficiency

Productivity model transformation leveraging technology

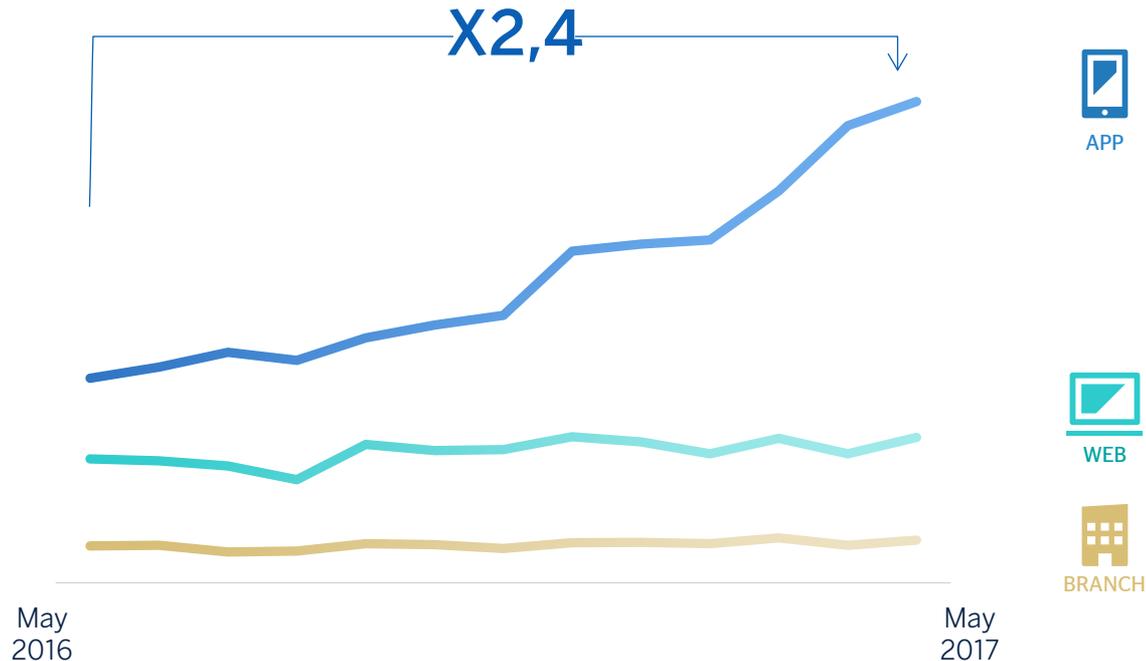


A first class workforce

Develop, motivate and retain

Adoption of mobile surpassing all expectations

Total monthly interactions with customers - BBVA Spain (Millions)



Average customer interaction

1 x
every 1-2 days

~1 x
per week

<1 x
per month

New standard in customer experience

Convenience

“I do everything from my smartphone and with the assistance of my manager when I need to”

Transparent and simple offer

“BBVA offers me very transparent products that are easy to contract”

Advice

“BBVA anticipates my everyday financial needs and advises me at the most important times”

Convenience

“I do everything from my smartphone and with the assistance of my manager when I need to”



Becoming a customer is very simple

- ▀ 100% on-line
- ▀ Fast and easy
- ▀ With any product
- ▀ I bring my bills
- ▀ Customized on-boarding



All the servicing in my app

- ▀ Easy
- ▀ Comprehensive
- ▀ Multi-channel
- ▀ Multi-language



My remote manager on my smartphone

- ▀ I have a remote manager
- ▀ I communicate by phone and exchange documents easily
- ▀ I sign all documents without having to move from home



No waiting if I have to go to a branch

- ▀ I arrange an appointment and I don't have to wait
 - Manager
 - Teller

Convenience

Becoming a new customer
is very easy



Fully digital onboarding process

- Simple: 5 questions
- Fast : <5 minutes
- Paperless: Digital signature
- 100% on-line
- Immediate: Fully operative customer at the end of the process

Bring my bills

- Simple
- Traceable
- Effective

BBVA

Hazte
**CLIENTE
AL INSTANTE**

Abre una cuenta en menos de 10 minutos con un selfie y una videollamada, y accede al momento a todo lo que BBVA te ofrece.

Cuenta + Tarjeta

**SIN PAPELEOS
COMISIONES**

Entra en bbva.es desde tu móvil
y únete a la revolución de las pequeñas cosas.

Cuenta sin comisiones de administración ni de gestión y tarjeta de débito sin cuota.

18%

of total new customers
through digital channels
2017 YTD



20%

of total bills 2017
YTD brought by
mobile and web

Convenience

All the servicing
in my app



My mobile is my wallet

- Mobile payment
- New virtual cards at one-click
- Cash withdrawal
- Credit limit management
- Cards on-off
- Push-notifications
- Card PIN query
- Click to finance

📈 bizum

- P2P payments
- Immediate
- Simple
- *BBVA Cashup*
- Fast

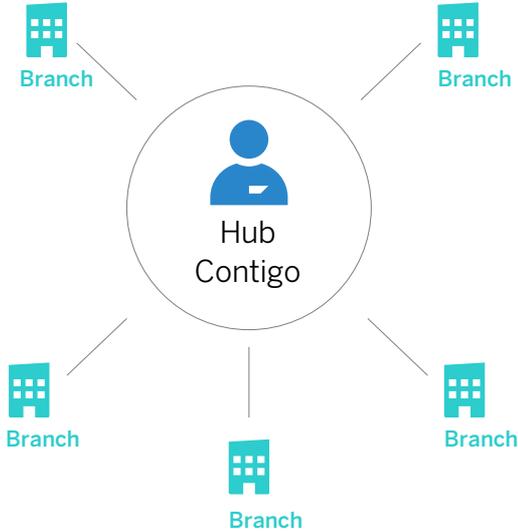


90%
of total payments
financed through digital
channels 2017 YTD



Convenience

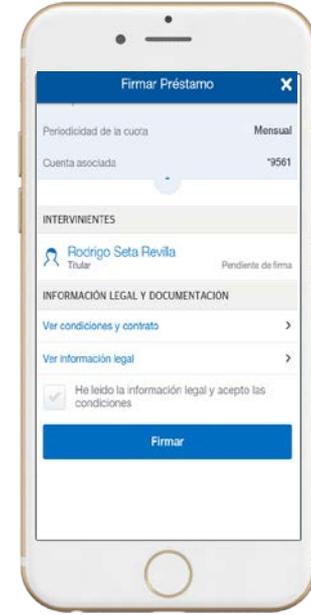
My remote manager on my smartphone



My conversations



Remote signature



+1,000

Over 1,000 remote advisors integrated in branch network managing over 800K customers

40%

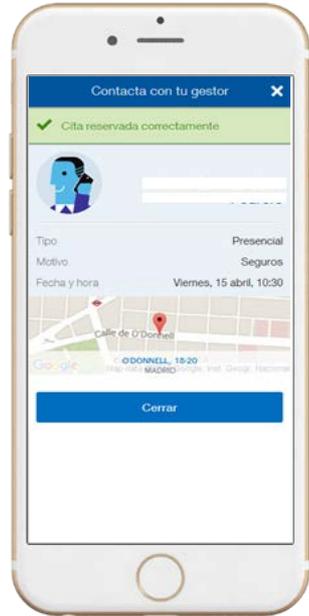
of total signatures 2017 YTD remotely signed , mobile and web

Convenience

No waiting if I have
to go to a branch



Manager appointment (remote or in person)



Turn at teller



Functionality linked to servicing processes
e.g. foreign currency

Transparent and simple offer

“BBVA offers me very transparent and easy-to-contract DIY products”



Transparent

- Simplicity of the:
 - Catalog
 - Products
 - Contracts
 - No final print/very simple conditions
 - Clear expectations (no "surprises" later)



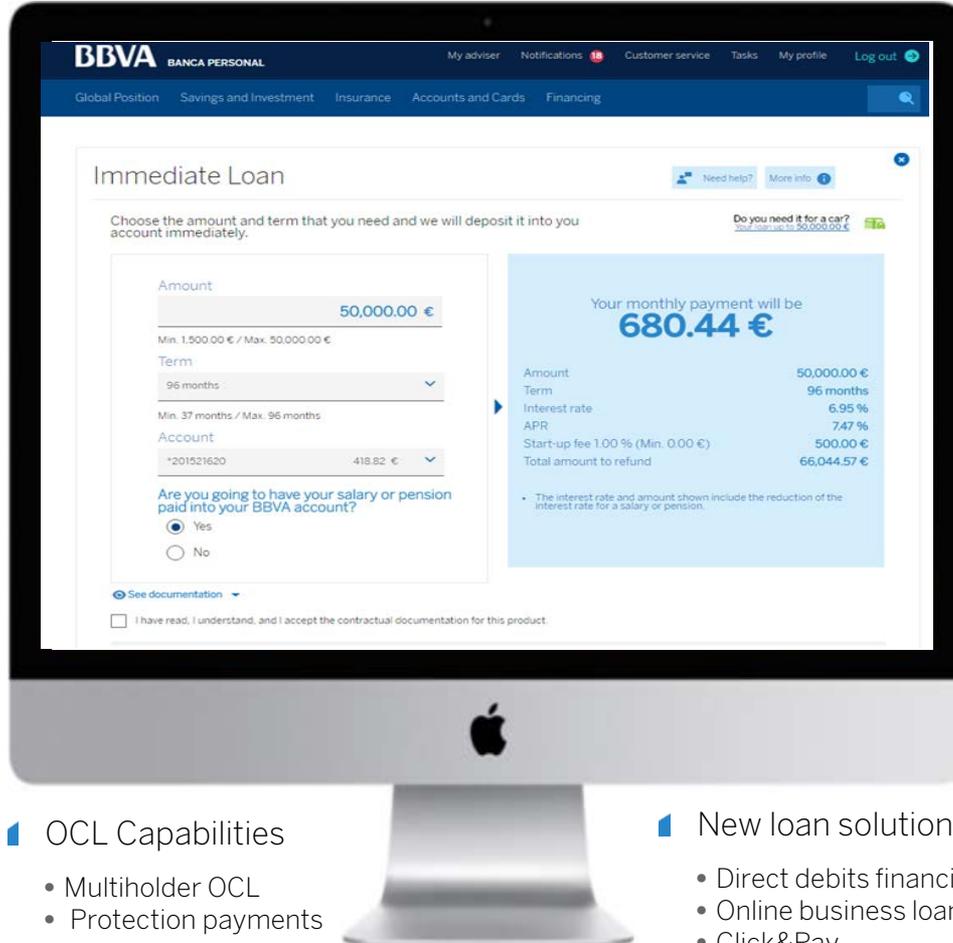
Simple DIY sale processes

- I can easily buy products with no help (DIY)
 - Simplicity
 - Speed
 - 100% automated
- Non-automated processes are agile, error free and traceable

Transparent and simple offer

One Click Loan (OCL)

Transparent and Simple offer



OCL Capabilities

- Multiholder OCL
- Protection payments

New loan solutions

- Direct debits financing
- Online business loan
- Click&Pay

Consumer loans % of Digital sales



New loan production BBVA market share



Transparent and simple offer

Transparent and Simple offer

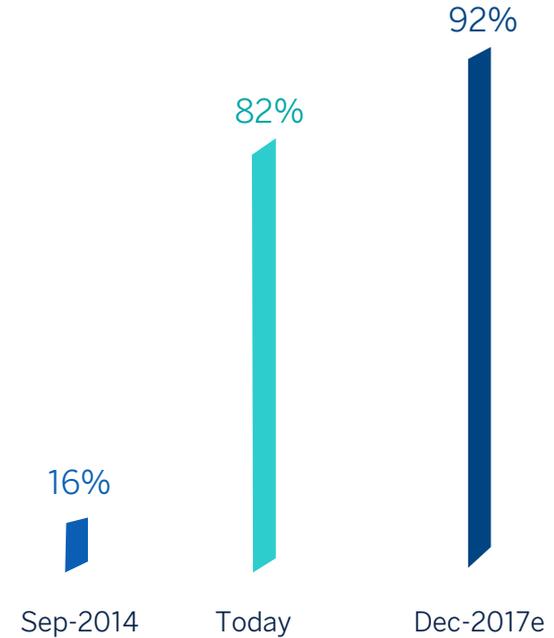


Do It Yourself Area (DIY)

- DIY sale processes area
- Tailor made offering
- Proactively offered
- 100% automated
- Extremely simple/ One-click



📱 % of mobile available products over total products



Advise

“BBVA anticipates my everyday financial needs and advises me at the most important times”



Control of my day-to-day life

- It helps me control my home economics:
 - It categorizes income and expenses
 - I do budgets
 - It tells me what others do in my place (e.g. sociodemographic comparison)
 - Predicts income and expenses
- I receive alerts and contextual recommendations



It helps me save

- It helps save and choose the investment that best suits my profile and needs to:
 - Cover possible contingencies
 - Achieve a specific goal
 - Plan my retirement



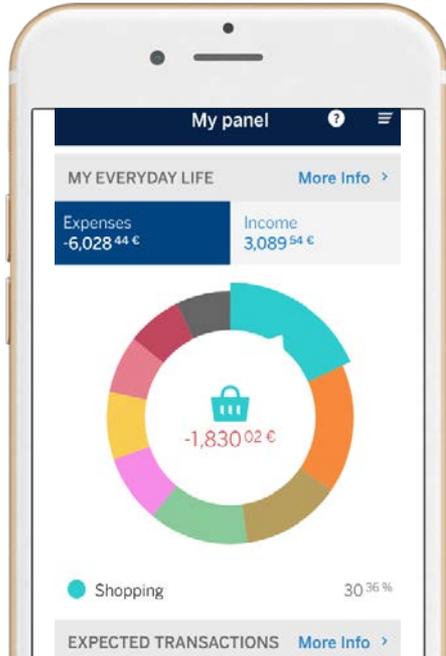
It helps me with important decisions

- Buy a home:
 - Find out about/explore the neighborhood
 - Value property
 - It offers me pre-purchase advice (can I afford it?)
 - Home center
- Other decisions: buy a car, baby planner

Advise

Personal Financial Management PFM

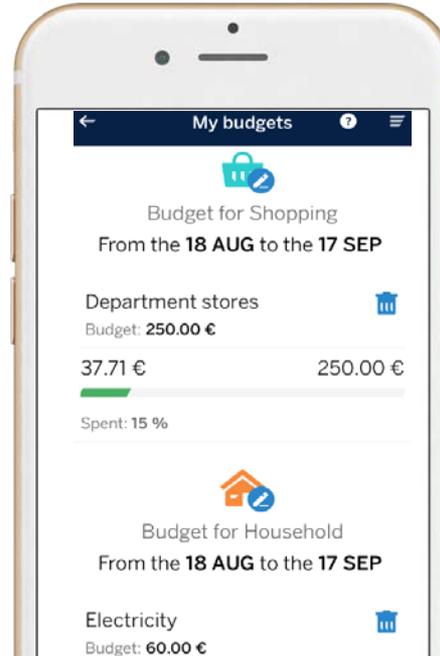
- User friendly categorization of income and expenses
- Monthly evolution
- Comparisons
- Saving capacity



1 MN
monthly active
customers 2017

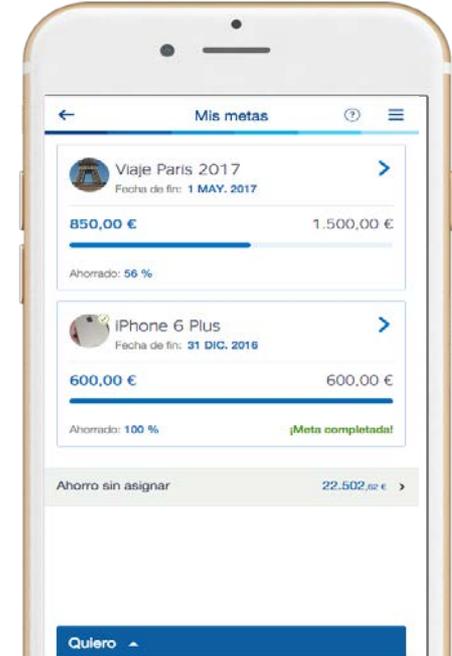
Simple budgets

- Budget creation by expense category
- Alerts



My Goals

- Set a goal (e.g., trip to London)
- Set saving pattern (e.g., weekly, monthly contribution)
- Option to finance goals



Control of my
day-to-day life

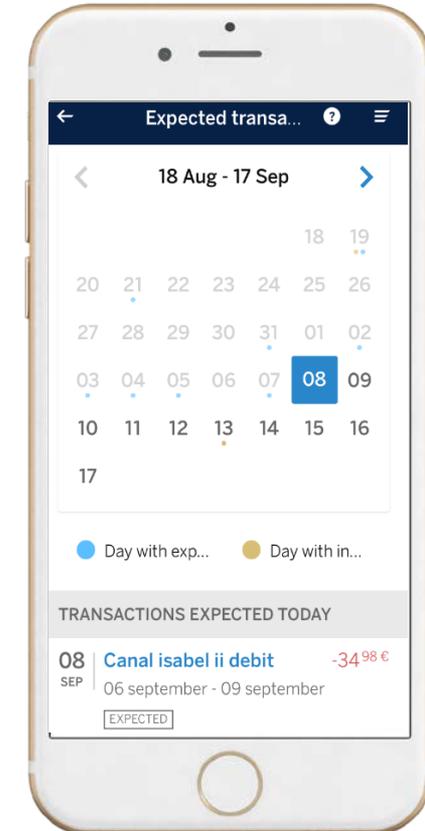
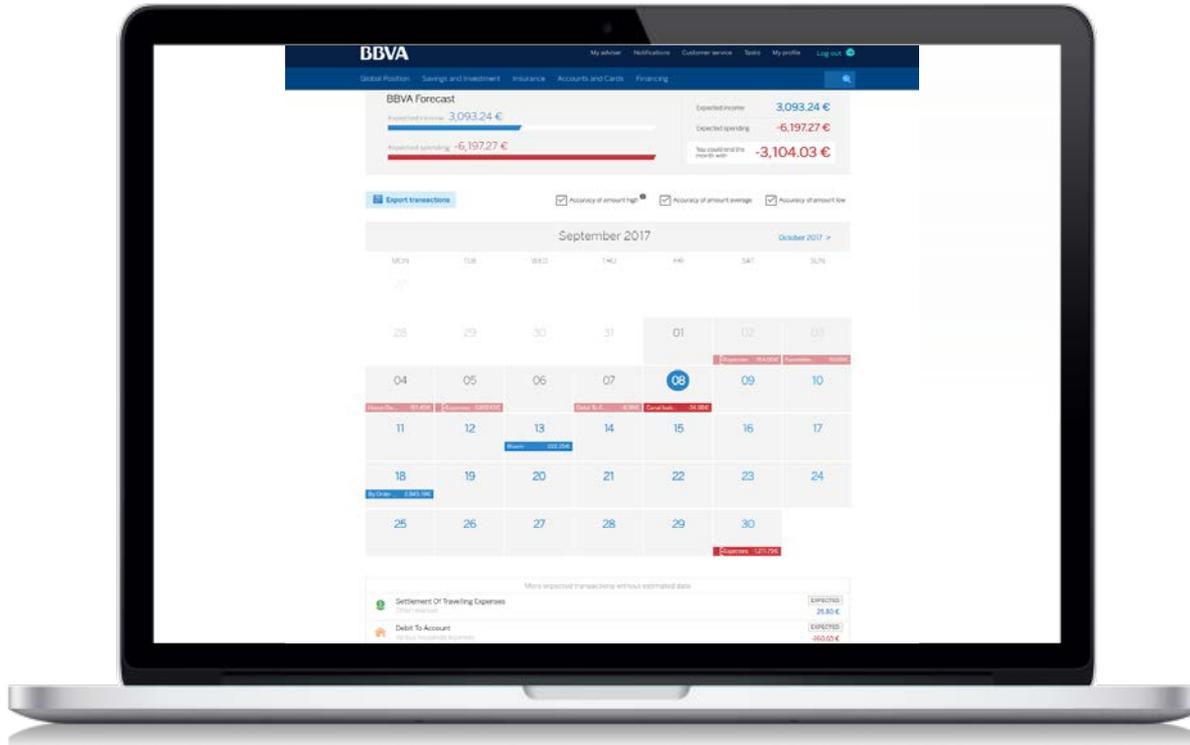


Advise

Control of my
day-to-day life



Predictive Financial calendar and smart alerts

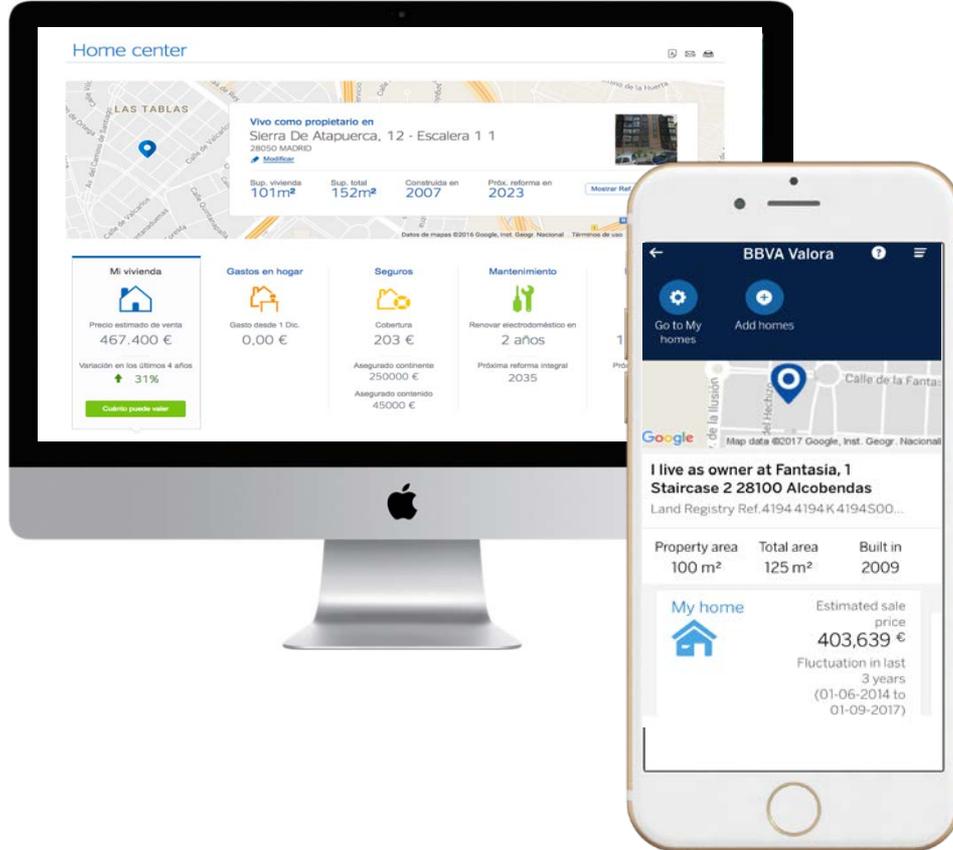


TRANSACTIONS EXPECTED TODAY

08 SEP | Canal isabel ii debit -34.98 €
06 september - 09 september
EXPECTED

Advise

It helps me with
important decisions



BBVA Valora

- Find out about/explore the neighborhood
- Value property
- Pre-purchase advice (can I afford it?)

1.7 MN

customers used
BBVA Valora
Sep16-Jul17



>148k

BBVA Valora
monthly average
customer users
Sep16-Jul17

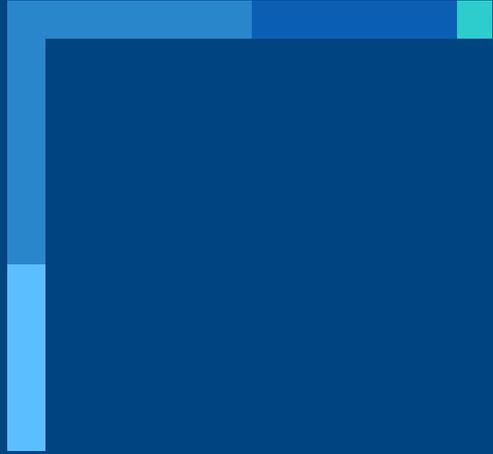
>202k

customers used
mortgage loan
simulations
Sep16-Jul17



6%

Conversion rate.
100% higher than
Request for mortgage
out of BBVA Valora



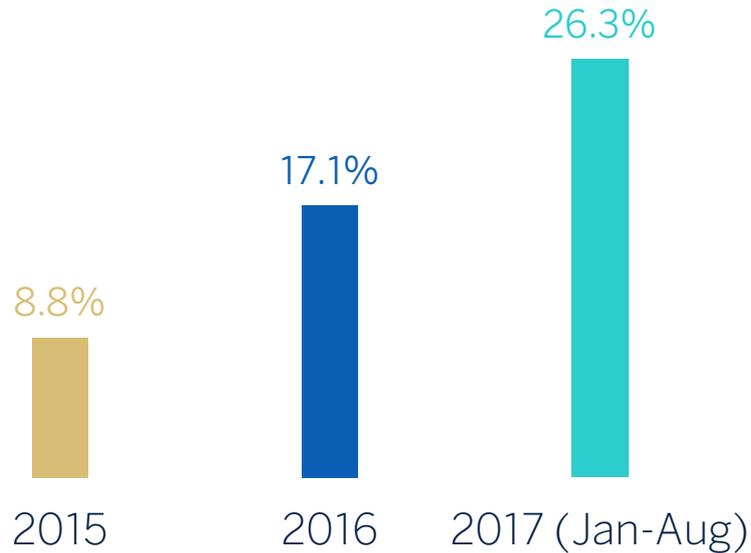
02

KPIs

Good progress on key transformation metrics

Digital Sales / Total Sales

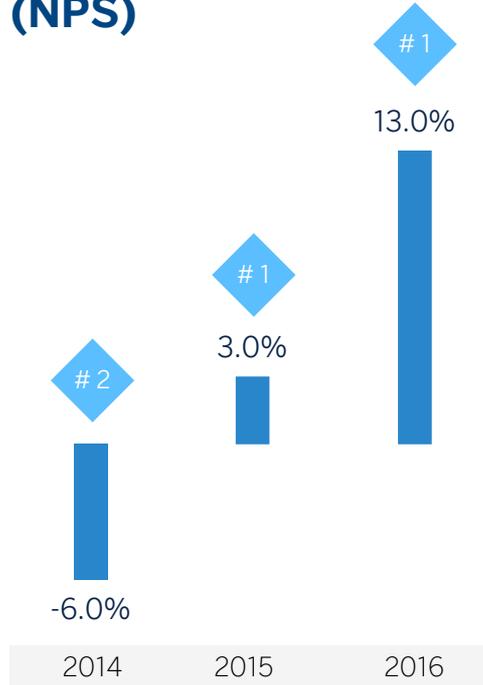
(% Units)



- Digital sales campaigns
- A / B testing (web)
- Continuous funnel optimization
- Retargeting
- New mobile catalogue (mobile bbva.es)

Good progress on key transformation metrics

Total Net Promoter Score (NPS)



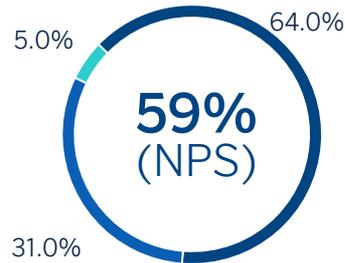
◆ Ranking among peers: Santander, Sabadell, Caixa, Bankia and Popular

Source: Accenture

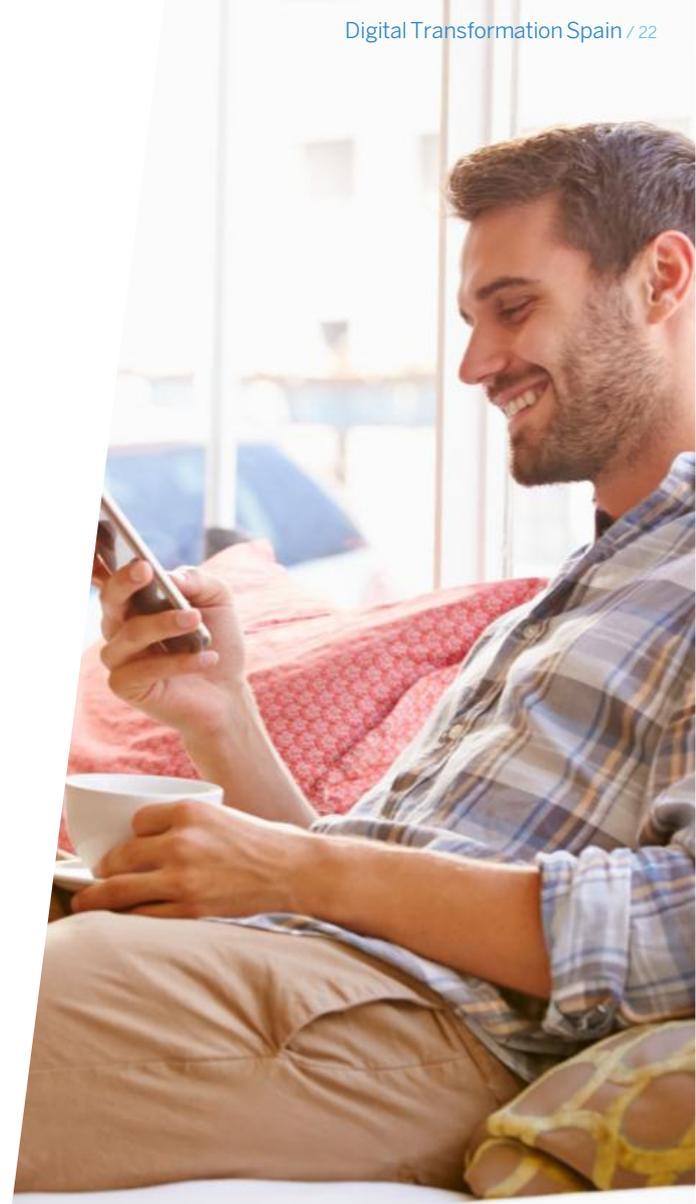
Website



Mobile



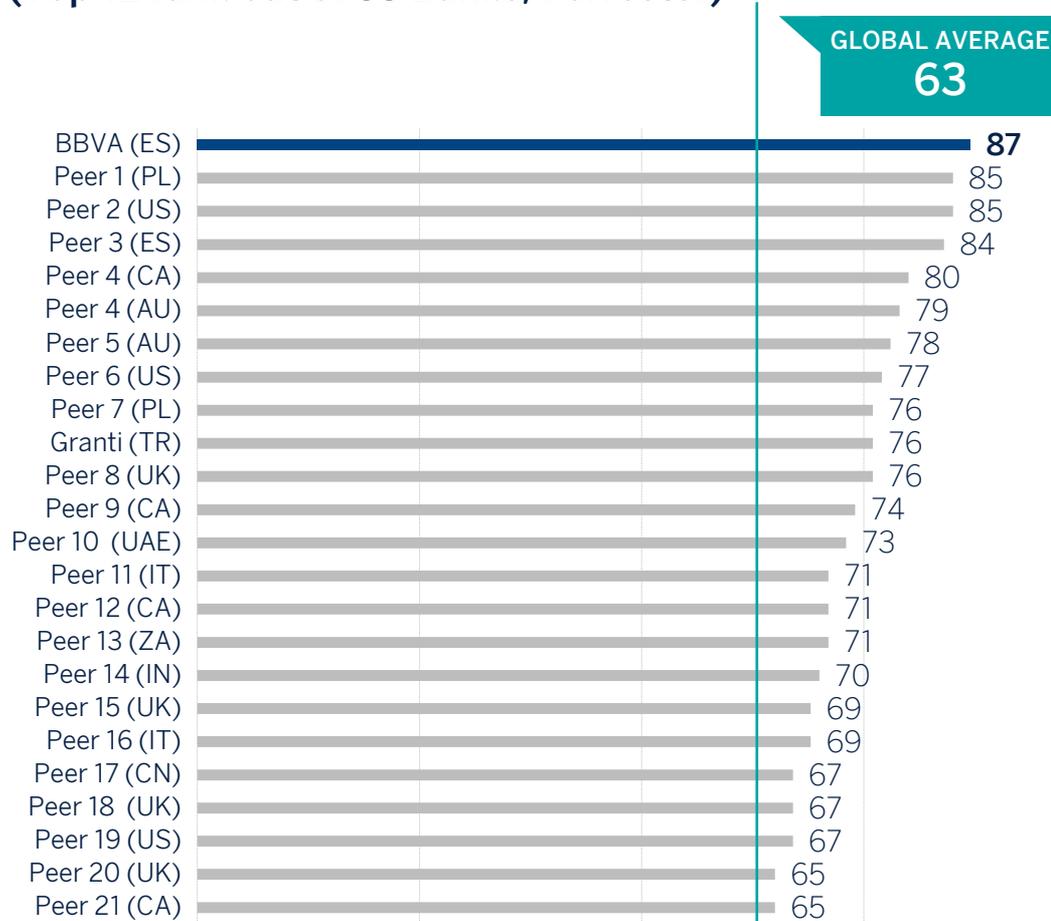
- Promoters: awarding a BBVA a score of 9 or 10
- Neutral: providing BBVA a score of 8 or 7
- Detractors giving BBVA a score below 6



Best banking mobile app in the world

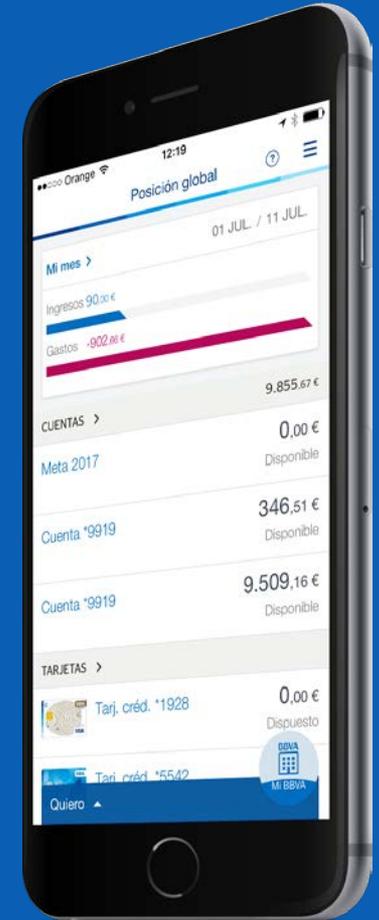
2017 Global Mobile Banking Benchmark.

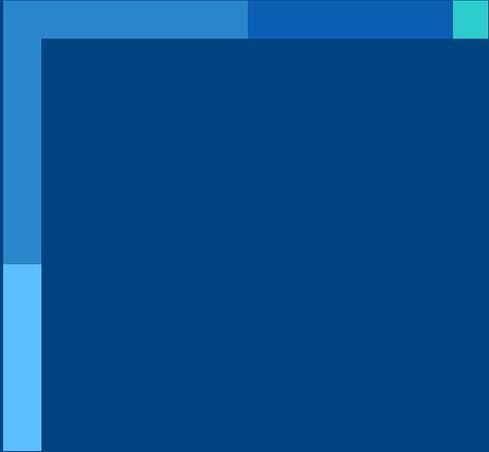
(Top 12 rank out of 53 Banks, Forrester)



**MEJOR APP
MUNDIAL DE
BANCA 2017**

FORRESTER





03

What's next?

Top Priorities

DIY APP:
Complete sale
processes and
servicing

Complete
Contact
center
capabilities

Open
market-
mortgage and
consumer
loans

Develop
new Data
based
advice
solutions

PSD2
Compete