

TELEPHONE BANKING

CUSTOMERS

3,523,997

TRANSACTIONS

70,112,016**ONLINE BANKING**

CUSTOMERS

3,597,925

TRANSACTIONS

1,201,454,074**MOBILE BANKING**

CUSTOMERS

1,075,451

TRANSACTIONS

803,827,785

MULTI-CHANNEL MARKETING

Technological change and the development of the information society have given banks new ways of serving their customers. Counter service is still needed and will continue to be needed, but online and mobile banking are gaining ground. That is why all financial institutions see correct multi-channel customer service as a priority.

Bankia is no exception and in 2015 created the Corporate Directorate for New Distribution Models, which is responsible for carrying out the bank's multi-channel transformation project. The priorities within this strategic frame are to improve the customer experience and drive digital sales. Essentially, the aim is to have more channels through which to serve customers and offer products and services, without losing the personal relationship and always with an optimal level of quality.

In recent years, competitors have emerged from other sectors, usually specialising in one or other of the products that used to be exclusive to banks (payment instruments, financing, investments, etc). To meet this direct competition, financial institutions can exploit the opportunities arising from their customer knowledge and the information they gather from their activities (Big Data).

INCREASING DIGITALISATION

At year-end 2015, 56% of multi-channel customers already used a mobile phone or tablet (as the only channel or in combination with other channels) to do business with Bankia and used the new functionality of the bank's digital app, which has modal screens in which customers are unintrusively informed about matters of interest to them, thus increasing communication and closeness. Further progress was made

in migrating transactional services to remote channels ("Cuando Quieras" plan), which is something that will continue and evolve, focussing more on people and putting the emphasis on full use of the digital channels.

An example was the start-up of the free "Conecta con tu experto" service, which will be key to delivering multi-channel customer service in the future, especially to the more digital customers. At 31 December this service had 88 specialised account managers and 104,412 customers, who received specialised service from their assigned account manager. These customers have access to the usual digital channels, including the Oficina Internet, Oficina Telefónica, Oficina Móvil, and so on. At the same time, they have specialised advice from an account manager (always the same person), who is there when they need help to carry out any transaction and whom they can contact by any electronic means.

A new evolved Oficina Internet was created, offering customers four different ways to interact with Bankia: web, phone, email and chat. The service is personalised through a new, simpler and more intuitive procedure, which has already been used by more than 953,000 customers.

The optimisation of online processes has encouraged customers to sign up for products such as pre-approved loans through the digital channels and has allowed

personalised digital advertising actions, which have proven effective in attracting attention and improving conversion rates, i.e., turning visits into sales.

ATM NETWORK

In the last two years, 54.8% of the installed ATMs have been renewed and adapted and the range of services they offer has been expanded. Bankia cash machines, for example, allow users to request an electronic receipt to be delivered to their mobile phone or email address, unlock their PIN, pay taxes and obtain pre-approved credit. In 2015, as part of the effort to strengthen the sales network, the agreement to locate cash machines in the Madrid metro was extended and Bankia was awarded the contracts to install ATMs in the El Prat (Barcelona) and Manises (Valencia) airports.

Digital channels and ATMs allow Bankia to serve customers who live in areas of low population or where there is no branch. The bank has a total of 607 ATMs in such areas. To reach these areas, the bank also has the mobile branches service. A total of 11 mobile branches serve 324 municipalities in Castilla y León, Castilla-La Mancha, the Valencian Community, the Community of Madrid and La Rioja.

Bankia has adapted 60% of its ATMs with audio systems, keyboards and screens that make them accessible to people with any degree of disability, especially vision impairment.

MEANS OF PAYMENT

Bankia continues to develop new technologies, including in payment instruments. The main line of development is the Bankia Wallet application, which allows the user to manage all his cards. The number of contactless cards is growing, both of the traditional kind (more than 1.1 million) and in the form of stickers (slightly over 103,000). The latest major development is the launch of mobile payments using NFC technology, so that users can pay for their purchases completely securely in retail outlets that have contactless POS terminals.

The new developments in cards are as follows:

- Crédito Plus. Pack of two cards: one for everyday use and one for deferred payment of larger purchases.
- Collaboration agreement with the Spanish Paralympic Committee to introduce new types of cards (debit and business), improve the price for the customer and provide financial support to sportspeople through the donation of part of the income from these cards.
- Agreement to issue the Carné Joven youth card in Castilla-La Mancha, in both financial and non-financial form, similar to those Bankia already has in other autonomous communities.

ATMs

5,516

NEW ATMS
INSTALLED

693

ATMS
IN AREAS OF
LOW POPULATION

607

ATMS
ADAPTED
FOR THE BLIND

3,316

TRANSACTIONS
CARRIED OUT
THROUGH ATMS

241,684,673

STOCK OF ATMs RENEWED

54.8%

- Acceptance, in stores and ATMs connected with Bankia, of UnionPay cards, of which there are 5,000 million units in circulation around the world and which are used by the more than 250,000 Chinese tourists that visit Spain each year.
- New ServiRed “Tú decides” programme, in which establishments that have a POS terminal may offer immediate credit.

Following the approval of the new decree regulating fees for the use of ATMs, Bankia signed an agreement with Euro6000 and Sabadell that entitles Bankia customers to favourable terms on cash withdrawals at more than 17,800 ATMs throughout Spain. Bankia thus offers its customers the biggest ATM network in the country on the most advantageous terms. Also, for non-customers Bankia offers the cheapest rates of any of the large networks in Spain..

BUSINESS INTELLIGENCE

During 2015 the Business Intelligence Directorate was integrated in the Corporate Directorate for New Distribution Models. The purpose of this integration is to facilitate the development of the bank’s Business Intelligence Transformation Plan, within the framework of the Multi-channel Transformation Plan. In 2015, work was started in three areas:

BIG DATA

Development of advanced multi-channel analytics, which is vital in order to get a comprehensive view of the customer and drive sales with offers tailored to each profile. Implementation of a commercial prioritisation engine, which in a multi-channel marketing context enforces consistency and prioritises business opportunities through the different channels

CRM

Creation of advanced segmentations, so as to have a multidimensional view of the customer portfolio as regards its captured value, its potential value and its future value. A modelling system is in place that identifies a commercial offering for 100% of customers 100% of the time. Two million customers already have a Next Best Offer identified.

COMMERCIAL ACTIONS.

Optimisation of the effort-to-results ratio in terms of total sales, product consumption per customer and sales per employee.

TOTAL NO.
OF CARDS

6,365,712

TOTAL NO.
OF POS TERMINALS

97,913

TOTAL NO. OF
CONTACTLESS
CARDS

1,101,727

TOTAL NO. OF
BANKIA WALLET
STICKERS

103,144

TOTAL NO. OF
BANKIA WALLET
APP DOWNLOADS

46,340

PLANS FOR THE FUTURE

Over the course of 2016, many of the projects started in 2015 that are part of important transformation plans will be consolidated and implemented in full:

RENEWAL OF DIGITAL CHANNELS

Over the period to 2017, the public website, the app and the private website will be renovated as part of the strategy of adapting the channels to the goals of enhancing the customer experience and improving product marketing. The aim is to achieve a greater closeness to customers and results orientation.

GROWTH IN MULTI-CHANNEL CUSTOMERS

The effort already begun will continue until 2018. A new “Cuando Quieras” plan, centred on the digital world, will be started. This plan will be targeted at customers who already use the channels but are not aware of all their possibilities. Customers will perceive Bankia as being more accessible and as offering a comprehensive, professional service through its digital channels. Mobile internet use will be a particularly important part of this strategy.

GROWTH OF SALES

The channel improvements that have already been implemented and those to come over the next few years will drive online sales. Actions will also be taken to retain and acquire customers in various segments by offering attractive terms for all their digital banking transactions. Besides improving its sales, these actions will bring Bankia closer to its customers, meeting each need as it arises.

CONNECT WITH YOUR EXPERT

Professionalism and closeness are the key advantages of this service and if 2015 was the launch year, 2016 will be the year it reaches cruising speed. The customer base will be expanded and new centres will be opened to cover the different regions in which Bankia is present. Specialised personal advice and extended opening hours will add benefits to a channel offering in which people will find a variety of ways to stay in touch with their bank.

DIGITAL CULTURE PLAN

In 2016 this plan will involve the whole workforce and entails creating training itineraries and implementing the multi-channel approach in the bank's commercial systems. A clear commitment to this objective already exists at all levels and the Digital Culture Plan will further reinforce it.

BUSINESS INTELLIGENCE PLATFORM

This platform will be implemented in 2016, so as to gradually increase the bank's functionalities and profitability. Offers to customers will continue to increase in number and degree of personalisation and increasingly will be available in any channel.

STRENGTHENING OF COMMERCIAL ACTIONS

The management of commercial actions will be targeted to achieve better results, adapting the actions to customers' real needs as detected through data processing. The incorporation of a Big Data ecosystem will also allow improvements in risk analysis and expand the offering of pre-classified risk.

E-COMMERCE
CARD
TRANSACTIONS

22,836,018

TOTAL VALUE OF
TRANSACTIONS
PERFORMED

€1.23 BN

ACCESS
THROUGH
m.bankia.es

APP
DOWNLOAD



*MOST ONLINE
BANKING
TRANSACTIONS CAN
ALSO BE PERFORMED
THROUGH MOBILE
BANKING ANYTIME,
ANYWHERE*

TRANSFERS
CARD-ACCOUNT TRANSFERS
MOBILE TELEPHONE TOP-UPS
CONTRIBUTIONS TO PENSION PLANS
AND INVESTMENT FUNDS
VIEW, DOWNLOAD AND FILE
ELECTRONIC CORRESPONDENCE
OBTAIN FINANCE THROUGH
FINANEXPRESS SERVICE

ATM MASTER PLAN

MILLION
EUROS INVESTED

100

NEW
ATMS INSTALLED

2,346

TRANSACTIONS
DIVERTED TO ATM
NETWORK THROUGH
CUANDO QUIERAS
PLAN

14 MILL.



Bankia

DAYS A YEAR

365

HOURS A DAY

24

ATMS OFFER
OUR CUSTOMERS
AN END-TO-END
SERVICE