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BBVA:
From Selling Services to Being a Brand

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In a matter of years, BBVA emerged as a leader in banking with more than 7,000 branches worldwide, less than half of those in Spain, its home country. In 2000 it was recognised as the 'World's Best Bank' (*Forbes*) and the 'Best Bank in Spain' (*The Banker*), and in 2001 it was named 'Best Bank in Latin America' (*Forbes*) and 'Best European Bank' (*Lafferty*). What made these accomplishments especially impressive was that the fabric of this financial institution had been woven out of 150 different banks spread over 37 countries. From Europe to Asia and spanning the Americas, BBVA had become one of the largest banks in its competitive sphere.

But storm clouds were gathering. For the second year in a row customer satisfaction had declined. While the pattern of mergers and acquisitions – culminating in the creation of BBVA in 1999 with the merger of BBV and Argentaria – had turned BBVA into a leader in the banking sector, the constant absorbing of new personnel and corporate cultures had begun to take its toll on the bank's ability to present a coherent experience to ensure consumer satisfaction and loyalty.

The BBVA board was not happy. With the recent deregulation of financial services across the EU, the industry had become highly competitive and the way customers felt suddenly began to matter. The board felt that BBVA needed a significant change in strategy to stand out from the competition and ensure that customers would not only choose BBVA as their principal bank but also construct a lasting relationship with it. Francisco González, Executive Chairman of the BBVA board, had already entrusted Javier Ayuso, Director of Communication and Image and a member of the executive committee, with the task of developing a coherent and sustainable strategy to this end.

Branding tended to be seen by financial institutions in terms of coherence in the visual elements of the brand. But it was clear to Ayuso that such a view was too limiting. For BBVA to turn around its fortunes and recover lost ground with customers it would not only have to devise a unified and differentiated customer service experience but, more importantly, reorganise itself to align the various groups within the company behind the promised customer experience. Such a task could not be achieved by the people from the branding and marketing groups alone. As a first step, Ayuso sought the support of several key players: José Ignacio Goirigolzarri, President and Chief Operations Officer, Ángel Cano, Director of Human Resources, IT and Operations, and members of the executive board of directors.

With their support he appointed a multifunctional team lead by Ángel Alloza, Director of Reputation and Image, a trusted lieutenant who had come to banking after having worked as a strategic planner at J. Walter Thompson and as associate director at Millward-Brown. Alloza and his team had worked tirelessly over the past year to get a clear grasp of the issues. They had sifted through the organisation's history, analysed the competitive landscape and conducted in-depth interviews with members of the BBVA board and its top 50 executives. They had also commissioned interviews with employees and consumers across 20 countries. Now the time had come to pull the information into a coherent plan and seek board approval to move forward with implementation.

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BBVA Group

BBVA is a multinational financial services group with 94,600 employees, 35 million customers, and more than one million shareholders across 37 countries. Head office and central services are located in Madrid. Almost half of the bank's branches are in Spain with the remainder in Europe, Asia, and North, South and Central America.

The history of the group dates from 1857, when Spain's Board of Trade sponsored the creation of Banco de Bilbao as a currency-issuing and discount bank, a pioneering initiative driven by the region's economic growth. In the second half of the 19th century, Banco de Bilbao played a leading role in the development of the region's infrastructure and the steel industry. When, in 1878, it lost the right to issue currency, it was reorganised as a lending and discount bank and was practically the only bank in that part of Spain until the turn of the century.

With changing regulations and the arrival of numerous other banks in the early 1900s, Banco de Bilbao began to seek expansion opportunities. Its first merger was with Banco del Comercio in 1902, though the two banks continued to operate as separate entities.

Banco de Bilbao continued to grow at a rapid pace by acquiring other financial institutions. In 1988 a major strategic merger took place with Banco de Vizcaya, a renowned financial group with operations throughout Spain that had been involved in the creation and development of a large part of Spanish industry, in addition to operating as a commercial and general-purpose bank. The resulting entity was known as BBV.

On 19 October 1999, BBV merged with Argentaria, another Spanish bank that had also grown through mergers a decade earlier, to form the BBVA group. Under the joint leadership ofEmilio Ybarra, former chairman and CEO of BBV, and Francisco González, former chairman and CEO of Argentaria, the group reaped the advantages of significant size, a strong capital base, considerable financial strength and geographic diversification (see Exhibits 1 through 6).

The development of a coherent brand for the new entity began in January 2000 with the design of a common visual identity based on the BBVA acronym in blue, the corporate colour. This was successfully implemented in all 37 countries where BBVA had a presence. In countries where the brand equity of the local bank was weak, it was rebranded BBVA, in those where the local bank had a strong equity, the BBVA name endorsed the local brand (see Exhibit 7). Notwithstanding this initial branding effort, customer satisfaction waned: in 2002 the satisfaction index slipped to 64%, a significant decline from the 70% registered in 2000.

The data revealed that although BBVA ranked highly with consumers in terms of its facilities, technological infrastructure and preparedness for the introduction of the euro, it fared poorly in consumers' appreciation of the way they were treated and its ability to listen to customer needs and devise new products to match them. Moreover, data from Millward-Brown showed that BBVA trailed significantly in terms of the percentage of consumers who mentioned it first (8%) in a free-recall task, compared to La Caixa (16%), a key competitor.

In the past, customer satisfaction, awareness and image metrics had not given cause for concern, but several factors now came together to elevate their importance. Externally,

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deregulation had dramatically intensified competition. Within BBVA there had been a change at the top. Francisco González, who had taken over as the sole executive chairman in 2002 and had come to banking after a long career in the IT industry, understood the importance of customers and appreciated the significance of the decline in customer satisfaction for the bank's financial health.

Ayuso and Alloza, who had both worked with González as chairman of Argentaria, were given the task of improving the customer experience and customer satisfaction. To get a better idea about how to structure primary research, an analysis of secondary data on the banking industry and Spanish customer trends was undertaken.

Trends in Financial Services

Companies in the financial services sector tend to exhibit similarities due to the fact that products and services are easy to copy. Most banks base their strategies on the success of individual products, which puts pressure on prices in the highly competitive environment and minimises operating margins.

Trends in Spain

Spain's banking industry had consolidated, with the top four banks accounting for more than 50% of the market in 2000. Eighty-nine percent of the Spanish population had a bank account. Banks continued to be seen by customers as a local business, even though larger banks and savings banks operated at national level.

Consumers perceived banks as cold and distant. Any notion of closeness was associated with tellers rather than with the bank; consumers did not expect banks to anticipate their needs. The imbalance of power between bank and customer weighed in strongly, with customers describing banks as "arrogant" or "superior". It was felt that banks neglected their customers, employees and society, while looking after shareholders. Profitability seemed to be the banking industry's only priority.

Spanish consumers valued choice in selecting a bank, but the lack of differentiation among banks limited their options. As a result, banks did not share the high levels of customer commitment seen in other countries. Interestingly, Spanish consumer choices appear to be less determined by price than those of their counterparts abroad (see Exhibit 8).

Data also revealed that the market was evenly split between savings banks and other banks. Savings banks had more loyal customers (1.5 savings banks per client compared with 1.8 for general-purpose banks) and a slightly higher consumption rate of banking products (a mean of 3.4 products consumed at savings banks compared with 3.3 at general-purpose banks). Three main operational differences set savings banks apart from the general-purpose banks: personalised treatment, customer-oriented operations that worked to understand consumer needs, and the ploughing of profits back into the local community.

Savings to Investment

Around the time BBVA was formed, an important change in consumer behaviour was perceived: a shift from saving to investing. Investment products were winning out, including retirement and insurance plans, investment funds, as well as personal loans and mortgages.

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Why were investments gaining in popularity? Firstly, money management services were more accessible than ever and people could buy shares without having much disposable income. Secondly, mindsets were changing; investing was linked to positive values such as dream-fulfilment, enjoyment and pleasure, in contrast with the old-fashioned concept of savings. It meant that money would be put into motion rather than just sitting in a savings account. And it brought greater returns. As a result, investing had become the fashionable choice.

Money Can Buy Happiness

Secondary data available to BBVA's corporate brand team also revealed a shift in the way people regarded money. With the advent of credit cards, cheques, electronic transactions and payroll services, and consequently the ease of monetary transactions, the symbolic role of money altered: less emphasis was placed its capacity for creating security, status and protection, and more on its ability to fulfil emotional needs, such as pleasure, well-being and enjoyment. There were fewer stigmas attached to loans; people no longer felt ashamed to ask the bank to lend them money for home improvements or even to go on holiday. Money was perceived as a means to achieve important goals. The leisure culture and a focus on the consumption experience had a defining influence on this new point of view.

Primary Research

On the basis of the knowledge garnered from the secondary data, the team undertook interviews with employees and commissioned consumer and employee research. Internally they sought to identify such things as culture, values and expectations. They explored the business vision and values shared by the company's directors and analysed the motivations and concerns of staff at all levels. Externally they searched for market trends, stakeholder motivations, positioning of different brands in the category, and perceptions associated with the various brands along the principal attributes of image, service and product. In total, BBVA surveyed 100,000 consumers and 20,000 employees in its quantitative studies and conducted focus groups and in-depth interviews with several hundred consumers, shareholders and employees across 20 countries.

A key part of the process of turning data into insight was a day-long workshop that brought together those most involved in the development of the brand: BBVA professionals from across the various functions, communication agency professionals, and BBVA customers. Attendees were briefed on the main findings of the research and then grouped into multidisciplinary teams to analyse the data gathered in search of the point of intersection between the values of employees, the bank's financial goals and the needs of consumers. The key insights are summarised below.

BBVA Customers: Inside Customer Decision-making

Post merger, 87% of the bank's clients recognised the BBVA brand. Moreover, it was perceived as a very large bank. However, there was no strong bond between BBVA and its customers. A study of the customer's decision-making process revealed that when a need arose, such as opening a new account, taking out a mortgage or personal loan, or contributing to an investment fund, people did not choose the bank automatically but searched for one that met their ideals.

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In the typical decision-making process, customers would first shortlist three or four banks based on their specific needs at that moment: the presence of the financial institution, brand perception and proximity, both physical and psychological. Next, they would make personal visits to gather information and decide whether to keep or eliminate a brand from the shortlist. These were like in-depth interviews where they took notes, observed and evaluated the institution – and generally started forming opinions of the brand. Before taking the final decision they would make another round of visits to prospective banks. These were more like meetings and were used to bring a proposal to the table, to negotiate and/or to discuss counter-offers.

Consumers based their decision on their "brand experience", that is, their perception of the brand from every point of contact: the image projected in advertising, phone contact, personal treatment received at a branch. BBVA found that consumers' decisions were particularly heavily influenced by their interactions with bank employees, including client managers, loan officers and tellers.

It also discovered that clients' responses to their experience could be classified in one of three ways. 'Appeasement': customers connected with a product but not the brand, seeking a relationship that was purely professional and possibly temporary, depending on the product's life cycle. 'Reaffirmation': customers confirmed their previous expectations and solidified their relationship with the bank. 'Identification': customers connected to brand values, leading to a strong and lasting relationship with the bank.

BBVA Employees

Post-merger atmospheres are never easy. Employees find it hard to comprehend how everyone can be brought under the same roof. The project for unifying cultures must have buy-in all the way along, which means that individuals must identify with the effort and make time in their daily operations to construct the "new bank" – no easy task, particularly when conflicts of interest, such as reductions in personnel, arise.

Resolving these problems is critical in the banking business as employees are the key to generating trust and closeness with customers by listening, advising ethically, and explaining with transparency. BBVA´s research revealed that employees felt that the bank's transactions with customers were focused on commercial gain for the bank. And consumers were unsure of the quality of advice they were receiving, making employees feel uncomfortable. Employees longed to be trusted and respected by consumers and were frustrated by existing customer perceptions.

Top Management

Top management agreed that BBVA should become client-oriented and should strive to establish long-lasting relationships with its clients. But first it had to clarify the definition of "client". People who "bought" BBVA were not its only clients; there were other groups to consider including potential clients, business partners, banks that could be acquired in the future, shareholders and employees.

BBVA management also specified that a solid brand identity must include trust as one of the brand's key commitments. Trust, they believed, was created through credibility and coherence

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in all actions, i.e., consistency in the brand message and behaviour, long-term commitment, personalised treatment based on mutual respect and involvement in customers' projects. Trust had to be cultivated over time via the multiple experiences and connections developed through everyone's shared effort. While establishing trust was clearly a long-term project, the fragility of trust was also acknowledged— it could be lost in a second.

The 'Ideal Bank' Image

Research also shed light on the customer's 'ideal bank'. The essential components of this image were technology, knowledge, people focus, pro-activity, transparency and power. (Technology, although essential, could not be the sole foundation of the institution's image as customers simply assumed that financial entities would be technologically up-to-date).

The value of this knowledge had to be leveraged carefully. Clients were becoming more aware and more wary that financial institutions might use knowledge against them. They complained that banks offered only self-interested information, or information that was complex and incomplete. They valued clarity. Properly leveraged, knowledge could therefore could enhance loyalty to the bank.

The need for a 'people focus' has already been discussed, but a note of caution came out of the research. If the bank were perceived as sincere and honest, a people-focused approach could be very effective, whereas a partially developed people-focused approach could backfire if customers did not believe in its integrity. To develop the human aspect fully it had to go beyond treating people well. Customer focus was not just about being polite, attentive or talking to people in a way that made them identify with the bank; it was about active listening, individualised service and transparency to make each one feel like a "preferred client".

Active listening meant anticipating the client's needs by coming up with creative and innovative solutions. Proactivity was measured at two levels: relative to the market and relative to the company culture. In terms of the market, the bank must keep up with its competitors; inside the bank, it should concentrate on moving forward with its vision and initiatives.

Transparency was identified as the value that causes the most ruptures and/or transformations. Financial institutions are infamous for creating a suspicion of concealment, doubt and distrust. To stand out a bank must strive for transparency. To do so, it has to provide simple, clear and direct information, thus making it easy to follow.

The concept of power may be shadowed with negativity but is an essential part of the image of a financial organisation as it equates with solidity. To make it work, the power relationship between the bank and the individual must be redefined; banks need to recognise client power. Banks that pay lip-service to consumers but remain focused on sales as the ultimate goal risk an aggressive backlash. Consumers look for a bank that will listen. They will not feel valued if the bank listens only to try and sell.

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Competition

The BBVA brand competed with two types of companies, banks that maintained strong relationships with their customers, such as La Caixa and Caja Madrid, and those that were very large, such as Banco Santander Central Hispano.

Savings Banks: La Caixa and Caja Madrid

La Caixa and Caja Madrid, both large savings banks, drew their strength from the relationships they had established with customers. In 1999, La Caixa surpassed BBVA to grab the top spot for brand recall, garnering 16% of first mentions. Not only were savings banks more present in consumers' minds, but an increasing numbers of customers were putting their trust in them rather than in the national banks. La Caixa, for example, was perceived as offering better treatment, paying more attention to customers, fulfilling promises, providing good advice, giving clear and timely information, and offering greater confidentiality and faster attention – all key benefits sought by consumers. It had thus consolidated its position as a large financial institution that was not only solid and solvent but also responsive to consumers. Caja Madrid also had an excellent image among consumers, scorely highly on almost all the attributes that mattered in establishing emotional bonds with consumers. Large banks were losing ground as more clients sought the kind of relationship offered by the savings banks, and at a cheaper price.

Banco Santander Central Hispano (BSCH)

BBVA and BSCH could be considered co-leaders in the financial market. BSCH's market capitalisation and profits were superior, but BBVA maintained its leadership in business with customers in Spain.[1] BSCH had been created from a 1999 merger between Banco Santander and BCH, but the new group had failed to communicate its merger rationale to consumers. It appeared to be one bank but kept the messages of the previous brands and did not clarify what the new entity offered. (Exhibit 9 lists key BSCH statistics; Exhibit 10 lists key claims advertised by BSCH and other competing banks.) As a result, the brand scored low on most image parametres of significance to consumers.

Other Competition

The frame of reference for competition had widened; every large bank was now considered a competitor. Being a big bank with a large presence was no longer enough. Banco Popular did not enjoy high levels of brand awareness or strong perceptions of key consumer benefits, but it had the potential to build strong emotional links with consumers and convert them to committed customers. Citibank had thus far had little success in building either customer awareness or a customer base. Awareness of Deutsche Bank was weak, but it had the potential to develop a strong client base.

1 BBVA, Financial Information and Business Areas, 2000.

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BBVA's Brand Experience

According to the research, the three main and interrelated aspects of BBVA that resonated with both consumers and employees were leadership, innovation and focus on people.

Leadership meant being recognised for attitude rather than size. It meant establishing the rules of the game not simply from the bank's large presence but its capacity to develop new products and to be first to market. It implied a high level of quality when carrying out daily tasks and thus generating trust. Leadership roles had to be distributed across people from different areas and across international boundaries to truly internalise and live this value. In a nutshell, leadership meant growing by executing flawlessly, generating trust and attracting customers.

Innovation implied the capacity to generate new ideas and keep abreast of new developments. It called for an open mind and a willingness to change. It also implied technological development, specifically that which added value for customers and generated profitability. It went beyond the traditional idea of a bank and meant getting involved in clients' lives and playing the role of service partner as well as financial adviser.

Perhaps most important were people, as represented by the team of professionals who interacted with consumers. These employees were the organisation's most visible element and its main spokespeople. They generated trust, gave advice, operated with honesty and transparency. They were the ones who established long-term relationships with clients to help them achieve their goals. A bank designed for people had to work on establishing long-term relationships.

Top management having endorsed this brand identity, the task now facing the team was to articulate BBVA's brand positioning to provide a sharper focus on the road ahead. In seeking to articulate the BBVA value proposition, three concepts caught the imagination of different members of the team:

- **'Made for a New World'**

  This inspirational message focused on the future. The statement implied that BBVA was prepared for the challenges of the new environment. It indicated that the bank would approach clients in a way that connected with their new goals and needs. It harked back to a history of solidity, solvency and profitability while reminding clients of BBVA's global presence in the 'new world'. It assumed a commitment to responsibility while promoting an open mentality that accommodated change.

- **'We Work for a Better Future for People'**

  This positioning spoke directly to BBVA's aspirations and its mission, implying an evolution and improvement of quality of life for all stakeholders. It aimed to get across a sustained commitment to leadership and to anticipating the future. It communicated the bank's position at the forefront of development and its success in terms of growth and value generation. It suggested a consistent renewal of resources. The statement also created room for constructive relationships in the long term, proposing a horizon for new

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products and services with customised solutions, as well as a social commitment to helping build the future.

- **'Great - Like Your Dreams'**

  This message fused the present and future of the corporation while reinforcing the idea that money could be a means of making wishes come true. It underlined the bank's position and power in the marketplace, while demonstrating its soft side by putting its clients' dreams and projects first. It was the catchphrase of a bank that would maintain market leadership while going beyond traditional ideas; a provider with a responsibility to the client, the market and society as a whole.

Next Steps

Which positioning option was best suited for BBVA? The corporate brand team fleshed out these three ideas further to see how they would match the needs and demands of the bank's clients (see Exhibit 11).

Once this was decided, the challenge would be to communicate the new positioning and, more broadly, the brand identity that underpinned it. BBVA recognized that it needed to take an integrated perspective with regard to its marketing communication strategy, one that would not only have to consider traditional and new media, but all brand touch-points, including its branches.

The design firm that BBVA appointed (see Exhibit 12) proposed a new principle for the interior design of its branches: to make spaces available to all customers on the basis of the task they sought to accomplish, rather than to different types of customers based on their net worth, as in the past. The proposed new design included closed rooms that were comfortably appointed located at the back of the branch for customers wishing to discuss complex and confidential issues. ATMs were located in the front of the branch clearly marked 'Express' for customers wanting to transact business rapidly and without assistance. Behind this area was space for routine transactions that required interaction with bank staff. Along one side of the branch were semi-private spaces for short one-on-one interactions. These were visible through the bank window from the outside, enabling customers to select which space to use. With over 7,000 branches involved, adopting a new design had financial implications running in to billions of euros.

To communicate the brand's identity through visual elements, the design firm came up with two alternative approaches (see Exhibit 13), one using photographs, the other illustrations. BBVA then solicited consumers' open-ended reactions, asking them to describe what kind of a company, in terms of culture and values, they felt would use such visual elements and corporate colours. (Some prototypical responses are presented in Exhibit 14).

Clearly, the new identity and positioning needed to be communicated internally. Would it be sufficient to develop a handbook and circulate it to all employees, or would training programmes be necessary to communicate the concepts internally? If training programmes, what should be the content, and how could one articulate the attitudinal and behavioural changes required at the individual level across functions and levels within the organisation?

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Should the programme be delivered by in-house personnel or should an outside firm be engaged? Should all 94,000-plus employees follow the training programme or just a subset? How could this be done without exhausting the bank's resources? And in response to pressure from top management to establish the value of the branding exercise, given the huge investment already made, the plan also needed to specify the measurement systems the company should implement and how the data should be used.

Alloza needed to present a coherent plan to Ayuso and then to the board. As these questions swirled through his mind, his gaze shifted to the calendar. There were only two weeks to go.

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Exhibit 1
BBVA Group Profile

Group Banks	
Spain	**Rest of Group**
BBVA Banco de Crédito Local Finanzia/Uno-e Latin America BBVA Banco Continental (Perú) BBVA Banco Francés (Argentina) BBVA Banco Provincial (Venezuela) BBVA Banco Uruguay BBVA Bancomer (Mexico) BBVA Chile BBVA Colombia BBVA Panama BBVA Puerto Rico	Banc Internacional d'Andorra – Banca Mora BBVA Portugal BBVA Privanza Bank (Jersey) Ltd (Channel Islands) BBVA Privanza Internacional (Gibraltar) Ltd BBVA Switzerland Valley Bank (United States of America)

BBVA Group Basic Facts		
Year	**2004**	**2003**
Assets (millions of €)	311,072	287,150
Loans (M€)	174,615	153,271
Total Managed Funds (M€)	323,984	295,905
Profits (M€)	2,802	2,227
Number of Customers (millions)	35	35
Employees	84,117	86,197
• In Spain	30,765	31,095
• Outside Spain	53,352	55,102
Offices	6,848	6,924
• In Spain	3,375	3,371
• Outside Spain	3,473	3,553

Source: BBVA

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Exhibit 2

BBVA Group Geographic Presence

Spain

	Mk. Share	Ranking
Loans	12.5%	1st
Deposits	12.4%	2nd
Mutual Funds	18.1%	2nd
Pension Funds	18.9%	1st

No. of customers: 11 million

Latin America

	Mk. Share (1)	Ranking
Mexico	28%	1st
South America (2)	11%	2nd

No. of customers: 23 million

(1) Deposits
(2) Excluding Brazil

Source: BBVA

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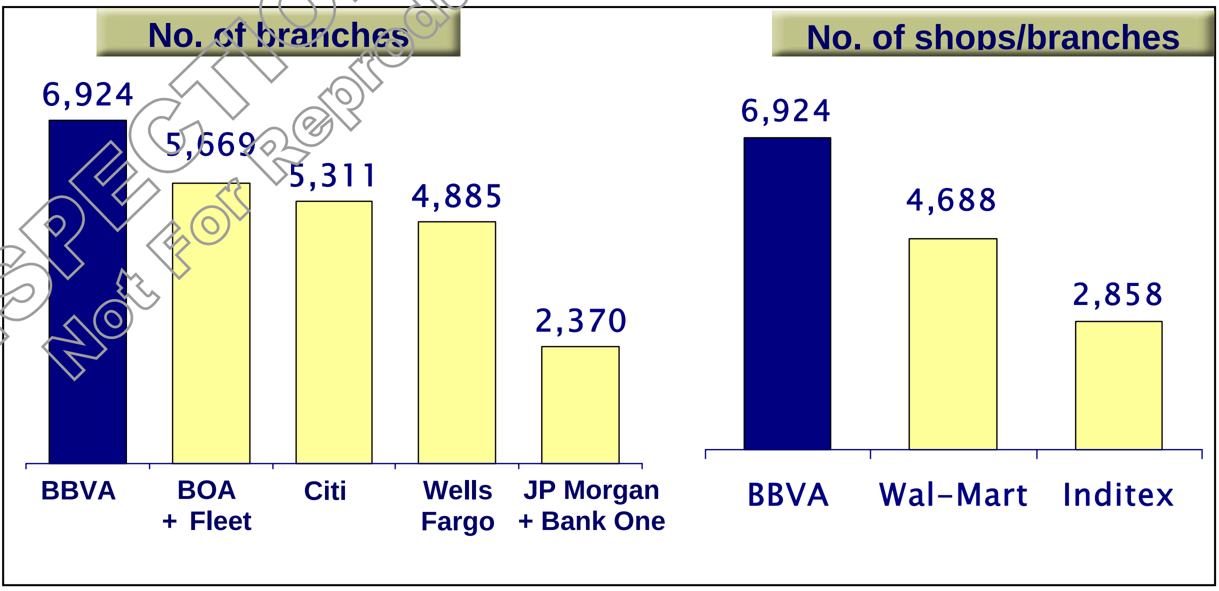
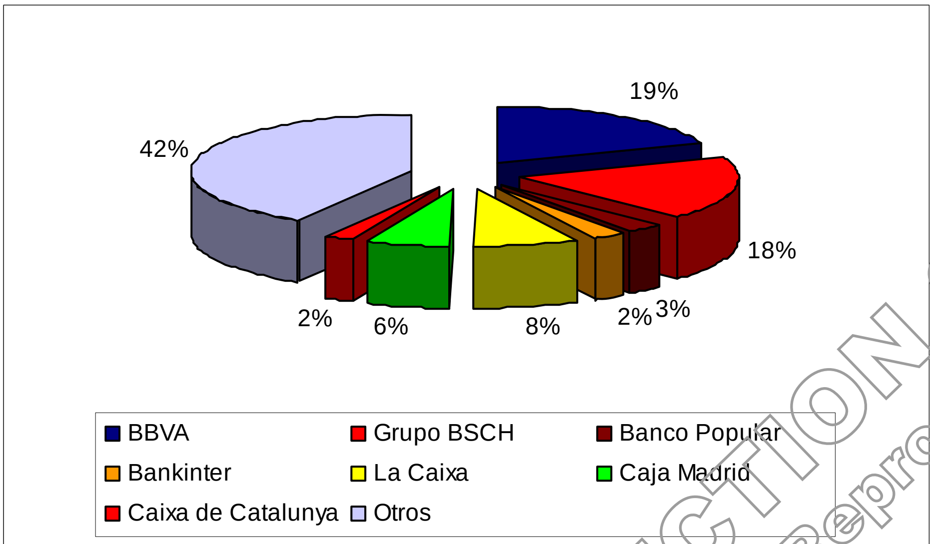
Exhibit 3
BBVA's Distribution Power Worldwide



Inditex is a Spanish group that operates internationally. It is one of the world's leading fashion distributors and owns eight brands: Zara, Pull and Bear, Massimo Dutti, Bershka, Stradivarius, Oysho, Zara Home, and Kiddy's Class. It operates in 64 countries.

Source: BBVA

Exhibit 4
Market Share in 2000



Source: AEB, CECA and Inverco (includes credit, savings deposits, investment funds and retirement funds; Spain 2000)

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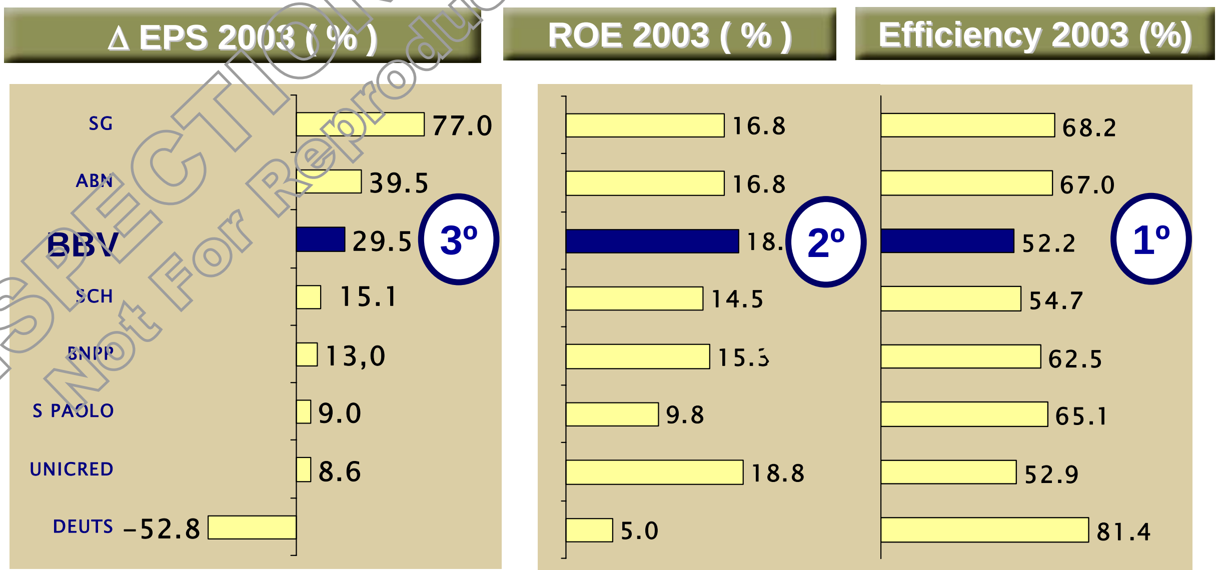
Exhibit 5

Comparative Financial Performance



Source: BBVA

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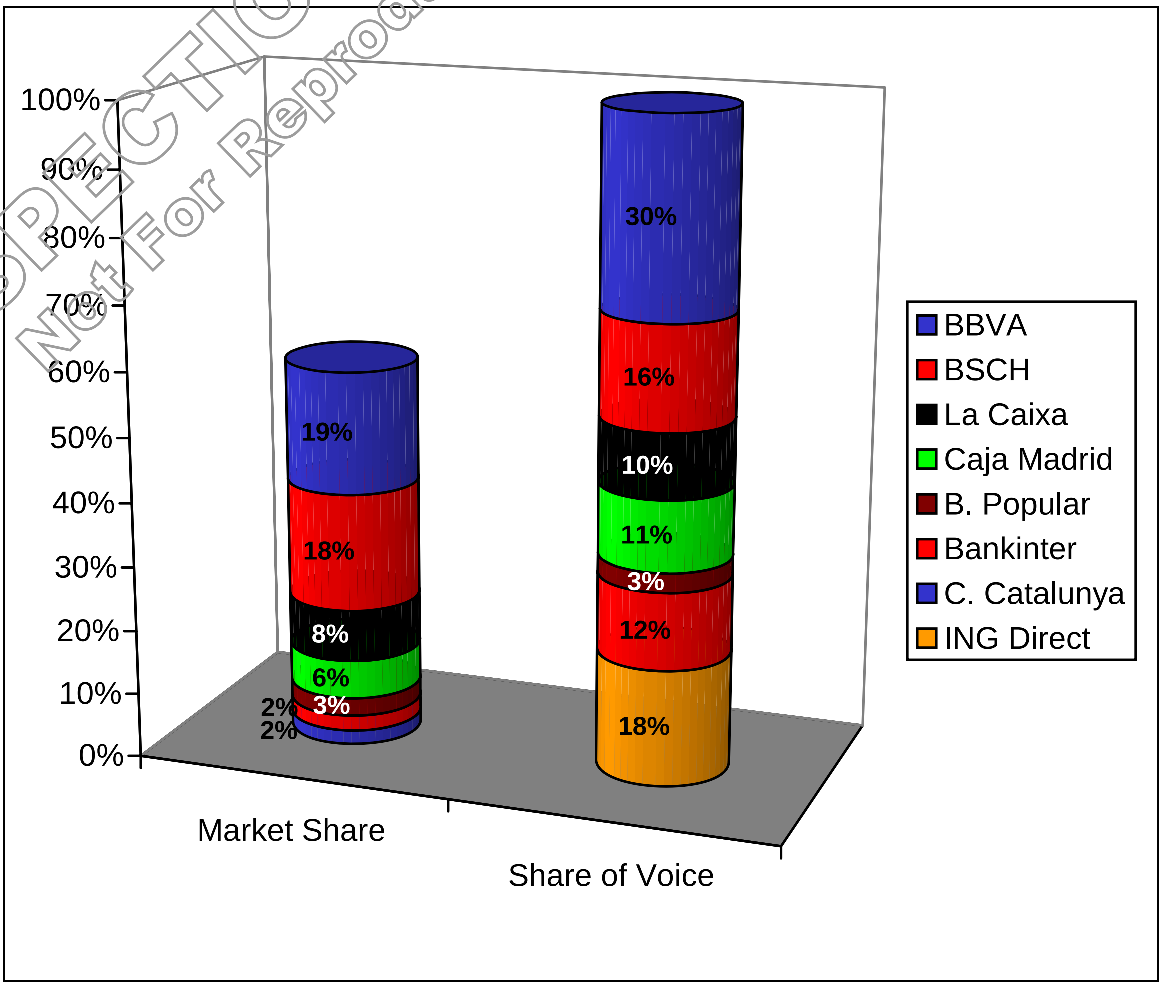
Exhibit 6

Comparison of Market Share — Share of Voice (Spain 2000)



Source: BBVA

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Exhibit 7

From a Portfolio of Brands to a Single Brand: First Steps

Sample of Brands in the Portfolio in Late 1999

Puerto Rico y Mexico — BBV Banco Bilbao Vizcaya

Argentina — Banco Crédito Argentino

Perú — Banco Continental

Brasil — Excel Economico

Colombia — Banco Ganadero

Chile — Banco BHIF

Argentina-Uruguay — Banco Frances del Rio de la Plata S.A.

Venezuela — Banco Provincial

Panamá y Paraguay — Argentaria

Banco de Lara

To a Common BBVA Brand in 2000

Brasil — BBV Banco

P. Rico — BBVA Banco

Uruguay — BBVA Banco

Paraguay — BBVA Banco

Panamá — BBVA Banco

Argentina — BBVA Banco Francés

Chile — BBVA Banco BHIF

Colombia — BBVA Banco Ganadero

Peru — BBVA Banco Continental

Venezuela — BBVA Banco Provincial

Mexico — BBVA Bancomer

Argentina — BBVA Consolidar AFJP

Chile — BBVA Provida AFP

Colombia — BBVA Horizonte Pensiones y Cesantías

Peru — AFP Horizonte BBVA

Panamá — AIFPC Horizonte

Bolivia — BBVA Horizonte AFP

El Salvador — AFP Crecer

Mexico — BBVA Afore Bancomer

Source: BBVA

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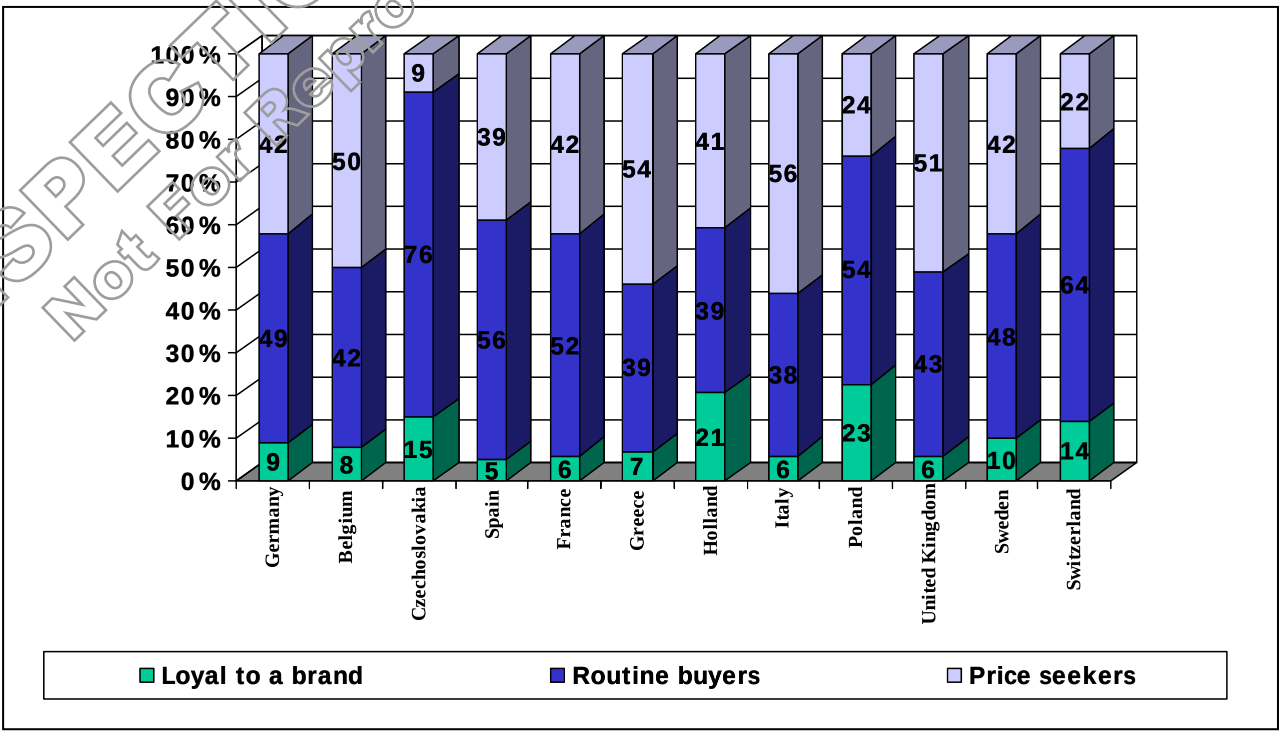
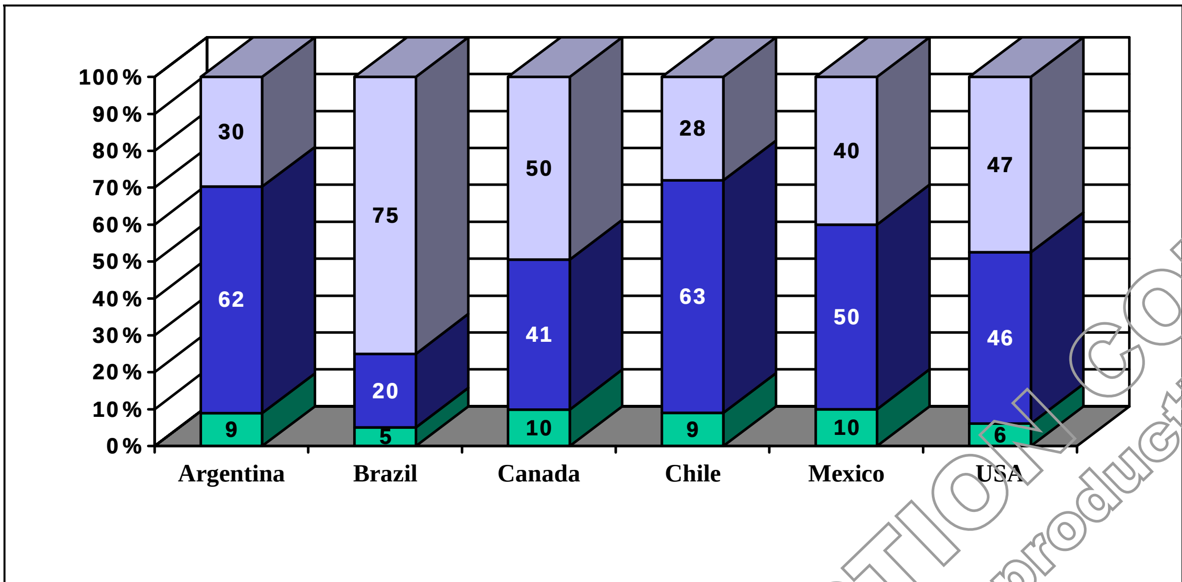
Exhibit 8

Consumer Segments across Markets

Consumer Segmentation: Europe



Consumer Segmentation: Americas



Source: BRANDZ, WPP Brand Equity Study (1999-2000)

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Exhibit 9

Grupo Santander

Group Banks	
Spain	Rest of Group
BSCH Santander Central Hispano Banesto Santander Seguros Banesto Seguros	Santander Banif Santander Consumer Finance Santander Totta Abbey (UK)

Grupo Santander Basic Facts		
Year	**2004**	**2003**
Assets (millions of €)	575,397	351,790
Loans (M€)	335,207	172,504
Total Managed Funds (M€)	715,392	460,693
Employees	126,488	103,038
• In Spain	33,353	34,968
• Outside Spain	93,135	68,070
Offices	9,973	9,199
• In Spain	4,384	4,369
• Outside Spain	5,589	4,830

Source: BBVA

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Exhibit 10

Communication: What the Brands Are Saying

La Caixa	*Personalised service*
Caja Madrid	*Social welfare*
Ebankinter	*Technological and professional revolution*
Unoe.com	*Freedom of choice*
ING Direct	*The profitability bank*
Evolvebank.com	*The bank of the new generation*
Lloyds TSB	*A bank to live*
Chase Manhattan	*The power of human relationships*
BSCH	*No clear message*
Barclays Bank	*International, professional bank*
Citibank	*International, professional bank*
Deutsche Bank	*International, professional bank*
Banco Popular	*Tradition, security*
Patagon	*A bank or a savings bank?*

Source: BBVA

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Exhibit 11

Comparison Chart of BBVA Possible Slogans

	Made for a new world	We work for a better future for people	Great like your dreams
In business growth			
Diversification	Centred in current capabilities	Emphasises anticipation	Business will grow as a function of its clients' projects
International expansion	A global bank for a new globalised economy	Adopting this position will automatically allow future growth	A universal bank, with room for every client's needs
Strategic alliances	Alliances with partners whose businesses are useful in this new environment	Suggests searching for visionary partners that propose solutions to help build the future	Partners with great ambitions whose products and services can provide solutions for our customers' dreams
In the consolidation of the bank's leadership position	Leadership from the perspective of current position. Already there	Dynamic leadership, striving for innovation to build a better future	Leadership from the perspective of the current position. Already there
For employees and senior management	Promotes pride of belonging Recognizes value of the team Bets on employee and his/her capacity to provide solutions that will build the new world Develops an open mindset	Focus on people Stimulates imagination and innovation Reinforces motivation to excel Encourages teamwork to build the future	A team, oriented to the client, that shares his/her dreams Stimulates the realisation of the team's dreams or projects Enables achieving recognition of a job well done, not only from the bank, but also by clients and society
For stockholders	A company that provides answers to this new world is a solid company	A company that creates the future is a company that creates value. It guarantees growth and profits	A company that is "great" guarantees security A company that fulfils its clients' dreams is a company that grows; a profitable entity in which to invest
For consumers	A company that knows how to provide answers and adapt to change A solid and solvent company you can trust	Creators of long-term relationships Capable of leading change, of going ahead to provide solutions for its customers	Responds to customers new emotional relationship with services that help dreams come true By forming part of their lives, it creates emotional bonds Size makes the entity credible/trustworthy

Source: BBVA

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Exhibit 12

Suggested Branch Design

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Exhibit 12 (continued)

Suggested Branch Design

Source: BBVA

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Exhibit 13
Suggested Design Elements

1: Illustrations

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Exhibit 13 (continued)

Suggested Design Elements

2: Photographs






Source: BBVA

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Exhibit 14

Consumer Reactions to Suggested Design Elements

	Photographs	Illustrations
Positive Responses	Honest Transparent Ethical	Human Warm Family Close to clients Ikea style Innovative for a bank Interesting
Negative Responses	Impersonal Any brand can use; even Unilever selling soap Says nothing specific	Childish Superficial

Source: BBVA

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