

Customer relations



We discover the views of our employees and customers in real time.



91% of customers interact with the Bank digitally.

Marketing: Decisive support for commercial action

The Marketing area has the mission of developing and implementing the Bank's marketing plan, through the design and launch of advertising campaigns, direct marketing and commercial events, with the aim of acquiring new customers and creating loyalty among existing ones.

The main actions in 2017 were as follows:

- Launch of new advertising campaigns in Portugal, aimed at raising brand awareness and recognition levels in that market.
- The advertising strategy, 'Decididamente personal' ('Undeniably personal'), continued to be rolled out in the media, which involves a balanced combination of the commercial offer and the brand values, with the aim of positioning Bankinter as a bank that prioritises the treatment of people as individuals over mass actions.
- Implement new tools that help optimise both advertising actions and the taking of customer-oriented business decisions.
- New functionalities were added to the customisable offers tool, which was first introduced last year and has become a key element of support in attracting new customers.
- The appearance of the advertising leaflets used in the branch network in the sale of the Bank's products and services was updated.
- A strategic marketing plan was implemented for the equities business, designed with the heads of the business. It includes a full training programme, with free sessions at national level, where both customers and non-customers can receive an update on their trading knowledge and investment strategies.
- All of the commercial content of the new web was generated, together with the Digital area, writing the texts, selecting the images and designing the landing pages for the advertising campaigns in digital media.



Digital and mass media

There were notable advances made in the control and optimisation of advertising campaigns in digital media in 2017. Their analysis can now be made in much more detail and be oriented to the business. In addition, the initial steps were taken on the utilisation of information on the digital behaviour of existing and potential customers, with the first segmentation in the planning of campaigns being made based on customers' previous behaviour when using the Bank's website.

In January 2017, Bankinter launched an ambitious advertising campaign in terms of investment, duration and objectives. With a major presence in the mass media, it had the objective of continuing to support

commercial activity and increasing brand awareness, consideration and preference, so as to make Bankinter's positioning clearly differentiated from that of its competitors.

A creative campaign, 'Súbete el sueldo' ('Give yourself a pay rise'), was rolled out in the first quarter, which continued the 'Undeniably personal' strategy of previous years.

As of May, the second wave of communication of the 'Give yourself a pay rise' campaign appeared, this time under the claim 'No está pagado' ('They don't pay me for that') which was shown on television before and after the summer.

As a result of its media planning and strategy, in 2017 Bankinter was ranked third among financial sector advertisers in investment in television GRPs 20'.

Retail and commercial banking

In addition to the equities training events, the updating of the commercial leaflets and the improvements to the customisable offers tool, other actions were undertaken aimed at existing and potential high net worth customers. Once again this year, the most significant of these was the 'Bankinter Tour', which in 2017 starred Raphael and Luz Casal and was a great success with the public.

The following were organised for existing and potential private banking customers:

Exclusive lunches, with around 500 people in attendance.

Financial workshops, the aim of which is bringing advisory services closer to high net worth customers and publicising the Bank's investment funds range in an original and innovative format.

Public relations events, such as four opera suites with the soprano Pilar Jurado and six nights of jazz with the crooner Javier Botella and his band Copa Ilustrada.



Corporate banking

The territorial and sectoral marketing actions model was maintained. This is aimed at contributing to the loyalty of existing corporate customers and the attraction of potential new ones in the geographical locations and sectors with the most business organisations.

The following were among the training events which served as an inspiration to over 700 executives and entrepreneurs:

Business model innovation masterclasses, including the Business Model Canvas and the Blue Ocean Strategy masterclasses.

Training workshops, led by the experts from Cre100do and the Bankinter Foundation, which cover topics of interest to companies.

Sector meetings were also held, bringing together various players from the public, hotel and infrastructure sectors, with whom the Bankinter research department shared its vision of the Spanish and international economies.

In 2017, Bankinter took part in the Cepyme500 initiative, which aims to identify and promote the 500 companies that lead business growth in Spain.

Contacts were strengthened with customers in the international business, through breakfast meetings to discuss currency market issues. Bankinter was also present in the leading foreign trade fairs in Spain (Imex Madrid, Imex Gijon, Imex Ciudad Real and Imex Malaga), which brought together a large number of existing and potential customers.

Operations

The Bank continued to develop econometric models of advertising attribution. These enable the customer acquisitions that arise from each of the advertising campaigns launched during the year to be measured, and this helps us learn and improve future marketing actions.

At a more tactical level of control of advertising effectiveness, through these models the Bank also measured the return on television spots (by channels, days of the week and time slots) and the campaigns launched during the year, which has helped produce an optimal media mix plan, maximising the return on investment of advertising campaigns.

With regard to operational, product regulation and institutional communications, Bankinter continued with the task of managing customer communication campaigns, ensuring its commitment to quality and promoting e-mail as the main medium of communication because of its efficiency.



Customer Relationship Management (CRM)

Bankinter's customer management strategy remains focused on continued growth and being the benchmark bank for companies and households.

CRM, as the area responsible for knowing the customer and developing the relationship with them, is in the currently in the process of making the best use possible of the digital transformation of Bankinter and of customer behaviour. The main objective is to encourage the use of new tools to establish a closer, more personalised and more efficient relationship, and to turn the data into commercial opportunities.

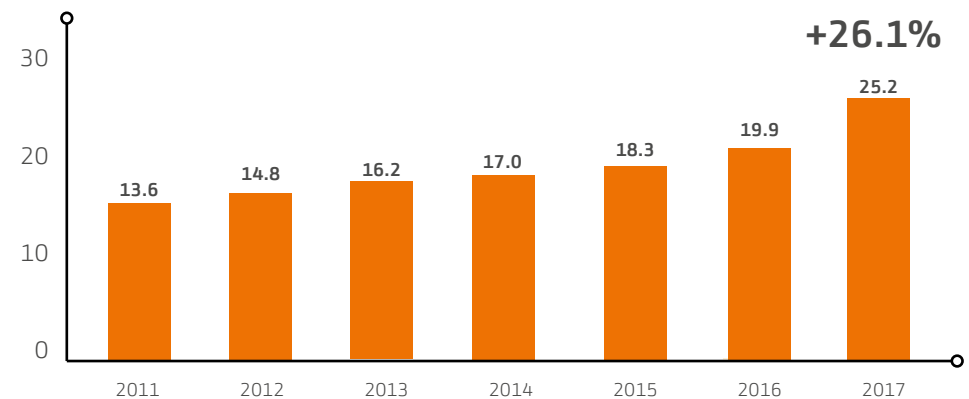
From an internal viewpoint, propensity models are being developed using Big Data technology to discover customer needs before they express them. From the customer viewpoint, it involves digitalising things as much as possible, with messaging campaigns and reactive actions when they call telephone banking or visit a branch, along with other actions driven by Web Mail.

At the close of 2017, 91% of active customers when interacting with Bankinter as individuals, did so digitally, either in combination with other channels (60%) or exclusively by digital means (30%).

This enables quicker contact with customers and a reorientation of the channels through which Bankinter addresses them, without stopping the growth in contacts through their personal manager. Over 10 million CRM

actions impacted on customers in 2017. 25 million notices without product offers were also sent by mail, containing market reports and invitations to training sessions.

Total notices sent (millions)



Other achievements in 2017 were as follows:

Retail and commercial banking. Actions aimed at attracting part of the wealth of high net worth customers over to the management of Bankinter were increased.

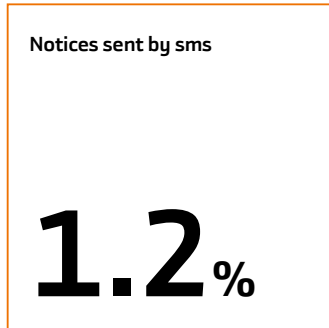
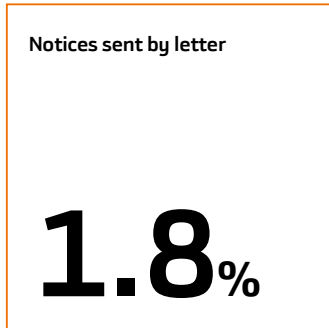
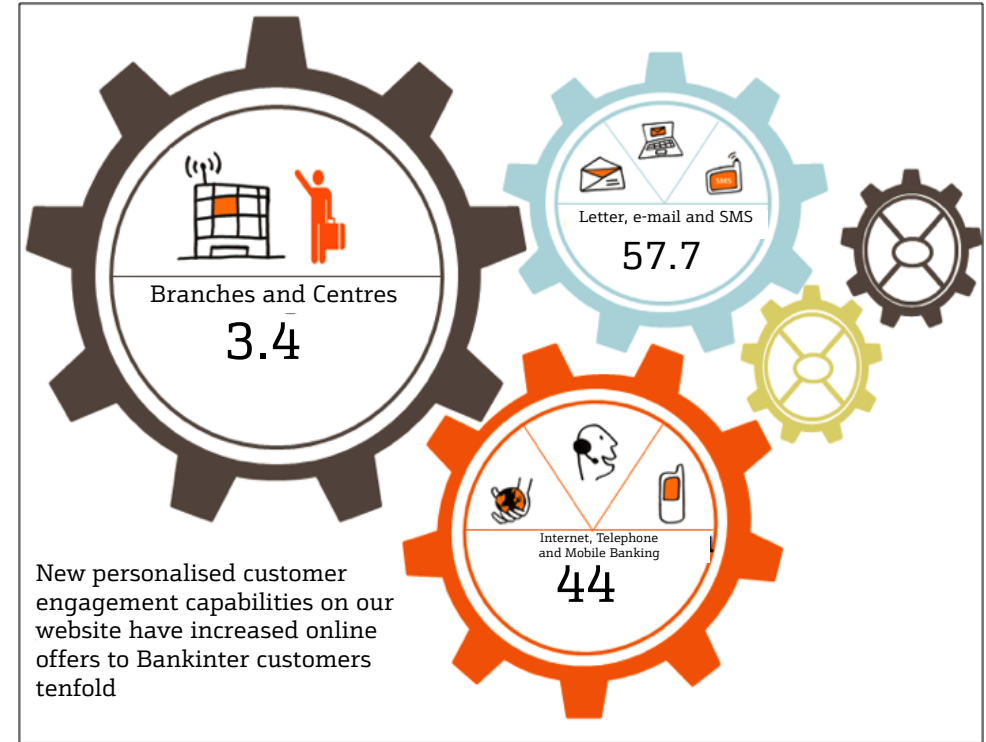
Individual retail banking. The personalisation of consumer finance offers with pre-authorised amounts in function of the customer's profile and status was improved.

Corporate banking. The focus remains on spotting opportunities to increase quality loans and receivables and be involved in companies' day-to-day activities, such as short-term financing of tax payments, available through the website in just a couple of *clicks*.

In 2017, the Bank's commercial intelligence was directed towards a greater personalisation of the website and digital media. An example of this are the push notifications that the companies who authorise them receive on their personal computers, always at the time most suitable for them and without needing to be connected to the Bank's website.

Also in relation to individuals, the website commercial offer has been increased, with personalised designs and contents available according to the device from which the customer connects, and customers receiving the latest updates via alerts, which they can store with the other notifications they get from the Bank.

In summary, CRM's remit was to obtain a greater number of contacts, more personalised on the basis of better commercial intelligence, and more digital in line with the changes in the behaviour of consumers and the Bank.





Quality

As the internal climate surveys show, historically quality is an indispensable asset in the Bank's culture. Doing things well is essential. The goal every year is to continue in the spirit of permanently seeking excellence and increasing the links with the Bank's customers.

The function of the Quality area is to measure, assess and improve the Bank's services at two levels:

Customer satisfaction. Systematic quality assessments are carried out both of personal attention (physical and telephone banking) and digital (websites and apps) channels.

The quality of internal processes. The branch network employees' opinions were particularly analysed to discover how well the interrelationship between central services and the network works. The views of the employee in these surveys are considered as being those of the 'internal customer'.

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In 2017, the area was centred on the digital transformation process, which is considered key to the Bank's strategy. The customer experience in digital banking was especially analysed, with two main objectives: improve the less favourable opinions and change the favourable ones into recommendation drivers.

Similarly, Quality also worked on consolidating the measurement processes of the Portuguese business, after its inclusion in the Group structure in 2016.

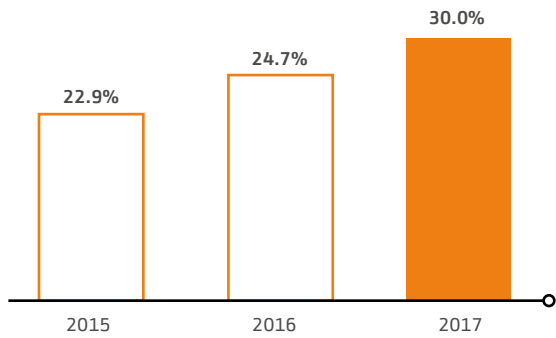
Positive results

The results of these actions were very positive. The Net Promoter Score (NPS), the index measures how likely customers are to recommend the services of the Bank, improved from 24.7% in 2016 to 30.0 % in 2017. The partial measurements of digital channels and personal attention were also favourable.

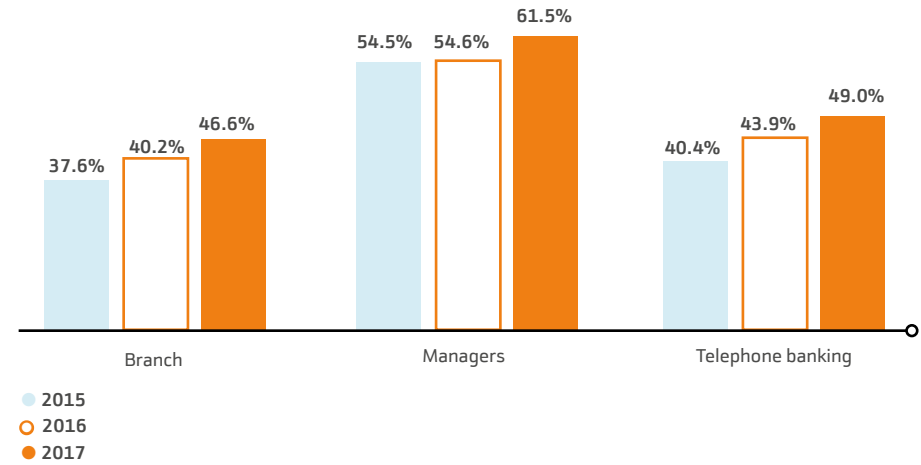
Similarly, the Bank's high score was maintained in the objective quality in commercial banking networks index, which analyses over 4,000 branches in the sector. In this survey, produced by the company Stiga using the mystery shopping technique, Bankinter received a score of 7.8/10, making it the leading bank from the Ibex 35 in quality of service. The average sector score was 7.0

Looking to 2018, the department will continue to concentrate on measuring the new developments more and better, but its particular priority is to identify best practices and increase customer satisfaction levels and recommendation in the most advanced areas. The latest technology enables the services offered to be compared with the opinions of employees and customers in real time, which reduces the Bank's reaction time in correcting any shortcomings that may be observed.

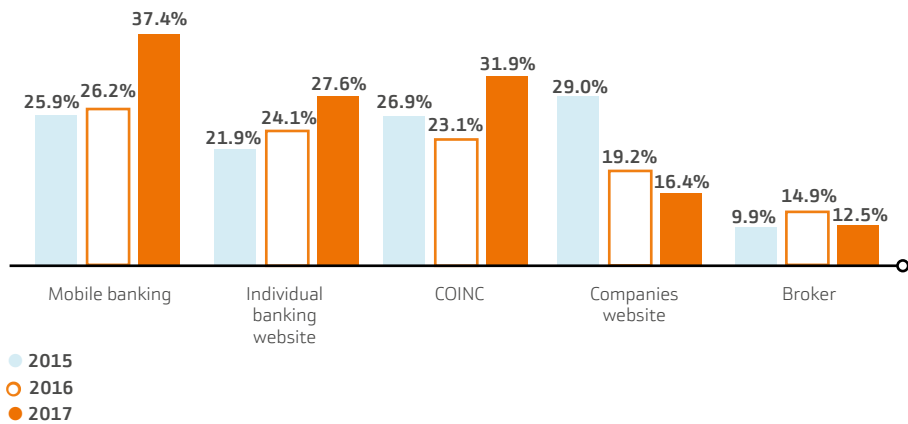
NPS bank (cumulative annual data)



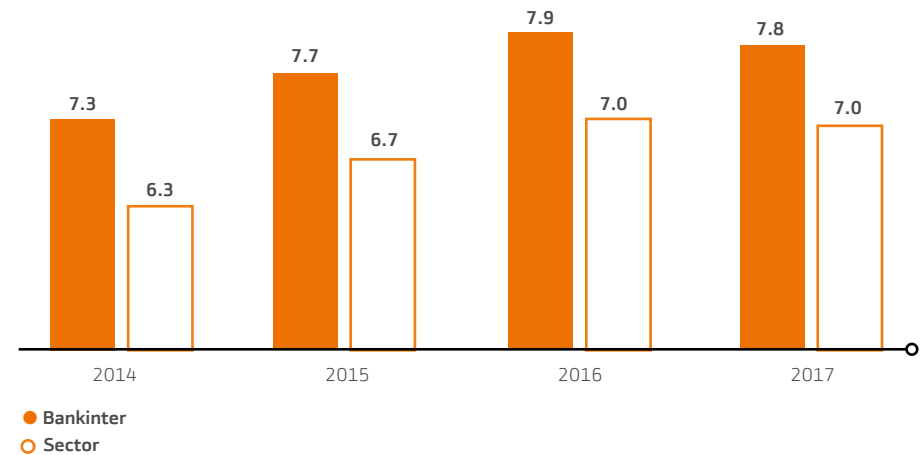
NPS branches and manager (cumulative annual data)



NPS digital channels (cumulative annual data)



Evolution objective quality in commercial banking networks vs objective quality financial sector



Customer Service Area

Bankinter's customers can contact the Customer Service Area through any channel with their complaints and claims in relation to banking and financial transactions or services, provided that these derive from agreements and prevailing legislation or from good practices and financial uses.

In 2017, a total of 26,329 cases were handled: 1,626 complaints (6.2%) and 24,703 claims (93.8%). 91.3% of these claims were decided in favour of Bankinter and the remaining 8.7% in favour of the customer. 40.2% of these events were resolved in less than seven days, well below the legal maximum period of two months.

In compliance with the recommendation of the regulators, during last year an ambitious training plan was prepared for all employees that form part of the department. The purpose of this plan was to expand the team's legal and regulatory knowledge, and to take a more in-depth look at practical aspects of banking management.

The optimisation process of the apps that are used also continued, in order to further develop digitalisation and improve customer service. The Customer Service Area has a specific tool to control complaint and claim subject matter, reasons and response times.

Other authorities

If customers do not accept a decision of the Customer Service Area, they can contact the Bank's Ombudsman, or, depending on the case, the pertinent services of the Bank of Spain, the Spanish National Securities Market Commission or the Directorate General of Insurance and Pension Funds.

The Ombudsman processed 626 claims during 2017. In 122 it found in favour of the customer (19.5%) and in 456, in favour of the Bank (72.8%). At 31 December there were 48 cases pending resolution.

Resolution in less than
7 days

40.2%

Claims in favour of
Bankinter

91.3%

