

BPER:

Banca

Italian Banking System: an insider «*business*» view

Dr Pierpio Cerfogli

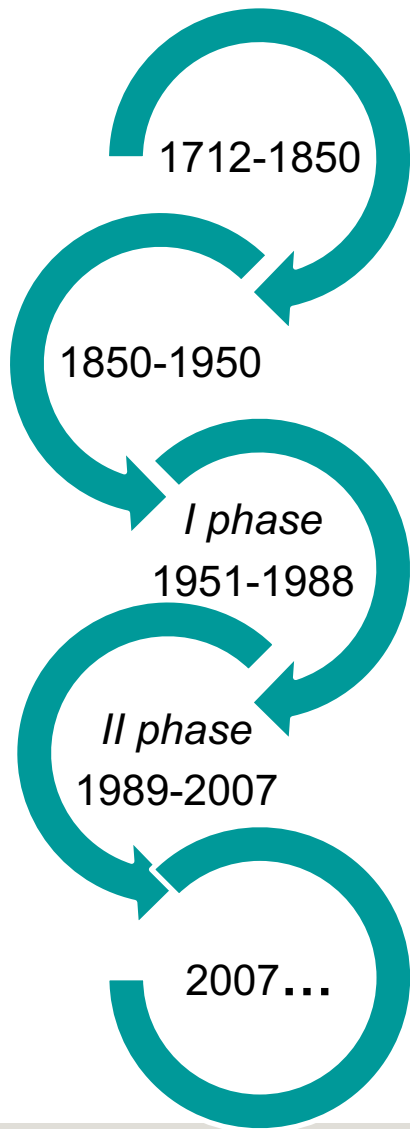
Vice General Manager- CBO BPER GROUP

Perugia, 31 marzo 2017

General View

Background
Megatrends
Context





Background

Industrial Revolution
Mechanization

Industrial Revolution
Commercialization

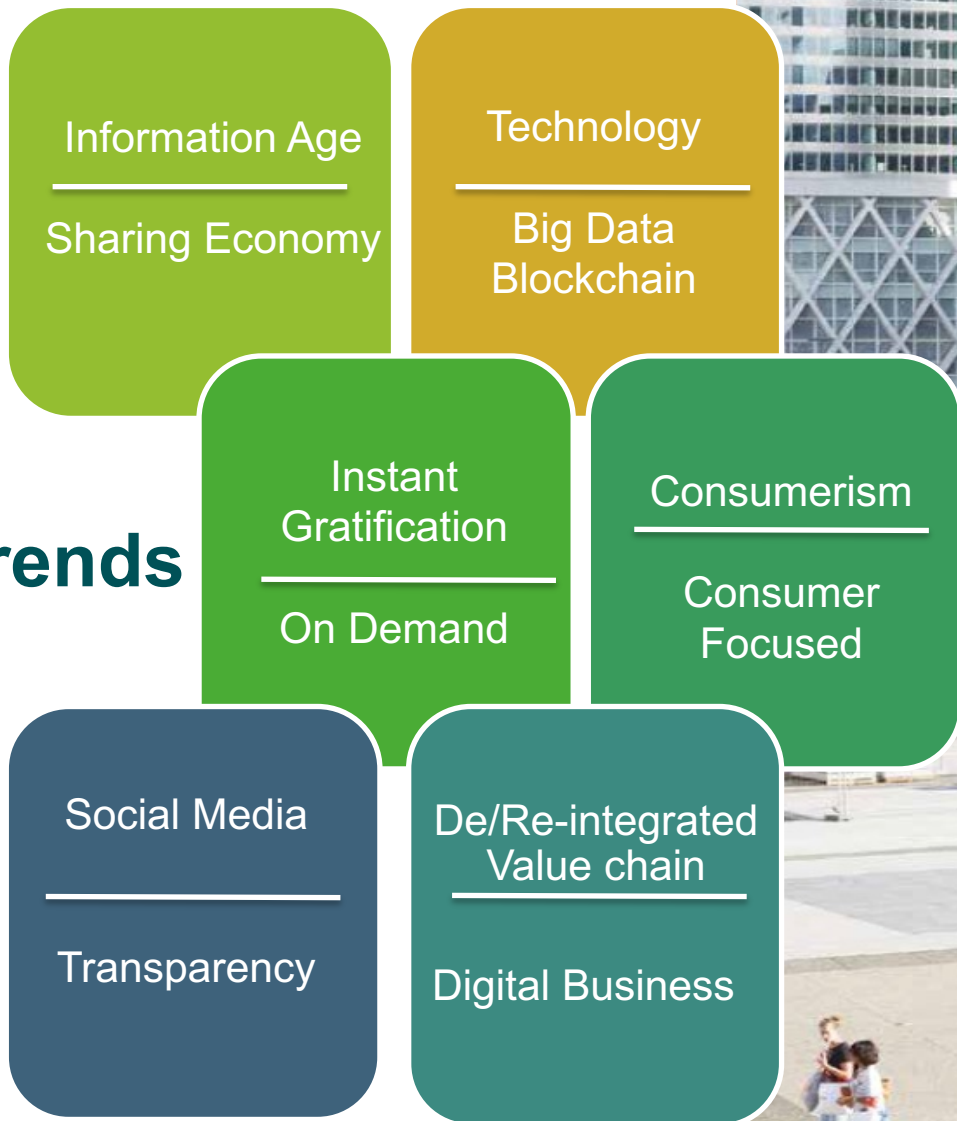
Information Age
Digitalization

Information Age
Inclusivity and Connectivity

Mobile Age
Human ?



Megatrends



Context

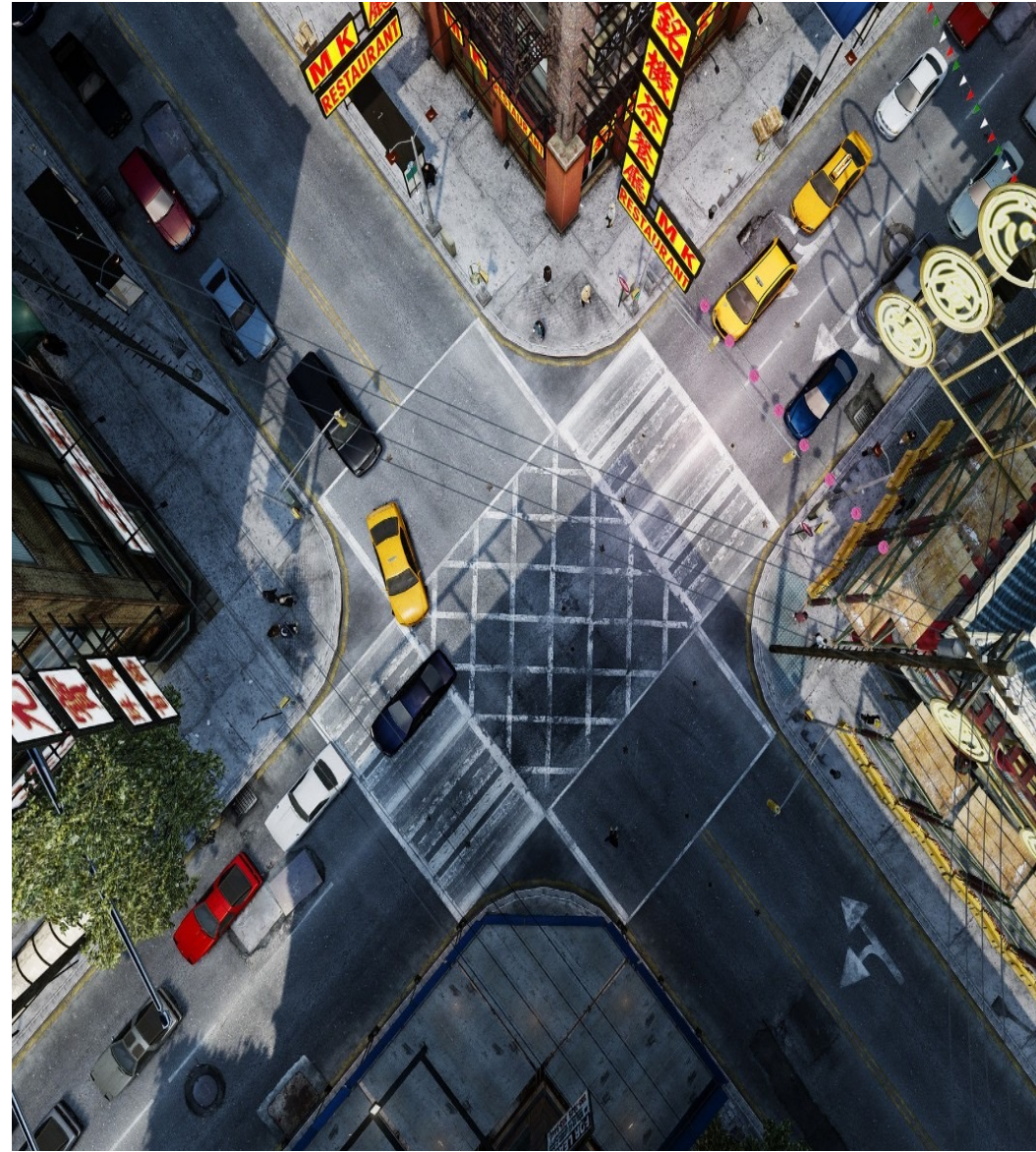


Banking View

Banking Trends

Business Model Structure

Today's Bank



Banking Trends

New Regulations

New Competitors

New Customers

New Tecnology

**Solidity
and
Reputation**

NPL

**Old Margin
Under Pressure**

Business Model Structure

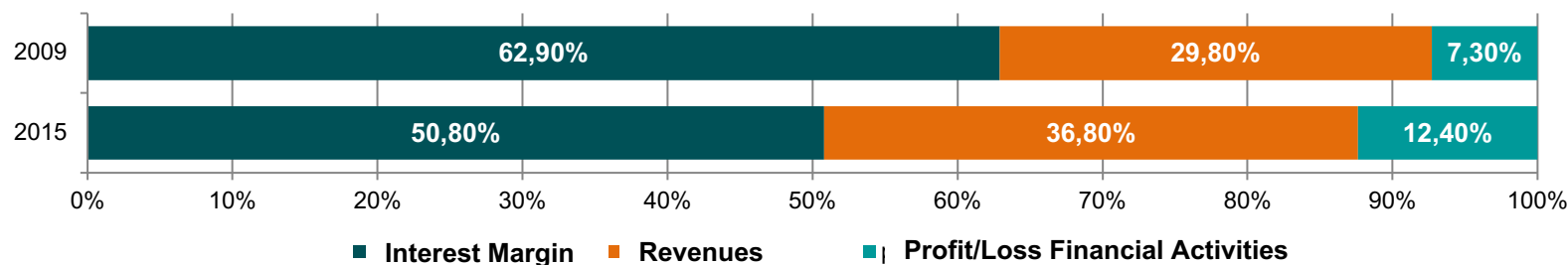


Today's Bank

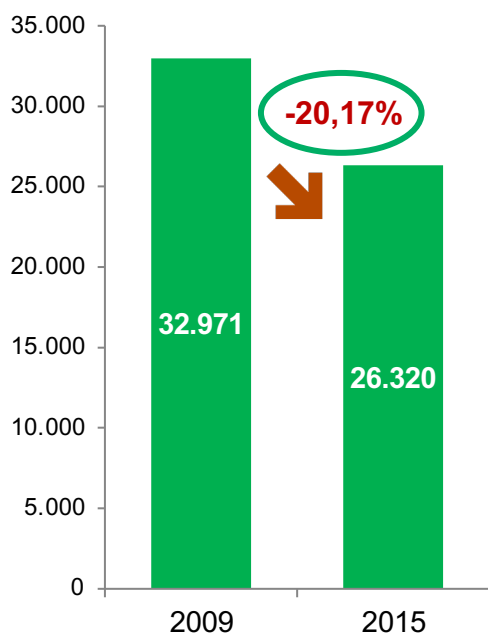


Today's Bank: Evolution and Efficiency

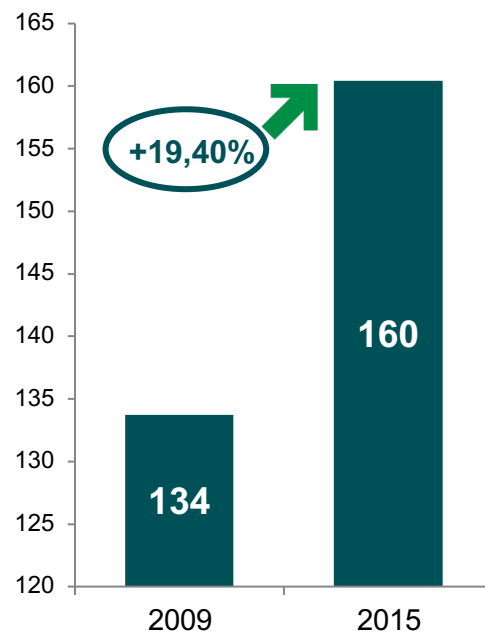
Breakdown of Core Income of National Banks



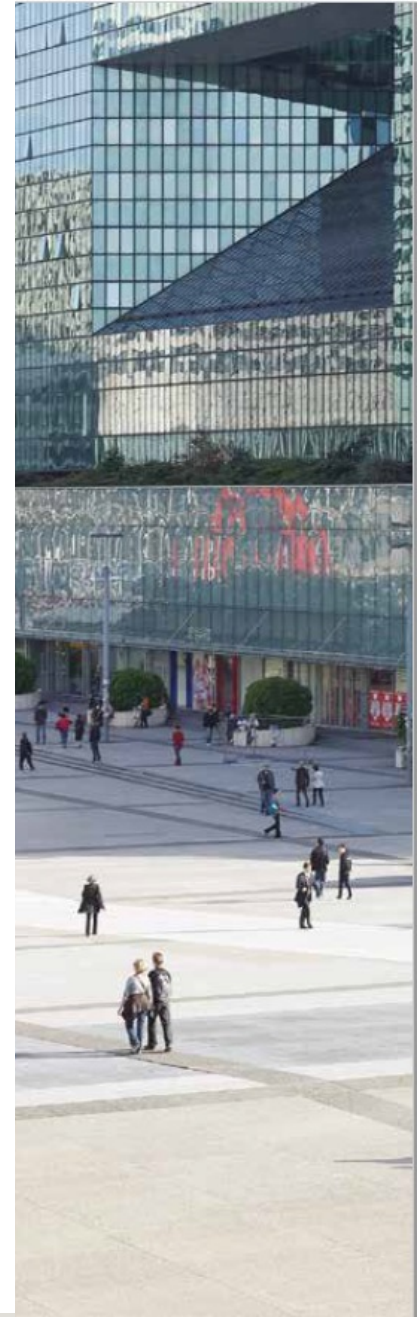
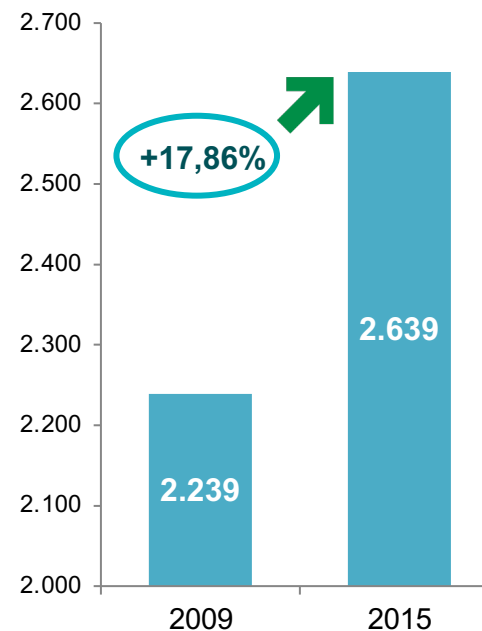
Branch Count



Asset volumes (mln €)

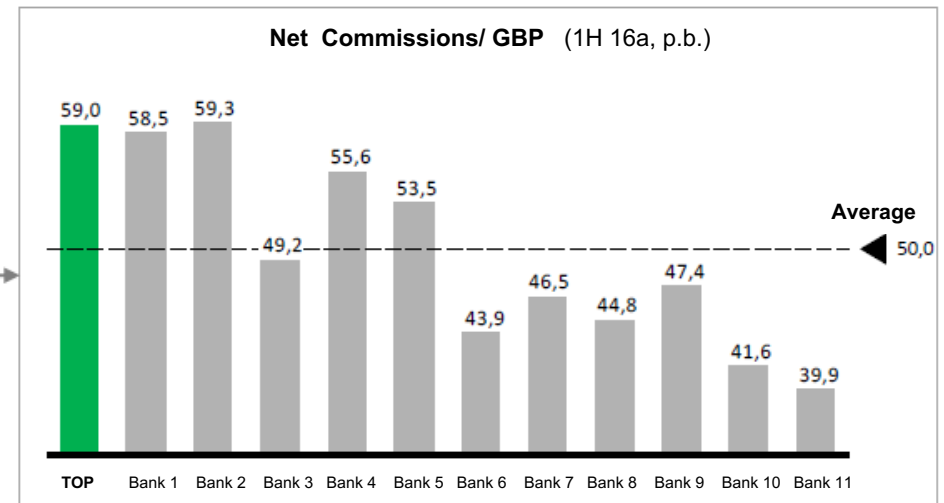
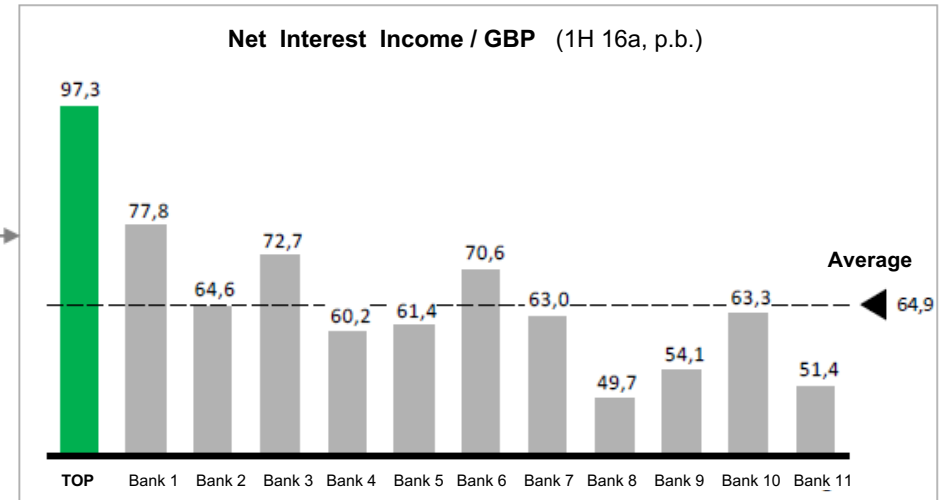
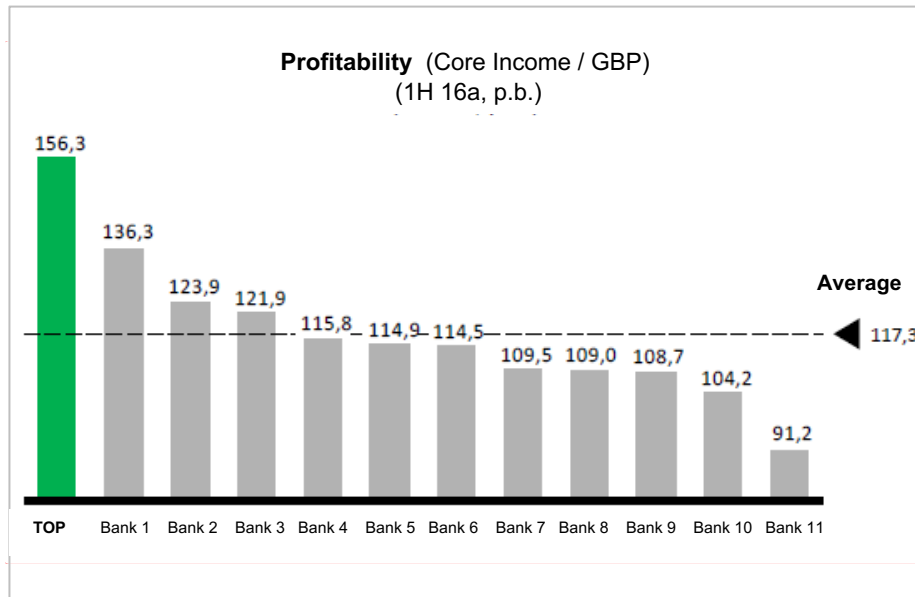


Core Income (000/ €)



Today's Bank: Bank Performance

30.06.2016



Today's Bank: Service Model Profitability



Average Core Income by Macro Segment

Euro



Average

600€

Mass
Market

350€

Affluent

800€

Private

3.000€

Average Cost to Serve by Macro Segment

Euro



200€

170€

230€

280€

The rules of the game are changing, as is the game?

Everyday Bank



Relationship Bank



Advisory Bank



Bper View

New revenue streams

New added value

New Bper paradigm

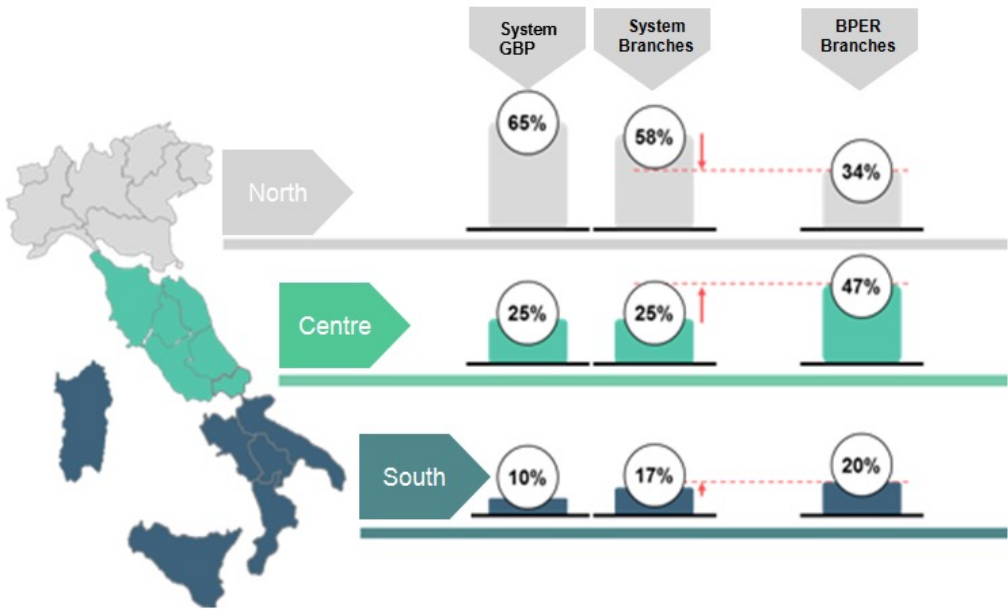


New Revenue Streams

Distribution Model



	Dec.'15	Dec.'16	Change
Branches	4,04%	4,03%	-0,01
Employers	3,53%	3,55%	+0,02

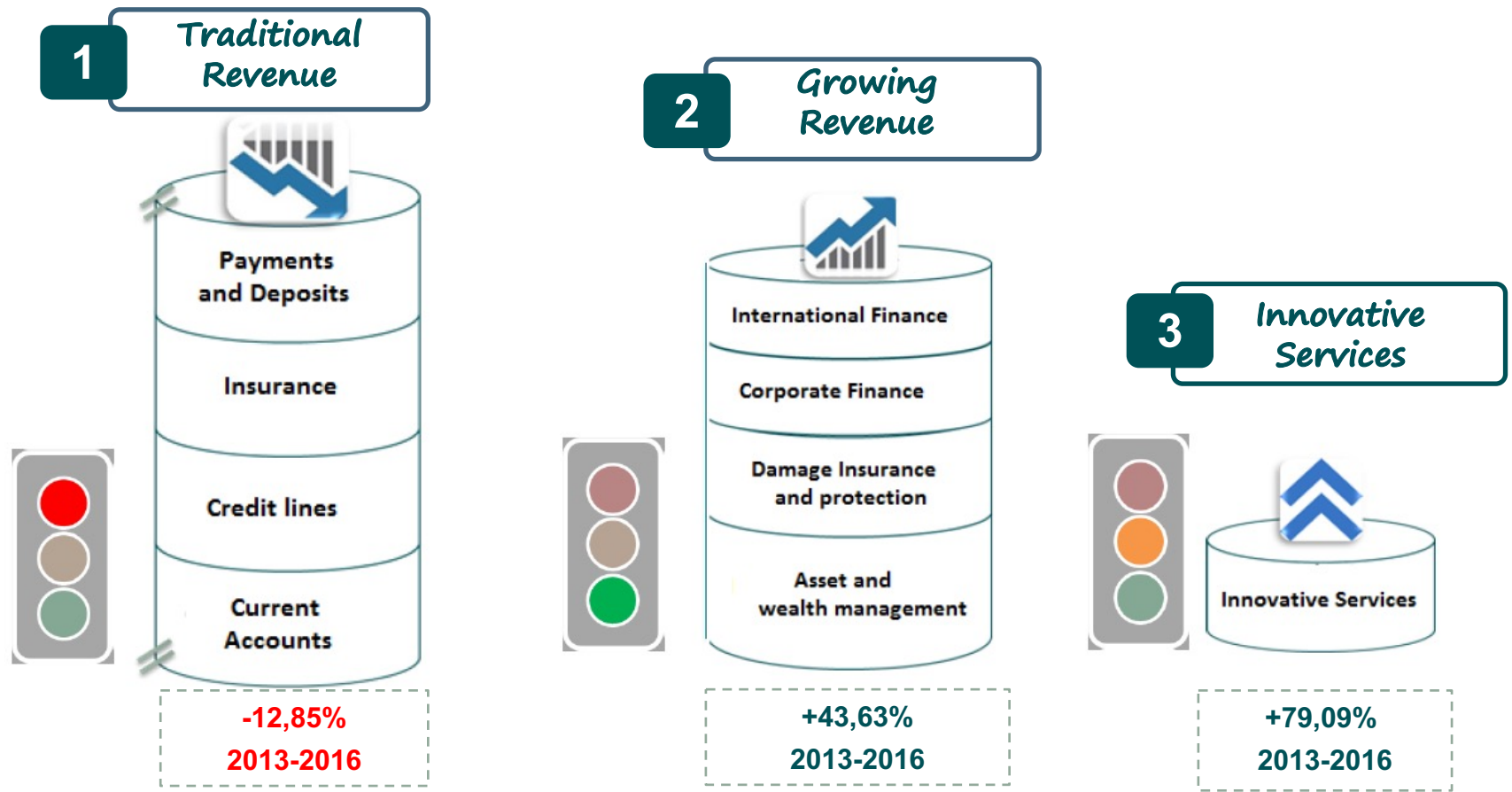


BPER EVOLUTION PROJECT: BRANCH RATING

- Potential Growth
- Cost-Income
- Distance from others

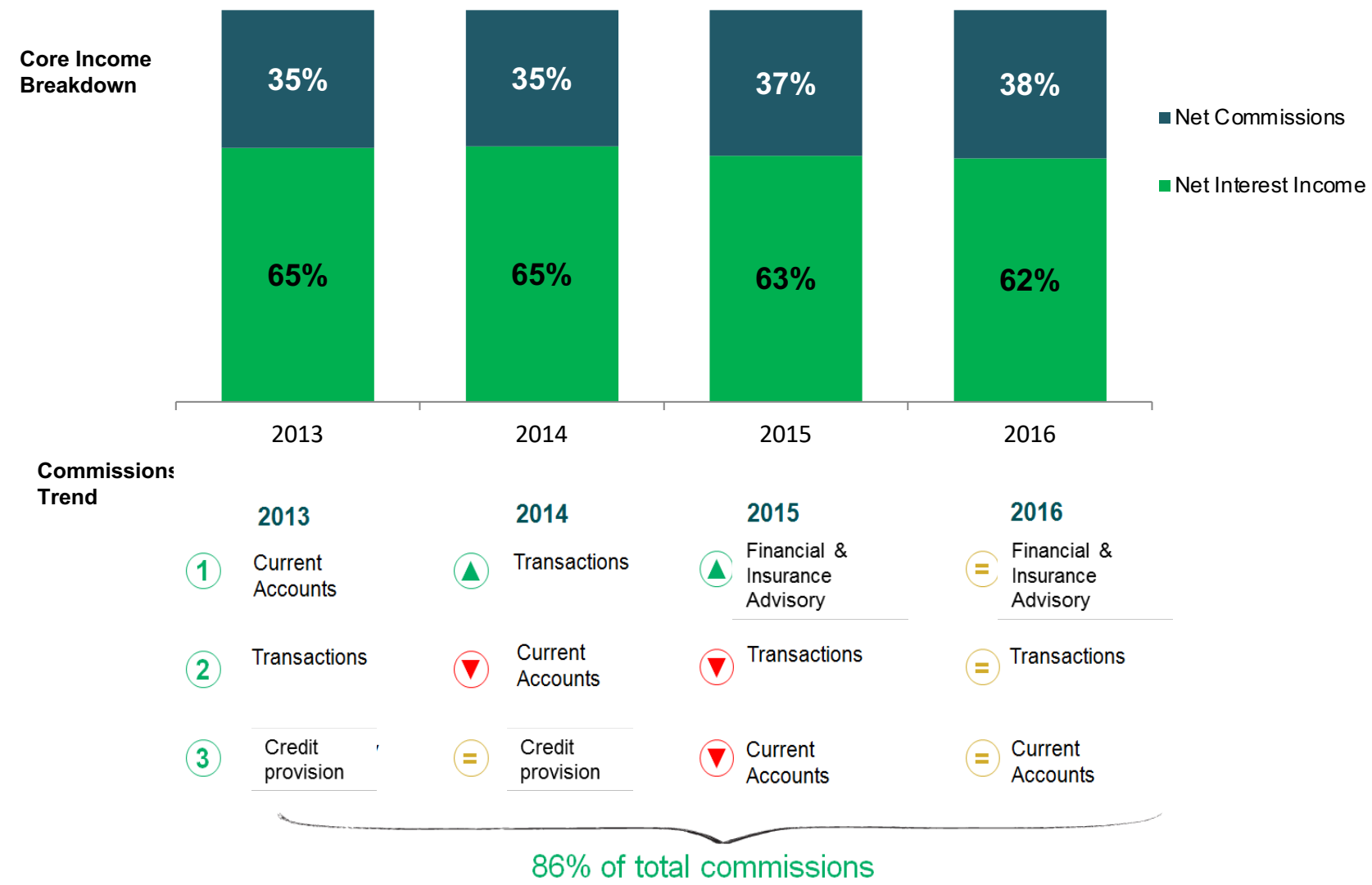
New Revenue Streams

Service & Product view



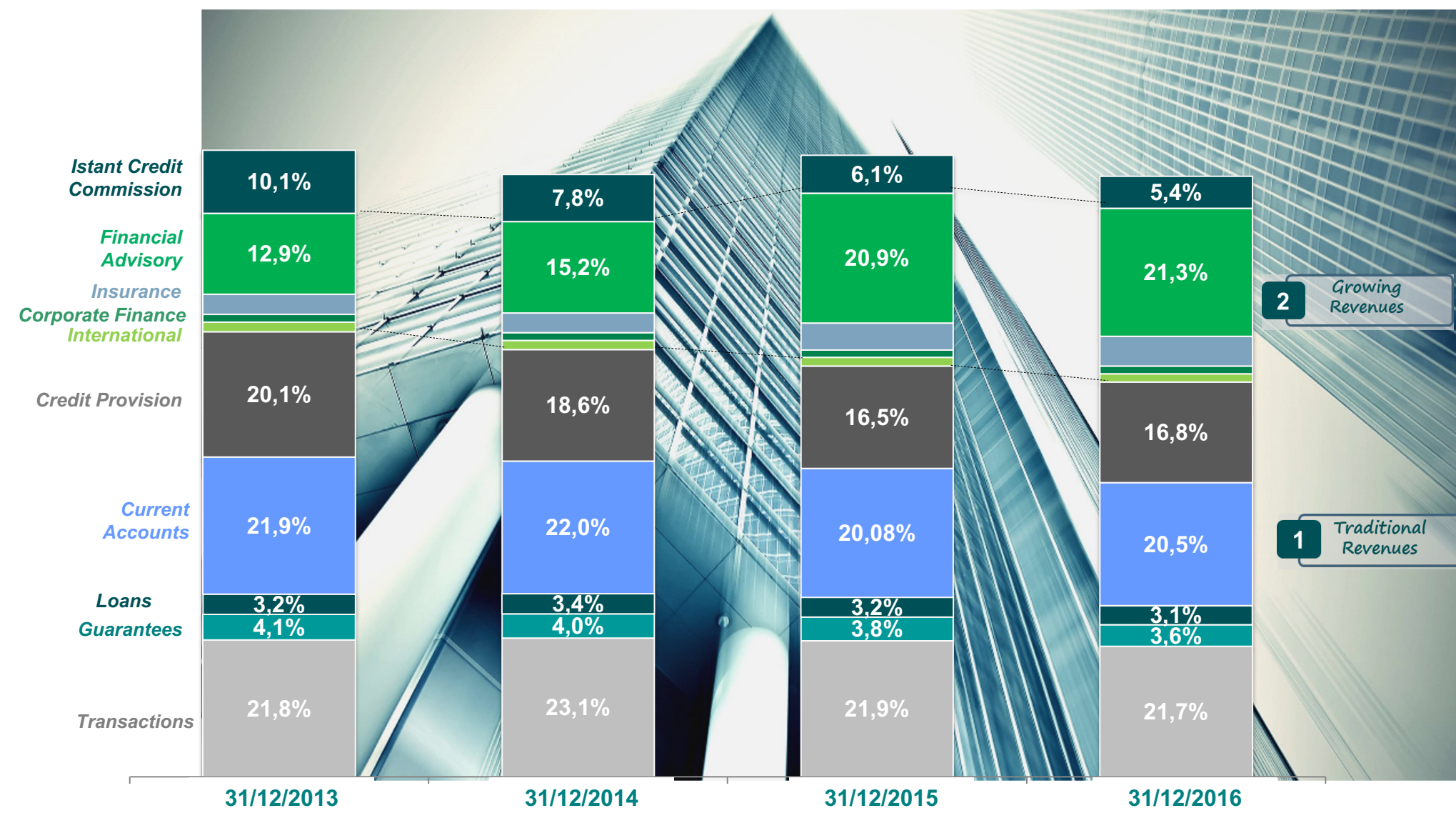
New Revenue Streams

Inside Context



New Revenue Streams

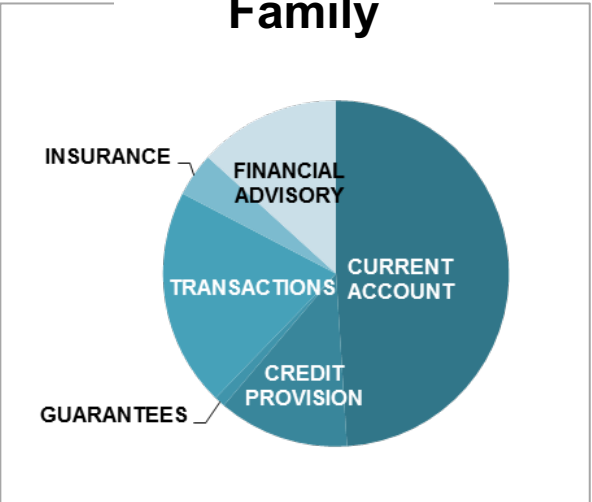
Service & Product view



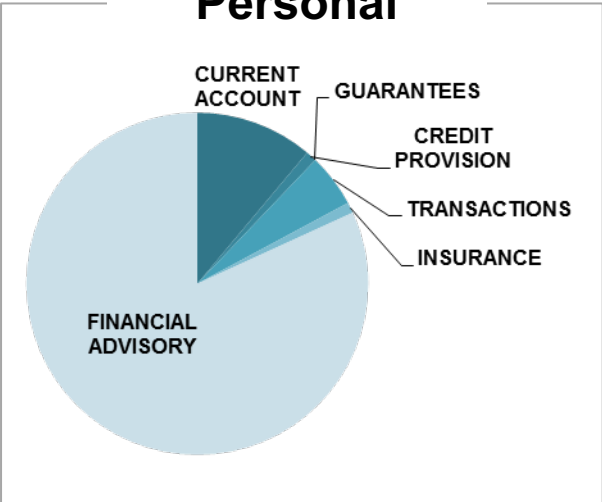
New Revenue Streams

Global view: Segment, Product & Services

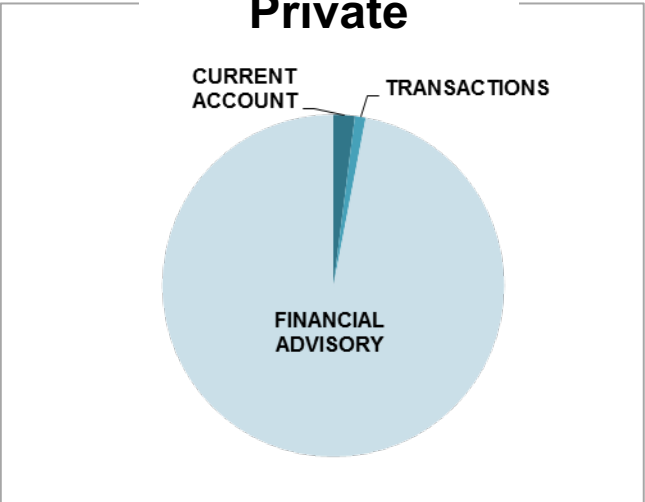
Family



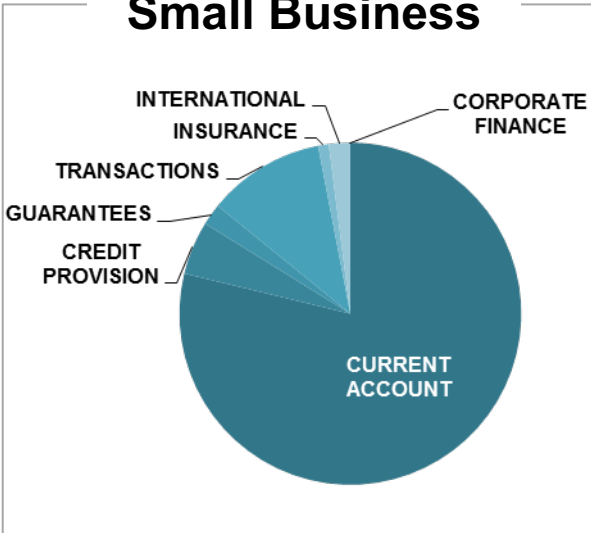
Personal



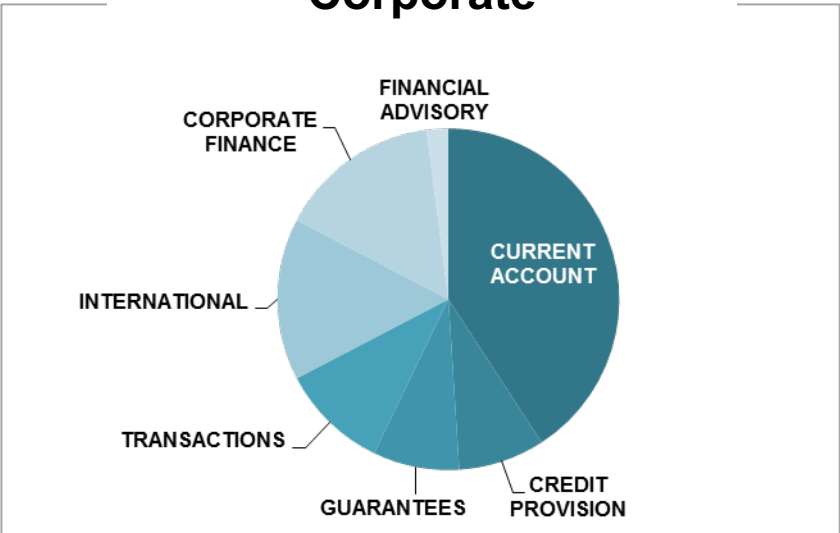
Private



Small Business



Corporate



New added value

**Value
creation**

**What value
do I deliver?**

Client

**Value
Extraction**

**How much value
do I receive?**



The new BPER paradigm



Action plan

Distribution Model

Segments

Activities



Distribution model

MAXIMIZING

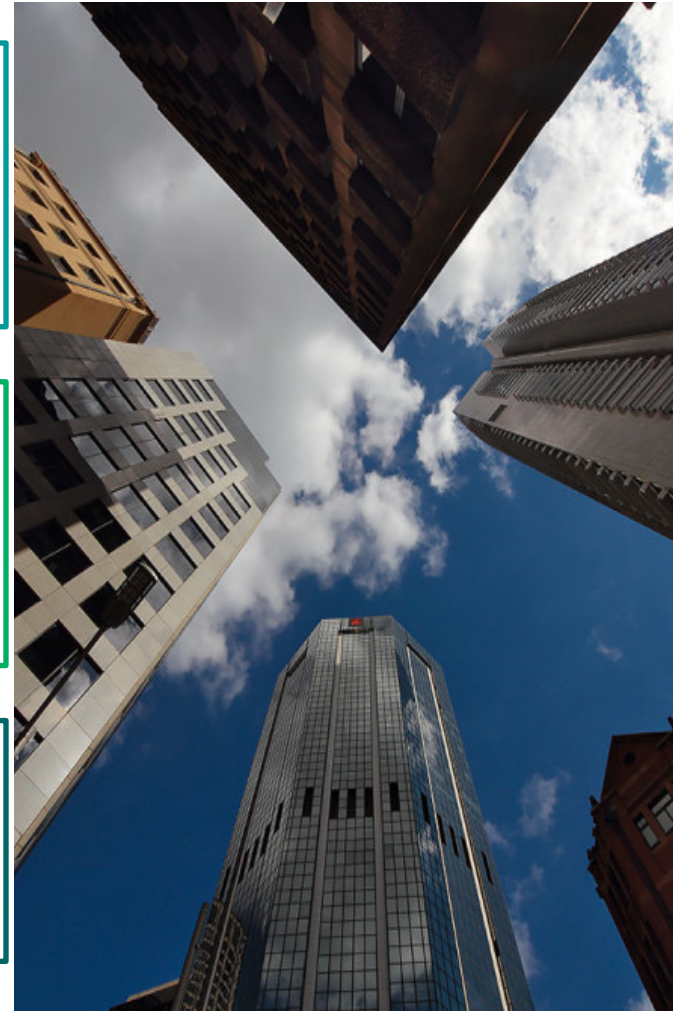
- Branch «repositioning»
- Hub & Spoke model implementation
- Outbound activity contact center
- Base product online sales
- Social media activities and events

TESTING

- **New Branch Concept**
- New value proposition
- **Digital Marketing –Direct and ominichannel communication**
- Teenage market

EXPLORING

- **New sales channels**
- **New branch formats**
- New value proposition
- New partnerships



Segments

Maximizing

Testing

Exploring

Family
Small Business
Personal
Private
Corporate



Family Action Plan 2017



MAXIMIZING

- «Cross Selling 5»
- Mortgages and loans
- Omnichannel activities
- Insurance products

TESTING

- **Utility contracts**
- **Company Welfare services**
- Crowdfunding services

EXPLORING

- New real estate **partnership**
- **Amazon partnership roadmap**

Small Business Action Plan 2017



MAXIMIZING

- Credit lines
- Standard Insurance
- POS

TESTING

- Non Standard Insurance
- E-commerce

EXPLORING

- **Integrated Service Suite**
- Streamline **Cost to Serve**
- Direct Channel method of contact

Personal Action Plan 2017



MAXIMIZING

- «Asset under management»
- Life Insurance
- Portfolio repositioning

TESTING

- Service Model Upgrading
- «Araba Fenice» (Wealth Management Action)

EXPLORING

- New value proposition (e.g.real estate)



MAXIMIZING

- «Asset under management»
- Life Insurance
- Portfolio repositioning
- External Offer

TESTING

- Service Model Upgrading
- «Araba Fenice» (Wealth Management Action)

EXPLORING

- Remunerated Consultancy
- New value proposition



MAXIMIZING

- Corporate Finance and Mid-term credit
- Foreign activities
- Leasing/Factoring/Long Term Rental
- Warranties
- Exchange and interest rates
- Cash Pooling

TESTING

- Strategic Advisory
- Corporate Platform Advisory
- Company Welfare Services

EXPLORING

- Strategic Advisory 2.0
- Corporate Platform Advisory 2.0
- Business Intelligence



Thank you.

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