Current and Future Digital Transformation

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Overview of Turkey

80 M
population

young

67 %
young population

94 %
mobile penetration

mobile

62 %
smart phone penetration

48 M
Facebook followers in Turkey

social

#8
Turkey's country ranking

The Digital Bank

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BBVA Group

2nd largest private bank

15 M customers of which 10 M active

19 thousand employees

extensive distribution

937 branches & 5K ATMs

5th most valuable brand of Turkey

US$ 1,5billion

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Mobile Banking

5.5 M active users
200 different transactions
~183 M financial transaction per year

Online Banking

~2.5 M active users
>500 different transactions
~105 M financial transaction per year

95%

of all the transactions are completed in digital channels

ATM

5.000 ATMs - **6 M** active monthly users
~30 M monthly transactions
8 languages**,5** different menu

Alo Garanti

~70 M calls per year
4,2 M product sales per year
self-service voice command transactions

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New Features For Authenticaton on Digital Channels

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Digital Banking Authentication

- Banks in Turkey must apply 2 factor authentication systems.
- Customers shall use 2 of the following

Something You Know

Password
PIN

Something You Own

OTP Generating Device
SMS OTP
OTP Generating App
Mobile Token

Something You Are

Biometrics

Restrictions

- Authentication factors must be different (2 biometric factors can not be used)
- Factors of authentication must be independent
- Validations must be performed within the bank. No offline authentication is allowed

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What Have We Been Using For Identification?

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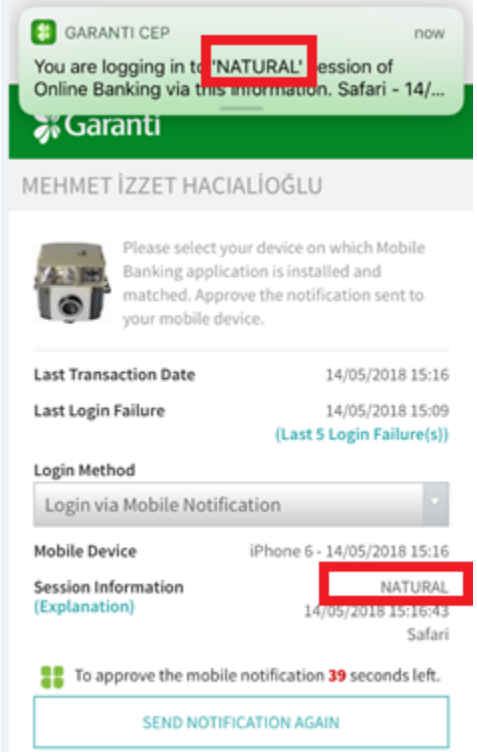
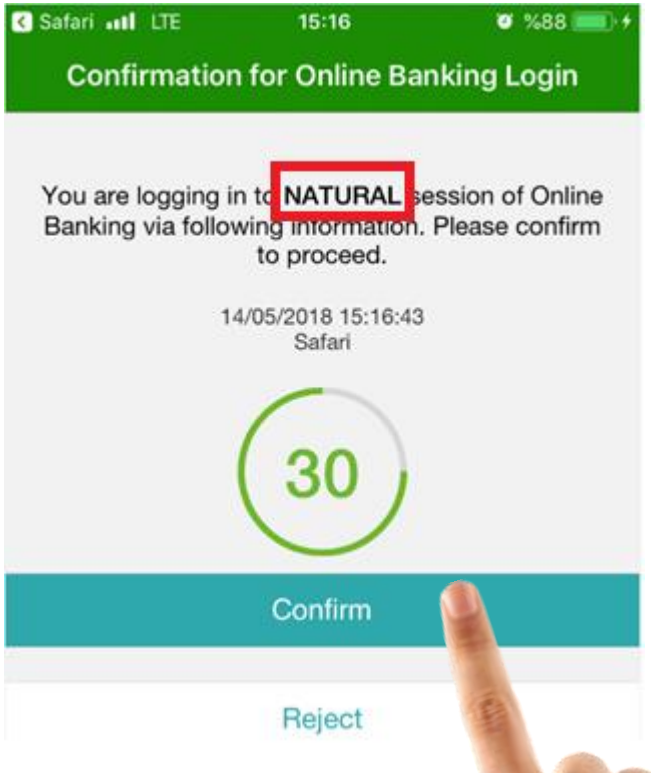
Online Banking Login and Transaction Signing via Mobile Notification





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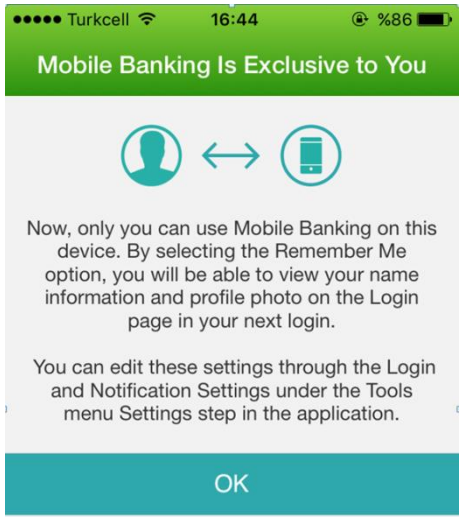
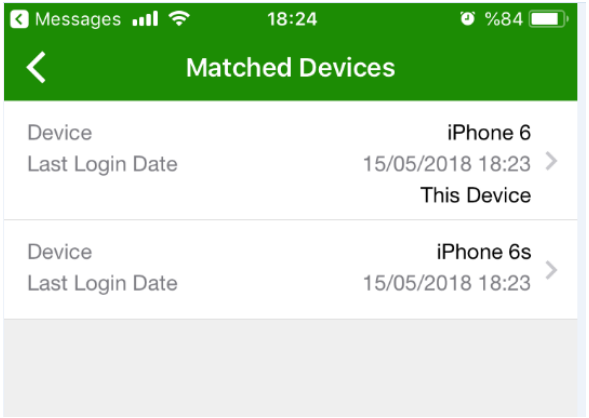
TOKENIZATION

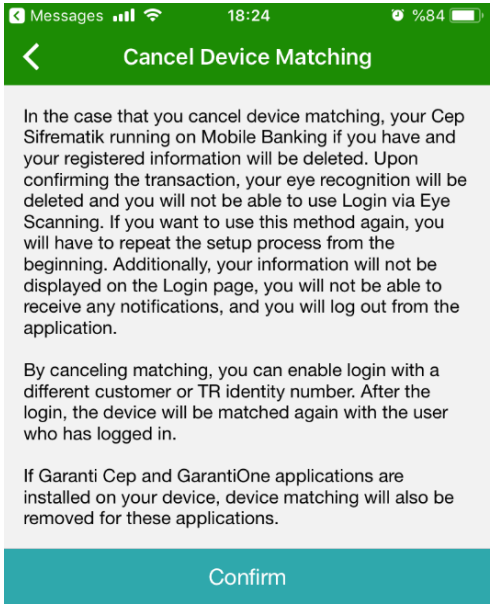
Matching



Showing



Cancellation



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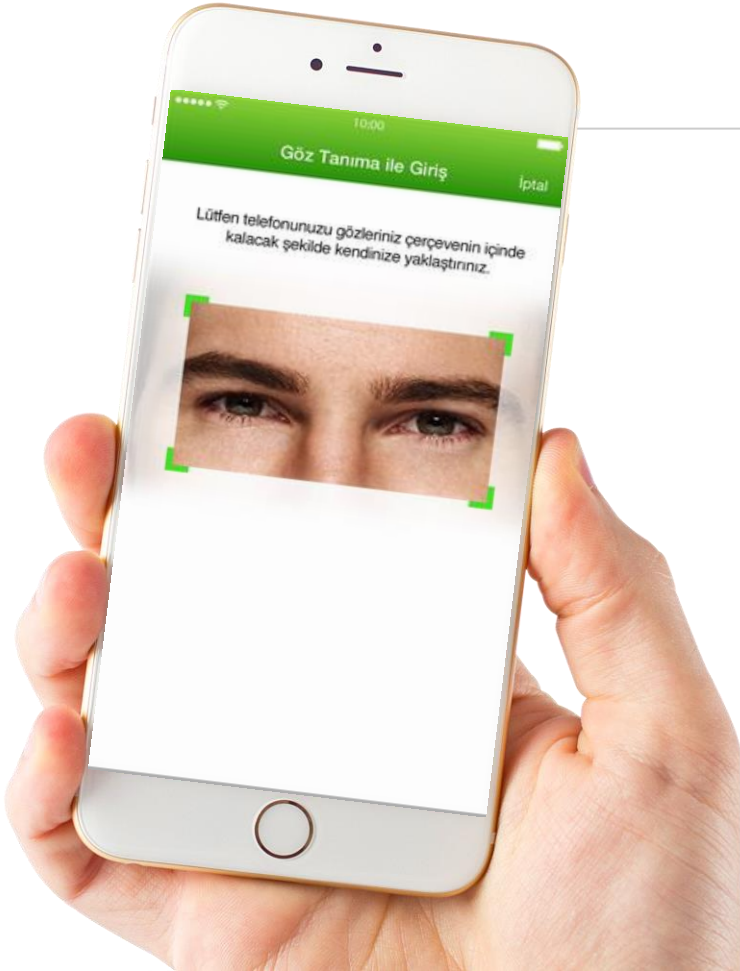
Biometrics - Eye Scanning

- **Easy** setup
- **Effortless** login
- Recognizing the structure of the eye



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Free-speech

- **Automatically starts** in the background for agent side authentication
- Authenticates customer in **3 seconds**
- Bringing **security** and **UX** together with most convinient way

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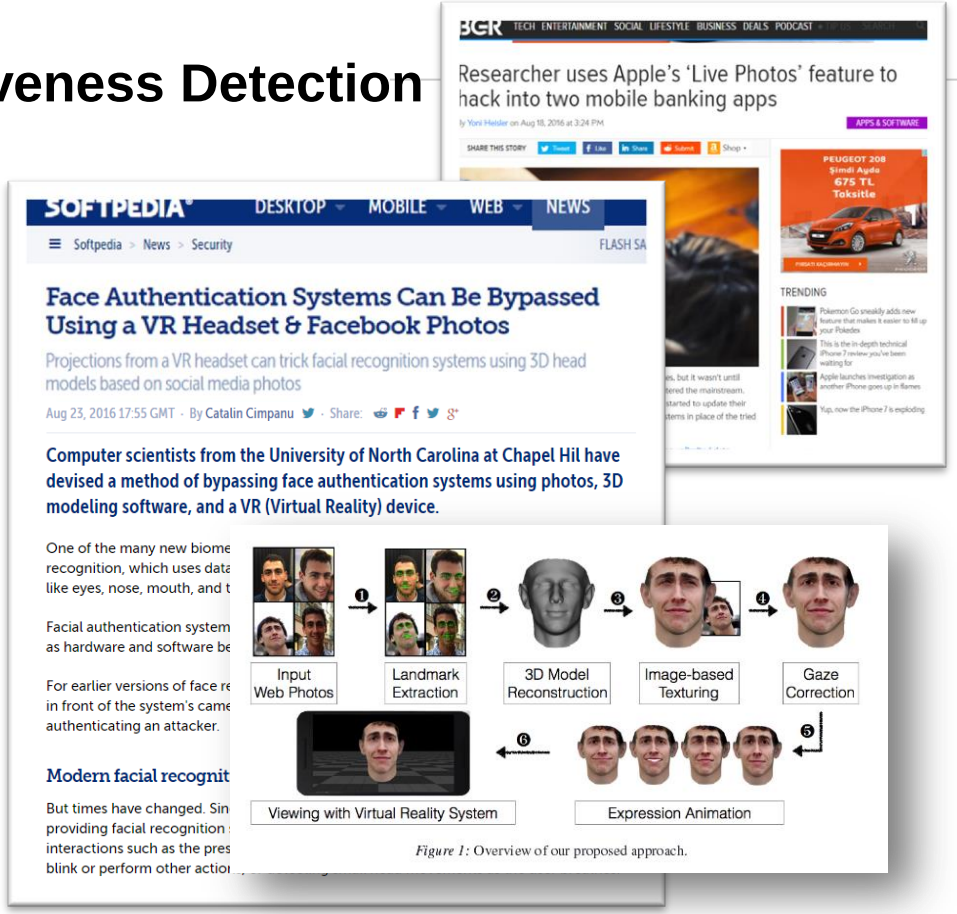
Biometrics Solutions & Liveness Detection

Increased processing power of mobile devices made a number of biometric verification techniques available. Most widely used methods are active/ passive voice verification, face recognition and fingerprint verification.

Liveness detection is a great challenge. It is very hard to tell if a biometric authentication system is verifying the real owner of biometric data or a previously captured audio/ video



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New Features For Ease Of Use On Digital Channels

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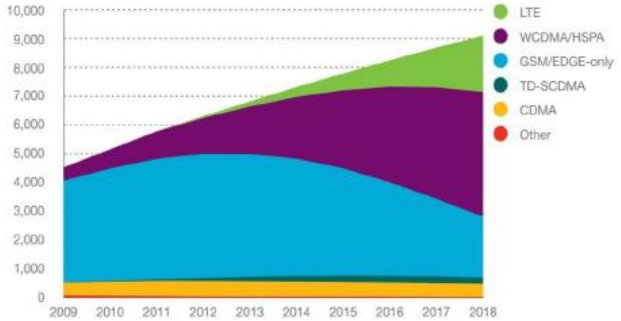
Technological Advancement

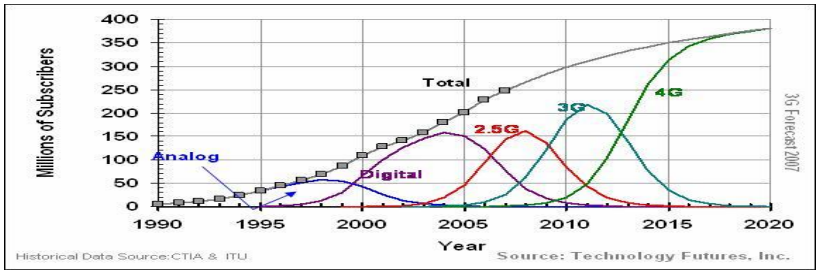
Mobile Usage by Technology



Generation	Technology	Maximum Download Speed	Typical Download Speed
2G	GPRS	0.1Mbit/s	<0.1Mbit/s
	EDGE	0.3Mbit/s	0.1Mbit/s
3G	3G (Basic)	0.3Mbit/s	0.1Mbit/s
	HSPA	7.2Mbit/s	1.5Mbit/s
	HSPA+	21Mbit/s	4Mbit/s
	DC-HSPA+	42Mbit/s	8Mbit/s
4G	LTE	100Mbit/s	15Mbit/s

http://kenstechtips.com/index.php/download-speeds-2g-3g-and-4g-actual-meaning

DİFFUSİON OF MOBİLE TECHNOLOGİES



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Video Banking

Immitates face-to-face customer relationship experience.

Secure

-Attackers leave more evidence than ip adress and time stamp

AML Compliant

-A circular from German Federal Financial Supervisory Authority (BAFIN) dated 2014 suggests that if a banks employee and a customer is communicating through video transmission, the communication can be assumed a face-to-face session.

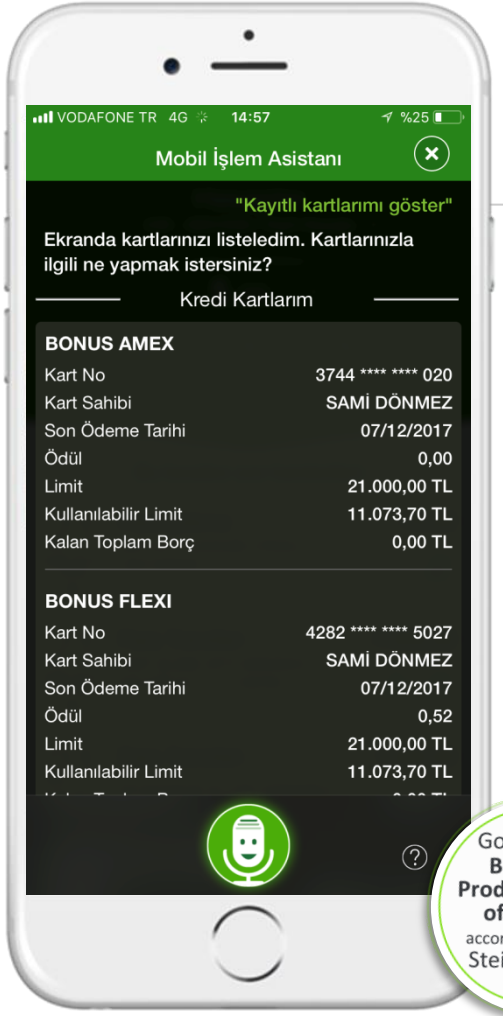
Compatible with biometric verification systems

MIA – Mobile Interactive Assistant

- **1.3 M customers** interacted with MIA **12 M times**
- Received over **8,401** marriage proposals

Functions | Transactions | Inquiries | Navigation

- *Eating and drinking expenses I made from my credit card in December*
- *Pay hundred Turkish Liras to my credit card*
- *Would you marry me?*



Gold Stevie- **Best New Product/Service of the Year** according to 2017 Steive Awards

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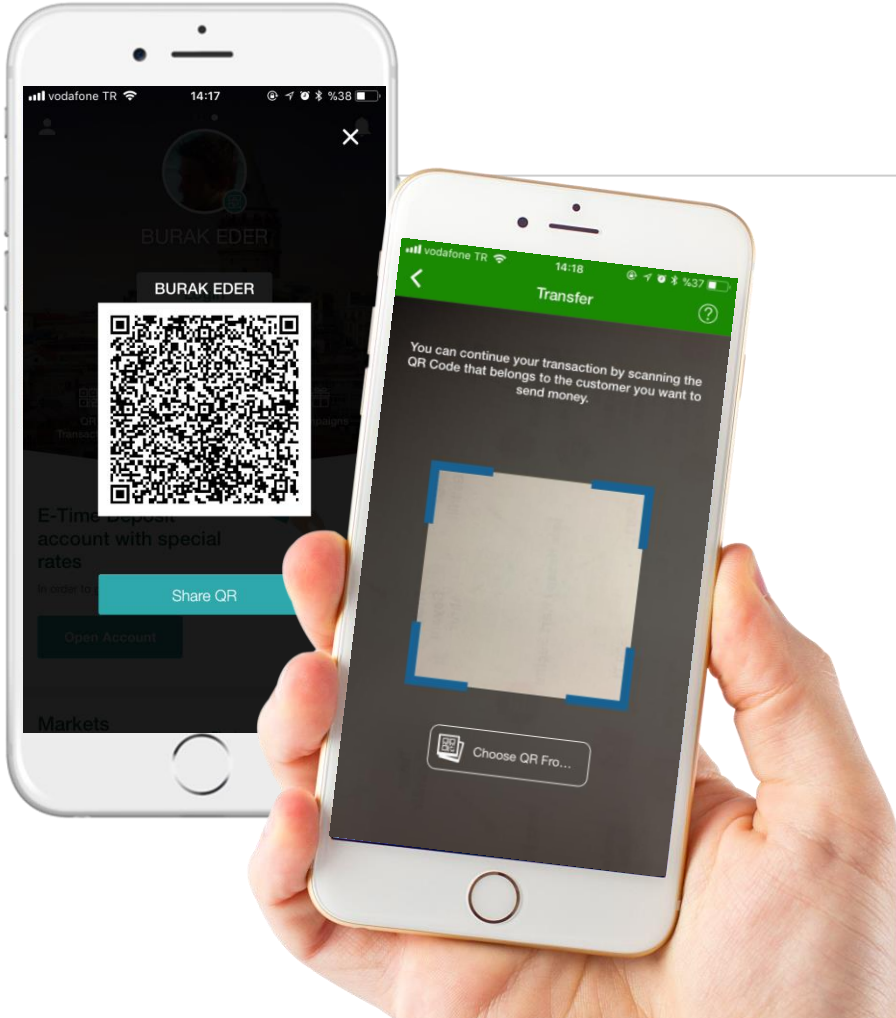
QR Money Transfer

- Easy & secure way to share account details via QR Code
- Fast money transfer without login



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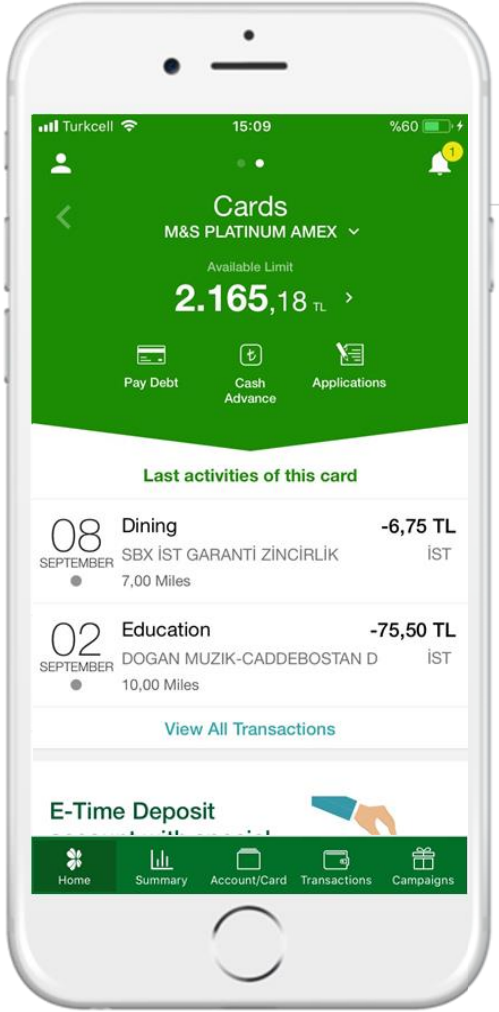
A New Look

- **Quick** balance view
- **Smart** and **one-click** action buttons
- **Personalized** offers
- Quick view of latest transactions



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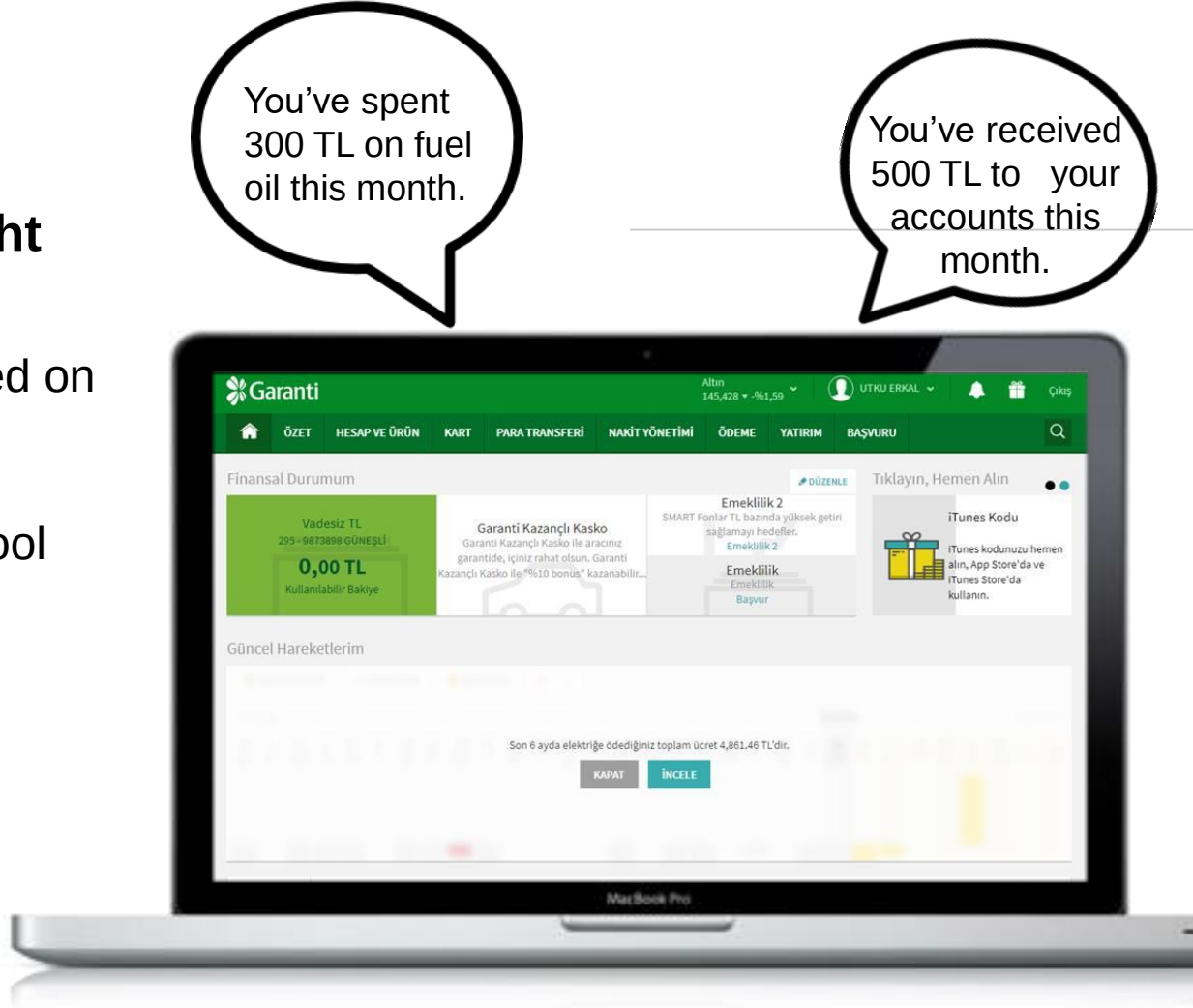
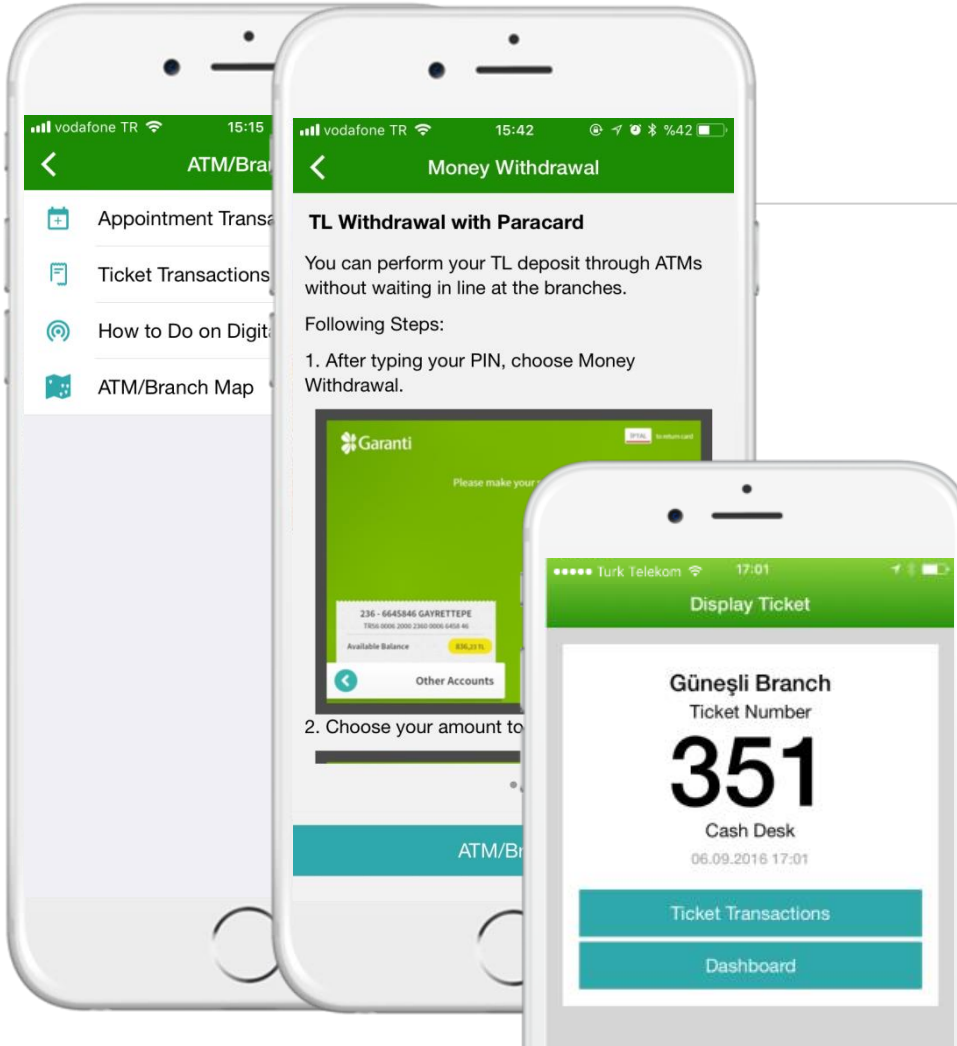
Financial Insight

- Insights regularly placed on dashboard
- Direct linking to PFM tool



Mobile Appointment System

- Balance the branch density between time intervals and interbranches
- Direction to the digital channels via how – to pages



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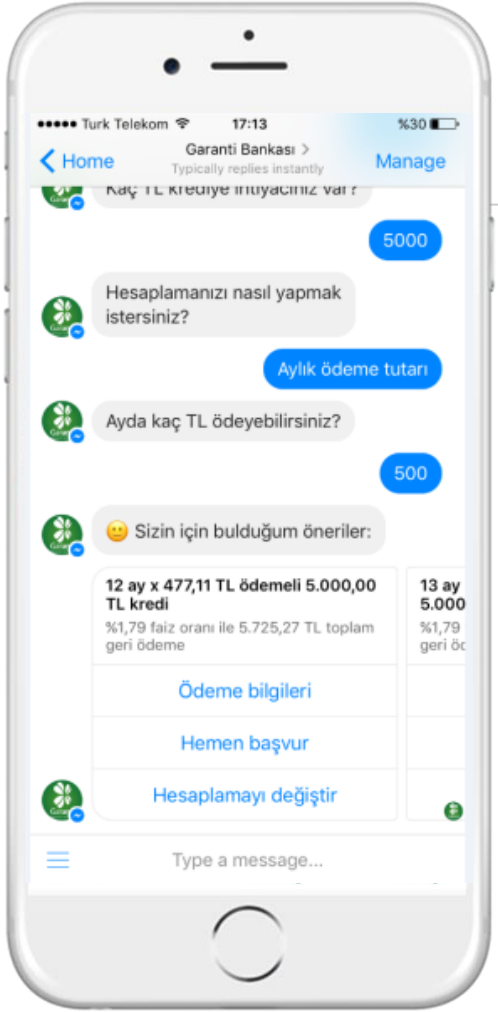
Garanti Messenger (BOT)

- Loan calculation and offer
- Loan application
- Market info
- Nearby ATMs/Branches

Make every touchpoint an opportunity



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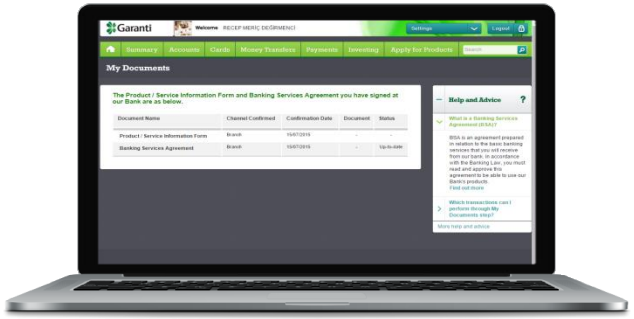
Distant Contracts on Financial Services

Regulation regarding Distant Contracts on Financial services is effective since 2015 Q1

Regulation enabled Turkish Financial Sector to design end-to-end digital products. Such that

- Online loans
- Online insurance
- Investment products



Requirements

Pre-Contract information must be provided
- Information may be served publicly on web page,
- Whole contract must be readable and available at the time of agreement,
- Contract must be understandable and explicit

A copy of the contract must be presented to customer in digital medium
Customers have right to withdrawal

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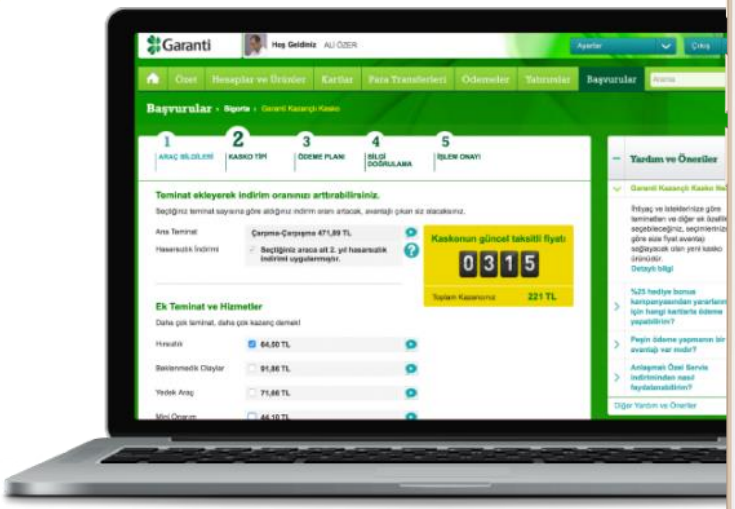
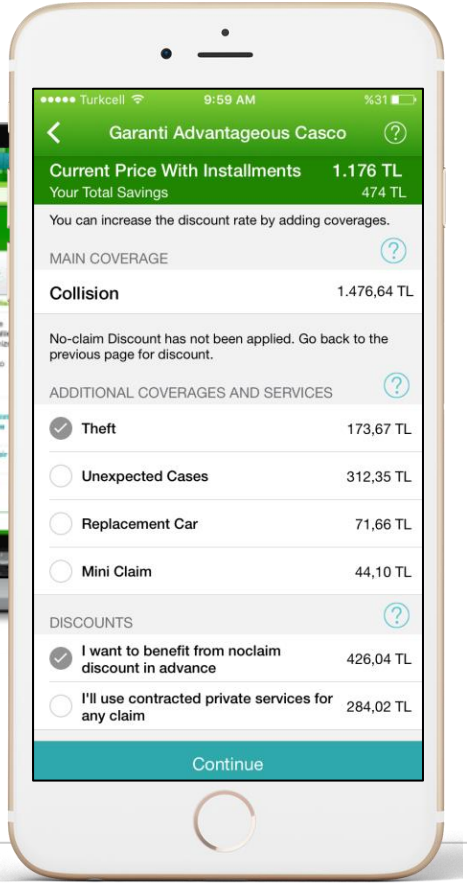
30 %

2 %

Digital Casco





Entirely Digital Products

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Redesigning a Ten-year-old Experience: ATM Redesign Project

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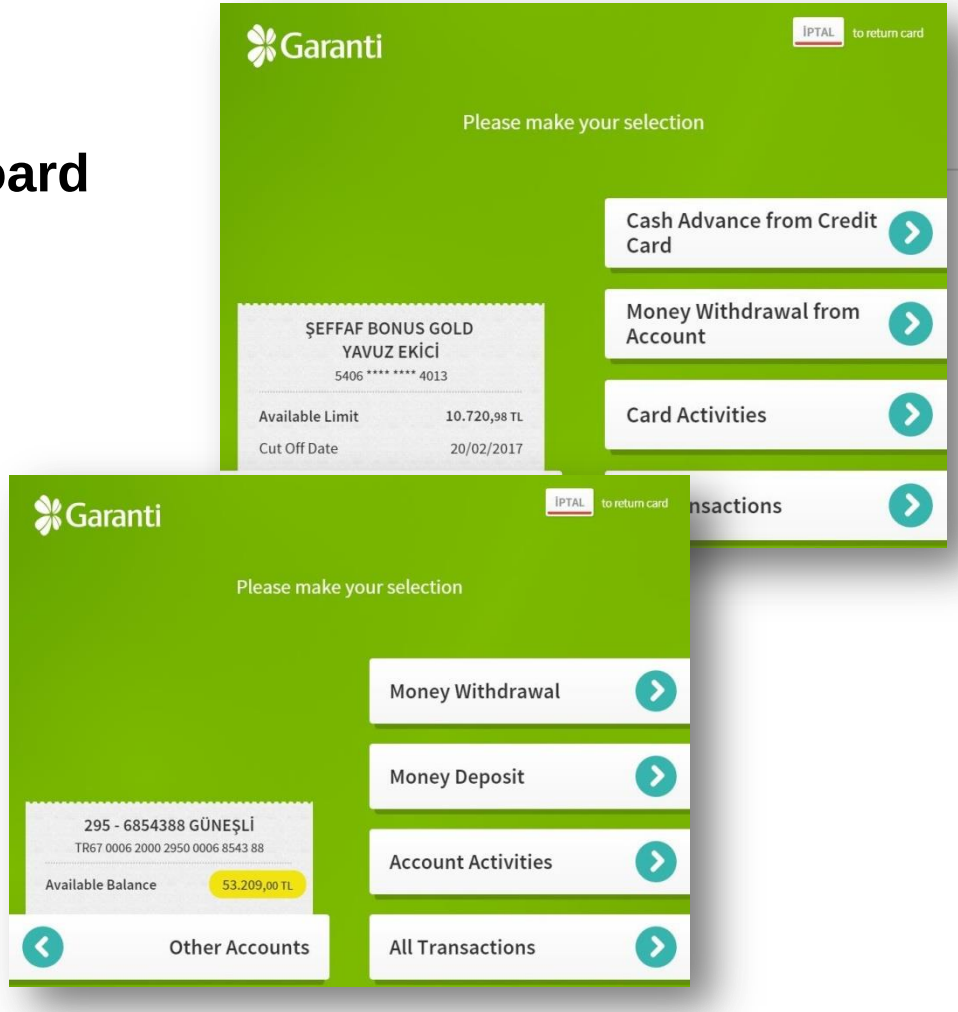
Dynamic ATM dashboard

- Details Shown Changes After Login Relatively to the Card Type
- Quick Access Transactions Changes over Customer's Products



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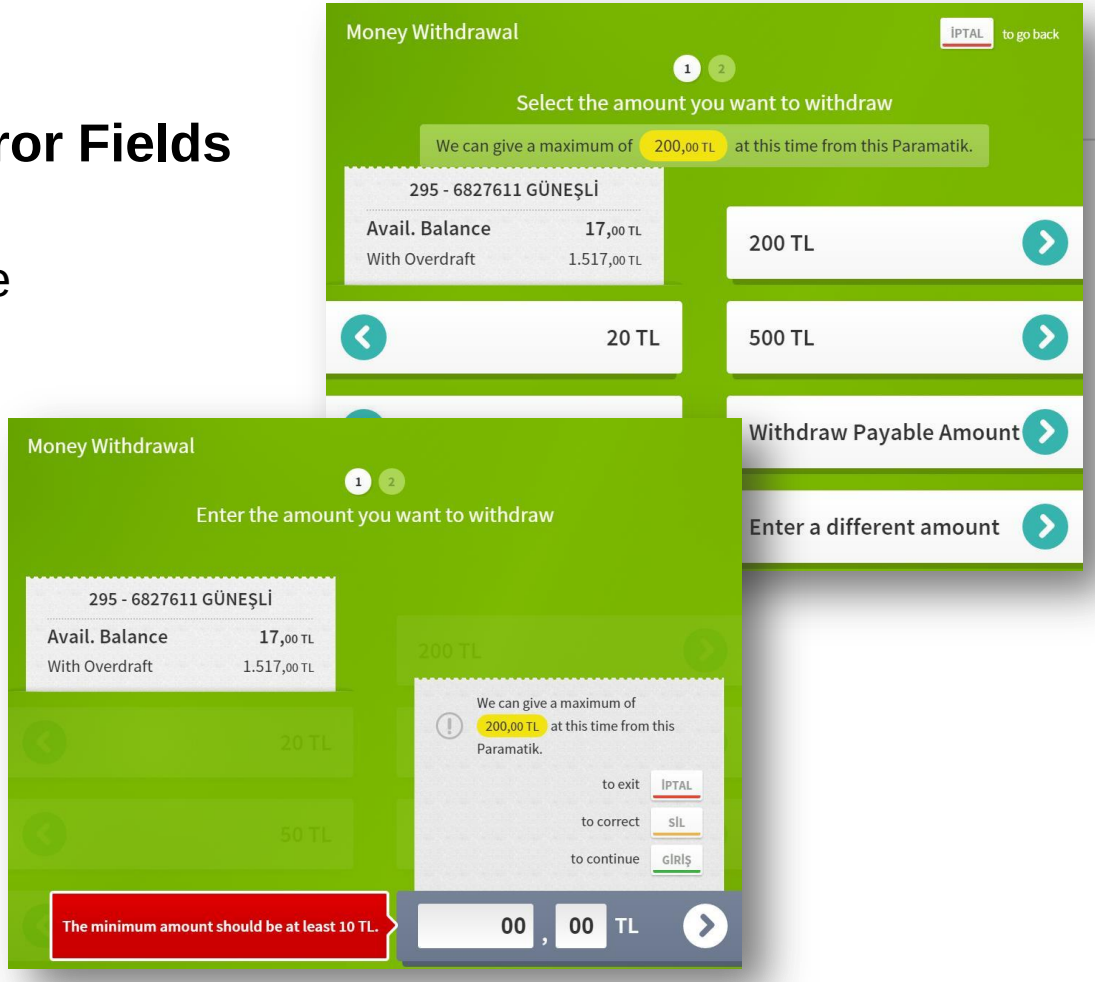
Instant & Smart Error Fields

- Instant & Smart Error Fields due to Cassette Capacity and Customer Limits



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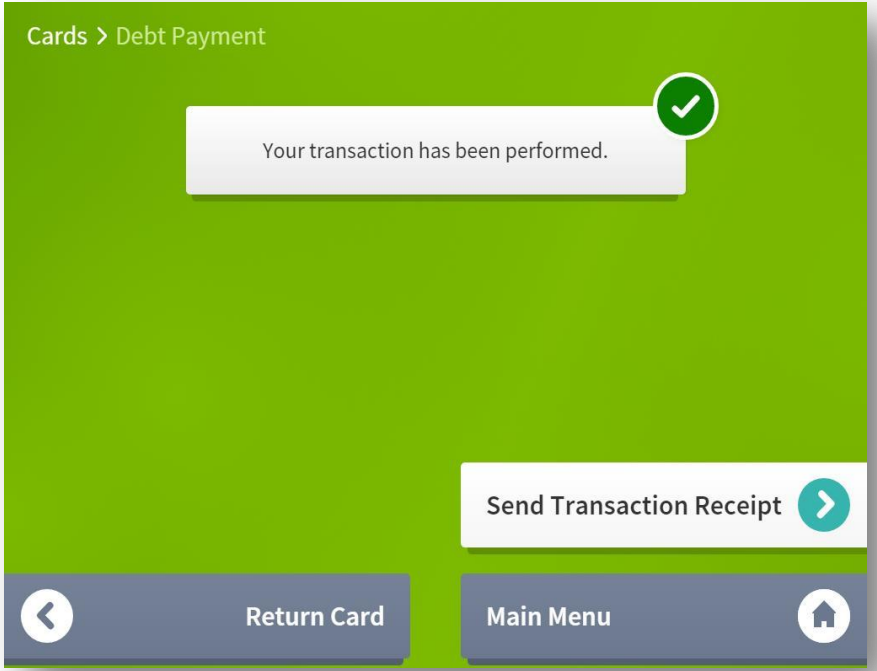
Transaction Receipt Sending via E-mail

- E-receipt replaces traditional ATM receipts
- Environmental friendly



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New Era on Cash Transactions: Mobile Based QR transactions

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QR Transactions

2014

- **+1000K Monthly** QR Withdrawals
- **+100K Monthly** QR Deposits
- Money withdrawal and deposit with QR
- **7 seconds** to withdraw

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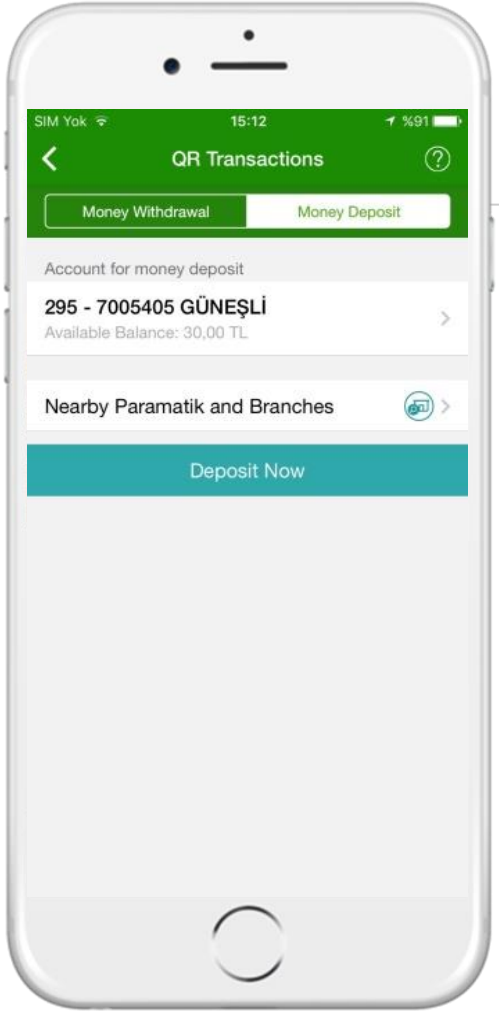
QR and Illegal Bet Usage Experience

- Qr photo time limit,
- Location control,
- Root / Jailbreak detection control



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Open Innovation Approach

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Our Open Innovation Approach

- Agile Projects
- UX – UI Workhops
- Intrapreneurship
- Know-how exchage w/ BBVA

- GarantiPartners Accelerator Prog.
- BBVA Open Talent
- GP Entrepr. Center
- Hackathon
- Women Entrepre. Competition
- Events, Meet-ups
- Reports

- API Store
- Access to Global (VC, Corporates, Accelerators)
- Yol Haritam
- Partnership

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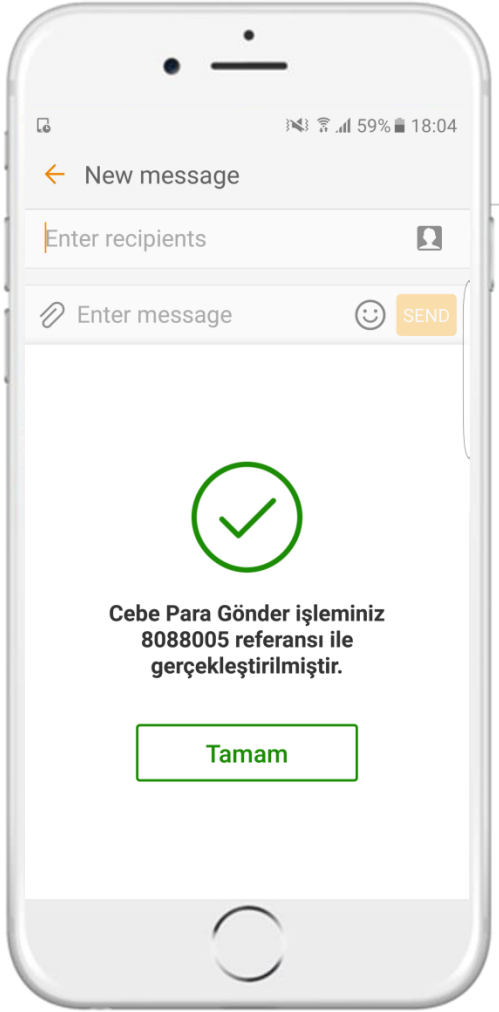
Garanti Keypad

Send money
without leaving whatsapp!

Make every touchpoint an opportunity



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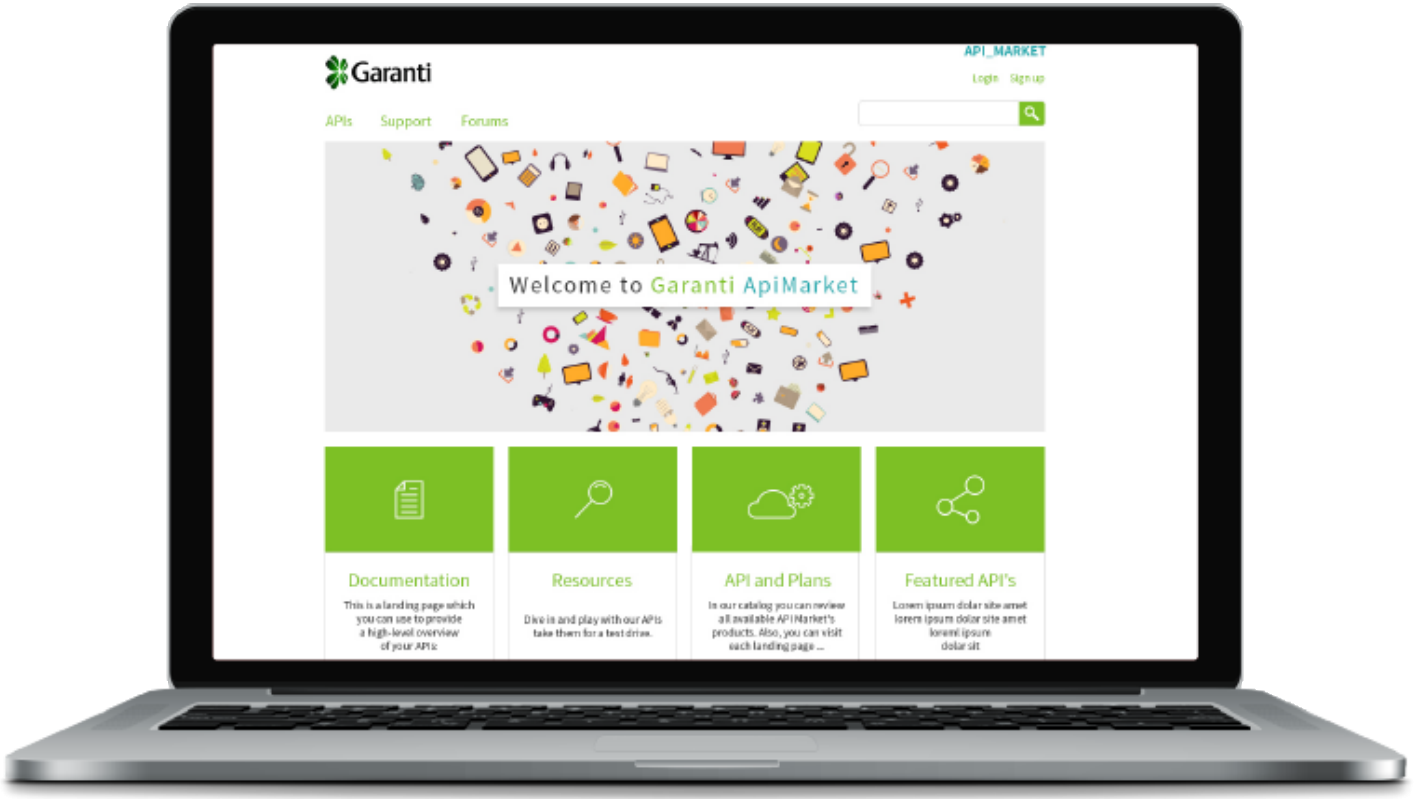

Garanti API Market

Thanks!

questions?

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