



## Interview

# GARANTI BBVA EMBRACES THE SYNERGY OF TECHNOLOGY AND HUMAN EXPERTISE

**MUSTAFA TIFTIKCIOĞLU**, CEO, Garanti BBVA România

**1** As Garanti BBVA celebrates 25 years in Romania, could you reflect on the journey and share key milestones that shaped the bank's strategic direction?

As we celebrate 25 years of Garanti BBVA's presence in Romania, it is indeed an excellent opportunity to reflect on our journey in the local market and the main milestones that have shaped our bank's and two FINCO's strategic direction.

Throughout this quarter-century, we have been guided by our core brand values, which continue to be the driving force behind our success. Our three fundamental values are: "We are one team", "Customer comes first", and "We think big".

First and foremost, "We are one team" signifies the strength of our collective effort. Our dedicated and skilled team members have played a crucial role in the bank's growth and development. Working together,

we have overcome challenges and achieved significant milestones.

"The customer comes first" has been at the heart of our approach. We prioritize the needs and satisfaction of our customers, tailoring our services to meet their expectations. This unwavering commitment to our customers has fostered trust and loyalty over the years.

Lastly, "We think big" encapsulates our forward-thinking and innovative mindset. We have consistently embraced new technologies, strategies, and opportunities to ensure we remain at the forefront of the banking industry. This value has allowed us to expand our offerings, adapt to changing market conditions, and provide cutting-edge solutions to our clients.

Looking back, our journey has been marked by achievements in expanding our service offerings, achieving financial milestones, and contributing to the Romanian financial

landscape. Our commitment to these core values has not only shaped our bank's strategic direction but has also solidified our position as a trusted and forward-looking financial institution.

As we continue to grow and adapt to new challenges and opportunities, our values will remain at the core of our strategy, guiding us toward a future of sustained success in Romania's dynamic financial sector.

## **2. In the face of recent economic challenges, how has Garanti BBVA demonstrated resilience, and what strategies were employed to navigate through these difficulties successfully?**

Garanti BBVA has demonstrated remarkable resilience despite the challenges. We understand that adaptability and proactive strategies are essential in navigating uncertain economic conditions. To overcome these difficulties, we have implemented a multifaceted approach that combines careful market analysis, investments in team development, and a solid commitment to digitalization.

First and foremost, we have consistently conducted thorough market analysis. This includes a deep understanding of the Romanian market dynamics, its challenges, and its potential opportunities. Our ability to respond effectively to economic challenges stems from this analytical foundation. By staying ahead of market trends and identifying potential risks early on, we can proactively adjust our strategies to mitigate their impact.

Investing in our team's development has been another crucial aspect of our resilience. Our employees are not just bankers; they are financial advisors to the Romanians. We have nurtured a culture of continuous learning and skill development to ensure our team members can provide insightful and expert guidance to our customers. This investment has enabled us to offer tailored financial solutions that address the unique needs of our clients, even during challenging economic times.

Furthermore, we have placed a strong emphasis on digitalization. Our commitment to this aspect has facilitated easier processes and greater access to our financial services.

By leveraging the latest technological advancements, we have streamlined operations and enhanced our customer experience. Digitalization has enabled us to provide our clients with convenient and secure access to banking services, regardless of the economic environment.

Therefore, our resilience in the face of economic challenges is a result of our proactive market analysis, investments in team development, and our commitment to digitalization. By combining these strategies, we have not only weathered difficult times but also continued to offer reliable and innovative financial solutions to the people.

## **3. Given the rise of digital banking, how does Garanti BBVA balance traditional brick-and-mortar services with the growth of digital channels? What role do online and mobile platforms play in the bank's overall strategy?**

Balancing traditional physical services with the growth of digital channels is a crucial aspect of our strategy at Garanti BBVA. We recognize that the banking landscape is evolving rapidly with the rise of digital banking, and our approach revolves around accommodating the diverse preferences of our customers.

In fact, we have noticed an apparent uptick in the preference for simple and user-friendly mobile transactions. So, we have observed that mobile transactions by Garanti BBVA customers have increased by over 23% in the first nine months of 2023 compared to the same period in 2022.

Digital channels, such as online and mobile platforms, play a central role in our overall strategy. These platforms offer convenience, accessibility, and speed, and we understand that there is a growing segment of customers who want to migrate to online and mobile options. To meet their needs, we have made substantial investments in the development of these channels, ensuring that our digital offerings are cutting-edge and user-friendly. Our customers can access a wide range of banking services from the comfort of their homes or on the go, 24/7, thanks to these digital platforms.

At the same time, we also recognize that there is another segment of customers who



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prefer a more traditional, in-person approach. They want to visit a branch, speak with a consultant, or have a conversation with a specialist over the phone. We highly value this segment and understand that their financial needs may require a personal touch. As such, we will maintain our physical branch network and constantly train our staff to offer expert guidance and assistance to those who prefer face-to-face interaction.

Our approach is all about providing choice and flexibility to our customers. We aim to be where our customers need us, whether that is in the digital space or through traditional channels.

#### **4. How does Garanti BBVA ensure a customer-centric approach, and what measures are in place to continuously understand and meet the evolving needs of retail, SME, and corporate clients?**

Garanti BBVA is committed to a customer-centric approach, which is a fundamental pillar of our strategy, as I mentioned before. We continuously seek to understand and meet the evolving needs of our retail, SME, and corporate customers. We actively engage with our customers, seeking their input and feedback. Their insights are invaluable, and we swiftly implement their suggestions to ensure our product and service portfolio align as closely as possible with their needs.

Our dedication to responsiveness and customer feedback helps us remain agile and adapt to our customers' changing requirements effectively.

#### **5. Could you highlight some of Garanti BBVA's flagship products or services that have been particularly successful in the Romanian market and contributed significantly to the bank's growth?**

I tend to say that all Garanti BBVA products are of interest to our customers. And from last year's and this year's results, we can see that we are registering growth both on the credit and loan side. But if I were to make a top of the most desired financial products, I would say that personal loans are in the first place.

Personal need loans have gained significant popularity among Garanti BBVA's customers, primarily due to their adaptability and

accessibility. This financing option caters to a broad spectrum of requirements, ranging from small indulgences to fulfilling postponed aspirations. In this category, the GPL personal need loan stands out as a versatile financial tool, offering flexibility in terms of loan amount and repayment duration.

Romanian consumers are increasingly turning to these loans to meet diverse financial needs, including home improvement projects, dream vacations, and vehicle upgrades, without depleting their savings.

Additionally, these loans serve as a lifeline for those with deferred dreams and ambitions, empowering them to launch home-based businesses, pursue further education, or embark on long-awaited home renovation projects.

#### **6. Garanti BBVA has achieved notable brand recognition. What strategies were employed to build such strong market visibility, and how does the bank differentiate itself in a competitive landscape?**

Garanti BBVA's strong brand recognition results from a combination of key strategies. We prioritize open and transparent communication with the press, addressing all topics that foster trust. Our early adoption of social media, as the first Romanian bank on Facebook, has expanded our online presence and audience engagement. We currently have around 400,000 loyal followers on Facebook and are present on all other social networks, with a constant active presence.

Additionally, we have consistently invested in promoting our financial products, reinforcing our commitment to customer-centric solutions.

These strategies have set us apart in a competitive landscape, solidifying our reputation as a trustworthy and innovative financial institution over our 25 years in Romania.

#### **7. Sustainability is a key focus for Garanti BBVA. How does the bank integrate sustainability into its business strategy, and what specific initiatives contribute to environmental and social responsibility?**

At Garanti BBVA, we firmly believe in the significance of embracing responsibility for sustainability and aligning our core activities with the long-term well-being of our customers, communities, and the environment.

I hold a firm conviction that sustainability in banking transcends mere symbolic gestures. Therefore, within our group, we are dedicated to integrating sustainability into various facets of our operations. For instance, we actively support environmentally friendly projects and companies committed to responsible business practices.

This extends beyond financial backing; it entails ensuring that the projects we endorse are in harmony with sustainability objectives. Furthermore, we advocate for positive change and actively support regulatory reforms that promote sustainability, thereby exerting a positive influence on the broader industry. I am aware that sustainability can drive innovation, whether through the development of eco-friendly financial products or investments in sustainable technologies, positioning banks at the forefront of positive change.

In essence, discussions about sustainability in banking are not confined to mere rhetoric; they translate into tangible actions. It's about forging a more sustainable future, and as a bank, Garanti BBVA is resolute in fulfilling its role. The extent of sustainability's impact knows no bounds; it represents a direction, and we are committed to pushing the boundaries to effect meaningful change.



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**8. In an era where banking is increasingly intertwined with technology and the role of a banker has evolved significantly, how does Garanti BBVA approach employer branding to attract top talent?**

In Garanti BBVA, we are privileged to enjoy a robust standing in the industry, consistently drawing highly qualified candidates to our job openings.

To secure a perpetual stream of capable professionals, we make substantial investments in training and development, arming our team with the requisite knowledge and skills to thrive. Significantly, we uphold a low turnover rate, indicative of our employees' loyalty and job contentment.

Currently, we take pride in noting that a substantial portion of Garanti BBVA's workforce consists of long-serving employees who have evolved alongside us for 10, 15 or 25 years, providing invaluable industry expertise.

**9. Leadership plays a crucial role, especially in times of volatility. How do you view the importance of transformational leadership in driving the bank through complex and unpredictable economic landscapes?**

Transformational leadership is paramount during times of volatility. It not only navigates the bank through complex and unpredictable economic terrains but also propels us towards innovation and adaptability.

This leadership style inspires our team to embrace change, fosters a culture of continuous improvement, and encourages forward-thinking strategies. It is instrumental in fostering resilience, enabling us to respond agilely to evolving market dynamics.

In essence, I believe that transformational leadership is the cornerstone of our ability to thrive amid uncertainty, promoting stability, growth, and a sustainable future for our bank.

**10. Looking ahead, what are the key strategic priorities for Garanti BBVA in terms of future growth and expansion, and how does the bank plan to capitalize on emerging opportunities in the Romanian market?**

The past years have been a remarkable period for the Garanti BBVA Group, marked by significant accomplishments that underscore our unwavering commitment to excellence, customer dedication, and the Romanian business environment. In 2023, the year that marks our 25<sup>th</sup> anniversary in the market, we remain steadfast in our mission to create opportunities for our customers.

Our plans for the future are ambitious, with a particular emphasis on the transformation of core banking and a continued push for digitalization. We are embarking on an ambitious project to overhaul our banking infrastructure entirely



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to provide our customers with enhanced digital products and services.

In parallel with this transformational endeavor, we will persist in diversifying our product portfolio, including loans, deposits, and other offerings, focusing on sustainable and advantageous options for individuals and businesses.

Our commitment to developing the banking expertise of our colleagues remains unwavering, ensuring they continue to provide personalized and practical solutions to our customers.

Moreover, Garanti BBVA has firmly established sustainability as one of our five strategic priorities since 2020. This reflects our role as a significant contributor to

inclusive, environmentally responsible economic and social development. ESG factors are at the core of our growth strategy, making us a key player in the transition towards a greener economy.

As a bank, we not only provide financial support for a sustainable economy but also share our knowledge, foster collaborations with external stakeholders, and leverage our influence to raise awareness and drive results in advancing sustainable development.

In short, looking ahead, we are committed to building upon these achievements in the years to come as we adapt and expand in response to the evolving needs of our stakeholders.

