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# HOW TO MANAGE THE DEVELOPMENT OF A GLOBAL CONCEPT IN DIFFERENT COUNTRIES

The Case of BBVA in Belgium and Peru

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## **Executive Summary**

“The revolution of the little things”, this is the name BBVA is nowadays calling the digital movement they are carrying out worldwide; the Spanish group, present in 31 countries serving over 51 million clients across the world, has taken the next step in banking technology developing online platforms for computers, smartphones and tablets hence the customers can go to the bank without going physically to the bank.

The idea is revolutionary, BBVA wants more clients but not inside the bank agencies every day, they want more clients working in a business project, running a successful transnational company, managing their personal investments or maybe just sharing some family time; what BBVA wants to show is the fact that an individual, an SME, a company, a corporation and an institution can follow their business doing their banking transactions from the most comfortable place they can find.

Thus, the implementation of this new strategy began in every country BBVA is present from Europe, where they have a very good positioning in Spain – their home country –, to Latin America, where they also have a very good positioning in countries like Mexico and Peru, which were the first countries where BBVA initiated their expansion adventure back in 1995. The cases we analyze in this thesis are the ones in Belgium and in Peru, basically due to the fact that BBVA only has two bank agencies in Belgium, in Brussels to be specific, and in Peru they have over 327 bank agencies apart from Agentes Express which work as bank’s cashier but are located inside grocery stores, supermarkets and drugstores.

Does this means that in Peru, the number of transactions is bigger than in Belgium? Maybe, the business volume in Belgium is low for BBVA, or maybe in Belgium clients are so organized that they actually don’t need to go to a bank agency to complete their transactions. It is true that we are comparing a “developed” country like Belgium with a “developing” country like Peru but, do these countries need the same digital tools? do they have the same digital tools? and, how are the customers reacting to the new technologies developed?

It is clear that we have very different cultural backgrounds in each country, regarding the customers as well as the employees working in each branch office, the very interesting thing about BBVA is the employee rotation opportunities, which increased after the crisis

hit the European Union, but also employees from Latin America and North America can be moved to another country, this allows the creation of an environment of sharing knowledge for the management of the banking business in different countries as well as cultural aspects.

Through analyzing the different cultural aspects in each country we are identifying how BBVA is applying this strategy, which is most developed in Spain and Mexico, as these are the more profitable countries for BBVA; in the case of Peru, the new technologies are in the process of being applied, and in Belgium, which works as a bank agency for BBVA Spain just outside Spain, the development of new technologies is reduced to basics.

The main difference between Peru and Belgium, is the fact that Belgium is the pioneer of cashless society and Peru is still a cash user society, this is the reason why Peruvians still go to the bank to do their transactions and why BBVA is developing more ways to offer people a wide gamma of digital tools; meanwhile in Belgium, people are already used to work with telephone and Internet banking services from the several banks that are located in Belgium.

Probably the best thing BBVA can keep doing in Peru is getting the banking services closer to the people with the Agentes Express and the development of the new tool called BIM, which just started to work this year and apparently is getting good response from Peruvians. The different lifestyles in Peru and Belgium, made difficult to replicate some Belgian activities in Peru; however, the project of Bancontact/Mister Cash that is very used in Belgium can actually represent a good option for the Peruvian market in order to start transforming Peru in a cashless society.