University of Piraeus

School of Economics, Business and International Studies
Department of Business Administration
Master in Business Administration for Executives (Executive MBA)

EMBA Thesis

"Strategic Development and Strategic Management in Greece: Case Study"

KATSOURAKIS DIMITRIS

emba2119

Supervisor: Georgopoulos Nikolaos

Piraeus, 2024

ΠΑΝΕΠΙΣΤΗΜΙΟ ΠΕΙΡΑΙΩΣ
ΤΜΗΜΑ ΟΡΓΑΝΩΣΗΣ ΚΑΙ ΔΙΟΙΚΗΣΗΣ ΕΠΙΧΕΙΡΗΣΕΩΝ
ΠΡΟΓΡΑΜΜΑ ΜΕΤΑΠΤΥΧΙΑΚΩΝ ΣΠΟΥΔΩΝ
ΣΤΗ ΔΙΟΙΚΗΣΗ ΕΠΙΧΕΙΡΗΣΕΩΝ ΓΙΑ ΣΤΕΛΕΧΗ (E-MBA)

ΒΕΒΑΙΩΣΗ ΕΚΠΟΝΗΣΗΣ ΔΙΠΛΩΜΑΤΙΚΗΣ ΕΡΓΑΣΙΑΣ

(περιλαμβάνεται ως ξεχωριστή (δεύτερη) σελίδα στο σώμα της διπλωματικής εργασίας)

«Δηλώνω υπεύθυνα ότι η διπλωματική εργασία για τη λήψη του μεταπτυχιακού τίτλου σπουδών, του Πανεπιστημίου Πειραιώς, στη Διοίκηση Επιχειρήσεων για Στελέχη –E-MBA με τίτλο:
Ανάπτυξη Στρατηγικών και Στρατηγικό Μάνατζμεντ στην Ελλάδα: Μελέτη Περίπτωσης
έχει συγγραφεί από εμένα αποκλειστικά και στο σύνολό της. Δεν έχει υποβληθεί ούτε έχει εγκριθεί στο πλαίσιο κάποιου άλλου μεταπτυχιακού προγράμματος ή προπτυχιακού τίτλου σπουδών, στην Ελλάδα ή στο εξωτερικό, ούτε είναι εργασία ή τμήμα εργασίας ακαδημαϊκού ή επαγγελματικού χαρακτήρα.

Δηλώνω επίσης υπεύθυνα ότι οι πηγές στις οποίες ανέτρεξα για την εκπόνηση της συγκεκριμένης εργασίας, αναφέρονται στο σύνολό τους, κάνοντας πλήρη αναφορά στους συγγραφείς, τον εκδοτικό οίκο ή το περιοδικό, συμπεριλαμβανομένων και των πηγών που ενδεχομένως χρησιμοποιήθηκαν από το διαδίκτυο. Παράβαση της ανωτέρω ακαδημαϊκής μου ευθύνης αποτελεί ουσιώδη λόγο για την ανάκληση του πτυχίου μου».

Υπογραφή Μεταπτυχιακού Φοιτητή

Ονοματεπώνυμο: Δημήτρης Κατσουράκης

Ημερομηνία: 09/04/2024

Acknowledgements

First and foremost, I would like to express my deepest gratitude to my parents, Michalis and Stella, whose love, support, and encouragement have been the cornerstone of my academic journey. Their belief in my abilities, sacrifices, and endless encouragement have been a constant source of strength and motivation. I am profoundly grateful for their guidance and presence in my life. Additionally, I'm deeply grateful to my wife, Athina, whose unwavering support has been my inspiration throughout this journey. Her love and encouragement have made every milestone possible.

I extend my heartfelt appreciation to Professor Nikolaos Georgopoulos for his invaluable guidance, mentorship, and support throughout the completion of this thesis. His expertise, patience, and insightful feedback have been essential.

Abstract

This MBA thesis aims to provide a thorough analysis and strategic roadmap for Eurobank's Subsidiary in Greece. Eurobank, one of the systemic banks in Greece, plays a crucial role in the country's financial system and economy. Headquartered in Athens, Greece, the bank boasts an extensive presence in the industry, both nationally and globally. As the banking landscape undergoes rapid changes and challenges, this thesis addresses the need for a robust corporate and business strategy tailored to the unique context of Eurobank's Greece Subsidiary, focusing on providing digital solutions and promoting innovation.

The initial chapters lay the foundations of the research by presenting the key objectives, emphasizing on the premises of strategic management, and conducting a literature review on the current state and trends in the banking industry. Furthermore, this thesis' methodology is outlined, describing in detail the frameworks and analytical tools applied to assess Eurobank's strategic positioning. The upcoming chapter focuses on the Case Study of Eurobank, scanning its current market position, competitive landscape, and internal dynamics to pinpoint key challenges and opportunities within its operating environment following a multidimensional approach Finally, a proposed strategic plan for Eurobank's Greece Subsidiary is presented, leveraging the case study's conclusions and industry best practices, in order enhance it's competitive advantage, promote sustainable growth, and navigate the dynamic financial market.

In general, this MBA thesis adds to the current understanding of strategic management in the banking industry, providing practical insights and recommendations for Eurobank's Greece Subsidiary to strengthen its position and succeed in a rapidly changing market.

Περίληψη

Η διατριβή αυτή στοχεύει στην αποτύπωση μιας ενδελεχούς ανάλυσης και του στρατηγικού σχεδιασμού της Eurobank Ελλάδος. Η Eurobank, όντας μια από τις συστημικές τράπεζες στην Ελλάδα, έχει σημαντικό ρόλο στη διαμόρφωση του χρηματοπιστωτικού συστήματος και της οικονομίας της χώρας, διατηρώντας παράλληλα και ισχυρή παρουσία σε διεθνές επίπεδο. Σε ένα συνεχώς μεταβαλλόμενο περιβάλλον, οι τράπεζες καλούνται να ανταπεξέλθουν στις αλλαγές και τις προκλήσεις, προσαρμόζοντας κατάλληλατα προϊόντα και τις υπηρεσίες τους. Σκοπός της μελέτης είναι η πρόταση μιας εταιρικής και επιχειρηματικής στρατηγικής για την Eurobank με επίκεντρο την παροχή ψηφιακών λύσεων και την προώθηση της καινοτομίας.

Σταα αρχικά κεφάλαια παρουσιάζονται οι αρχές του στρατηγικού μάνατζμεντ και η αποτύπωση της τρέχουσας κατάστασης μέσω βιβλιογραφική ανασκόπησης. Στη συνέχεια περιγράφεται η μεθοδολογία και τα εργαλεία ανάλυσης που χρησιμοποιήθηκαν για την αξιολόγηση της στρατηγικής θέσης της Eurobank. Ακολουθεί η εκτενής παρουσίαση της μελέτης περίπτωσης της τράπεζας, με ιδιαίτερη αναφορά στην τρέχουσα θέση της στην αγορά, την ανάλυση ανταγωνισμού στον τραπεζικό κλάδο και την εσωτερική δυναμική της. Η μελέτη αποσκοπεί στον εντοπισμό και την ανάδειξη των κύριων προκλήσεων και ευκαιριών που αντιμετωπίζει η Eurobank Ελλάδος εντός του πλαισίου λειτουργίας της. Τέλος, παρουσιάζεται ο στρατηγικός σχεδιασμός για την Eurobank Ελλάδος, όπως και οι βέλτιστες πρακτικές στο χρηματοπιστωτικό κλάδο, και οι σχετικές δράσεις, με στόχο την ενίσχυση του ανταγωνιστικού πλεονεκτήματος της τράπεζας.

Table of Contents

Table of Figures

Chapter 1

Introduction

The banking trade in Greece, including main key players like Eurobank, has undergone a series of significant obstacles and transformative occasions in recent years. The aftermath of the 2008 global financial crisis left a deep impact on the Greek economy and its financial sector, leading to a period of instability and uncertainty for the country's banking establishments. As one of the systemic banks in Greece, Eurobank faced the difficult task of restructuring, capital raising, and implementing risk management practices to restore financial stability and regain the confidence of its stakeholders and clients. During attempts to recover from the financial crisis, the world encountered an unexpecte challenge of the COVID-19 pandemic. The outbreak of the pandemic in early 2020 rapidly escalated into a global health and economic crisis, impacting almost every industry, including banking. The pandemic not only worsened the global environment but also introduced new dynamics that compelled financial establishments to reassess and recalibrate their strategies.

The COVID-19 pandemic brought significant changes in consumer behavior, promoting a surge in digital banking adoption as customers looked for safer and convenient banking solutions. It presented Eurobank with unprecedented obstacles related to remote operations, risk management, and customer involvement in an environment of heightened uncertainty. As the pandemic unfolded, governments and central banks responded with monetary and fiscal interventions, introducing support measures and stimulus packages to aid individuals and businesses. Eurobank had to quickly adapt to these regulatory changes while fulfilling its role in facilitating economic recovery and providing financial stability to its customers. Given these complex and ever-changing circumstances, the necessity for Eurobank to develop flexible and strong strategies became more crucial than ever. It was fundamental for the bank to reassess its mission, vision, and competitive positioning while taking advantage of the opportunities brought by the digital acceleration during the pandemic. The banking industry's dynamics, including customer preferences, technological advancements, and regulatory alterations, called for a comprehensive analysis to identify growth opportunities, enhance customer experiences, and drive sustainable growth in both retail and corporate banking sectors.

This dissertation intends to explore these crucial aspects of Eurobank's operations and offer valuable insights into the tactics that can position the bank in the top of the financial sector in Balkans and leverage the possibilities presented by the post-financial crisis and the COVID-19 era. By examining the macro and micro environment of Eurobank. This research adds to the understanding of effective banking strategies and offers specific tactics for Eurobank to grow in the banking industry in the Balkan area.

1.1 Rationale of the study

The reason for undertaking this thesis for Eurobank is to suggest efficient strategies for growth in the ever-changing environment of the Greek banking industry. The consequences of the 2008 financial crisis impact country's economy and the financial sector as well, necessitating banks like Eurobank to restructure and implement new practices to restore financial stability and regain the trust of stakeholders. After successfully overcoming the aftermath of the financial crisis, Eurobank found itself facing an unprecedented global health and economic crisis with the onset of the COVID-19 pandemic. The outbreak of the pandemic presented the banking industry with unparalleled challenges, as consumers' behavior rapidly evolved, and digital adoption surged. The pandemic's sequential effects compelled Eurobank to swiftly adapt to remote operations, enhanced risk management protocols, and intensified customer engagement efforts. The COVID-19 pandemic accelerated the shift towards digital banking, as customers demand safer and more convenient ways to handle their financial affairs. This rapid digitization created both opportunities and challenges for Eurobank, necessitating a thorough analysis of its strategies to capitalize on the digital momentum while addressing new customer needs.

In view of these changes in the banking sector, this thesis aims to provide a thorough understanding of Eurobank's strategic placement and offer valuable tactics. Furthermore, it will highlight best practices and emerging trends, offering benefits not only to Eurobank but also to other stakeholders within the industry. In conclusion, this investigation aims to provide Eurobank with actionable suggestions and insights, enabling it to navigate the challenges and capitalize on the opportunities presented by the post-financial crisis and COVID-19 era. By formulating resilient and customer-focused approaches, Eurobank can reinforce its position as a leader in the Greek banking sector, fostering sustainable growth, customer loyalty, and long-term success.

1.2 Research Objective

The main goal of this study is to investigate and suggest efficient tactics/ strategies that Eurobank can embrace to generate new income channels and promote lasting progress in the vibrant and developing Greek banking sector. As one of the systemic banks in Greece, Eurobank holds a pivotal position in contributing to the country's economic progress and monetary stability. Following the 2008 monetary downturn and the hurdles presented by the COVID-19 pandemic, Eurobank faces a complex and dynamic environment, requiring flexible and innovative methods to stay competitive.

1.2.1 Identify Expansion Possibilities

In this thesis will be presented the condition of the Greek banking sector, considering economic factors, regulatory modifications, and shifts in customer behavior. Its objective is to collect extensive data from dependable sources such as industry reports and surveys to comprehend the monetary requirements of retail and corporate clientele. Furthermore, it will investigate trends in FinTech and digital banking to develop innovative services for technology-savvy customers, enhancing

Eurobank's competitiveness. It will also scan the changes in people's behavior to discover niche markets and personalized financial solutions, leveraging Eurobank's strengths to enhance customer loyalty and discover new revenue streams. Ultimately, the study aims to provide a comprehensive perspective on the potential growth of the Greek banking sector and suggest business tactics for Eurobank to seize emerging opportunities, ensuring its sustainable growth and profitability in a dynamic banking landscape.

1.2.2 Assess Digitization Initiatives

Eurobank is actively seeking to expand its sources of revenue by thoroughly exploring new product options. This comprehensive analysis delves into the preferences of customers and examines market trends through extensive research and surveys. Its primary objective is to identify areas where current services may be lacking. By studying spending patterns, industry reports, and customer requirements, Eurobank aims to introduce innovative financial products such as sustainable finance and digital solutions. Additionally, the bank could collaborate with FinTech companies to take advantage of cutting-edge technology and broaden its customer base.

1.2.3 Formulate Actionable Recommendations

After conducting an extensive investigation and analysis, the outcome will consist of a set of business tactics designed to steer Eurobank's strategic planning and foster sustainable growth and profitability. These recommendations will be tailored to the specific needs of the organization, drawing upon research findings, benchmarking insights, and industry best practices. They will primarily focus on three crucial areas: creating new revenue streams, harnessing the power of digitalization, and enhancing customer-centricity.

Creating New Revenue Streams:

a. Introducing cutting-edge financial products tailored to different customer segments to meet evolving demands while complementing existing services
b. Collaborating with FinTech and established firms for technological advancements, with the aim of expanding products and attracting a broader clientele
c. Launching eco-friendly financial options to attract socially conscious customers and contribute to a sustainable economy.

Leveraging Digitalization:

a. Investing in improving mobile and online banking to meet the increasing demand for remote services
b. Utilizing data analytics to customize product offers and marketing, thereby enhancing engagement
c. Implementing AI and automation for efficient operations and improved customer support

Customer Focus:

a. Identifying and refining customer touchpoints to enhance their overall experience through journey mapping

b. Developing prompt strategies to address customer complaints, thus preserving loyalty
c. Establishing mechanisms to collect ongoing customer feedback for continuous improvement in real-time.

These strategies are in line with Eurobank's vision for customer-centric, innovative, and diversified banking. By implementing these actions, Eurobank can position itself as a leader in Greek banking, fostering growth, expanding its market presence, and ensuring client satisfaction.

Chapter 2

Foundations of Strategic Management

1.3 Introduction

The term "strategy" refers to the choices made by a company in order to achieve its long-term objectives through actions derived from the prevailing conditions in both its internal and external surroundings. These actions should originate from the strengths and weaknesses that align with the opportunities and threats presented by the external environment (Georgopoulos, University Notes 2022). In literature, there exist various attempts to define the concept of strategy. Here are a few examples:

1. Alfred Chandler (1962) describes strategy as the identification of a company's long-term purposes and goals, the implementation of a series of measures, and the allocation of necessary resources to accomplish the defined objectives.

2. James Brain Quinn (1980) identifies strategy as the blueprint that integrates a company's primary goals, policies, and actions into a cohesive whole. Strategy assists in the management and allocation of a company's resources, determining its internal capabilities and weaknesses, and addressing expected changes in the environment and competitors' strategies.

3. Kenneth Andrews (1980) defines strategy as a plan that encompasses goals and fundamental policies aimed at aiding their achievement. Strategy is tailored in a manner that specifies the industry in which the company operates or intends to operate, as well as the nature of the business itself.

4. Kenichi Ohmae (1987) defines strategy as a company's "competitive advantage." Its primary objective is to ensure the success of the enterprise, providing it with a sustainable edge over its competitors. According to Kenichi, strategy involves efforts to alter the relative power of a company in relation to its competitors.

Based on the aforementioned definitions, it is can be concluded that strategy exists due to a purpose and is affected by the constantly shifting external circumstances. Strategic management refers to the process of making significant choices for the growth of a business, and it is a concept that is continuously developing. In order for the leader-manager of a business to effectively steer it, they must possess the capability to oversee three fundamental procedures: inventive entrepreneurship, competitive edge, and rejuvenation. Entrepreneurship signifies the aptitude to convert an idea into a business notion. Competitive advantage denotes the value we bestow upon the consumer in a manner that rivals are incapable of duplicating. Strategic management holds great significance as it addresses fundamental concerns that influence the future of the organization and encompasses the collection of business choices and actions that determine the long-term performance of a business (Georgopoulos, 2022).

1.4 Meaning of Strategic Management

Strategic management entails the examination of both internal and external factors, developing a strategy (strategic planning), executing the strategy, and ultimately assessing and controlling it. Some scholars combine these steps under the concept of Strategic Planning or Programming. Strategic management involves identifying the purpose and goals of a company within its internal and external surroundings (Hansen & Juslin, 2019). The primary tasks of strategic management aim to advance an organization's objectives through three phases: strategy formulation, strategy implementation, and strategy evaluation (Fard et al. 2011). David (2011) defines strategic management as "the skill and knowledge required to formulate, execute, and assess decisions that span various functions and enable an organization to achieve its goals." Strategic management is critical because it deals with fundamental matters that influence the future of an organization. To summarize, strategic management involves crafting a company's strategy and is carried out through decisions made by the CEO and the board of directors. For a strategy to succeed and accomplish the company's objectives, it must be adaptable to the ever-changing environment. In the long run, the company must consistently address the industry's demands and effectively fulfill its customers' needs.

1.5 The Evolution of Strategic Management

Strategic management, a modern concept, has its roots in the past. The idea of business strategy has been around for many years. During the 1920s and 1930s, managers engaged in daily planning without considering the long-term actions necessary for achieving greater success. However, after this period, new approaches to business budgeting emerged. Control systems and capital budgeting came into play, but these tools and techniques failed to take future factors and predictions into account (Wheelen, 2018).

As time went on, long-term planning started to take shape. It incorporated data about the future and paved the way for strategic planning. Eventually, strategic planning evolved into strategic management. In order to cope with the rapid changes in the external environment, strategic management also went through its own evolution. This transformation led to the development of methods and techniques for detecting and monitoring these changes.

Many companies now utilize innovative methods to monitor and implement strategic planning, aiming for their own success and dominance within their respective industries. For example, the Boston Consulting Group has created effective tools and techniques specifically tailored for strategic planning (CFI Team, 2022). However, not all companies adopt these tools. Some rely on instinctual strategies instead. It is important to note that while instinctual strategies may work initially, they may not sustain success as companies grow, experience changes in their organizational structure, or face rapid changes in the external environment.

Today, environmental changes happen rapidly within short periods of time. This underscores the importance of applying strategic planning techniques through the following four successive phases (Wheelen, 2014):

- Financial planning
- Forecast-based planning
- Strategic planning
- Strategic management

The primary step involves the financial planning of the organization to attain yearly budgets. The second phase deals with forecast planning, which includes predictions for the company's progress based on past information. The initial two phases encompass a fixed analysis of the organization as the environment does not impact the planning procedure. However, the last two phases incorporate industry and external environment information in their analysis. The third phase consists of the strategic planning of the organization, considering external environment information, without affecting the organization's mission. Ultimately, the fourth phase, strategic management, relies on alterations in the external environment, and the organization's approach is adapted accordingly.

1.6 The Fundamental Model of Strategic Management

The fundamental model of strategic management comprises the following consecutive phases: Environmental Analysis, Formulation of Strategy, Implementation of Strategy, and Evaluation and Control of Strategy. Numerous models in the literature outline the common elements of these four stages. Below is an indicative illustration of the four stages formulated by Wheelen, Thomas, and Hunger (Wheelen, Thomas L., Hunger, J. David. (2008). The process commences by establishing the organization's mission and vision. The organization's future direction is based on its vision, which directs it towards its desired objectives. Conversely, the organization's mission is linked to its present state and outlines the necessary actions it must take to accomplish its vision.

1.6.1 Analysis of the Environment

The examination of the environment in which a company operates is the initial phase of strategic management. This evaluation encompasses both the internal and external environment of the company. The internal environment include all the components that can contribute to its growth, some of which are manufacturing methods, culture, workers, resources, machinery, organizational structure, etc. Conversely, the external environment includes factors that the company itself does not possess significant control over but directly or indirectly impact it. Some of the factors that directly impact it are clients, lenders, suppliers, and competitors. Indirectly, it is influenced by factors associated with future modifications, such as worldwide trends, the wider economic surroundings, technology, sociocultural forces etc. The examination of a company's environment aims to identify the opportunities and threats of the ecosystem and the strengths and weaknesses of the organization. This process is commonly known as SWOT Analysis. To develop a strategy, it is essential to analyze both the internal and external environment of the company using the SWOT framework. This framework examines the strengths, weaknesses, opportunities, and threats of the company. By analyzing and assessing these four factors, the company's position in the market is determined, enabling it to shape its strategic and corporate mission.

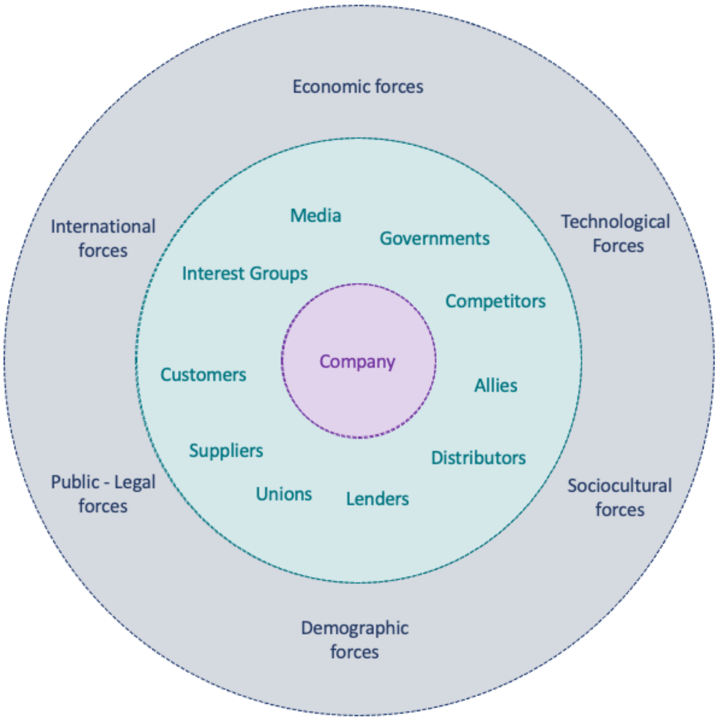


Figure 1 Environmental factors (Wheelen, Hunger, Hoffman, & Bamford, 2018)

1.6.2 Creating a Plan

Moving on to the next stage, we have strategy formulation. This phase conducts a thorough examination of the factors present in the operational environment in order to shape the business's strategy. Therefore, strategy formulation encompasses the following elements:

Vision

The vision provides an answer to the question "where are we going" and outlines the desired "form" or nature of our business in the future. It establishes overarching goals, provides guidance for the strategy, and aligns with the mission.

Mission

The mission offers a description of the purpose and role of the business, clarifying "who we are, what we do, and what we aspire to achieve."

Objectives

These represent the desired outcomes of planned activities. Objectives outline specific actions to be taken and establish a timeframe for their implementation. Unlike goals, objectives are precise and measurable.

Approaches

These plans analyze how the business will accomplish its mission and objectives. Strategies encompass a comprehensive plan that outlines the steps a business will take to achieve its goals. Businesses employ strategies which can be categorized into three hierarchical levels:

- **Corporate Strategy**: This defines the overall direction of a group in terms of actions for growth, as well as the management of various businesses and their products.

- **Business Strategy**: Originating from the business unit, this strategy focuses on enhancing the competitive advantage of products or services within a specific market segment.

- **Functional Strategy**: This contains the actions of a functional unit or department within the business to achieve its objectives and strategies, maximizing resource productivity.

Policies

These serve as the connection between strategies and their implementation. Policies encompass guidelines derived from strategies that aid in decision-making across all levels of hierarchy (Wheelen, Hunger, Hoffman, & Bamford, 2018).

1.6.3 Executing the Plan

Strategy implementation refers to the process by which business strategies and policies are put into action through the development of programs, budgets, and procedures. The individuals involved in this process typically include middle and lower-level executives who receive instructions from top management. Some of the decisions involved in strategy implementation pertain to culture, structure, and the allocation of resources within the business.

1.6.4 Assessment and Oversight

During the final phase, an assessment is carried out to compare the actual results achieved from the implemented actions against the desired outcomes. The company analyze whether it has successfully met its objectives. Executives can not only retrospectively analyze but also proactively take corrective actions that will contribute to the accomplishment of the organization's goals.

1.7 Framework for Strategic Planning

In the following diagram, a comprehensive table showcasing the various levels involved in strategic analysis, strategy selection, and its execution is presented, as outlined by Wheelen and Hunger (2018).

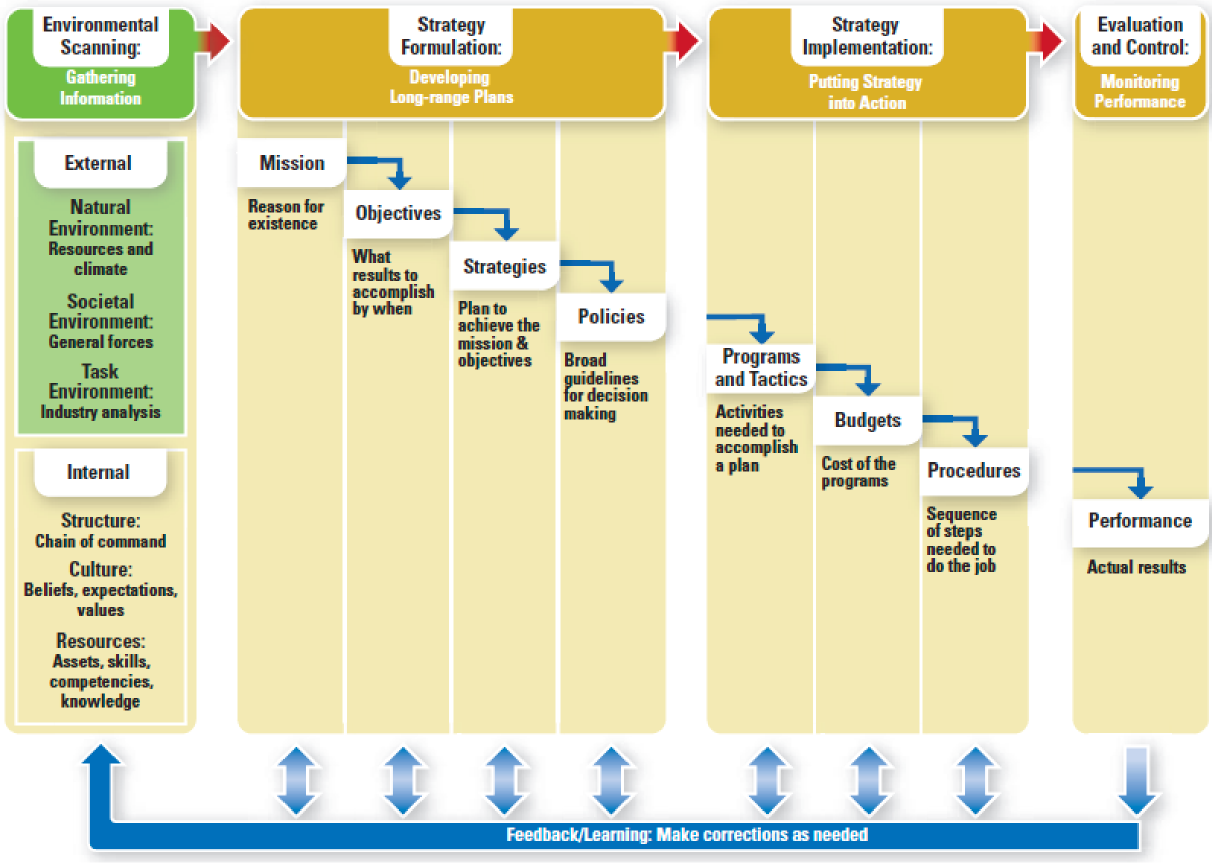


Figure 2 Strategic Management Model. Source: (Wheelen et al., 2018)

Environmental scanning involves the continuous observation, assessment, and sharing of information gleaned from both internal and external environments within a company. Its primary aim is to pinpoint key elements—both internal and external—that play a role in the strategic decision-making of the organization. A straightforward way to present the findings of environmental scanning is through the SWOT method, which highlights the Strengths, Weaknesses, Opportunities, and Threats crucial to a company's strategic planning. The external environment encompasses elements such as opportunities and threats that lie beyond the company's immediate control and exist as the backbone which the organization operates, often referred as Industry-specific factors. Within a corporation, the internal environment comprises elements—such as strengths and weaknesses—that reside within the organization and are under the direct short-term influence of top management. These elements create the framework within which operations occur and includes aspects like the corporation's structure, culture, and resources. Notably, the key strengths establish a foundation of core competencies that the corporation can leverage to secure a competitive edge.

Strategy formulation refers to the investigative, analytical, and decision-making process aimed at establishing the criteria for achieving a competitive edge within a company. This includes delineating the business's competitive advantages, pinpointing weaknesses affecting its growth potentials, outlining the corporate mission , setting attainable objectives, and establishing policy guidelines.

Strategy implementation is the execution of strategies and policies through the creation of programs, budgets, and procedures. This may require adjustments in the organization's culture, structure, or management system, although major corporate-wide changes are reserved for specific circumstances. Typically led by middle and lower-level managers, under the oversight of top management, this process, also known as operational planning, frequently involves everyday decisions regarding resource allocation.

Evaluation and control represent a pivotal stage in strategic management, involving the ongoing monitoring of corporate activities and performance against desired benchmarks. This process allows managers at various levels to utilize gathered insights to address issues and make necessary adjustments. It serves as the final tool in strategic management and serves to identify weaknesses in prior strategies, often before a new cycle of the strategic process.

Performance, the ultimate outcome of strategic activities, is crucially evaluated in terms of its impact on profits and return on investment. To ensure the effectiveness of evaluation and control, managers must obtain timely, unbiased information from lower levels of the organizational hierarchy. This information facilitates comparison between actual incidents and the original plans formulated during the strategy development phase (Wheelen et al., 2018).

In this thesis, the focus will be directed towards a comprehensive analysis of two fundamental components of the Strategic Management model: **environmental scanning** and **strategy formulation**. These critical aspects will be examined and analyzed, aiming to contribute to the strategic decision-making process within Eurobank's organization.

1.8 Chapter 2 Bibliography

1. Andrews, K., (1980), the concept of corporate strategy (2nd Edition), Dow – Jones Irwin.
2. CFI Team. (2022, October 26). *Boston consulting group (BCG) matrix*. Corporate Finance Institute. https://corporatefinanceinstitute.com/resources/management/boston-consulting-group-bcg-matrix/
3. Chandler Alfred (1962), Strategy and Structure: Chapters in the History of the American Industrial Enterprise, MA: MIT press.
4. Georgopoulos N., "Strategic Management" course notes, e-MBA 2022.
5. Hansen, E., & Juslin, H. (2019, December 1). *Chapter 4: Strategy and Strategic Planning*. Open.oregonstate.education; Oregon State University. https://open.oregonstate.education/strategicmarketing/chapter/chapter-4-strategy-and-strategic-planning/
6. J. B. Quinn, Strategies for Change: Logical Incrementalism
7. Kenichi Ohmae, (1987), The Triad World View, Journal of Business Strategy
8. Wheelen L. Thomas & J. D. Hunger, Concepts in Strategic Management and Business Policy, Pearson/Prentice Hall, 2008
9. Wheelen Thomas. L. ,Hunger David J. , **Concepts in Strategic Management and Business Policy**,14TH edition, Pearson Prentice Hall, 2014
10. Wheelen, T. L., Hunger, D. J., Hoffman, A. N., & Bamford, C. E. (2018). Strategic Management and Business Policy : globalization, Innovation and Sustainability (15th ed.). Harlow, England Pearson.

Chapter 3

Literature Review

1.9 Overview of the Banking Industry

The banking industry plays a crucial role in the global financial system, providing essential financial services and facilitating economic activities. It serves as a financial intermediary, collecting deposits from individuals and businesses and allocating those funds through loans and investments. Banks offer a wide range of services, including payment processing, savings and checking accounts, investment products, and risk management solutions.

One of the key characteristics of the banking industry is its historical evolution. From its origins in ancient civilizations to the establishment of modern banks, the industry has continuously adapted to changing economic landscapes and customer needs. This evolution has been driven by advancements in technology, regulatory developments, and shifts in customer preferences (Beattie, 2023).

In recent years, the banking industry has witnessed a significant transformation with the rise of digital banking services. Technological advancements, such as the internet and mobile devices, have revolutionized the way banks operate and interact with customers. Digital banking services, including online banking platforms and mobile applications, have become increasingly popular, offering customers convenient and accessible ways to manage their finances (Malyshev, 2023).

The transition to digital banking has been driven by various factors. Firstly, customer expectations have shifted towards seamless, 24/7 access to banking services. Customers now demand the ability to perform transactions, access account information, and engage with their banks anytime and anywhere. Secondly, technological advancements, such as cloud computing, data analytics, and artificial intelligence, have empowered banks to offer personalized financial solutions and automate processes. These technologies have also enhanced risk management capabilities, enabling banks to better assess and mitigate risks. In addition, the coronavirus pandemic, which emerged in late 2019 and rapidly spread across the globe, has had a profound impact on various sectors, including the banking industry (Accenture, 2023).

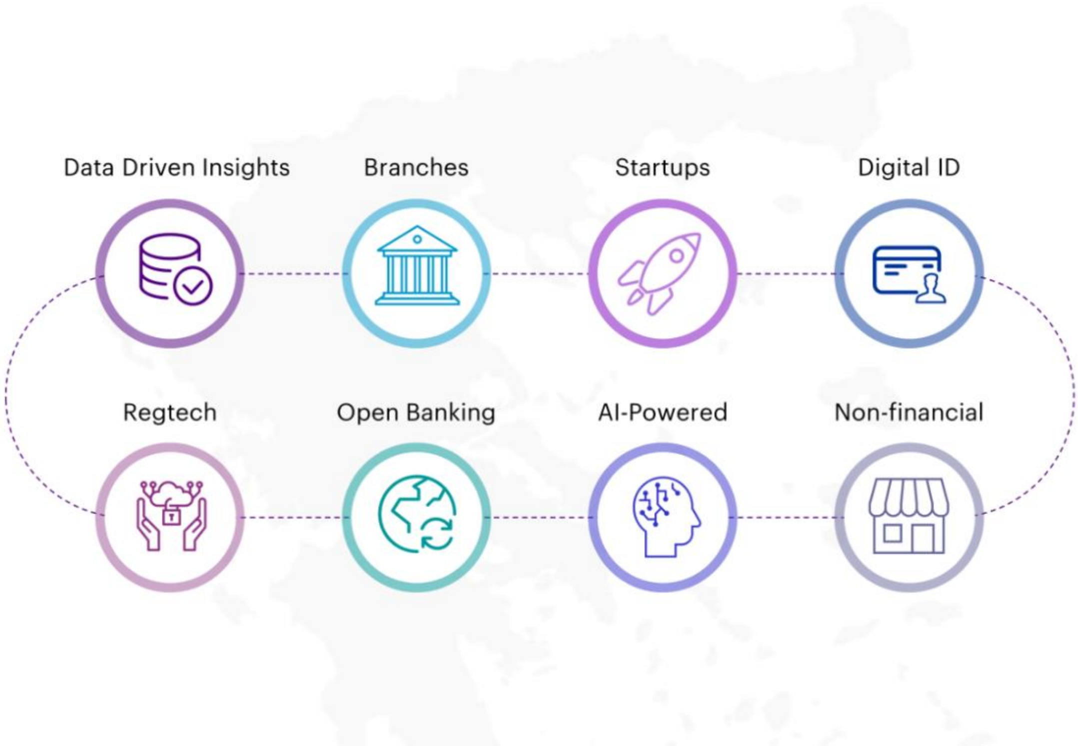
Regulatory frameworks and governance play a critical role in the banking industry. Governments and regulatory bodies have implemented regulations and prudential standards to ensure the stability of the financial system and protect consumers. Banks are required to comply with these regulations, covering areas such as capital adequacy, risk management, liquidity requirements, and anti-money laundering measures. Effective governance structures and risk management practices are essential for banks to maintain their operations and meet regulatory expectations (Bank for International Settlements, 2015).

The usage of banking services has also extended beyond the traditional boundaries of the banking industry. Banks, with their regulatory policies, robust cybersecurity measures, and technological capabilities, have expanded their services to other industries. For example, banks provide secure hosting services and advanced cybersecurity solutions to industries such as insurance, telecommunications, and shipping. They leverage their expertise in financial transactions, data protection, and compliance to offer value-added services to these sectors (SYDLE, 2023).

In conclusion, the banking industry has undergone significant transformations throughout history, with the recent shift towards digital banking services being a key development (Hall, 2023). Technological advancements, changing customer preferences, and regulatory initiatives continue to shape the industry. The usage of banking services extends beyond traditional banking, with banks providing valuable services to other industries. Understanding the overview of the banking industry is crucial for comprehending its evolution, challenges, and opportunities for growth.

1.10 Key Trends, Challenges, and Opportunities in Banking

The year 2024 presents a challenging environment for the global economy and the banking industry. There is an unprecedented level of volatility, with macroeconomic factors, inflation, shifting demand, and supply chain disruptions creating a complex landscape. However, amidst this turbulence, banks have the opportunity to showcase their resilience and innovation, proving their commitment to providing value in uncertain times. The upcoming subsection offers an analysis of global economic and banking trends, emphasizing the pivotal factors influencing markets, financial institutions, and the broader economic landscape.



1.10.1 Data-driven insights & customizations

The current economic scenario is marked by the significant impact of inflation and rising living costs. As society struggles with these challenges, banks can stand by their customers. Leveraging data-driven insights, they can offer timely and customized financial support, demonstrating a profound understanding of their customers' changing needs (Bankingly, 2023).

Considering these dynamics, it becomes clear that financial institutions need to go beyond the surface-level aspects of digital interaction and revolutionize their offerings – a revolution that is deeply rooted in the data-powered personalization and effortless digital experiences. Diving into these realms is not just a choice, but an absolute necessity, if banks aim to bridge the gap in trust, enhance customer satisfaction, and rapidly grow in the era of digital banking adoption (Kaseb, 2022).

1.10.2 Branches

Traditional bank branches are also undergoing transformations, evolving into hybrid "phygital" centers. By digitizing routine operations, bank staff can focus on valuable customer interactions and delivering high-value financial products (Nasdaq, 2019). Customer engagement takes centre stage as banks aim to deepen relationships and enhance experiences in a rapidly evolving financial landscape.

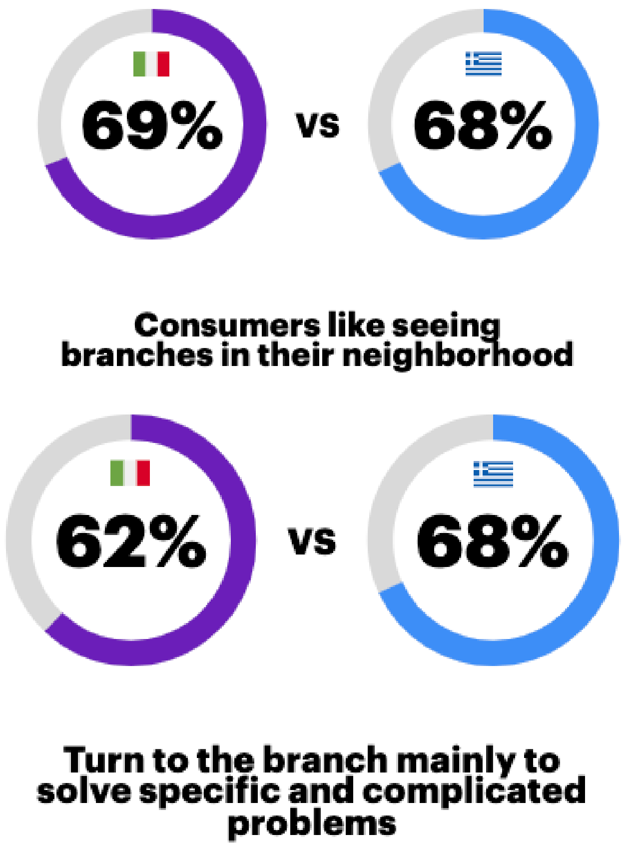


Figure 3 Bridging Generations and Borders, the Enduring Value of Local Bank Branches, Italy vs Greece (Accenture, 2023).

Beyond financial matters, there is a growing recognition of the need to address climate change. Banks are ready to play a crucial role in driving environmental sustainability. Embracing environmental, social, and corporate governance (ESG) obligations, banks are aligning their business objectives with a greener and more responsible buildings.

1.10.3 Startups

While market volatility in the previous year potentially overshadowed certain FinTech ventures, it is imperative not to disregard their potential. FinTech companies are positioned for a robust ascend, armed with digital, cloud-based, and customer-focused approaches. These innovators in the startup ecosystem hold the promise of revolutionize the industry, while well-established banking leaders acknowledge the invaluable expertise of FinTech players. Collaborations, acquisitions, and incubation offer pathways for technological synergies, while merging institutional stability with cutting-edge innovation (Newtopia, 2023).

1.10.4 Digital ID

Additionally, the digital landscape is witnessing a gradual transition towards the adoption of digital IDs, which is a crucial step in safeguarding customer identities in the virtual realm. The evolving role of the chief marketing officer, transforming into that of a chief customer strategist, bears witness to the paramount significance of customer-centricity in a rapidly digitally transforming world.

As we move into 2024, the banking sector finds itself navigating through both challenges and opportunities. Strategic decisions of significant magnitude are on the horizon, encompassing interest rate dynamics, modernization imperatives, fortifying security measures, and the exciting potential for groundbreaking business models and revolutionary financial products (Capgemini, 2023).

1.10.5 Regtech

However, embarking on this journey to the future does not come without a deep recognition of the past. Following the tremendous Global Financial Crisis that shook the entire world in 2008, a strong realization emerged within the financial sector: the unquestionable need for regulatory measures to prevent the recurrence of such colossal disruptions. The subsequent years witnessed an unwavering commitment to strengthening the financial ecosystem, fortifying its ability to withstand vulnerabilities, and ensuring its ongoing stability. Amidst this tale of resilience and progress, Regulatory Technology, commonly known as RegTech, emerges as a shining example of innovation. Positioned at the crossroads of finance and technology, RegTech serves as a living guard to the seamless integration of cutting-edge digital capabilities with the intricate demands of regulatory compliance, heralding a transformative era in the realm of managing adherence to rules and regulations.

Regulatory Technology (RegTech) solutions bring about substantial advantages in three main areas. To begin with, they generate cost savings by simplifying regulatory procedures, cutting expenses, and ensuring consistent data quality. This enhanced efficiency also extends to fields such as law firms, increase scalability and effectiveness. Furthermore, RegTech enhances the customer journey by facilitating accurate brand promotion, structured touchpoints, and refined information analysis. This reduces customer complaints and strengthens privacy measures. Lastly, RegTech functions as a powerful risk reduction tool, harnessing cutting-edge technologies to provide real-time compliance alerts. These alerts are particularly vital in the face of the growing threat of cybercrime. Through the automation of risk management via real-time data monitoring and predictive machine learning, RegTech empowers institutions to actively address potential issues, including indicators of money laundering (Teichmann et al., 2022).

The evolution of Regulatory Technology (RegTech) requires compliance that embraces technology in unpredictable regulatory environment. RegTech streamlines operations, mitigates human mistakes, facilitates business expansion, and enhances competitiveness by leveraging cutting-edge technologies such as big data and artificial intelligence (AI) (Anselmi & Petrella, 2021).

1.10.6 Open banking solutions

Open banking, also referred to as "open bank data", represents a banking approach granting third-party financial service providers access to consumer banking details, transactions, and additional financial data from both banks and non-bank financial entities. This access is facilitated through application programming interfaces (APIs). The concept aims to enable the interconnection of accounts and data with various institutions, serving consumers, financial entities, and third-party service providers. As rapidly grow innovation, open banking stands to significantly transform the banking sector's landscape.

Open banking is a catalyst for banking innovation, revolutionizes the industry by leveraging interconnected networks. It enables secure sharing of financial data among institutions, streamlining processes like switching between bank services using APIs. These APIs analyze transaction data, guiding customers to optimal financial products like higher-yield savings accounts or lower-interest credit cards. By offering a comprehensive view of a consumer's financial status, open banking aids lenders in tailoring favorable loan terms and assists consumers in making informed financial decisions. Additionally, it fosters apps to provide diverse needs, from aiding homebuyers in assessing affordability to empowering visually impaired users in managing finances. Furthermore, it optimizes small business operations via online accounting and enhances fraud detection capabilities for better customer account monitoring (Estevez, 2019).

1.10.7 AI-Powered Personalized Banking Services

AI-Powered Personalized Banking Services hold a prominent position in the realm of financial innovation, tapping into the potential of artificial intelligence to provide customized financial advice and solutions. This revolutionary approach harnesses AI's analytical abilities to unravel the distinctive spending behaviors, financial goals, and risk preferences of customers. Through this intricate understanding, AI effectively guide customers towards optimal investment options and tailored savings strategies. A tangible example of this concept can be seen in "Ally Assist," an AI-driven virtual assistant introduced by Ally Bank (Barris, 2016). With its extraordinary capability to decode financial patterns, personalized banking services driven by AI exemplify the fusion of cutting-edge technology and unrivalled customer-centricity.

Banks possess a vast amount of customer data, but the task lies in converting this data into personalized experiences. An evident example of this difference arises from Accenture's recent data, which exposes a decline in consumer trust. Merely 29% of retail banking customers entrust their long-term financial well-being to their banks, a contrast to the 43% trust level observed just two years ago. The direction of this decline raises an urgent question: What factors have fueled this unfortunate descent? The modern customers have raised their expectations, desiring a level of engagement that exceeds the acknowledgment of their name in a support chat or occasional offering of customized discounts (pruzhytska, 2021). It is no longer satisfactory for banks to merely recognize their customers; a deeper and more complex form of interaction is expected. Interestingly, despite the sweeping digitization in the banking industry, customer satisfaction remains a challenge. In the United States, digital-only retail banking consumers lag behind their brick-and-mortar counterparts by a significant 23 percentage points in terms of satisfaction scores. This discrepancy should be cause for concern, particularly in light of evidence indicating the ascent of digital banking. Notably, an astonishing 75% of bank customers plan to continue their digital banking habits developed during the pandemic, underscoring the need for banks to readjust their strategies and prioritize customer-centric approaches (Accenture, 2023).

1.10.8 Non-financial products

In today's era, banks have diversified their range of services to meet the evolving demands of consumers. These services include specialized guidance, insurance, technology-driven solutions such as cybersecurity, and various lifestyle benefits. By expanding beyond their traditional offerings, banks are able to address a wide range of customer requirements and position themselves as comprehensive service providers. On a global scale, Small and Medium-sized Enterprises (SMEs) play a vital role in driving economic growth and fostering innovation. Despite their importance, SMEs often face challenges when it comes to accessing banking services. This presents an opportunity for banks to establish a profitable and enduring customer base in the long run. By offering non-financial services specifically tailored to SMEs, banks can set themselves apart from the competition, build customer loyalty, and gain valuable insights into market dynamics. This positions them as holistic growth partners for these businesses (Pradhan, 2015).

Millennials' Access to Subscription Services				
	Percentage of Millennials that...			
	Don't have the service but would like to	Have the service, and pay for it directly	Have the service, but don't pay for it directly	Don't have or want the service
Identity theft protection	31%	20%	29%	21%
Personal/family data storage	29%	20%	19%	31%
Child identity theft protection	27%	15%	16%	42%
Rx, vision, hearing discounts	26%	31%	25%	18%
Travel/trip insurance	26%	18%	19%	37%
Roadside assistance	19%	40%	26%	15%
Cell phone damage protection	18%	42%	20%	19%

Figure 4 Millennials'' access to subscription services (Shevlin, 2019)

Moreover, a survey's (Shevlin, 2019) results reveal interesting insights into the consumer preferences of Millennials when it comes to bundled subscription services. Surprisingly, nearly half of the Millennial population has a strong inclination towards obtaining these services from Amazon, which is not unexpected. However, it is worth noting that a significant **36%** of Millennials express their willingness to directly acquire these subscription services from their bank. This percentage is slightly higher than those who are inclined to make similar purchases from popular entities such as Apple or PayPal. In fact, it exceeds the proportion of respondents considering Facebook or Venmo as potential providers. This finding highlights a shifting paradigm where traditional financial institutions have a competitive advantage in the world of subscription services, surpassing even the appeal of prominent tech and social media players. Therefore, banks find themselves in a favorable position to capitalize on this preference, potentially fostering deeper customer engagement and driving innovation in the landscape of financial services (Shevlin, 2019).

In summary, the world is facing significant economic challenges, but banks have the opportunity to show resilience, innovation, and a commitment to their customers. With a focus on personalized support, digital advancements, and sustainability, banks can navigate this complex landscape. The ability to innovate is often limited by existing technological structures, preventing true transformation from taking place. To overcome this challenge, strategic partnerships between financial institutions and fintech providers are becoming crucial for driving innovation forward. As regulations evolve and scrutiny on bank-fintech collaborations increases, it has become imperative for banks to reevaluate their offerings and find new ways to add value. Moreover, banks are turned to an omnichannel approach, allowing customers to seamlessly engage with banking services through various touchpoints, regardless of time or location. At the same time, embedded finance is emerging as a promising avenue, bringing together banks and non-bank entities to offer integrated financial solutions. Even for banks that have already made significant progress in enhancing their digital ecosystem, there are still opportunities for growth, especially when it comes to aligning services with the modern economic landscape.

The winds of change are sweeping through the financial sector, fundamentally altering how banks operate, interact with customers, and create value. The digital revolution, fueled by the power of artificial intelligence, blockchain, and open banking, has introduced an era of unparalleled connectivity, transparency, and convenience. Customers now expect seamless and personalized experiences that surpass the limitations of traditional banking hours and physical locations, demanding convenience and accessibility (Accenture, 2021). Meanwhile, the rise of innovative fintech disruptors and non-traditional players has established norms, compelling banks to adapt their strategies in order to maintain competitiveness in an agile and innovative ecosystem (Czímer et al., 2022).

In the pursuit of sustainable growth and profitability, banks are confronted with a wide range of complex challenges. The complexities of regulations, from strict compliance requirements to concerns about data privacy, necessitate a delicate balance between operational integrity and the fostering of innovation (Deloitte, 2020). The threat of cyber-attacks is very significant and, compelling banks to fortify their digital defenses in order to protect customer assets and their sensitive information (Maurer & Nelson, 2021). Moreover, the volatility of the economy, geopolitical shifts, and the aftermath of global events like the COVID-19 pandemic further increase the uncertainty faced by banks in strategic planning, demanding adaptability and resilience (Grant Thornton,2023).

1.11 Greek Banking Industry

The Greek banking sector operates in a vibrant and fiercely competitive setting, characterized by both domestic and international players. The industry faces intense rivalry from Greece's traditional trading partners within and beyond the EU, such as Italy, Germany, France, the U.K., and the Netherlands. These well-established economies boast robust financial sectors and long-standing banking institutions that actively compete for market share and customer loyalty.

The Greek banking sector is going through a period of intense competition, which involves traditional banks, digital disruptors, and regulatory changes. The market has long been dominated by well-established banks like the National Bank of Greece, Alpha Bank, Piraeus Bank, Eurobank, and Attica Bank. These banks have a vast network of branches and offer a wide range of financial services, catering to both retail and corporate clients. The presence of commercial banks, which possess a commanding 95.7% portion of total market shares (Hellenic Bank Association, 2023). These establishments play a crucial role in the nation's financial ecosystem, facilitating a range of banking services that cater to diverse customer needs. The complex interplay between well-established banking giants and emerging digital disruptors will be explored, along with the consequences of regulatory changes that encourage collaboration and innovation within the sector. As Greece's financial sector redefines itself in the aftermath of economic fallout and amidst the surge of digital transformation, the dominance of commercial banks remains a key pillar of stability.

1.12 Evolution in Greek Banking

In recent years, there has been a rise in digital challengers and fintech startups in Greece's banking landscape. These newcomers, such as Revolut, Viva Wallet, and Praxia Bank, are challenging the traditional banking models by providing convenient digital solutions with lower fees and improved customer experiences. Their innovative and user-friendly approach attracts tech-savvy customers who seek modern financial services.

Moreover, regulatory changes like the Revised Payment Services Directive (PSD2) have pushed traditional banks to open their systems to third-party providers (González, 2018). This initiative, known as open banking, promotes collaboration and innovation within the sector, creating a more competitive environment. As a result, new services have emerged, offering increased transparency and a broader range of choices for customers.

While traditional banks adapt to these changes, they are also investing in digital transformation strategies to remain relevant in the market (Kitsios et al., 2021). They prioritize modernizing their technology infrastructure, enhancing digital channels, and introducing innovative services to meet evolving customer demands. This combination of traditional and digital players is reshaping the competitive dynamics of Greek banking.

On the other hand, the sector still faces challenges, including high levels of non-performing loans, regulatory complexities, and the need to find a balance between traditional and digital services. As the Greek economy gradually recovers and digital adoption continues to accelerate, the competitive landscape is expected to evolve further. There is potential for increased collaboration between traditional banks and fintech innovators to provide comprehensive and cutting-edge banking solutions to Greek consumers and businesses (Alpha Bank, 2022).

Greek banks are adjusting to their restructuring plans and embracing digital transformations by scaling down traditional channels. Over the years, they have made significant reductions in their workforce, cutting down personnel by 55%. Starting from 65,682 employees in 2009, the number has dwindled to 29,341 in 2022, primarily through the implementation of Voluntary Exit Schemes (VES) and natural attrition. Furthermore, the branch networks have been streamlined, exhibiting a 65% decrease from 4,079 in 2009 to 1,438 in 2022. Additionally, the number of ATMs has also been reduced by 35%, declining from 9,170 in 2009 to 5,927 in 2022 (Hellenic Bank Association, 2023).

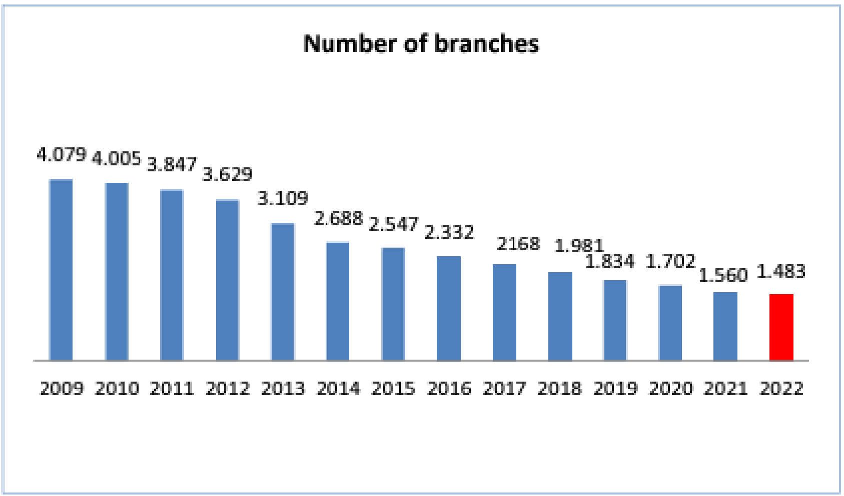


Figure 5 Branch network from 2009 to 2022 (Hellenic Bank Association, 2023)

To summarize, the banking sector in Greece finds itself at a crucial crossroad, influenced by a complex interplay of historical heritage, economic fluctuations, and technological progress. As the country emerges from a period of economic uncertainty, its banking industry adapts to a changing landscape characterized by regulatory changes, the need for digitalization, and evolving customer expectations. The challenges and opportunities discussed in this overview highlight the importance of conducting a comprehensive analysis of this dynamic environment. In the next chapter, will be examined the approach that is used to determine the best strategy for Eurobank, providing a well-organized framework for decision-making and strategic development.

1.13 Chapter 3 Bibliography

1. Accenture. (2021, July). *The Banking Experience Reimagined*.
2. Accenture. (2023, March 21). *Banking Consumer Study Uncovers Hidden Value*. Www.accenture.com. https://www.accenture.com/us-en/insights/banking/consumer-study-banking-reignite-human-connections
3. Anselmi, G., & Petrella, G. (2021). Regulation and stock market quality: The impact of MiFID II provision on research unbundling. *International Review of Financial Analysis*, *76*, 101788. https://doi.org/10.1016/j.irfa.2021.101788
4. Barris, A. M. (2016). Ally Bank's in-app virtual assistant speaks customers' language – literally | Retail Dive. Www.retaildive.com. https://www.retaildive.com/ex/mobilecommercedaily/ally-banks-in-app-virtual-assistant-speaks-customers-language-literally
5. Capgemini. (2023). *Top trends in retail banking 2023*. Capgemini. https://www.capgemini.com/insights/research-library/top-trends-in-retail-banking-2023/
6. Deloitte. (2020). *Digital Maturity Report 2020*. SEV. https://www2.deloitte.com/mt/en/pages/technology/articles/mt-what-is-digital-economy.html#:~:text=Reserve%20your%20copy%20today!
7. Grant Thornton. (2023, June 20). *Transforming banking for resilience and growth*. Grant Thornton. https://www.grantthornton.com/insights/articles/banking/2023/transforming-banking-for-resilience-and-growth
8. Kaseb, K. (2022, September 7). *Personalized Banking Experience with AI*. Software Development. https://medium.com/kayvan-kaseb/personalized-banking-experience-with-ai-b34612c962e1
9. Maurer, T., & Nelson, A. (2021). *The Global Cyber Threat to Financial Systems – IMF F&D*. International Monetary Fund. https://www.imf.org/external/pubs/ft/fandd/2021/03/global-cyber-threat-to-financial-systems-maurer.htm
10. McKinsey. (2023, October 24). *Fintechs: A new paradigm of growth | McKinsey*. Www.mckinsey.com. https://www.mckinsey.com/industries/financial-services/our-insights/fintechs-a-new-paradigm-of-growth
11. Pradhan, A. (2015, September 22). *Non Financial Services for SME Banking*. Www.linkedin.com. https://www.linkedin.com/pulse/non-financial-services-sme-banking-amit-pradhan/
12. Shevlin, R. (2019, March 13). *What Do Millennials Want From Banks? Non-Financial Products*. Forbes. https://www.forbes.com/sites/ronshevlin/2019/03/13/what-do-millennials-want-from-banks-non-financial-products/
13. Teichmann, F., Boticiu, S., & Sergi, B. S. (2022). RegTech – Potential benefits and challenges for businesses. *Technology in Society*, *72*, 102150. https://doi.org/10.1016/j.techsoc.2022.102150

Chapter 4

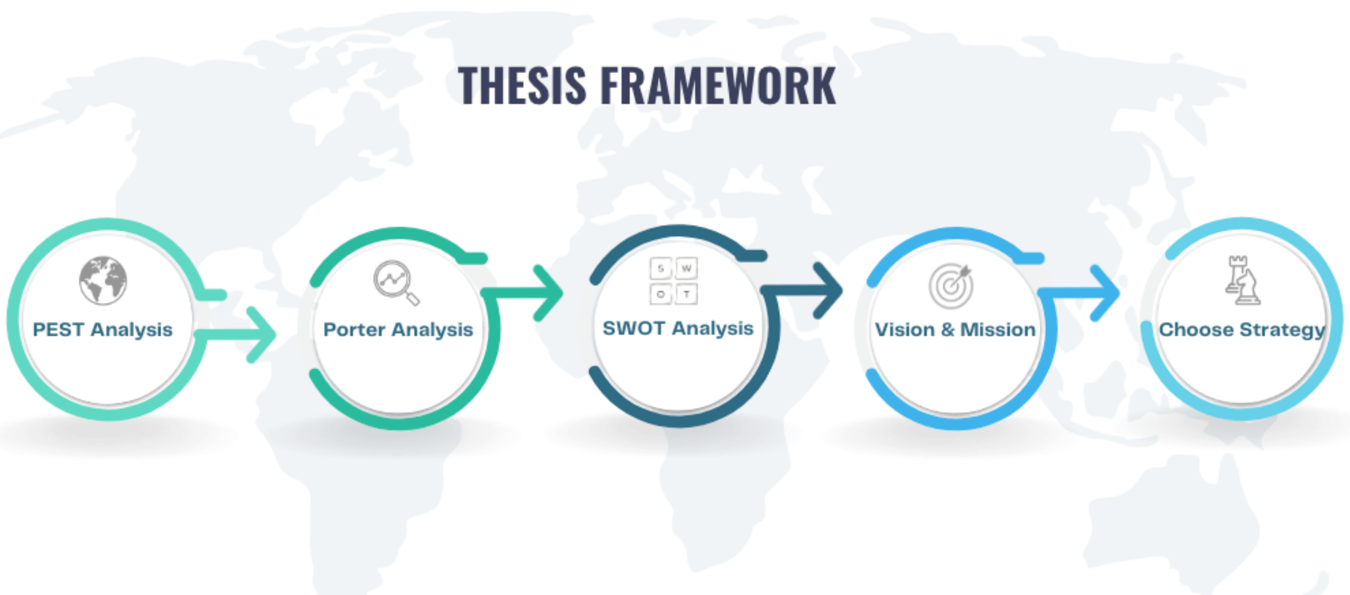
Methodology

The presented approach involves a comprehensive framework for successful strategic analysis and planning. It begins with a thorough external environment assessment through a PEST analysis, systematically examining four key dimensions:

- Political
- Economic
- Sociocultural
- Technological

The next step includes an evaluation of the competitive situation, conducting an analysis of the company's position in relation to its rivals. This process involves examining the Five Forces of the industry. By exploring the dynamics of new competitors, the bargaining power of suppliers and buyers, alternative products or services, and competition among industry players. This assessment is crucial in identifying unique advantages that provide a competitive edge, while also recognizing weaknesses that require strategic focus to enhance overall competitiveness. The next phase of the framework is to analyze and evaluate the internal environment by using the SWOT Analysis. This method assesses the organization's strengths, which can serve as strategic leverage, and weaknesses that need to be addressed. Simultaneously, it highlights potential opportunities for the organization and threats that must be tackled. By utilizing strengths, addressing weaknesses, seizing opportunities, and reducing threats, a coherent and adaptable strategy emerges.

After analyzing the external and internal environment of Eurobank, the subsequent focus will be on strategic planning. The last chapter will delve into the development of corporate and business strategies based on Eurobank's vision, mission, and goals.



Chapter 5

Eurobank's Case Study

1.14 Eurobank Ergasias

Eurobank Ergasias Services and Holdings SA (Eurobank Holdings) is the parent company that possesses complete ownership of Eurobank SA shares. It supervises Eurobank SA and its affiliated companies, collectively referred to as the Eurobank Group. Eurobank Holdings is publicly listed on the Athens Exchange, providing stakeholders with the means to monitor its share performance and access relevant investor relations information. The company's operational focus extends beyond traditional banking activities, primarily involving strategic planning for non-performing loans and delivering services to both Group subsidiaries and external entities. This clearly establishes Eurobank Holdings as a strategic coordinator within the broader financial framework of the Eurobank Group.

Eurobank Ergasias S.A. stands as a notable Greek banking entity that provides a vast range of financial services, addressing the diverse requirements of its clients. The bank operates in various sectors like investment and market banking, retail banking, corporate banking, property investment, and international banking. The following chart illustrates the bank's revenue origins and geographical dispersal, highlighting its existence in Greece and other markets.

Activity	**Revenue Breakdown**
Investment & Market Banking	30.7%
Retail Banking	21.7%
Corporate Banking	15.9%
Property Investment	3.1%
Other	8.9%
International Banking	19.7%

At the end of 2020, Eurobank Ergasias S.A. held EUR 47.3 billion in current deposits and EUR 37.4 billion in current loans.
Geographical Revenue Distribution:

- Greece: 81.3%
- Bulgaria: 9.6%
- Cyprus: 4.5%
- Serbia: 2.9%
- Luxembourg: 1.6%
- Romania: 0.1%

Total Number of Employees: 10,193. (MarketScreener, 2023)

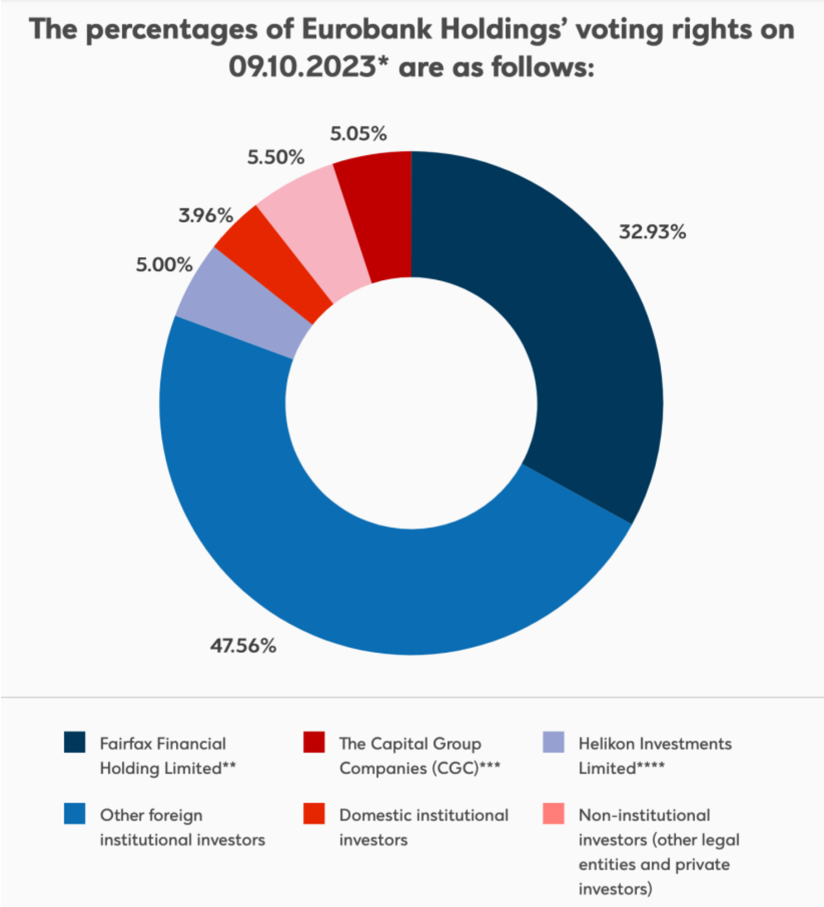


Figure 6 Eurobank Holdings's shareholder structure (Eurobank Holding, 2023)

1.14.1 History

Eurobank's story began in 1990 as Euromerchant Bank SA, carving out a specialized role in investment and private banking. The institution went through significant changes through strategic acquisitions and mergers. Notably, it acquired a 75% stake in Banque de Depots, which was later rebranded as EFG Private Bank (Luxembourg) SA. This led to the rebranding of Euromerchant Bank SA as EFG Eurobank SA. Important milestones continued as it merged with Interbank Greece SA, securing the branch network of Crédit Lyonnais Grèce SA and gaining a controlling interest in Bank of Athens SA. The financial landscape witnessed Deutsche Bank AG acquiring a 10% stake in EFG Eurobank SA. Collaborative efforts with Consolidated Eurofinance Holdings (CEH) SA resulted in an 18.4% stake acquisition in Ergasias Bank SA. The emergence of EFG Eurobank Leasing SA and subsequent mergers marked a phase of strategic growth. The bank successfully listed on the Athens Exchange and completed significant mergers, including one with Cretabank SA. EFG Eurobank SA further expanded its reach with ventures like EFG Eurobank Securities SA and the acquisition of a 19.25% stake in Bancpost SA Romania. Alongside these expansions, EFG Finance SA and Eurolife ERB Insurance were integrated into the bank. Strategic moves continued with mergers by absorption, most notably with Telesis Investment Bank and later Ergasias Bank SA, leading to the transformation into EFG Eurobank Ergasias SA. The bank expanded its portfolio by acquiring stakes in Alico/CEH Balkan Holdings and Bancpost Romania, expanding its presence in the banking industry.

The key milestones entailed the rise of stakes in EFG Eurobank Beograd AD and the acquisition of HC Istanbul brokerage firm. The bank continued its venture into markets like Serbia, Poland, Cyprus, and Ukraine. Mergers with EFG Eurobank AD Beograd Serbia and subsequently Direktna Banka a.d. Kragujevac exhibited its strategic expansion. Eurobank's strategic brilliance was highlighted by mergers, recapitalization via the Hellenic Financial Stability Fund, and mergers through absorption with New TT Hellenic Postbank SA and New Proton Bank SA. The institution's adaptability and strategic initiatives were evident in rebranding, capital augmentations, and portfolio sales, establishing milestones in the financial landscape. Eurobank's journey encompassed various transformations, strategic mergers, acquisitions, and adaptive measures, solidifying its position as a dynamic and influential entity in the financial sector. These endeavors resulted in notable accomplishments, fortifying its foothold both domestically and internationally (Eurobank, 2021).

Here is a timeline detailing Eurobank’s key milestones :

- 1990: Euromerchant Bank SA was incorporated, focusing on Investment and Private Banking.
- 1994: Euromerchant Bank SA acquired a 75% stake in Banque de Depots, later renamed EFG Private Bank (Luxembourg) SA.
- 1997: Euromerchant Bank SA changed its corporate name to EFG Eurobank SA and merged with Interbank Greece SA, acquiring the branch network of Crédit Lyonnais Grèce SA.
- 1998: EFG Eurobank SA acquired the controlling interest of the Bank of Athens SA. Deutsche Bank AG acquired a 10% stake in EFG Eurobank SA. It consolidated Eurofinance Holdings (CEH) SA and jointly acquired an 18.4% stake in Ergasias Bank SA. EFG Eurobank Leasing SA was incorporated.
- 1999: EFG Eurobank SA merged with the Bank of Athens SA, becoming a listed company on the Athens Exchange. It also merged with Cretabank SA and incorporated EFG Eurobank Securities SA.
- 2000: EFG Eurobank SA merged with Ergasias Bank SA, changing its corporate name to EFG Eurobank Ergasias SA. It acquired stakes in Bancpost SA Romania, incorporated EFG Finance SA and Eurolife ERB Insurance.
- 2002: EFG Eurobank SA merged with Telesis Investment Bank, acquired a 50% stake in Alico/CEH Balkan Holdings, and increased its stake in Bancpost Romania.
- 2003: EFG Eurobank Ergasias SA acquired a stake in Postbanka AD Serbia and the controlling interest of Bancpost Romania.
- 2004: EFG Eurobank Ergasias SA acquired Postbank Bulgaria, Intertrust MFMC, and increased stakes in Alico/CEH Balkan Holdings and EFG Eurobank Beograd AD.
- 2005: EFG Eurobank Ergasias SA gained controlling interest in the HC Istanbul brokerage firm in Turkey and increased stakes in Nacionalna štedionica Banka in Serbia.
- 2006: EFG Eurobank Ergasias SA expanded into Poland and the Balkans, concluding acquisitions and mergers in those regions.

- 2007: EFG Eurobank Ergasias SA expanded to Cyprus, acquired a stake in Tekfenbank Turkey, and concluded the merger of Postbank and DZI in Bulgaria.
- 2011: EFG Eurobank Ergasias SA merged with DIAS Portfolio Investments SA.
- 2012: EFG Eurobank Ergasias SA underwent a corporate name change to Eurobank Ergasias SA and made various divestments.
- 2013: Eurobank Ergasias SA was recapitalized through the Hellenic Financial Stability Fund and merged with New TT Hellenic Postbank SA and New Proton Bank SA.
- 2014: Eurobank operationally merged with the New TT Hellenic Postbank SA and completed various acquisitions.
- 2015: Eurobank Bulgaria AD acquired the Alpha Bank banking services in Bulgaria. Eurobank Ergasias SA conducted a share capital increase.
- 2016: Eurobank concluded various sales and acquisitions in the insurance and banking sectors.
- 2017: Eurobank announced the successful sale of shares in Grivalia Properties.
- 2018: Eurobank completed a restructuring plan and concluded various sales and acquisitions.
- 2019: Eurobank completed the merger with Grivalia, acquired Piraeus Bank Bulgaria, and concluded several sales.
- 2020: Eurobank completed the NPE acceleration plan and underwent organizational changes.
- 2021: Eurobank presented its transformation program and launched a new brand identity, concluded sales and mergers, and finalized agreements with the doValue Group.

1.14.2 Eurobank' Subsidiaries

Eurobank SA, a prominent player in the intricate terrain of financial institutions, a huge network of subsidiaries spanning diverse sectors and regions. Serving as vital components of the Eurobank Group, these subsidiaries assume pivotal roles in a wide array of domains, ranging from asset management and equity trading to leasing and factoring services. Each subsidiary, be it situated in Luxembourg, Cyprus, Bulgaria, Greece, or the United Kingdom, showcases a distinctive aspect of the Group's expansive portfolio and strategic initiatives, thereby enhancing Eurobank's position as a financial key player in the area.

Luxembourg and the United Kingdom | Eurobank Private Bank Luxembourg SA

Services Offered: Private banking, wealth management, investment funds, and tailored corporate banking.

Background:

- Founded in Luxembourg by Banque de Dépôts in 1986.
- Acquired by EFG Eurobank SA in 1994.

- Renamed to Eurobank EFG Private Bank Luxembourg SA in 2008, then to Eurobank Private Bank Luxembourg SA in 2012.
- Expanded strategically in the UK in 2015 by acquiring the Eurobank SA branch in London.

Key Achievements in 2015:

- Capital Adequacy Ratio: 42.75% (Basel III).
- Liquidity Reserves: €0.96 billion.
- Loan-to-Deposit Ratio: 39.4% (excluding loans secured by deposits) (Eurobank, 2015).

Bulgaria | Eurobank Bulgaria AD (Postbank)

Services Offered: Banking services, leasing, and property services.

Background:

- Founded in 1991.
- Survived the 1996-1997 banking crisis in Bulgaria.
- Eurobank Ergasias SA acquired a 43% stake in Bulgarian Postbank in 2002 and gradually increased to 99.99%.
- Postbank was formed in 2007 after the merger of Bulgarian Postbank and DZI Bank.
- In 2016, Eurobank Bulgaria AD (Postbank) acquired Alpha Bank's banking services in Bulgaria.

Key Achievements in 2015:

- Awards: Most Active Issuing Bank in Bulgaria (EBRD), Best Custody Bank (Global Custodian), Best Innovation Bank (Bulgarian Confederation of Employers and Industrialists).
- Ranks as the fourth largest bank in Bulgaria in terms of loans and deposits (Eurobank, 2016).

Cyprus | Eurobank Cyprus Ltd

Services Offered: Wholesale banking services, corporate banking, wealth management, international business banking, and global markets.

Background:

- Established in 2007 as a wholly owned subsidiary of Eurobank SA.
- Operates independently under Cyprus laws and regulations.
- Recognized for strong capital adequacy ratios, financial robustness, and excess liquidity.

Key Achievements in 2016:

- Awards: Best Banking Group, Best Private Bank, Best International Private Bank in Cyprus.
- Operates a network of eight banking centers across major cities in Cyprus.
- Focuses on wholesale banking services, wealth management, and international business banking (Eurobank, 2017).

1.14.3 Eurobank in Greece

Eurobank has established a diverse presence in Greece's financial sector, with a wide range of subsidiaries operating across various industries. These subsidiaries play a crucial role in Eurobank's mission to support the growth and stability of Greece's economy. They offer specialized services and creative solutions that cater to the distinctive requirements of the country's financial landscape.

Eurobank is deeply involved with these entities, demonstrating a strong commitment to dominant Greece's financial sphere through expert knowledge, innovative ideas, and a client-centric approach.

Eurobank Asset Management MFMC serves as the investment branch of Eurobank Group, operating as a wholly owned subsidiary of Eurobank SA. The merger between Eurobank EFG Asset Management SA and Eurobank EFG Mutual Fund Management Company SA occurred in 2011. Its range of services encompasses mutual funds and institutional asset management. As of December 2021, possess a 28.80% in the Greek mutual fund market, overseeing a substantial €4.97 billion in assets distributed across various funds in Greece, Luxembourg, and Cyprus. An essential aspect of its operations is to prioritize ESG (Environmental, Social, and Governance) and adhering to the PRI (Principles for Responsible Investment) framework, highlighting a strong dedication to sustainable development.

Eurobank Equities SA, functioning as a wholly owned subsidiary of Eurobank SA, stands as a notable participant within the Greek stock market. Its establishment traces back to 1999 as EFG Eurobank Securities SA, and it underwent multiple mergers and consolidations throughout the years, ultimately transforming into Eurobank Equities SA in 2012. This particular entity has both institutional and private clients, offering investment services within stock exchanges such as NYSE, NASDAQ, and others. Recognized for its exceptional performance in the Extel survey, it has consistently secured top rankings in brokerage, equity research, and individual analyst categories.
Serving as a wholly owned subsidiary of Eurobank SA, Eurobank Factors SA specializes in providing factoring and forfaiting services in Greece. It was previously known as EFG Factors SA, undergoing a transition to Eurobank Factors SA in 2012. With a substantial market share of 34% in the Greek factoring services sector, the company achieved global recognition for its excellence in export and import factoring, earning accolades from Factors Chain International (FCI) on multiple occasions.

Eurobank Leasing Single-Member SA, fully owned by Eurobank SA, takes the lead in delivering business leasing solutions throughout Greece. The company's establishment can be traced back to 1991 as Ergoleasing SA, and after various mergers and acquisitions gets its current form as Eurobank Leasing Single-Member SA in 2021. Along its journey, it incorporated entities like Leasing Ergasias SA and Eurobank EFG Fin and Rent SA, also acquiring T Leasing SA and T CREDIT SA Operating Leases.

In summary, Eurobank Asset Management MFMC, Eurobank Equities SA, Eurobank Factors SA, and Eurobank Leasing Single-Member SA all operate as integral components of Eurobank Group, offering diverse financial services and solutions in the Greek market and beyond (Eurobank, 2022).

1.14.4 Eurobank Group

The Eurobank Group, consisting of Eurobank SA and its subsidiaries, operates as a financial institution committed to provide a wide range of products and services based on customer requirements. This mission extends to offering a comprehensive range of financial services tailored for both individual and corporate clients. By focusing on transparency, credibility, and modern corporate governance practices, the Group's philosophy revolves around customer-focused operations. Eurobank Ergasias Services and Holdings SA serves as the central parent company orchestrating the multifaceted operations within the Eurobank Group. The Group's significant metrics, as of September 30, 2023, encompass an impressive €80.5 billion in total assets. The expansive network spans 540 branches across Greece and international locations, having a dedicated workforce of 10,468 employees. The range of the Group's financial services is all-encompassing, covering retail and corporate banking, investment banking, wealth and capital management, cash management, financial leasing, factoring, trading, property services, and more. This wide spectrum ensures a comprehensive approach to meeting diverse financial needs across various sectors and demographics. The Eurobank Group upholds an ESG (Environment, Society, Governance) vision, actively investing in initiatives for sustainable development. This commitment translates into stringent policies aimed at generating enduring social value and fostering long-term sustainable performance. With a rich history marked by notable milestones, the Group stands firm on its determined trajectory, striving for continual growth, innovation, and excellence in the financial sector (Eurobank, 2023).

1.15 Analysis of the Macro Environment

1.15.1 Introduction

Examining Eurobank within the framework of a PEST analysis provides a comprehensive viewpoint of the macro-environmental factors molding its landscape. Political, Economic, Social, and Technological forces interlace into Eurobank's operations, exerting their influence on its strategies and market dynamics. As a pivotal player in the financial sector, Eurobank's strategic choices are not solely determined by internal factors but also significantly affected by external forces. This analysis delves into the wider range of regulatory modifications, economic fluctuations, societal trends, and technological advancements, all of which contribute to shaping Eurobank's strategies and market positioning.

The external environment consists of four areas: Political , Economical, Sociocultural, and Technological, often referred to by the acronym PEST or its evolved form, PESTLE. PESTLE serves as a strategic instrument for scrutinizing the macro-environment of a venture.

1.15.2 Political

Throughout history, the relationship between nations and financial institutions has been closely alongside. States have long relied on banks to exert control over their economies and manage debt, while banks have enjoyed certain advantages due to governmental regulations. However, the Eurozone debt crisis brought about a significant shift in the dynamics between banks and states. Governments worldwide intervened by using taxpayer funds to bail out failing banks, while within the Eurozone, the European Banking Union put pressure on member countries to redefine their traditional political influence over financial matters. Nevertheless, the extent of this transformation varied among member countries depending on the nature of their bank-state relationships and the severity of the crisis they faced. When recapitalization funds were allocated, they came with strict adjustment programs that directly impacted the balance sheets of the banking sector. In Greece, the banking system had longstanding connections through both direct state ownership and informal ties between bankers, political parties, and businesses. Although the crisis led to the severing of formal links between banks and the state, informal connections continued to persist.

It was not until 2015, after a third round of recapitalization, that corporate governance reforms were finally implemented to sever these informal ties between banks and the state. Interestingly, the involvement of the Troika in the recapitalization process did not initially address these connections. However, with time, measures were taken to address this issue and bring about a clearer separation between banks and the state (Papalexatou, 2021).

The Greek authorities have consistently taken actions to address deficiencies in the financial sector.

1. They have extended the Hercules asset protection scheme, which aims to securitize loans that are not performing well, until October 2022. This extension helps improve the financial position of banks.

2. The introduction of platforms in the new insolvency framework has had positive results, especially for settlements that take place outside of court.
3. Greece's Recovery and Resilience Plan (RRP) includes measures that target challenges related to private debt and information imbalances between borrowers and lenders.
4. The plan also focuses on strengthening capital markets through enhanced supervision. These measures are supported by a Loan Facility that encourages private investment. This facility includes an equity platform that provides support to small and medium-sized enterprises.

Furthermore, efforts to improve export performance involve simplifying processes, expediting investment licensing, and implementing a strategy to facilitate trade and foreign direct investment. A new master plan for transportation infrastructure and logistics prioritizes projects that will boost exports. The RRP also highlights the importance of promoting extroversion, improving the regulatory environment for businesses and exporters, and streamlining export procedures (European Commission, 2023b).

Furthermore, the Greek government has unveiled a several initiatives to leverage the market scheme. These are the following :

1. A comprehensive program with the aim of advancing technology and connectivity infrastructure throughout the country. The plan places a strong emphasis on the adoption of 5th generation networks and the acceleration of citizens' access to high-speed network connections, referred to as the "transition to 5G technology" and the "Switch to fast broadband connections" reforms. These reforms are intricately linked to both investments under the Recovery and Resilience Plan (RRP) and initiatives that are not RRP-related.

2. The "Smart Readiness" voucher scheme, investments are being made to upgrade existing buildings into intelligent structures and connect them to utility networks using smart meters. The vouchers cover a portion of the costs associated with civil engineering work, structured cabling, and the installation of smart meters. This program provides service providers with flexibility, allowing citizens to freely choose their preferred providers.

3. The "Gigabit-Society" project is specifically focused on the adoption of ultra-high-speed broadband networks. Its objective is to stimulate demand by reducing the initial connection costs and monthly fees for households and small businesses. By doing so, the project aims to create a critical mass of subscribers, thereby supporting the penetration of services and the development of the network.

4. Investment in the "Small Satellites" initiative centers around the creation and launch of small satellites that will provide secure connectivity and advanced telecommunications services. This strategic move is expected to enhance Greece's technological capabilities and integrate space technology into the economy.

5. Under the "Smart Cities" project, an effort is being made to transform cities into intelligent urban centers. This transformation will enhance services, alleviate poverty and pollution, and collect data to facilitate effective policy formulation. Several projects have already received

approval, and Smart City Strategic Plans are currently being finalized. This will enable municipalities to proceed with public tender plans.

6. In addition, the project known as the "5G Corridors" will involve investments from private sources, with the support of the Ministry of Digital Governance and the Connecting Europe Facility. The Ministry is also collaborating with telecommunications providers to improve connectivity on islands through the use of optical fiber cables. These advancements in technology and connectivity have the potential to bring numerous benefits to banks. The enhancement of technology infrastructure can optimize the efficiency and effectiveness of banking operations, covering customer interactions, digital services, and data management. Quicker and more reliable broadband connections can facilitate online banking, transaction processing, and communication between branches and headquarters. Furthermore, the expansion of digital services and technology-focused initiatives can establish fresh opportunities for collaboration and partnerships between banks and technology companies. This, in turn, could lead to the development of innovative financial products and services. Ultimately, a technologically advanced and well-connected environment can contribute to the growth of a more competitive and resilient banking industry.

Moreover, outside of the RRP there are some interesting initiatives that would provide new opportunities for businesses.

7. The **Ultra-Fast Broadband** (UFBB) project in Greece is a Public-Private Partnership (PPP) with a €700 million budget, aiming to provide ultra-highspeed broadband to about 2.4 million citizens, covering 18% of the population across 68 regions. It offers 100 Mbps connectivity (upgradable to 1 Gbps) to bridge the digital divide and foster economic growth. WiFi4GR establishes 2500 public WiFi hotspots with 5600 access points, funded by €15 million from ERDF and national resources.
8. The Super-Fast Broadband (SFBB) project, funded with €50 million, subsidizes Very High Capacity Networks (VHCN) usage with €360 over 24 months, benefiting 150,000 households and businesses. Greece's National Broadband Plan targets robust and affordable broadband infrastructure to promote ultra-high-speed services.
9. The "Antonis Tritsis" program with a €2.5 billion budget focuses on integrated development planning through local government bodies, expecting implementation by 2025.

At last, Greek businesses are currently placing a significant emphasis on the process of digitalization, with the goal of closing the technological divide between them and small and medium-sized enterprises (SMEs) across Europe. This objective entails making investments and implementing reforms that will establish a robust digital infrastructure, integrate digital tools into everyday operations, and promote digital literacy and awareness. Moreover, there is a concerted effort to encourage the adoption of cutting-edge digital technologies within the industrial sector, which includes the establishment of new industrial parks. Additionally, research initiatives are driving digital innovation, particularly in the realm of business applications. The realm of information and communication technology (ICT) innovation is closely linked to entrepreneurial endeavors, and the

"Elevate Greece" platform serves as a hub for fostering connections and collaboration among pioneering startups (European Commision, 2023b).

These various opportunities have the potential to greatly benefit banks by facilitating technological advancements, optimizing efficiency, and facilitating innovative partnerships, ultimately leading to a substantial improvement in the quality and effectiveness of services and operations within the banking industry.

1.15.3 Economic Environment

The worldwide economy encounters diverse obstacles, from the epidemic to energy scarcities and geopolitical changes, resulting in considerable disruptions. Notwithstanding this, improvement is visible in many areas, with share and land prices increasing, reduced unemployment, and regulated inflation. While the US and many countries of Asia demonstrate better conditions than Europe in commerce, synchronized financial and monetary policies have miniize risks for weaker economies, preventing a financial catastrophe provoked by the epidemic. In Greece, indications of a robust recovery are apparent due to advantageous global economic tendencies, ongoing backing for enterprises and staff, minimal borrowing expenses, and resilient sectors, particularly in merchandise exports. This portrays a hopeful depiction for Greek economic expansion (IOBE, 2021). Despite the high inflation of the period, surprisingly the growth rate of private consumption is increased, as well as the positive increase in exports, especially in the tourism industry. The investment sector in the country is also seeing significant growth, contributing to entrepreneurship in the Greek economy. On the downside, the trajectory of inflation, surpassing the average in the Eurozone (IOBE, 2022).

In the midst of the challenges presented by the Covid-19 pandemic, Europe's energy crisis, and geopolitical tensions, the global economy is steadily bouncing back, observing strong growth rates in key regions. Equities and real estate are on the ascent, unemployment is decreasing, and loans rates remain low. However, financial and monetary policies have protected weaker economies, averting a financial crisis. Greece's economy is recovering quite well, surpassing initial GDP expansion projections. Contributing to this trend are factors such as the robust worldwide economy, substantial assistance for businesses, stable borrowing expenses, and resilient sectors like merchandise exports. Despite this progress, worries persist about escalating inflation in Greece, impacting purchasing ability and sparking economic discussions (Bank of Greece, 2022).

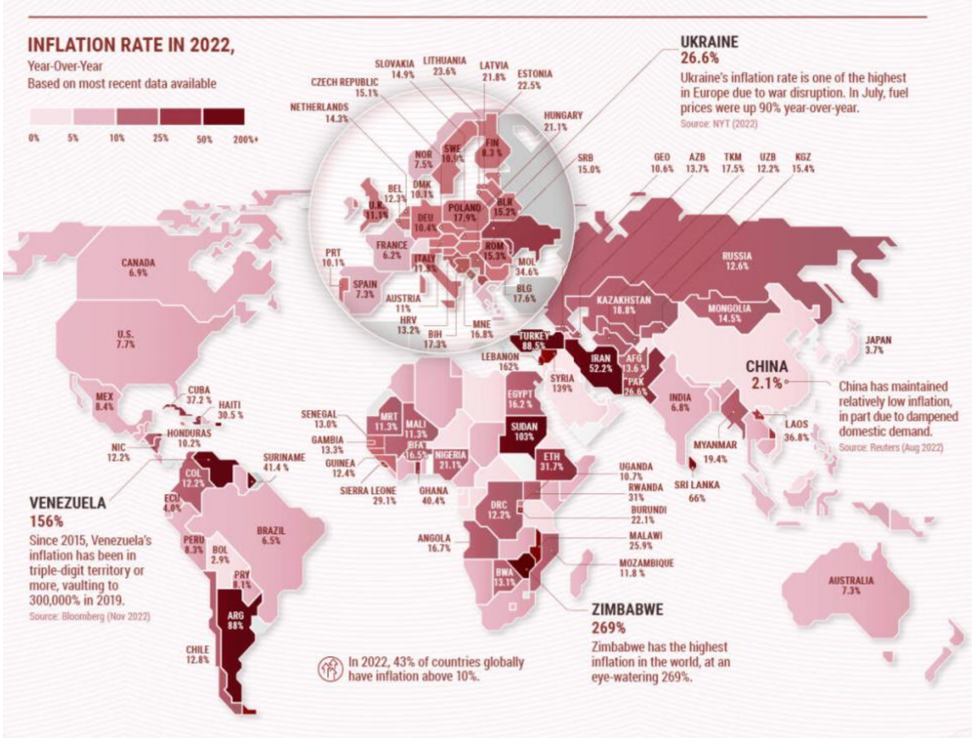


Figure 7 Inflation rated in global scale (Neufeld, 2022)

Inflation Rates

The trajectory of Global Inflation Rates, which were around 9.8% in 2022, were presenting a pattern; the objective should be achieving the desired level of 2% by at least 2025. It is important to highlight that inflation displayed significant instability throughout this period (newsroom2, 2022). In November 2023, Greece's yearly inflation rate decreased to 3%, a decrease from the prior month's 3.4%. This drop was caused by slower cost rises in various sectors, such as nourishment & non-alcoholic drinks, amusement & art, and lodging. Meanwhile, clothing & shoes experienced a noteworthy cost surge. On a monthly basis, customer prices fell by 0.4%, the initial decrease in four months, following a 0.6% surge in October.

Greece finds itself amidst a landscape marked by a cluster of urgent imbalances. These weaknesses arise from a convergence of factors, including a heavy load of government debt, an ongoing process of rebalancing in external matters, and the persistent challenge of high non-performing loans, all set against a backdrop of slow potential growth and high unemployment. A glimmer of hope emerges as the ratio of government debt to GDP resumes its downward path, ready to continue its descent due to significant improvements in budget outcomes and a promising trajectory of economic expansion.

Post-pandemic Recovery

Greece's economic revival in 2021, denoted by an 8.3% GDP expansion, arose from revitalized domestic demand and a robust tourist season. In spite of the limited impacts of the omicron variant towards the conclusion of 2021, growth projections for 2022 and 2023 stood at 3.5% and 3.1% respectively, amidst global energy instability and geopolitical tensions. Government measures aimed at enhancing private consumption, recovery in tourism, and the execution of Recovery and

Resilience Plan (RRP) projects supported the economy. Inflation peaked at 12% in 2022 before easing to 2.5% in July 2023, while unemployment trends showed gradual improvement. Forecasts for 2023 estimated economic growth at 2.4%, tapering to 2.2% by 2025, and headline inflation at 4.3%, expected to moderate to around 2.1% by 2025 due to tightened labor market conditions. Efforts to reduce the government deficit and robust GDP growth were positioned to lower the high public debt-to-GDP ratio (EUROPEAN COMMISSION, 2023) & (Trading Economics, 2023).

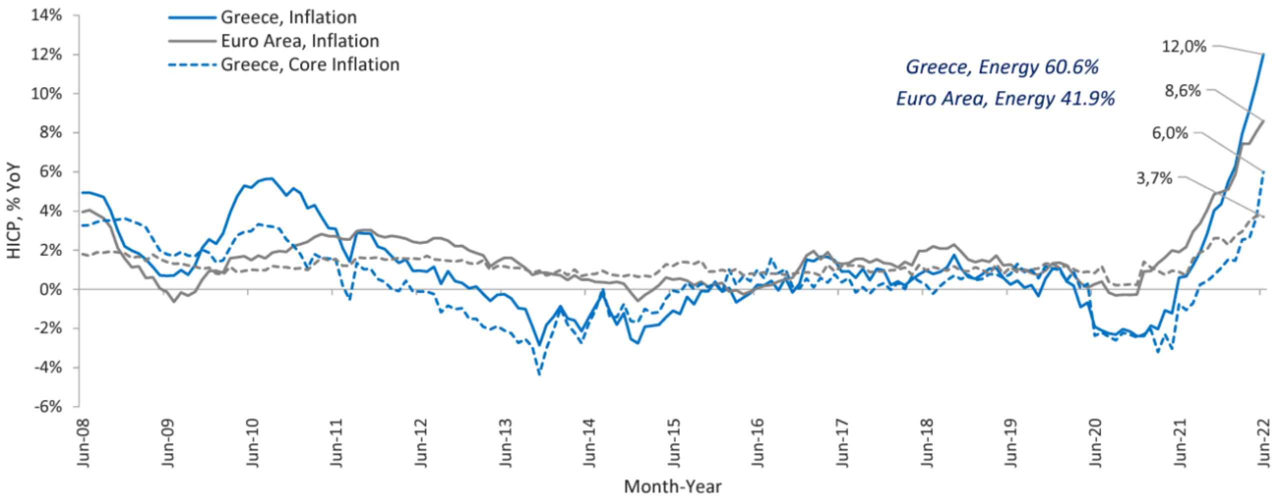


Figure 8 Inflation in Greece for the past 15 years (Hellenic Bank Association, 2022)

Banking Sector

Banks observed enhanced profitability owing to decreased possible damage provisions, triumphant borrowing, and trading advancements. This revived their monetary positions, but the monetary excellence remains somewhat fragile. Increasing interest rates present difficulties, potentially affecting borrowers' capacity to compensate. Furthermore, greater rates escalate banks' financing expenditures, compelling them to obtain more costly enduring debt to fulfill regulations.

On a positive note, the repayment of previous long-term funding provided by the European Central Bank (ECB) has begun as planned. It is expected to have a limited impact on liquidity ratios. Although there has been an increase in loans to non-financial corporations in 2022, the trend for loans to households has remained negative. Loan costs, especially for households and small businesses, have exceeded the average observed in the euro area. Rising interest rates have further intensified this trend.

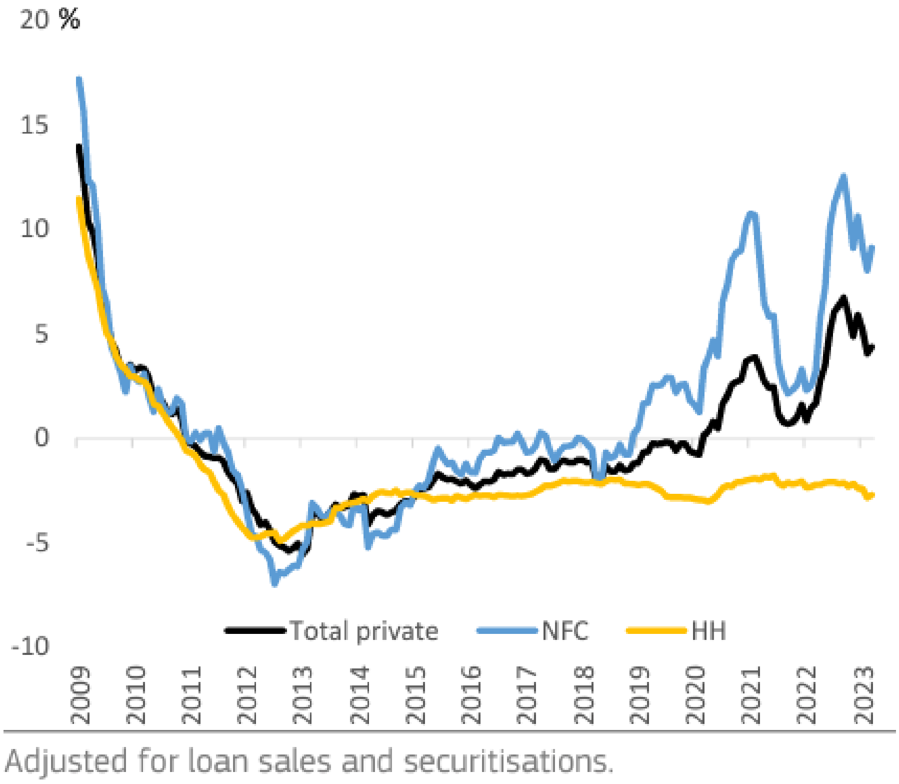


Figure 9 Evolution of credit activity (European Central Bank)

Greek banks are experiencing enhanced capital positions, with overall and CET1 capital ratios increasing by approximately 1.8% in 2022. Major banks like the National Bank, Eurobank, Alpha Bank, and Piraeus Bank demonstrate robust capital sufficiency ratios, exceeding minimum requirements. These trends are expected to persist, with projections anticipating ongoing improvements in the upcoming years. Importantly, reliance on AT1 securities remains limited, with CET1 capital comprising around 80% of the banks' capital structures. Governor Yannis Stournaras of the Bank of Greece underscores the alignment of strategies to release strict securities with regulations, highlighting the resilience of Greek banks amidst global banking crises. Stournaras emphasizes the strength of Greek and European banks, backed by sufficient capital and liquidity reserves, in their ability to withstand economic downfalls. Deputy Governor Christina Papaconstantinou also stresses the resilience of the Greek economy in facing external challenges, noting a decline in "red loans" and ongoing reductions in Non-Performing Loans. Moreover, the potential restoration of investment-grade status further underscores the robustness of the banking sector and its significant role in maintaining overall economic stability. (China-CEE Institute,2023).

In brief, the advancement in the Greek banking sector indicates a promising future, demonstrating improved capital positions and profitability. This expansion establishes a solid basis for navigating economic challenges and pursuing new opportunities. With enhanced operational performance driven by different factors, such as decreased provisions for losses and superior asset quality, banks are better positioned to support economic recovery and adapt to changing customer needs. Continuous capital improvement plans, along with strategies like releasing advance securities, demonstrate a proactive approach to maintaining strong financial structures. The favorable trends in reducing "red loans" and Non-Performing Exposures further bolster the sector's ability to extend credit and support growth. The emphasis on regulatory oversight and business funding underscores a comprehensive strategy for stability and expansion. Overall, these developments depict an optimistic picture for the Greek banking sector, highlighting a trajectory of growth, stability, and resilience.

1.15.4 Sociocultural

The sociocultural environment plays a crucial role in shaping the landscape of the banking industry. It is of utmost importance for financial institutions to understand the cultural fabric and social dynamics within a specific region in order to effectively tailor their strategies, services, and operations. Through an exploration of societal norms, consumer behaviors, and cultural trends that shape banking practices, consumer preferences, and financial decision-making within the given market.

According to recent data from the United Nations, Greece currently has a population of 10,327,942 as of November 4, 2023. Notably, a significant 85.9% of the population resides in urban areas, accounting for 8,883,362 people (United Nations, 2023). Greece's median age is 44.5 years, reflecting the age composition of its population. Breaking it down further, in 2022, approximately 13.87% of the Greek population fell into the 0-14 year age category, 63.31% into the 15-64 age group, and 22.82% were over 65 years old (Statista, 2023a). This age distribution holds implications for healthcare, social services, and pension systems, which in turn can influence consumer behavior, particularly in industries related to healthcare, elderly care, and retirement planning. In addition, these demographic aspects have noteworthy implications for the banking sector, affecting the development of products, wealth management strategies, credit approaches, and digital banking initiatives designed to cater to the diverse needs of people across different age segments.

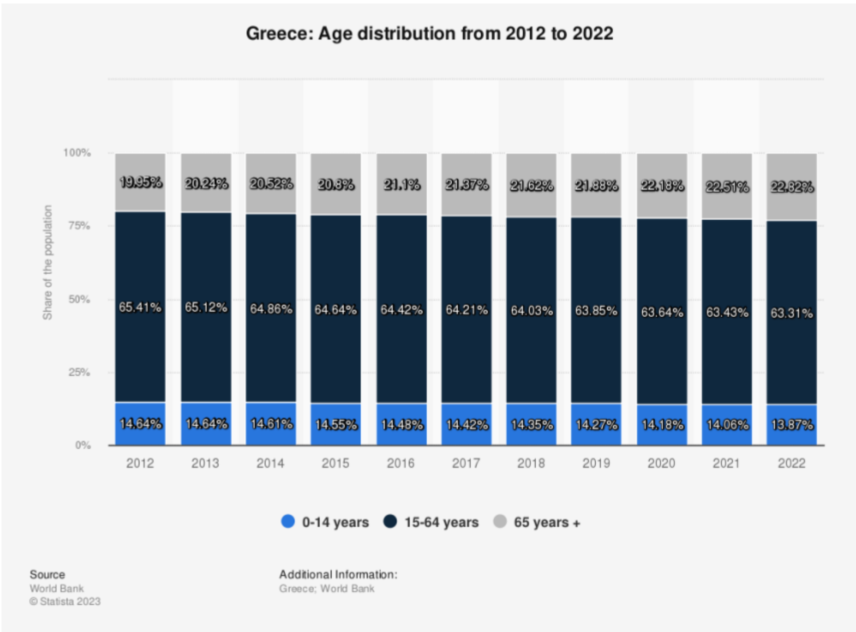


Figure 10 This data illustrates the age distribution in Greece between 2012 and 2022 (Statista, 2023)

1.15.4.1 Covid-19 affects consumer's behavior

During the COVID-19 pandemic, the impact of the crisis extended to various sectors of the economy. As a result, businesses had to quickly adjust and expand their digital services to meet the changing demands. The banking industry also underwent a significant transformation as people seek more efficient and contactless financial services during this time.
Based on a study, lockdown periods were associated with a greater utilization of internet banking services. Additionally, factors such as gender, age group, urban residence, and public employment status were found to be linked to higher adoption rates of internet banking. Interestingly, prior to the pandemic, women and older respondents had lower usage rates of internet banking services. However, it is important to acknowledge certain limitations when interpreting these results (Bechlioulis & Karamanis, 2022).

The use of e-payments and e-banking channels has seen a remarkable rise recently. The amount of payment card transactions skyrocketed by 20% year-over-year to 1.88 billion, with a transaction value of €58.8 billion (increased by 23% year-over-year). Account-to-account transfers also rose, totalling 507 million transactions, with a value of €744 billion. Notably, card deception rates remain low. More than 90% of transactions are done via internet and mobile banking. The value of ATM cash withdrawals increased by 9% year-over-year. In 2022, there were 3.8 million active internet banking users, with 66% making monthly money transfers. Additionally, there were over 5.1 million active mobile banking users, with nearly 40% conducting money transfers through mobile applications. Furthermore, eKYC for AML purposes is now accessible through the Gov.gr service, providing a completely digital approach (Hellenic Bank Association, 2023).

Overall, the pandemic has had a significant impact on the adoption of internet banking services. Thus, an omni-channel buying model emerges, with online shopping preferred by more than one in two consumers, either in the form of click away (27%), or for buying food (21%), durables(26%), as well as products previously purchased from physical stores (24%). During the pandemic, both consumers in Greece and those living abroad went through significant changes in their shopping habits. One major change was the substantial increase in online shopping, leading to the emergence of an omni-channel buying model. This means that consumers are now using multiple channels to make their purchases (Mavros, 2021).

Consumers' connections with their financial institutions are progressively losing the personal touch as they predominantly embrace digital platforms for swift and pragmatic undertakings, lacking emotional attachment. The unwavering significance consumers attach to physical bank branches showcases an ardent yearning for face-to-face interactions. More than 60% of consumers depend on branches to tackle specific and intricate matters, and given the impending economic hurdles, they yearn for substantial dialogues with their financial institutions. Nevertheless, the majority of digital channels presently lack the necessary tools to facilitate such profound personal involvement (Accenture, 2023).

1.15.5 Technological

The banking industry is undergoing a significant transformation post-pandemic. Staying ahead of the latest developments and advancements is crucial to ensure business processes remain updated. These advancements have the potential to fundamentally reshape the banking landscape. However, it's essential to acknowledge the all-encompassing disruptive nature of technology. While it introduces revolutionary changes in operations, implementing it can be challenging for banks without expert guidance. Hence, it's vital to conduct an assessments of customer interest, product specifications, and maintain trust in digital platforms before adopting new technology trends. This section will delve into prominent technology trends within the banking sector and their capacity to revolutionize existing operations.

1.15.5.1 Hyperautomated Banking

Hyperautomation combines advanced technologies such as artificial intelligence (AI), machine learning (ML), robotic process automation (RPA), and low-code/no-code (LCNC) to automate complex and time-consuming tasks. This integration of technologies it is expected to become more widely adopted across various industries like healthcare, insurance, retail, and education, among many others, and of course banking.

The significant embrace of digitalization in many industries, along with the necessity for improved work procedures, are among the primary factors driving the high demand observed in this sector. The global hyperautomation market perfectly mirrors this trend, with its values demonstrating an exponential increase. According to GlobeNewsWire, the current market worth of hyper-automation stands at a staggering USD 549.3 million. Projections indicate that by 2029, this figure is expected to rise even further at an annual growth rate (CAGR) of 22.79%, ultimately reaching USD 2,133.9 million (S. Nair, 2023).

Lately, the finance sector has been embracing hyperautomation to reduces costs, enhance client experiences, and boost overall efficiency. This approach streamlines tasks, from basic data entry to complex activities like risk management and compliance, freeing up time for strategic tasks. One of the main benefit is cost reduction - automation decreases reliance on manual labor and minimizes errors, which is especially important for retail banks handling multiple processes. Business process management tools and hyperautomation technology eliminate inefficiencies, leading to improved client experiences and significant savings. Here are some examples of hyperautomation in use within the financial services sector:

1. **Customer Service Enhancement:** Hyperautomation is now utilized as a tool to automate routine customer service tasks, freeing up staff to focus on more complex interactions and strategic priorities.

2. **Fraud Detection:** Hyperautomation can proactively identify and prevent fraud by scrutinizing vast datasets to detect anomalous behavioral patterns, ultimately safeguarding against potential financial losses and associated legal consequences .
3. **Loan Processing Streamlining:** From application to approval, hyperautomation expedites loan processing, minimizing delays and vastly improving the customer experience.
4. **Compliance and Regulatory Adherence:** Automating compliance checks and monitoring processes aids banks in adhering to complex regulatory requirements with increased efficiency.
5. **Efficient Risk Management:** By automating all stages of risk management, including credit risk analysis, portfolio risk assessment, and market risk evaluation, hyperautomation accelerates a traditionally time-consuming process.
6. **Enhanced Customer Experience:** The ability of automated systems to swiftly handle high volumes of customer interactions translates to faster, personalized service, fostering customer loyalty and satisfaction.
7. **Precision and Accuracy:** Hyperautomation elevates the accuracy and reliability of financial processes by performing intricate calculations and data processing with precision, minimizing the potential for errors.
8. **Regulatory Compliance Facilitation:** Automated systems streamline compliance with intricate regulations like anti-money laundering and KYC, improving efficiency in identifying and reporting suspicious activities while mitigating regulatory non-compliance risks.

In summary, with changing consumer needs, automation has become essential for businesses, and hyperautomation has emerged as a key trend in banking. This technology has the potential to enhance employee productivity, operational efficiency, and customer satisfaction. Collaboration between banks and outsourcing firms can expedite financial processes. Hyperautomation provides an opportunity for the industry to enhance compliance, transparency, and efficiency. Automating tasks and leveraging advanced technology streamlines workflows, ensures regulatory compliance, and improves overall efficiency. Embracing hyperautomation can lead institutions towards a more streamlined and customer-centric future (Reyes, 2022), (Singhal, 2023), (S. Nair, 2023).

1.15.5.2 Open Banking

Open banking is another technology trend that encompasses the creation of a robust system for seamless connectivity within the banking industry, enabling authorized third-party payment service providers and other financial entities to obtain banking data and transactions from various banks and financial institutions. These external entities can easily access this information by utilizing Application Programming Interfaces, commonly referred to as APIs. Amid the ongoing transformation in the global economy, open banking is steadily gaining traction for its capacity to accelerate and secure transactions on a global scale. Furthermore, it empowers consumers by providing them with a diverse range of options for managing their finances with the support of third-party providers.

Figure 11 Open banking market size (Polaris Market Research, 2022).

Open banking is already playing a pivotal role in enhancing the accessibility of financial services and driving the adoption of real-time payments and emerging payment advancements. This revolutionary practice has the potential to disrupt traditional financial service providers, as it introduces more personalized and tailored services. By consolidating the utilization of financial data for consumers and small businesses, open banking ensures their complete authority over their information and the associated perks. This newfound empowerment translates into a wider array of choices for payment methods, financial planning, credit availability, and beyond, guaranteeing that individuals can fully capitalize on the advantages offered by their financial data (Softwareag, 2023).

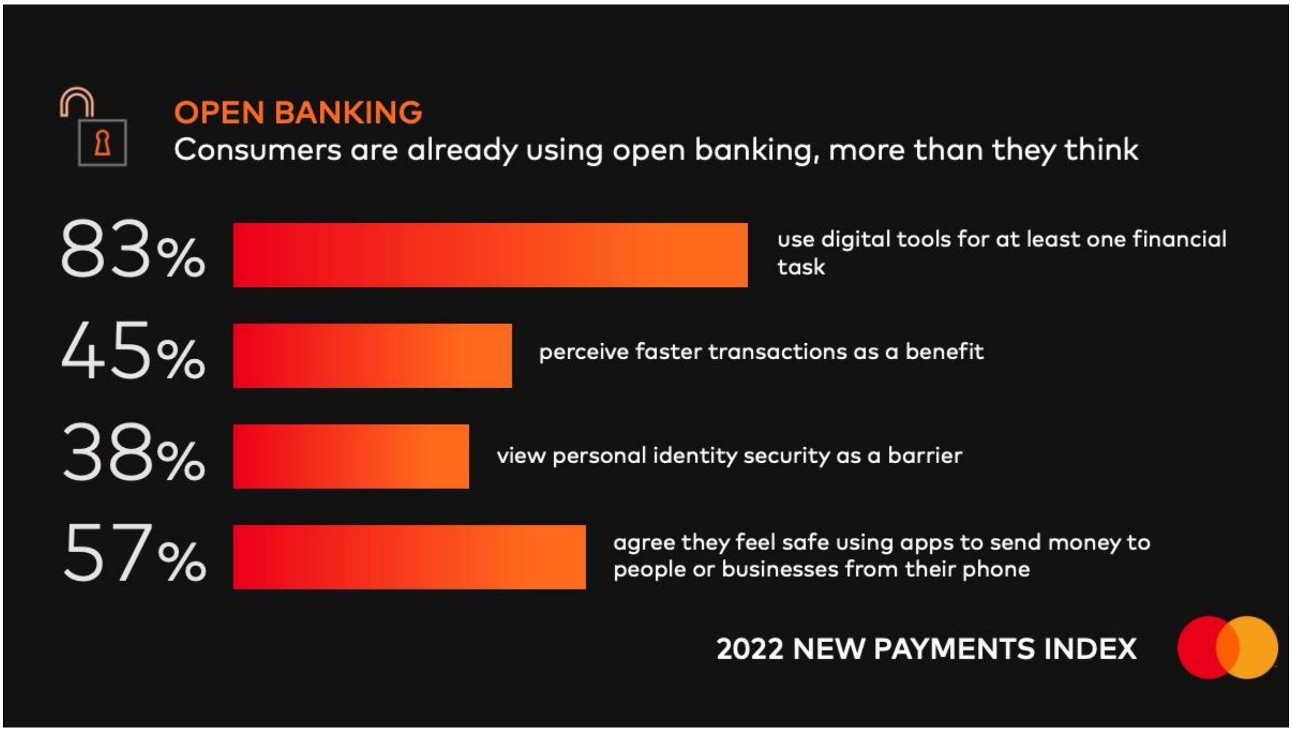


Figure 12 Consumers open banking usage (Harrison, 2022).

APIs serve as a revolutionary power, reshaping the way banking operations are accessed and utilized. By empowering fundamental operations such as accounts, transactions, balances, and payments to be programmatically harnessed, APIs redefine the accessibility of these capabilities, both within and outside an organization's boundaries. The external availability of APIs expands the range to inventive fintech applications, enabling them to seamlessly interact with a bank's customers' financial information, upon the explicit consent of the customer. This shift not only cultivates operational efficiency but also drive innovation that empowers customers and fosters the growth of financial services.

1.15.5.3 Artificial Intelligence & Machine learning

The Financial Services Sector has embarked on the era of AI in its digital evolution, marking a significant milestone in a journey that began with the birth of the internet. This transformative adventure has gone through various stages of digitalization, culminating in the emergence of AI as a disruptive force that is reshaping the industry's foundations. The traditional ties within financial institutions are weakening, opening the doors to a realm of heightened innovation and new operational paradigms. AI, a field within computer science, focuses on the development of intelligent machines capable of imitating human-like tasks and functions. These machines have the ability to learn on their own, process information, and extract insights to make informed predictions. In the Banking, Financial Services, and Insurance (BFSI) Sector, AI has become an essential part of technology, fundamentally changing the way products and services are conceived and delivered (Okwechime, 2022).

Cutting-edge technologies such as LLMs and AI are ready to transform banking encounters. They scrutinize client information to provide tailored assistance, accurate product suggestions, and swift fraud identification in live-time. AI supervises procedures like welcoming and verifying identities, streamlining customer experiences. Mechanizing monotonous duties enables representatives to concentrate on intricate problems, enhancing efficiency and client support. Continuous accessibility guarantees prompt aid and financial knowledge outside of typical hours. AI-powered conversational interfaces in various languages streamline engagements, facilitating global banking (Kreger, 2023).

There are many ways to enhance the bank's customer services, some of the are the following :

1. **Account Inquiries :** Chatbots offer users the ability to check their account balances, transaction history, and account-related details conveniently.
2. **Money Transfers :** Users can transfer funds to other accounts or make merchant payments seamlessly using chatbots.
3. **Loan Applications :** Chatbots simplify the loan application process by guiding users through the application steps.
4. **Credit Score Monitoring :** Chatbots aid users in checking and improving their credit scores.
5. **Financial Advice Banks : C**hatbots will be used to provide investment insights and guide users in making informed decisions.
6. **Fraud Prevention :** AI detects unusual activity and safeguards against fraud by monitoring user transactions.
7. **Customer Service Chatbots :** swiftly handle customer inquiries and resolve basic issues, ensuring efficient customer care.
8. **Account Management :** AI assists users in managing accounts, automating tasks like payments and personal information updates.
9. **Insurance Claims :** Chatbots handle insurance claims and offer guidance on the claims process.
10. **Financial Planning :** Chatbots support users in financial tasks, such as budgeting and setting goals.

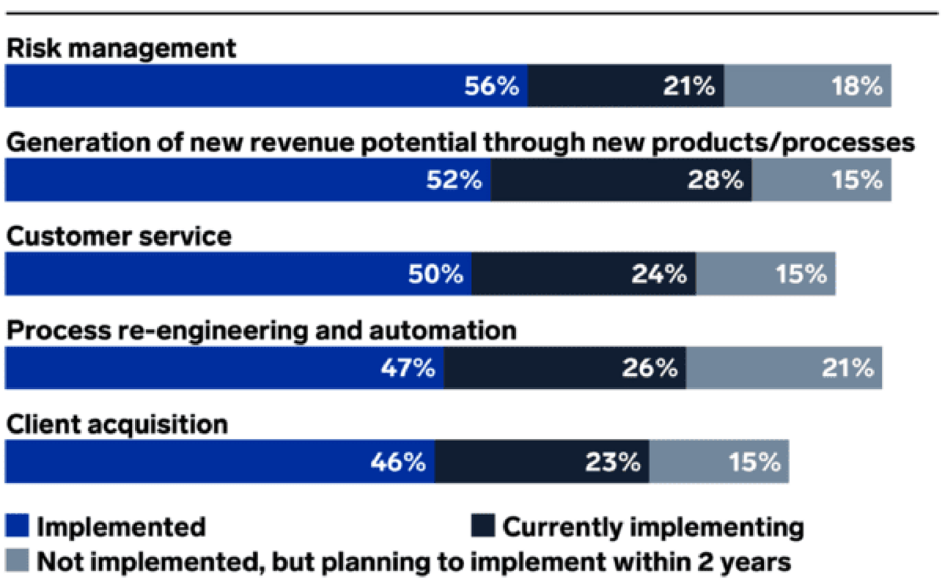


Figure 13 Adoption of AI in Main Business Domain (Magana, 2020).

To sum up, although AI possesses vast potential for enriching the customer encounter in banking, it encounters challenges in its application. Guaranteeing the security of data, instructing AI models in industry-specific language, and encouraging user acceptance are significant obstacles. Regardless of these hurdles, AI's aptitude in natural language processing presents the prospect of a customized and streamlined banking experience.

1.15.5.4 Generative AI

Generative AI is one type of artificial intelligence that can craft fresh and distinct content, such as text and images, by acquiring knowledge from pre-existing data. It employs neural networks, including Generative Adversarial Networks (GANs) and Variational Autoencoders (VAEs), to generate exceptional and imaginative outcomes. GANs comprise a captivating rivalry between a generator and a discriminator, which work in tandem to enhance the quality of the generated content. The realm of generative AI encompasses various domains such as art, music, and text, presenting an incredible opportunity to completely transform the landscape of content creation. The impact of Generative AI on global productivity is predicted to be significant, potentially contributing trillions of dollars to the economy every year. Research suggests that across 63 different applications, Generative AI could add approximately $2.6 trillion to $4.4 trillion annually, thereby increasing the overall impact of AI by 15% to 40%. It is important to note that around 75% of this value is expected to be concentrated in customer operations, marketing, sales, software engineering, and R&D. Industries such as banking, high tech, and life sciences are poised to benefit the most, with banking potentially adding $200 billion to $340 billion each year. The potential of Generative AI to automate work activities that currently occupy 60% to 70% of employee time could greatly expedite workforce transformation, possibly automating half of today's work activities by 2030 to 2060. This has the potential to result in substantial growth in labor productivity, but it is contingent upon investments that support workers during this transition. While we are just at the beginning of the generative AI era, it is crucial to address challenges relating to risk management and shifts in workforce skills in order to fully capitalize on its benefits.

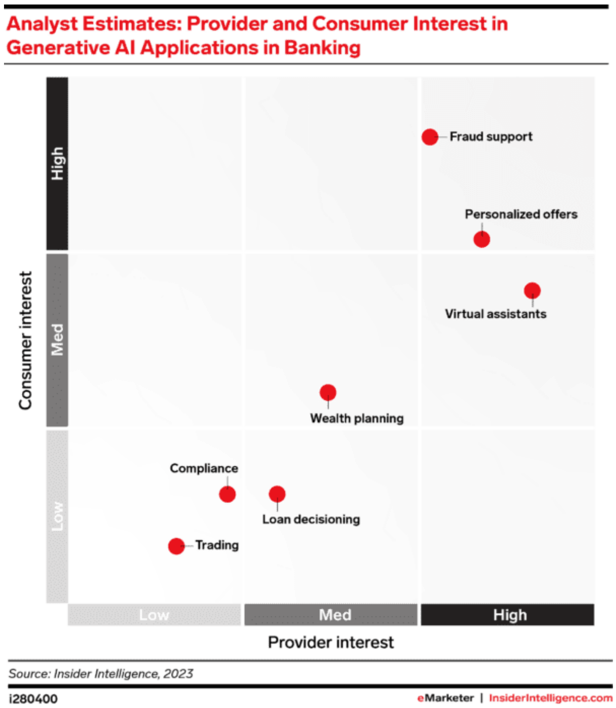


Figure 14 Exploring Generative AI Applications: Perspectives from Providers and Consumers in Banking (Feger, 2023).

Generative AI has the potential to make a significant impact on the banking industry. It is estimated that it could contribute anywhere from 2.8 to 4.7 percent of the sector's annual revenues, which is equivalent to an additional $200 billion to $340 billion. The banking industry is particularly well-suited for the integration of generative AI applications due to its unique characteristics. These include its ongoing efforts to digitize its operations, its large workforce that interacts directly with customers, its regulatory obligations, and the fact that it is a white-collar industry. Some of these applications are the following (Mckinsey, 2023):

1. **Employee Augmentation**: Generative AI assists frontline workers with technical support, monitors industries, and aids in client interactions. Example: Morgan Stanley's AI assistant for wealth managers.
2. **ESG Expert**: Generative AI synthesizes complex data from documents, answers questions, and extracts information from images and tables for a European bank's ESG virtual expert.
3. **Cost-Effective Chatbots**: Customer-facing chatbots use generative AI to assess user requests, match experts, and provide quick access to information.
4. **Code Acceleration**: Generative AI speeds up software development by drafting code, automating tests, optimizing legacy integration, and identifying defects.
5. **Tailored Content Generation**: Generative AI streamlines content creation for personalized marketing, sales content, model documentation, and regulatory updates.

We can already see the practical applications of generative AI in banking. It can augment employee performance, speed up software development by generating streamlined code, and create customized content on a large scale. However, successfully integrating generative AI requires careful considerations of regulatory requirements, user diversity, desired levels of work automation, and data privacy restrictions (Takyar, 2023).

Overall, the introduction of generative AI into banking operations has the potential to be transformative. It can reshape processes and customer interactions while driving increased productivity.

1.15.5.5 Cloud & Digitalization

The banking field is adjusting to digitalization and globalization, reshaping data practices. Cloud computing, providing improved software performance and AI capabilities, is gaining popularity in banking for digital financial services. However, its implementation faces obstacles due to strict regulations, inconsistent approaches, and data security worries. Agreement negotiations between banks and cloud providers present additional difficulties. Cloud computing comes in different forms—personal, social, and mixed—each catering to specific organizational requirements. The European cloud market is ready for significant growth, projected to increase from €9.5 billion in 2013 to €44.8 billion by 2020, highlighting its significance in the European Digital Single Market Strategy and initiatives like the European Cloud Initiative and the growth of a European Data Economy (EBF, 2021).

Banks are acknowledging the transformative potential of cloud computing, not just for reducing costs but also for swiftly entering the market and fostering innovation. Delegating software tasks to application providers allows for efficient management of portfolios and adaptation to new initiatives. Constructing software that is native to the cloud enables scalability and the rapid deployment of features. The evolving banking landscape necessitates distinctive market propositions rather than mere imitation. The challenge lies in innovating profitably while ensuring compliance. Agile and DevOps methodologies have their limitations in generating significant returns. To navigate these challenges, banks are embracing advanced technology around APIs, fostering design-led thinking, and constantly deploying updates. The dynamic interaction of various technologies such as big data analytics, automation, artificial intelligence (AI), machine learning (ML), blockchain, and the Internet of Things (IoT) is reshaping the banking industry. According to the Cloud Elements report "State of API Integration (2019)," there are approximately 1.5 billion registered websites, 150,000 web applications, and 50,000 public APIs, enabling swift development (Temenos,2020).

Modernizing technology and procedures has become essential for banks in response to the expectations of digitally savvy consumers, market dynamics, heightened competition, and the pursuit of customer-centric excellence. Cloud-based lending solutions aptly address these needs, presenting numerous benefits:

1. Modern Delivery Mechanism: Cloud banking revolutionizes the way organizations seek modernization by introducing innovative methods to deliver core banking capabilities. This approach is better suited to the current banking landscape and helps organizations overcome the complexities of legacy infrastructure.

2. Material Reduction for Impact: Traditional financial services have relied on expensive information management technology and infrastructure. Cloud solutions bring about a transformative shift by replacing server centers with accessible cloud-based technology, resulting in reduced costs and physical footprint. This, in turn, improves overall efficiency.

3. Collaboration and Innovation Amplification: Cloud-based lending enables seamless collaboration regardless of geographical location. Teams can securely make updates online, fostering agility in decision-making and execution. Furthermore, cloud platforms facilitate rapid access to new features, enhancing overall agility. By utilizing cloud-native software, compatibility issues are minimized, eliminating the need for redundant innovation caused by legacy silos.

4. Enhanced Customer Experience: Cloud technology elevates customer satisfaction by facilitating convenient digital interactions. According to McKinsey, the integration of technology in customer experiences heightens satisfaction rates by 15-20% and enhances conversion rates by 20%. Cloud-native attributes such as remote deposits, digital-first loans, and personalized interactions are revolutionizing the customer journey.

5. Smarter Personalization: Cloud technology empowers predictive analytics and the integration of user data to deliver tailored user experiences. Through cloud-based data analysis, personalized outreach, real-time engagement, and customized services based on customer behavior and preferences become possible.

6. Agility for Market Responsiveness: Cloud infrastructures enable swift adaptation to evolving market conditions, enhancing customer experiences, scalability, and productivity. Platforms like Blend, which are cloud-based, facilitate rapid changes, configurable workflows, and innovative upgrades (Blend, 2022).

Overall, it provides a modern delivery mechanism, reduces costs and physical footprint, and fosters collaboration and innovation. By leveraging the benefits of cloud technology, banks can position themselves at the forefront of the industry and meet the evolving needs of their customers, reshape customer interactions, personalization and agility. Customers' expectations are evolving rapidly so banks need tools to meet those changes and respond dynamically to market demands.

1.15.5.6 Banking of Things

The Bank of Things (BoT) serves as the foundation for a highly advanced system that leverages the vast network of interconnected devices, famously referred to as the Internet of Things (IoT). This revolutionary infrastructure facilitates a seamless and tailored customer experience, driving the evolution of Retail Banking towards a more contemporary and customer-centric approach (Monteagudo, 2022).

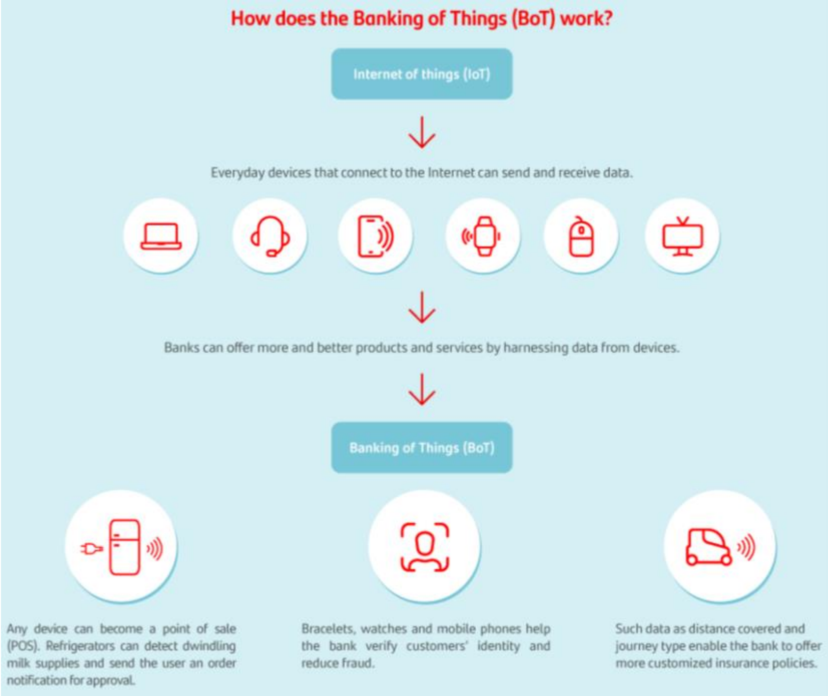


Figure 15 Banking of Things usage (Santander, 2022).

The idea of the Internet of Things (IoT) and its integration into the banking industry, known as Banking of Things (BoT), presents revolutionary opportunities for financial institutions:

1. **Amplified Customer Understanding and Real-Time Engagement:** BoT not only enhances client insights in terms of quantity and quality but also expedites the pace of information exchange, facilitating immediate interaction between customers and financial entities.

2. **Optimization of Resources and Efficiency:** IoT data from sensors installed in bank branches, ATMs, and other infrastructure enable superior staff allocation, thereby optimizing operations across multiple locations and time slots, resulting in more efficient capacity planning.

3. **Intelligent Branches and Automation:** IoT-powered smart branches, potentially operated by a minimal number of employees or even none, can guide customers using sensors, IoT devices, and chatbots. Additionally, video conferences can be offered for employee consultations.

4. **Biometric Technolog**y: Advancements in biometrics offer enhanced client identification and analysis of interactions, thereby improving branch design, services placement, and personalized interactions while mitigating fraud.

5. **Voice Assistants:** Voice assistants simplify transactions by providing personalized assistance for checking accounts, transaction histories, bill payments, and product information. This caters to clients who find mobile or digital banking complex.

6. **Innovative Payment Solutions:** BoT influences payment methods through devices such as Smart Cards, Wearable Devices, and Smart Watches. This has the potential to reduce traditional ATMs while increasing payment automation, even in connected vehicles.

7. **Invisible Payments:** Through the utilization of IoT, AI, Data Analytics, and Blockchain, invisible payments are facilitated in various sectors like transportation, catering, and shopping. This eliminates the checkout process and enhances merchant-bank relationships.

8. **Device Interaction:** The wide array of connected devices such as Smart Watches, Wearable Devices, smart home equipment, fitness trackers, entertainment systems in vehicles, and drones enable enhanced interaction with financial services.

9. **Streamlined Business Processes:** BoT enables automation in loan management, collateral monitoring, request handling, card deactivation in default cases, and asset ownership transfers. This streamlines various business processes (Monteagudo, 2022).

In conclusion, the concept of Banking of Things (BoT) presents remarkable prospects, particularly within Retail Banking. By integrating IoT technology, it can unleash opportunities for immediate interactions, streamlined workflows, and innovative payment methods. However, realizing these potentials relies on the collective efforts of multiple stakeholders. This encompasses service providers, device manufacturers, financial institutions, and regulators, all of whom must prioritize the security of IoT devices. Through this collaborative effort, we can ensure the ethical and responsible progression of BoT, ushering in a new era marked by convenient, efficient, and customer-focused banking experiences.

1.15.5.7 Augmented Reality (AR)

Emerging immersive technologies like Augmented Reality (AR), Virtual Reality (VR), and Mixed Reality (MR) are revolutionizing customer experiences across various industries. However, the banking sector has yet to fully leverage these technologies, despite being in the early stages of development. The objective is to grant banking customers autonomy in conducting actions and transactions from the comfort of their homes. Forecasts suggest the emergence of hybrid branches, signaling a departure from traditional bank setups. The adoption of augmented reality (AR) in finance is evolving, with predictions that a segment of consumers will embrace AR for daily transactions. Recent studies indicate that 13% of bankers anticipate this trend by 2025, while 44% foresee it by 2030. With the global AR market projected to reach $88.4 billion by 2026, having an annual growth rate (CAGR) of 31.5% from 2021 to 2026 (Haritonova, 2023).

In the United States, Citibank has harnessed Augmented Reality (AR) through integration with Microsoft HoloLens to create holographic workstations tailored for its financial clients. By wearing a headset, clients immerse themselves in an augmented environment, which serves as a foundation for this technology. This platform enables users to access intricate data presented in a simplified manner. Beyond mere visualization, users can manipulate virtual elements, such as changing views and chart types, using voice commands, hand gestures, or specific motions.

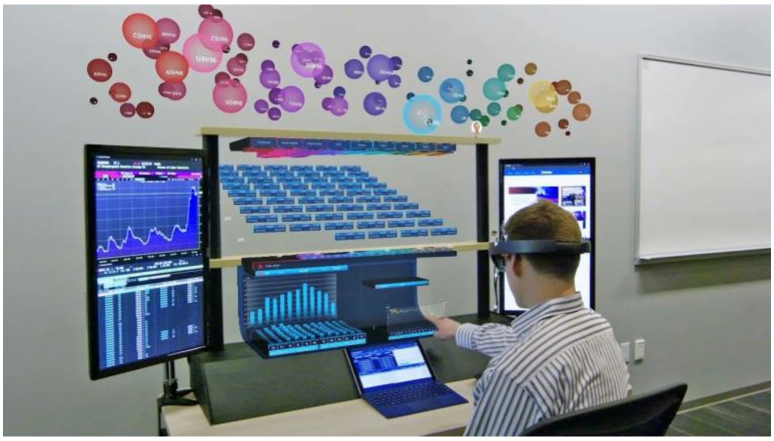


Figure 16 Citibank's workstation with Microsoft's Hololens (Finextra, 2016)

Digital banks, flourishing with AR technology, enlarge their clientele by eliminating in-person branch visits. These banks carry out all transactions through online platforms, with video conferencing substituting most face-to-face gatherings. In the meantime, in the field of financial technology, AR discovers inventive applications in payment systems. For example, Mastercard introduces an engaging AR shopping encounter utilizing AR glasses. This groundbreaking method offers comprehensive product details, pricing specifics, substitute choices, and recommendations for supplementary items, considerably enhancing the shopping experience.

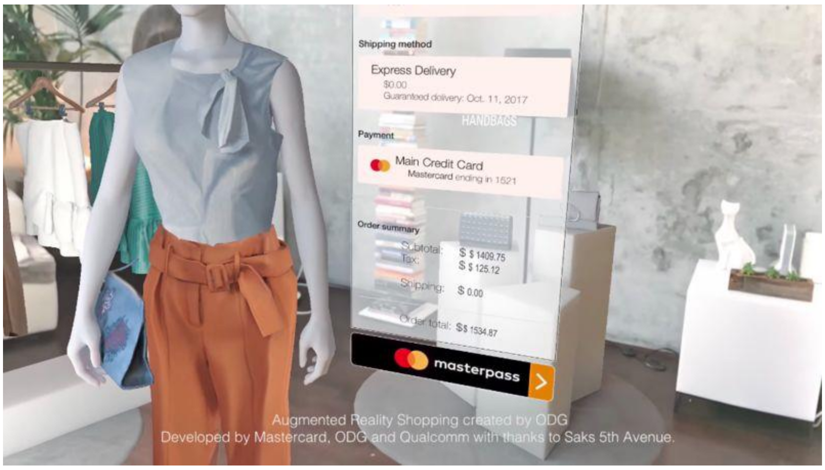


Figure 17 Mastercard's promo video for AR in retail (Mastercard, 2017).

Augmented Reality (AR) is revolutionizing payment methods to transform customer interactions, particularly in response to the touchless payment trend following COVID-19. Mastercard's groundbreaking AR solution enables consumers to virtually visualize products, explore additional options, and receive customized recommendations or details prior to making purchases. Utilizing Masterpass for transactions, users verify payments through iris scanning and select their Masterpass-enabled card for secure and convenient purchases. This technology prototype, developed by Mastercard in collaboration with ODG and Qualcomm Technologies, aims to enhance the in-store shopping experience by delivering relevant content to shoppers and potentially driving sales. Through the integration of Masterpass, Identity Check Mobile, ODG's AR expertise, and

Qualcomm's Snapdragon 835 platform, this partnership showcases the future potential of AR in revolutionizing retail experiences. Ralph Osterhout from ODG and Neeraj Bhatia from Qualcomm Technologies underscore the transformative impact of AR in retail, offering personalized and secure commerce experiences through innovative technology (Businesswire, 2017).

1.15.6 Macro Environment Conclusion

To analyze the macro-environment of Eurobank, it would be beneficial to first identify the environmental uncertainty from the following table:

Degree of Complexity	Degree of Change: STABLE	Degree of Change: DYNAMIC
SIMPLE	**QUADRANT 1** • Stable and predictable environment • Few components in environment • Components are somewhat similar and remain basically the same • Minimal need for sophisticated knowledge of components	**QUADRANT 2** • Dynamic & unpredictable environment • Few components in environment • Components are somewhat similar but are in continual process change • Minimal need for sophisticated knowledge of components
COMPLEX	**QUADRANT 3** • Stable & predictable environment • Many components in environment • Components are not similar to one another & remain basically the same • High need for sophisticated knowledge of components	**QUADRANT 4** • Dynamic & unpredictable environment • Many components in environment • Components are not a similar to one another & are in continual process of change • High need for sophisticated knowledge of components

Figure 18 Based on Wheelen's environmental framework (Wheelen,2018)

Eurobank, given its position within the banking sector, likely falls into Quadrant 4: a dynamic and unpredictable environment with many components that are not like one another and are in a continual process of change. The banking industry is always evolving due to market trends, rules changing, new technology, and regulations. In this constantly changing environment, it's essential to fully understand the various elements and how they're changing over time. This requires advanced expertise to manage the industry's complexities effectively.

1.16 Porter's Five Forces

In the upcoming section, a detailed analysis of Eurobank will be presented by using the Porter's Five Forces model. This framework examines the competitive landscape surrounding Eurobank, addressing factors such as industry competition, the entry of new competitors, the bargaining power of customers and suppliers, and the potential risks from alternative financial services and products. This in-depth investigation is essential for understanding Eurobank's strategic position in the industry and formulating strategies to remain competitive in the ever-changing banking landscape.

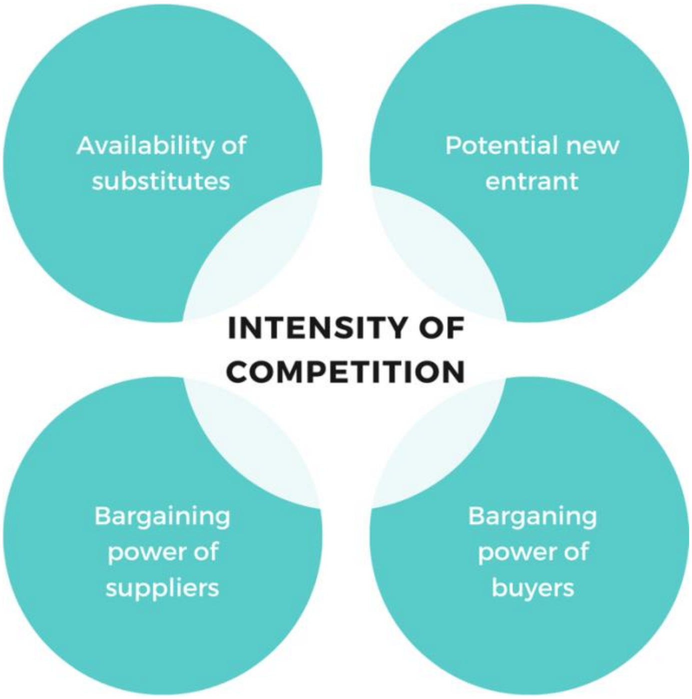


Figure 19 Porter's Five Forces

1.16.1 Threat of new entrants

Entering the banking industry presents a multitude of challenges for newcomers, commencing with the intricate web of compliance regulations. Draconian criteria for managing assets, mitigating risks, and implementing anti-money laundering measures demand comprehensive actions and continuous adjustments to align with the continuously changing regulatory landscape, demonstrated by initiatives like Open Banking and PSD2.

These compliance obligations involve significant initial investments and continuous operational costs, acting as major financial obstacles for potential entrants. Additionally, the dominance of established players with strong brand presence and large customer bases further solidifies the competitive landscape, presenting formidable challenges for newcomers who target is to gain market share. Establishing trust and credibility in an industry reliant on financial stability is a time-consuming task, worsening the challenges faced by new entrants. However, the most significant hurdle lies in meeting the substantial capital requirements imposed by regulators to ensure stability and solvency. This presents formidable fundraising challenges for startups or smaller entities without established revenue streams, serving as a substantial barrier to entry within the banking industry.

Eurobank, deeply rooted in the Greek banking sector, has a well-established presence and stong customer relationships, factors that create considerable challenges for new entrants, such as digital banks, attempting to quickly establish themselves. As a result, the imminent threat by newcomers, particularly digital banks, is considerably low for Eurobank. Nevertheless, entering the banking industry, whether domestically or internationally, demands substantial capital investments, especially in establishing operational infrastructure.

While Eurobank may not face a formidable threat from traditional new entrants, it should remain vigilant regarding the emerging influence of digital banks, particularly in the realm of digital banking. The potential risk from newcomers, particularly digital banks, still holds a reasonable level of threat, requiring continuous adaptation and innovation to sustain a competitive edge.

1.16.2 Threat of substitution

In our days, the rise of online banks has reshaped the conventional banking model. These pioneering institutions, leveraging technological progress, have revolutionized the way customers obtain and oversee their monetary assets and resources. Through a vast number of digital platforms and an of accessible services, online banks have emerged as formidable competitors to the traditional banking industry.

Digital Banks

Digital banks, commonly referred to as neobanks or challenger banks, exclusively operate in the virtual environment and skip the need for brick-and-mortar subsidiaries. Their core modus operandi is to utilize cutting-edge technology for cost reduction and create innovative products and services with a customer-centric approach. Digital banks offer online services, allowing customers to easily manage their accounts and conduct transactions through web-based platforms and mobile apps. They prioritize providing personalized experiences, frequently collaborating with fintech companies to expand their range of services. By leveraging data-driven insights and innovative offerings, digital banks cater to tech-savvy individuals seeking modern, user-friendly, and competitively priced banking solutions (Teksetra, 2020). Digital banks, with their tech-savvy and customer-focused approaches, can present a more substantial challenge. They provide innovative and convenient digital services that appeal to a specific customer segment, particularly those interested in online banking solutions and of course, tech savvy. The uniqueness and cost-effectiveness of these services have the potential to attract customers away from traditional banks such as Eurobank. The rise of digital banks highlights the significance of adaptability and innovation for traditional banks to maintain competitiveness. Therefore, banks that are prepared to embrace change are well-positioned to seize opportunities and succeed in a digital environment. However, it is evident that there is an urgent need for transformation. Institutions that hesitate to invest resources in technological advancements risk falling behind and facing significant setbacks in terms of competition. Nevertheless, it's crucial to understand that the shift towards digitization does not mean the decline of traditional brick-and-mortar banks. Instead, it represents a crucial turning point that force these institutions to swiftly adapt, foster innovation, and seamlessly integrate technology to remain agile and resilient in an ever-evolving financial landscape.

1.16.3 Bargain power of suppliers

In the banking sector, suppliers encounter several constraints that restrict their ability to exert significant influence on the industry. Banks typically engage with multiple suppliers for various services, including software, hardware, security systems, and office supplies. This diversity in supplier networks reduces dependence on any single entity, thereby diminishing the negotiating power of individual suppliers. Moreover, banks wield considerable purchasing power due to their extensive operations and strong market presence. This empowers them to negotiate favorable terms, discounts, and pricing structures with suppliers, ensuring cost-effectiveness in their operations. Additionally, the ongoing technological advancements and the plethora of suppliers in the market intensify competition, providing banks with a broader array of options and reduce the leverage of any specific supplier. Consequently, suppliers have relatively limited bargaining power in the banking sector, given the industry's ability to diversify, secure favorable terms, and access numerous alternatives in the market.

1.16.4 Buyers bargain power

The bargain power of buyers encompasses both individual clients and corporate clients who utilize its financial services. Individual consumers usually have limited power due to their smaller-scale transactions and less influence on pricing or service terms. On the other hand, large corporate clients and High Net Worth Individuals (HNWIs) wield substantial bargain power. These influential clients possess the capability to demand customized services, negotiate favorable terms, or even switch their business to other banks if not satisfied (Rusith, 2023). Furthermore, there are significant costs associated with switching within the banking industry, including the time and effort required to transfer accounts and adapt to new systems, thereby reduce the ability of individual buyers to easily change banks. The heavily regulated financial sector, combined with the fact that consumers rely on established banks for security and stability, limits customers' tend to switch based on price or terms. The range of financial products and services offered by Eurobank, such as mortgage lending and wealth management, fosters differentiation of its offerings and potentially reduces the power of buyers (Hivelr Business Review, 2023).

1.16.5 The Intensity of competitive rivalry

The Greek banking sector has a variety of organizations, from longstanding institutions to innovative newcomers. Eurobank, Alpha Bank, Piraeus Bank, and the National Bank of Greece stand key systemic players, boasting extensive experience and institutional knowledge. These institutions are in the sector for decades and have a huge expertise and stability. Their enduring influence has not only shaped the financial landscape but also contributed significantly to the nation's economic progress.

Beside the systemic establishments, there are institutions equally important like Pancreta Bank, AB Bank, Viva Bank, Citibank, Optima, and Attika Bank. Each bank brings its own unique narrative to the table, catering to diverse customer needs and industry niches. This diverse array of services and approaches enrich the banking ecosystem, maintain its resilience and adaptability in the area.

In recent years, a new wave of digital disruptors has emerged. Revolut, Wise, Skrill, and WorldRemit have risen to prominence as pioneers in the landscape, focusing in both the technology and finance. These digital banks transcend geographical boundaries, facilitating seamless transactions and redefining the customer experience.

Figure 20 The banking scenery of Greece, on the left there are the systemic banks (Ελληνική Ένωση Τραπεζών, 2022) and on the right there are the top five digital banks (Trustpilot , 2023).

Eurobank operates in a highly competitive landscape within the Greek banking sector. This environment is characterized by a complex and intricate structure. Numerous prominent banks compete for market share, creating a backdrop where differentiation plays a crucial role in attracting and maintaining customers. However, despite the significance of setting itself apart, the banking industry often offers similar services, resulting in limited distinctiveness of their products. This intensifies the competitive pressures as customers face multiple options that do not significantly differ in their offerings. Furthermore, customer loyalty within the banking sector is typically moderate, compelling banks like Eurobank to constantly innovate and distinguish themselves to acquire and retain market share. The competitive intensity is further increased by the aggressive pricing strategies implemented by other banks. This underscores the need for Eurobank to face these challenges. To do so, Eurobank must prioritize innovation, customer-centric strategies, and unique value propositions to establish a competitive advantage and outperform competition. Building a strong presence in the market enforce a multi-faceted approach that utilize technological advancements, exceptional service, and tailored financial solutions. This approach ensures resilience and provides a competitive advantage. Eurobank must evaluate and adapt its strategies to effectively address the escalating competition, positioning itself as the preferred bank among its competitors in Greece's banking sector.

1.17 SWOT Analysis

To formulate the corporate strategy, it's essential to identify key directions and select the best option among them. Evaluating these strategies involves analyzing the factors that contribute to the company's competitive advantage compared to its competitors in the industry. To do so, a SWOT analysis is essential in order to identify external opportunities and threats, as well as the internal strengths and weaknesses of Eurobank.

1.17.1 Strength

Eurobank has consolidate its reputation as a key player in digital banking, securing the esteemed title of the Best Consumer Digital Bank in Western Europe for the fourth consecutive year, as honored by the Global Finance magazine. Alongside this impressive accomplishment, Eurobank has earned nine additional notable awards, highlighting its exceptional achievements in innovation and service delivery. The bank's overall excellence spans across diverse sectors, with recognitions including Best Consumer Innovation and Transformation in Western Europe, as well as Best Corporate/Institutional Digital Bank for Trade Finance Services (Eurobank Holdings, 2023a).

- **Geographic Diversification**: Operates in multiple countries including Cyprus, Luxembourg, Bulgaria, London, Serbia, and Greece, expanding its reach and customer base across diverse markets.
- **Strategic Investments and Acquisitions**: Continuously acquires stakes in other banks, such as the acquisition of Hellenic Bank in Cyprus and BNP Paribas Personal Finance Bulgaria, enhancing its market position (Eurobank Holdings, 2023).
- **Strong International Presence**: Holds a strategic position in the domestic banking system and a systemic position in Bulgaria, Romania, and Serbia. It's also prominent in wealth management sectors in Cyprus, Luxembourg, and London, with a presence in Ukraine.
- **Technological Advancements**: Investment in the Digital Factory reduces the implementation time for new digital products and services from 30 weeks to 8 weeks, facilitating faster innovation (Business Daily, 2022).
- **Focus on Wealth Management Markets**: Aims to increase profits from international operations by targeting wealthy clients in developing wealth management markets like Saudi Arabia, Dubai, India, and Israel (Greek City Times, 2022).
- **Enhanced Profit from International Operations**: Revenue from international operations constituted 33% of the group's total profit by the end of May, showcasing robust growth in this segment (Bloomberg, 2023) .
- **Transformation Plan:** Eurobank announced a comprehensive transformation plan aimed at merger strategies and reducing non-performing loans, reinforcing its commitment to financial stability (Eurobank Holding, 2021).

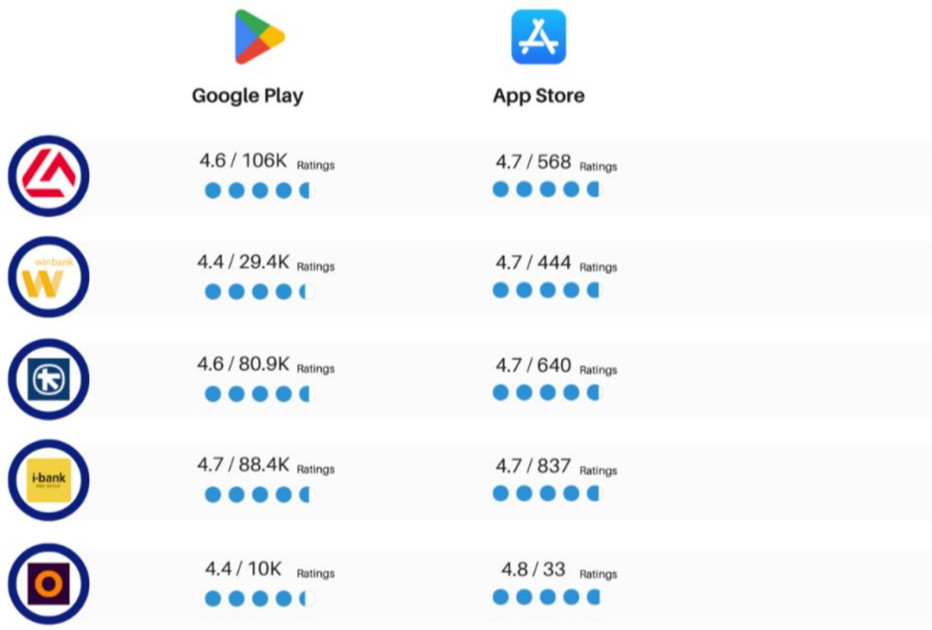


Figure 21 Mobile App 2023 Benchmarking of top five Greek Banks.
Source : https://play.google.com/ & https://apps.apple.com/

Eurobank has also emerged as the top choice for consumers in the Greek market, receiving praise for its unparalleled Online Product Offerings. These rates serve as a testament to Eurobank's commitment to cutting-edge digital solutions, which is epitomized by its Best Corporate Mobile Banking App in Greece and its exceptional Open Banking APIs. Grounded in its Digital Factory, Eurobank's strategy places a strong emphasis on customer-centric digital experiences, seamlessly merging digital and physical banking under the innovative Phygital model. This approach solidifies Eurobank's position as a frontrunner in the realm of digital banking across Western Europe and Greece (Startupper, 2023).

1.17.2 Weakness

Despite its notable accomplishments and strengths, Eurobank faces several shortcomings that pose significant challenges to its continued growth and operational stability. These deficiencies encompass various concerns, such as high levels of non-performing loans and vulnerability to market fluctuations due to international exposure. Additionally, the bank struggles with limited domestic market share and difficulties in adopting technological advancements. Moreover, Eurobank must navigate a complex array of vulnerabilities, including regulatory complexities, constraints in human resources, and financial performance volatility. All these factors contribute to the intricate landscape in which Eurobank operates.

1. **High Non-Performing Loans (NPLs):** Eurobank has encountered challenges due to a considerable amount of loans that are not being repaid as expected. This issue directly impacts the bank's financial stability and profitability.

2. **Dependency on Greek Economy**: Eurobank heavily relies on the Greek economy, making it susceptible to economic fluctuations and uncertainties specific to Greece.
3. **Regulatory Challenges**: The bank faces difficulties in complying with strict regulations, particularly within Greece. These regulatory constraints hinder the bank's operational flexibility.
4. **Legacy Systems**: Eurobank's outdated infrastructure and reliance on legacy systems impede its ability to adapt quickly to technological advancements and undergo digital transformation.
5. **Market Competition**: Eurobank faces intense competition in both local and international markets. To remain competitive, the bank must constantly innovate and distinguish its services from rivals.
6. **Geopolitical Risks**: Operating in regions with geopolitical tensions, such as Cyprus and certain Balkan countries, exposes Eurobank to political uncertainties and potential risks. The presence of these pressures jeopardizes the stability of operations, regulatory landscapes, and economic circumstances in these areas, which could have potential consequences for the bank's financial performance.
7. **Limited Domestic Market Share**: Eurobank, despite being strategically positioned in the domestic banking system, encounters intense competition from larger banks in Greece. This fierce competition hampers its ability to expand its market share, limiting its customer base and hindering its progress in the market.
8. **Challenges in Embracing Technology**: When it comes to investing in cutting-edge innovations such as the Digital Factory, there may arise obstacles or setbacks in fully embracing the ever-evolving tech landscape. These hurdles could potentially affect its competitiveness by impeding the smooth adoption of outdated systems and potential integration complications.
9. **Human Capital Challenges**: The insufficiency of human capital resources or the existence of capability gaps may impede innovation, operational efficiency, and the timely implementation of strategies, consequently affecting overall performance. It is of utmost importance to guarantee a competent workforce that is aligned with the ever-changing demands of the banking sector, although this presents a considerable challenge.

1.17.3 Threats

Eurobank, while a prominent player in the European banking sector, faces a spectrum of external challenges that could impact its growth and financial stability. In a global landscape marked by economic unpredictability, geopolitical tensions, and rapid technological evolution, Eurobank navigates a myriad of threats. Factors such as economic uncertainties within its operational regions, intense competition in its core markets, and the ever-evolving technological disruption pose considerable risks. Moreover, regulatory changes, cybersecurity vulnerabilities, and interest rate fluctuations add further complexities to the bank's operational landscape. Understanding and mitigating these threats are pivotal for Eurobank to fortify its position and sustain competitiveness in an increasingly dynamic financial environment.

1. **Economic Uncertainty**: The unpredictability of global markets, intensified by occurrences like the COVID-19 pandemic, presents challenges. Eurobank's exposure to countries with economic instability, such as Greece and Cyprus, heightens the risk of loan defaults and decreased asset values, impacting its financial stability.
2. **Geopolitical Risks**: Operating in regions prone to geopolitical tensions, like the Eastern Mediterranean and Southeast Europe, exposes Eurobank to shifts in politics and changes in regulations. For example, political turmoil in Cyprus or Greece could disrupt the bank's operations and economic outlook.
3. **Intense Competition**: The banking sector in Greece, where Eurobank holds a strategic position, has witnessed intense competition among banks vying for a share of the market. Moreover, the emergence of FinTech companies that introduce innovative financial services poses a threat by reshaping customer expectations.
4. **Technological Disruption**: While Eurobank has made investments in digital transformation, the speed of technological advancements remains a threat. Failing to continuously innovate in line with evolving customer demands and advancements in financial technology may lead to a loss of market relevance.
5. **Cybersecurity Risks**: The increasing reliance on digital platforms exposes Eurobank to cybersecurity risks, including data breaches and cyberattacks. Incidents of cybercriminals targeting financial institutions underscore the importance of robust cybersecurity measures.
6. **Regulatory Changes**: Eurobank operates in multiple jurisdictions, subjecting it to varying regulatory environments. Modifications in financial regulations, especially following significant events like Brexit or the implementation of new EU directives, necessitate continuous adaptation and investment in compliance measures.
7. **Interest Rate Fluctuations**: Eurobank, like other banks, is susceptible to changes in interest rates. Variations in interest rates could impact its net interest income, influencing the profitability of lending and the demand for loans.

1.17.4 Opportunities

Eurobank is poised to take advantage of a plethora of opportunities in the ever-changing financial world. With a strong emphasis on technological advancements and customized customer offerings across various sectors such as retail, corporate, the bank is in an advantageous position to harness emerging technologies and forge strategic alliances to ensure continuous expansion.

1. **Global Expansion:** Expanding operations in new international markets can diversify revenue streams, reduce dependence on specific regions, and tap into emerging economies' growth potential.
2. **Generative AI and Automation:** Implementing AI and automation solutions can optimize operational efficiency, automate processes, and provide personalized services to customers, improving overall productivity.

3. **Risk Management Innovation:** Utilizing advanced analytics and risk assessment tools can enhance risk management strategies, leading to better decision-making and reduced exposure to financial risks.
4. **Mergers and Acquisitions:** Strategic mergers or acquisitions in targeted markets or sectors can bolster Eurobank's market presence, expand customer bases, and drive growth.
5. **Sustainable Finance Initiatives:** Commitment to sustainable finance practices and ESG (Environmental, Social, and Governance) principles can attract socially conscious investors and customers while contributing to societal and environmental welfare.
6. **Partnerships and Alliances:** Collaborating with fintech startups, tech companies, or established players can foster innovation, providing access to cutting-edge technologies and market insights.
7. **Wealth Management Services:** Capitalizing on the growing demand for wealth management services among high-net-worth individuals by offering tailored investment solutions and financial planning services.
8. **Regulatory Changes:** Leveraging evolving regulatory landscapes to adapt services and products compliantly, ensuring alignment with new regulations and gaining a competitive advantage.

The following opportunities present Eurobank with avenues to strengthen its digital capabilities, offer enhanced customer experiences, and stay competitive in an evolving financial landscape across various sectors and customer segments.

1. **Digital Transformation Initiatives:**
    - **Advanced Digital Banking:** Expanding digital banking capabilities to provide user-friendly interfaces, seamless transactions, and personalized financial management tools.
    - **AI and Machine Learning Adoption:** Leveraging AI-powered algorithms for customer analytics, risk assessment, and fraud detection to enhance operational efficiency and offer personalized services.
    - **Blockchain Technology:** Exploring blockchain applications for secure transactions, smart contracts, and improved transparency in financial processes.
2. **Customer-Centric Approach:**
    - **Retail Banking Innovation:** Introducing innovative products and services for retail customers, including intuitive mobile apps, personalized financial advice, and simplified lending processes.
    - **Corporate Banking Solutions:** Tailoring digital solutions for corporate clients, offering cash management, trade finance, and customized banking services to support businesses' growth.
    - **Private Banking Advancements:** Providing high-net-worth individuals with sophisticated digital platforms for wealth management, investment advisory, and estate planning.

- **Industry-Specific Offerings:** Developing specialized services for sectors like shipping, leveraging digital tools for trade finance, vessel financing, and supply chain management.

3. **Digital Partnerships and Open Banking:**
    - **Fintech Collaborations:** Forming strategic alliances with fintech startups to leverage innovative technologies and create new digital products or services.
    - **Open Banking Implementation:** Embracing Open Banking principles to foster collaborations, expand service offerings, and provide customers with a wider range of financial options.
4. **Enhanced Customer Experience:**
    - **Multi-Channel Accessibility:** Ensuring a seamless, integrated customer experience across digital channels, branches, and customer service touchpoints.
    - **Personalization and Customization:** Using data analytics to understand customer preferences, enabling tailored financial solutions and personalized recommendations.
5. **Digital Infrastructure Development:** Investing in scalable and secure technology infrastructure to support digital innovations, ensuring reliability and data security.
6. **Regulatory Alignment and Compliance:** Staying agile and responsive to regulatory shifts, aligning digital services with evolving compliance requirements for data protection and financial regulations.
7. **Sustainable Banking and ESG Focus:** Incorporating ESG principles into digital offerings, providing sustainable finance options and promoting socially responsible investments.

1.18 Chapter 5 Bibliography

1. Bank of Greece. (2022). *ANNUAL REPORT*. https://www.bankofgreece.gr/Publications/Annrep2022.pdf
2. Bechlioulis, A. P., & Karamanis, D. (2022). Consumers' changing financial behavior during the COVID-19 lockdown: the case of Internet banking use in Greece. *Journal of Financial Services Marketing*. https://doi.org/10.1057/s41264-022-00159-8
3. Blend. (2022, February 11). *How cloud based digital banking is transforming financial services*. Blend. https://blend.com/blog/challenges-solutions/cloud-based-digital-banking/
4. Bloomberg. (2023, July 7). Greece's Eurobank Plans to Expand Overseas Wealth Management. *Bloomberg.com*. https://www.bloomberg.com/news/articles/2023-07-07/greece-s-eurobank-plans-to-expand-overseas-wealth-management?embedded-checkout=true
5. Business Daily. (2022, June 21). *Άλμα στις ψηφιακές υπηρεσίες φέρνει το Digital Factory της Eurobank*. Business Daily. https://www.businessdaily.gr/tehnologia/65902_alma-stis-psifiakes-ypiresies-fernei-digital-factory-tis-eurobank
6. Businesswire. (2017, October 23). *Mastercard Eyes the Future of Retail with Augmented Reality Shopping Experience*. Www.businesswire.com. https://www.businesswire.com/news/home/20171023005360/en/Mastercard-Eyes-the-Future-of-Retail-with-Augmented-Reality-Shopping-Experience
7. China-CEE Institute. (2023, May 3). *Greece economy briefing: The 2023 Banking Crisis and the response of the Greek Banking Sector – China-CEE Institute*. China-CEE Institute. https://china-cee.eu/2023/05/03/greece-economy-briefing-the-2023-banking-crisis-and-the-response-of-the-greek-banking-sector/
8. EBF. (2021). *CLOUD BANKING*. EBF. https://www.ebf.eu/priorities/innovation-cybersecurity/cloudbanking/
9. Eurobank Holding. (2021). *UNEP FI Principles for Responsible Banking 1 UNEP FI Principles for Responsible Banking Progress against the Principles for Responsible Banking*. Eurobank . chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.eurobank.gr/-/media/holding/omilos/etairiki-koinoniki-euthuni/unep-fi-principles-responsible-banking
10. Eurobank Holding. (2023). *Shareholding structure*. Www.eurobankholdings.gr. https://www.eurobankholdings.gr/en/investor-relations/shareholders/shareholding-structure
11. Eurobank Holding. (2023). *Shareholding structure*. Www.eurobankholdings.gr. https://www.eurobankholdings.gr/en/investor-relations/shareholders/shareholding-structure
12. Eurobank Holdings. (2023a). *About Eurobank*. Www.eurobank.gr. https://www.eurobank.gr/en/group/about-eurobank
13. Eurobank. (2015). *Eurobank Private Bank Luxembourg SA*. Www.eurobank.gr. https://www.eurobank.gr/en/group/about-eurobank/strong-presence-in-6-countries/luxembourg/eurobank-private-bank-luxembourg-sa

14. Eurobank. (2016). *Bulgaria*. Www.eurobank.gr. https://www.eurobank.gr/en/group/about-eurobank/strong-presence-in-6-countries/bulgaria
15. Eurobank. (2017). *Eurobank Cyprus Ltd*. Www.eurobank.gr. https://www.eurobank.gr/en/group/about-eurobank/strong-presence-in-6-countries/cyprus
16. Eurobank. (2022). *Eurobank Ergasias.* www.eurobank.gr. https://www.eurobank.gr/en/group/about-eurobank/strong-presence-in-6-countries/greece
17. Eurobank. (2023). *The Eurobank Group*. www.eurobank.gr. https://www.eurobank.gr/en/group/about-eurobank/the-eurobank-group
18. European Commission. (2023b). *HELLENIC REPUBLIC NATIONAL REFORM PROGRAMME 2023*. https://commission.europa.eu/system/files/2023-05/Greece%20NRP%202023.pdf
19. Feger, A. (2023, March 27). *The state of banking in 5 charts*. Insider Intelligence. https://www.insiderintelligence.com/content/state-of-banking-5-charts
20. Finextra. (2016, April 7). *Citi taps Microsoft HoloLens for virtual reality trading*. Finextra Research. https://www.finextra.com/newsarticle/28712/citi-taps-microsoft-hololens-for-virtual-reality-trading
21. Greek City Times. (2023, July 10). *Greek Banking: Eurobank will expand to India, Israel, Dubai and Saudi Arabia*. Greekcitytimes . https://greekcitytimes.com/2023/07/10/greek-banking-eurobank-india/
22. Haritonova, A. (2023, March 7). *8 Use Cases of Augmented Reality in Finance With Examples*. PixelPlex. https://pixelplex.io/blog/augmented-reality-in-finance/
23. Harrison, H. (2022, June 13). *What is open banking? Your essential guide*. Www.mastercard.com. https://www.mastercard.com/news/perspectives/2022/open-banking-101/
24. Hellenic Bank Association. (2022). *ANNUAL REPORT*. https://www.bankofgreece.gr/Publications/Annrep2022.pdf
25. Hellenic Bank Association. (2023). *Greek Banking System Overview*. https://www.hba.gr/epikairotita/UplDocs/files/Greek%20Banking%20System%20Overview%20-%20July%202023.pdf
26. Hivelr Business Review. (2023, October 18). *Bank of America (BAC): Porter's Five Forces Industry and Competition Analysis*. Hivelr. https://www.hivelr.com/2023/10/bank-of-america-bac-porters-five-forces-industry-and-competition-analysis/
27. Magana, G. (2020). *AI In Banking: How forward-looking banks are using maturing AI solutions to design both customer- and employee-facing innovations to provide value to users and streamline legacy processes*. Insider Intelligence.
28. MarketScreener. (2023). *Eurobank Ergasias Services and Holdings S.A. : Shareholders Board Members Managers and Company Profile | GRS323003012 | MarketScreener*. Www.marketscreener.com. https://www.marketscreener.com/quote/stock/EUROBANK-ERGASIAS-SERVICE-1408766/company/
29. Mastercard. (2017, October 23). *Mastercard Eyes the Future of Retail with AR*. Www.youtube.com. https://www.youtube.com/watch?v=zdCCZzQX27Q

30. Mavros, T. (2021, June 10). *As Greek consumers keep adapting, how ready is your business to respond?* Www.ey.com. https://www.ey.com/en_gr/future-consumer-index/as-greek-consumers-keep-adapting-how-ready-is-your-business-to-respond
31. Mckinsey. (2023, June 14). *Economic potential of generative AI | McKinsey*. Www.mckinsey.com. https://www.mckinsey.com/capabilities/mckinsey-digital/our-insights/the-economic-potential-of-generative-ai-the-next-productivity-frontier#key-insights
32. Monteagudo, J. (2022, May 17). *The Bank of Things (BoT): Background, Definition & Key Drivers*. Cyber Startup Observatory. https://cyberstartupobservatory.com/the-bank-of-things-bot-background-definition-key-drivers/
33. Neufeld, D. (2022, December 5). *Mapped: Which Countries Have the Highest Inflation?* Visual Capitalist. https://www.visualcapitalist.com/mapped-which-countries-have-the-highest-inflation/
34. newsroom2. (2022, December 7). *Ο παγκόσμιος χάρτης του πληθωρισμού, θέση της Ελλάδας και μια ιστορική προσέγγιση*. Banks.com.gr. https://banks.com.gr/pagkosmios-chartis-tou-plithorismou-thesi-tis-elladas-kai-mia-istoriki-prosengisi/
35. Okwechime, J. (2022). *How Artificial Intelligence is Transforming the Financial Services Industry*. Deloitte South Africa. https://www2.deloitte.com/za/en/nigeria/pages/risk/articles/how-artificial-intelligence-is-transforming-the-financial-services-industry.html
36. Papalexatou, C. (2021). *GreeSE Papers GreeSE Papers Hellenic Observatory Discussion Papers on Greece and Southeast Europe The Evolution of Bank-State Ties under Economic Adjustment Programmes: the case of Greece*. https://www.lse.ac.uk/Hellenic-Observatory/Assets/Documents/Publications/GreeSE-Papers/GreeSE-No162.pdf
37. Polaris Market Research. (2022). *Open Banking Market Share, Size, Trends, Industry Analysis Report, By Financial Services (Banking and Capital Markets, Payments, Digital Currencies); By Distribution Channels (Bank Channels, App Markets, Distributors, Aggregators); By Deployment Type; By Region; Segment Forecast, 2022 - 2030* (p. 114). Polaris Market Research.
38. Reyes, J. (2022, December 29). *How Hyperautomation Is Transforming the Banking Industry*. Www.managedoutsource.com. https://www.managedoutsource.com/blog/how-hyperautomation-is-transforming-banking-finance-industry/
39. Rusith. (2022, January 2). *Porter's Five Forces: Advantages and Disadvantages*. Learn Business Concepts. https://learnbusinessconcepts.com/advantages-and-disadvantages-of-porters-five-forces/
40. S. Nair, P. (Ed.). (2023, March 6). *Hyperautomation in Banking Sector: Use Cases, Benefits, and Solutions*. Autonom8. https://autonom8.com/hyperautomation-in-banking/
41. Santander. (2022, April 18). *What is the Banking of Things?* Www.santander.com. https://www.santander.com/en/stories/banking-of-things-what-is-it
42. Singhal, R. (2023, March 24). *Hyper automation in Banking and Finance: Achieving Enhanced Compliance and Transparency*. Www.linkedin.com. https://www.linkedin.com/pulse/hyper-automation-banking-finance-achieving-enhanced-rajat-singhal/

43. Softwareag. (2023). *What Is Open Banking? | Open Banking APIs*. Software AG. https://www.softwareag.com/en_corporate/resources/api/article/open-banking.html
44. Startupper . (2023, October 30). *Eurobank: Καλύτερη Ψηφιακή Τράπεζα για Ιδιώτες στη Δυτική Ευρώπη για το 2023*. STARTUPPER. https://startupper.gr/news/117938/eurobank-kalyteri-psifiaki-trapeza-gia-idiotes-sti-dytiki-evropi-gia-to-2023/
45. Statista. (2023, October 13). *Greece - Age distribution 2019*. Statista. https://www.statista.com/statistics/276391/age-distribution-in-greece/#:~:text=This%20statistic%20depicts%20the%20age
46. Statista. (2023a, July 20). *Greece - median age of the population 1950-2050*. Statista. https://www.statista.com/statistics/276412/median-age-of-the-population-in-greece/
47. Takyar, A. (2023, July 11). *Generative AI in finance and banking*. LeewayHertz - AI Development Company. https://www.leewayhertz.com/generative-ai-in-finance-and-banking/
48. Teksetra. (2020, August 4). *Digital-Only Banks: Are They a Threat to Brick and Mortar?* Teksetra. https://teksetra.com/resources/digital-brick-and-mortar-banks/
49. Temenos. (2020). *The Future of Digital Banking in the Cloud In collaboration with Amazon Web Services*. https://www.temenos.com/wp-content/uploads/2020/05/Future-of-digital-banking-in-the-cloud_-1.pdf
50. Trading Economics. (2023, July 17). *Greece Inflation Rate*. Tradingeconomics.com; TRADING ECONOMICS. https://tradingeconomics.com/greece/inflation-cpi
51. Trustpilot . (2023). *Trustpilot*. Trustpilot; Trustpilot. https://www.trustpilot.com/
52. United Nations. (2023). *World population prospects*. UN; United Nations. https://population.un.org/wpp/
53. Ελληνική Ένωση Τραπεζών. (2022). *Ελληνική Ένωση Τραπεζών / Μέλη / Μέλη*. Www.hba.gr. https://www.hba.gr/Association/Members?type=RegularMembers
54. IOBE. (2021). *Η Ελληνική Οικονομία - Τριμηνιαία Έκθεση.* Athens: IOBE.
55. IOBE. (2022). *Η Ελληνική οικονομία - Τριμηνιαία Έκθεση.* Athens: IOBE.

Chapter 6

Strategic Planning

1.19 Vision and Mission

The **Vision** of any enterprise, expressed through its corporate mission, remains pivotal in setting a company's direction. This vision answers the question of "what we aspire to become" and forms a comprehensive mission statement. It encapsulates what the company could achieve if it fulfills its mission. The mission, on the other hand, addresses the question of "what our business activities are" and underscores the reason for the enterprise's presence in the sector, why customers prefer it, and its competitive advantage. Crafting a mission statement entails steps like empathizing with customers, clarifying the primary market, recognizing the company's offerings, and identifying what sets it apart from other businesses in the sector.

A company's mission defines its purpose, illustrating its contribution to society and its locality, stating the rationale for its existence, setting boundaries and focus areas, and providing guiding principles for the company to rally around. By formulating a corporate mission statement, we address several essential questions: 1) Why the company operates in its sector; its aims; and how it will achieve success; 2) The value it creates for customers and the kind of business it aims to be in the future; 3) What the sector would lose if the company didn't exist; and how it can gain a competitive advantage in the market over its competitors. A mission statement serves to inspire and motivate employees, offering guidance in their daily operations and responsibilities, while also providing direction in strategic decision-making (Han, 2023).

Mission statement is commonly known as philosophy or fundamental beliefs. As mentioned by P. Drucker, "the father of modern management", the mission shapes strategies and guides daily decisions. It serves as a vital communication tool that reveals information about a business's products and services, its target customers, the philosophy it espouses, and the overall development plan. There are two types of statements: customer-oriented and product or service-oriented. A customer-oriented mission statement is focused on the purpose of the business in relation to customer needs. On the other hand, a product or service-oriented mission statement focuses more on what the business offers.

Eurobank aspires to lead the way in fostering prosperity for our customers, employees, shareholders, and society at large. We are committed to offering pioneering solutions within the communities we serve, establishing ourselves as the foremost institution in this transformative journey.

Eurobank's Mission Statement

"Eurobank aims to lead digital banking in the Balkan region with innovative features, products, and services, ensuring a comprehensive 360-value for users."

1.20 Goals & Objectives

Goals are considered the ultimate results of a planned activity. Goals should be impartial and indicate what needs to be accomplished and by when. The goal defines the outcome and the timeframe required for its achievement. Goals may concern the company's expansion, stakeholders' prosperity, effectiveness, profitability, efficient resource utilization, the company's reputation, provisions for employees as well as the local community, innovation and creativity, survival, and personal requirements.

1.21 Strategy

Strategy encompasses both long-term, overarching plans guiding an organization and short-term maneuvers. Scholars distinguish between strategic planning and operational planning, emphasizing the dual nature of strategies and tactics. Moreover, strategies operate at various organizational levels, forming a hierarchy. This hierarchy, as outlined by Nickols (2016), allows for strategic plans at different echelons, including corporate level strategy, business strategy (also known as portfolio strategy), and functional strategy.

Corporate level strategy, often the brainchild of the board, commission, or top management, occasionally referred to as grand strategies. A corporation's directional strategy consists of three overarching orientations (Wheelen, 2018):

- Growth Strategies
- Stability Strategies
- Retrenchment Strategies

Business strategy, typically curated by a business unit's general manager, undergoes scrutiny and approval from the chief executive. It aims at securing a competitive advantage within a specific product line or service, as highlighted by Plunkett (PLUNKETT & DALE, 1988). Finally, functional strategy caters to diverse organizational units such as finance, marketing, and sales. Each level of strategy contributes to the cohesive and synchronized functioning of the entire enterprise. Numerous corporate strategies have been articulated by various authors; however, this thesis primarily draws inspiration from Wheelen's framework on Strategy Formulation (Wheelen, 2018).

Growth Strategies are focused on achieving significant business expansion, including revenue growth, market share increase, and penetration.

- Concentration: Aiming for growth within the same operational space, including Vertical Integration and Horizontal Integration
- Diversification: Exploring growth through changes in product/service offerings, introducing new products/services, or entering entirely new markets

Stability Strategies, are not primarily focused on growth but on maximizing existing business benefits or maintaining the current state.

- Profit: Geared toward enhancing company valuation, often through portfolio optimization, cost-cutting, and pricing adjustments
- No change : It involves choosing to maintain existing operations and policies without introducing any new initiatives—a decision to sustain the current status quo in the foreseeable future
- Pause/proceed with Caution : Serves as a timeout, providing an opportunity to pause and rejuvenate before resuming a growth or retrenchment strategy

Retrenchment Strategies aim to improve the company's position by making aggressive changes or divesting underperforming parts.

- Turnaround: Involves a dramatic change from previous strategies, often addressing mismanagement, market share loss, or industry decline
- Captive Company : It entails surrendering independence in return for security
- Sell-out/Divestment : If a corporation with a weak competitive position cannot improve on its own or secure a partnership with a customer or competitor, selling out might be the only viable option
- Bankruptcy/ Liquidation : In the worst scenario, a company with a weak industry position and limited prospects faces a few undesirable alternatives.

1.21.1 Eurobank's Strategy

This thesis is focused to Eurobank's Greece Subsidiary, with a particular focus on the rapidly evolving landscape of digital banking. In an era where technological advancements continuously redefine the financial industry, this study aims to delve into the specific strategies, innovations, and digital initiatives undertaken by Eurobank in Greece. By narrowing the scope to the digital domain, we seek to unravel how Eurobank adapts to the challenges and opportunities presented by the digital transformation within the banking sector. The exploration encompasses various facets, including digital services, technological infrastructure, customer experience, and the overarching digital strategy employed by Eurobank in its Greece Subsidiary. Through this focused investigation, we aim to provide valuable insights into Eurobank's positioning, achievements, and future prospects in the dynamic realm of digital banking.

Eurobank strategically positions itself towards diversification, capitalizing on new markets and technological advancements to introduce a broader spectrum of innovative products and services. This commitment to sustainable growth, coupled with collaborations in the fintech sector and a focus on market expansion, aligns seamlessly with a diversification strategy. In navigating the dynamic landscape of the financial industry in Greece, which is dominated by five key players, Eurobank recognizes the necessity of creating a new market to drive increased revenues. To achieve this, the bank is actively exploring and implementing initiatives and platforms that extend beyond traditional financial services, aiming to introduce novel products and services. This diversification approach not only mitigates risks but also enhances Eurobank's competitive standing, ultimately driving the realization of its financial and business objectives.

Diversification as a growth strategy involves expanding a business into new markets or introducing new products and services. This strategy comes with both advantages and disadvantages that businesses must carefully consider.

Pros :
On one hand, expanding the scope of your business has numerous benefits, including the potential to enlarge your market presence and customer base, mitigate risks associated with market fluctuations, and establish a competitive advantage. Through initiatives such as venturing into new markets, introducing new products or services, and leveraging core competencies, resources, and capabilities, can not only attract new customers but also retain existing ones, facilitating cross-selling or upselling opportunities. This strategic approach further enables to navigate through the challenges of seasonal variations, economic downturns, or competitive pressures, ultimately enhancing bank's ability to create value for customers and stand out from competitors.

Cons:
On the other hand, there are plenty obstacles as well, including increased expenditures on research and development, marketing, development, and management. There is also the risk of losing focus on Eurobank's core business and customer base, potentially leading to conflicts between different

businesses or segments. Venturing into unfamiliar or risky markets or industries may pose challenges when lacking the requisite knowledge or resources for success. Furthermore, heightened competition may arise from established or emerging players possessing greater market power or customer loyalty.

Business Strategy

In the pursuit of strengthening its market position, Eurobank has the opportunity to explore various business strategies rooted in the selected growth approach of diversification. By strategically diversifying its operations, Eurobank aims to not only establish dominance but also secure a resilient competitive advantage over other key players in the financial landscape. This exploration delves into diverse avenues that Eurobank could harness to navigate the intricacies of diversification and emerge as a leader in the industry.

- **Confiscation Assets Platform:** Capitalize on Eurobank's substantial portfolio of confiscation assets, including boats and houses by implementing a platform where users can participate in a bidding process to purchase these assets. This not only generates new revenue streams but also addresses the liquidity of these underutilized assets, transforming them from dormant holdings into valuable financial resources.

- **Digital Factory Services:** Eurobank's pool of talent in Developers, UI/UX Designers, and Business Analysts forms the backbone of a specialized Digital Factory, offering its advanced digital capabilities in various work format – i.e., FTE allocation or Time & Material – to external clients. With a proven track record of implementing and releasing new features in production on a bi-weekly basis, the Digital Factory becomes a powerhouse for custom software development, digital transformation projects, and agile project delivery.

- **Integrated Solutions for SMEs:** Eurobank pioneers a holistic approach for SMEs by combining tailored financial solutions with Digital Factory IT implementation services. This all-encompassing package addresses SMEs' financial needs through loans and supports their digital evolution as well, providing turn-key solutions for their business growth.

- **Cybersecurity as a Service:** Capitalizing on its cybersecurity certifications and highly protected servers, Eurobank introduces Cybersecurity as a Service (CaaS). This offering extends beyond securing internal operations, providing businesses with a trusted partner to safeguard their digital assets. Additionally, Eurobank explores the opportunity to host SMEs' IT implementations within its secure infrastructure, establishing a new revenue stream.

- **Innovation Hub for FinTech Collaborations:** Eurobank establishes an Innovation Hub, fostering collaboration between internal talent and external FinTech partners. This hub becomes a breeding ground for cutting-edge financial solutions, allowing Eurobank to co-create with startups and stay at the forefront of financial technology. This initiative positions the bank as an innovation leader in the financial services sector.

- **Tech Consultancy and Training:** Eurobank extends its expertise beyond its internal operations, offering tech consultancy services to external companies. The bank becomes a trusted advisor for businesses seeking guidance on digital transformation, IT strategy, and best practices. Additionally, Eurobank provides training programs to empower businesses with the knowledge and skills necessary for navigating the digital landscape.

- **Partnerships and Ecosystem Development:** Strategically forging partnerships in the IT and digital space, Eurobank builds its own ecosystem. Collaborations with technology providers, software vendors, and industry experts allow the bank to offer end-to-end solutions. This approach enhances Eurobank's value proposition, creating a network of trusted allies to deliver innovative solutions.

- **Continuous Improvement and Innovation:** Fostering a culture of continuous improvement, Eurobank's Digital Factory remains at the forefront of technology and new frameworks. The team continually innovates in DevOps, UX design, and business analysis, by delivering cutting-edge digital solutions. This commitment to innovation propels Eurobank forward as a leader in the industry.

- **Marketplace or Agro Platform:** Leverage Eurobank's extensive penetration and established customer trust to introduce a marketplace or agro platform. This initiative aims to cater to the diverse needs of their clientele, providing a centralized hub for various products and services.

1.22 Chapter 6 Bibliography

1. Eurobank Holdings. (2023a). *About Eurobank*. Www.eurobank.gr. https://www.eurobank.gr/en/group/about-eurobank
2. Eurobank. (2020). *ESG Partnerships and Initiatives*. Www.eurobank.gr. https://www.eurobank.gr/en/group/esg-environment-society-governance/esg-partnerships-initiatives
3. Han, E. (2023, October 31). *Setting Business Goals & Objectives: 4 Considerations | HBS Online*. Business Insights Blog; Harvard Business School. https://online.hbs.edu/blog/post/business-goals-and-objectives
4. Nickols, F. (2016). *STRATEGY, STRATEGIC MANAGEMENT, STRATEGIC PLANNING AND STRATEGIC THINKING STRATEGY, STRATEGIC PLANNING, STRATEGIC THINKING, STRATEGIC MANAGEMENT*. https://www.nickols.us/strategy_etc.pdf
5. PLUNKETT, J. J., & DALE, B. G. (1988). Quality costs: a critique of some "economic cost of quality" models. *International Journal of Production Research*, *26*(11), 1713–1726. https://doi.org/10.1080/00207548808947986
6. Wheelen, T. L., Hunger, D. J., Hoffman, A. N., & Bamford, C. E. (2018). *Strategic Management and Business Policy : globalization, Innovation and Sustainability* (15th ed.). Harlow, England Pearson.

Chapter 7

Conclusion

In summary, this MBA thesis provides a comprehensive analysis of Eurobank's digital banking strategies, with a specific focus on its subsidiary in Greece. Examining the bank's digital initiatives, including services, infrastructure, and customer experience, offers valuable insights into Eurobank's achievements and positioning in the digital banking landscape.

Eurobank strategically embraces diversification, utilizing new markets and technology to introduce innovative products. This aligns seamlessly with the diversification strategy, enhancing the bank's competitiveness. However, diversification comes with pros and cons. Embracing diversification, Eurobank gains advantages such as an enlarged market presence, risk mitigation, and a strengthened competitive edge. This strategic move captures a broader customer base and allows for cross-selling. Yet, challenges include increased expenditures, potential loss of focus, and heightened competition.

The exploration of Eurobank's diversification strategy extends to proposed initiatives, each contributing to market dominance. These include leveraging confiscated assets, digital factory services, integrated solutions for SMEs, cybersecurity services, an innovation hub, tech consultancy, partnerships, and of course agro platforms to enhance its diverse product portfolio offerings.

These strategies demonstrate Eurobank's commitment to innovation and growth, positioning itself as a digital banking leader. As Eurobank navigates diversification, implementing these initiatives provides a unique opportunity to solidify its market position, foster innovation, and increase its competitive advantage. The success of these strategies will undoubtedly contribute to Eurobank's continued prominence in the financial industry.

Foreign Bibliography

1. Andrews, K., (1980), the concept of corporate strategy (2nd Edition), Dow – Jones Irwin.
2. Anselmi, G., & Petrella, G. (2021). Regulation and stock market quality: The impact of MiFID II provision on research unbundling. *International Review of Financial Analysis*, *76*, 101788. https://doi.org/10.1016/j.irfa.2021.101788
3. Bank of Greece. (2022). *ANNUAL REPORT*.
4. Barris, A. M. (2016). Ally Bank's in-app virtual assistant speaks customers' language – literally | Retail Dive. Www.retaildive.com. https://www.retaildive.com/ex/mobilecommercedaily/ally-banks-in-app-virtual-assistant-speaks-customers-language-literally
5. Chandler Alfred (1962), Strategy and Structure: Chapters in the History of the American Industrial Enterprise, MA: MIT press.
6. China-CEE Institute. (2023, May 3). *Greece economy briefing: The 2023 Banking Crisis and the response of the Greek Banking Sector – China-CEE Institute*. China-CEE Institute. https://china-cee.eu/2023/05/03/greece-economy-briefing-the-2023-banking-crisis-and-the-response-of-the-greek-banking-sector/
7. European Commission. (2023b). *HELLENIC REPUBLIC NATIONAL REFORM PROGRAMME 2023*. https://commission.europa.eu/system/files/2023-05/Greece%20NRP%202023.pdf
8. Feger, A. (2023, March 27). *The state of banking in 5 charts*. Insider Intelligence. https://www.insiderintelligence.com/content/state-of-banking-5-charts
9. Finextra. (2016, April 7). *Citi taps Microsoft HoloLens for virtual reality trading*. Finextra Research. https://www.finextra.com/newsarticle/28712/citi-taps-microsoft-hololens-for-virtual-reality-trading
10. Grant Thornton. (2023, June 20). *Transforming banking for resilience and growth*. Grant Thornton. https://www.grantthornton.com/insights/articles/banking/2023/transforming-banking-for-resilience-and-growth
11. Han, E. (2023, October 31). *Setting Business Goals & Objectives: 4 Considerations | HBS Online*. Business Insights Blog; Harvard Business School. https://online.hbs.edu/blog/post/business-goals-and-objectives
12. Hellenic Bank Association. (2022). *ANNUAL REPORT*. https://www.bankofgreece.gr/Publications/Annrep2022.pdf
13. Hellenic Bank Association. (2023). *Greek Banking System Overview*. https://www.hba.gr/epikairotita/UplDocs/files/Greek%20Banking%20System%20Overview%20-%20July%202023.pdf
14. Hivelr Business Review. (2023, October 18). *Bank of America (BAC): Porter's Five Forces Industry and Competition Analysis*. Hivelr. https://www.hivelr.com/2023/10/bank-of-america-bac-porters-five-forces-industry-and-competition-analysis/
https://www.bankofgreece.gr/Publications/Annrep2022.pdf
https://www.eurobank.gr/en/group/about-eurobank/strong-presence-in-6-countries/greece

15. Nickols, F. (2016). *STRATEGY, STRATEGIC MANAGEMENT, STRATEGIC PLANNING AND STRATEGIC THINKING STRATEGY, STRATEGIC PLANNING, STRATEGIC THINKING, STRATEGIC MANAGEMENT*. https://www.nickols.us/strategy_etc.pdf
16. PLUNKETT, J. J., & DALE, B. G. (1988). Quality costs: a critique of some "economic cost of quality" models. *International Journal of Production Research*, *26*(11), 1713–1726. https://doi.org/10.1080/00207548808947986
17. United Nations. (2023). *World population prospects*. UN; United Nations. https://population.un.org/wpp/
18. Wheelen L. Thomas & J. D. Hunger, Concepts in Strategic Management and Business Policy, Pearson/Prentice Hall, 2008
19. Wheelen Thomas. L. ,Hunger David J. , **Concepts in Strategic Management and Business Policy**,14TH edition, Pearson Prentice Hall, 2014
20. Wheelen, T. L., Hunger, D. J., Hoffman, A. N., & Bamford, C. E. (2018). Strategic Management and Business Policy : globalization, Innovation and Sustainability (15th ed.). Harlow, England Pearson.
21. Wheelen, T. L., Hunger, D. J., Hoffman, A. N., & Bamford, C. E. (2018). *Strategic Management and Business Policy : globalization, Innovation and Sustainability* (15th ed.). Harlow, England Pearson.

Greek Bibliography

1. Ελληνική Ένωση Τραπεζών. (2022). *Ελληνική Ένωση Τραπεζών / Μέλη / Μέλη*. Www.hba.gr. https://www.hba.gr/Association/Members?type=RegularMembers
2. IOBE. (2021). *Η Ελληνική Οικονομία - Τριμηνιαία Έκθεση.* Athens: IOBE.
3. IOBE. (2022). *Η Ελληνική οικονομία - Τριμηνιαία Έκθεση.* Athens: IOBE.
4. Bechlioulis, A. P., & Karamanis, D. (2022). Consumers' changing financial behavior during the COVID-19 lockdown: the case of Internet banking use in Greece. *Journal of Financial Services Marketing*. https://doi.org/10.1057/s41264-022-00159-8
5. Georgopoulos N., "Strategic Management" course notes, e-MBA 2022.
6. Papalexatou, C. (2021). *GreeSE Papers GreeSE Papers Hellenic Observatory Discussion Papers on Greece and Southeast Europe The Evolution of Bank-State Ties under Economic Adjustment Programmes: the case of Greece*. https://www.lse.ac.uk/Hellenic-Observatory/Assets/Documents/Publications/GreeSE-Papers/GreeSE-No162.pdf

Online sources

1. Accenture. (2021, July). *The Banking Experience Reimagined*.
2. Accenture. (2023, March 21). *Banking Consumer Study Uncovers Hidden Value*. Www.accenture.com. https://www.accenture.com/us-en/insights/banking/consumer-study-banking-reignite-human-connections
3. Blend. (2022, February 11). *How cloud based digital banking is transforming financial services*. Blend. https://blend.com/blog/challenges-solutions/cloud-based-digital-banking/
4. Bloomberg. (2023, July 7). Greece's Eurobank Plans to Expand Overseas Wealth Management. *Bloomberg.com*. https://www.bloomberg.com/news/articles/2023-07-07/greece-s-eurobank-plans-to-expand-overseas-wealth-management?embedded-checkout=true
5. Business Daily. (2022, June 21). *Άλμα στις ψηφιακές υπηρεσίες φέρνει το Digital Factory της Eurobank*. Business Daily. https://www.businessdaily.gr/tehnologia/65902_alma-stis-psifiakes-ypiresies-fernei-digital-factory-tis-eurobank
6. Businesswire. (2017, October 23). *Mastercard Eyes the Future of Retail with Augmented Reality Shopping Experience*. Www.businesswire.com. https://www.businesswire.com/news/home/20171023005360/en/Mastercard-Eyes-the-Future-of-Retail-with-Augmented-Reality-Shopping-Experience
7. Capgemini. (2023). *Top trends in retail banking 2023*. Capgemini. https://www.capgemini.com/insights/research-library/top-trends-in-retail-banking-2023/
8. CFI Team. (2022, October 26). *Boston consulting group (BCG) matrix*. Corporate Finance Institute. https://corporatefinanceinstitute.com/resources/management/boston-consulting-group-bcg-matrix/
9. Deloitte. (2020). *Digital Maturity Report 2020*. SEV. https://www2.deloitte.com/mt/en/pages/technology/articles/mt-what-is-digital-economy.html#:~:text=Reserve%20your%20copy%20today!
10. EBF. (2021). *CLOUD BANKING*. EBF. https://www.ebf.eu/priorities/innovation-cybersecurity/cloudbanking/
11. Eurobank Holding. (2021). *UNEP FI Principles for Responsible Banking 1 UNEP FI Principles for Responsible Banking Progress against the Principles for Responsible Banking*. Eurobank . chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.eurobank.gr/-/media/holding/omilos/etairiki-koinoniki-euthuni/unep-fi-principles-responsible-banking
12. Eurobank Holding. (2023). *Shareholding structure*. Www.eurobankholdings.gr. https://www.eurobankholdings.gr/en/investor-relations/shareholders/shareholding-structure
13. Eurobank Holding. (2023). *Shareholding structure*. Www.eurobankholdings.gr. https://www.eurobankholdings.gr/en/investor-relations/shareholders/shareholding-structure
14. Eurobank Holdings. (2023a). *About Eurobank*. Www.eurobank.gr. https://www.eurobank.gr/en/group/about-eurobank
15. Eurobank Holdings. (2023a). *About Eurobank*. Www.eurobank.gr. https://www.eurobank.gr/en/group/about-eurobank

16. Eurobank. (2015). *Eurobank Private Bank Luxembourg SA*. Www.eurobank.gr. https://www.eurobank.gr/en/group/about-eurobank/strong-presence-in-6-countries/luxembourg/eurobank-private-bank-luxembourg-sa
17. Eurobank. (2016). *Bulgaria*. Www.eurobank.gr. https://www.eurobank.gr/en/group/about-eurobank/strong-presence-in-6-countries/bulgaria
18. Eurobank. (2017). *Eurobank Cyprus Ltd*. Www.eurobank.gr. https://www.eurobank.gr/en/group/about-eurobank/strong-presence-in-6-countries/cyprus
19. Eurobank. (2020). *ESG Partnerships and Initiatives*. Www.eurobank.gr. https://www.eurobank.gr/en/group/esg-environment-society-governance/esg-partnerships-initiatives
20. Eurobank. (2022). *Eurobank Ergasias.* www.eurobank.gr.
21. Eurobank. (2023). *The Eurobank Group*. www.eurobank.gr. https://www.eurobank.gr/en/group/about-eurobank/the-eurobank-group
22. Greek City Times. (2023, July 10). *Greek Banking: Eurobank will expand to India, Israel, Dubai and Saudi Arabia*. Greekcitytimes . https://greekcitytimes.com/2023/07/10/greek-banking-eurobank-india/
23. Hansen, E., & Juslin, H. (2019, December 1). *Chapter 4: Strategy and Strategic Planning*. Open.oregonstate.education; Oregon State University. https://open.oregonstate.education/strategicmarketing/chapter/chapter-4-strategy-and-strategic-planning/
24. Haritonova, A. (2023, March 7). *8 Use Cases of Augmented Reality in Finance With Examples*. PixelPlex. https://pixelplex.io/blog/augmented-reality-in-finance/
25. Harrison, H. (2022, June 13). *What is open banking? Your essential guide*. Www.mastercard.com. https://www.mastercard.com/news/perspectives/2022/open-banking-101/
26. J. B. Quinn, Strategies for Change: Logical Incrementalism
27. Kaseb, K. (2022, September 7). *Personalized Banking Experience with AI*. Software Development. https://medium.com/kayvan-kaseb/personalized-banking-experience-with-ai-b34612c962e1
28. Kenichi Ohmae, (1987), The Triad World View, Journal of Business Strategy
29. Magana, G. (2020). *AI In Banking: How forward-looking banks are using maturing AI solutions to design both customer- and employee-facing innovations to provide value to users and streamline legacy processes*. Insider Intelligence.
30. MarketScreener. (2023). *Eurobank Ergasias Services and Holdings S.A. : Shareholders Board Members Managers and Company Profile | GRS323003012 | MarketScreener*. Www.marketscreener.com. https://www.marketscreener.com/quote/stock/EUROBANK-ERGASIAS-SERVICE-1408766/company/
31. Mastercard. (2017, October 23). *Mastercard Eyes the Future of Retail with AR*. Www.youtube.com. https://www.youtube.com/watch?v=zdCCZzQX27Q
32. Maurer, T., & Nelson, A. (2021). *The Global Cyber Threat to Financial Systems – IMF F&D*. International Monetary Fund.

https://www.imf.org/external/pubs/ft/fandd/2021/03/global-cyber-threat-to-financial-systems-maurer.htm

33. Mavros, T. (2021, June 10). *As Greek consumers keep adapting, how ready is your business to respond?* Www.ey.com. https://www.ey.com/en_gr/future-consumer-index/as-greek-consumers-keep-adapting-how-ready-is-your-business-to-respond
34. Mckinsey. (2023, June 14). *Economic potential of generative AI | McKinsey*. Www.mckinsey.com. https://www.mckinsey.com/capabilities/mckinsey-digital/our-insights/the-economic-potential-of-generative-ai-the-next-productivity-frontier#key-insights
35. McKinsey. (2023, October 24). *Fintechs: A new paradigm of growth | McKinsey*. Www.mckinsey.com. https://www.mckinsey.com/industries/financial-services/our-insights/fintechs-a-new-paradigm-of-growth
36. Monteagudo, J. (2022, May 17). *The Bank of Things (BoT): Background, Definition & Key Drivers*. Cyber Startup Observatory. https://cyberstartupobservatory.com/the-bank-of-things-bot-background-definition-key-drivers/
37. Neufeld, D. (2022, December 5). *Mapped: Which Countries Have the Highest Inflation?* Visual Capitalist. https://www.visualcapitalist.com/mapped-which-countries-have-the-highest-inflation/
38. newsroom2. (2022, December 7). *Ο παγκόσμιος χάρτης του πληθωρισμού, θέση της Ελλάδας και μια ιστορική προσέγγιση*. Banks.com.gr. https://banks.com.gr/pagkosmios-chartis-tou-plithorismou-thesi-tis-elladas-kai-mia-istoriki-prosengisi/
39. Okwechime, J. (2022). *How Artificial Intelligence is Transforming the Financial Services Industry*. Deloitte South Africa. https://www2.deloitte.com/za/en/nigeria/pages/risk/articles/how-artificial-intelligence-is-transforming-the-financial-services-industry.html
40. Pradhan, A. (2015, September 22). *Non Financial Services for SME Banking*. Www.linkedin.com. https://www.linkedin.com/pulse/non-financial-services-sme-banking-amit-pradhan/
41. Polaris Market Research. (2022). *Open Banking Market Share, Size, Trends, Industry Analysis Report, By Financial Services (Banking and Capital Markets, Payments, Digital Currencies); By Distribution Channels (Bank Channels, App Markets, Distributors, Aggregators); By Deployment Type; By Region; Segment Forecast, 2022 - 2030* (p. 114). Polaris Market Research.
42. Reyes, J. (2022, December 29). *How Hyperautomation Is Transforming the Banking Industry*. Www.managedoutsource.com. https://www.managedoutsource.com/blog/how-hyperautomation-is-transforming-banking-finance-industry/
43. Rusith. (2022, January 2). *Porter's Five Forces: Advantages and Disadvantages*. Learn Business Concepts. https://learnbusinessconcepts.com/advantages-and-disadvantages-of-porters-five-forces/
44. S. Nair, P. (Ed.). (2023, March 6). *Hyperautomation in Banking Sector: Use Cases, Benefits, and Solutions*. Autonom8. https://autonom8.com/hyperautomation-in-banking/
45. Santander. (2022, April 18). *What is the Banking of Things?* Www.santander.com. https://www.santander.com/en/stories/banking-of-things-what-is-it

46. Shevlin, R. (2019, March 13). *What Do Millennials Want From Banks? Non-Financial Products*. Forbes. https://www.forbes.com/sites/ronshevlin/2019/03/13/what-do-millennials-want-from-banks-non-financial-products/
47. Singhal, R. (2023, March 24). *Hyper automation in Banking and Finance: Achieving Enhanced Compliance and Transparency*. Www.linkedin.com. https://www.linkedin.com/pulse/hyper-automation-banking-finance-achieving-enhanced-rajat-singhal/
48. Startupper . (2023, October 30). *Eurobank: Καλύτερη Ψηφιακή Τράπεζα για Ιδιώτες στη Δυτική Ευρώπη για το 2023*. STARTUPPER. https://startupper.gr/news/117938/eurobank-kalyteri-psifiaki-trapeza-gia-idiotes-sti-dytiki-evropi-gia-to-2023/
49. Statista. (2023, October 13). *Greece - Age distribution 2019*. Statista. https://www.statista.com/statistics/276391/age-distribution-in-greece/#:~:text=This%20statistic%20depicts%20the%20age
50. Statista. (2023a, July 20). *Greece - median age of the population 1950-2050*. Statista. https://www.statista.com/statistics/276412/median-age-of-the-population-in-greece/
51. Softwareag. (2023). *What Is Open Banking? | Open Banking APIs*. Software AG. https://www.softwareag.com/en_corporate/resources/api/article/open-banking.html
52. Takyar, A. (2023, July 11). *Generative AI in finance and banking*. LeewayHertz - AI Development Company. https://www.leewayhertz.com/generative-ai-in-finance-and-banking/
53. Teichmann, F., Boticiu, S., & Sergi, B. S. (2022). RegTech – Potential benefits and challenges for businesses. *Technology in Society*, *72*, 102150. https://doi.org/10.1016/j.techsoc.2022.102150
54. Teksetra. (2020, August 4). *Digital-Only Banks: Are They a Threat to Brick and Mortar?* Teksetra. https://teksetra.com/resources/digital-brick-and-mortar-banks/
55. Temenos. (2020). *The Future of Digital Banking in the Cloud In collaboration with Amazon Web Services*. https://www.temenos.com/wp-content/uploads/2020/05/Future-of-digital-banking-in-the-cloud_-1.pdf
56. Trading Economics. (2023, July 17). *Greece Inflation Rate*. Tradingeconomics.com; TRADING ECONOMICS. https://tradingeconomics.com/greece/inflation-cpi
57. Trustpilot . (2023). *Trustpilot*. Trustpilot; Trustpilot. https://www.trustpilot.com/