

# Unleashing potential in *Islamic Banking*

Although the “modern” Islamic Financial Services Industry (IFSI) traces its origins back more than half a century, the true potential remains largely untapped.



**US \$3.1 trillion**

Islamic Financial Services Industry worth in 2021

The Islamic Financial Services Board Stability Report 2022



**11.3%**

Year-on-year growth rate

There is a tremendous opportunity for IFIs. But just how *big is that opportunity?*

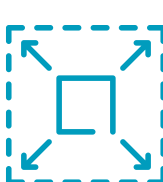


The financial services sector is placed at **20-25%** of the world economy. A huge market for IFIs to tap into.

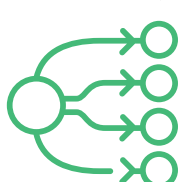
## The IFSI can grow in three main ways



Gaining more market share in existing markets



Expanding into new Islamic markets



Bringing the benefits of Islamic Banking to markets not traditionally associated with Islamic Banking

## It is important to understand what differentiates Islamic banking from a traditional one.

Here are the key differences:

⊕ Hover over the box for more information

## Old technology – Big problems

### Legacy technologies will create more problems

Deploying two core banking systems has been the standard approach for banks running both conventional and Islamic banking businesses. One system to operate the conventional business and a second one for the Islamic banking business.



## What is the challenge of running two core banking systems?

In an attempt to support Islamic banking many vendors created workarounds in their conventional systems. However, there is still a lack of real understanding about the challenges faced by IFIs in offering Sharia compliant products and services.



## The implementation of two systems creates five main challenges

⊕ Click the icon for more information

## New technology means new possibilities

### Here is what the right technology can do for IFSI

For IFSI, the right technology must:



Reduce complexity



Deliver outstanding customer experiences



Reduce risk



Enable data-driven business



Increase enterprise agility

### With the right technology the IFSI can

**1**

Gain more market share in existing markets, by offering market leading products, backed by outstanding customer experiences.

**2**

Expand into new Islamic markets by leveraging the enhanced distribution capabilities of truly digital banking.

**3**

Bring the benefits of Islamic Banking to markets not traditionally associated with Islamic Banking, by offering the same, or higher levels of customer service and the compelling ethos of Islamic Banking.

Developing and deploying the right technology for the IFSI requires a deep understanding of banking – both Islamic and conventional.

We are here to assist you on this journey. Download our whitepaper to learn more or get in touch with our team to get a personalized approach.

