OFFICIAL DOSSIER 2025

THE RETAIL BANKING CONFERENCE

reset

2025

AN INITIATIVE OF

GREEN PEAK INTERNATIONAL

SUPPORTED BY

Pakistan Banks Association

Let’s reimagine!

A call to rethink legacy models - from branch formats to phygital and digital experiences, and even product design - aligned with evolving customer behaviors and lifestyles.

TABLE OF CONTENTS

AUDIENCE PROFILE

Firms (# of representatives)

Reset 2025 was designed to spark meaningful dialogue, inspire innovation, and contribute to the evolution of Pakistan's financial services ecosystem.

We were thrilled to welcome over 285 attendees, representing 48 companies from across financial and related industries, including 23 leading banks, 4 digital banks, as well as organisations from the asset management, fintech, and digital payments sectors.

BANKS	23	*(177)*
DIGITALR ETAILB ANKS	4	*(19)*
NBFC'S	4	*(9)*
MICROFINANCE BANKS	3	*(9)*
ASSETM ANAGEMENTC OMPANIES	2	*(9)*
BNPL FIRMS	2	*(3)*
DIGITALP AYMENTS	2	*(2)*
FINTECHC OMPANIES	2	*(3)*
UNIVERSITIES	2	*(17)*
ACCOUNTING FIRMS	1	*(3)*
INSURANCEC OMPANIES	1	*(30)*
TOTAL	46	*(281)*

STRATEGIC INSIGHTS

Takeaways from Reset - The First Retail Banking Conference in Pakistan, held on April 22, 2025

- **Customer-Centric Redesign**
  Retail Banking needs a shift in mindset and drivers from opening more accounts to helping customers use more financial services in ways that are relevant, trusted, and long-lasting.

- **Product Innovation across Customer Segments**
  Different customers have different needs. Banks must endeavor to understand Customer Segments and their needs, and design fit for purpose products and reach people with the right solutions.

- **Workforce & Service Culture**
  Retail Banking must upgrade HR quality. This starts from induction, nurturing, upgrading skills and knowledge aligned with evolving customer expectations and building intellectual capital across. As a consequence customer experience will improve, but needs more robust SQMPs and Management oversight.

- **Branch Model and Digital Enablement**
  Branches matter - but must evolve into trust and advisory hubs and transactional hubs. Digital Solutions - should be easy, smooth, supported by real people when needed. Banks need to build simple models that cover everyday needs payments, savings, loans, insurance and investments - offered in ways that make sense to customers.

- **Opportunities for Wealth & Lending**
  Retail Banking Playbook must include Wealth and Lending products to drive multiple revenue lines for sustainability.
  Wealth Solutions - There is substantial opportunity to provide wealth solutions to Affluent, Mass Affluent and Retail Client Segments
  Lending Solutions - There is substantial room for robust growth in Individual Retail Lending and Small Business Lending solutions; Risk mindsets must align

- **Partnerships as a Structural Strategy**
  No one player can do everything alone. Banks, Fintechs, Telcos, Insurance providers, and Regulators need to work together to build eco-systems that talk to each other and deliver better value to customers.

EXECUTIVE SUMMARY

The First Retail Banking Conference - RESET 2025 marked a strategic inflection point for Pakistan's retail banking sector. Moving beyond digital adoption and account penetration, the conversations focused on the qualitative transformation needed to make retail financial services more inclusive, adaptive, and uture-proof, adaptive and inclusive.

A central thread across all discussions was that retail banking must evolve beyond transactional access. With over 200 million accounts and widespread mobile penetration, the basic infrastructure now exists. But a mindset around customer segmentation, customer centricity and financial engagement remains shallow, hence limited product relevance and diversity, weak service quality and low credit penetration. The sector's next challenge is to transition from scale to substance.

1. CUSTOMER-CENTRIC REDESIGN

Retail Banking needs a shift in mindset and drivers from opening more accounts to helping customers use more financial services in ways that are relevant, trusted and long lasting

Sessions emphasized that product-centric models must give way to customer-journey thinking. Financial services must reflect the real-life needs and rhythms of customers—whether salaried or self-employed professionals, small businesses, gig workers, women customers, farmers, or remittance receivers. The industry must move toward:

- Lifecycle-focused offerings
- Integrated transactional, lending, wealth and insurance journeys
- Embedded financial tools within lifestyle and commercial platforms

KEY FACTS

- 96 million unique bank accounts, but limited usage beyond payments.
- Top 10% of the bank accounts amount to more than 90% of the Retail Banking Deposits
- Top 3% of Bank Accounts provide more than 50% of the deposits.
- Product Penetration in top 10% i.e., ~6-8mln Customers is less than 3 actively used products on average per bank relationship.

2. PRODUCT INNOVATION ACROSS CUSTOMER SEGMENTS

Different customers have different needs. Banks must endeavor to understand Customer Segments and their needs, and design fit for purpose products and reach people with the right solutions.

Across the panels, speakers called for reimagining solutions to high-potential underserved segments, including customers who are part of the banking system “yet not served for all their financial needs.”:

- Transactional convenience solutions curated for various customer segments including individuals and businesses facilitating seamless payments and receipts.
- Lending needs supported by agile alternative underwriting models and behavioral credit scoring to reach creditworthy potential borrowers.
- Savings & Wealth solutions must move from product-push to purpose-driven advisory.
- Retail insurance should be repositioned around protection and lifestyle, with bundled offerings integrated into partner ecosystems.
- Small businesses require faster onboarding, payments and borrowing solutions

KEY FACTS

- Only 2.5mln Credit Cards, 34,000 Housing Loans & 250,000 Auto Loans in a population of 250mln & 96mln unique accounts.
- Only ~175,000 SME borrowers vs. 2M+ SME depositors.
- Customers have 4 basic needs including Tranx, Saving, Borrowing & Protection.
- Product Penetration (PPC) varies from 10 PPC to 4 PPC with a present avg., of <3 PPC.

3. WORKFORCE & SERVICE CULTURE TRANSFORMATION

Retail Banking must upgrade HR quality. From induction, nurturing, upgrading skills and knowledge, aligned with evolving customer expectations and building intellectual capital across. As a consequence, customer experience will improve, but needs more robust SQMP's and Management oversight.

While branch traffic is declining, physical locations continue to matter, even with Gen Z—especially for trust and deposits. But branches must be right-sized, repurposed, and segmented. This requires:

- Smaller, digital-first service points
- Specialized advisory hubs for complex products
- Upskilling staff to act as facilitators, not just processors
- A broader human capital issue was also raised: customer engagement requires emotional intelligence, empathy, and advisory skills, in addition to sound technical training.

KEY FACTS

- Service Management is abdicated & managed by SQ Departments in most cases.
- SQMPs not driven by Business or Support Areas.
- Banking Mohtasib paid PKR 3B in compensation due to service errors.
- HR quality has declined in the last decade; Students not rating Banks as 1st Choice Employers.
- Quality of Management has declined due to limited scope of business strategies & promotion/ hiring criteria.

4. BRANCH MODEL AND DIGITAL ENABLEMENT

Branches matter- but must evolve into trust and advisory hubs and transactional convenience hubs. Digital Solutions should be easy, smooth, supported by real people when needed. Banks need to build simple models that cover every day needs- payments, savings, loans, insurance and investments- offered in ways that make sense to customers.

Digital channels are no longer a differentiator—they are minimum expectation. However, fragmented onboarding, inconsistent interfaces, and lack of support reduce effectiveness.
The takeaway
Transactional convenience solutions curated for various customer segments including individuals and businesses facilitating seamless payments and receipts.

- Omni channel onboarding and servicing must be a priority.
- Assisted digital is essential for low-literacy or first-time users.
- Digital must enhance—not replace—human interaction, especially in advisory and resolution contexts.

KEY FACTS

- While branch traffic is declining, physical locations continue to matter, even with Gen Z—especially for trust and deposits.
- Branches must be segmented & repurposed manned with skilled Staff & Management.
- Net Promoter Score (NPS) of top 10% Customers <30% & PPC <3 where evidenced by GPI.
- 60M mobile wallets, yet digital satisfaction remains low due to onboarding and service gaps.
- 36% of population still unbanked.

5. OPPORTUNITIES FOR WEALTH & LENDING

With lowering interest rates customers will need to enhance and protect their wealth, and will consider personal or business borrowing solutions. Retail Banks must open more revenue lines to grow YOY.

Retail Banking Playbook must include Wealth and Lending Products to drive multiple revenue lines for sustainability.

Wealth Solutions - There is substantial opportunity to provide wealth solutions to Affluent, Mass Affluent, and Retail Client Segments

Lending Solutions - There is substantial room for robust growth in Individual Retail Lending and Small Business Lending Solutions: in Individual Retail Lending and Small Business Lending solutions; Risk Mindset must align.

KEY FACTS

- There is opportunity to grow sales of wealth enhancing & protection products in the Retail Banking space.
- Fee income lines are still in the mid 20% for most Retail Banks. Wealth PPCs vary from 4 PPC to 0.
- Only 2.5mln Credit Cards, 34,000 Housing Loans & 250,000 Auto Loans in a population of 250mln & 96mln unique accounts.
- Only ~175,000 SME borrowers vs. 2M+ SME depositors.
- Business and Risk mindsets must evolve to see this as an opportunity for growth.

6. PARTNERSHIPS AS A STRUCTURAL STRATEGY

No one player can do everything alone. Banks, Fintechs, Telco's, Insurance providers, and Regulators need to work together to build eco-systems that talk to each other and deliver better value to customers.

Multiple sessions underscored the need for active collaboration between: :

- Banks and Fintechs (for distribution, access and innovation)
- Insurers, Banks and Telco's (for embedded protection)
- Bank Platforms and Credit Bureaus (for agile underwriting and alternate data)
- Regulators and Market Players (for enabling policies)
- In particular, merchant onboarding, Agri-finance, women-centric design, and embedded insurance were cited as areas that demand cross-actor solutions.

Collaboration across sectors is essential for scale and relevance. Access ≠ usage. Inclusion requires trust, education, and design thinking. The thinking needs to be inclusion beyond infrastructure!

While formal access has expanded, true financial inclusion remains incomplete; small businesses, youth, women and rural populations continue to face exclusion—primarily due to::

- Lack of trust or education about banking needs and services
- Irrelevant or misaligned products as well as cultural and logistical barriers

This demands a shift to segment-specific design, localized delivery consistent trust-building.

KEY FACTS

- 54mln Bank Account holders & 114mln MFB and NBMFIs hold <5k in deposit balances can be provided bundled lending, savings and protection solutions.
- 7M+ remittance receivers represent $38B (10% of GDP)—largely untapped.
- A large portion of the population remains financially excluded. 53% of women lack access to banking.

CONCLUSION

RESET 2025 reinforced that the future of retail banking in Pakistan will be shaped not by who has the best technology, but by who understands their customers best. The sector is now challenged to rebuild around customer needs and behavior v/s pushing products; around value for customers.

The path forward requires designing for trust, enabling usage, and building inclusive ecosystems—underpinned by partnerships, people transformation, and purposeful innovation.

OPENING REMARKS: SALEEM ULLAH

Deputy CEO, State Bank of Pakistan

Mr. Saleem Ullah began his address by congratulating the Pakistan Banks Association (PBA) and Green Peak International Pvt., Ltd., (GPI) for organizing this timely and important Retail Banking Conference, the inaugural event of its kind in 2025. He also acknowledged the PBA's revitalized role in advancing Pakistan's financial system, particularly following the success of the recent Pakistan Banking Summit.

He emphasized that this conference is being held at a critical juncture. Retail Banking represents the largest segment of the country's banking sector, serving an enormous customer base. Pakistan currently has 211 million bank accounts, with roughly half branch-based and half branchless. Among these, 91 million are active accounts. The ecosystem also includes 60 million mobile wallet users and over 12 million users of banking apps.

Despite these impressive figures, Mr. Saleem stressed that the success of Retail Banking lies in providing comfort, convenience, and satisfaction to this vast segment—something that is becoming increasingly challenging in an era of digital transformation. As digital channels multiply so do customer expectations around speed, efficiency, and security, hence the burden on banks to deliver high-quality, seamless services has intensified.

"As digital channels multiply so do customer expectations around speed, efficiency, and security, hence the burden on banks to deliver high-quality, seamless services has intensified."

At the same time, he highlighted a paradox: while millions are banked, a large portion of the population remains financially excluded. Around 36% of the population is still unbanked, and a staggering 53% of women lack access to formal banking. On the credit side, penetration is even weaker, with only 2.5 million credit cards in a country of over 250 million people. Debit card usage, though higher at 60 million, still leaves much room for growth.

Furthermore, the depth of financial services offered remains shallow. Most customers use banks mainly for basic payment functions. The system continues to depend on transitory funds, and struggles to attract return-sensitive depositors. The variety of products available—such as savings, investment, or insurance products—is still very limited, especially for the salaried class, small shopkeepers, and women.

"...there is an urgent need to train marketing and sales staff to engage clients meaningfully and introduce them to relevant financial products. Even the educated population often lacks basic awareness about financial planning"

Mr. Saleem argued that retail banking needs a reset in approach—a central theme of this conference. This reset should involve not just product innovation, but also capacity building. While banks invest heavily in training operational and credit staff, there is an urgent need to train marketing and sales staff to engage clients meaningfully and introduce them to relevant financial products such as pension plans, education savings, healthcare coverage, and more.

"A large portion of the population remains financially excluded. Around 36% of the population is still unbanked, and a staggering 53% of women lack access to formal banking. On the credit side, penetration is even weaker, with only 2.5 million credit cards in a country of over 250 million people. Debit card usage, though higher at 60 million, still leaves much room for growth."

Mr. Saleem emphasized the importance of using digital platforms to improve customer engagement and to provide a broader suite of financial services. He urged banks to view clients not just as account holders or payees but as partners in long-term financial journeys. Banks should aim to provide a holistic financial service package that addresses both current and future needs of clients, fostering greater loyalty and attachment.

"Over 7 million people receive nearly $38 billion (or 10% of GDP)—a prime example of untapped potential"

He called attention to Pakistan's low levels of financial literacy, noting that even the educated population often lacks basic awareness about financial planning. The recent Financial Literacy Week revealed the significant gap in public understanding of financial products and tools, presenting an opportunity for banks to take a more proactive educational role.

The Deputy Governor pointed to the country's remittance beneficiaries—over 7 million people receiving nearly $38 billion (or 10% of GDP)—as a prime example of untapped potential. He questioned what tailored products banks have developed to convert these inflows into savings and long-term financial planning. Even capturing 10–30% of these funds through structured financial products could significantly strengthen the banking sector.

He concluded by highlighting the need to improve the return mix of banking products. Many potential clients stay away from formal banking because the returns on deposits do not meet their expectations. To address this, banks need to explore non-traditional sectors such as agriculture, housing, and other priority areas. These sectors not only have demand for credit but also offer avenues to create products that align with both the risk and return appetites of customers.

In closing, Mr. Saleem expressed optimism that the discussions at this conference would help shape the future of retail banking in Pakistan. He called on all stakeholders to work together to expand financial inclusion, improve service quality, and design products that meet the evolving needs of the Pakistani consumer.

KEYNOTE 1: ATIF BAJWA

CEO, Bank Alfalah

"In 40 years, this is my first retail banking conference in Pakistan. That says a lot!"

Reimagining Retail: Atif Bajwa's Call to Arms for Pakistan's Retail Banking Future

Retail Reset? Let's reimagine instead.

That was the core message from Atif Bajwa, CEO of Bank Alfalah, who delivered a powerful and personal keynote at Pakistan's first-ever Retail Banking Conference. Reflecting on a four-decade career, Atif acknowledged that the industry has been slow to gather, slow to evolve—and now, the urgency is undeniable.

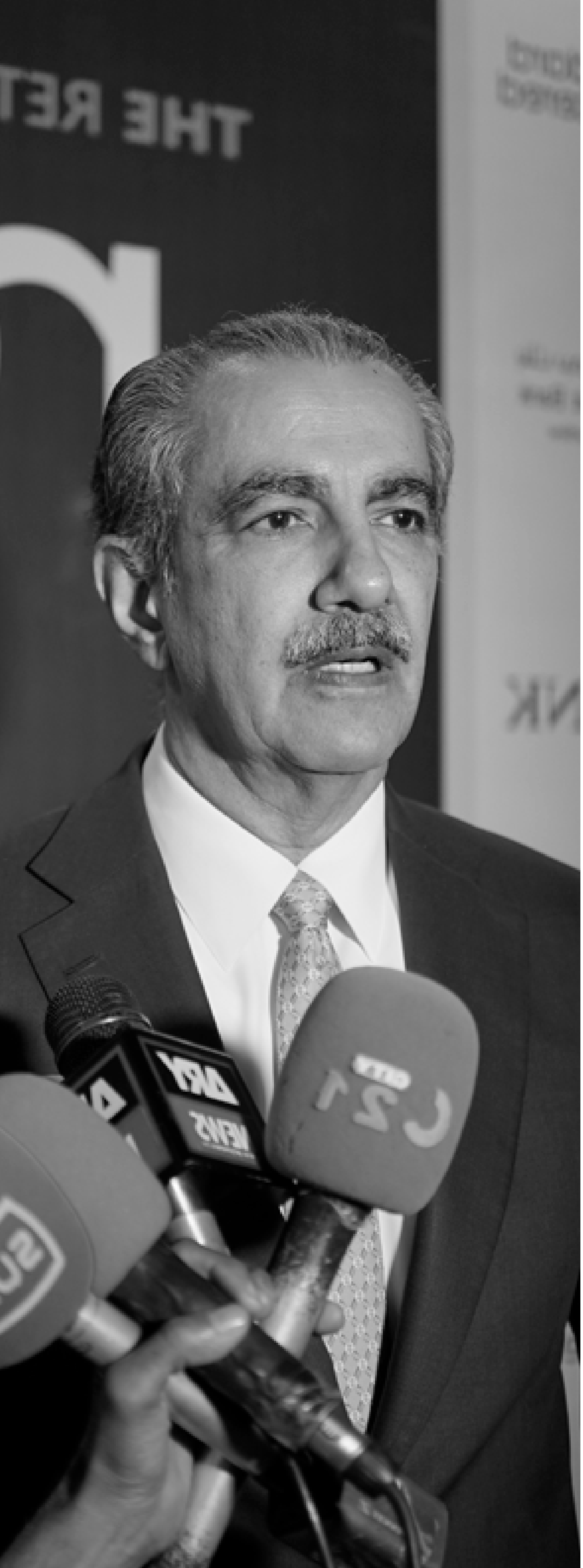
The speech was less a ceremonial keynote and more a frank, deeply informed challenge to the banking industry to move faster, collaborate smarter, and care more. Atif wove his personal story—from corporate banker to Asia Regions Head of Consumer Banking—into a broader call for reinvention.

From Vaults to Life Partners

Atif reminded the audience how far banking has come—from vault-bound transactions to mobile-driven ecosystems—but questioned how far Pakistan has moved. The stats were sobering:

- 2 million Credit Cards in a population of 240 million
- Just 34,000 housing loans
- Only 250,000 auto loans

The future of Retail Banking isn't about selling products or opening branches; it's about embedding finance invisibly into the fabric of daily life.



Three Shifts That Must Happen

Atif outlined three themes he believes are non-negotiable for the industry to stay relevant:

1. From Products to Life Journeys
   Banks must stop thinking in silos—loans, accounts, cards—and start designing for the full arc of a customer's life.
2. From Competition to Collaboration
   "We can't do everything ourselves," he said. Digital banks and fintechs aren't threats—they're essential partners.
3. From Branches to Smart Touchpoints

   Physical branches will still matter, but not in their current form. Bank Alfalah's own experience showed declining over-the-counter transactions—even while branches grew.

"What have we achieved in two decades? Not much. The problem, he argued, isn't just regulation or outdated infrastructure—it's mindset."

“Cash is friction. Digital is fuel. But banks need to invest—seriously—in both technology and talent.”

The War on Cash

“Cash is friction. Digital is fuel. But banks need to invest—seriously—in both technology and talent.”

In what might be the strongest call of his speech, Bajwa doubled down on the need to phase out cash, “The biggest evil in this economy is cash.” Why? Because every digital transaction unlocks data. That data enables credit scoring, better products, lower risk—and most importantly, economic growth. “Cash is friction. Digital is fuel,” was the underlying message. But change won’t come from slogans. Bajwa made it clear: “Banks need to invest—seriously—in both technology and talent. Our spending on training and tech is among the lowest in the region. That must change.”

Building Trust, Obsessing Over Customers

“Inherited trust can’t be taken for granted.”

Bajwa acknowledged a truth few say out loud: trust in banks is no longer automatic.
To regain it, banks need to shift roles—from being cashiers to coaches. That means offering not just transactions, but guidance, education, and personalization—especially as wealth management and savings become more important for Pakistan’s financial future.

He ended with a challenge to the room: be customer-obsessed, not just customer-aware. The bar is higher now, and Pakistani service standards, he noted, still lag behind international expectations.

A Call to Collective Action

- In closing, Bajwa didn’t pull rank or claim superiority—he issued an invitation, “No one bank can do it. We must come together—traditional and digital—to reimagine a more prosperous Pakistan.”
- Bajwa’s final message was clear: This isn’t just a professional mandate. It’s personal. It’s national. And it’s time.

PANEL 1

THE RETAIL LANDSCAPE

MODERATED BY
SYED FARAZ ANWER

SHAZAD DADA
Managing Partner
Dada Partners

ATIF SALIM MALIK
COO
JS Bank

HAMAYUN SAJJAD
CEO
Mashreq Pakistan

MUHAMMAD AMINUDDIN
CEO
TPL Insurance

HAARIS MAHMOOD CHAUDHARY
President & CEO
Mobilink Microfinance Bank

Retail Banking in Pakistan: Meeting the Moment with Data, Design, and Purpose

A Sector at a Crossroads

The Retail Banking sector in Pakistan stands at a critical juncture. Faced with a fast-evolving customer expectations and landscape, growing competitive pressure from fintechs and digital-first players, legacy banks are being challenged to rethink everything—from segmentation strategies to digital engagement models.

This panel opened with a broad, essential question: **What are the most pressing challenges in retail banking today, and what are we missing in our response to shifting customer expectations?**

The Urgent Case for Segmentation

"Digital channels, backed by AI-driven behavioral analytics, are the only way to serve a large and diverse population efficiently." Shahzad Dada

Former CEO, UBL, Standard Chartered Bank Pakistan, Barclays Bank, MD Deutsche Bank Pakistan, **Shahzad Dada**, emphasized the need to move from a product-pushing mindset to one centered around client obsession. Drawing lessons from DBS Bank's digital transformation, he noted that banks must work harder to truly understand the needs of Pakistan's emerging customer segments—particularly its youth. With a median age of 22.9, Pakistan is one of the youngest countries globally. This is a demographic that banks cannot afford to overlook, and yet, many are doing just that.

Dada pointed out that banks still rely heavily on cash-based infrastructure, despite the obvious economic and operational incentives to digitize. "We have to declare war on cash," he said. "Digital channels, backed by AI-driven behavioral analytics, are the only way to serve a large and diverse population efficiently." With over 113 million people and more than half of Pakistani women still unbanked, the scale of opportunity is undeniable—but so is the challenge.

"Digital channels, backed by AI-driven behavioral analytics, are the only way to serve a large and diverse population efficiently."

—

Shahzad Dada

COO, JS Bank, **Atif Saleem** was blunt in his assessment: "We've failed at segmentation." According to Saleem, two issues are holding the sector back—an aversion to risk and a comfort zone created by reliance on government securities. Instead of innovating, many banks continue to profit off treasury operations while leaving real customer needs unmet.

He highlighted the SME sector as a case in point. Despite being valued at approximately PKR 600 billion, the number of SME borrowers has stagnated around 175,000 for the past decade. On the other hand, SME depositors exceed 2 million, yet their behaviors remain largely unstudied.

JS Bank analyzed transaction data from 15,000 SME accounts and built a targeted product offering—an approach that should serve as a blueprint for the industry.

"We've failed at segmentation. Two issues are holding the sector back—an aversion to risk and a comfort zone created by reliance on government securities."

Atif Saleem

What Should a Digital Bank Actually Deliver?

"Acquisition costs can be as low as $4–5 per customer, the lifetime value (LTV) could reach $12—an achievable path to sustainability if executed at scale." Hamayun Sajjad

CEO, Mashreq Pakistan, **Hamayun Sajjad** challenged the audience to revisit their assumptions about digital banking. "Go to the app stores and read your own app reviews," he said. "The truth is in the one-star comments." While banks often celebrate high download numbers & inflated satisfaction scores, many customers are left frustrated with digital experiences that lack reliability, clarity, or usefulness.

> "Go to the app stores and read your own app reviews. The truth is in the one-star comments."
>
> — *Hamayun Sajjad*

Sajjad compared two digital banking models: **Revolut** and **Chase UK**. Despite being much newer, Chase boasts significantly higher balances per user, showing that trust, functionality, and brand equity matter as much as user acquisition.

> "Acquisition costs can be as low as $4–5 per customer, the lifetime value (LTV) could reach $12—an achievable path to sustainability if executed at scale."
>
> — *Hamayun Sajjad*

Sajjad's proposed roadmap included:

1. Reimagining Islamic digital banking experiences
2. Building a dedicated SME digital banking platform.
3. Engaging youth via gamified financial learning, not static education.
4. Expanding inclusion, especially among women, by lowering operational barriers.
5. Improving customer activity—not just registrations—on digital channels.
6. Reaching profitability by optimizing the cost-to-serve ratio.

He noted that while acquisition costs can be as low as $4–5 per customer, the lifetime value (LTV) could reach $12—an achievable path to sustainability if executed at scale.

“Microfinance isn’t niche—
it’s mainstream.”

—

Haaris Mahmood Chaudhry

Microfinance: The Missed Opportunity in Plain Sight

Haaris Mahmood Chaudhry, CEO, Mobilink Microfinance Bank Limited, offered a compelling reminder that microfinance isn’t niche—it’s mainstream. The sector holds over PKR 600 billion in loans, serving 12 million customers, 40% of whom are women. Of that, PKR 300 billion supports the agriculture sector—an industry that contributes close to 30% of Pakistan’s GDP.

What’s more, microfinance institutions (MFIs) have outpaced commercial banks in customer acquisition. MMBL alone accounts for 50 million customers, with 20 million of them actively engaged monthly. Chaudhry stressed the growing case for commercial-MFI collaboration, citing international examples like J.P. Morgan’s fintech partnerships and ICICI’s tie-up with Amazon in India.

“Microfinance isn’t niche—it’s mainstream.” Haaris Mahmood Chaudhry

Crucially, MMBL’s “phygital” model—combining digital access with physical presence—has enabled scale while serving the base of the pyramid. Within microfinance portfolios, small businesses account for roughly PKR 180 billion, a segment still largely overlooked by mainstream banks.

“Mobilink Microfinance Bank’s “phygital” model—combining digital access with physical presence—has enabled scale while serving the base of the pyramid.”

—

Haaris Mahmood Chaudhry

“We haven’t done enough to promote savings or risk management, but technology gives us a chance to change that.”

—

Muhammad Aminuddin

The Insurance Gap

Muhammad Aminuddin, CEO, TPL Insurance highlighted another underserved frontier: retail insurance. While conversations about financial inclusion often focus on banking and payments, insurance remains poorly understood and underutilized in Pakistan.

“We haven’t done enough to promote savings or risk management,” he said. “But technology gives us a chance to change that.” Muhammad Aminuddin

He noted that the industry suffers from both a trust deficit and a lack of customization. “We haven’t done enough to promote savings or risk management,” he said. “But technology gives us a chance to change that.” He cited an example of TPL Insurance’s partnership with Jazz, which uses location tracking to offer personalized travel insurance—underscoring the power of tech to deliver need-based solutions.

Shahzad Dada added: “We need to be embedded, not added. Like DBS, we must become invisible, joyful, and relevant in customers’ lives.”

Final Takeaway: The New Playbook

What emerged from the panel was not a call for incremental reform—but for a redefinition & reimagining of Retail Banking itself. A new “Retail Banking Playbook” is needed and it’s time for banks to shift their lens—from distribution to behavior, from control to collaboration, from legacy to agility.

As Dada aptly put it: “Empathy, Relevance & Design will be the name of the game.”

KEYNOTE 2: ARIFUL ISLAM

Former Deputy CEO, Meezan Bank

In a sector racing toward digital and scale, Meezan Bank's Retail Banking journey is grounded in something more enduring: customer-centricity, operational discipline, and service quality.

Building with Purpose: Meezan's Retail Banking Blueprint

In a sector racing toward digital and scale, Meezan Bank's Retail Banking journey is grounded in something more enduring: customer-centricity, operational discipline, and service quality.

Ariful Islam's presentation outlined not just a success story—but a strategic playbook for building a resilient, purpose-driven retail franchise in Pakistan's complex market.

Start with the Customer, Not the Product

The foundation of Meezan's approach is clear: deeply understand your target market, including existing customers (ETBs), and identify portfolio-level opportunities through business intelligence. Retail banking isn't just about acquiring more customers—it's about serving the right ones, better.

"Deeply understand your target market, including existing customers (ETBs), and identify portfolio-level opportunities through business intelligence.

Success requires aligning the organization's structure, KPIs, and service models to deliver timely, hassle-free experiences. The goal: increase engagement by making the customer's financial journey smoother, more personalized, and more responsive.

A key pillar in Meezan's growth has been its ability to create tailored solutions for distinct segments.

Service Isn't a Department—it's a Culture

Meezan's story puts service culture at the center of its retail franchise. This includes:

- A comprehensive Service Quality Management framework
- Clear non-negotiable service standards
- Internal and external monitoring mechanisms

Embedding service in KPIs across front and back office

Importantly, service ownership starts at the top. Leaders sponsor service as a strategic lever, not a tactical fix. A "carrot-and-stick" model helps drive accountability, while the bank institutionalizes quality through training, process design, and feedback loops.

Digital as an Enabler, Not Just a Channel

Meezan recognizes that digital transformation must serve both individual and small business needs. The focus is on building user-friendly, intuitive solutions—not digital for digital's sake. Partnerships with fintechs are encouraged to bring agility, speed, and innovation to the bank's ecosystem.

A key pillar in Meezan's growth has been its ability to create tailored solutions for distinct segments.

Segment-Led Product Innovation

A key pillar in Meezan's growth has been its ability to create tailored solutions for distinct segments—from affluent and mass-affluent clients to senior citizens and mass retail. Agility in product design and responsiveness to market shifts allow the bank to stay relevant and differentiated.

Compliance and Credibility Must Be Balanced

In a regulated, trust-sensitive market, Meezan emphasizes the importance of compliance without rigidity. A strong compliance culture underpins credibility, but is carefully balanced with responsiveness and customer convenience.

The Takeaway

Meezan's model proves that retail banking success doesn't come from chasing trends, but from delivering consistently on what matters—customer experience, disciplined execution, service excellence, and strategic innovation.

PANEL 2

EXECUTING RETAIL GROWTH

MODERATED BY

SALMAN SARWAR BUTT

MEHREEN AHMED
Group Head-Retail Banking Group
Bank Alfalah

SAADYA RIAZ
Head Wealth and Retail Banking
Standard Chartered Bank

AHMED SHAH DURRANI
Head Retail Banking & CDO
Habib Metropolitan Bank

NAVEED MALIK
Head of Consumer Banking
Dubai Islamic Bank

SYED KAZIM RAZA
Country Head Branch Banking
JS Bank

Rethinking Retail Banking: Serving the Customer, Not the Category

"Today, within what we used to call one 'individual' segment, there are many: SMEs, Agri clients, merchants. It's a whole ecosystem... agility, technology, and customer knowledge — that's the future."

—

Mehreen Ahmed

What is retail banking today? Who are we really serving? And have we evolved enough to keep up with the customers we claim to know?

Group Retail Head at Bank Alfalah, **Mehreen Ahmed** reflected on a moment from early in her career — an internship at a foreign bank that she candidly called "the most boring experience of my life." And yet, the contrast to today couldn't be starker. "Now, within what we used to call one 'individual' segment, there are many: SMEs, agri clients, merchants. It's a whole ecosystem."

"Today, within what we used to call one 'individual' segment, there are many: SMEs, Agri clients, merchants. It's a whole ecosystem... agility, technology, and customer knowledge — that's the future." Mehreen Ahmed

She asked a critical question: Why shouldn't a traditional retail bank partner with a digital bank? Why can't we serve fintechs, or develop propositions that move beyond the boundaries of old operating models? With digital platforms expanding reach and streamlining documentation, what was once bureaucratic and paper-heavy is now a seamless part of the customer journey.

"And that," she said, "is the real beauty of this evolution — one minute you're serving a high-net-worth client, the next you're thinking about the wheat price drop in Rahim Yar Khan. Agility, technology, and customer knowledge — that's the future."

Navigating the Revenue Puzzle: What Do Banks Stand For?

With interest rates softening and inflation showing signs of relief, the cost pressures on banks remain high. The question is no longer just about survival — it's about identity.

Saadya Riaz, MD and Head of Wealth & Retail Banking at Standard Chartered Bank, put it plainly: "Banks need to step back and ask — what we stand for?" Is it wealth management, lending, or delivering the best digital experience?

She made a crucial observation: digital banking won't necessarily go wider, but it will go deeper. "Transactional offers like travel insurance or cashback are becoming more effective in pushing customers to digital channels," she said.

But the real gap, she added, lies in the lack of innovation in wealth products. "Clients today are asking for more than just returns. They want security, legacy, even impact. We told customers about their carbon footprint — and they asked us, 'Now tell me how to reduce it.' That's the kind of advisory they're expecting."

She also emphasized that collaboration — even with competition — will be essential. Financial inclusion, often framed as a CSR goal, is moving into the mainstream. Banks that can harness microfinance data and design relevant offerings will reshape the landscape.

"There is a lack of innovation in wealth products. Clients today are asking for more than just returns. They want security, legacy, even impact."

Saadya Riaz

Segmentation in Action: Complexity, Opportunity, and the Missed Connection

"There's agriculture, there are merchants, there's SME lending. Even in the individual space, we now move from youth to employee banking to private banking. It's all become far more complex."

Ahmed Shah Durrani

HabibMetro Bank's Head of Retail and Chief Digital Officer, **Ahmed Shah Durrani**, highlighted a shift in how segmentation is viewed. "There's agriculture, there are merchants, there's SME lending. Even in the individual space, we now move from youth to employee banking to private banking. It's all become far more complex."

He pointed to the missed opportunity in client-centric design: "If I have 20 segments, I need to think channel too — digital is not a product, it's a channel. Yet, banks have failed to build service platforms around the customer."

According to him, the Retail Banking conversation is still dominated by product P&Ls. KPIs don't reflect client experience or outcomes. "We focus on the highest-to-lowest earning products, not the customers who use them," he said.

Saadya added that assigning the right Relationship Manager is critical — not just a name on a file, but someone who understands that client's life.

Mehreen echoed this: "Bring the customer in — through a branch or the app — and then cross-sell. But you can't cross-sell unless they're through the door."

Overcoming Legacy Barriers: Mindsets, Courage, and Digital Potential

For **Syed Kazim Raza**, Country Head of Branch Banking at JS Bank, the issue was cultural as much as structural. "Retail bankers have always been in the shadow of corporate bankers. We're cautious. Risk averse. And often put profit-first. That's our dilemma."

But he believes the tide is turning. "If we know the pulse of the customer, we can design better. Digital onboarding, better segmentation — these can fundamentally change how we serve."

Customer Needs over Products

For a younger and relatively smaller player like Dubai Islamic Bank, success came from focus. **Naveed Malik**, Head of Consumer Banking, recalled how DIB entered Pakistan in 2006 with a clear vision: serve a niche well. "We were early with consumer Islamic finance products and built one of the first Priority propositions for Islamic banking customers."

> "There's over PKR 9.6 trillion in circulation — cash that earns nothing. Digitization has started to pull it back in, but there's still a long way to go."
>
> — *Naveed Malik*

Pakistan's cash-heavy economy presents challenges. "There's over PKR 9.6 trillion in circulation — cash that earns nothing. Digitization has started to pull it back in, but there's still a long way to go."

He emphasized the need for real talent development — not just poaching talent from other banks. "We need to teach frontline staff how to assess need before they pitch a product. That's what's missing."

The Way Forward: Is it Multi-Product, Multi-Segment or Multi-Channel?

- The conversation moved to strategy. Should retail banking be built on multi-product, multi-segment models? Mehreen added a third crucial variable — channel. “It’s about giving customers choices. Serve the right product to the right customer through the right channel.”
- Saadya underlined the importance of asking how customers are acquired, served, and grown. “We talk about acquisition numbers — but are those customers active? Are they engaged? And do they make sense for us commercially?”
- Ahmed added that for a bank like HabibMetro, traditionally focused on trade and commercial banking, customer centricity was being redefined. “Our sponsors built third-generation client relationships over 40–50 years. That’s the legacy we’re building on.”
- Kazim, reflecting on JS Bank’s 18-year journey, emphasized ethical selling. “Train your people to sell well, sell ethically, and sell effectively.”
- Naveed brought the conversation back to the differentiator that will likely matter most: “Customer experience is going to be the fourth critical element. It has to be designed with the client in mind, not just the product.”

AUDIENCE Q&A

The Inclusion Challenge: Why Hasn’t Retail Penetrated?

Mir Nejib Rahman brought in a critical data point: Pakistan has over 91 million unique customers across banks, yet fewer than 4 million borrowers. More than half of all bank accounts have balances under PKR 5,000. With over 18,000 branches, why hasn’t the industry managed deeper retail penetration?

- **Mehreen** admitted, “We’re guilty. We haven’t evolved enough. We’ve avoided segments — due to low credit appetite, collateral issues, and the complexity of documentation. But we’re piloting solutions at Bank Alfalah, particularly targeting agri and SME segments, and I believe we’ll get there.”
- **Naveed** stressed the role of trust. “Customer education is key. We need to build confidence in the system, especially in rural markets.”
- **Ahmed** pointed to the growing comfort with digital data points and a shift in legal frameworks. But he also noted cultural dynamics: “The same customer who defaults in Pakistan wouldn’t dare to in the UAE — because of stronger enforcement and expectations.”
- **Kazim** circled back to courage: “It takes guts to break old habits. But credit scoring is evolving, and so is regulation. The real opportunity lies in education — farmers in India, for example, talk about crop insurance the way we talk about brands. That’s where we need to go.”
- **Saadya** shared how SCB is experimenting with tools like AI to enhance client service and onboarding.
- **Mehreen** offered a glimpse into the future: “At the pace we’re going, in 10 years we may not need RMs or tellers. We must build capacity through technology. That means real-time decision engines, faster onboarding, and leaner teams — but it’s a race we must run.”

FIRESIDE CHAT: MUHAMMAD AMINUDDIN

CEO, TPL Insurance

Fireside Chat Summary – TPL Insurance: Lifestyle Insurance for the Affluent

At the Retail Banking Conference, TPL Insurance shared its vision of evolving from a traditional insurer to a lifestyle partner for Pakistan's affluent segment. In a conversation with Salman Sarwar Butt and Muhammad Aminuddin, the session explored how the company is addressing protection gaps and redefining insurance for the modern customer.

Addressing Pakistan's Protection Gap

Pakistan's public infrastructure—particularly healthcare and social security—is weak, making private risk mitigation critical. Traditionally, insurance has focused on corporates, but TPL has expanded into retail, agriculture, and now affluent lifestyle protection, recognizing the unmet needs across these sectors.

The move into agri-insurance reflects this strategy. Despite agriculture's large share in GDP, formal risk solutions for crops and livestock remain limited. TPL sees this as both a business opportunity and a public good.

For affluent customers, standard insurance selling tactics fall short. These clients expect personalized, trust-based conversations, not just brochures or call center pitches.

For affluent customers, standard insurance selling tactics fall short. These clients expect personalized, trust-based conversations, not just brochures or call center pitches.

Learning from Banking: Segmentation & Targeting

TPL has borrowed heavily from Retail Banking's affluent segmentation models, using asset proxies—like high-end vehicles, luxury homes, and branded purchases—to identify high-net-worth individuals. Since income data is scarce, these indicators help assess financial standing and tailor offerings accordingly.

For affluent customers, standard insurance selling tactics fall short. These clients expect personalized, trust-based conversations, not just brochures or call center pitches.

The Titania Proposition

To meet these expectations, TPL launched **Titania -** a premium insurance offering, bundling products like travel coverage, asset protection, warranties, and lifestyle support into one seamless experience. Rather than selling isolated policies, Titania offers integrated peace of mind, designed around how affluent customers live.

The model takes cues from global trends—like embedded insurance during flight bookings or retail purchases—bringing convenience and relevance to protection

Distribution through Everyday Touchpoints

TPL is embedding insurance into partner ecosystems, including banks, telecoms, and utility services, making it easier for customers to access protection during everyday transactions. This shift from reactive to proactive insurance aligns with evolving customer behaviors.

> "It's not just about selling insurance; it's about being part of the customer's life."

Role of Data and AI

To refine targeting, TPL uses AI tools to scan digital indicators—like neighborhoods with solar panels or luxury vehicles—to predict customer segments. But technology is only part of the equation.

As Salman Butt emphasized, "The real challenge is not identifying the customer—it's getting them to trust you."

Building Trust and Capability

Insurance remains under-penetrated in Pakistan, in part due to low awareness and trust. For TPL, upskilling frontline teams is critical, training them to engage in meaningful conversations that go beyond transactional selling.

The affluent customer expects discretion, relevance, and relationship-driven engagement—a mindset TPL is actively cultivating internally.

Key Highlights

- Titania is TPL's new flagship offering for Affluent Clients, bundling travel, warranty, and lifestyle protections into one premium product.
- TPL targets high-net-worth individuals using non-traditional indicators like property value and vehicle ownership.
- AI-powered screening helps identify potential customers by analyzing wealth signals from digital and visual data.
- The company is embedding insurance into banking, telecom, and utility ecosystems to increase accessibility and relevance.
- Agri-insurance is a strategic growth area, tapping into an underserved but economically vital sector.
- Affluent clients demand trust-based, consultative engagement—not cold calls or one-size-fits-all pitches.
- TPL is focusing on staff training to build stronger customer relationships and improve frontline performance

PANEL 3

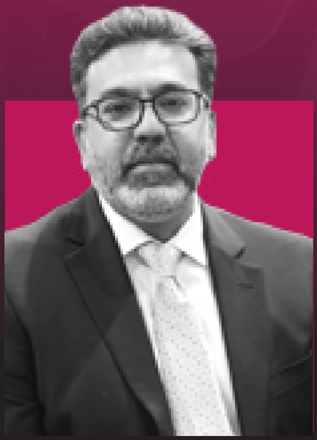
SELLING WEALTH

MODERATED BY
RAEDA LATIF

SARAH IRFAN
Head of Liabilities and Bancassurance
Habib Metropolitan Bank

SHAZIA KHURRAM
Head of Branch and Priority Banking
Meezan Bank Limited

KAILASH KUMAR
Head Wealth Management & Capital Markets Products and Solutions
Standard Chartered Bank



ASIM HAFEEZ QURESHI
Group Head - Products & Analytics
JS Bank

ZAIGHAM SHERIFF
Head Wealth Management, Premier Banking, Infinite Banking and Deposit Products
Bank Alfalah

ZEESHAN QUDDUS
Chief Business Development Officer
UBL Fund Managers

The Evolution of Retail Landscape and Wealth Management in Pakistan

Reimagining Retail: The Question of Bankability

"We have great products, but without the right people in front of clients, we're just ticking boxes." Zaigham Sheriff

The session kicked off with a broad but urgent question: Is Pakistan's population of 280 million truly bankable? **Zaigham Sheriff**, Head of Wealth & Premier Banking at Bank Alfalah, highlighted the disconnect between the documented banking sector and a largely undocumented economy. He argued that onboarding remains a challenge not due to lack of products but due to trust, financial literacy, and the ability to conduct meaningful KYC.

"We have great products," he said, "but without the right people in front of clients, we're just ticking boxes." He emphasized that banks need to disproportionately invest in upskilling their staff if they want to unlock real customer value.

Shariff also noted a growing tension in wealth offerings: while products have evolved — from simple savings accounts to private equity funds — the lack of segmentation between affluent and regular clients means the same products are often offered to vastly different audiences, diluting their effectiveness.

From Saving Accounts to Sophistication: Wealth Management's Progress

Zeigham Sheriff reflected on how far the industry has come, citing how Bank Alfalah has shifted its focus from product-pushing to consultative selling. But, he acknowledged, "Sophistication without personalization is wasted."

"We have great products, but without the right people in front of clients, we're just ticking boxes."

— *Zaigham Sheriff*

Sarah Irfan, Head of Liabilities & Bancassurance at HabibMetro Bank, expanded on this idea, noting a clear shift in client behavior: "We're now seeing interest in global health insurance, succession planning, even will writing. Our clients are starting to think about the next generation."

What High-Net-Worth Clients Really Expect

Kailash Kumar raised a fundamental point: Are we selling, or are we building wealth? In his view, wealth management must shift away from transactional sales to a more advisory-driven, trust-centered model. Clients, he said, seek a sense of security and foresight, including tax awareness and generational planning.

Sarah Irfan agreed, pointing out that clients are becoming more curious and better informed. "The kinds of questions we're getting now are very different from even five years ago."

Retention Strategies: What's Working?

Zeeshan Quddus, Chief Business Development Officer at UBL Fund Managers, offered a fund manager's perspective: "We're ready with ETFs and REITs, but the market hasn't responded yet." Despite this, he stressed the importance of partnering with Banks and HNWIs to co-create wealth journeys, not just offer products.

When it comes to client retention, he emphasized the need for innovation — but paired with macroeconomic alignment and personalized solutions. "It's not enough to be first — you have to be relevant."

Faith and Finance: Shariah-Compliant Wealth Management on the Rise

"There is a growing demand for Shariah-compliant investment options. "About 35% of AUM is now with Islamic finance institutions. The real challenge is training our RMs to market and sell them effectively. Capacity building for RM's is critical. The products are already there."

—

Shazia Khurram

Head of Branch & Priority Banking, Meezan Bank, Shazia Khurram, provided insight into the growing demand for Shariah-compliant investment options. "About 35% of AUM is now with Islamic finance institutions. The product base exists — mutual funds, sukuks, and equity funds. The real challenge is training our RMs to market and sell them effectively."

She stressed the need to build marketing capability and product confidence, not just expand portfolios. "Capacity building for RMs is critical. The products are already there."

Digital Wealth: Beyond Lounges and Discounts

Asim Hafeez Qureshi, Head of Product & Analytics at JS Bank, turned the spotlight on technology's role in shaping premium experiences. "Yes, airport lounges and discounts exist. But the next step is much deeper personalization — things like pre-booking exclusive events, concierge-level service at premium merchants, and curated experiences."

He argued that for affluent clients, technology should be a gateway to exclusivity, not just convenience.

The Talent Gap: Who's Delivering the Experience?

Training and talent emerged as a consistent theme across the panel.

- Sarah Irfan pointed out a major blind spot: "We don't have any standardized training or certification at an industry level. Everyone is building in silos."
- Zeeshan Quddus echoed the concern, noting that even when good training exists, finding suitable candidates remains a challenge.
- Shazia Khurram reminded the room that technical skills alone aren't enough. "RMs need to understand everything about their customer — only then can they build trust and generate referrals."
- Asim Qureshi emphasized that retention is just as big a challenge as recruitment. "Training is critical, but we also need policy support to keep good people in place."

Industry Collaboration and the Way Forward

Kailash Kumar pushed for global collaboration and expertise to help guide Pakistan's next chapter in wealth management. "We need more than products — we need systems and frameworks that help us scale intelligently."

The panel agreed that without industry-wide certification, structured learning pathways, and collaborative partnerships across banks, AMCs, and insurers, Pakistan's wealth management ecosystem will struggle to mature.

Key Takeaways

As the discussion wrapped, one thing was clear: the real transformation in Pakistan's wealth management space isn't about launching new funds or platforms — it's about changing mindsets.

Wealth today isn't just about numbers. It's about purpose, legacy, and personalization. And that transformation begins with people — the advisors, relationship managers, and partners who can bridge product with real-life relevance.

Health, Regulation, and Needs Assessment

In closing, the panel fielded questions from the audience, including one on the regulatory framework for selling health insurance.

Sarah Irfan and Zeigham Sheriff responded with alignment: "Needs assessment must be a fundamental part of the advisory process," Irfan stated. Sheriff added that regulators need to guide — not just restrict — innovation in this space, especially as customer expectations evolve.

PANEL 4

RETAIL OUTSIDE BANKING

MODERATED BY

AURANGZEB JAVED SIDDIQUI

SAMMER SULTAN
Co-Chairperson
Shan Foods

AMIR PARACHA
Chairman and CEO
Unilever Pakistan Limited & GM Foods PTAB

ARIF LAKHANI
Co-Founder
Qist Bazaar

MUNTAQA PERACHA
CEO
foodpanda

YAMEEN MALIK
CEO
Sefam Private Limited

Reimagine possibilities beyond tradition

Data-Driven Customer Segmentation & Product Strategy

Amir Paracha challenged banks to adopt a "consumer-first" mindset and build brand love akin to FMCGs

Amir Paracha – CEO, Unilever Pakistan

Segmentation via LSM: Unilever uses the Living Standards Measure (LSM) to segment consumers by income and lifestyle. In Pakistan, 80% of the population falls within LSM 1–8, guiding product development from Rs 5 sachets to jumbo packs.

Multi-Dimensional Segmentation: Data is utilized to segment customers by income class, benefits sought, platform, country, urban/rural divide, and retail channels, enabling targeted marketing and product offerings.

Banking Parallel: Paracha emphasized that while FMCGs build consumer intimacy and inclusivity, banks often rely on sovereign guarantees and lack grassroots engagement. He challenged banks to adopt a "consumer-first" mindset and build brand love akin to FMCGs.

Sammer Sultan – Co-Chairwoman, Shan Foods

Data for Customer Education: Sultan highlighted that banks have access to comprehensive customer data but fail to educate clients on financial planning. She advocated for banks to proactively address unmet needs by analyzing spending patterns and offering tailored solutions.

Emotional Branding: Drawing parallels between food and money, she suggested that banks can foster emotional connections by understanding and addressing customer needs, similar to how food brands build loyalty.

Targeting Young Savers: She advocated for banks to develop products aimed at educating and engaging young savers, fostering early financial literacy and brand loyalty.

Yameen Malik – CEO, Sefam

Collaborative Data Use: Malik pointed out that fashion brands lack the IT infrastructure and data analytics capabilities that banks possess. He called for collaborations to leverage bank data for business growth.

Omnichannel Strategy: Sefam unified its e-commerce and physical retail teams to create a seamless customer experience, resulting in a 38% growth. Malik emphasized the need for banks to shift from a "product-push" to a "people-pull" approach, focusing on customer intimacy over institutional safety.

Digital Payments, Refunds & Fintech Collaboration

Muntaqa Peracha – CEO, Foodpanda Pakistan

Digital Adoption: Online transactions grew from 7–8% to nearly 50% over five years. Collaborations with banks offering card discounts played a significant role in this shift.

Refund Challenges: Traditional bank refund processes, taking 3–40 days, led Foodpanda to introduce "pandapay," enabling instant refunds and reducing refund-related queries from 12% to 1%.

Raast Integration: Foodpanda plans to integrate with Pakistan's instant payment system, Raast, to facilitate doorstep digital payments, aiming to increase digital transaction penetration to 75–80%.

Need for Cultural Shift: Peracha noted that traditional banks face challenges in adopting digital innovations due to entrenched practices, he suggested collaborations with fintechs for smoother transitions.

Amir Paracha challenged banks to adopt a "consumer-first" mindset and build brand love akin to FMCGs

Financial Inclusion & Consumer Credit Innovation

Arif Lakhani – Co-Founder, QistBazaar

Rapid Loan Disbursement: QistBazaar, a licensed NBFC, disbursed over 55,000 loans worth Rs 3.4 billion in less than three years, targeting underserved populations with monthly incomes between Rs 35,000 and Rs 75,000.

Bank Partnerships: The Company secured a PKR 500 million equity investment from Bank Alfalah, enhancing its ability to offer embedded consumer durables financing and serve customers with limited or no access to formal credit.

Responsible Lending: Qistbazaar boasts a 98% recovery ratio, attributed to measures like social guarantors and the desire of customers to maintain good credit for future purchases.

Key Takeaways for Retail Banking

- Inclusivity & Accessibility: Banks need to adopt a "consumer-first" approach, focusing on inclusivity and accessibility, especially for underserved populations
- Data Utilization: Leveraging existing customer data to educate and offer tailored financial solutions can enhance customer engagement and satisfaction
- Digital Integration: Embracing digital payment systems like Raast and collaborating with fintechs can streamline processes and improve customer experiences.
- Emotional Connection: Building emotional connections through storytelling and understanding customer needs can foster loyalty and trust.

By learning from FMCGs and fintechs, banks can transform their operations to be more inclusive, customer-centric, and digitally adept, ensuring relevance in a rapidly evolving financial landscape.

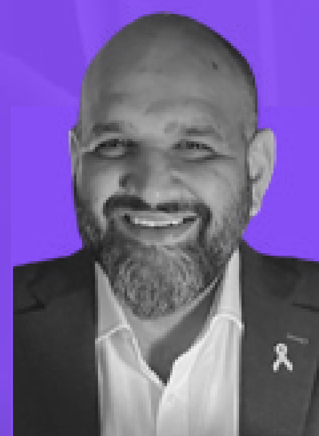
PANEL 5

CUSTOMER & PERSONNEL EXPERIENCE

MODERATED BY
MAHMOOD SHAMSHER ALI

GULFISHAN SHAIKH
Head of Treasury & Corporate Finance
easypaisa digital bank

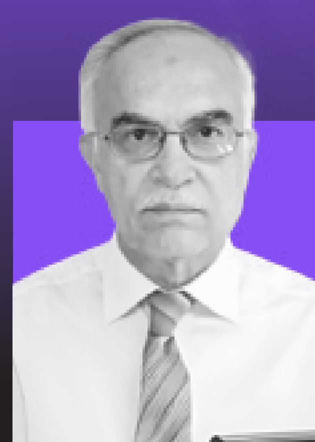
HAFSA ABBASY
Head of Human Resources
United Bank Limited



ATYAB TAHIR
CEO
HugoBank

FARAN NIAZ
Director Customer Experience
HALA

KHALID ZAMAN KHAN
Head of Human Resources
Meezan Bank



MUHAMMAD ALI JANGDA
Senior Advisor
Banking Mohtasib Pakistan

Where It Meets and Where It Breaks

Retail Banking often talks about customer experience. This panel asked the harder question: are we really delivering it?

Banking as a Human Experience

The moderator **Mehmood Shamsher Ali**, CEO Alif, opened the conversation with a reminder: banking, at its core, is a human relationship. He invited audience participation to show how most customers stick to just one or two banks—proof, perhaps, of trust or habit, but also a signal of low differentiation.

Gulfishan Shaikh, Executive Director & Head, Treasury and Corporate Finance, Easypaisa Bank Limited, shared a simple yet powerful example—how a student, unfamiliar with banking, found comfort in Easypaisa's intuitive digital interface. For her, it wasn't about the tech. It was about reducing friction and fear.

Farhan Niaz, Director Customer Experience at HALA, recounted a story from a long-haul PIA flight where the crew turned an exhausting journey into a delightful one by engaging restless children. "It's the human element that makes experiences unforgettable," he said.

"P&L is mistakenly seen as the goal; it should be the outcome of great service,"

Hafsa Abbasy

P&L vs. CX — the Corporate Tug of War

Hafsa Abbasy, Head of Human Resources, UBL, tackled the industry's elephant in the room: profitability often trumps people. "P&L is mistakenly seen as the goal; it should be the outcome of great service," she said. She told the story of a branch manager who took personal care of a customer's daughter at a lounge—going above and beyond. The result? Happy customer, hit targets. Everyone wins.

Khalid Zaman Khan, Head of Human Resources, Meezan Bank, echoed the sentiment but admitted that on balance sheets, people and experience still fall to the last page. "Relationship banking has devolved into transactional banking," he noted.

The Employee-Customer Mirror

“We create cultures of fear inside our companies—no wonder that’s what spills out to the customer.” Atyab Tahir

If customer experience is broken, perhaps it’s because the employee experience is too. **Atyab Tahir**, CEO, HugoBank, warned, “We create cultures of fear inside our companies—no wonder that’s what spills out to the customer.” He urged leaders to walk the floor, speak to front-liners, and feel what their customers feel.

Khalid Zaman added: “If the guard at your branch doesn’t feel seen, how do you expect him to make the customer feel seen?” He called for equitable reward systems and profit-sharing beyond just the top tier.

“We create cultures of fear inside our companies—no wonder that’s what spills out to the customer.”

Atyab Tahir

Digital is Not a Silver Bullet

“In the last 3 years, Banking Mohtasib Pakistan has paid out PKR 3 billion in compensation for customer losses—often due to service failures in digital channels.”

Muhammad Ali Jangda

Senior Advisor, Banking Mohtasib Pakistan **Muhammad Ali Jangda**, issued a reality check: in 3 years, his office paid out PKR 3 billion in compensation for customer losses—often due to service failures in digital channels. “Digital cannot come at the cost of service. Right now, it’s a double whammy: financial loss and emotional frustration,” he said.

Atyab and Gulfishan both emphasized that digital success lies in context. “Digital products must be built around lives, not transactions,” said Atyab. “We’re not here to give them apps—we’re here to solve their problems,” Gulfishan added.

"We hire for skill, but forget to hire for attitude!"

—

Faran Niaz

Making Culture Measurable

"We hire for skill, but forget to hire for attitude!" Faran Niaz

Faran Niaz advocated for embedding empathy into daily operations. "We hire for skill, but forget to hire for attitude. Smile should be a KPI," he quipped. He uses mystery shopping, instant feedback tools, and surprise audits to measure whether customer-centricity is more than just a slogan.

Hafsa Abbasy agreed, arguing that behavioral metrics should be central to performance reviews. "You get what you measure," she said. "If empathy isn't on the scorecard, don't expect to see it on the floor."

What Needs to Change — Now

When asked what one action they wished the industry would take, the panelists didn't hold back:

- **Khalid Zaman** called for annual disclosure of mystery shopping results to improve governance.
- **Atyab Tahir** demanded frontline exposure for all leaders.
- **Muhammad Ali Jangda** asked for religious execution and accountability—no more lip service.
- **Faran Niaz** emphasized leadership walkthroughs: "If your employees can't answer how they contribute to the customer experience, that's a failure of leadership."
- **Gulfishan Shaikh** was blunt: "Solve the problem. That's it."

Key Takeaways

- Digital Banking must serve human needs, not just operational efficiency.
- Profit should be the byproduct of experience—not its replacement.
- Employees must feel valued to make customers feel valued.
- Customer experience needs KPIs, visibility, and executive ownership.
- Frontline stories are gold. Share them, learn from them, and build culture around them.

PRESENTATION: YAHYA KHAN

CDBO, Bank Alfalah

Future of Branch Banking in a Digitally Embedded World

In a dynamic and thought-provoking session, Yahya Khan, Chief Digital Officer at Bank Alfalah, laid out his vision for the future of banking—one where physical branches remain relevant but are reimagined, digital channels dominate servicing, and the customer journey becomes seamlessly embedded in everyday experiences.

Branches Will Remain—But Not As We Know Them

"Physical branches are not disappearing, but their role is evolving."

Khan began by clarifying a common misconception: physical branches are not disappearing, but their role is evolving. While over-the-counter transactions are on the decline, branches still play a crucial role in deposit mobilization—an essential function for any banking institution. However, the purpose of branches is shifting. No longer simple transaction centers, they are becoming advisory and complex sales hubs, where trained staff serve as financial coaches and consultants rather than cashiers or clerks.

> "Physical branches are not disappearing, but their role is evolving."

The Shift to Digital Servicing

A major insight from Khan's talk was that account servicing is increasingly digital. From basic transactions to managing accounts, customers now expect self-service tools that are accessible across multiple channels. Bank Alfalah's approach is firmly omni-channel—ensuring that a customer can start a process on one platform and continue it on another without disruption. Khan noted:

"If the banks have digitalized all their capabilities, the customer can do it themselves—but they still need hand-holding. That's where small facilitation centers come in."

People Strategy for the Future Branch

With the changing role of branches comes a transformation in human capital strategy. Instead of hiring traditional bankers, the focus is on developing advisors, facilitators, and complex sales professionals. Staff are being upskilled and reskilled to support digital journeys, manage high-value interactions, and build relationships rather than process routine transactions

Embedded Banking: A 27-Year-Old Idea, Now a Strategy

"We believe we must exist where the customer is—we should not ask them to go elsewhere just to do a financial transaction with us."

"We believe we must exist where the customer is—we should not ask them to go elsewhere just to do a financial transaction with us."

—

In a compelling anecdote, Khan recounted a personal experience from nearly three decades ago when he bought a car overseas. The financing, documentation, and approval all happened within the car dealership—without him needing to visit a bank.

This, he pointed out, was embedded banking long before the term was popularized. The entire financial experience was integrated within the customer journey, and it left a lasting impression. Today, Bank Alfalah is actively working to replicate and expand on that experience across sectors—integrating banking into consumer journeys in auto, retail, and lifestyle. "We believe we must exist where the customer is—we should not ask them to go elsewhere just to do a financial transaction with us."

Tailoring Services to Markets and Segments

Khan emphasized that the future of branch services will not be uniform. Instead, services must be market-specific and customer-specific. For instance, rural customers may have different expectations than urban millennials. The model must be flexible, scalable, and responsive to local context and lifecycle needs.

This strategy follows the principle of "horses for courses"—designing channel and product strategies that reflect the actual behaviors and preferences of different customer groups.

Key Highlights from Yahya Khan's Presentation

- Branches will remain essential for deposit-taking but will evolve to offer complex sales, advisory, and onboarding—not routine transactions.
- Transaction servicing is shifting to digital, and the onboarding journey must be seamless across all channels (omni-channel).
- Embedded banking is a key focus—integrating financial services into retail and lifestyle journeys to meet customers where they are.

PANEL 6

REDEFINING REACH

MODERATED BY
MIR NEJIB RAHMAN

NOFEL DAUD
Chief Digital Officer
Bank of Punjab

OMER BIN AHSAN
CEO
Haball

SOHAIL JAVAAD
Executive Director DFS Group
State Bank of Pakistan

SYED ZEESHAN ALI
Chief Digital Officer
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Balancing Branches, Bytes and Business

"Raast P2P has taken off—dukans are benefiting. But P2M is struggling."

Sohail Javaad Syed

The final panel of the day took a sharp, necessary turn toward the question: how do we scale digital financial services in a country that is digitally divided, culturally complex, and economically stratified?

Digital Alone Won't Get You There

"Technology doesn't create motivation—it fulfills it," said Sohail Javaad Syed, Executive Director, DFSG, State Bank of Pakistan, setting the tone early. His point: digital tools only work when they match the rhythms of real life. For underserved segments in rural Pakistan, the motivation isn't sleek interfaces—it's relevance, trust, and simplicity.

Nofel Daud, CDO of Bank of Punjab, brought this to life with a story from Punjab's farmlands. "We've issued over 550,000 Kissan Cards with paperless loan processing and SMS-based applications. The whole idea was: how do we eliminate the need to walk into a branch?" It's not about eliminating branches, he clarified—it's about putting the customer first, and letting channel strategy follow.

Digital Inclusion Isn't Just About Access

Panelists agreed that the real measure of digital progress isn't how many accounts you open—it's whether people actually use them. "Digital inclusion means usage and relevance," said **Syed Zeeshan Ali**, Chief Digital Officer, Standard Chartered Bank, Pakistan. "You can't design from Karachi and expect rural Pakistan to follow. You need to understand traditions, culture, and behaviors on the ground."

Zeeshan highlighted SCB's long-term commitment to digital transformation: "We've been working on this consciously for over a decade. You have to go slow to go far."

"Internal competition within banks, unclear ownership of the P&L, and inconsistent pricing transparency are still huge hurdles for fintech collaboration."

— *Omer Bin Ahsan*

Raast P2M: Potential with Potholes

On Raast, **Sohail Javaad Syed** was candid: "P2P has taken off—dukans are benefiting. But P2M is struggling." While 800,000 merchants are onboarded, transaction volumes remain underwhelming. Why? A clunky onboarding form, low awareness, and lack of merchant incentives.

Banks, he argued, are still preoccupied with credit cards. "They need to build P2M awareness, especially among Tier 2 and Tier 3 merchants," he urged.

He also called for banks to embrace open finance models. "They're sitting on float income. Why not use that to offset transaction fee losses and drive adoption?"

Fintechs, Banks, and the Collaboration Gap

Omer Bin Ahsan, CEO of Haball, painted a stark picture of fintech frustration. “SMEs need to deal with multiple banks to serve customers across cities. It’s monopolistic and inefficient,” he said. Haball stepped in to enable multiple banking relationships—bringing real utility to supply chains.

But working with banks, he admitted, is often painful. “There are six legal touchpoints at Meezan—and they’re one of the good partners,” he noted wryly. Internal competition within banks, unclear ownership of the P&L, and inconsistent pricing transparency are still huge hurdles for fintech collaboration.

The Missed Opportunity in B2B and Data

“B2B payments remain under-digitized,” noted Sohail Syed. Legacy behaviors persist, and enterprise-focused platforms are lacking. Unlocking this space, panelists agreed, could yield significant growth in efficiency and transparency.

There was strong support for enabling **Financial Data Exchange (FDX)** models. Done right—with consent, privacy, and regulatory alignment—they can unlock smarter lending, financial access, and service personalization. “Pakistan has the talent and infrastructure to lead here, even globally,” said Zeeshan Ali.

What Needs to Change — Now

When asked what the industry must urgently focus on, the panelists rallied around common themes:

- **Human-first design:** Don’t build digital tools in a vacuum—design for the farmer, the shopkeeper, the student.
- **Merchant-first mindset for Raast**: Solve for ease, behavior, and incentives—not just onboarding numbers.
- **Export ambition:** With smart positioning, Pakistan can export fintech platforms and digital financial services.
- **Real collaboration:** Not just MoUs, but deep partnerships between banks, fintechs, and regulators.
- **Gender inclusion:** Still a glaring gap—in products, outreach, and leadership.

Key Takeaways

- Technology must follow real human motivation—not the other way around.
- Branches are not obsolete. The future is hybrid: digital-first, human-enabled.
- Raast P2M needs behavioral nudges, incentives, and merchant-friendly design.
- Fintech-bank partnerships must go beyond legalese to real co-creation.
- Pakistan can become an exporter of fintech services—if we align on vision and infrastructure.
- Gender inclusion and rural engagement remain the next frontiers.
- Collaboration is no longer optional—it’s the only way forward.

CLOSING REMARKS: MUNEER KAMAL

CEO, Pakistan Banks Association

Reset in Motion: A Sector Redefining Itself

RESET 2025 wasn't just a theme — it was a clear signal that Pakistan's entire banking sector is undergoing structural transformation. From regulators to incumbents to fintech innovators, every part of the ecosystem is moving toward a new operating reality where digital, inclusion, and competition are the new ground rules.

The closing reflection acknowledged that while no one fully knows where this transformation will lead, the momentum is undeniable. A new generation of digital-first banks is emerging, fintechs are maturing, and traditional institutions are rethinking everything—from payments and onboarding to how services are delivered and who delivers them.

In particular, digital banks were cited as a coming force. With players like Easypaisa already established and others—Mashreq among them—preparing to launch, competition is shifting from branch density to user experience and real-time financial enablement. The future of Retail Banking will be shaped as much by consumer trust and product relevance as by legacy infrastructure.

"A new generation of digital-first banks is emerging, fintechs are maturing, and traditional institutions are rethinking everything—from payments and onboarding to how services are delivered and who delivers them."

There was recognition of visionary leaders within both public and private sectors who are driving this evolution. But the reset is not about individuals—it's about institutions adapting to a landscape that no longer rewards status quo thinking.

The event was also seen as a natural continuation of the earlier banking summit, reinforcing the importance of sustained dialogue, collaboration, and shared learning across the sector. The closing also highlighted gender inclusion as an urgent area for improvement, with female representation in banking still under 25%. Future efforts must elevate this metric—not just in hiring, but in designing services for women entrepreneurs and customers.

Looking ahead, RESET will continue—not as a one-off event, but as a platform for tracking progress, challenging assumptions, and shaping the next chapter of Retail Banking in Pakistan.

"We look forward to moving the cheese for retail banking," said the host—signaling not just disruption, but deliberate, coordinated change.

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