

Operating Review  
Retail Banking Group

Growth, Innovation and  
Customer-Centric Excellence



RBG successfully enhanced its coverage and servicing model to tailor its offering to HNW clients' needs by streamlining coverage by relationship managers and team leaders and establishing a credit team dedicated to private banking clients.



alinma's Retail Banking Group (RBG) has achieved consistent growth in the past four years, expanding its customer base to over five million customers, of which an impressive 90% of these relationships were established via its digital channels.

Since 2021, when the Bank's 2025 Strategy was launched, RBG has been extremely successful in leveraging best-in-class and emerging technologies to meet the evolving needs of its customers in Saudi Arabia, while simultaneously delivering seamless banking experiences.

Alongside its market-leading customer-facing platforms, RBG has also been at the forefront of product innovation, introducing a suite of banking offerings that played a key role in driving its competitive position, deposits and asset and revenue growth.

Market-leading product innovation

One of the best performers has been the auto lease product, which was launched in December 2022. Enthusiastically embraced by Saudi customers, RBG's auto lease book has reached 2.8 billion in only two years. Furthermore, it has significantly enhanced and complemented alinma's personal finance offering by expanding its vehicle financing suite of products.

RBG's Shariah-compliant revolving credit card, introduced in late 2021, played a pivotal role in growing alinma's card business to nearly 1 billion. The digital time deposit, introduced in 2022, was another impressive innovation, providing one of the best customer experiences in the domestic market by offering customers flexible, online-only deposit services with deposit durations varying from one month to three years. Substantial improvements in convenience have resulted in RBG attracting more than 43 billion in term deposits since the product was introduced to the market.

To align with changing regulations governing the Real Estate Development Fund's (REDF) initiatives, RBG augmented its tailored mortgage offerings over the past four years. In doing so, RBG remained abreast of market changes, offering products that meet the evolving real estate financing needs of its customers.

This was also the case in RBG's personal finance business line, which evolved over the past four years to reflect the new regulatory environment for personal debt burden ratios. With its new products, customers' borrowing needs were met within the constraints of responsible lending criteria.

Rationalizing the branch network for optimal customer satisfaction

At the operational level, RBG optimized its branch network by merging ladies sections with branches to improve efficiency and customer service. A complete revamp of all branch operations and customer-facing activities offered a substantially enhanced journey and experience, enabled by digitalization, migration to electronic channels and simplification.

Three new private banking centers were opened to cater to high-net-worth (HNW) customers. This was accompanied by revamped segmentation of clients and new products and services. RBG successfully enhanced its coverage and servicing model to tailor its offering to HNW clients' needs by streamlining coverage by relationship managers and team leaders and establishing a credit team dedicated to private banking clients.

Financing portfolio

+16.8%

Number of ATMs

1,483

Number of branches

115

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Operating Review  
Retail Banking Group continued

Importantly, RBG's private banking business continuously collaborated with other divisions in the Bank, including alinma capital (AIC) to deepen client relationships and maximize cross-selling prospects.

alinma is proud to report that these RBG enhancements, along with a redefined value proposition for private banking clients, contributed to alinma achieving the second-highest net promoter score (NPS) among Saudi banks in recognition of service excellence and customer satisfaction.

RBG's performance in 2024

In the financial year under review, RBG continued its track record of exceptional performance, buoyed by its well-deserved reputation for innovation, customer engagement and digital transformation.

A key feature of the year was alinma's participation in Cityscape Global 2024 in Riyadh. This event was the world's largest real estate exhibition to date, with attendees from the global real estate industry showcasing innovative projects and facilitating significant business deals.

alinma's RBG had a very successful outcome from its participation in Cityscape Global, breaking all records by securing the highest number of real estate financing applications.

New-to-Bank strategy pays dividends

Equally driving momentum during 2024 was RBG's "New-to-Bank" (NTB) strategy, which was integral to alinma surpassing the crucial five million customer milestone this year. The NTB initiative prioritized youth and women customers, capitalizing on all strategic opportunities to cross-sell in segments that are increasingly playing a role in the country's economy through their rising employment numbers. This element of RBG's strategy was very successful in growing the customer base and bottom-line profitability.

With a rapidly growing younger demographic in Saudi Arabia, RBG's launch of its innovative "iz" youth mobile phone app proved very successful in delivering tailored financial solutions to these increasingly discerning customers.

RBG's performance in 2024 was also boosted by new strategic partnerships with government and semi-government entities, which led to growth in government deposits and new product adoption. RBG focused on further building its relationships with Government entities, charities and other non-person/non-corporate entities.

The successes of the past year demonstrated RBG's ability to attract large public sector and non-profit organizations, and alinma believes this will represent a sizeable portion of its business in time.

RBG wins at Islamic banking

In 2024, alinma once again demonstrated its commitment to innovation and customer-centric banking by introducing a non-Zakat paying investment pool for its savings and Nama products. This strategic initiative offered RBG customers new Shariah-compliant options for managing their investments.

A non-Zakat paying pool, established by RBG and approved by alinma's Shariah Committee, enabled customers to invest their funds without the obligation to pay Zakat on deposits. This innovative approach was warmly received by customers who must deal with the complexities of Zakat calculations on their investment returns.

RBG complemented its new non-Zakat pool by launching a USD-denominated savings account product in late 2024 to offer a secure savings option for expatriates and international traders dealing in the US currency. This move positioned alinma as the go-to bank to set up KSA-based USD-denominated accounts.

RBG's flagship time deposit product, Nama, also underwent significant enhancements. A new investment range was introduced, making high-yield investments more accessible to a broader customer base.

Furthermore, RBG implemented a differentiated profit rate structure for Nama deals, tailoring returns based on the investment amount and thus offering more personalized financial solutions.

By addressing the long-standing concern of Zakat calculations on investments, RBG simplified the investment process for its customers and potentially enhanced their returns. This move provided alinma with a significant competitive edge in the Islamic banking sector, attracting new customers and encouraging existing ones to increase their deposits.

Excellent KPI trajectory in 2024

RBG's results against its key strategic and financial targets in 2024 showed sustained momentum that surpassed expectations, with total financing assets growing 16% and deposits surging 112% compared to 2023. Yield income increased by 23%, and financing sales across personal, real estate and auto lease segments showed robust growth.

RBG also made notable gains in market shares in highly competitive segments. Its share of the real estate sales market rose from 5% to 6%, while its remittance services doubled its market share to 4.5%.

Driving an optimal customer experience

RBG's unstinting focus on enhancing the customer experience was reflected in several initiatives implemented in 2024 that elevated service delivery standards.

The introduction of an escrow account portal had the effect of automating real estate payment processes, expediting purchase times. The introduction of paperless services by using one-time password (OTP) authentication achieved an impressive 73% adoption rate. Additionally, RBG migrated 77% of its retail services to self-service digital platforms, providing both convenience and efficiency for its customers.

Branch innovations, such as the implementation of teller cash recycling technology in 70% of branches and the appointment of dedicated lounge managers in flagship locations, further streamlined operations and enriched the in-branch experience. These initiatives contributed to a significant improvement in alinma's NPS score, which rose from 67 to 72 by the end of 2024.

Targeting double-digit growth in 2025

Looking ahead, RBG will complete its 2020–2025 strategic initiatives in the coming year, further embedding alinma's position as a leader in the Saudi financial services sector.

RBG has set its sights on double-digit growth in assets and deposits, while also launching 30 new products in its financing, cards and account categories in the coming year.

Further technological innovation, including the development of AI-driven platforms, process optimization and smart queuing systems, will boost operational efficiency, which in turn will further amplify the customer experience.

At the bricks and mortar level, RBG expects to expand its physical network by opening three new branches in the coming year, while renovating other locations as part of its commitment to accessibility and service excellence.

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