

**Saudi Arabia Islamic Fintech Market Assessment, By Service [Payments and Currency Exchange, Lending and Finance, Personal Finance, Private Fundraising, Business Tool, Others], By Company Stage [Testing License, Active, Idea Stage, Pre-Commercial], By End-user [Banking, Insurance, Securities, Others], By City, Opportunities and Forecast, 2017-2031F**

Market Report | 2024-06-10 | 132 pages | Market Xcel - Markets and Data

**AVAILABLE LICENSES:**

- Single User License \$3300.00
- Muti-User/Corporate Licence \$4500.00
- Custom Research License \$7000.00

**Report description:**

Saudi Arabia Islamic fintech market is projected to witness a CAGR of 17.75% during the forecast period 2024-2031, growing from USD 15.5 billion in 2023 to USD 57.28 billion in 2031. Multiple factors have led to the growth in Saudi Arabia Islamic fintech market such as increase in smartphone penetration, growth in digital payments, government initiatives, consumers' adoption of digitalization, changing consumer preferences, and technological advancements.

Financial technology seeks to improvise and automate the delivery and use of financial services for consumers. It has specialized software that can be used on computers and smartphones to provide hassle-free financial services. Various companies in the finance industry which use fintech have expanded financial inclusion and use technology to cut down on operational costs. The large population in the country relates to fintech companies and has helped the companies reach out to a vast range of customers by making financial services more accessible and convenient.

Governments and financial authorities are introducing policies to promote competition, reduce entry barriers, ensure data security, and encourage the development of new financial technologies together with changing consumer preferences, increasing the adoption of fintech. In 2023, the fintech sector in Saudi Arabia perceived a notable increase in funding with total deal value reaching USD 791 million which is approximately 231 percent from USD 239 million in 2022. Startups are innovatively handling issues such as the SME funding gap, financial literacy, and financial inclusion disclosing the sector's critical role in the broader economic framework.

Rise in Smartphone Penetration and Internet Usage

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

The rate of adoption of smartphones in Saudi Arabia has significantly increased in the past few years. The proliferation of 4G and 5G connectivity has enabled customers to have hassle-free access to conduct payments through smartphones leading to digitalization. Furthermore, comprehensive growth in the distribution of smartphone companies has made smartphone devices readily available for end-users. Saudi Arabia had 36.31 million internet users at the start of 2023 and the internet penetration stood at 99 percent. Furthermore, the increase in the use of smartphones and the expansion in faster connectivity have enabled retailers and customers to receive and make payments through their smartphones, which is propelling the growth of the fintech industry. Recently, the Saudi Central Bank announced that electronic payments have accounted for more than 70 percent of Saudi Arabia which indicates that consumers are adopting the digital payment method for most payments leading to a digital economy.

#### Government Initiatives for Digital Transformation to Drive the Market

Saudi Arabia's lasting digital transformation promotes a favorable environment for fintech startups to establish and develop. The increasing number of digital payment and banking solutions gained quick popularity among consumers. The development of the fintech sector is supported by the Saudi Arabian Monetary Authority (SAMA) to encourage innovation and hassle-free solutions for its consumers to boost the economy. The Fintech SAMA and Capital Market Authority (CMA) have led to an increase in fintech startups to 207 in 2023, which is an increase of 20.7 times since its establishment. Various initiatives such as the FinTech Hub by Monsha'at, which connects FinTech startups with service providers, and a new program called Makken by FinTech Saudi is a program that aims to permit entrepreneurs and startups in the FinTech industry by providing support for technology, cloud, and cybersecurity. The government's active approach to providing strong support through regulatory frameworks, financial incentives, and strategic programs has significantly contributed to the growth of Islamic fintech market in Saudi Arabia.

#### Riyadh to Dominate Saudi Arabia Islamic Fintech Market

The fintech market has grown remarkably in Saudi Arabia with Riyadh dominating the market. Riyadh is situated in the central region and has the highest number of fintech startups. It is the political and economic center of the country and a hub for financial services and technology. Other factors include increasing usage of smartphones and the internet by the tech-savvy population leading to an increase in online payment methods indirectly boosting the growth of Saudi Arabia Islamic fintech market. Jeddah, situated in the west of Saudi Arabia is the fastest-growing region as it is the commercial capital of Saudi Arabia and has several fintech startups developing in the region.

#### Payments and Currency Exchange is Dominant in the Market

Payments and currency exchange is the largest segment in the fintech services sector, dominating the Saudi Arabian market. Owing to the large population, there is a rise in online payments, largely indirectly leading to growth in the fintech market. According to The Saudi Central Bank (SAMA) consumers make payments mostly through cards with e-payment transactions reaching nearly 10.8 billion in 2023. The rise in electronic payment underlines the growing confidence and preference for digital payment methods among consumers and merchants alike.

Online payment systems have become a core part of the modern economy as they offer users accessibility, speed, and ease everywhere. They have changed how individuals and businesses perform their financial transactions by modifying the process of transferring money, making purchases, and remotely managing accounts. Recently, Stc Pay partnered with Mastercard to launch the first Mastercard World prepaid card in Saudi Arabia, Stc Pay Mastercard Elite card. It will help consumers manage their finances and enjoy premium benefits with the ability to select a card which best suits their preferences. It includes a wide range of facilities such as unlimited cashback of up to 6 percent, comprehensive travel insurance, and purchase protection with 180 days of complimentary insurance against theft.

#### Future Market Scenario (2024 - 2031F)

Fintech has a transformative impact on the economy, enhancing financial inclusion, streamlining transactions, and promoting investment opportunities. Through collaborations between fintech startups and traditional institutions, the Kingdom can continue to leverage the potential of fintech and drive economic growth towards digitalization.

In 2023, Payllion was founded which is a fraud detection and prevention platform designed to help online businesses reduce time and cost on manual tasks and challenges faced by fraud. Moreover, technological advancements such as the use of AI tools will boost the growth in the Islamic fintech market in Saudi Arabia.

#### Key Players Landscape and Outlook

Saudi Arabia Islamic fintech market is competitive as partnerships with local banks and international fintech companies. The

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

market players are working hard to boost innovation by building a solid fintech ecosystem for the growth of the country. They are aiming for new product launches together with advancements in technologies, such as AI and ML tools, promoting the growth of the fintech market in the country.

PayTabs LLC in November 2023 launched PayTabs Issuance, a prepaid card issuing solution aimed to scale the business operations regionally. It allows banks, retailers, and corporate companies to issue cobranded cards together with local cards in multiple currencies.

Tamara, a leading fintech startup in December 2023 created a milestone of becoming the Kingdom's first homegrown fintech unicorn securing USD 340 million in a Series C equity funding round. Such developments by leading market players in the country will boost the growth of the fintech market.

## **Table of Contents:**

1. Research Methodology
2. Project Scope and Definitions
3. Executive Summary
4. Voice of Customer
  - 4.1. Demographics (Age/Cohort Analysis - Baby Boomers and GenX, Millennials, Gen Z; Gender; Income - Low, Mid and High; Geography; Nationality; etc.)
  - 4.2. Market Awareness and Product Information
  - 4.3. Brand Awareness and Loyalty
  - 4.4. Factors Considered in Purchase Decision
    - 4.4.1. Brand Name
    - 4.4.2. Product Usability
    - 4.4.3. Service
    - 4.4.4. Costing
    - 4.4.5. Security
    - 4.4.6. Innovation
    - 4.4.7. Promotional Offers and Discounts
  - 4.5. Purpose of Purchase
  - 4.6. Customer Support
5. Saudi Arabia Islamic Fintech Market Outlook, 2017-2031F
  - 5.1. Market Size & Forecast
    - 5.1.1. By Value
  - 5.2. By Service
    - 5.2.1. Payments and Currency Exchange
    - 5.2.2. Lending and Finance
    - 5.2.3. Personal Finance
    - 5.2.4. Private Fundraising
    - 5.2.5. Business Tool
    - 5.2.6. Others
  - 5.3. By Company Stage
    - 5.3.1. Testing License
    - 5.3.2. Active
    - 5.3.3. Idea Stage
    - 5.3.4. Pre-Commercial
  - 5.4. By End-user
    - 5.4.1. Banking
    - 5.4.2. Insurance

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

- 5.4.3.□Securities
- 5.4.4.□Others
- 5.5.□By City
  - 5.5.1.□Riyadh
  - 5.5.2.□Jeddah
  - 5.5.3.□Dammam
  - 5.5.4.□Khobar
  - 5.5.5.□Makkah
  - 5.5.6.□Rest of Saudi Arabia
- 5.6.□By Company Market Share (%), 2023
- 6.□Market Mapping, 2023
  - 6.1.□By Service
  - 6.2.□By Company Stage
  - 6.3.□By End-user
  - 6.4.□By City
- 7.□Macro Environment and Industry Structure
  - 7.1.□Supply Demand Analysis
  - 7.2.□Regulatory Compliance
  - 7.3.□Value Chain Analysis
  - 7.4.□PESTEL Analysis
    - 7.4.1.□Political Factors
    - 7.4.2.□Economic System
    - 7.4.3.□Social Implications
    - 7.4.4.□Technological Advancements
    - 7.4.5.□Environmental Impacts
    - 7.4.6.□Legal Compliances and Regulatory Policies (Statutory Bodies Included)
  - 7.5.□Porter's Five Forces Analysis
    - 7.5.1.□Supplier Power
    - 7.5.2.□Buyer Power
    - 7.5.3.□Substitution Threat
    - 7.5.4.□Threat from New Entrant
    - 7.5.5.□Competitive Rivalry
- 8.□Market Dynamics
  - 8.1.□Growth Drivers
  - 8.2.□Growth Inhibitors (Challenges and Restraints)
- 9.□Key Players Landscape
  - 9.1.□Competition Matrix of Top Five Market Leaders
  - 9.2.□Market Revenue Analysis of Top Five Market Leaders (By Value, 2023)
  - 9.3.□Mergers and Acquisitions/Joint Ventures (If Applicable)
  - 9.4.□SWOT Analysis (For Five Market Players)
  - 9.5.□Patent Analysis (If Applicable)
- 10.□Case Studies
- 11.□Platform/Software Price Analysis
- 12.□Key Players Outlook
  - 12.1.□PayTabs LLC
    - 12.1.1.□Company Details
    - 12.1.2.□Key Management Personnel

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

- 12.1.3.□Products and Services
- 12.1.4.□Financials (As reported)
- 12.1.5.□Key Market Focus and Geographical Presence
- 12.1.6.□Recent Developments
- 12.2.□Nakhla Information Systems Technology Company (Tamara)
- 12.3.□Sukuk Financial Company
- 12.4.□Hyperpay Co. Limited
- 12.5.□Stc Group (Stc Pay)
- 12.6.□Payllion
- 12.7.□FinZey Finance Company
- 12.8.□Alwans for Information Technology LLC (Foodics)
- 12.9.□Lean Technologies Limited
- 12.10.□Hala Payments Company

\*Companies mentioned above DO NOT hold any order as per market share and can be changed as per information available during research work

- 13.□Strategic Recommendations
- 14.□About Us and Disclaimer

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: support@scotts-international.com

[www.scotts-international.com](http://www.scotts-international.com)

**Saudi Arabia Islamic Fintech Market Assessment, By Service [Payments and Currency Exchange, Lending and Finance, Personal Finance, Private Fundraising, Business Tool, Others], By Company Stage [Testing License, Active, Idea Stage, Pre-Commercial], By End-user [Banking, Insurance, Securities, Others], By City, Opportunities and Forecast, 2017-2031F**

Market Report | 2024-06-10 | 132 pages | Market Xcel - Markets and Data

To place an Order with Scotts International:

- Print this form
- Complete the relevant blank fields and sign
- Send as a scanned email to support@scott's-international.com

**ORDER FORM:**

Select license	License	Price
	Single User License	\$3300.00
	Muti-User/Corporate Licence	\$4500.00
	Custom Research License	\$7000.00
		VAT
		Total

\*Please circle the relevant license option. For any questions please contact support@scott's-international.com or 0048 603 394 346.

\*\* VAT will be added at 23% for Polish based companies, individuals and EU based companies who are unable to provide a valid EU Vat Numbers.

Email*	<input type="text"/>	Phone*	<input type="text"/>
First Name*	<input type="text"/>	Last Name*	<input type="text"/>
Job title*	<input type="text"/>		
Company Name*	<input type="text"/>	EU Vat / Tax ID / NIP number*	<input type="text"/>

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: support@scott's-international.com

www.scott's-international.com

Address*	<input type="text"/>	City*	<input type="text"/>
Zip Code*	<input type="text"/>	Country*	<input type="text"/>
		Date	<input type="text" value="2026-03-05"/>
		Signature	<input type="text"/>