Towards the Digitalized Bank in the Age of Digital Convergence:
Focusing on Pakistan Case

Shah Zahir¹ and Shoaib Imtiaz²

¹School of Business, Yeungnam University, South Korea
²Department of Management Sciences, The Islamia University of Bahawalpur, Pakistan

E-mail: ¹zahir@ynu.ac.kr, ²shoaibimtiaz130@gmail.com

Abstract

In recent decades, the development of information and communication technologies has changed many industry sectors by making the government and business operations more effective and efficient. The emergence of mobile commerce has been considered an important technology shift and it has changed the banking industry. The digital adaptation started off as an option but has evolved into a necessity in every bank’s agenda around the globe. The digital convergence and innovative technologies are forming remarkable disruption in the banking sector and the rate of change is increasing. The digital transformation is accelerating in the banking industry of Pakistan due to the changing payments landscape, competition from Fintechs and the arrival of mobile money services through telecoms. In Pakistan, most of the banks have been moved towards digital banking but some banks like the Bank of Khyber still lack. In this paper, the SWOT analysis method is used for the Bank of Khyber and useful suggestions have been provided for the adoption of digital banking. The growth and development of the financial business of the bank have put forward some strong measures for it. The Bank of Khyber needs to embrace the latest technology, start e-banking services and digital transformation for the high economic growth of the bank and fulfil customer satisfaction.

Keywords: ICT, Digital Convergence, Digital Bank, SWOT Analysis, Digital Banking.

1. Introduction

The impact of the rapidly evolving digital landscape with more and more new technologies making their way can be seen in almost every aspect of our lives. One of the industries that have been impacted the most by such digital disruption is banking and finance. The banks' performances and customer service deliveries have been increased due to the rapid growth of information and communication technologies. The internet banking system has become an essential technology-driven revolution in performing financial transactions [1]. The technology has also improved the customers’ interaction with banks. The electronic channels (e.g. ATMs, cards, internet banking, and mobile banking) are being presented with conventional branch channels. The use of these channels varies among countries and people are shifting towards electronic channels[2].

The internet banking is the provision of information and service delivery to customers through the computer network [3]. According to Alwan & Al-Zubi (2016) [4], customers’ banking needs are fulfilled by banks through internet banking. Internet banking has enhanced the way of gaining benefits due to the development of innovative technologies. The other electronic channel is mobile banking which has changed the fixed-line constraints of internet banking. Mobile banking has improved the design and delivery of banking services as an extension of internet banking [5].
A good banking sector provides good security measures, the better likelihood of successful modernizations, and help to continue and strengthen the financial system. Furthermore, a good and strong banking sector is not only important for different sectors of the market but also to achieve both allocation and operational efficiencies; thus, boost economic development. In contrast, unprofitable and risky banking precipitates financial instability and negatively affects the process of economic growth. Therefore, the examination of the empirical determinants of bank performance has equally attracted the attention of academic researchers as well as bank managers, bank supervisors, and financial market regulators.

In 2000, the Pakistani government has designed a detailed strategy to connect business and commerce with internet to partake in the development of internet banking in the country. The acceptance of internet banking has taken a healthy competition between the banking sectors of Pakistan. It has provided both the challenges and opportunities to the modern banking [6]. The concept of mobile banking in Pakistan is gaining more popularity nowadays because it has the capability to improve the country’s economy while minimizing the hurdles for financial inclusion [7]. There are many banks in Pakistan that are providing internet banking and mobile banking services in Pakistan, but some banks lack the provision of mobile banking. The Bank of Khyber is an example in Pakistan which lacks the services of mobile banking. The purpose of this study is to use the SWOT analysis of the Bank of Khyber for exploring the opportunities for future growth and satisfying the customers in an effective and efficient way by embracing the concept of digital convergence and by using innovative technologies.

2. Literature Review

2.1 Overview of Digital Convergence

The recent technological advances, such as digitalization, compression, processing power and the Internet have accelerated the scope of convergence potential. The Internet, for example, can provide a full range of communication services including voice telephony and webcasting. The pace of convergence is also influenced by a series of structural changes in the information and communication industries, such as mergers and acquisitions of previously separated enterprises. The inexorable globalization of the information and communication technologies, together with the tendencies towards commercialization and further liberalization are additional driving forces for convergence. Information technology that emerged in the 1940s is now pervasive worldwide. One of the most evident phenomena of information technology in the 1990s is the shift in the technological paradigm from analog to digital [8]. Many studies have indicated that information and communication technology play a vital role in the development of the country’s economic growth and e-commerce growth. Both developed and developing countries are focusing on investment in ICT development to increase economic growth. ICT development requires new technologies and new approaches to innovate and integrate [9]–[15].

In the present era, digital technologies are growing with faster speed and we can see digital technologies in every part of life. It brings a lot of happiness and easiness in human life. The basic properties of digital technology are reprogrammability and data homogenization. The combination of these two provides affordances used to create innovations characterized by convergence and convergence and generativity. According to Yoo et al. (2012) [16], “An analysis of convergence and generativity observed in innovations with pervasive digital technologies reveals three traits: (1) the importance of digital technology platforms, (2) the emergence of distributed innovations, and (3) the prevalence of combinatorial innovation”. According to Ifeanyi (2003) [17], digital
convergence “ is the priming of underlying digital technology components and features such as voice, texts, video, pictures, broadcasts, presentation, streaming media, global connectivity, and personalized services; the combination of all of these features and abilities from multiple electronic systems into a simplified, converged and computer-mediated communication system to enable individuals to interact, play, communicate, collaborate and share information in many new and different ways”.

The convergence has many advantages at different levels. In the present era, convergence is accepted as the development of new services and innovation. Digital convergence is making it easy towards data because there is no restriction or link to only one platform for service delivery [18]. According to Joshi et al. (2015) [19], convergence (1) increases competition when technologies and networks compete with each other with no technical or administrative freedom, (2) increases the development of technologies and services more efficiently, (3) decreases the expenses of media services, and (4) increases the customer satisfaction by fulfilling the needs effectively and efficiently. Digital convergence has dramatically changed the entertainment industry, it has moved toward more advancement with more joy and fun [20]. Digital convergence did more revolutionary development in the gaming culture of society [21].

The financial services industry has always sought to be at the forefront of technological innovation. Success has depended on it. The sector led the early commercial adoption of mainframes in the 1960s, the rollout of large-scale credit card and ATM networks in the 1970s, electronic trading in the 1980s, and the early move into online banking in the 1990s [22]. The impact of digital technologies is pervasive in the banking industry. The digital technologies have been deployed in nearly every bank. The new competitive pressures that digitization brings are to be welcomed as a revitalizing and positive step, and it is in the community’s broad interests to see the established banking industry adapting quickly and well. The community needs both a modern and well-functioning banking system, with institutions that can ensure safe and trusted services across the economy. It is highly desirable that boards and management teams of banks direct appropriate resources, skills, and energy to enable this transition.

2.2 Understanding of Digital Transformation

Digital transformation is the process of significantly changing businesses with the use of technology. It doesn’t focus on one rather it describes a number of projects that altogether make a change in each organization facet from its back-end operations to customer interactions with the ultimate objective of making these diverse procedures intrinsically connected [23]. Digital transformation is essential for businesses to survive and every organization needs to adopt strong strategies to carry out the competition with other organizations. Organizations need strong courage and involvement of top management to implement digital transformation [24]. For digital transformation, organizations are required to reinvent themselves by rethinking the market position, innovation technique, value proposition, and the entire operating model. In short, organizations must innovate and transform their business models according to the requirements to remain competitive and secure future development [25].

It is becoming a hot topic for companies across the globe. The executives in all industries are using digital advances such as analytics, mobility, social media, and smart embedded devices and improving their use of traditional technologies such as ERP (enterprise resource planning) to change customer relationships, internal processes, and value propositions. According to [26], every organization needs to adopt the latest technologies to compete with other organizations. The organizations that are not adopting digital technologies will easily lose their customers and suppliers as well. Digital
transformation is very important for an organization’s growth and stability. According to [27], digital transformation is “a process wherein organizations respond to changes taking place in their environment by using digital technologies to alter their value creation processes. For this process to be successful and lead to positive outcomes, organizations must account for a number of factors that can hinder the execution of their transformation”.

2.3 Overview of SWOT Analysis

SWOT analysis is one of the best analysis for business and strategy development. According to Hill & Westbrook (1997) [28], SWOT analysis is the most popular analysis to improve the corporate strategy development process. SWOT analysis is a strategic planning framework used in the evaluation of an organization, a plan, a project or a business activity. SWOT analysis is, therefore, a significant tool for situation analysis that helps the managers to identify organizational and environmental factors [29]. According to Thompson, Strickland, & Gamble (2005) [30], “SWOT analysis is a simple but powerful tool for sizing up an organization’s resource capabilities and deficiencies, its market opportunities, and the external threats to its future”. The acronym SWOT stands for ‘Strengths’, ‘Weaknesses’, ‘Opportunities’, and ‘Threats’.

A SWOT analysis evaluates the internal strengths and weaknesses, and the external opportunities and threats in an organization’s environment. The internal analysis is used to identify resources, capabilities, core competencies, and competitive advantages inherent to the organization. The external analysis identifies market opportunities and threats by looking at competitors’ resources, the industry environment, and the general environment. The objective of a SWOT analysis is to use the knowledge an organization has about its internal and external environments and to formulate its strategy accordingly.

Innovative companies even look outside their own internal ranks when they perform a SWOT analysis and get input from customers to add their unique voice to the mix. Existing businesses can use a SWOT analysis to assess their current situation and determine a strategy to move forward. But, remember that things are constantly changing and you’ll want to reassess your strategy, starting with a new SWOT analysis every six to twelve months.

2.4 Previous Studies in Relation to Bank and SWOT Analysis

Different scholars and researchers discuss and use SWOT analysis in many ways, they also use this term to analyse the banking sector and to find out management and development strategies.

Chrismastianto (2017) [31] developed a study related to SWOT analysis in the banking sector. Thinking about the issue, the author develops and implements the SWOT analysis of financial technology policy in order to improve banking services especially in expanding their services to broader societies. Those people whose job is related to the banking sector must need to know the knowledge of good banking management based on strong role and policy. Keeping in mind that banker must manage their internal and external assets that encompass holistic banking activities. The main purpose of his study was to analyze SWOT to improve the banking sector with the implementation of digital technology and other IT related products. As we all know that now day’s technology, particularly in banking sector, plays a vital role.

Wu, Song, & Kang (2016) [32] conducted a study related to the development of commercial bank e-commerce finance’s SWOT analysis. The study used the SWOT
analysis method to analyze the opportunities and threats faced by China's commercial banks in the development of financial business and put forward countermeasures for it. With the expansion of the scale of China’s e-commerce market, more and more commercial banks began to enter the field of e-commerce. Nowadays we can see many differences between technology and technology-related items. Changes in the development of high-tech products and technology are subversive and revolutionary; the concept of commercial banks is gradually changing to virtual banks. They discussed when everything is changing with rapid speed like technology and electronic business. So all banks need to be ready for change and adopt the latest technology.

Lu & Yadong (2011) analyses the strengths, weaknesses, opportunities, and threats of the development of the five rural banks in Heilongjiang province by the SWOT analysis. They developed the idea and discussed that rural banks need to be more developed to get higher advantages. If the earning capability is weaker, the operating risk is higher, and if there is no regulation, it will stop banking for further development and income. The support policies, current demand and shortage of financial supply create the condition for the development of rural banks. The competition of other financial institutes and the activity of private lending and credit risk pose threats to the development of rural banks.

Indiatys et al. (2014) [33] developed a study and discussed the application of Porter’s Five Forces model on organization performance by using the case of Cooperative Bank of Kenya Ltd. The long side external environment scanning tools such as Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis and Political, Economic, Social, Technological, Environmental, and Legal (PESTEL) analysis and calculate its matching with the competition, how to continue and higher a company’s market share among others. This requires accurate competitive analysis in the face of these complexities. The problem in this study was that the failure to use and under-utilization of the five forces by banks has led to poor performance. They also found that the strengths and weaknesses effect should also be highlighted. They discussed that competition is good for company development, good management, and efficiency increase success and achievement through innovation. They found that banks need to keep the customer satisfied. If the customers of banks are satisfied then banks can enjoy a repeat sale. Banks need to provide different kinds of services offered and ensure the quality of their services such as assured security and a clean working environment determines employee motivation and satisfaction. The threat of new entrants was found to apply to the banking industry and needed new policy to increase profit and reduce loss.

Singh & Kohli (2006) [34] conducted a study on the evaluation of private banks in India with the use of SWOT analysis. They discussed that the banking and financial sector in India underwent a tremendous liberalization process in the early 1990s, the main reason was the new reform system that allowed other banks in the market to do their business. New private sector banks were allowed entry into the market. Many of these private sector banks brought with them new technologies. Private sector banks started product innovation and competition. Even then Indians prefer nationalized banks for their services. This study attempted to undertake a SWOT analysis of 20 old and 10 new private sector banks. These banks have also been ranked on the basis of financial data for the years 2003, 2004 and 2005.

Muchlis (2018) [35] developed a study and discussed that banks need to utilize FinTech to boost the financing process. This technology is very important for banks to increase customers and keep them satisfied with the banks. There are many financial products in banks that require a more applicative system to make it simple for the customer to easily understand and use. To get more advantages and good customer service, banks need to adopt FinTech for sustainability and development but the development of this FinTech application turned out to have many drawbacks. One of
them is the need for an internet network that supports the efficiency of financing activities in banks and also the existence of cyber-crime activities makes the customer scare to use FinTech is the risk for financing activities. Using the SWOT analysis method and also from the result of the research, he concluded that proper regulation is needed to use FinTech for financial services. The risk can be minimized, and customers increase their understanding and knowledge for transaction convenience and security in banking.

3. Introduction of the Bank of Khyber (BOK)

3.1 Profile of the Bank of Khyber

The Bank of Khyber was established in 1991 through an Act passed by the Provincial Legislative Assembly. It was awarded the status of a scheduled bank in September 1994. The bank enjoys a unique position and stands out amidst other banks operating within Pakistan and has the privilege of being bracketed amongst the only four government banks in the country. The bank has long been associated with business and commercial circles and has been actively engaged in catering to the financial needs of all sectors. It has successfully been involved in extending funded and non-funded facilities to its customers for various business needs. Today, BOK is an “A-1” rated commercial bank, operating across the country with a network of 169 branches and still expanding. The provincial government is the major stakeholder and during our 25 years of history, the bank has always played a vital role in the development of Khyber Pakhtunkhwa in particular and participated in the economic development of Pakistan in general.

If we talk about The Bank of Khyber’s Mission, Vision, and Core value then the Vision is to become a leading bank providing efficient and dynamic services in both Islamic and Conventional banking through an expanded nationwide network. The mission is to increase shareholders’ value and provide excellent service and innovative products to customers through effective corporate governance, a friendly work environment & contributing to equitable socio-economic growth. The core value is the highest quality of service, professionalism integrity, teamwork, innovation and utilization of the latest technology, risk mitigation, corporate and social responsibility.

3.2 Seven Years Financial Overview of the Bank of Khyber

Khyber bank came in to being in 1991, in the initial stage Khyber bank face many hardships and difficulties. One of the big problems that time Khyber bank was facing was its competitors who were already settled and extended their business in that area but Khyber bank used different strategies and tools to attract customers. In Table 1 we can see Khyber bank’s seven-year financial overview.

If we look at the above table, we can see that Khyber bank is gradually growing, so it’s a good sign for business to group up smoothly year by year. In the above table, we can see that the calendar year started in 2012 and finished the year 2018. In the seven-year financial overall review of The Bank of Khyber, we noticed that every year the Bank of Khyber financially growing but in only 2018 Khyber bank did not grow up as compare to the previous year. Deposit and advances are satisfactory. In 2018 Khyber bank did some achievement in advances, we can see there is a 15% increase in advances if we compare to 2017. Advances always use for long term financial strategy and financial benefit will start after a few years. But we can see profit before tax, profit after tax, and return on equity are the financial decline of the bank but the main reason is that the Bank
of Khyber opened many new branches all over Pakistan. The management also announces the golden handshake program for early retirement for senior staff.

3.3 **SWOT Analysis of The Bank of Khyber**

SWOT analysis is an acronym stands for strengths, weaknesses, opportunities, and threats. It is a business tool from which we measure a business and compare it to its competitors. The SWOT analysis can also be used for the individual level to assess personal situations versus their competition. In this tool, both internal and external considerations exist. Strengths and weaknesses are internal considerations while opportunities are external considerations. On the other side threats are realities made a huge environment that creates problems for the organization. According to Thompson, Strickland, & Gamble (2005), “SWOT analysis is a simple but powerful tool for sizing up an organization’s resource capabilities and deficiencies, its market opportunities, and the external threats to its future”.

3.3.1 **Strengths**

There are many strengths of The Bank of Khyber. First, the Bank of Khyber is regulated under the provincial government of Khyber Pakhtunkhwa so it is called provincial government bank. It has a good reputation around the public. More trustful and convenient bank of Khyber Pakhtunkhwa as compare to other private banks. So, brand influence is one of the big strengths as they can use for the public. Second, they spread the strong network of branches in different cities of KPK (Khyber Pakhtunkhwa) so; it is easily accessible for people. Third, Khyber bank always recruits young graduate employees, considered as one of the big strengths for the bank in the present and future. Fourth, if we talk about the interest rate, Khyber bank mark-up rate is less as compared to other commercial banks.

<table>
<thead>
<tr>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposit</td>
<td>60,043</td>
<td>77,218</td>
<td>92,264</td>
<td>117,292</td>
<td>157,020</td>
<td>159,247</td>
</tr>
<tr>
<td>Advances (net)</td>
<td>26,693</td>
<td>35,450</td>
<td>40,57</td>
<td>36,454</td>
<td>31,644</td>
<td>83,369</td>
</tr>
<tr>
<td>Investment</td>
<td>45,672</td>
<td>53,363</td>
<td>72,471</td>
<td>88,296</td>
<td>141,602</td>
<td>140,471</td>
</tr>
<tr>
<td>Total Assets</td>
<td>82,178</td>
<td>108,107</td>
<td>126,106</td>
<td>155,159</td>
<td>206,400</td>
<td>245,132</td>
</tr>
<tr>
<td>Capital and Reserves</td>
<td>10,776</td>
<td>11,913</td>
<td>13,211</td>
<td>13973</td>
<td>14,685</td>
<td>14,943</td>
</tr>
<tr>
<td>Profit Before Tax</td>
<td>1,569</td>
<td>16,69</td>
<td>1,901</td>
<td>2,959</td>
<td>3,240</td>
<td>2795</td>
</tr>
<tr>
<td>Profit after Tax</td>
<td>1,078</td>
<td>1,154</td>
<td>1,309</td>
<td>1,789</td>
<td>2,020</td>
<td>1,790</td>
</tr>
<tr>
<td>Return on Equity</td>
<td>10%</td>
<td>10%</td>
<td>9%</td>
<td>13%</td>
<td>14%</td>
<td>12%</td>
</tr>
</tbody>
</table>

3.3.2 **Weakness**

There are also many weaknesses of The Bank of Khyber. First, Khyber bank in the IT sector is not very strong; they needed further improvement in the digital convergence sector. Second, the bank of Khyber is a national bank and it only operates in Pakistan. It is not a multinational bank, so it is considered a weak point for the bank’s future growth.
Third, the major weakness of Khyber bank is that they do not have e-banking or mobile banking services. Fourth, they still do not provide credit cards and debit cards for the general public. Fifth, the Bank of Khyber has a strong banking operation only in one province of Pakistan.

3.3.3 Opportunities

There are many opportunities, for example, adopting informational technology (IT) new promotional strategy, the influence of brand, competitive e-commerce opportunities, digital convergence, and digital transformation. First, information technology is growing at a faster speed so, its a good opportunity for the Bank of Khyber to use information technology to fulfil and achieve its goals. Second, the Bank of Khyber has started a new promotional strategy and due to this strategy, they have more chances to gain more customers. Third, Khyber bank owes the provincial government of Khyber Pakhtunkhwa by sending a letter to all provincial government departments to do daily banking activities and deposit departmental funds in Khyber bank. Fourth, as in coming future, Khyber bank is introducing new services in the area; this will develop Khyber bank popularity in the market and attract more customers. Fifth, Khyber bank is a provincial bank and in the next five-year provincial government has decided to launch many mega projects in the province so, it will directly benefit the Bank of Khyber.

3.3.4 Threats

There are also many threats; for example, growing competitors in the area, political and economic instability, lack of latest technology in the bank. First, the federal government introduces a new tax system for the bank so, it’s a big threat for the Khyber bank and due to this policy customers would not be more willing to put deposits in this bank. Second, growing competitors like Habib Bank, Muslim Commercial Bank and Bank of Punjab are big threats for Khyber bank. Third, as Khyber bank is a provincial government bank, changing provincial government from one regime to others directly affects The Bank of Khyber. Fourth, the political and economic instability of the country can turn down any time it is also a threat to the bank. Fifth, Khyber bank is a conventional bank so; religion is one of the big threats for Khyber bank. As it is stated in Islam, any business dealing in interest (sood) is considered a sin.

4. Conclusion and Implications

Information and communication technology (ICT) has become the heart of the banking sector, while the banking industry is the heart of every robust economy. If it collapses so will the economy. In a bid to catch up with global development, improve the quality of customer service delivery, and reduce transaction costs, banks have invested heavily in ICT, and have widely adopted ICT networks for delivering a wide range of value-added products and services. ICT development has a significant effect on the development of more flexible and user-friendly banking services. The impact of digital technologies is pervasive in the banking industry. The digital technologies have been deployed in nearly every bank. The new competitive pressures that digitization brings are to be welcomed as a revitalizing and positive step, and it is in the community’s broad interests to see the established banking industry adapting quickly. The community needs both a modern and well-functioning banking system, with institutions that can ensure safe and trusted services across the economy. It is highly desirable that boards and management teams of banks direct appropriate resources, skills, and energy to enable this transition.

The growth of e-commerce has given various advantages to businesses and also to individuals and it has improved the functions of the banking industry. In the age of
digital convergence, banks are transforming towards digitalization. As in both developed and developing countries, the banking industry has been provided internet banking services and mobile banking services. In Pakistan, most of the banks are also providing these services. The use of internet banking in Pakistan is more than mobile banking but some banks are still not providing internet banking services. Since the adoption of internet banking and mobile banking is in its growth process, there is a need for initiating effective marketing campaigns to promote the use of it. In providing awareness, banks especially the Bank of Khyber can influence the user’s decision to adopt internet and mobile banking. This can be done by stressing the benefits offered to the customer and by ensuring that the internet and mobile banking service enhances customer experience, provides rapid access, nominal risks and widespread accessibility.

Table 2. Summary of SWOT Analysis of The Bank of Khyber

<table>
<thead>
<tr>
<th>S</th>
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<tbody>
<tr>
<td>Provincial government bank of Khyber Pakhtunkhwa (KPK) Pakistan.</td>
<td>Do not use the latest technology.</td>
</tr>
<tr>
<td>A strong network of branches in KPK.</td>
<td>Not a multinational bank.</td>
</tr>
<tr>
<td>Fresh graduate employees.</td>
<td>Not using mobile or e-banking services</td>
</tr>
<tr>
<td>Good mark-up rate.</td>
<td>Low limit of credit cards.</td>
</tr>
<tr>
<td>Need to adopt the latest technology.</td>
<td>New tax system for the bank.</td>
</tr>
<tr>
<td>They can use their brand as a provincial government bank.</td>
<td>Growing competitor</td>
</tr>
<tr>
<td>Launch a new promotion policy.</td>
<td>Changing the provincial government and political and economic instability</td>
</tr>
<tr>
<td>Provincial government order to deposit departmental funds in The Bank of Khyber</td>
<td></td>
</tr>
</tbody>
</table>

SWOT analysis is a valuable technique for planning and decision making. It involves determining an objective and identifying the internal and external factors which are favourable and unfavourable to achieve that objective. SWOT compares strengths, weaknesses, opportunities, and threats. Strengths and weaknesses are reviewed in the context of current and future opportunities and threats. The clearer understanding of strengths and weaknesses, the less likely unfeasible opportunities pursue. Moreover, feasible opportunities can be used to counter threats, weaknesses can be overcome through strengths and strengths can be used to respond to threats. SWOT Analysis, reveals an organization’s current situation and makes it possible to develop future action plans for the organization. If the technique is used properly, it can provide a good basis for strategy formulation. This study explains the SWOT analysis of the Bank of Khyber for exploring opportunities for future growth and satisfying the customers in an effective and efficient way by embracing the concept of digital convergence and by using innovative technologies. Table 2 provides a summary of SWOT analysis of The Bank of Khyber.

The Direction on the Digitalization of the Bank of Khyber

Based on a wide-ranging SWAT analysis, this research addresses the direction on the digitalization of the Bank of Khyber as follows.
First, articulate a clear vision to achieve its goal and for that, the bank needs a constant change. Most of the leaders need to revisit the strategy constantly because the one work yesterday, it’s not sure that it will work tomorrow.

Second, the Bank of Khyber needs to put customers at the center. Banks can better understand their customer and their needs that how and where the customer wants and move faster to fulfill customer satisfaction. In particular, the digitalization of the Bank of Khyber is now a new driving force of the high value customer service with real opportunity.

Third, the Bank of Khyber needs to reinvent the ecosystem internally and externally to identify new growth and advancements. Internally, this could be intelligent automation of data collection and data quality processes, robotic processing, emerging technologies such as big data analysis, regulation and compliance, and customer service application. Externally, the Bank of Khyber needs to explore new ways to strengthen its ecosystem drive both innovation and value. Acquisitions can help to grow new partnerships enable improved customer satisfaction.

Fourth, the Bank of Khyber needs to adopt a new digital convergence system to generate new ideas and good satisfaction services for their customer. Top management needs to embrace the latest technology, focus on strategy and reinvention so that the Bank of Khyber could be a digital bank of the future.

Fifth, the Bank of Khyber should provide the services of internet banking and mobile banking as it will offer various advantages to customers and the bank itself as well. the Bank of Khyber needs to upgrade its technology as soon as possible to win the technological battle with other competitors in the industry. The bank should start providing internet banking and mobile banking services to all customers to save their time and benefit them from modern technology.

Finally, they should give loans to customers with easy rule regulation and repayment installments to engage them with a bank. As, the Bank of Khyber is a provincial government bank and have a strong branch network but only in one province, they need to extend branch network not only in one province (KPK) but all over Pakistan.

The main limitation of this study is that we used secondary data for this research to analyze the strengths, weaknesses, opportunities, and threats of The Bank of Khyber. However for future research, primary data would be more useful.

In conclusion, it is hoped that this paper will serve as a facilitator for arousing new phenomena related to digital convergence and a useful guideline for banks in Pakistan cultivating unfamiliar areas such as the digitalized bank.

References


