

a large retail market



Robust banking industry

Banking dominates the Turkish financial sector, accounting for over 70 percent of overall financial services, while insurance services and other financial activities also show significant growth potential. There are 51 banks in Turkey (33 deposit banks, 13 development and investment banks, 5 participation banks). Out of 51 banks, 21 hold significant foreign capital (30% of total assets are held by foreign investors).

Growth potential with insurance

The Turkish insurance market is still underpenetrated (1.5% of GDP) compared to peer countries and will provide significant potential as new insurers set up shop and acquire a share of the relatively untapped Turkish market.

Digitalization

Both banks and insurers have invested heavily on digital transformation. In particular, banks are very well positioned in blending innovation and advanced technologies with services.

Opportunity for new products

Despite overall penetration in financial services, 46% of women and 31% of the Turkish youth do not maintain a bank account. This offers a great opportunity for products leveraging access to financial services.

fintech landscape

Payments lead the way

Strong consumer market has carved a niche for payment service providers. Services that support CX on e-commerce platforms have come to the fore.

Sophistication will guide the next decade

Banks and insurers are now more inclined to work with startups and external service providers. This is due to fierce competition among key players as well as increased demand from customers. Smart services with intelligent tools will be largely sought out in the way forward. The Turkish market is still ripe for innovative products.



Number of fintechs > 200