

## OPPORTUNITIES AND BARRIERS OF MARKETING OF EQUITY-BASED FINANCING PRODUCTS OF ISLAMIC BANKING IN PAKISTAN

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### **Abstract**

Islamic banking refers to a system of banking that is consistent with the principles of Islamic law (Sharia). Recently, equity-based financial products (Musharakah) have become popular among customers and bankers. Therefore, this study aims to investigate the opportunities and barriers of marketing equity-based financing products in the context of Pakistan. The research design of this paper is qualitative in nature. Extant literature published solely in the Pakistan context was selected as the main source of data, then applied content analysis techniques to derive common categories. The common categories of both opportunities and challenges for equity-based financial products were detected. Key themes identified for opportunities were attracting new customers, shared ownership, risk mitigation, and inclusivity. Further, key themes that emerged for barriers to disrupt equity-based financial products were threats from traditional banking, legal barriers, ambiguous terms and conditions, and inability to market every country since there are different interpretations of Islamic financial products. This study has looked at both opportunities and barriers of marketing equity-based financial products in the context of Pakistan, where only limited insights are available to date. This research would help the Islamic policymakers in Pakistan in developing strategies, setting guidelines and policies on how to implement safeguarding measures in shaping the equity-based financing products so that bankers are not at risk of losing investment while continuing to offer services to customers.

**Keywords:** Barriers, Equity-based financial products, Islamic banking, Opportunities