

finshape



Client story

KHAN BANK

Loyalty case study 2025

Drives cardholder growth through a digital loyalty ecosystem



KHAN BANK

At a glance

Region **APAC** | Customers **2.9 million** | Branches **548** nationwide | ATMs **1,234**



Total assets
23.9 trillion ₮
representing **31.1%** of
the Mongolian banking
system's assets



Net profit
695 billion ₮
representing **8.8%**
growth year over year

Loans
14.4 trillion ₮

Deposits
20.85 trillion ₮

Employees
5,777 (73% women)

Customer background

Banking apps are expected to do one thing well: **enable everyday banking**.
But more users don't automatically create more business value.
This was the challenge faced by Khan Bank Mongolia.

As the country's largest commercial bank, it serves 2.9 million customers through a nationwide network of 548 branches and 1234 ATMs. **With close to 2 million active digital users, it has achieved significant scale and holds a leading position in the digital banking landscape.**

Despite strong adoption and successful digital rollouts, it needed to turn usage into real engagement, product adoption, and measurable business results.

Cards were a key product line in this effort. While most orders already happened through digital channels, **there was still room to increase usage and improve engagement.**

The challenge

Khan Bank faced several challenges in its card and loyalty operations.

01 Limited differentiation

Card offerings were similar across the market, making it difficult to stand out and influence customer choice.

02 Operational inefficiencies in campaign management

Campaigns and merchant discounts were managed manually, which limited scalability, slowed execution, and increased operational effort. Customer segmentation was also manual, restricting personalisation.

03 Limited real-time rewards capabilities

The bank lacked the ability to deliver rewards at the moment of purchase, reducing the perceived value of its loyalty programs.

04 Pressure to scale partnerships

The bank needed to grow its merchant partner network while ensuring card campaigns delivered clear and measurable ROI.

Overall, **Khan Bank's goal was to expand its card portfolio**, reduce manual processes, and strengthen its loyalty proposition.



The solution

Khan Bank partnered with Finshape to introduce an integrated loyalty platform designed to support both its technical and business needs.



The platform enabled the bank to manage complex earn rules, migrate existing partner programs, and deliver flexible rewards such as discounts, points, and cashback across channels. **It was fully integrated into the bank's ecosystem, including mobile banking, POS, and core systems.**

Key components of the solution included:

- **A core loyalty engine** to manage campaigns and earn rules
- **Support for discounts, points, and cashback** on eligible transactions at partner merchants
- **An Offer Management Portal** to simplify partner onboarding and offer setup
- **Standard reporting tools** for day-to-day loyalty operations
- **Integration with the existing mobile banking app** through APIs
- **Connectivity across key channels**, including POS, call centre, mobile, internet banking, and core systems

To support day-to-day operations, Finshape provided dedicated tools for campaign management, partner onboarding, and reporting, making it easier to scale and manage loyalty activities.

The solution also laid the foundation for a broader partner network and more data-driven campaigns, helping the bank deliver more relevant offers and improve customer engagement at scale.

Why other approaches fell short and why Finshape succeeded



Khan Bank needed a solution that could scale across a large card and merchant ecosystem without adding operational complexity.

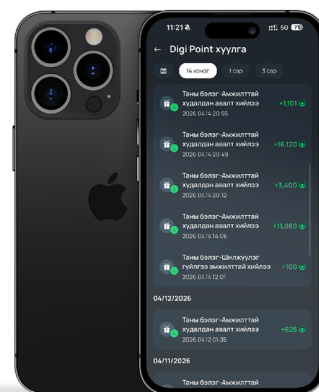
Existing approaches relied heavily on manual processes. **Campaigns and discounts were difficult to manage and update, while customer segmentation lacked flexibility and required significant effort.** At the same time, the absence of real-time rewards at the point of purchase reduced the value perceived by customers.

Fragmented tools made it harder to onboard merchants and track performance consistently, and limited visibility into campaign results made it difficult to optimise and demonstrate clear ROI.

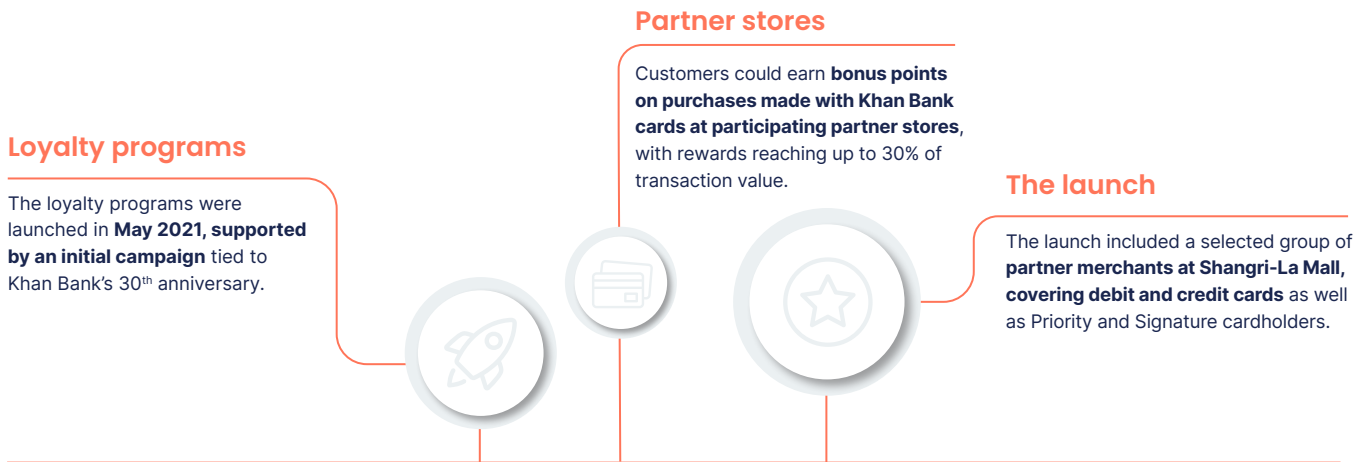
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Finshape addressed these challenges by introducing a platform built for scale and automation.

With real-time processing, flexible rule configuration, and integrated tools for campaign management, partner onboarding, and reporting, the bank was able to move from manual operations to a more consistent, **data-driven approach with measurable outcomes.**



Implementation



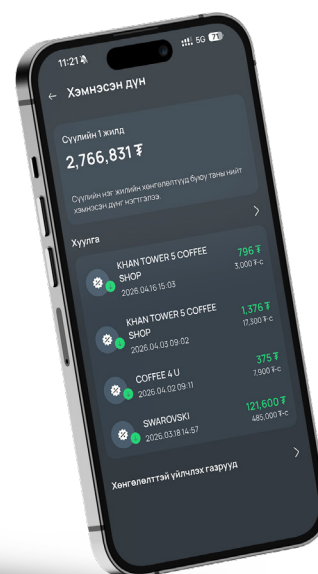
Campaigns and measurable results

Campaign execution expanded steadily, supporting a wider loyalty and digital payments calendar.

By 2025, the programs included a diverse set of mechanics across physical card and DigiPay usage, combining instant discounts, cashback, points-based rewards, and gamified experiences.

Key campaign examples include:

- **A Children's Day campaign** for teen cardholders, featuring a 50% discount.
- **Digi Point "level up" mechanics** based on transaction volume, with 3% and 5% reward tiers.
- **Eco Point campaigns** including a 50k welcome bonus and ongoing 30% reward points on transactions.
- **DigiPay gamification features** such as "Spin and Win", driving repeat engagement.





The 2025 results demonstrate the scale and impact of these initiatives.

55 campaigns executed across the year, **delivering 260% ROI on card campaign** costs and supporting steady growth of active card market share

Distributed in rewards

₹6 billion

- Instant Discounts: **₹3.8 billion**
- Cashback: **₹1 billion**
- Digi Points: **₹1.2 billion**



Customers participated in loyalty campaigns

156,000



Loyalty merchants onboarded

200+



66%

loyalty point redemption rate



4x

increase in card spend driven by loyalty campaigns

Together, these campaigns established a consistent engagement model, combining payments, rewards, and gamification into **a unified customer experience.**



In less than two weeks, we experienced almost 67 million loyalty points earned, with a 66% redemption rate, which is impressive compared to global benchmark.



Mrs. Khaliun Dambadorj
Head, Card and Merchant
Business Department Khan Bank of Mongolia



About



Khan Bank has been operating for **30 years in Mongolia**. The bank is a **nationwide leader in delivering a full range of financial services and products** to the consumers, small and medium enterprises and corporate customers in Mongolia.

Khan Bank has the **most extensive branch network in the country with about 548 branches** providing secure financial services in every town, village and border points. The Bank also has the **largest network of ATMs with 1,234 machines** located throughout the country. Khan Bank **processes an estimated 70% of daily banking transactions in Mongolia**. Independent surveys indicate that Khan Bank **services roughly 80% of all households in Mongolia**.

Khan Bank is regarded as **one of the top employers** and aims to create a working environment that **supports our employees, with possibilities to grow, develop them and solve their social issues, as well as providing them with competitive salaries and remuneration** in order to enhance the stability and productivity of our employees.

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Finshape is a **leading European provider of digital banking solutions with more than 30 years of experience**.

The company helps financial institutions **harness cutting-edge technology to accelerate digital transformation, improve operational efficiency, and enrich digital customer interactions**.

Finshape's solutions are used by **116 bank institutions in 44 countries on four continents**, and supported by a team of **600+ experts, serving millions of end users worldwide**. With its **agentic Digital Bank Operating System (agentic DBOS)**, Finshape brings IT and business together. Its **AI-powered Personalisation Suite and Loyalty Solution** help banks turn **everyday customer interactions into smarter, more engaging experiences across every channel, supported by a future-proof architecture that gives banks sovereignty, not only vendor independence**.