



Futuristic Strategies in Indian Banking 2025

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ABSTRACT

Indian Commercial banks have been operating in a fluid and dynamic environment for the past decade. The research explores in examining the lacking areas of Indian banks, from customer's perceptions, contributing to adopting the innovative strategic model in the banking sector. The model poses changes in product innovation, process innovations of bank operations, and technological innovations, using a three-phase suggestive strategic model. This could be accomplished as a future strategy for all Indian banks, to achieve overall performance goals, since it enhances profitability, competition, efficiency, and productivity. The inferences, delineate the necessity of the Indian banking sector, to go for a global innovative strategic model for all Banks, to promote growth and benefits to customers. The Innovation Strategy that has been recommended in the study would be a support to Indian banks in creating global brands.

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1. Introduction

The toughest barrier that prevents India, from becoming a global leader in innovative ideas in banking strategies. Banks should play a crucial role developing global roles by focusing on key factors including customer engagement services, innovation in products, digital development, and financial-market intermediaries. India possesses the potential to transform itself into the fifth-largest bank industry globally in 2020, and it will be the third-largest industry in the year 2025. This present study emphasizes the need for innovation in the banking sector due to customer requirements and to enable new services concerning the growing demands of society. The financial sector and banking sector in India seems to be rapidly expanding worth 81 trillion rupees. The banks were now applying the latest technologies, such as mobile devices and the internet in carrying out communication and transactions.

The Indian bank sector consists of nearly twenty-six public sector banks, 20 private-sector banks, and 43 foreign banks besides those 61 regional rural banks and above 90000 credit cooperatives. The RBI-Reserve Bank of India stands as the Supreme Monetary-authority, a banking scenario that had changed the functionality of banks. The highest obstacle, to scaling out strategies is the extension of regulation growing with company size. The measure could be obtained if the firms create competitive benefits, by creating new products and also by driving innovation strategies in multiple aspects. The main factor which is responsible for this study is the competition prevailing in the market which in turn allows the banking sector to benefit from advanced and innovative technologies(Zaleska & Kondraciuk, 2019).In addition , these innovations need proper planning and implementation techniques so they will improve customer services and the income of the bank sector in the long term.

The investigation of strategy and development demands a massive volume of capital, to support the issues of start-ups. Societies globally were now anticipating Indian banks, aiding in addressing race inequality, climatic changes, and ethnic and income inequality. Since the key growth key drivers in the global industry, using a multitude of roles like asset owners, employers, investors, and intermediaries of the financial market --- banks had a key role in playing financial services(B. Haralayya, 2021b). From the perspective of fast liberalization and changing markets, many commercial banks rely progressively on the development of products for yielding financial performance (Aithal, 2021). However, the new product development might depend upon choosing the right mix of contextualization and the new strategy for banking operations and products. The fintech adoption in India has increased to 87% in comparison to the global rate of adoption which is nearly 73 percent. Fintech has been developed for challenging current financial mechanisms having advanced technology proven as transparent, cost-effective, quick, and extremely rapid (Sonia Singh & Das, 2018). This Fintech includes features including demonetization, digitization, pandemic shutdown, and growing utilization of smartphones, internet, and penetration to semi-urban and rural regions of India.

The financial institutions are required to concentrate on information transmission over digital online platforms that depend upon innovative strategies about the processing of data and interpretation in real-time with the aid of advanced technologies so, this will increase the broader usage and access of banking services by consumers(Moro-Visconti, Cruz Rambaud, & López Pascual, 2020). Also, the improvement of advanced delivery techniques for depositor services will increase the economy of the country rather than the traditional banking system. So, it is essential to examine the innovation in banking products and services while predicting the factors contributing to the performance of bank. The adoption of new technologies by banks will enhance the economic progress of a nation by providing innovative financial services to customers that contribute to profitability of banks (Le & Ngo, 2020). The underdeveloped and developing nations are suffering from a lack of high GDP, advanced technology, and proper markets. Moreover, banks are responsible for the economic success of a nation. So, the profitable banks will contribute to a greater extent to the economic rise of the nation(Al-Harbi, 2019). The backbone of any financial system of a country is a bank. Despite the introduction of numerous advanced technologies, several banks are still outdated and are not ready to concentrate on customer loyalty and satisfaction(Chang et al., 2020). And so, banks are required to strive for innovative models to improve open markets and financial products. Henceforth, it is proved that there is a requirement for innovative technologies in the Indian banking sector and thus, the present study proposes a three-phase innovative strategic model to improve the quality of service in the Indian banking sector. In addition , the proposed suggestive model aids in increasing the profitability of Indian banks which in turn contributes to the economic prosperity of the nation.

One of the strategic moves towards growth sustainability was to obtain international business, specifically for NRI-Non-resident Indians, utilizing remittance services. To perform this the bank management has to learn about various foreign remittance sources and inherent challenges in many transactions and the methodology to be devised in reaching out to customers, requiring physical presence. The growth targets of the bank industry gave organization leaders specific reasons for approaching new methods for competition through efficiency and effectiveness. The emerging trends in the banking sector are changing the responses of customers toward technology and innovation. Therefore, this current study presents a suggestive model using statistical methods to introduce an innovation strategy in the banking sector.

Even though the traditional customers commence with rapid and simple solutions for different services, research can be persuaded to bring out a change in solution through innovation strategy in each phase. Hence increasing the processing speed of business, efficiency, agility, enhancing customer-centricity, and decreasing complexity seem essential (Roy & Thangaraj, 2020). To accelerate business growth, it would demand an increase in investments in the banking sector. The banking ecosystem is associated with the concept of the modern world. Within the context of the banking system, an ecosystem refers to the incorporation of services and products from third-party service providers. A bank that is deprived of a specific service or product for instance crowd funding and P2P-Lending need a strategic system to deliver the product or service to one's customers. This in turn reduces the churning of customers due to the unavailability of services. The banks will be in a financially good position if it is open to innovative strategies and advanced ways of service and product offering (Au, Krahnhof, & Klingenberger, 2022). Due to the varied benefits like avoidance of customer churning, increasing the customer base, and bank revenues, it is essential to adopt the innovative strategy in the bank. Hence, the present research intends to emphasize the significance of innovation strategy in banking and to identify several enhanced innovation schemes to increase customer gratification.

In the present 21st century, technology has taken over all business activities across the world and the banking sector is not an exception. The economic development of a nation increases if the revenues of the bank sector increase. Technology innovation in the banking sector like fraud detection and digital banking will increase customer satisfaction and improve the quality of banking services (Ohiani, 2020). The banking sector should focus on new prospects and innovative plans to acquire stable performance and become prosperous institution. It also increases the competitive advantage of the banking sector (YuSheng & Ibrahim, 2020). In developing countries like India, when banking institutions are inquired about its motives, the majority of the responses are to improve the revenue and reduce the expenses by delivering digital services and products and also by replacing the existing models (Mamadiyarov, 2020) with the incorporation of modern technologies. For instance, Artificial intelligence integration in financial institutions can yield several gains such as pattern recognition and big data analytics to identify customer needs (Kruse, Wunderlich, & Beck, 2019). The significant element accountable for the successful Futuristic Indian banking transformation is to change the previous business models in Indian banks. There are only a few previous researches that analyzed the significance of innovation in finance sectors yet ineffective in elaborating the futuristic intention of Indian banking sectors and formulate a real-time model. Hence, this current study resolves this issue and proposes a suggestive model to provide real-time innovative strategies in the financial sector, particularly Indian banks for the financial well-being of banks.

1.1. Motivation

The banking sector should respond to the changing requirements of the clients and it should contain adequate information about the customers and markets. The banks are also responsible for developing the latest products based on their trends. To accomplish the overall bank activities, it is important to establish an advanced corporate information system in the banking industry. Strategic planning and management are crucial in present times. Hence, there is a need for the banking sector to identify its lags in terms of technology and establish efforts to bridge the gap (Shermukhamedov & Tulaganova, 2021).

The implementation of biometric technologies is recommended to decrease the operating amounts and to recognize customers through mobile phones to enhance customer service in a bank. Hence it is proved that banking innovation will lead to several gains by shortening banking operations,

maximizing financial inclusion, and increasing sustainable investments(Boiko, Zwolińska-Ligaj, Bozhenko, Florczak, & Ovcharenko, 2021).

1.2. Paper organization

The content of the paper was structured as follows. Section I states the introductory concepts of the organized banking sector in India and the problem statement. Section II enumerated entire review analysis studies, employing different inferences of strategies in the banking sector and their perception Section III elucidates the research methodology of the study, the Sampling technique, and the entire conceptual framework. Section IV discusses the results analysis of the study, enunciating with various statistical tests for stating the research objective, with study significance. Section V propounds the conclusive part of the study

2. Literature Review

The below section enumerated a review analysis of existing researchers, stating strategies in the Indian Banking sector, opportunities, and innovations strategies to rectify issues or enhance performance.

2.1. Strategies of the banking sector

The knowledge-based economy stands as a crucial issue within a global competition, hence one of the research offers an awareness of how good intellectual capital of banks, would bring high benefits to better social life. The bank firms, in regions of Indonesia, had intellectual capital, and higher quality that society would gain more benefits concerning reduced costs, resource efficiencies, better financial services, life enhancement quality, and economic development. Intellectual –capital is the outcome of human knowledge(Soewarno & Tjahjadi, 2020). Intellectual capital had a significant role in executing strategies, obtaining a competitive advantage within a business competition, and enhancing performance. This existing study encountered a few limitations. The sample size of this suggested study is small and takes into account only the banking industries in Indonesia. In the future, research should be made on emerging nations and it will be interesting to apply both primary and secondary data.

In connotation to the banking sectors, one of the previous studies (Aboramadan, Albashiti, Alharazin, & Zaidoune, 2020) assesses the performance of banks with regard to innovation. The link between the innovation, banks performance and organizational culture is being assessed in the conventional study. The major findings of the research infer that the marketing innovation and organizational culture have a significant impact on the performance of the bank. The study investigates the associations of organizational culture, bank performance, and innovation in the non-western context. The conventional study faces a few limitations. Firstly, the performance of bank, marketing, and technology innovation is evaluated using subjective measures. In the future, it is recommended to utilize the innovation objective measures. This study considered only the role of technology and marketing innovation in the banking field and it did not investigate the various innovation forms.

Another study possesses social implications for improving the quality of societal life. This intellectual capital was intellectual material knowledge, intellectual experience, intellectual property, and information that could be utilized to enhance performance and create wealth. Intellectual capital is a significant factor in supporting the performance of firms. This intellectual capital was intangible asset and must be efficiently and effectively maintained for generating better performance in banking business operations. This suggested study included only the Indonesian banks to estimate the Intellectual capital in the banking sector and it leads the way for future research dimension(Vo, 2018). Several methodologies need to be employed in the near future to estimate the efficiency of Intellectual capital in corporate banks and private banks.

Within the context of the banking sector, different business strategies, formulated by leaders were the focus, differentiation, progress through acquisitions, and first-mover strategies like High speed and Imitation. The global diversification of banks that sticks to brand leadership, core competencies, business conduct on the internet, strategic alliances and TQM-Total quality management plays a significant role. This suggested study (R. Singh) involved only the 2 major perils and two major perks related to mobile banking hence it paved the direction for future research dimensions to consider several factors involved in mobile banking and also the bank's perspective.

2.2. To Select Core Banking-Solution

The factor to attain progress in banks was the bank's position to be a customer-friendly, technology-savvy, and innovative bank. To realize if they could require robust technology core platform aids to attain management, and business goals are essential (Kumar & Prakash, 2018). This suggested study did not include the financial performance indicators. Also, it did not consider the foreign banks functioning in India. In addition, the management needs to arrange an intense assessment of various global vendors and ought to select Finacle universal banking solutions from IT companies (Kamra, 2014).

One of the most popular banking solutions in recent times is mobile banking. The lost ownership costs and open-system approach are among the system's key features, providing a call center, online debit system, e-broking, corporate e-banking, test, consumer banking, and micro-payment options in mobile banking. The core banking solutions of Finacle enable the bank to cater to different customer segments, at the same time (Deka, 2015). The study also infers that the Banks should conduct workshops and seminars to create awareness among the people to adopt e-banking services.

2.3. Adopting Technology With an Eye Toward the Future

The wide adoption of technology and smartphone devices had explicated tremendous effects upon innovation on service delivery and operation of the banking sector. Even in developing economies, the adoption of tablets and smartphones has revolutionized the approach to the work is arranged and how business interaction with customers is held. This existing study (Ho, Wu, Lee, & Pham, 2020) does not investigate the dissimilarities of mobile banking adoption behaviors between several customer groups like early users and non-users.

The rise in the utilization of information and communication technology and smartphones has fuelled the desire of customers for mobility. This had turned out to put pressure on the reliance of financial institutions on existing infrastructure forms to be delayed settlement systems. The need was made through technology-driven customers, which had to inspire bank management to create a Tab banking mechanism for loan documents and online document processing. In this scenario, with the increase in bank transactions in online mode, innovations are essential to generate crucial profits (Dharamshi, 2019).

Another significant service provided by the banking sector is the transfer of funds across the world from anywhere and anytime. Due to the larger count of Indian nationals, being in foreign countries, the remittance services in cross-borders seem to be a significant focus perception. To tap the larger marketplace, the Bank management began to offer remittance services in the year 1999. The major principal targets are the NRIs (D. Haralayya, 2021). Also, the bank management had to focus on offline and online remittance products, catering to various geographic markets. The bank management had learned that there exists a larger untapped rural market, with lacking financial services awareness and a lack of convenient remittance delivery services accessibility. Because of this assessment, the bank management undertook two tasks. In the first phase, the product is tailored specifically to those rural customers. The second thing, the bank management offered an approach to give the customer ease of fund accessibility. The bank ought to pilot rural remittance products, to address the rural population's banking needs in India (Shah & Soni, 2022). This could be launched in many villages in India since many residents received specific remittance portions within India and have a wide distribution across the region. Such a type of pilot study consists of three types of phases. The phases are defined below.

Phase 1: Designing Access and Simplify Access through Technology

The challenge of providing remittance services for the rural Indian population does not entail just designing an appropriate remittance product but also ensuring the accessibility of the product to customers. In the end, the bank ought to adopt a pronged way for remittance funds accessibility for those clients and the ways are as follows.

Rural ATMs. The bank infrastructure needs to possess a stronger branch-distribution network, in Wide India, and the low-cost efficient ATM network was deemed as an ideal solution to deliver remittance funds (Irrinki). In some cases, The ATMs are developed by using a joint venture with IIT-Indian Institute of Technology, Madras. This has been earlier tested.

Cash Agent Model. The Pilot can make utilization of internet kiosks through wireless local-loop technology, present already in the local data center and owned by local entrepreneurs. Those kiosks are converted to cash agents. The kiosk owners, maintaining a working capital of nearly 100 dollars, have distributed remittance funds to the public. To decrease the fraud possibility, the system of balances and checks was explored. For instance, daily MIS reports are reconciled and generated with the use of bank data (Zaffar, Kumar, & Zhao, 2019).

Phase 2: Designing Product

The bank management has to provide a different range of remittance products and target the Indian diaspora and their rural clients including rapid fund transformation. The speed-transfer provided transformation within twenty-four hours like the funds need to be sent using Insta-Transfer, being deposited in three hours. Both these kinds of products have become popular specifically NRI, wherein payments are accomplished using international exchange houses and are received with nil fee by those remittance recipients (Premalatha, Suresh, Kumar, & Venkatram, 2017).

Phase 3: Financial- Literacy, Marketing, and Launching Pilot Product

The bank in the pilot study needs to primarily focus on building awareness of the offering among the villages in nations. By working in those local kiosks, the sales personnel of banks disseminated information on how this remittance receipt had been obtained. This has been distributed several promotional materials and explicated different products and remittance program features while in customer interaction. While in the pilot phase, the bank organizations obtained remittances to a value of nearly 11,000 US dollars (Premalatha et al., 2017).

The increase in competitive banks of many private banks for any payment solutions means that those providers would not neglect the growing need for single-integrated, user-friendly payment programs. There is a stronger need for less program implementation time and low costs of development. To meet our end-user requirements, the bank management generated a single-integrated model for entire stakeholders. The new innovative system enables bank management to keep floating money, in the system across a long period, hence the end-users do not need to wait to receive the payments (Asa, Tsanga, Januarie, & Kamati, 2021).

2.4. Addressing Challenges towards Innovation

There are more challenges, in the path toward innovation in the banking sector. One of the issues for addressing is the one who must own the innovation and lead this innovation. The bank sector needs to adopt an integrated method, wherein the employees are entrusted with the responsibility for owning and nurturing innovation at capacity. The service innovations were driven by people (Ravalimanana, 2020).

Most innovation strategies fail in the implementation phase, which focuses on service launching and pilot testing. Other challenges like financial institutions, face lacking infrastructure, technical staff, a higher rate of failure of implementation, and technology-centric support (Tabrizian, 2019).

To rectify the challenges, a few institutions were selected to make innovations, and the responsibility of entire internal units was to encourage other companies to collaborate to determine innovative solutions. For such a strategy, bank units need to adopt the 4Ps of the innovation model, to deal with several challenges. The management focuses on innovative models in processes, paradigms, positions, and products (Mogaji et al., 2021).

2.5. Product Innovation

The outcome of processes that involve teams, time individuals, and guidance to create and deliver new services or products is called product innovation. It denotes the tendency to produce new services or products. Product innovation denotes the enhanced or new equipment, or product which is being emerged as popular in the market. The arrival of services or goods to market, which is new or significantly developed for the intended usage may involve materials, components, technical specifications, integrated software or other specifications in it. It uses new technologies or knowledge or the blending of both existing technologies and knowledge. Product innovation includes various activities like the conceptualization of product, development, and design, and also marketing (Tajeddini, 2016). The product innovation implemented by banks aids in increasing the

market shares of small and medium enterprises (Omagu, Asikhia, Akinlabi, & Makinde). The Profitability of banks is also important for the sustained creation of innovative banking products. Hence, the innovative strategies must assess the risk taken by the bank and also consider the customer preferences before delivering innovative products.

To recognize the demand for offering customers broad categories of technology options, the bank can develop a comprehensive mobile strategy for enhancing services and customer experiences. It includes a Tab banking initiative, providing customers with better convenience in opening a bank account at an office or in-home itself. The Tab banking initiative's innovative strategy was implemented by those 4000 employees in over twenty cities, visiting customers on their doorstep, to offer banking services. This is launched initially to make it easy of use for customers to open new bank accounts (Parameswar, Dhir, & Dhir, 2017). In the previous period, the customers had to visit the branch of the bank directly, fill out those application forms, and the documents will be submitted with identity attestation, which is a tiresome process. The process entailed offers to be long waiting periods. With the product innovation of Tab banking, the bank officials will visit customers, and take charge of the complete application process for opening bank accounts. The complete application process will be accomplished by those bank officials on the spot in less time. The application, being completed and their supporting customer documents were uploaded instantly by Tab through using the Internet. This innovative thought reduced rework, stemming from data entry work and other errors of documentation, being committed by personnel of banks while processing the supporting documents and physical application forms. The Tab banking innovation satisfies the customer (Asif, Dallerup, Hauser, Parpia, & Taraporevala, 2020) and permits the officer to capture document details and customers-details, to generate transaction vouchers.

The tab banking permits the bank officers to verify one's transactions and the verification depends on a central server across the 3G network. The efficient marketing-tool, makes the possibility for customers, to watch videos demonstrating different bank products and other bank offers. This sort of innovative product was upgraded further allowing sales officers to seamlessly and rapidly offer the entire bank services. Additionally, opening a bank account facilitates innovation through applied technology. An application was designed to enhance the productivity and efficiency of sales staff by enabling the officials to manage sales activities including event management, lead management, task management, supervisory review, cross-selling, and calendar management across the tablets (Rai & Gupta).

2.6. Process Innovation

The implementation of advanced methods of delivery or production is called process innovation. The new production process adoption will significantly enhance cost structure, productivity, and rationalization and it is termed process Innovation (Edeh, Obodoechi, & Ramos-Hidalgo, 2020). In general, it leads to internal orientation and reflects upon cost efficiency. Within the context of the banking sector, various innovative strategies are introduced to improve the benefits of both customers and banks. The implementation of new or advanced distribution or manufacturing techniques or new social service paths. The process and product innovations are associated and interlinked to each other to attain the production targets.

To increase productivity and efficiency, the Bank needs to make a substantial investment to create a unique network having more ATMs over entire India. The two innovative models can be propounded to the banking sector, to serve the bottom of the economic pyramid. The first and foremost approach was direct access bank-led design, catalyzed through the merger with bank institutions located in rural areas like the Bank of Madura. The collaboration has leveraged the capacity of banks to promote SHG-Self-help groups. This innovation initiative in the bank process had to increase the scale and scope of rural savings and their lending dramatically (Bhasin & Gulati, 2021).

SHG was composed of many individuals, belonging to the same socio-economic background, who were in demand of knowledge support and financial support. In the extension of rapid financing to SHG members, the bank does not need them to have a savings account to obtain loan or credit. The participants possess the benefit of having convenient repayment options for loans, as per agreement terms between SHG, the belonging bank, and the corresponding Banking organization (Awasthi, Li, Koh, & Gunseitan, 2019).

Another innovative approach is the indirect channel-partnership design or model, which leveraged

relationships, non-governmental rural network organization, and knowledge, specializing in social work and micro-credit. The channel partnership provides banking services to those populations, residing in hard-to-reach rural regions. The bank organization can provide credit to those non-governmental organizations that extend further to the rural poor without cost-effective brick-mortar expansion to those hinterlands. This seems to be a cost-efficient approach for achieving the objective of penetrating outer Indian regions while contributing to financial inclusion (Sridevi & Singh).

2.7. Position Innovation

The bank can make a contextual-shift, in the approach that those banking services are delivered by implementing IMPS-Immediate Payment-Service, an inter-bank electronic money-transfer service (B. Haralayya, 2021a). With this service, customers would access using computers, or mobile phones. These services were available 24/7 hours, 365 days a year. The IMPS permits the customer to access the fund's transformation and bank accounts instantly (Eva, 2018). The customer only requires a 7-digit Mobile Money identifier number for transferring funds using this IMPS. The three kinds of IMPS were available as stated below

- Person-to-Person (P2P)
- Person to Account Number (P2A)
- Person to Merchant (P2M)

These innovations will enable the banks in solidifying their position of banks as forward-thinking and trusted industrial leaders and to stand as front-runners in implementing the technology (Kismawadi, Hamid, Rasydah, & Rafida, 2021). Hence as a lead to those initiatives, the bank employs this kind of innovation strategy, for enhanced efficiency in performance, customer satisfaction, and reduced costs, catering to evolving demands of business, demanding rapid, high-qualified service, and tech-savvy young generation.

2.8. Paradigm Innovation

The bank management had decided to target a business and the burgeoning middle-class population of India by providing a higher range of efficiency and customer services. This rivalled what has been offered by those foreign banks however not more high scale and at a low cost. The critical aspect of such an innovative strategy was the emphasis on technology and the position of banks to be both customer-friendly and technology-savvy (Vasile, Panait, & Apostu, 2021). This suggested study emphasized the requirement for establishing opportunities to include financial inclusion as a public commodity and it is regarded as an instrument to improve people's quality of life and client satisfaction.

H₁: There is a significant impact of global innovation strategy and the customer's feedback paving the profitability of Indian Banks

Global Innovation strategy and Indian bank's profitability

An important factor contributing to the economic progress and development of nations is financial innovation (Popelo, Dubyna, & Kholiavko, 2021). The study states that the banking sector is required to concentrate on innovative initiatives by considering the present threats and challenges faced by financial institutions. Lastly, the efficient use of particular financial innovations needs an in-depth understanding of features of its operation and repeated analysis of its consequences. The research also reveals that the leading banking institutes that, actively employ innovative developments gain benefits and are capable of changing previous business models. Sometimes, financial innovation can cause unknown threats. So, it is necessary to evaluate the consequences before implementing financial innovations. After the global financial crisis around the year 2007-2008, the financial market conditions are developing and banks are considering opportunities to improve by means of strategies for loan growth, asset growth, and profit growth (Lee, Wang, & Ho, 2020).

The profitability of the bank denotes the proportion of the bank's profit growth from the previous year to the succeeding year. In association with this, a study (Lotto, 2019) infers that the profitability of banks increases through investing in financial innovations and increasing one's market shares to increase operational efficiency. The banks will utilize the asset capacity to increase the yearly earnings. In addition to it, the banks must evade reckless lending which will reduce the bank's credit

value. The innovation processes and knowledge sharing are the necessary elements for the progress and survival of financial institutions (Abbas et al., 2019). This in turn will aid in increasing the earnings of the banking sector.

Customer feedback, Customer satisfaction and Indian bank's profitability

The banks should satisfy the customers' requirements to attain sustainable growth and development. In association with this, a study (Pakurár, Haddad, Nagy, Popp, & Oláh, 2019) investigates the service quality dimensions of banks by utilizing a modified SERVQUAL model, which can be utilized to determine customer satisfaction and the influence of dimensions like empathy, tangibles, reliability, employee competences, financial aspect, responsiveness and access upon customer satisfaction. It is essential to understand customer attitudes and behaviors to provide better quality service and an integrated system. The study also deliberates that the creation of a tool is important to determine customer satisfaction, especially for improving the bank services. This SERVQUAL model is smeared to assess customer satisfaction. The maximized customer satisfaction levels will result in enhanced performance and profitability of banks. Likewise, the conventional study (Eklof, Podkorytova, & Malova, 2020) recognizes an empirical association between customer satisfaction and customer loyalty in terms of operating income, profit margin, Return on assets, and Return on equity and also market indicators. The investigational outcomes of the study infer that customer loyalty and satisfaction have a significant positive impact on the profitability of banks and this in turn influences the financial performance of banks. The study also deduces that there is a positive association among customer satisfaction of previous year and present year market indicators. The investors of financial institutions should concentrate on customer satisfaction for the future profitability of one's financial institution.

In present times, it is vital to analyze customer behaviour for organizations in the banking field which, involves several customers with varied characteristics (Aghaei, 2021). The conventional study delivers a view to recognize customer preferences, particularly for bank managers. The identification of customers aids banks in increasing profitability when the services and products offered by banks are created based on customer feedback. Another study (Nahida Afroz, 2019) evaluates the service quality of banks and its influence upon customer satisfaction. In addition to it, the research examines association among customer satisfaction and service quality. The experimental outcomes of research deduces that service quality improvement must be performed on 5 service quality dimensions, particularly the dimension of empathy and responsiveness. The research identifies the positive association among each and every service quality dimension and satisfaction of customer.

H₂: There is a relationship between lacking issues of customer perception in the Banking sector and the need to opt for process, product, and technological innovation strategies in Indian banks.

The banks require to measure Fintech service strategies on the basis of factors and user preferences and factors impacting service adoption. A digital technology with big data, intelligent investment consulting and blockchain at its central is known as Fintech and it is suitable to utilize in banking sector. The adoption behaviour and attitude of customer should be considered by banks to adopt the innovative services (Hu, Ding, Li, Chen, & Yang, 2019). Within the context of customer's perspective, banking is defined as the provision of service. As, the competition within the banking sector increases, it is essential for financial sector to manage the customer retention. The innovation is required by customer retention and this innovation is accelerating at a high rate. Banks are not ready for technology innovation till now and it leads to the decrease in financial performance (Broby, 2021). Hence, the banking sector needs to take initiatives to increase the profitability of banks by means of innovative strategies.

The development of new services or products for customers is called as product innovation (Tajeddini, 2016) meanwhile, the association of ways in undertaking services or production services is called as process innovation. Recently, banking services have experienced significant changes because of several factors. To sustain themselves in the market, banks are required to fulfill the customer needs. The customer's aspirations and dreams must be validated by banks using innovative processes and products. The financial providers are required to focus on revolving around and eliminating the friction points in the buyer's journey. The banks are required to establish an elevated degree of convenience and financial product access. Hence, the crucial priority for banks is to build relationships

with customers(Nambiar & Bolar, 2022) to eliminate friction points in customer's long-term journey with their respective bank. Also, innovations are occurring across the world and they need to be implemented in the Indian banking sector.

The customers demanded the banks for advanced technology adoption for better quality of service. Since, the needs of individuals, clients, and businesses are constantly changing, the banks are forced to change the structure of the traditional banking system. Rather than the regular products and services offered by banks, there is a requirement for innovative services and products from banks by customers(Moşteanu, Roxana, Faccia, Cavaliere, & Bhatia, 2020). After the financial crisis, the financial sectors started to consider the operating efficiency developments as an imperative one(Mugambi & Kinyua, 2020). The issues raised in financial industries like outdated technology, complex processes, maximized operating costs and low channel efficiency lead to customer discontent. The user-centric solutions are seen as an innovative approach that needs to be adopted by banks to regain customer confidence.

2.9. Problem statement

Banking firms majorly focus on technological innovation that offers better banking processes and products. To restore the confidence of customers, the banks would need to concentrate on technological strategies, product strategies, and process strategies as innovations, for the needs of customers. The banks must not focus on investing in new product development but they should spend time on redesigning existing products that satisfy the financial demands of customers. Innovation in banks aids in achieving competitive benefits(Hussain, Khatoon, & Sarwar, 2019). In present times, the Indian banking sector faces huge competition. As novel technologies are continuously evolving, it is necessary to reform the value chain of the banking system for instance the growth of innovative digital equipment and transforming the supervisory landscape. Due to the changing expectations of customers, there is a huge competition between financial advisors and providers. The financial institutions that are capable of providing personalization services to the client along with transparency can sustain the competition and attain success.(Latif, Mahmood, & Ali, 2020).

The banking firms approach innovation in wide perception to include new ways, technologies, and products to do things. The financial innovations include larger talents, treasures, and spending time(Akar & Sharma, 2018). Will any strategy generate value for those customers and ensure that it creates competitive benefits for banking firms, seems to be the problem that ought to be explored. Hopefully, the research will offer in-depth knowledge regarding innovation strategies and their impacts on customers' perceptions or feedback(Sukhdev Singh, Sidhu, Joshi, & Kansal, 2016).

2.10. Theoretical Framework of Banking Strategies

The theoretical framework of this study was based on the few existing theories and statements deliberated by researchers. According to Bryson (1995), Strategic Planning (SP) involves factors like the investigation of an organization's obligations, objectives, and values the analysis of the external and internal environment in an organization, and the recognition of strategic issues based on analyses and the goals and finally the strategies and tactics are formulated to overcome the issues. Based on Faine and Tornabell, endurance in the financial sector relies upon the identification of client's requirements and yielding good service which paves the way for creating customer loyalty. Mualla quoted that banks alter, improve, and generate effective strategies to decide the various parameters impacting the service quality(Pakurár et al., 2019) and also to amplify the number of customers based on the competitive market situation through assessing customer satisfaction regarding several dimensions which impact the quality of service.

3. Research Methodology

The research methodology embraces the strategic planning process. The three main steps involved in strategic planning are the formulation of visions, implementation, and control(Musyoki, Senaji, & Mutiira, 2022). The strategic plan permits the banks to concentrate on the significant elements, assigning the resources which include people, time, and money to those endeavors that will eventually lead to increased revenues and profits.

3.1. Research design

The proposed research involves a quantitative methodology. The convenient sampling technique will be used to draw out the samples for the research. Quantitative research provides reliable and accurate outcomes and it is more valuable than the qualitative method. Hence, this research uses the quantitative method. The statistical technique is used to perform the data analysis on the collected data to obtain the outcomes of this research. The research was carried out with empirical data, assessing the impacts of innovation strategies on the banking sector, and addressing the issues of banking operations paving the way for innovation strategy. The research design was expounded to assess the perception of customers on process innovations, product innovation, and technological innovation strategies in banks. The method, put forth a quantitative method, to generate results analysis. The primary data were collected by using a survey assessment (structured interview approach), distributed to 100 consumers obtained in different banks in Haryana from the period April 2022 to May 2022. The results outputs were subjected to a statistical analysis phase through the SPSS statistical package to yield appropriate statistical outcomes.

3.2. Conceptual Framework

The conceptual framework depicted in above figure 1 was developed based on various independent, dependent, and moderating parameters. The moderating variables, independent and dependent variables, are considered pursued with statistical analysis. The outcomes of the study enunciated the testing of the research hypothesis. The variables of feedback, convenient operating hours, accessibility of banks, and Error-free transactions, have an impact on opting for a strategic innovative model for all Indian banks. The Global process, product innovation, and technological innovation have a dependency on the issues lacking in the Indian banking sector and their benefits .

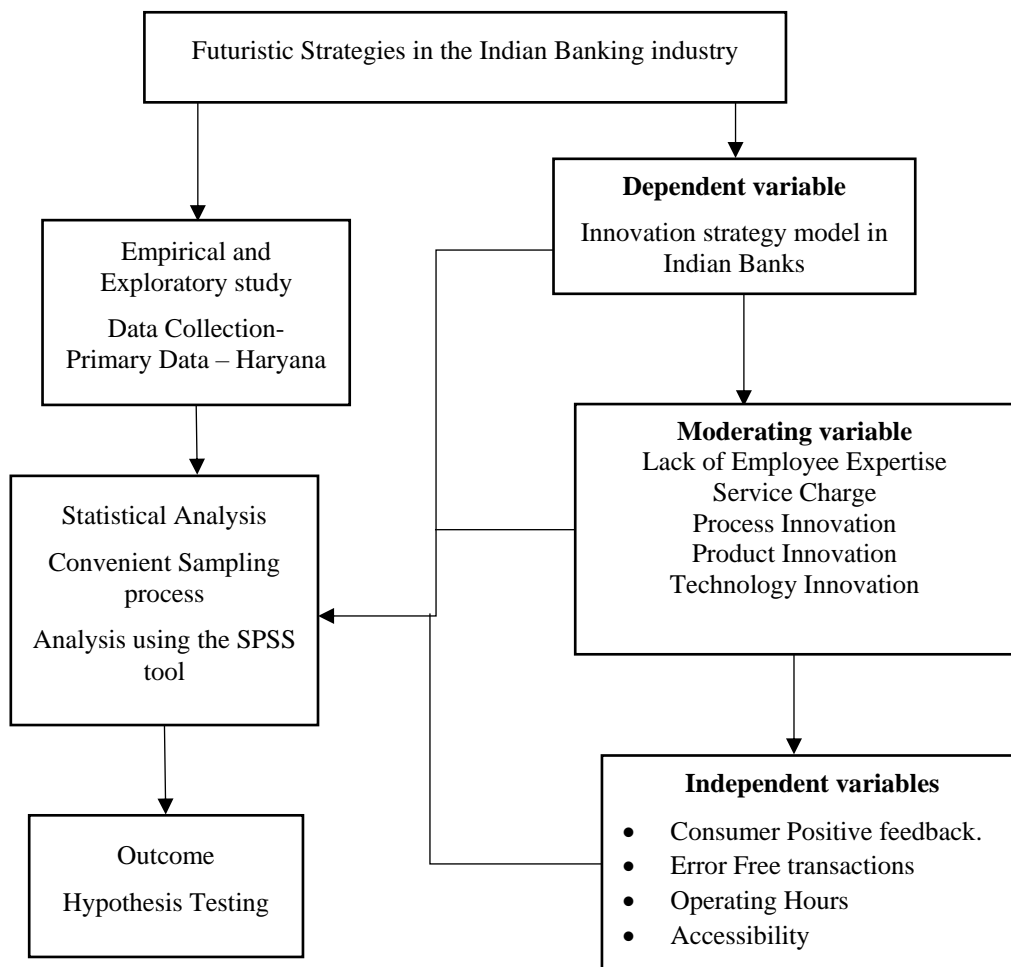


Fig. 1. Conceptual Framework of the study

3.3. Sampling size and technique

The quantitative and descriptive methods were utilized to conduct a research study. Convenient sampling method employed to select out the 100 customers in banking institutions based on their availability. The respondents were gathered in Haryana banks and were approached. There should be no bias in research analysis, hence the customers from various banking sectors like Indian public, private, and foreign banks are approached. By utilizing survey questionnaire outcomes, primary data collection is obtained from private, public, and foreign bank customers in Haryana who are willing to participate.

3.4. Research Objectives

The major objectives of the research were

- To determine the issues in banking services, paving the way for the need for innovative strategies in the Indian banking sector.
- To assess the impacts of innovative strategies on customer satisfaction in banks.
- To analyze customers' perception of the process, product, and technological innovation strategies in terms of satisfaction level in banking operations.

Research tools and questionnaire description

The research employs the Likert scale of questionnaires for this survey study. The response to the Likert questionnaire request indicates the research participant's approval of the argument. The scale is named after the psychologist Rensis Likert, the inventor (Alkharusi, 2022). The research participants are requested to denote on a five or three-point Likert scale. The present research provides a great extent of anonymity to the participants of the study by not revealing the true identity of participants. The demographic details of respondents are collected but, it is kept confidential. The research participants are interrogated on around twenty five questions and the main questions contributing to research objectives are articulated below. Then, the responses from research participants are collected and analyzed for research purposes and from the data analysis, the inference of the study is framed.

S.no	Questionnaire	Scaling points
1	Up to what extent, do you think that lack of branch accessibility in traditional banking systems elevated the need for innovative banking solutions?	1-high 2-moderate 3-average 4-poor 5-don't know
2	The higher service charges lead to demand for online banking services among customers. Do you agree on this statement?	1-Strongly agree 2- agree 3-neutral 4-disagree 5-strongly disagree
3	How far do you agree that product innovation strategy like innovative deposit withdrawal schemes is beneficial to bank customers?	1-Strongly agree 2- agree 3-neutral 4-disagree 5-strongly disagree
4	Is technology innovation like cash deposit machines is demanded by customers?	1- yes 2- no 3- don't know
5	The process innovation like Internet banking solutions eases the job of customers. Up to what extent, do you agree on this statement?	1-Strongly agree 2- agree 3-neutral 4-disagree 5-strongly disagree
6	The convenient operating hours are the main factor that paved the way for mobile or digital banking services. From your perception, how far it is true?	1-high 2-moderate 3-average 4-poor 5-don't know
7	Is there a lack of employee expertise in the banking sector?	1-Yes 2-No 3-don't know
8	Do banks need to utilize Customer feedback services for the betterment of the quality of service provided by them?	1- yes 2- no 3-don't know
9	Whether the devoid of error-free transactions is main limitation of the traditional banking system?	1-Yes 2-no 3-don't know

3.5. Data Analysis -- Statistical analysis using Primary data.

IBM SPSS software package, implemented in this research for data analysis. The statistical methods utilized include tests such as descriptive statistics, ANOVA analysis test, and correlation test was explicated to test the research hypothesis.

4. Results and Discussion

4.1. Anova Test

Table 1. ANOVA Test – Descriptive Statistics

		Descriptive							
		N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
						Lower Bound	Upper Bound		
Innovative Deposit Withdrawal Schemes Product Innovations	Strongly Agree	24	1.63	1.056	.215	1.18	2.07	1	5
	Agree	25	1.64	1.114	.223	1.18	2.10	1	5
	Neutral	31	1.81	1.276	.229	1.34	2.27	1	5
	Disagree	6	1.00	.000	.000	1.00	1.00	1	1
	Strongly Disagree	13	1.08	.277	.077	.91	1.24	1	2
	Total	99	1.58	1.070	.108	1.36	1.79	1	5
Internet Banking Solutions Process Innovation	Strongly Agree	24	1.96	.859	.175	1.60	2.32	1	3
	Agree	25	1.40	.577	.115	1.16	1.64	1	3
	Neutral	31	1.45	.675	.121	1.20	1.70	1	3
	Disagree	6	3.17	1.835	.749	1.24	5.09	1	5
	Strongly Disagree	13	1.92	1.382	.383	1.09	2.76	1	5
	Total	99	1.73	.998	.100	1.53	1.93	1	5

The above table 1 enumerates the descriptive statistics of dependent variables such as product innovation and process innovation strategies adopted in banks. The mean values and standard deviation values of the responses of those variables are computed using descriptive statistics. The mean values of variables of banking solutions to have innovative deposit and withdrawal production innovation and data processing internet banking strategies are elucidated in the test.

4.1.1. The impact of Error-Transaction benefits to pave the way for innovative strategy (product Innovation and Process innovation in the banking sector)

Table 2. ANOVA Test – Impact of Error-based Transaction banking operations to pave the way towards innovative strategy

		ANOVA					
			Sum of Squares	df	Mean Square	F	Sig.
Innovative Deposit Withdrawal Schemes Product Innovations	Between Groups		7.035	4	1.759	1.572	.018
	Within Groups		105.147	94	1.119		
	Total		112.182	98			
Internet Banking Solutions Process Innovation	Between Groups		19.244	4	4.811	5.769	.000
	Within Groups		78.392	94	.834		
	Total		97.636	98			

The ANOVA test, in table 2 defines that the customer's feedback to have an opinion on error-free banking transactions through this innovative strategy impacts or insists the bank adopt such an innovative strategy. The significance values in the Anova test are 0.000 and 0.01, with a p-value lesser than 0.05. Hence this inference shows it rejects the null hypothesis and the alternative hypothesis is accepted. The customer's opinion about error-free transactions, in banking operations, impacts the need to have an innovative strategy for bank institutions.

4.2. Correlation analysis

The correlation test implies the relationship among the obtained variables in table 3. Lacking branch accessibility of customers, the feedback of customers on banking services, and innovative deposit and withdrawal schemes (Product innovations) have dependency or impacts on one another. The positive Pearson Correlation Co-efficient value defines a positive correlation among the variables, it states that positive customer feedback on the banking services has a relationship with innovative deposit Withdrawal schemes on product innovation strategy. A negative correlation exists between customer feedback services and with lack of branch accessibility of the banking sector in some locations, in this scenario, if the accessibility of banking operations is more or less, then customer feedback differs.

Table 3. Correlation Tests

Correlations				
		Lack of branch accessibility	Innovative Deposit Withdrawal Schemes Product Innovations	Customer feedback Services
Lack of branch accessibility	Pearson Correlation	1	.214*	-.063
	Sig. (2-tailed)		.033	.053
	N	100	100	100
Innovative Deposit Withdrawal Schemes Product Innovations	Pearson Correlation	.214*	1	.030
	Sig. (2-tailed)	.033		.075
	N	100	100	100
Customer feedback Services	Pearson Correlation	-.063	.030	1
	Sig. (2-tailed)	.053	.075	
	N	100	100	100

*. Correlation is significant at the 0.05 level (2-tailed).

4.3. Regression Analysis

Table 4. Regression Test

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.201 ^a	.041	.031	.978

a. Predictors: (Constant), Convenient Operating Hours

Table 5. Regression Test - Anova Outcomes

ANOVA					
Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	3.960	1	3.960	4.140	.045 ^b
1 Residual	93.750	98	.957		
Total	97.710	99			

a. Dependent-Variable: Internet Banking solutions Process Innovation

b. Predictor: Convenient Operating Hours

The above tables 4 and 5 enunciated the regression test wherein these outcomes, point to the degree of correlation among variables strategy benefits to having internet banking solution (process innovation) with customer's perception towards having convenient operating hours of banks. However the value in the regression test is 0.041, low degree of correlation, exists between the independent and dependent variables.

5. Suggestive Model

Innovation stands as the cornerstone, for digital transformation at banking firms, and those financial institutions globally. Universality, effects, and originality were the three major concepts utilized to characterize creativity and advancement. The future of banking industries is within the forum to evolve business models. To meet the modern-quality requirements, both private and public banks should place a higher focus on better information technology. The global innovation strategy model was designed based on major inferences, about various banking innovation aspects. This comprises three strategy phases for the betterment of the banking sector in India. It is suggested that futuristic strategies can be built up through these three phases. The phases were labeled below.

- Customer-Centric Innovation strategy
- Technology Centric-Innovation strategy
- Revenue Centric-Innovation strategy



Fig. 2. Global Innovation Strategic Model – Three Phase Strategies for Future of Indian Banking Sector.

Phase 1 indulges the criteria factors and sub-criteria aspects, which need to be assumed to frame out global strategies that pertain to customer-centric innovation strategy.

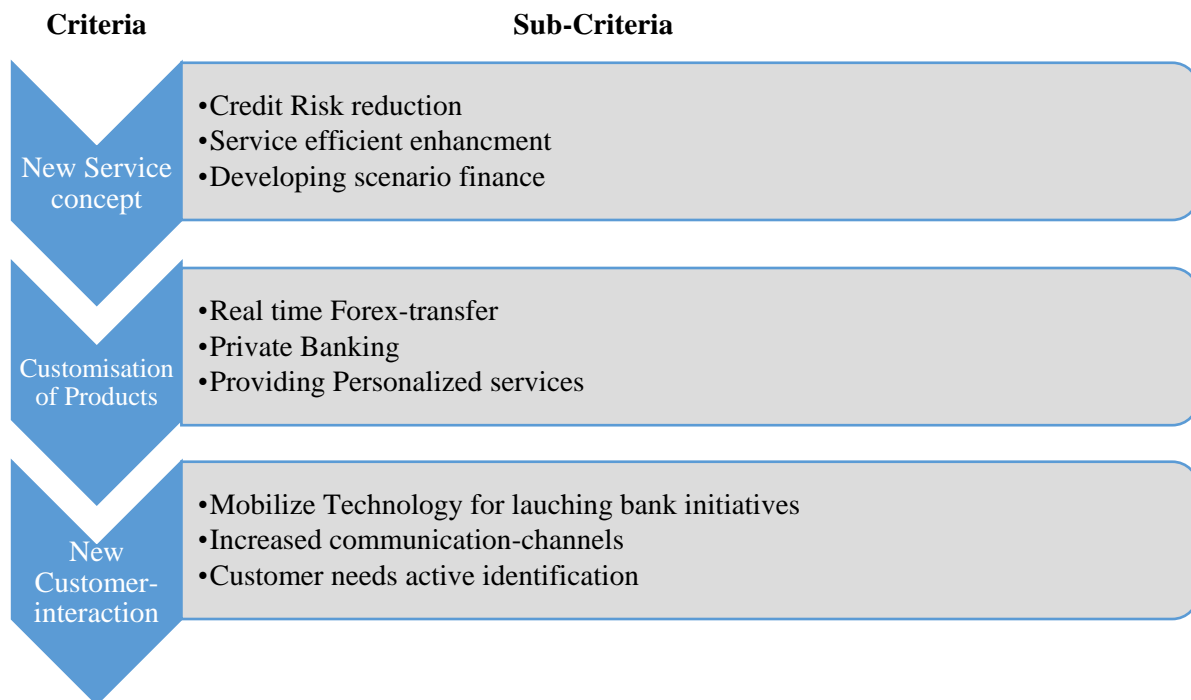


Fig. 3. Customer-Centric Innovation global strategy

To hold out customer expectations on daily basis, fintech firms and prominent bank organizations should recommit to understanding intuitively the delight of customers at all times. Technological innovations could aid in meeting the goals of the banks in terms of performance, reputation, and profitability. However, it will be tedious for the bank firms to gain this market share without evolving a customer-centric innovation strategy to be the place. Since the customers play a prominent role in which the banks are operated and the financial inclusion of nations, the need for a solid customer-centric innovation strategy is essential. The customers are ready to change the banks if one’s requirements are not being fulfilled. Hence, bank marketing has transformed from concentrating on the transactions to creating the long-term relationships with clients. The mobile banking also increased the ease of use of bank services among the people. Therefore, the bank must create trust, value, and loyalty among its customers to sustain the competitive environment.

Phase-2 - The phase consists of criteria factors and sub-criteria aspects, considered to frame out global strategies that pertain to technology-centric innovation.

In the recent world, of technological innovations, bank organizations have been adopting this technological innovation to be a critical component of survival and competitive benefits. Under banking institutions, technical expertise stands as the best approach to connecting the Indian Diaspora by industries.

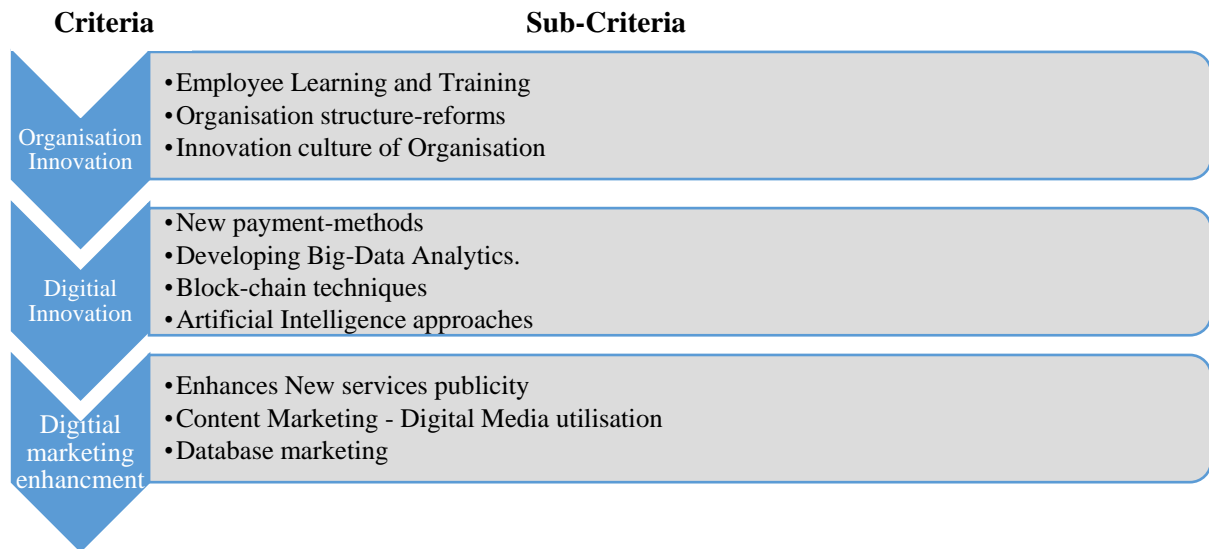


Fig. 4. Technology-Centric Innovation Global Strategy

For instance, Big data analytics performs the following operations

- The complete exploration of income and expenditure details of customers to avoid unnecessary marketing calls to customer
- Separation of specific customer base for providing better services
- Avoidance of fraud transactions to protect the customer's account
- The organization of customer feedback

These above operations maximize the loyalty of the customer towards one's financial institutions. The Blockchain-enabled use cases are implemented in financial institutions particularly in banking sectors to gain the trust of customers and increase the confidence of the banking customers regarding privacy and safety concerns. Several artificial Intelligence tools are also utilized to identify fraud through the client details and bank balance. Additionally, AI tool can be used for the bank automation process and improve customer service which in turn improves customer satisfaction. Hence, the banks need to update the various advanced technologies to predict fraudulent transactions.

Phase-3- The phases consist of criteria factors and sub-criteria factors, considered to frame out global strategies that pertain to revenue-centric innovation strategy.

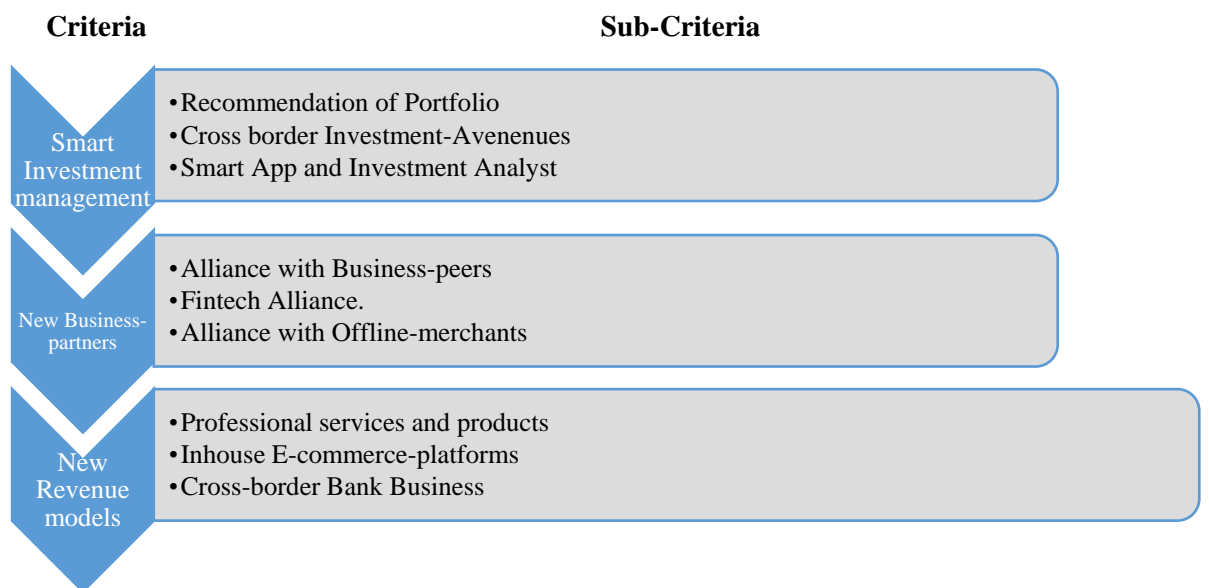


Fig. 5. Revenue-Centric Innovation Global Strategy

The utilization of the Internet and web based technologies in the banking sector results in the creation of new business models and services. For instance, the fintech adoption in the financial sector will make bank transactions easier. Also additional factors such as external financing and lower interest rates increase the revenues of Indian banks. The well-maintained banks along with their credit-worthiness increase the trust level of customers and it will aid in increasing the profitability of banks.

5.1. Discussion

The outcomes of the ANOVA test reveal that the customer's feedback about the aspiration for error-free transactions in banking operations influences the need for innovative banking strategy. The positive Pearson correlation coefficient value describes the positive correlation between the variables of customer feedback and the innovative withdrawal or deposit schemes on product innovation in the banking sector. The correlation test results described that there is a negative correlation between the lack of branch accessibility and customer feedback services and also the product innovation withdrawal or deposit is associated with customer feedback. The regression test outcomes validated that there is a degree of correlation among the variables like operating hours and the dependent variable Internet banking solutions process innovation is about 4 percent. The results of the regression test proved that there is a low-level correlation between operating hours and mobile Internet banking. The innovative strategies in the banking sector are a dependent variable and many independent variables like operating hours, error-free transactions, lack of branch accessibility, and customer feedback are considered in this study. Hence it is proved that there is a need for a bank innovation strategy for the improvement in the quality of service provided to customers in a bank.

The technological innovation systems technique yields the multi-level perception for defining the method of technological innovation and change and to capture alterations in processes, goals, and functions over time. The outcomes of the conventional study(Lashitew, van Tulder, & Liasse, 2019) infers that the individuals involved in the innovation system aids in the development of suitable technologies to encounter social issues. In accordance with this, within the context of the banking sector, the present study concludes that the Indian banking sector should specialize its operation and functions using integration of advanced technologies like Blockchain, AI, and big data analytics to enhance the customer experience and to increase its efficiency. In present times, banks and financial institutions are attempting to improve strategies using which one can maximize the engagement of new-generation customers who are not comfortable utilizing physical bank outlets to perform one's banking operations(Dubey, 2019). Likewise, the present study suggests that the mobile banking services offered by banks will greatly benefit the customers and increase customer satisfaction. This in turn will increase the new-generation customers to banks that contributes to the profitability of banks.

An existing study(Meher et al., 2020) deliberates the preventive management strategies for evading non-performing assets in near-by-future. Unlike the existing study, the proposed study does not introduce any preventive strategies it proposes a three-phase suggestive strategic model to develop innovative strategies in financial industries mostly banks. As per the discussion deliberated above, a three-phase suggestive strategic model is proposed in terms of revenue, customer, and technology-based innovation to improve customer satisfaction increase the revenue of the banking sector and enhance the financial sector of a nation, especially the banking sector. The banking firms should focus on various variables for generating revenue. The business output might be straightforward to be a transaction. The banking institutions should focus on various key criteria, including finding new business partners, designing new revenue models, and smart investment-management implementation to associate revenue and content.

Banks must provide excellent quality services to their customers in order to increase their customer base. Also, the ineffective and poor services provided by banks will affect their profitability. The data analysis of the study(Li, Lu, Hou, Cui, & Darbandi, 2021) deduces that the quality of service will impact customer satisfaction to a greater extent and the service quality involves technical support, cost-effectiveness, and user-friendliness. Furthermore, it states that when a customer receives the better service quality from banks, then one will be delighted to pay the bank a high amount as compensation for the excellent quality of service received by oneself. Similarly, the outcomes of the current study reveal that the innovative products and services provided by banks should be customer-centric to improve the productivity and efficiency of banks. Another study(Galazova & Magomaeva,

2019) examines the particulars of the transformation of banking operations concerning the digitalization of the economy. Also, it investigates the perspective for the advancement of the traditional banking sector with regards to digitalization and there is a high requirement for banks to transform and digitalize their operations in order to withstand the competition in one's business. In addition, to stay and sustain in the market, banks are required to digitalize their operations. Likewise, the inferences of current research reveal that the mobile banking is gaining popularity among bank customers due to its varied benefits like ease of use and operating hours. Hence, the banks are advised to change their traditional structure by offering banking services through tabs and mobile phones.

5.2. Research implication

The present study introduces a three-phase suggestive strategic model and it will yield gains to both customers and banks. To increase the profitability of banks, Innovative expertise and equipment are need to be adopted in the Indian banking industry. In this way, the incorporation of advanced technologies in the banking sector will be made possible which in turn increases the revenue of the financial sector in a nation. In financial sectors, technology-based innovation is considered as the major significant element for its success and well-being. This is mainly due to the preferences of the customer. The cost, ease of access, and speediness are the three main reasons why people opt for technologies for banking services. About this study (Malik & Ahsan, 2019) infers that the banks should be customer-oriented and consider the inputs of customer to adopt the innovative schemes for attaining customer satisfaction which in turn increases the profits of the Indian banking sector. The present study findings also acknowledged it other factors that needs to be considered while implementing an innovative strategy in the banking sector are risk assessment and advanced technologies and transparency between the customers and banks. The growing popularity of mobile banking indicates that there is a constant and effective need for the new kind of banking services.

In addition, the Indian banking systems should also focus on the network security management plans. The findings of the present study exhibit the application of Artificial intelligence and blockchain technology in the detection of fraudulent transactions. This is in turn supported by the existing study (Ravi, 2021), that the technological innovations in the banking sector will provide enhanced real-time service to customers and reduce human errors. The advancements of blockchain technology in the banking sector provide the safe transactions and the integration of AI in the banking sector provides personalized service to the users. The banking services need to be transformed into accessible for everyone without the requirement of a physical visit to bank. This in turn decreases the operating costs of banks and increases the economic development and progress of the nation. In the forthcoming days, banks are required to adopt sustainable strategies through incorporating technological innovation and customer-centric innovation schemes to increase one's productivity and efficiency.

The innovative strategies will improve the competitive advantage of the banking industry which in turn increase the urge to innovate among Indian banks. Across the world, technological enhancements are rapidly increasing and it is the main reason for the demand for transformation of the Indian banking sector as a digitalized one to adopt advanced technologies. The banking industry should consider customer feedback and satisfaction as the main priority of one's organization to increase its revenues. Hence, the banks also need to convince and retain its one's customers by means of providing innovative products and services. The banks should increase their customer base by providing continual and advanced innovative services and products that maximize the profitability of banks and the economic growth of a nation.

5.3. Limitation and Future recommendation

The innovative techniques in the banking industry are still in their developing stage. In the future, researchers need to create awareness among the people about adopting new strategies in the Indian banking sector. Several implementations of the proposed model are needed in the near-by future and the sample size of the study should be increased to avoid generalized results.

6. Conclusion

The utilization of technology for encouraging innovation strategy enabled the banks to anticipate customer demands, hence staying unique beyond the competition. To ensure competitive advantages, in the long run, the organization leaders should learn to manage myriad technological assets efficiently, and at their disposal. Innovations integrating creative services and operation with growth were the high significant in strategy to lead a sustainable place in the banking sector. This has been focused on the study wherein it addresses the issues among customers in the banking sector, benefits in banking operations, and how these entities paved the path to opt for the innovation strategy model on Indian banks. The changes in process innovation, technological innovations, and product innovation can be embraced and focused on to expand its global footprint. The outcomes of statistical analysis, through a quantitative approach, replicate the dependency factor to adopt an innovative strategy model in Indian banks and the counterparts' enhancements. Based on extracted components, a global innovation strategy model has been proposed. Whilst in the development of a global innovation plan, a three-phase model is designed. These Indian banks should focus on innovation strategy in areas of customer service, revenue generation, and technology to achieve acceptance globally. The inferences of statistical outcomes explicated that issues of the banking sector pave a path to shift to an innovative strategic model in Indian banks. The adoption of the global model, stands as the backbone of operations, enabling accommodating and supporting bank transactions and broadening the customer base. Even though this sort of technology obsolescence, would always stand to be a challenge, this innovation strategy would continue to spur business progress.

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Declaration of competing interest

There is no conflict of interest for any of the participants.

Author Contribution statement

All authors have approved the manuscript and agree with its submission.

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