

Customized Banking Services: Pride Or Hide

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ABSTRACT

This study explores the role of customized banking services in enhancing customer experience in India, focusing on awareness, adoption patterns, perceived benefits, and challenges. Nonetheless, issues including data security, legal worries, and obstacles to accessibility continue to exist. The study looks at the connections between banking personalization, service utilization, and demographic characteristics using ANOVA, and correlation. The results show that adoption is highly influenced by education and affluence, with higher engagement being driven by perceived advantages like automation and convenience. High costs and difficult procedures continue to be major deterrents. In order to increase adoption rates, the report emphasizes the necessity of focused financial literacy initiatives, and streamlined banking procedures. Future studies might concentrate on developing technology, long-term adoption patterns, AI-driven customisation and behavioural aspects that affect banking preferences.

1. INTRODUCTION TO CUSTOMIZED BANKING SERVICES

Customized banking services refer to financial solutions designed to cater to the unique needs of individual customers. Unlike traditional banking, which offers standardized products, customized banking uses advanced technology, data analytics, and AI-driven insights to create personalized offerings. These may include tailored loan structures, flexible repayment plans, AI-powered financial advisory, and user-specific digital banking interfaces.

With the rise of fintech innovations and digital banking, customization has become a key differentiator in the banking sector. Banks now leverage customer data and behavioural patterns to offer targeted services, making banking more efficient and user-friendly. However, this shift also brings challenges, such as data security concerns, regulatory complexities, and operational adaptability.

This research examines the growing role of customized banking services in India, analyzing their implementation, technological integration, and challenges in the modern banking landscape.

1.1 BACKGROUND STUDY: EVOLUTION OF CUSTOMIZED BANKING SERVICES IN INDIA

The evolution of customized banking services in India has been shaped by technological advancements, regulatory reforms, and shifts in consumer expectations. Initially, banking in India followed a standardized model with limited flexibility, but with liberalization and digital transformation, banks started adopting customer-centric approaches. Below is a year-wise progression of customized banking services in India:

Pre-1990s: Traditional Banking Era

- Banking was primarily branch-based, with manual record-keeping and standardized financial products.
- Limited customer segmentation and no scope for personalized financial services.
- Public sector banks dominated the industry with minimal technological intervention.

1990s: Economic Liberalization and Private Sector Entry

- The 1991 economic reforms opened the banking sector to private and foreign banks, introducing com-

petition.

- Banks started offering differentiated products, including specialized loans and deposit schemes.
- Introduction of computerized banking systems improved customer service efficiency.

2000-2010: Digital Transformation Begins

- Core Banking Solutions (CBS) enabled centralized data management, allowing customers to access services across multiple branches.
- Introduction of internet banking and ATMs, providing flexibility in transactions.
- Personalized credit and debit card offerings based on customer profiles.

2011-2015: Mobile and AI-Driven Banking

- Rise of smartphones led to the adoption of mobile banking apps and SMS-based banking services.
- Banks started using big data and AI for customer insights, leading to personalized loan approvals and credit card offers.
- Launch of India Stack (2012) and Aadhaar-based KYC simplified customer onboarding and verification.

2016-2020: UPI, Fintech Boom, and Open Banking

- 2016: The introduction of Unified Payments Interface (UPI) revolutionized digital transactions.
- 2017: The rise of fintech startups disrupted traditional banking, offering AI-driven investment advisory, robo-advisors, and alternative lending models.
- 2018: Open banking initiatives enabled banks to share customer data securely through APIs, allowing third-party firms to offer tailored financial products.
- 2020: COVID-19 accelerated the demand for contactless banking, leading to increased adoption of AI-powered chatbots, digital lending, and remote account management.

2021-Present: Hyper-Personalization and Future Trends

- AI and machine learning models now analyse customer spending habits to offer dynamic interest rates, flexible EMIs, and real-time financial insights.
- Blockchain technology is being explored for secure and customized banking solutions.
- Embedded finance and Buy Now, Pay Later (BNPL) services are growing, integrating banking services directly into digital platforms.
- Regulatory focus on data privacy and cybersecurity is increasing to address risks associated with personalized banking.

1.3 STATEMENT OF THE PROBLEM

Despite the increasing significance of customized banking services in enhancing banking efficiency and customer convenience, there remains a gap in understanding their broader impact on the Indian banking sector. While banks are increasingly adopting AI-driven financial solutions, personalized credit offerings, and data-driven customer insights, challenges such as data security risks, regulatory compliance, and operational complexities hinder their seamless implementation.

Moreover, the adoption of customized banking services varies across different customer segments, with factors such as digital literacy, accessibility, and trust in digital banking influencing usage patterns. While urban customers may benefit from AI-driven financial planning and tailored investment solutions, rural and semi-urban areas still face hurdles in accessing personalized banking services due to infrastructure limitations and lack of awareness.

This study aims to examine the evolution, implementation, and challenges of customized banking services in India. Understanding these factors is crucial to bridging the gap between banking personalization and accessibility, ensuring that customized banking services cater to a wider and more diverse population in India.

1.4 RESEARCH GAP

Despite the growing focus on customized banking services in India, significant research gaps remain in understanding their full potential and challenges. This study identifies three key gaps: Conceptual, Contextual, and Methodological.

1. Conceptual Gap

Most existing studies on banking services focus on customer satisfaction, digital banking adoption, and financial inclusion, but they lack a structured framework for analyzing customized banking as a distinct model. While literature discusses aspects like AI-driven personalization, open banking, and fintech collaborations, there is limited research on how these elements collectively define customized banking as an independent concept. The absence of a well-defined theoretical model makes it difficult to assess its broader implications in the banking industry.

2. Contextual Gap

Research on customized banking services is largely concentrated in developed economies with high fintech penetration and digital literacy. In contrast, India presents a unique landscape with diverse banking needs across urban, semi-urban, and rural populations. The role of regional banks, cooperative banks, and digital-only banks in offering customized financial solutions remains underexplored. Additionally, studies have not sufficiently examined the regulatory and cybersecurity challenges specific to India, where data privacy concerns and fintech governance are still evolving.

3. Methodological Gap

While previous research has primarily relied on survey-based studies focusing on customer perceptions, there is a lack of longitudinal studies, experimental research, and real-time data analytics to assess the effectiveness of customized banking models. Moreover, studies have not extensively used big data analytics, machine learning models, or qualitative case studies to evaluate the role of AI-driven banking services. The absence of mixed-method research combining quantitative impact analysis with qualitative customer experiences limits a comprehensive understanding of customized banking's real-world implications.

1.5 RESEARCH OBJECTIVES

1. To Explore Perceived Benefits and Challenges
2. To Evaluate the Impact of Customer Banking Services

2. LITERATURE REVIEW

1. *Arora, N., & Kaur, G. (2018). Impact of personalized banking services on customer satisfaction in India.* Journal of Retailing and Consumer Services, 45, 120-128.

Arora and Kaur explore how personalized banking services, such as tailored financial products and customer-centric communication, impact customer satisfaction in India. The study finds that customized services improve customer loyalty and trust.

2. *Sharma, P., & Verma, S. (2020). Personalized banking services: A pathway to enhanced customer*

experience. International Journal of Bank Marketing, 38(6), 1203-1218.

Sharma and Verma emphasize that customer experience in banking is significantly enhanced by offering personalized services. Their research suggests that personalization helps banks build long-term relationships with customers, leading to competitive advantage.

3. *Garg, A., & Singh, R. (2019). Customer perception towards personalized banking services in India.* Journal of Financial Services Marketing, 24(2), 85-98.

This study assesses customer perceptions of personalized banking services in India. Garg and Singh conclude that customers value personalized solutions like tailored financial advice and customized offers, which lead to higher customer satisfaction.

4. *Nair, R., & Kumar, A. (2021). Customized banking and digital platforms: Enhancing the Indian customer journey.* Journal of Digital Banking, 6(1), 37-50.

Nair and Kumar examine how digital banking platforms facilitate customized banking experiences. Their findings suggest that integrating digital technologies with personalized services can create seamless and rewarding customer experiences.

5. *Patel, V. (2017). Role of customer data in personalized banking in India: A review.* International Journal of Customer Relationship Marketing and Management, 8(3), 1-15.

Patel's review highlights the importance of utilizing customer data to offer customized banking services. The study demonstrates how banks in India are using big data analytics to understand customer preferences and offer tailored products.

6. *Dewan, S., & Bhattacharya, S. (2022). Customized financial solutions and their impact on customer retention in Indian banks.* Journal of Bank Management, 34(4), 205-218.

Dewan and Bhattacharya investigate the role of customized financial products in retaining customers in India. The research shows that personalized solutions, such as bespoke investment plans, increase customer retention rates.

7. *Rao, K., & Gupta, M. (2019). Technology-driven personalized banking: Customer satisfaction and loyalty in India.* Journal of Financial Innovation, 12(2), 112-127.

This study explores how technology has enabled personalized banking services in India. Rao and Gupta argue that technological innovations such as mobile apps and chatbots offering personalized experiences drive customer satisfaction and loyalty.

8. *Mehta, H., & Jain, S. (2020). Understanding customer expectations in personalized banking services in India.* South Asian Journal of Business and Management Cases, 9(1), 32-41.

Mehta and Jain focus on customer expectations regarding personalized banking in India. Their study finds that customers expect banks to offer customized solutions based on individual financial goals, which significantly improves customer experience.

9. *Raj, A., & Roy, S. (2018). Factors influencing the adoption of customized banking in India.* Indian Journal of Marketing, 48(3), 22-29.

Raj and Roy analyse the factors that influence the adoption of customized banking services in India. They find that ease of use, relevance of offerings, and trust in the institution are key drivers of adoption.

10. *Singh, T., & Pandey, P. (2021). The role of customer relationship management in enhancing customized banking experiences in India.* Journal of Marketing Management, 13(1), 100-114.

This study explores how customer relationship management (CRM) systems are used to offer personalized services in Indian banks. Singh and Pandey conclude that CRM systems help banks offer tailored experiences, which enhance customer satisfaction and loyalty.

3. RESEARCH METHODOLOGY

3.1 RESEARCH DESIGN

This study follows a quantitative research approach to examine the impact of customized banking services on customer experience in India. The research focuses on understanding the relationship between demographic factors, perceived benefits, and challenges in customized banking. A structured framework was adopted to ensure the study's reliability, validity, and applicability to the banking sector.

3.2 RESEARCH APPROACH

A quantitative research methodology was employed to gather numerical data and statistically analyze customer perceptions regarding customized banking services. This approach was chosen because it enables objective measurement of variables, identification of trends, and generalizability of results. The study incorporates both descriptive and inferential statistical methods to evaluate how different customer groups engage with personalized banking solutions.

Descriptive analysis was used to summarize the data collected, including demographics, usage patterns, and customer preferences. Inferential analysis, including correlation, and ANOVA, was applied to examine relationships, variations, and predictive factors influencing the adoption of customized banking services.

3.3 DATA COLLECTION METHOD

The research relies on primary source to ensure a comprehensive understanding of the subject.

1. Primary Data: The primary data was collected through a structured survey questionnaire, targeting individuals who use banking services in India. The questionnaire included closed-ended questions, Likert scale items, and demographic details to assess customer impact, benefits & challenges, and concerns about customized banking services. The survey was administered through online to ensure a diverse and representative sample.

3.4 SAMPLING DESIGN

The target population for this study included individual banking customers across India who have engaged with customized banking services, such as personalized savings, automated financial management, and AI-driven investment solutions.

A sample size of 120+ respondents was selected to ensure statistical significance in the findings. The sampling technique used was convenience sampling, where participants were selected based on their accessibility and willingness to participate. Although convenience sampling may introduce limitations in generalizability, it was the most feasible method for capturing diverse banking experiences across various age, income, education, and gender groups.

3.5 DATA ANALYSIS TECHNIQUES

The collected data was analyzed using a combination of descriptive and inferential statistical tools to derive meaningful insights:

1. Correlation Analysis:

- Correlation was used to examine relationships between key banking services impact and benefits & challenges.
- For example, the study investigated how personalized savings impact financial planning habits and

whether investment automation correlates with better financial management.

2. ANOVA (Analysis of Variance):

- ANOVA was conducted to analyze variations in service adoption across different demographic groups (e.g., age, gender, education, income).
- This helped determine whether certain segments of the population are more likely to use customized banking services and whether differences in adoption rates are statistically significant.

These statistical methods allowed for a comprehensive evaluation of the effectiveness of customized banking services and provided data-driven recommendations for banks and policymakers.

3.6 RESEARCH VALIDITY & RELIABILITY

To ensure the accuracy and credibility of the research findings, multiple measures were taken to maintain validity and reliability:

1. Pre-testing of Questionnaire:

- The survey questionnaire was pre-tested on a small group of respondents to check for clarity, consistency, and relevance of questions.
- This helped refine ambiguous questions and improve response accuracy.

2. Statistical Significance:

- The study maintained a p-value threshold of <0.05 to ensure statistical validity.
- This means that the observed relationships and differences in data are unlikely to be due to chance.

3. Use of Excel for Data Processing:

- The collected data was cleaned, coded, and analyzed using Excel, ensuring error-free computations and consistency in results.

4. DATA ANALYSIS AND INTERPRETATION

Correlation test was conducted to identify the relationship of its impact, benefits & challenges with Usage Pattern.

Perceived Benefits and Usage pattern

	<i>Convenience</i>	<i>Time-saving</i>	<i>Better Financial Management</i>	<i>Enhanced customer service</i>
Convenience	1.00			
Time-saving	0.82	1.00		
Better Financial Management	0.48	0.45	1.00	
Enhanced customer service	0.48	0.47	0.44	1.00
Adaptive credit & loans	0.32	0.35	0.29	0.22
Savings & investment automation	0.40	0.48	0.33	0.28
Cross border banking	0.12	0.15	0.20	0.23
Lifestyle based financial management	0.41	0.41	0.39	0.37

	<i>Adaptive credit & loans</i>	<i>Savings & investment automation</i>	<i>Cross border banking</i>	<i>Lifestyle based financial management</i>
Adaptive credit & loans	1.00			
Savings & investment automation	0.59	1.00		
Cross border banking	0.55	0.34	1.00	
Lifestyle based financial management	0.54	0.70	0.29	1.00

This correlation matrix highlights the relationships between customer banking usage pattern and benefits. Key findings include:

1. Strong Positive Correlations:

- **Convenience & Time-Saving (0.82)** – Customers who value convenience also prioritize time efficiency in banking transactions.
- **Savings & Investment Automation & Lifestyle-Based Financial Management (0.70)** – Suggests that those who automate savings and investments are more likely to engage in lifestyle-based financial planning.

2. Moderate Positive Correlations:

- **Better Financial Management & Convenience (0.48)** – Indicates that customers who experience financial control find banking services more convenient.
- **Savings & Investment Automation & Adaptive Credit & Loans (0.59)** – Shows that customers opting for automated savings are also inclined towards flexible credit solutions.

3. Weak Correlations:

- **Cross-Border Banking & Convenience (0.12)** – Suggests that international banking services are not significantly linked to convenience in domestic banking.
- **Enhanced Customer Service & Adaptive Credit & Loans (0.22)** – Indicates that personalized loan options are not strongly associated with customer service improvements.

Interpretation & Implications:

- The high correlation between convenience and time-saving suggests that digital banking solutions should focus on enhancing speed and accessibility.
- Automation plays a key role in financial management, as seen in the link between investment automation and lifestyle-based financial management.
- Cross-border banking shows weak correlation with other factors, indicating that customized banking services in India are primarily focused on domestic needs.

Challenges and Usage Pattern

	<i>Lack of awareness</i>	<i>Limited options</i>	<i>Complex process</i>	<i>High fees</i>
Lack of awareness	1.00			
Limited options	0.71	1.00		
Complex process	0.62	0.61	1.00	

High fees	0.57	0.45	0.63	1.00
Adaptive credit & loans	-0.35	-0.21	-0.19	-0.18
Savings & investment automation	-0.59	-0.44	-0.43	-0.37
Cross border banking	-0.05	-0.08	-0.12	-0.09
Lifestyle based financial management	-0.51	-0.41	-0.31	-0.29

	<i>Adaptive credit & loans</i>	<i>Savings & investment automation</i>	<i>Cross border banking</i>	<i>Lifestyle based financial management</i>
Adaptive credit & loans	1.00			
Savings & investment automation	0.59	1.00		
Cross border banking	0.55	0.34	1.00	
Lifestyle based financial management	0.54	0.70	0.29	1.00

This correlation matrix highlights the relationship between barriers to customized banking adoption (lack of awareness, complexity, high fees, limited options) and various banking services.

1. Strong Positive Correlations (Challenges Interlinked):

- **Lack of Awareness & Limited Options (0.71)** – Suggests that customers who are unaware of customized banking services often perceive fewer options available to them.
- **Complex Process & High Fees (0.63)** – Indicates that customers who find banking procedures complex also associate them with high service charges.

2. Negative Correlations (Challenges vs. Adoption of Services):

- **Lack of Awareness & Savings & Investment Automation (-0.59)** – Customers who lack awareness are less likely to use automated financial tools.
- **Limited Options & Lifestyle-Based Financial Management (-0.41)** – Perceived limitations in banking choices reduce engagement in financial management strategies tailored to individual needs.
- **High Fees & Adaptive Credit & Loans (-0.18)** – High service fees discourage customers from utilizing flexible credit solutions.

3. Weak or No Significant Correlation:

- **Cross-Border Banking & Banking Challenges (all values between -0.05 to -0.12)** – Implies that challenges such as awareness, complexity, and high fees have little impact on cross-border banking usage.

Interpretation & Implications:

- Awareness and simplicity play a crucial role in the adoption of customized banking services. Reducing complexity and increasing financial literacy could improve adoption.
- High fees and perceived limited options discourage customers from engaging in advanced banking solutions like investment automation and lifestyle-based financial management.

- Cross-border banking remains unaffected by common challenges, indicating that its adoption is driven by external factors such as global financial needs rather than domestic banking barriers.

One factor Annova test was conducted to identify assess the variable differences with that of demographic profile such as age, sex, education level and monthly income.

Objectives and Level of Employment

ANOVA Test	Groups Analysed	F-Value	P-Value	F-Critical	Significance
Awareness	Level of Employment, Tailored Savings, Personal Finance, Customized Loan Options, Personal Investment Plans	40.98	0	2.23	Significant
Usage Patterns (UP)	Level of Employment, Adaptive Credit & Loans, Savings & Investment Automation, Cross Border Banking, Lifestyle-Based Financial Management	40.94	0	2.23	Significant
Perceived Benefits (PB)	Level of Employment, Convenience, Time-Saving, Better Financial Management, Enhanced Customer Service	39.17	0	2.23	Significant
Challenges	Level of Employment, Lack of Awareness, Limited Options, Complex Process, High Fees	3.25	0.01	2.23	Significant

Analysis and Findings

1. Awareness Impact on Banking Services

- A high F-value (40.98) and p-value (0.00) indicate a significant variation in awareness across different customized banking services.
- Tailored savings and personal finance (avg. 4.24) scored higher, suggesting they are more well-known than customized loans (avg. 3.41).
- Implication: Awareness campaigns should focus on promoting lesser-known customized services like loans and investments.

2. Usage Patterns and Customer Preferences

- Significant variation (F = 40.94, p = 0.00) shows that different demographic groups use customized banking services differently.
- Savings & investment automation (avg. 3.89) and lifestyle-based financial management (avg. 3.75) are preferred over cross-border banking (avg. 2.13).

- Implication: Banks should prioritize enhancing digital investment tools while addressing the low adoption of international banking features.

3. Perceived Benefits of Customized Banking

- Convenience (avg. 4.20) and time-saving (avg. 4.21) are the most valued benefits, while enhanced customer service (avg. 3.72) is rated lower.
- Significant F-value (39.17) and p-value (0.00) suggest that customers perceive benefits differently based on banking preferences.
- Implication: Banks must improve customer service personalization alongside technological efficiency.

4. Challenges in Adoption

- The F-value (3.25) and p-value (0.01) confirm significant differences in perceived challenges.
- High fees (avg. 2.97) and complex processes (avg. 2.77) are bigger barriers than lack of awareness (avg. 2.53).
- Implication: Simplifying processes and reducing banking costs could improve adoption.

Objectives and Sex

ANOVA Test	Groups Analysed	F-Value	P-Value	F-Critical	Significance
Awareness	Gender, Tailored Savings, Personal Finance, Customized Loan Options, Personalized Investment Plans	158.88	0	2.23	Significant
Usage Patterns	Gender, Adaptive Credit & Loans, Savings & Investment Automation, Cross Border Banking, Lifestyle-Based Financial Management	93.37	0	2.23	Significant
Perceived Benefits	Gender, Convenience, Time-Saving, Better Financial Management, Enhanced Customer Service	174.15	0	2.23	Significant
Challenges	Gender, Lack of Awareness, Limited Options, Complex Process, High Fees	22.78	0	2.23	Significant

Analysis and Findings

1. Awareness of Customized Banking Services

- Significant variation (F = 158.88, p = 0.00) suggests that awareness differs across genders.
- Tailored Savings & Personal Finance (Avg. 4.24) are more familiar to respondents, while Customized Loan Options (Avg. 3.41) are less known.
- Implication: Financial institutions should focus on increasing awareness about customized loan services among different demographic groups.

2. Usage Patterns Across Gender

- Usage patterns show significant variation ($F = 93.37, p = 0.00$), indicating gender differences in service adoption.
- Savings & Investment Automation (Avg. 3.89) and Lifestyle-Based Financial Management (Avg. 3.75) are widely used, whereas Cross-Border Banking (Avg. 2.13) remains underutilized.
- Implication: Banks should enhance cross-border banking accessibility while promoting investment automation for all demographics.

3. Perceived Benefits and Gender Preferences

- A high F-value (174.15) indicates that benefits like convenience, time-saving, and financial management are perceived differently by gender.
- Time-Saving (Avg. 4.21) and Convenience (Avg. 4.20) are the most valued benefits, with Enhanced Customer Service (Avg. 3.72) rated slightly lower.
- Implication: Banks must improve customer service personalization and maintain efficiency to retain diverse user groups.

4. Challenges in Adoption Across Genders

- Challenges vary significantly ($F = 22.78, p = 0.00$), with High Fees (Avg. 2.97) and Complex Processes (Avg. 2.77) being major concerns.
- Lack of Awareness (Avg. 2.53) and Limited Options (Avg. 2.47) remain barriers but are slightly lower in impact.
- Implication: Simplification of banking processes and cost reductions could drive higher adoption across genders.

Objectives and Age group

ANOVA Test	Groups Analysed	F-Value	P-Value	F-Critical	Significance
Awareness	Age Group, Tailored Savings, Personal Finance, Customized Loan Options, Personalized Investment Plans	232.52	1.30E-138	2.23	Significant
Usage Patterns	Age Group, Adaptive Credit & Loans, Savings & Investment Automation, Cross Border Banking, Lifestyle-Based Financial Management	127.94	1.60E-92	2.23	Significant
Perceived Benefits	Age Group, Convenience, Time-Saving, Better Financial Management, Enhanced Customer Service	260.13	1.70E-148	2.23	Significant
Challenges	Age Group, Lack of Awareness, Limited	45.58	5.29E-40	2.23	Significant

	Options, Complex Process, High Fees		
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Analysis and Findings

1. Awareness of Customized Banking Services Across Age Groups

- Significant variation ($F = 232.52, p = 1.3E-138$) indicates that awareness of customized banking services differs across age groups.
- Tailored Savings & Personal Finance (Avg. 4.24) are more well-known, whereas Customized Loan Options (Avg. 3.41) have lower awareness.
- Implication: Awareness campaigns should be age-targeted, focusing on promoting customized loan options and investment plans to younger demographics.

2. Usage Patterns and Age Preferences

- Significant differences ($F = 127.94, p = 1.6E-92$) indicate that different age groups adopt customized banking services differently.
- Savings & Investment Automation (Avg. 3.89) and Lifestyle-Based Financial Management (Avg. 3.75) are more commonly used than Cross-Border Banking (Avg. 2.13).
- Implication: Banks should expand digital investment solutions for younger users while addressing the low adoption of international banking among older demographics.

3. Perceived Benefits Across Age Groups

- A very high F-value (260.13) suggests that age significantly influences perceived benefits.
- Time-Saving (Avg. 4.21) and Convenience (Avg. 4.20) are highly valued across all groups, while Enhanced Customer Service (Avg. 3.72) is slightly lower.
- Implication: Banks should prioritize efficiency and customer engagement tailored to different age groups' needs.

4. Challenges in Adoption Across Age Groups

- Significant differences ($F = 45.58, p = 5.29E-40$) suggest that different age groups perceive challenges differently.
- High Fees (Avg. 2.97) and Complex Processes (Avg. 2.77) are the biggest barriers, while Limited Options (Avg. 2.47) and Lack of Awareness (Avg. 2.53) have a lesser impact.
- Implication: Banks should simplify digital banking processes and address cost concerns for younger customers to increase adoption.

Objectives and Education Level

ANOVA Test	Groups Analysed	F-Value	P-Value	F-Critical	Significance
Awareness	Education Level, Tailored Savings, Personal Finance, Customized Loan Options, Personalized Investment Plans	28.39	6.66E-26	2.23	Significant

Usage Patterns	Education Level, Adaptive Credit & Loans, Savings & Investment Automation, Cross Border Banking, Lifestyle-Based Financial Management	54.47	9.22E-47	2.23	Significant
Perceived Benefits	Education Level, Convenience, Time-Saving, Better Financial Management, Enhanced Customer Service	20.81	3.18E-19	2.23	Significant
Challenges	Education Level, Lack of Awareness, Limited Options, Complex Process, High Fees	16.79	1.48E-15	2.23	Significant

Analysis and Findings

1. Awareness of Customized Banking Services Across Education Levels

- Significant variation ($F = 28.39, p = 6.66E-26$) suggests that awareness of customized banking differs across education levels.
- Tailored Savings & Personal Finance (Avg. 4.24) have higher awareness, whereas Customized Loan Options (Avg. 3.41) are less familiar.
- Implication: Financial institutions should focus on increasing awareness campaigns targeting lower education levels to improve knowledge of advanced banking options.

2. Usage Patterns and Education Influence

- A high F-value ($54.47, p = 9.22E-47$) indicates a strong variation in banking service usage across education levels.
- Savings & Investment Automation (Avg. 3.89) and Lifestyle-Based Financial Management (Avg. 3.75) are widely used, while Cross-Border Banking (Avg. 2.13) remains underutilized.
- Implication: Banks should develop educational resources and digital literacy programs to encourage broader adoption of global banking and AI-driven financial management tools.

3. Perceived Benefits and Education Level Differences

- Significant variation ($F = 20.81, p = 3.18E-19$) indicates that perceived benefits differ by education levels.
- Time-Saving (Avg. 4.21) and Convenience (Avg. 4.20) are key benefits, while Enhanced Customer Service (Avg. 3.72) is perceived as less important.
- Implication: Banks should leverage digital channels for higher-educated customers while improving personalized customer service for lower-educated users to balance accessibility.

4. Challenges in Adoption Across Education Levels

- Significant variation ($F = 16.79, p = 1.48E-15$) suggests that different education levels perceive challenges differently.
- High Fees (Avg. 2.97) and Complex Processes (Avg. 2.77) are the most significant barriers, while Lack of Awareness (Avg. 2.53) and Limited Options (Avg. 2.47) have a slightly lesser impact.

- Implication: Banks should simplify financial processes and offer cost-effective solutions for lower-educated users to enhance financial inclusivity.

Objectives and Monthly Income

ANOVA Test	Groups Analysed	F-Value	P-Value	F-Critical	Significance
Awareness	Monthly Income Level, Tailored Savings, Personal Finance, Customized Loan Options, Personalized Investment Plans	57.58	4.70E-49	2.23	Significant
Usage Patterns	Monthly Income Level, Adaptive Credit & Loans, Savings & Investment Automation, Cross Border Banking, Lifestyle-Based Financial Management	47.63	1.37E-41	2.23	Significant
Perceived Benefits	Monthly Income Level, Convenience, Time-Saving, Better Financial Management, Enhanced Customer Service	57.74	3.60E-49	2.23	Significant
Challenges	Monthly Income Level, Lack of Awareness, Limited Options, Complex Process, High Fees	3.84	0.00196	2.23	Significant

1. Awareness of Customized Banking Services Across Income Levels

- Significant variation (F = 57.58, p = 4.7E-49) suggests that awareness of customized banking varies significantly based on income levels.
- Tailored Savings & Personal Finance (Avg. 4.24) have higher awareness, whereas Customized Loan Options (Avg. 3.41) have lower awareness.
- Implication: Higher-income individuals are more likely to be aware of advanced banking solutions, while lower-income groups may need financial literacy programs to increase awareness of customized loan and investment options.

2. Usage Patterns and Income Influence

- A high F-value (47.63, p = 1.37E-41) confirms that different income groups use banking services differently.
- Savings & Investment Automation (Avg. 3.89) and Lifestyle-Based Financial Management (Avg. 3.75) are widely used, while Cross-Border Banking (Avg. 2.13) is less popular.
- Implication: Higher-income individuals are more likely to use investment automation and financial planning tools, while lower-income groups may need simplified savings options and accessible credit solutions.

3. Perceived Benefits Across Income Levels

- Significant variation ($F = 57.74$, $p = 3.6E-49$) indicates that perceived benefits differ based on income levels.
- Time-Saving (Avg. 4.21) and Convenience (Avg. 4.20) are key benefits across all income groups, while Enhanced Customer Service (Avg. 3.72) is perceived as slightly less important.
- Implication: Banks should offer high-income customers advanced digital solutions while improving customer service personalization for lower-income users to enhance engagement.

4. Challenges in Adoption Across Income Levels

- Significant variation ($F = 3.84$, $p = 0.00196$) suggests that different income levels perceive banking challenges differently.
- High Fees (Avg. 2.97) and Complex Processes (Avg. 2.77) are the most significant barriers, while Lack of Awareness (Avg. 2.53) and Limited Options (Avg. 2.47) have a slightly lesser impact.
- Implication: Lower-income groups find banking processes more complex and fees higher, suggesting that banks should simplify onboarding procedures and offer affordable banking plans.

5. SCOPE FOR FURTHER STUDY

This research provides valuable insights into the impact of customized banking services on customer behavior. However, there are several areas that warrant further exploration:

1. Longitudinal Analysis of Banking Behavior

- Future studies could track customer adoption trends over a longer period to assess the sustained impact of customized banking services.
- Examining customer retention and loyalty over time can offer deeper insights into service effectiveness.

2. Influence of Emerging Technologies

- With the rise of AI-driven financial solutions, blockchain, and open banking, future research can explore how these innovations affect customer preferences.
- Assessing the role of chatbots, robo-advisors, and biometric security in customized banking experiences.

3. Psychological and Behavioural Aspects

- Investigating trust, perceived security, and psychological barriers in adopting customized financial services.
- How social influence and peer recommendations impact banking choices.

4. Comparative Studies Across Different Banking Sectors

- Comparing the effectiveness of customized services in public vs. private sector banks.
- Studying the adoption of personalized banking in urban vs. rural markets.

5. Cross-National Studies on Customization Adoption

- Analyzing how customized banking is perceived in India versus other emerging economies.
- Studying regulatory frameworks and their influence on banking personalization strategies.

The study lays a strong foundation for understanding customized banking services, but future research should focus on long-term adoption, technological advancements, and behavioural psychology to further enhance banking personalization strategies.

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