INNOVATIONS IN BANKING INDUSTRY WITH SPECIAL REFERENCE TO INDUSIND BANK

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ABSTRACT
Now a day’s banking sector plays a very vital and crucial role in human life, especially since banks motivates people save money for their future. It provides a number of facilities to the people, where by banking service has become a necessity of the society. In this era of 21st century every sector has a great challenges i.e. customer satisfaction, productivity, profitability, etc. Are being a part of the society banks are also facing these challenges, and banks are handling these challenges very effectively for the betterment of service banks are also providing innovative services to the customer so that they can get proper benefit from this sector. Banks have influenced the economics and politics for centuries. The objective of this paper is to analyze the services provided by banks, and to observe how innovative, and new services are being given to the society. It also tries to understand these facilities or services are beneficial to the society and as well as the banks. This paper is descriptive in nature, and data has been collected from various secondary sources. The paper concludes that banking sector has changed tremendously. Technology has made tremendous impact in banking. In the era 21st century dreams becomes reality. Now one can get banking services anytime and anywhere, round the clock, 24X7. Priority banking is a symphony of banking benefits, unique investment products, personalized services and exclusive life style, benefits that brings complete harmony to all financial needs of a common man.

Keywords: Banking Sector; Customer Satisfaction; Innovative Services Financially Needs

INTRODUCTION
Banking sector has become an emerging sector in India. Their services are affecting human life and their life style. No one can deny that now the banks are becoming a necessity to everyone. The needs and satisfaction levels of people have moved beyond the previous benchmarks. Banking sector is providing lot of services to the customer. Traditionally banks were providing only saving facility to the public and there were less number of banks was available. Now the scenario has been changed, and there are 171 banks working in India, including some are public sector banks and private sector banks. Earlier the banks worked only in urban areas only. But now they are focusing on the rural sectors, their service have positive effects on their life style and their. Economic conditions, agriculture, small business housing and so on. The impact of technological facilities has made all these possible. The banking sectors is also facing great challenges in this area and have, they are more serious about innovations in service and delivery.

This paper deals with the innovative strategy and the policy which are made by banks to retention of the existing and valuable customer and for social inclusion.
OBJECTIVE OF STUDY
The objectives of study are –

1. To identify and analyze the innovation initiative of selected bank, with special reference to IndusInd Bank.
2. To analyze how the innovation are profitable for the society as well as banks.
3. To analyze the effect of initiatives on backward classes of the society.

METHODOLOGY
This study is a conceptual one and descriptive in nature with a detailed review of literature. The official websites of banks were considered along with the available literature. Good journals and research papers were also required during the study.

REVIEW OF LITERATURE
Innovation has been always an exemplary in all spheres of an organization. Innovation service has been identified as main drivers for companies to prosper grow and sustain at a high profitability.

Many researchers have given their views on innovation in the services, in the perception of Chanakya Jayawardhana and Paul Foley(2000); Innovation are discontinue innovation difficult “only accessible to people with certain qualities”. (Scott M Davis and Kristan Moe (1997) have framed eight steps that effectively take a company from customer driven needs and work assessment to final commercialization. (Schumpeter. 1934,p.228). Schumpeter recognized and felt that Entrepreneur seek profit through innovation transform the strategies, equilibrium into a dynamic process of economics development. Avasthi & Sharma (2000-01) have analyzed in their study that advances in technology are set to change the face of banking business.

Innovation in Banks in terms of Services
Innovation has been buzzer word in terms of banking right from its inception. The attempt towards innovation in India has been enormous, when compared with other countries emergence and growth of their innovations, India still lags far behind in relevant field of innovations.

The banking industry has been on an unprecedented growth trend during the past decade in the country. Banking sector today is fastest and paced and is consistent in its throes of changes, with new regulation, new process and new policies. Technology has played a very vital role in the past in shaping the way things are today and will continue to do more than even before from beginning just a support function. Banking sector got success because of its innovation strategies, now a day’s banks are providing very innovative services, even they are seeking the technologies which can help more to the customer.

Application of innovation in IndusInd bank
IndusInd bank is the private sector bank. Being a private sector bank it has a good rapport in the market, and even it is ranked Awarded Best Mid-size Bank and Fastest Growing Mid-size Bank Business World - PWC Best Bank Survey 2014, but it faces a vibrant environment in the market. IndusInd bank provides very innovative and unique services to the customer. There are very unique and innovative policies of the bank which is incredible.

Video Branch - This convenient and secure service is offered exclusively to all IndusInd Bank customers to connect with their Branch Manager, Relationship Manager or with centralized Video Branch Executive. This facility enables customers to enjoy all banking services which are being offered by IndusInd Bank and other facility such as Phone Banking to perform transactions like opening a Fixed Deposit or Recurring Deposit, transferring funds through NEFT, RTGS anywhere in the world.
Super saver pack - IndusInd Bank, constantly strive to provide customers with the best and latest in financial services. This unique and first of its kind "combo" offering in the Indian Banking industry has been custom designed for and is being exclusively offered to existing IndusInd customers only. This pack offers customer the convenience and flexibility of covering multiple financial needs through a single purchase decision in a simple and transparent manner. This smart decision not only saves valuable time but also helps to avoid hassle of dealing with multiple providers.

However what makes it a real winning combination is the fact that customers finally decide what goes into the pack and the smart savings that accompany the pack in the form of discount vis-à-vis a standalone offering. What’s more, get peace of mind by choosing the "Auto renewal" feature to continue enjoying these benefits year after year without having to worry about remembering dates.

My Account My Number - MY ACCOUNT MY NUMBER is a unique proposition which enhances the convenience and flexibility that is available in their extensive range of products. Customers now have the freedom to choose the number of their choice for the opening an account in bank. The chosen account number may be a specific pattern, a lucky number, favorite combination or just something simple to remember.

Check on Cheque - This facility enables the customer’s to keep a record of all previous issued cheques with the help of Check on Cheque facility. It enables customer’s access to copies of their cheques on statements or through Indus Net – Internet Banking, so that customers won’t be able to lose track of their cheques.

Denomination Selection - This facility enables a customer to “Get the freedom to choose from a mix of 100, 500 & 1000 rupee denomination from IndusInd Bank ATMs. The Choice Money ATM Service enables the customers to choose the denomination(s) of Cash Withdrawal. A gap in the customer offering was identified whereby a customer was unable to get the Cash withdrawal amount in the denomination of his choice. This service is available to both IndusInd Bank and non IndusInd Bank customers.

Cash-on-mobile - Indus Mobile's Cash-on-Mobile is an innovative feature that allows customers to withdraw or send money by just using the receiver's mobile number. The customers initiate a Cash-on-Mobile transaction from either select IndusInd Bank ATMs or through the Indus Mobile Application. The receiver of the funds can withdraw money from select IndusInd Bank ATMs. The receiver will get all the details required for withdrawal of the cash on his or her phone.

Quick Redeem - This facility enables a customer to get rewarded quickly. The bank’s constant effort to add value to customer relationship and endeavor to do just that, the bank has also introduced the service of quick redeem. This helps the customer to Transact with IndusInd Bank credit card and request for quick redemption. The service offers customers to earn reward points in a transaction and to redeem these earned points instantly.

Direct Connect - This facility enables a customer to Jump the queue. With IndusInd Banks Direct Connect service customers can directly speak to a bank executive directly without having to go through an IVR (Interactive Voice Response). Hence no waiting or choosing of any options needs to be done by customers. All a customer needs to do is to call phone banking from his registered mobile number. This service is currently available for Exclusive Banking customers & Signature credit card holders.

There are very unique and innovative CSR policies of the bank which is incredible.

Green Champions Program - The goal of the Green Champion (GC) program is to involve the employees and allow environmental awareness and action to spread into their lives and communities.

Importance - IndusInd Bank has been able to organize, GCs have been successfully organized to community in order focus on e-waste collection drives, e-statement campaigns to reduce paper consumption, promote energy conservation through the strategy of 'Kill Bill' campaign, and spread
awareness about environmental sustainability, and a spate of Adopt-a-plant and tree plantation programs and innovative waste management initiatives have also been planned, executed and monitored by GCs from across the Bank.

The program has also increased employee pride and commitment, giving the workforce a compelling new way to connect with the company and customers.

**Share2Care Program 2014** - The bank empanelled NGOs working towards the cause of Environment, Social development and Education. An Employee payroll contribution drive was conducted wherein close to 2000 registered, proving that as a team, we are willing to go beyond our day to day work and make a difference for important causes. The employees had the choice of contributing to more than one cause. Due to the high participation and motivation level observed in the workforce, this is now extended into a continuous program. Like

1. Uttan Beach Clean Program.
2. Wealth out of Waste Program.
3. Green Ganesha Program.

**Financial Literacy**

**Importance** - Community Development in the bank broadly functions in two areas:

- Financial inclusion: The agenda is to broaden the access of basic banking services to financially excluded segment of the society.
- Environment: We believe that 'Good Ecology is Good Economics'. In line with this belief, several initiatives were taken to ensure that our carbon footprint is reduced and at the same time, we gain operating and cost efficiencies.

Out of the total 602 branches (as on Mar-14), around 41% of the branches have been opened in rural and semi-urban locations. The Bank has directly reached out to about 5,60,000 clients across 9 states. Over the last year (FY 2013-14), we have extended our rural outreach from approximately 4,500 villages to over 11,000 villages.

**Promoting Art, Culture & Sports**

**Promoting Arts**: Over the past few years, the Bank has taken a keen interest in promoting Indian art and its culture. In the FY 2013-14, the bank has sponsored on several different kinds of events which showcased artists from across India, including ‘Saaz Aur Awaaaz’ – a musical event held at NCPA that witnessed performances by ‘Shankar Mahadevan’ and ‘Zakir Hussain’, and a concert organized by Pandit Chaturlal Memorial Society, besides encouraging Indian classical music.

**Blind Cricket Tournament**: As part of its on-going efforts to support people with disabilities, IndusInd Bank associated with the Blind Welfare Organization and sponsored the National Cricket Tournament for the Blind, held in January 2014. The competition was a huge success and a true show of sportsmanship and camaraderie.

**CONCLUSION**

After detail study of policies and strategies of IndusInd Bank, I would like to say that this bank is providing very innovative services to its customers by all modes of innovation. But still performance can be enhanced by means of customer satisfaction and also by handling customer’s grievances in a more effective manner. This bank has mainly focused on the innovative side as well as welfare side of the society. The CSR policy of the bank is really very innovative and is very strategic in nature up to an extent. But it is observed that banks in India are moving towards sustainability through innovative service operations and offerings. The sample considered here for analysis has proved this point very clearly. That the rate of innovation adopted by banks has enhanced. But IndusInd Bank has been considered to be more aggressive in nature by means of innovation and but not in the case of...
positioning in terms of grievance redressed mechanisms ahead of its means. So bank needs to focus on more customer satisfaction.

At last I would like to say that innovation can give the better success to the banking sector. But provided it must showcase an exemplary performance in gaining customer satisfaction by all means, and it is the only way of gaining success for a bank.

REFERENCES


