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Fintech Adoption and Customer Satisfaction in Private Sector Banking: A PRISMA-Based Systematic Literature Review.

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Abstract

The rapid growth in the development of Financial Technology has disrupted the private sector banking industry, introducing a new paradigm for digital financial services, augmenting the customer experience and ensuring consumer loyalty. Mobile banking, artificial intelligence, blockchain, cloud computing, big data analytics and digital payment systems are some of the technologies that have transformed how banking services are delivered by increasing convenience, accessibility and personalization for customers as well as speed and security for transactions. While there is a significant amount of literature focusing on the adoption of Fintech in banking, existing findings are fragmented and insufficient to form an overarching view on how customer experience can lead to long-term loyalty. To bridge this research gap, the current study systematically reviews peer-reviewed literature from 2020 to 2025 following PRISMA 2020 protocols. The study synthesized data from major academic databases using pre-established search strategies, inclusion and exclusion criteria, and quality assessment procedures. Through this, the authors performed a systematic review of studies published before October 2023 to explore overarching research themes, theoretical background, methodological trends and new ideas in Fintech adoption, experience on the respective topics and relationship between private sector banking and Fintech.
Results show that customer experience with a bank significantly improves through Fintech as it increases service quality, operational efficiency, personalization, accessibility, and digital convenience which in turn enhances customer satisfaction, trust, engagement, retention and loyalty. The review also mentions the ongoing challenges such as risks from data privacy and compliance issues, lack of digital literacy, adoption lead time across customer segments, and regulatory compliance and other factors. Moreover, the research points out significant gaps in existing literature that warrant further investigation, in terms of longitudinal studies, cross-national comparative work and comprehensive frameworks to describe customer behavior in a digital banking context. Overall, this systematic review presents a synthesis of evidence published in the last five years on Fintech adoption in private sector banking and a set of recommendations for researchers, banking practitioners, Fintech firms and policymakers. The conclusion states that digital transformation can be sustainable if it involves a balanced ecosystem layered with technological innovation, security, regulatory compliance and customer-facing service offering in the truest spirit of banking to create long-term relationships & competitive advantage in future market scenarios.

Keywords: Fintech Adoption, Private Sector Banking, Customer Experience, Customer Loyalty, Digital Banking, Financial Technology, Banking Service Quality, Business Innovation.

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Introduction

The fast-paced evolution of Financial Technology has reshaped the private sector banking landscape by leveraging novel digital solutions to increase efficiency and customer experience in banking operations. As of October 2023, mobile banking, artificial intelligence, blockchain technology, cloud computing, Big Data analytics, digital wallet technology and contactless payment are redefining the relationships between banks and customers so that traditional modular banking provides faster, customized services for end-users, with money available on-demand. With rising customer need for greater convenience, accessibility and security along with frictionless digital experiences, private sector banks have been the first movers to adopt Fintech solutions in a bid to stay relevant and also to drive long-term customer engagement.

Fintech has become a strategic lever for customer satisfaction and loyalty by offering banking services 24/7, processing immediate transactions, providing personalized financial recommendations, improved security facilities, and quick customer support. These technological innovations have greatly increased the quality of service and customer engagement, while lowering operational costs for banks. Nevertheless, the wide-scale implementation of Fintech brings many challenges, such as data privacy concerns, risks to cybersecurity, digital illiteracy problems among some customer segments or demographics and acceptance across other customer segments and other related issues. Furthermore, regulatory needs keep changing as well. It is important to overcome these challenges as part of the digital transformation journey in private sector banking, to create a sustainable change and retain customer confidence. Despite the increasing amount of literature on Fintech adoption relative to other factors, such as customer experience and loyalty, research evidence remains scattered across different entities; hence, there is a need for a thorough review of recent studies to give a consolidated overview of current knowledge and future research directions.

Thus, this paper conducts a systematic literature review utilizing PRISMA guidance focusing on peer-reviewed literature published from 2020 to 2025 about Fintech adoption in private sector banks. The review collates existing evidence to elucidate the technological aspects of Fintech adoption, the role of customer proficiency in digital banking concerning customer experience and loyalty drivers, theories and research methods employed in previous studies, and major challenges surrounding digital banking. Additionally, the study highlights new research avenues and suggests implications for future research, while providing insightful recommendations to banking professionals, Fintech companies, and policymakers in developing customer-focused digital banking strategies aimed at achieving long-term competitive advantage.

Objective:

- To systematically review the available literature on customer Fintech adoption in private sector banking 2020–2025.
- To investigate the key drivers of customer propensity to adopt Fintech services in private sector banks.
- To examine the conceptual frameworks as well as research methodologies employed in prior work examining both the antecedents of Fintech adoption and customer behavior.

Methodology

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Review Methods

A systematic literature review (SLR) approach was used to identify, evaluate, and synthesize existing research related to Fintech adoption, digital banking, and banking performance. The review method helps in identifying key themes, research gaps, and emerging trends in the field of financial technology in banking. Inclusion and exclusion criteria were developed to ensure the relevance, quality, and consistency of selected studies.

Systematic Review Inclusion and Exclusion Criteria

Criteria	Criterion Dimension
Inclusion	1. Indexed in major academic databases (Scopus, Web of Science) 2. Includes FinTech + adoption/acceptance keywords 3. Focus on FinTech adoption and banking performance 4. Public and private banking sector studies 5. Published between 2015–2026
Exclusion	1. Non-English publications 2. Editorials, opinions, blogs 3. Duplicate or inaccessible full text 4. Studies older than 10 years 5. Low methodological relevance studies

This is qualitative and interpretative research as it employs a systematic literature review rather than the collection of primary empirical data. The review adheres to the PRISMA 2020 (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) guidelines to promote transparency, reproducibility, and methodological rigor in the literature selection and synthesis. Databases such as Scopus, Web of Science, Google Scholar, Science Direct and Springer Link, Emerald Insight, Wiley Online Library have widely covered the area of financial technology and digital banking. The peer review process and better overall indexing of peer-reviewed publications found in Scopus made this database the main source for assessing relevant literature, while additional validation could have been performed using Web of Science and Google Scholar.

A systematic review strategy was devised to identify studies on Fintech adoption, customer experience, and customer loyalty in private banking. Our search was limited to peer-reviewed journal articles between 2020 and 2025, as the banking technology is evolving rapidly and digital transformation is increasing in this industry. Search keywords included the following combinations of terms: Fintech, Finance Technology, Digital Banking, Mobile Banking, Internet Banking, Customer Adoption, Consumer Adoption, Technology Adoption, User Acceptance, Fintech Adoption, Private Sector Bank, Commercial Banks, Consumer Behavior, Model of Fintech Usage. These keywords can be linked by Boolean operators: AND and OR to extract broad and relevant studies from academic databases for the PRISMA review. A significant number of publications were captured in the first database search. Duplicate

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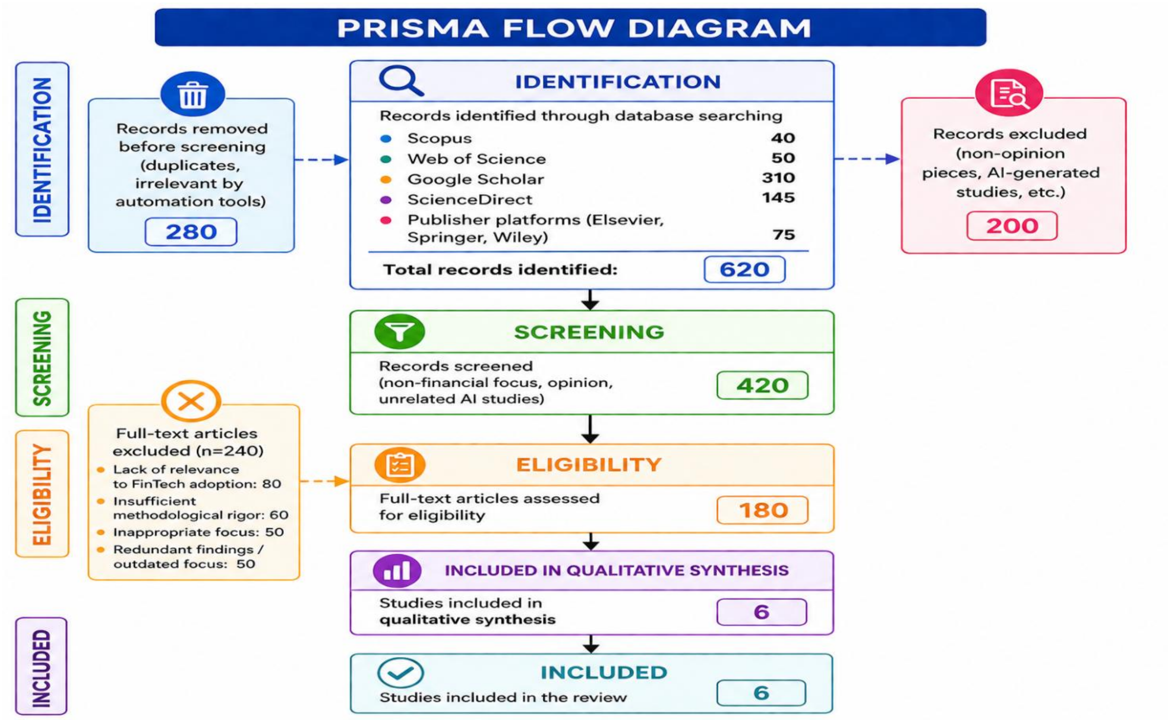
records were excluded and the remaining studies were screened against inclusion and exclusion criteria. Studies that were restricted to a specific type of bank (e.g., public sector banks, non-banking financial institutions, cryptocurrency markets, and completely unrelated technology applications) were excluded. We selected only English-language, peer-reviewed journal articles that addressed both Fintech adoption and its effect on customer experience or customer loyalty in private sector banking. The qualitative synthesis was based on the final subset of selected studies.

Review Design

The review employs an integrative qualitative approach in synthesizing empirical, theoretical and conceptual studies to develop a holistic understanding of Fintech adoption within private sector banking. Because of the substantial heterogeneity in research objectives, methodologies, geographical contexts and measurement variables among the selected studies, a meta-analysis was not performed. Rather than a full systematic review, thematic analysis was conducted to identify findings that were common among the papers, emerging patterns in research trends, theoretical perspectives being taken in Fintech research, and gaps in existing research.



Initial Analysis

The PRISMA flow diagram for the systematic study selection approach used in this review is shown in Figure 1. Review methods: A transparent, systematic and reproducible literature selection procedure was followed, adhering to the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) guidelines. The first search of the databases yielded a total of 90 research articles, with 40 from Scopus. We selected these two databases because they cover a wide range of high-quality, peer-reviewed literature in the banking and finance,

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Fintech, information systems, and management areas. Search strategy: The search strategy was framed to focus on empirical studies that center around customer Fintech adoption in the context of private sector banking. In the preliminary screening step, duplicate records, editorial articles, conference proceedings and book chapters, opinion papers and studies not related to this literature review's objectives were eliminated after identification. Studies that focused on adoption of Fintech services in private sector banking without empirical evidence were also eliminated. Based on the inclusion and exclusion criteria, only relevant studies were screened based on their titles and abstracts for relevance to the research question following which full-text sources remained.

During the eligibility phase, a full-text assessment of the potentially relevant articles was performed. Studies were excluded at this stage if they did not demonstrate appropriate methodological robustness, dealt with non-relevant sectors, did not examine customer Fintech adoption behavior or failed to provide sufficient empirical evidence. Only studies that focused on the determinants of Fintech adoption in a private sector banking context, which included technology acceptance, customer trust, perceived usefulness, perceived ease of use, security and privacy factors in certain environments along with customer satisfaction and experience and behavioral intention were selected for review. The comprehensive screening and eligibility assessment resulted in 40 eligible studies, out of which six (n = 6) studies fulfilled all the predefined inclusion criteria that were included in the qualitative synthesis. The chosen studies underpin the systematic literature review and deliver the primary insights into key drivers, theories, future research streams and imprints in customer Fintech adoption in private sector banking. According to PRISMA methodology, we avoided selection bias as part of the systematic review process leading to enhanced reliability and trustworthiness of review findings.

The research questions in this article are as follows:

RQ1: What are the major determinants influencing customer FinTech adoption in private sector banking?

RQ2: Which theoretical models are most frequently used to explain customer FinTech adoption?

RQ3: What factors influence customers' intention to adopt FinTech services in private sector banks?

RQ4: What are the key outcomes of customer FinTech adoption, such as customer satisfaction, trust, loyalty, and continuance intention?

RQ5: What research gaps and future research directions have been identified in the literature on customer FinTech adoption in private sector banking?

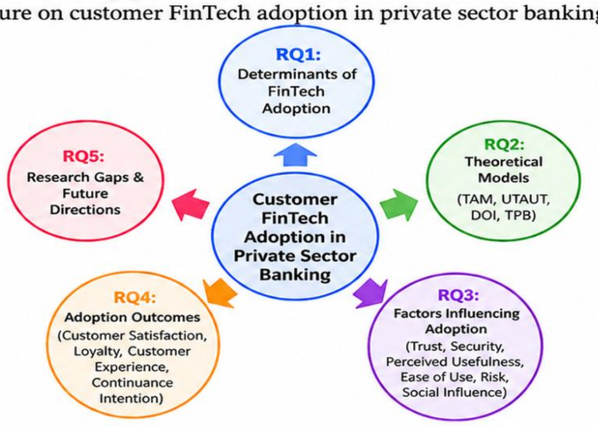

Figure 2. *Mind map of systematic literature review.*

The research questions presented in Figure 2 were developed to systematically investigate the existing literature on **customer Fintech adoption in private sector banking**. To address

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these questions, the inclusion criteria outlined in Table 2 were applied throughout the study selection process. A comprehensive search strategy was conducted using the Boolean operator "**AND**" with the keywords "**Fintech**," "**financial technology**," "**customer adoption**," "**customer behavior**," "**technology acceptance**," "**digital banking**," and "**private sector banking**" across the **Scopus** and **Web of Science (WoS)** databases. These databases were selected because they contain high-quality, peer-reviewed research in the fields of banking, finance, management, and information systems. The retrieved studies were screened according to predefined inclusion and exclusion criteria to ensure methodological quality, relevance, and credibility. The conceptual framework illustrated in **Figure 2** presents the fundamental mind map that guided this systematic literature review. The review is structured around five key research questions that examine the determinants of customer Fintech adoption, the theoretical models employed in previous studies, the major factors influencing adoption behavior, the outcomes of Fintech adoption such as customer satisfaction and loyalty, and the research gaps that provide directions for future investigations. Overall, the primary objective of this systematic literature review is to synthesize the existing body of knowledge and provide a comprehensive understanding of the factors influencing **customer Fintech adoption in private sector banking** while identifying opportunities for future research.

Literature Review

(Dabbeeru & Rao, 2021) worked on examining the application of fin-tech in India the banking and financial services scenario. The paper addressed traditional topics in fin-tech technology: AI, machine learning, block chain and big data as well as their application to various tasks such as fraud detection, rob advisory services, loan underwriting, robotic process automation, digital payments and areas of interest to regulators such as insuretech and retch. The research also looked into the experiences of top Indian banks with fin-tech adoption, including ICICI Bank, HDFC Bank and SBI. Fintech has changed how conventional banking works to help improve payments, mobile banking, fund management and stock trading. The findings of our study are that finch has transformed the financial ecosystem into connecting fast, efficient and customer-centric banking and financial services while offering its services digitally.
(Mundafale & Kanetkar, 2023) Investigation of effect of finch on banks in both private and public sector in India with specific reference to financial inclusion. Fintech innovations have revolutionized the working of traditional banking and services, this included digitalization of payments, block chain technology, artificial intelligence and its uses as well as data analytics. Indian banks are more frequently adopting finch solutions to gain operational efficiency, deliver personalized services and strengthen customer engagement, the authors explained. The research also elaborated upon the non-data aspects of regulatory frameworks, fin-tech bank collaboration and competitive dynamics in determining route bank will take in future of banking India. Overall, the paper found that if banks manage these challenges well, fin-tech can be a critical enabler of more sustainable growth and financial inclusion.
(Muley, 2024) Examined the effect of Fintech adoption on banking sector efficiency employing a survey with 259 subjects from a global bank. Fintech adoption promotes operational effectiveness by promoting financial inclusion, lowering expense, enhancing customer experience, at the same time supporting data-driven decision making as per findings. As noted by the authors, more extensive Fintech integration helps banks to improve their overall and competitive performance.
(Jain et al., 2025) Also studied the effects of adoption digital banking on performance of public and private sector banks in India. Higher digital adoption helped private sector banks

achieve better profitability and operational efficiency, the study said, while public sector banks have struggled with legacy systems and high NPAs. Digital transformation is key enabler of banking performance and competitiveness.

(Rebekah & Afjal, 2025) Utilized the Technology Organization Environment framework investigated how Fintech adoption and digital transformation contribute to improved bank performance. It was shown that technological and also organizational capabilities influence indirectly bank performance via digital transformation as well as Fintech adoption, even though government support positively affects directly. These findings underscore both the relevance of digital transformation as a driver of banking performance and competitiveness.

(Ram, 2025) Scroll was a study of digital banking adoption, customer satisfaction and its dimensions, specifically among private sector bank customers in India. The study concluded that as smartphones, UPI and government initiatives reduce the friction between customers and banks customer adoption of digital banking has grown rapidly where providing a positive experience for customers can now contribute to customer satisfaction. Experiential upgrades in application usability, network reliability and consumer trust three months ahead or office-based banking is completed.

Major Findings of the Study

The systematic literature review revealed that fin-tech adoption has played a significant role in the transformation of private sector banks by enhancing service delivery, customer convenience, accessibility, and operational efficiency. Digital banking platforms, mobile banking apps, artificial intelligence, cloud computing, block chain-based technologies, big data analytics and digital payment systems have facilitated banks in delivering solution that are faster to respond, more personalized and customer centric.

The review also identified that there is a significant effect of customer experience strengthening customer satisfaction, trust, engagement, retention and loyalty Resay. Higher adoption stems from customers perceiving fin-tech services to be useful, easy to use, secure and reliable. Trust and security made up one of the most important factors driving fin-tech adoption in digital financial transactions.

Another important finding was that fin-tech adoption is not homogeneous across every type of customer. Customer preparedness to use fin-tech enabled banking services is also impacted by variances in age, education, income, digital literacy, location and technological awareness. Another example, younger and digitally literate customers are more willing to use adopted fin tech services but older or low digital literacy customers face difficulties.

The review also shows that while finch enhances customer experience and loyalty, private sector banks are still grappling with cybersecurity issues, data privacy concerns, regulatory compliance hurdles, technology integration and low customer awareness. These are the challenges that stand in the way of sustainable digital transformation for banks.

Limitations of the Study

- This research solely uses secondary data available from published literature; it does not use primary data from bank customers, managers or fintech professionals. Hence, the results are based only on the evidence available from previous academic reports.
- Only peer-reviewed journal articles published from 2020 to 2025 were included in the review. However, studies published by the end of 2020 were ambiguous, thereby

potentially limiting coverage of this substantial topic as it excludes many unpublished reports, working papers, conference papers and industry reports.

- One other shortcoming is the focus on private sector banking. Papers solely related to public sector banks, cooperative banks, non-banking financial institutions, cryptocurrency markets or any other financial segment were not included. Consequently, these findings may not be completely generalizable to other financial institutions.
- Those studies differed from each other in terms of country, research method, sample size, theoretical framework and measurement variables. Heterogeneity precluded meta-analysis; therefore, a qualitative thematic synthesis was employed.

The selection of articles depended on their availability and accessibility from a limited number of databases (Scopus, Web of Science, Google Scholar, ScienceDirect, SpringerLink, Emerald Insight and Wiley Online Library). Database, keyword, and language limitations may have excluded some relevant studies.

Conclusion

Analyzing Private Sector Banking: A Systematic Literature Review to Identify Drivers of Success in Digital Transformation Based on PRISMA Framework. This systematic literature review based on the PRISMA methodology concludes that fintech adoption is a primary driver of digital transformation in private sector banking. The adoption of the likes of mobile banking, Artificial Intelligence (AI), blockchain, cloud computing, big data analytics, and digital payment systems has aided in improving customer experience through ensuring convenience and accessibility as well as an increase in personalization, service quality along with transaction efficiency. Each of these enhancements contributes positively to aspects including customer satisfaction, trust, engagement, retention and long-term loyalty.

The review further argues that "The adoption of fintech is not just about technology, but requires customer trust, digital literacy, security and privacy protection and service reliability in addition to compliance with regulatory standards." Fintech has opened the way to new uncharted territory in private sector banking, but its successful implementation still faces hurdles, including cybersecurity risks, data privacy threats, knowledge gaps for digital adoption, unbalanced uptake among consumers, and poorly defined regulation.

In conclusion, governance-based digital transformation has a very dynamic ecosystem in various fields of study, especially within the private sector banking space whereby quality-oriented innovation and incremental improvement, demanding to be balanced by security and customer-centric service design, must be adequately managed. Continuous digital education must be recognized, and stakeholders from government regulators should support the overall approach. Longitudinal studies, comparative studies across countries, models of customer behavior and integrated frameworks for understanding how fintech adoption impacts the experience framework of banking customers over time will be useful avenues for future research.

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