

Review of: "Innovative Financial Services and Commercial Banks' Profitability in Africa"

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Potential competing interests: No potential competing interests to declare.

The paper "Innovative Financial Services and Commercial Banks' Profitability in Africa" addresses a topic of relevance to the banking sector, is in line with the realities of the times, and integrates with other scholars' research on the topic. The paper is written in accordance with the requirements of scholarly debate and academic ethics; it is easy to read and can be understood not only by banking researchers but also by the wider professional community. Overall, the research paper is suitable for publication without major revisions.

At the same time, however, certain limitations must be noted.

First of all, the methodology of the study is biased towards selecting only a very exceptional 17 banks from a large number of African banks that are not necessarily of similar development and progress. The African continent is also extremely heterogeneous in terms of development and geographical accessibility (and thus in terms of the availability of banking sector services and the spread of infrastructure). It would therefore be too ambitious to draw conclusions from the results of this study about both the innovativeness and profitability of banks across Africa.

Secondly, the study does not analyse the role of time, assuming that the period 2010-2022 is homogeneous in its degree of innovation diffusion. In reality, however, the ATM, mobile, and internet banking services examined in the different regions of Africa have not been deployed synchronously and to the same extent everywhere. Failure to take this into account could significantly distort the validity and reliability of the study. Moreover, the paper does not show how the introduction of these individual innovative services at different times (even at the beginning, middle, and end of the period considered) has affected the profitability and efficiency indicators examined. Such information would be of particular interest for forward-looking forecasting.

Thirdly, it would be useful to search the academic literature and present in the paper a comparison of similar indicators from other regions of the world in order to draw more generalised conclusions, showing the level of performance of financial institutions providing banking services in Africa (perhaps not only banks but also credit unions) in the context of other regions of the world.

The above comments could serve as a recommendation for the continuation of this research.

