



Banks Role In Promoting And Encouraging The Adoption Of Fintech Solutions Among Female Customers

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Abstract

Fintech development is attracting attention of regulators who presently evaluates the best possible way to help in development of market and make sure this sector development contribution and not treat and mandates stability of systems, protection of consumers and competition in market. This platform offer payment as a supplementary string to existing wide-ranging system of business management. With single system, a customer is able to manage their bookings, payments and stock levels. This provides deep insights & report that provides owner of businesses with critical information of the way their company performance. Study survey was conducted among female respondents of Delhi NCR to know role of banks in promoting and encouraging the adoption of fintech solutions among female customers and change in the general banking habits of females due to the emergence of financial technology and found that there has been a significant change in general banking habits of Females in Delhi – NCR due to emergence of Financial Technology.

Keywords: Fintech, Financial Technology, Bank, financial services, financial solutions

Introduction

Fintech is a very common term now days that includes all business that use technologies to perform financial transactions. Presently fintech can be imagined as crypto currencies, mobile funding solutions or Silicon Valley start-up companies. Overall Fintech describes as blending of finance and technology to enhance old traditional methods of financial services delivery. This fintech process started many decades ago i.e. before an app can be downloaded on phone and transactions done with simple button push. Fintech and financial institutions shifted from pen paper to digital data system from 60s to 2000s. The most popular and innovative fintech product was founded by Barclays i.e. the global 1st ATM, that support customers to use & deposit money easily. In early 1970s, significant trends took place such as set up of first digital stock exchange i.e. NASDAQ. Year 2008 deals with huge global crisis, General public developed distrust on old type banking system as the global financial crisis rapidly led to general economic crisis. Hence, lots of financial professionals were out of work and their mindset shifted & provides the path to new industries.

Bitcoin development in 2009 is also an important event that had huge influence on financial market all over the world and followed by different types of cryptocurrencies boom which in turn followed by crypto cash in 2018. Smart phones are an important factor that change the fintech face in mass market penetration that support in excess of internet to millions of people all over the world. Smartphones becomes the main and important means with many people are able to access different types of financial services with internet access.

Google wallet was introduced in 2011 followed by Apple pay in 2014. Fintech has become common household name and leads to face of financial world where startups become scale ups and large traded companied publicly. Fintech space is dominated by these big techs and gives anxiety to Banks as people trust these big techs as compare to banks. Financial Management, open banking and AI provide the path to fintech for next coming few decades. It is important the Fintech not only of customer based but also engage emotionally & offer services with some objective (Nawaz, 2017).

Frequent advancement in digital technology transforms the financial and economic landscape. Fintech or financial technology provides new challenges and opportunities to financial sector from regulators to consumers. It provides lots of opportunities to governments starting from making efficient financial system and broad access to financial services for under privileged population. However, this may lead to risks to investors and customers in future and more broadly to financial integrity and stability. IMF and World Banks launches “Bali Fintech Agenda” paper in 2018, that showcase the framework on fintech issues at high level that nations must take care in their local discussions on policies (Vasiljeva, 2016). Fintech is used by lots of new technological developments like payment applications such as PayPal, Venmo, Inc. Report or Cryptocurrency. With the association of new and innovative development in technologies with financial applications or services, Fintech provide support to all type of businesses, it also helps in setting large start-ups, upset the industry and offer better services of finance to individual and businesses. In early days, fintech is considered as a technology that support to banks or others financial institutions backend system. But as various applications grow in surplus with focus on consumers, fintech has become a part of everyday life of every individual. In 2020, fintech can be used to manage funds, pay for food, trade stocks, and manage insurance etc. and often on smart phones. With the increase in digital payment popularity, more investments in solutions that are based on technology, support from government, high rate of IOT services adoption may influence the Global FinTech Market in the coming years. On the basis of technology, global market can be divided into blockchain, API, AI and other like robotic process automation, big data, etc. It is expected that AI segment may witness highest growth rate by 2026. Increase in innovations such as paperless lending, digitized money, mobile wallets, use of ecommerce, along with more smartphone penetration raise the future of Fintech transactions. Although, concerns such as lack of technology & mobile expertise and data security may slow down the Fintech market in coming years (Asongu, Biekpe & Cassimon, 2021). Now a days, information technology and financial services are considered as newly wedded. Although, linkage between technology and finance involves old history & has been developed in three different eras, in which technology & finance together evolved, firstly in context of analogue then later with digitalization process of finance since late twentieth century. A new period of Fintech Since 2008 come out in both developing as well as developed world. This period is explained not only with the financial services and products delivered but also related with who delivers them & speedily developing relevant technologies at the levels of retail & wholesale. This most updated development under FinTech involves start-ups; create challenges for participants of marketers & regulators alike, basically in assessing possible advantages of innovation and development with feasible risks of novel approaches (Lagna and Ravishankar, 2022).

Literature Review

Fintech changes the way consumers manage, track & use their funds. People were using one or three applications to manage their funds in 2016. Approximately 2 billion investors from all over the world are confident and have faith on fintech industry. Finetch provides agile alternative to people to participate in services of finance with no need of brick & motor. Fintech provided consumer with easy access to financial activities in their lives with easy technologies. Since the beginning of modernization, technology and finance were tangled strongly. Commencement of Fintech industry worldwide can be tracked from early 19th century i.e. when this technology started its mark in history and flourish the fintech industry Vijai, C.; Joyce, D. and Elayaraja, M. (2020).

India comes out as active participant by the time of 21st century with surplus of smart & innovative advancements & competitors. Whereas Global Financial crisis provide the path to gain hold for fintech industry and become present everywhere. Individuals begin to slowly shift from old type of traditional system of banking & generate trust on new participants (Rajeswari and Vijai, 2021).

Fintech quick adoption in India leads to many companies establish such as Phone pe, Paytm, Free charge, Mobi Kwik in few years. Smartphones and internet have become the main method among people to manage their finance wisely and fintech has become part of their everyday life. With the span of approximately 5 years, presently in India more than 2000 fintech companies exists and become the fintech start-up period. Old traditional banks start thinking for new strategies & adopted fintech inclusion in their services to attract or generate interest of customers in their services. Traditional banks adopted Banking as a Service (BaaS) or open banking that allows 3rd party service provider to access financial data. In India, This BaaS further lead to doorway of new banks & digital banks (**Kaur, Sahdev, Chhabra & Agarwal et al. 2021**).

Application of Fintech such as payments through mobile, Robo-advisors-automated investment apps, online lending commerce & platform like crowd funding platforms brought storm in financial industry. Robotic Process Automation (RPA), Big Data and Data Analytics, Machine Learning (ML) and Artificial Intelligence (AI) are some of technologies that contribute a lot in making fintech ecosystem successful (**Pendyala & Babu, 2019**).

In last couple of decades, organizations related to money, budgetary administrations and monetary methodology improved and advanced radically. As the fintech industry developed in India, overall experienced of business changes a lot in which the fund's connected methods are fulfilled & budgetary establishment are carried out. The combined efforts among innovation & account encouraged tremendous alterations in ventures, banking, transferring & digital money. Fintech development and innovation has brought storm in financial sector and it is just the tip of the iceberg. Fintech development prompted the term Fintech as a small arrangement to express Financial Technology (**Subhashini, 2021**). In India, Number of fintech brands has grown rapidly over the last 5 years. Competition is very intense; however, fintech's supplies exclusive products & services with better experiences & are by now enjoying a splash. Digitization of financial sector stimulated high after Covid pandemic & the whole scenario is changing through mini revitalization. This is only initial stage and has touched only surface as large amount of people who are looking for better financial services in India is massive. Behavior of consumer is shifting quickly with extremely less concentration duration & digital formats of media consumption. All these will continue push products to experiment on engagement of consumers to make long lasting impression & harvest benefits in long term (**Gupta and Agrawal, 2021**).

Fintech is spreading its wings in all spaces that enhance customer experience and minimizing these gaps weather it is investment review, insurance payments, financial transaction, or any other type of financial service. Fintech analyze customer data & provide value starting from setting up of automatic reminders for bill payments for customers, arranging monthly overview of customers spending on their credit card, increase in their investment level or improvement of credit score. Fintech also communicate these insights with the facility of easy to use, reports of visual or graphical reports on mobile phones. Thereby it evaluates overall experience of the customers (**Priya, & Anusha, 2019**).

Financial matters are always a challenge to understand & therefore it frightens to many people. Customers are forced to undergo information's that are overloaded filled with jargon before taking a decision. Earlier financial institutions and banks used to solve this challenge with the help of customer representatives or account managers that assist customer in their financial journeys. After Covid-19, products are competing this fight head on by making simple and powerful content like by making long format explainer videos, short story format videos, & lots of 'How-to' videos or collateral by communicating with the Millennial & the Generation Z segment of customer in a way they understand. Large numbers of Fintech brands are making websites & apps that enable and support vernacular languages (**Nair, Veeragandham, Pamnani, Prasad, & Guruprasad, 2021**).

Objective

1. To determine the change in the general banking habits of females in Delhi – NCR due to the emergence of Fintech
2. To measure the significance of change in the general banking habits of females in Delhi – NCR due to the emergence of Fintech

Hypothesis

H01 There has been no change in general banking habits of Females in Delhi – NCR due to emergence of Financial Technology

Ha1 There has been a significant change in general banking habits of Females in Delhi – NCR due to emergence of Financial Technology

Methodology

Study survey was conducted among female respondents of Delhi NCR to know role of banks in promoting and encouraging the adoption of fintech solutions among female customers and change in the general banking habits of females due to the emergence of financial technology.

“Convenient sampling method” along with “T-test” were used to collect and analyse the data.

Findings and Analysis

Table 1 Banks role in adoption of fintech solutions

Banks role in promoting and encouraging the adoption of fintech solutions	Frequency	Percentage
Zero barrier applications and faster approvals	98	19.6
Higher efficiency	124	24.8
Automated customer service	92	18.4
Highly regulated and risk-averse	79	15.8
No compromise on security	107	21.4
Total	500	100

Banks role in promoting and encouraging the adoption of fintech solutions among female customers are discussed in table 4.15 where 24.8% thinks that Higher efficiency need to be addressed to promote and encourage adoption of fintech solutions. 21.4% points No compromise on security, 19.6% are concerned about Zero barrier applications and faster approvals, 18.4% highlighted the point of Automated customer service and rest 15.8% thinks that bank needs to look for Highly regulated and risk-averse while promoting and encouraging the adoption of fintech solutions among female customers.

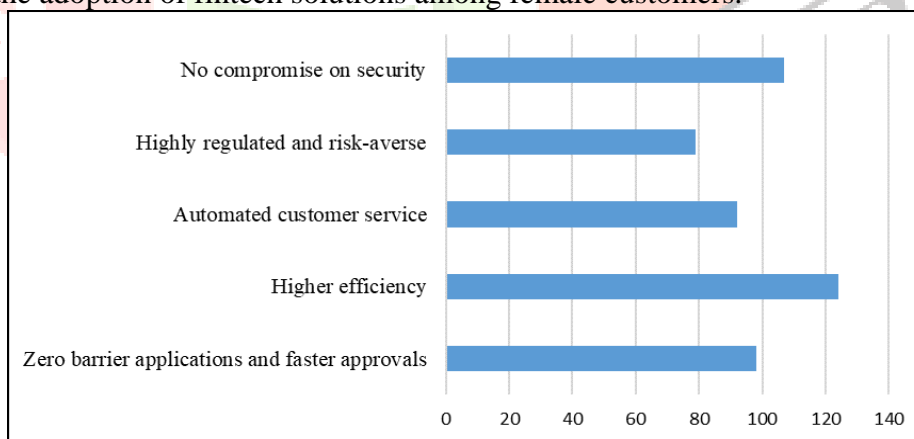


Figure 1 Banks role in promoting and encouraging the adoption of fintech solutions
Change in the General Banking Habits of Females in Delhi – NCR due to the emergence of Financial Technology

Table 2 Change in general banking habits

S. No.	Change in general banking habits	Mean Values
1.	I prefer digital transactions instead of carrying cash	3.61
2.	I prefer using mobile apps for my banking activities	3.59
3.	I generally access all my banking services through fintech solutions	3.64
4.	I track and manage my finances through online platforms	3.58
5.	I store digital versions of my credit and debit cards	3.64

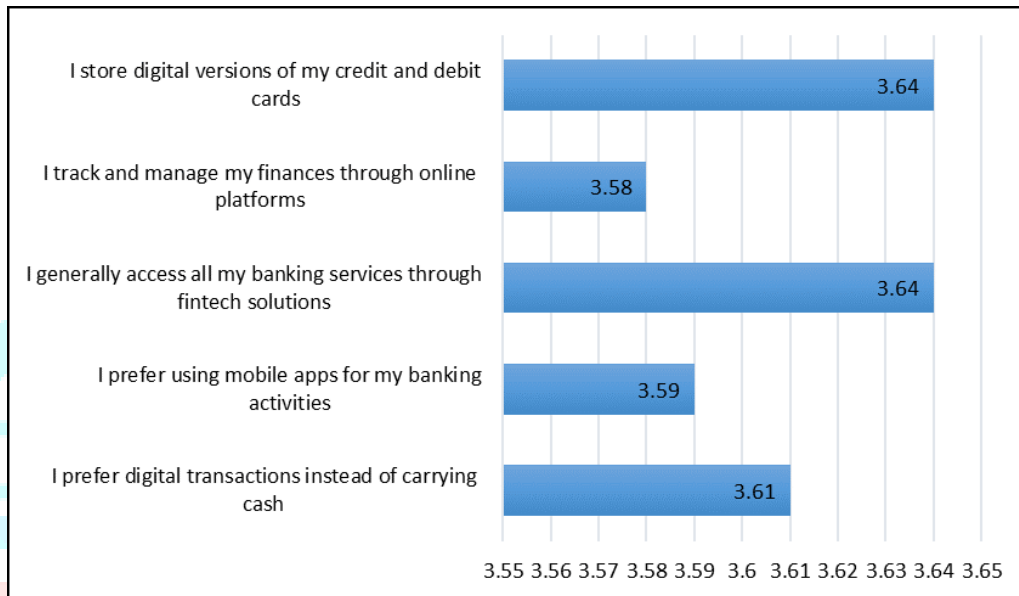
**Figure 2 Change in general banking habits**

Table 2 and figure 2 are showing changes in general banking habits of Females in Delhi – NCR due to emergence of Financial Technology. The respondents says that I generally access all my banking services through fintech solutions and I store digital versions of my credit and debit cards with mean value 3.64, I prefer digital transactions instead of carrying cash (3.61), I prefer using mobile apps for my banking activities (3.59) and I track and manage my finances through online platforms with mean value 3.58.

Table 3 One-Sample Test

S. No.	Change in general banking habits	Test Value = 3.5		
		t	df	Sig. (2-tailed)
1.	I prefer digital transactions instead of carrying cash	2.454	499	.014
2.	I prefer using mobile apps for my banking activities	2.191	499	.029
3.	I generally access all my banking services through fintech solutions	2.765	499	.006
4.	I track and manage my finances through online platforms	1.966	499	.050
5.	I store digital versions of my credit and debit cards	3.398	499	.001

The table 3 presents the outcomes of a One-Sample Test, revealing the significance of all statements pertaining to the shift in general banking habits among females in Delhi-NCR attributed to the emergence of Financial Technology.

Conclusion

FinTech's are changing journey of existing customers & the level at which they analyze & experiment behavior of consumer is incredible. FinTech's have found out & implement gamification successfully in their experience & have provided a probably complicated situation to their advantage. When the process takes long than usual, it offers a relevant blog or shows a small game to keep the customer busy or involve. It also reflects reviews of user that fabricate trust or rate of success of a particular channel on pages of payment that takes long time. Furthermore, fintech's has started a magic moment in their application experiences so that consumer is going to refer to friend, rate the service or spread it on social media.

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