

A Study on Perception and Awareness about Fintech Platforms

Kawaljeet Kaur Sygal¹, Dr. Eknath Zhrekar²

¹Research Scholar, Pillai College of Arts, Commerce and Science, Panvel, Maharashtra, India

²Assistant Professor, Department of Commerce, Mahatma Night Degree College of Arts and Commerce, Chembur Naka, Mumbai, Maharashtra, India

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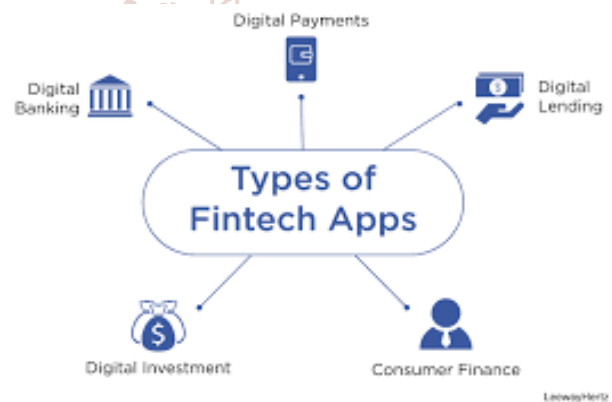
INTRODUCTION

The term "fintech" refers to new technology that aims to improve and automate the delivery and usage of financial services. Fintech, at its most basic level, is used to help organisations, company owners, and individuals better manage their financial operations, procedures, and lives through the use of specialised software and algorithms that run on computers and, increasingly, smartphones. The term "fintech" is a mix of "financial technology" and "financial innovation." Fintech was coined in the twenty-first century to describe the technology used in the back-end systems of established financial organisations. However, since then, there has been a shift toward more consumer-focused services and, as a result, a more consumer-focused definition. Fintech today spans a variety of sectors and industries, including education, retail banking, nonprofit fundraising, and investment management, to mention a few. Fintech also encompasses the creation and use of digital currencies like bitcoin. While that sector of fintech gets the most attention, the major money is still in the

traditional global banking business, which has a multi-trillion-dollar market cap.

Some innovative trends for Fintech App Development are:

1. Blockchain Technology
2. Artificial Intelligence (AI)
3. Big Data
4. Microservices



Source: <https://www.leewayhertz.com/build-a-fintech-app/>

CATEGORIZATION OF MAJOR FINTECH INNOVATIONS

Payments, Clearing & Settlement	Deposits, Lending capital raising	Market provisioning	Investment management	Data Analytics & Risk Management
Mobile and web based payments Digital currencies Distributed ledger	Crowd Peer to peer lending funding to currencies Distributed Ledger	Smart contracts Cloud computing e Aggregators	Robo advice Big data Smart contracts, E trading	Artificial intelligence, Data analysis

Source: WEF 2017.

Review of Literature

FinTech, or financial technology, has grown in popularity around the world, however its significance differs by region, based on economic development and market structure (Berkmen et al. 2019). The term, which dates back to the early 1990s, now refers to a fast expanding financial services process (Arner et al. 2017; Hochstein 2015). FinTech companies use new creative technology to provide financial services that “draw customers with goods and services that are more user-friendly, efficient, transparent, and automated than those already accessible”

(Dorfleitner et al. 2017, p. 5). FinTech enterprises are difficult to categorise legally because they operate across a wide range of business lines and methods, as well as industries, ranging from crowdfunding to credit providers, cryptocurrencies to angel investment networks.

FinTech has progressed through three stages (Arner et al. 2017). With the adoption of the first simple abacuses, the first phase came from surplus production and technological breakthroughs brought forth by the industrial revolution. The introduction of the telegraph (Nicoletti 2017), as well as telegraph transmission and heavy trade between countries, made it possible to conduct financial transactions on a worldwide scale using technology after the mid-1800s (Standage 2013). The financial services business was intimately related to technology from 1866 to 1967, although it remained primarily analogue. FinTech 1.0 is the name given to this period.

FinTech 2.0, or advancements in digital technology between 1967 and 2008, allowed financial-services technologies to transition from analogue to digital and became international. Barclay's Bank, for example, was the first to adopt automatic teller machines.

Objectives of the Study

1. To identify the level of awareness of Fintech solutions among Users.
2. To identify if there are any educational differences in awareness of fintech solutions relating to different factors
3. To highlight different factors of perception and awareness of fintech solutions in the group

Hypotheses of the study are:

H0: There is no association between level of awareness and age group of Users

H0: There is no Educational differences in awareness of users about fintech uses and benefits

Research Methodology

Primary and secondary data were used during the analysis. Primary data were collected through interview schedule. 105 sample respondents are used for the study based on simple random sampling. Statistical tools gap analysis and percentages were used to find out the desired result. ANOVA was used to find out the association between the variables under study. Educational status of the users and their level of awareness were the variables used in the study.

Table 4: Awareness relating to market and finance

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
1. Awareness about types of fintech apps	105	2	5	4.70	0.553
2. Awareness about benefits to users	105	2	5	4.17	0.562
3. Market knowledge for successful contribution of solutions	105	2	5	4.66	0.701
4. Awareness about limitations of the solutions	105	2	5	4.33	0.663
5. Awareness relating to usage of technology	105	2	5	4.39	0.712
6. cost benefit analysis.	105	2	5	4.25	0.641
7. Saving time and energy	105	2	5	4.34	0.634
8. Linkages with other rewards	105	2	5	4.30	0.620
9. Getting financial expert advice before big decisions.	105	2	5	4.32	0.639
10. Studying market forces regularly before using app	105	2	5	4.42	0.707

Awareness relating to usage and adoption of fintech apps is shown in the above table where we can see average that's mean and standard deviation relating to various categories are shown which are more or less above average.

Table 5: Anova for Educational qualification and Awareness

		Sum of Squares	Df	Mean Square	F	Sig.
Fintech applications Awareness	Between Groups	11.584	3	3.873	4.031	0.011
	Within Groups	57.466	102	0.953		
Fintech benefits awareness	Between Groups	4.566	3	1.419	2.623	0.05
	Within Groups	33.529	102	0.455		

Table 6: Anova for Age and Awareness

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	2.051	2	1.025	0.932	0.412
Within Groups	68.011	103	1.097		

Results and discussions:

It was observed that there is significant association between educational qualification and awareness of fintech apps usage. Moreover, the respondents hold positive perception about the fintech solutions. Their level of awareness is reflected in the educational background but age bears no significant contribution as determinant factor for awareness and positive perception for fintech solutions. However, generally the five point likert scale shows optimum usage of fintech apps like Upstox, Grow, Kite, E payments like G Pay, phonepe, Net banking apps etc. So undertaking swot analysis of various categories of Fintech apps could be possibly future scope of this research. Fintech innovation not only saves money for businesses, but it also saves money for consumers. Because traditional organisations incur costs such as salaries, rent, and advertising, these costs can be avoided, allowing innovative firms to invest in their clients. Many operations have been automated, which has shown to be more effective in areas such as lending risk more precisely and requiring less human presence, cutting the cost of services provided to clients. Fintech companies have improved transaction efficiency and convenience by making extensive use of mobile connections. Customers will have a better experience, there will be more transparency, and information will be more accessible to the general public. By ensuring that this information is readily available to consumers, better public services may be provided. Financial technology has also made financial products available to people who do not have bank accounts, ensuring that every person in the world has access to financial services. Knowledge of fintech apps have made life easier in terms of trading, payments, banking etc. So paper is instrumental to throw light on the perspective of users towards fintech technology.

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