JURNAL MULTIDISIPLIN MADANI (MUDIMA)
Homepage: https://journal.formosapublisher.org/index.php/mudima
ISSN: 2808-5639 (Online)
Research Article

Volume 4, No 10, October (2024)	DOI: https://doi.org/10.55927/mudima.v4i10.11891	Page: 1610-1623

Study on Fintech Adoption: Examining the Customer Innovativeness and Attitude Towards the Adoption of Fintech Services

Jisha TP
Bharathiar University
Corresponding Author: Jisha TP jishavpz@gmail.com

ARTICLE INFO

Keywords: Fintech, Customer Innovativeness, India

Received : 18 Augsut
Revised : 27 September
Accepted : 19 October

ABSTRACT

Technology plays an important role in the area of finance and now it become common among people. but whatever the technological advancement in the field of finance, many people are there who don't have access to formal financial institutions and many researchers found that this can be solved with the help of technology adoption. Here the study focused on the Fintech adoption among the people with the help of the variables Fintech adoption, perceived ease of use, perceived usefulness, user innovation and the attitude towards the financial technology. the researcher utilized both primary and secondary data. Then the samples were selected from Pattambi taluk of Palakkad district-Kerala, based on convenience sampling method and distributed the questionnaire among 300 respondents. then 250 samples were selected from 300 by considering the data accuracy. Then the researcher utilized descriptive statistics and t-test, correlation coefficient, and regression analysis to conclude then the factor analysis was also utilized to understand the relation between the observed variable and the latent constructs. The study discovered that perceived usefulness and perceived ease of use have a stronger correlation with Fintech adoption. then there is a positive correlation between the customer's perceived usefulness of Fintech adoption and their attitude towards it. To increase customer satisfaction, Fintech companies can develop their services based on the perceived usefulness, ease of use, and attitude of customers in particular segments

INTRODUCTION

Fintech, the abbreviation for financial technology, describes creative approaches that use technology to improve and simplify financial services. Payment applications and mobile banking are two important aspects of Fintech. Customers can use smartphones or tablets for a variety of banking tasks thanks to mobile banking. Through mobile apps, users may easily access various features like bill payment, account balance checks, fund transfers, and loan applications. The ability to handle funds while on the road with mobile banking increases accessibility and simplifies financial transactions for individuals. Users can utilize their mobile phones to conduct transactions by using payment applications, also referred to as mobile payment apps. With only a few touches on their mobile devices, These apps that enable digital payments allow users to send money to friends and family, share bills, and pay for goods and services. They commonly use technologies like Near Field Communication (NFC) and QR codes to enable quick and secure transactions.

A thorough examination of the complex interactions between users' willingness to adopt Fintech solutions and their innate level of innovativeness, the study on Fintech adoption through user innovativeness explores how users' innovativeness influences their readiness to use Fintech solutions. Financial services are now accessed and provided differently, a fast-developing field at the nexus of finance and technology. The aim of the study is to identify the crucial part that innovation plays in determining how quickly Fintech will be adopted. When used in this context, the term "innovativeness" refers to people's inclination to be among the first to accept cutting-edge technology developments as well as their enthusiasm for trying out creative solutions. An in-depth understanding of how users' openness to new technologies affects their adoption behavior within the Fintech sector is what academics want to achieve by closely examining this factor.

The study intends to reveal complex insights by combining empirical techniques like survey data analysis and in-depth interviews. Users' attitudes, views, and prior experiences with Fintech adoption could be evaluated using surveys. In addition, interviews could make it easier to explore user motives, obstacles, and decision-making processes concerning adopting Fintech. Researchers can create a theoretical framework to explain the empirical results by drawing on well-known innovation theories like the Technology Acceptance Model (TAM) or the Diffusion of Innovations theory. To shed light on the underlying mechanisms that drive the acceptance and integration of Fintech innovations into the larger financial environment would enable a systematic investigation of the factors that encourage or hinder Fintech adoption

The study has taken the Fintech adoption(FA) as a dependent variable and the Perceived ease of use(PEU), perceived usefulness(PU), user innovativeness(UI) and attitude towards the Fintech adoption(AT) as dependent variables.

Fintech has grown to be a significant component of the customer and transactions made by clients using Financial technology services is increasing quickly. however, whatever the circumstances There exist numerous factors that hinder the integration of financial technology into everyday life. Before the actual data collection, an interview was done with customers to ascertain their attitudes regarding the usage of technology in the field of finance. The findings showed that individual differences existed in both the variables influencing these attitudes and the customers' overall views. Although individuals are willing to adopt new technology, they are still in a state of confusion regarding the services provided by Fintech companies. Therefore, by carrying out additional research in the area of Fintech services, companies and their customers will be able to close the gap between them.

The current study on Fintech adoption expands the body of knowledge about the uptake of disruptive technologies in the financial industry. Its findings may provide regulators, financial organizations, and Fintech developers with information that will help them create strategies that

appeal to consumers' preferences and promote more seamless integration of Fintech solutions into routine financial activity.

METHODS

The researcher used both primary and secondary data in the analytical study. With the aid of a questionnaire, the primary data were gathered from the consumers of selected shops, and newspaper articles, magazine articles, websites, and other secondary sources were used to gather the secondary data. Then, using a convenience sampling method, samples are chosen from the Pattambi Taluk in Kerala's Palakkad District, and 300 respondents are given the questionnaire. After removing the flaws, the researcher chose 250 out of 300. Then, descriptive statistics, t-test, correlation coefficient, regression analysis and factor analysis are used to analyze the data. The variables for the study are Fintech adoption(FA), Perceived ease of use(PEU), perceived usefulness(PU), user innovativeness(UI) and attitude towards the Fintech adoption(AT).

Fintech Adoption (FA)

Technology adoption in the financial industry has now become a crucial component for everyone because people are ready to accept technology advancements in every field. Fintech adoption in this context refers to a person's readiness to use financial technology and willingness to stick with it. I will continue using Fintech services, I haven't used Fintech services but plan to do so soon, I will tell my friends about Fintech services, as I manage my funds, Fintech apps become increasingly important, I frequently conduct transactions using mobile payment apps, and I prefer conducting banking transactions online rather than going to actual banks were used by the researcher to understand the Fintech adoption.

H_0 1: There is no significant difference between the male and females in the Fintech adoption

H_0 2: There is no significant difference between the different age groups on the Fintech adoption

H_0 3: There is no significant difference between the respondents having different qualifications on the Fintech adoption

Perceived ease of use (PEU)

Perceived ease of use is the extent to which a person thinks using a specific technology requires less effort. In this case, the researcher used five statements to measure the variable from the TAM model. The claims are that using Fintech services is straightforward, that I find the platform's user interface to be welcoming and easy to grasp, that getting a device to use it was straightforward, and that I hardly ever need assistance while carrying out tasks on the website are the statements used to analyze the perceived ease of use.

H_0 4: Perceived ease of use is negatively correlated with the Fintech adoption

Perceived Usefulness (PU)

Perceived usefulness is the extent to which an individual believes that using a particular technology will be beneficial. As an individual's perception of a technology's value increases, so do their intentions to use it. According to Henderson and Divett (2003), perceived usefulness refers to a user's expectation that utilizing a certain technology will enhance their ability to accomplish their job. In addition, Perceived Usefulness is an opinion on the way decisions are made (Hong et al., 2021).

H_0 5: Perceived Usefulness is negatively correlated with the Fintech adoption

User Innovativeness (UI)

User innovation is the process through which people or organizations create new goods or services that cater to their own needs rather than those of the market. Here the researcher used statements like- I like trying out new devices and apps, I am frequently the first in my group of friends to test out a new product, I enjoy experimenting with fresh Fintech offerings, I enjoy modifying and personalizing technology to meet my requirements and When I learn about a new product, I attempt to find a way to use it, to measure the user innovativeness among the respondents.

H_0 6: User Innovativeness is negatively correlated with the Fintech adoption

Attitude (AT)

The way people feel about technology will undoubtedly depend on the individual, but if a technology is made simple to use, people will accept it without hesitation and feel positive about it. In this study, the researcher gauges how people feel about financial technology using statements like, "I am interested in using Fintech services," "My experience using Fintech services is positive," and "My experience using Fintech services is favorable."

H_0 7: Attitude is negatively correlated with the Fintech adoption

RESULTS AND DISCUSSION

Table 1. Shows the Variable in the Description

Sl.no	Variable	Reference	Indicators	Code
1	Fintech Adoption	(Marakarkandy et al., 2017) (Patel & Patel, 2017)	I'll keep utilizing Fintech services.	FA1
			I haven't used Fintech services, but I plan to do so soon.	FA2
			I'll tell my friends about Fintech services.	FA3
			As I manage my funds, Fintech apps become increasingly important.	FA4
			I frequently conduct transactions using mobile payment apps.	FA5
			I like making banking transactions online rather than going to actual branches	FA6
2	Perceived ease of use	(Hu et al., 2019), (Niu et al., 2020)	Utilizing Fintech services is simple.	PEU1
			I consider the Fintech operating interface to be user-friendly and understandable.	PEU2
			Obtaining a device to use Fintech services is simple.	PEU3
			For me, picking up how to use the platform was simple.	PEU4
			I don't require help to execute work on the site.	PEU5
3	Perceived Usefulness	(Elhajjar & Ouaida, 2019),	Fintech can help me with my service needs.	PU1
			Fintech services can save time	PU2
			Fintech services can improve efficiency	PU3
			Overall, Fintech services are useful to me	PU4
4	User Innovativeness	(Zhang et al., 2018)	I like trying out new devices and apps	UI 1
			I am frequently the first in my group of friends to test out a new product.	UI2
			I enjoy experimenting with fresh Fintech offerings.	UI3
			I enjoy modifying and personalizing technology to meet my requirements.	UI4
			When I learn about a new product, I attempt to find a way to use it.	UI5
5	Attitude	(Hu et al., 2019), (Chuang et al., 2016)	I have an interest in using Fintech services	AT1
			My experience using Fintech services is positive.	AT2
			I'm interested in Fintech services because I think new technology will be superior to conventional approaches.	AT3
			I think it's a fantastic idea to use Fintech services.	AT4

Analysis and Interpretation

Features of Respondents

Table 2. Shows the Respondent's Features

Features	Criteria	Frequency	Percentage
Gender	Female	123	49.2
	Male	127	50.8
	Total	250	100
Age	Below 30	120	48
	Above 30	130	52
	Total	250	100
Education	Higher Secondary and above	129	51.6
	Below higher secondary	121	48.4
	Total	250	100
Region	Rural	123	49.2
	Semi-Urban	127	50.8
	Total	250	100

Source: Primary Data

Descriptive Statistics

Table 3. Shows the Descriptive Statistics

Variable	Indicators	Code	Mean	Std. Deviation
Fintech Adoption	I'll keep utilizing Fintech services.	FA1	4.16	.904
	I haven't used Fintech services, but I plan to do so soon.	FA2	4.24	.973
	I'll tell my friends about Fintech services.	FA3	4.20	.918
	As I manage my funds, Fintech apps become increasingly important.	FA4	3.90	1.065
	I frequently conduct transactions using mobile payment apps.	FA5	4.12	1.054
	I like making banking transactions online rather than going to actual branches	FA6	3.92	1.113
Perceived ease of use	Utilizing Fintech services is simple.	PEU1	3.42	1.062
	I consider the Fintech operating interface to be user-friendly and understandable.	PEU 2	3.22	1.224
	Obtaining a device to use Fintech services is simple.	PEU 3	3.38	1.077
	For me, picking up how to use the platform was simple.	PEU 4	3.18	1.180
	I don't require help to execute work on the site.	PEU 5	3.56	1.154
Perceived Usefulness	Fintech can help me with my service needs.	PU 1	3.94	.949
	Fintech services can save time	PU2	3.94	.905
	Fintech services can improve efficiency	PU 3	3.98	1.031
	Overall, Fintech services are useful to me	PU 4	3.88	1.127
User Innovativeness	I like trying out new devices and apps	UI 1	2.44	1.188
	I am frequently the first in my group of friends to test out a new product.	UI 2	2.42	1.081
	I enjoy experimenting with fresh Fintech offerings.	UI 3	2.48	1.065
	I enjoy modifying and personalizing technology to meet my requirements.	UI 4	2.44	1.286
	When I learn about a new product, I attempt to find a way to use it.	UI 5	2.32	1.193

Attitude	I have an interest in using Fintech services	AT 1	3.44	1.063
	My experience using Fintech services is positive.	AT 2	3.34	.953
	I'm interested in Fintech services because I think new technology will be superior to conventional approaches.	AT 3	3.50	1.102
	I think it's a fantastic idea to use Fintech services.	AT 4	3.66	1.179

Source: Primary Data

Table 4. Reliability and Validity Measures

Construct	Factor Loadings	Cronbach's Alpha	AVE	The square root of AVE
FA3	.68	.779		
FA4	.73			
FA5	.715			
FA6	.72		0.50623125	0.711499297
PEU1	.69	.829		
PEU2	..86			
PEU3	.57			
PEU4	.85		0.565775	0.752180165
PU1	.71	.859		
PU2	.80			
PU3	.82			
PU4	.80		0.614125	0.783661279
UI2	.78	.729		
UI3	.50			
UI4	.82		0.510266667	0.714329522
AT1	.82	.840		
AT2	.78			
AT3	.70			
AT4	.74		0.5796	0.761314652

The factor loading shows the degree of correspondence between the observed and the latent variable; some constructs are excluded in this case based on the factor loadings. Cronbach's Alpha is used to measure the reliability of the data, and values greater than 7 indicate that the data are reliable. The observed variables are reliable indicators of the latent construct if the approved level of AVE is greater than 5.

Table 5. Discriminant Validity

Factors	FA	PEU	PU	UI	AT
FA	**0.681**				
PEU	.460	**0.752**			
PU	0.621	.380	**0.783**		
UI	.-209	-.186	-.348	**0.714**	
AT	.284	.614	.435	-.201	**0.761**

The result shows that Perceived Usefulness is highly correlated with Fintech adoption and user innovativeness is negatively correlated with Fintech adoption. Then the attitude towards Fintech

adoption is correlated with the perceived usefulness. All Square root of Average Variance Extracted (AVE) estimates in the above table are greater than the corresponding Correlation. This means the indicators are discriminant between the construct of interest.

Table 6. Shows the Impact of the Independent Variable on the Fintech Adoption

	R square	Adjusted R square	Sig
	.463	.454	.000
Dependent variable: Fintech adoption			

The R square value is .463 indicates that 46 % of the Fintech adoption is explained by the independent variables Perceived ease of use(PEU), Perceived usefulness(PU), User innovativeness(UI) and the Attitude towards the Fintech adoption(AT) at a significant value .000.

Table 7. Shows the Result of the Independent Sample T-Test Based on the Test Group Gender

Group Statistics							
	Gender	N	Mean	Std. Deviation	Std. Error Mean	t	Sig
FT	Female	123	4.1084	.67075	.06048	.424	.672
	Male	127	4.0722	.67931	.06028		
PEU	Female	123	3.4065	.88630	.07992	.919	.359
	Male	127	3.2992	.95647	.08487		
PU	Female	123	4.0528	.77039	.06946	2.18	.030
	Male	127	3.8209	.89802	.07969		
UI	Female	123	2.3691	.89883	.08104	-.902	.368
	Male	127	2.4693	.85686	.07603		
AT	Female	123	3.5407	.80684	.07275	.978	.329
	Male	127	3.4311	.95570	.08481		

The table shows that there is no significant difference between the males and females on the Fintech adoption(FT), perceived ease of use (PEU), user innovativeness (UI), and attitude towards the technology (AT) but there is a significant difference between the male and female on the perceived level of usefulness (PU) of the financial technology.

Table 8. Shows the Result of the Independent T-Test Based on the Test Group Age

Group Statistics							
	Age	N	Mean	Std. Deviation	Std. Error Mean	t	Sig
FT	Below 30	120	4.2083	.69386	.06334	**2.692**	**.008**
	30 and above	130	3.9808	.63850	.05600		
PEU	Below 30	120	3.1333	1.00698	.09192	**-3.692**	**.000**
	30 and above	130	3.5538	.78810	.06912		
PU	Below 30	120	3.9583	.92146	.08412	**.419**	**.675**
	30 and above	130	3.9135	.76864	.06741		
UI	Below 30	120	2.2083	.86477	.07894	-	.000

	30 and above	130	2.6154	.84619	.07422	3.760	
AT	Below 30	120	3.2292	.93349	.08522	4.560	.000
	30 and above	130	3.7212	.76985	.06752		

The table shows that there is a significant difference between the different age groups on Fintech adoption(FT), perceived ease of use(PEU), user innovativeness(UI) and attitude towards Fintech adoption(AT). But there no significant difference is shown in the case of the perceived level of usefulness (PU).

Table 9. Shows the Result of the Independent Sample T-Test Based on the TEST GROUP Educational Level the Respondents

Group Statistics							
	Educational level	N	Mean	Std. Deviation	Std. Error Mean	t	Sig
FT	higher secondary and above	129	4.0168	.68365	.06019	-1.783	.076
	Below higher secondary	121	4.1680	.65740	.05976		
PEU	higher secondary and above	129	3.3318	.90743	.07990	-.357	.721
	Below higher secondary	121	3.3736	.94126	.08557		
PU	higher secondary and above	129	3.9147	.79641	.07012	-.391	.696
	Below higher secondary	121	3.9566	.89482	.08135		
UI	higher secondary and above	129	2.5814	.84352	.07427	3.053	.003
	Below higher secondary	121	2.2479	.88356	.08032		
AT	higher secondary and above	129	3.4903	.85832	.07557	.098	.922
	Below higher secondary	121	3.4793	.91719	.08338		

The table shows that is significant difference exist between the respondents having different educational qualification on user innovativeness(UI) But there is no significant difference shown in the case of the Fintech adoption(FT), perceived ease of use(PEU), perceived level of usefulness (PU) and the attitude towards the Fintech adoption(AT).

The paper discusses the potential reason for the adoption of financial technology among customers. According to the study, customer adoption of Fintech is significantly influenced by perceived ease of use (PEU), perceived level of usefulness (PU), User Innovativeness (UI) and the attitude towards Fintech adoption(AT). The study found that male and female don't show any significant difference when it comes to the adoption of variation among responders with varying educational backgrounds. Fintech, how easy they think it is to use, or their attitudes towards it. However, they differ when it comes to how valuable they think financial technology is. Then, there are notable It was discovered that customers' educational attainment has a big impact on how innovatively they use Fintech. The study

emphasized the significance of variables such as customer attitude towards financial technology, perceived usefulness, perceived simplicity of use, and user inventiveness in the adoption of financial technology. Additionally, it highlights how respondents' gender, age, and educational differences between the age groups of customers in terms of their adoption of Fintech, perceptions of its utility, and attitudes around it. which indicates that regardless of their age or gender, customers have comparable opinions regarding Fintech services. Regarding user innovativeness, there is a notable background affect how they accept and view financial technology. Fintech companies that focus on a specific customer segment will benefit more from the study.

CONCLUSION

The adoption of the technology among customers depends upon how easily they think about its use and their attitude towards it. Fintech solutions are more likely to be adopted by customers who are ready to experiment with new things and modify them to suit their needs. Additionally, examining consumer perceptions offers insightful information about the psychological and emotional factors influencing the adoption of Fintech. The study regarding factors like perceived ease of use, perceived usefulness, user innovativeness, and attitude towards the Fintech adoption among the customers will be more beneficial to the Fintech companies who focus on the customers of a particular segment. Because it is possible to identify whether these factors have any influence on the adoption of financial technology. here the researcher added user innovativeness and attitude towards the Fintech rather than the variables perceived ease of use and perceived usefulness, which is generally used by the researchers for conducting studies in the field of technology adoption. The results can be used by businesses to create user-centered Fintech products and targeted marketing campaigns that cater to the unique requirements and tastes of certain customer categories. Through the findings, the Fintech companies are better equipped to manage obstacles, improve user experience, and promote widespread acceptance of their services in the competitive financial technology landscape.

Implications

The paper offers insight to Fintech firms on how to create user-friendly Fintech services. Because the study focused on perceived ease of use, user innovativeness, perceived usefulness, and customer attitude towards the Fintech services, the companies may boost user satisfaction by simplifying the process and pointing out the real-world applications of financial technology. The study's findings can be applied to foster greater user innovation by highlighting the practical uses of financial technology and it aids in the development of Fintech services that address customer needs and attitudes.

Future Scope

- A longitudinal study over time to observe the trends in using the Fintech services and the identification of the behavioral changes and attitudes towards the use of Fintech services will provide more valuable insight to the companies to modify their strategies accordingly.
- Cultural differences in Fintech adoption. The examination of the impact of cultural factors on the perceived ease of use, perceived usefulness, and attitude towards Fintech adoption.
- A comparative analysis of the adoption of Fintech in different demographic segments.
- Analyzing how developing technologies are incorporated into financial technology

REFERENCES

Chuang, L.-M., Liu, C.-C., & Kao, H.-K. (2016). The adoption of fintech service: TAM perspective. International Journal of Management and Administrative Sciences, 3(7), 1–15.

Elhajjar, S., & Ouaida, F. (2019). An analysis of factors affecting mobile banking adoption. International Journal of Bank Marketing, ahead-of-print. https://doi.org/10.1108/IJBM-02-2019-0055

Hu, Z., Ding, S., Li, S., Chen, L., & Yang, S. (2019). Adoption Intention of Fintech Services for Bank Users: An Empirical Examination with an Extended Technology Acceptance Model. Symmetry, 11(3), 340. https://doi.org/10.3390/sym11030340

Jünger, M., & Mietzner, M. (2019). Banking Goes Digital: The Adoption of FinTech Services by German Households. SSRN Electronic Journal. https://doi.org/10.2139/ssrn.3368133

Marakarkandy, B., Yajnik, N., & Dasgupta, C. (2017). Enabling internet banking adoption: An empirical examination

with an augmented technology acceptance model (TAM). Journal of Enterprise Information Management, 30, 263–294. https://doi.org/10.1108/JEIM-10-2015-0094

Meyliana, M., & Fernando, E. (2019). The influence of perceived risk and trust in adoption of fintech services in Indonesia. CommIT (Communication and Information Technology) Journal, 13(1), 31–37.

Niu, G., Wang, Q., & Zhou, Y. (2020). Education and FinTech Adoption: Evidence from China [SSRN Scholarly Paper]. https://doi.org/10.2139/ssrn.3765224

Patel, K., & Patel, H. (2017). Adoption of internet banking services in Gujarat: An extension of TAM with perceived security and social influence. International Journal of Bank Marketing, 36, 00–00. https://doi.org/10.1108/IJBM-08-2016-0104

Setiawan, B., Nugraha, D. P., Irawan, A., Nathan, R. J., & Zoltan, Z. (2021). User Innovativeness and Fintech Adoption in Indonesia. Journal of Open Innovation: Technology, Market, and Complexity, 7(3), 188. https://doi.org/10.3390/joitmc7030188

Zhang, T., Lu, C., & Kizildag, M. (2018). Banking "on-the-go": Examining consumers' adoption of mobile banking services. International Journal of Quality and Service Sciences, 10(3), 279–295