A STUDY ON THE USAGE OF FINTECH SERVICES AND ITS LEVEL OF SATISFACTION WITH SPECIAL REFERENCE TO NORTH BENGAL (WEST BENGAL)

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Abstract

Fintech, or financial technology, has been growing rapidly in India in recent years. With the emergence of digital technologies and mobile connectivity, fintech has transformed the financial landscape of India. The adoption of Fintech services in India has been influenced by various factors such as government initiatives, the growth of e-commerce, and the increase in smartphone usage. Despite the growing popularity of fintech services in India, challenges still need to be addressed to increase adoption. One of the significant challenges is the lack of financial literacy among consumers. Many consumers are not aware of the benefits of fintech services and are hesitant to adopt them. Consumer attitude plays a crucial role in the adoption of Fintech services in India. Consumers' willingness to adopt fintech services is influenced by various factors which are discussed in various studies. Consumers who perceive fintech services as easy to use and useful are more likely to adopt them. Additionally, trust and security are essential factors that influence consumers' decisions to adopt fintech services.

FinTech is a new industry that uses technology to help people manage their money better. It is a broad category that includes many different technologies; however, the major objective is to alter how people and businesses access their finances and to make them more competitive with traditional financial services. For instance, Phone pay, Bharat-pay, Google pay, Amazon pay, etc. are well accepted by fintech users. It is observed that technology has been well accepted among the young generation therefore this study is an attempt towards studying extent of awareness and level of satisfaction achieved towards using the fintech services. The study found young people to be highly aware of fintech services who also accepted using it, awareness and acceptance do affect age disparities but not gender disparities. The degree to which users are satisfied with fintech services is also thought to be influenced by variances in age and gender.

Introduction

Fintech, or financial technology, is a term used to describe any technology that provides financial services through software, such as online banking, mobile payment applications, or even electronic money. It is a broad category that includes many different technologies, but the main aim is to change the way consumers and businesses access their finance and compete with traditional financial services. For instance, phone pay, Bharat-pay, google pay amazon pay, NEFT, etc.

FinTech services make it easier for people to simplify their personal and professional lives, make financial transactions more affordable, increase their access to capital through microlending and crowdfunding, increase their ability to save money and improve the quality of their financial services. They also help people create more jobs. Consumers can get more accustomed to and competent in digital surroundings by using technology in banking.

India has emerged as one of the world's leaders in the use of financial technology over time. The enormous number of daily digital touch points that individuals utilize improves the fintech sector and raises the adoption rate of fintech services. The penetration and use of FinTech in more industries have increased, which has benefied the Indian economy. Because of the rise of digital transactions, businesses, consumers, and governments have benefitted from transparent, safe, quick, and profitable procedures.

Indian Prime Minister Sri Narendra Modi recently stated that India, with a "Security Shield" that is mostly based on wealth, called for a "fintech revolution" in investment, insurance, and institutional financing at the start of the Infinity platform, a platform for Fintech sort of leaders, on December 3, 2021. The statement was made at a time when India's fintech adoption rate, was at 87%, which is the highest in the world, over the world average of 64% (Moneycontrol.com). Here, enabling elements include the Digital India project, the supportive political climate, and the availability of a sizable talent pool. The Indian fintech sector has raised over $27.6 billion in total, and Amitabh Kant, CEO of NITI Aayog, predicts that by 2025, it would have surpassed US$150 billion (Moneycontrol.com)

When the pandemic hit all other industries saw their growth slow down, but the fintech industry prospered since COVID-based regulations restricted movement and promoted contactless transactions. In a study, the Indian Chamber of Commerce movement and the Boston Consulting Group (BCG) recommended contactless transactions. Research by the Boston Consulting Group (BCG) and the Federation of Indian Chambers of Commerce and Industry (FICCI) projects that India's fintech market will be worth $150–160 billion by 2025. (bcg.com)

Literature review

The adoption of fintech services by consumers is influenced by various factors, including demographic characteristics, perceived usefulness, ease of use, trust, security, and perceived risk. Several studies have examined these factors and their impact on consumer attitudes toward fintech adoption.

Lui and Lamb (2018) demonstrate how established financial institutions employ AI to customize customer service and deliver more effective and client-focused financial services. Du (2018) suggests that current US credit unions should participate in the new financial ecosystem by utilizing new mobile payment methods that FinTech technology has made possible in order to boost productivity and consumer satisfaction. Caron (2018) contends that in order to remain competitive, payment providers, including current financial institutions, must keep up with payment innovation.

According to a study conducted by Nangin M.A et al., 2020 perceived usefulness and ease of use were the most significant factors affecting consumer adoption of fintech services. The researcher also found that trust and security were important factors, with consumers expressing concerns about their personal and financial information safety.

Despite the fact that numerous factors have a favourable impact, only a few should be given top priority, such as the platform's utility and security features. Despite their value, clients are not willing to pay more to use FinTech services (Mustafa et al., 2021). Particularly, male customers' attitudes toward adopting fintech services are significantly more favourable than those of female customers (Tun-Pin and Yen-SanPui-Yee, 2019). Alshari and Lokhande (2022) look into how customers' opinions and intentions to use FinTech payment systems in the least developed nations are affected by demographic characteristics, including age, gender, and education. It has been discovered that the adoption of FinTech services is directly impacted by criteria such as income and education. The study demonstrates that the degree of education has a key impact on embracing FinTech and reaping its rewards.

Regarding the handling of complaints and brand credibility with regard to Fintech services, little research has been conducted. It should come as no surprise that resolving complaints positively affects customer satisfaction significantly. Customer satisfaction in general has a good impact on the reputation of the brand (Shams et al., 2020).

The review of literature reveals that the adoption of fintech services in India is driven by several factors, including the proliferation of smartphones, the rise of digital payments, and the government's push towards financial inclusion. Overall, the literature suggests that consumer attitudes toward the adoption of fintech services are influenced by a complex set of factors, including both individual and external factors. Further research is needed to understand the relative importance of these factors and how they interact with each other.

OBJECTIVES OF THE RESEARCH:

- To determine the level of use of fintech services.
- To determine the association between age and usage of fintech services.
- To determine the association between gender and usage of fintech services.
- To determine the association between age and level of satisfaction with the usage of fintech services.
- To determine the association between gender and level of satisfaction with usage of fintech services.
- To suggest fintech companies on improving the technical issues while using fintech services.

RESEARCH METHODOLOGY:

The objective of the study is to determine the association between age and gender with the usage and level of satisfaction with the usage of financial services. The population of this study was young adults who use fintech services. Primary data was collected using a structured questionnaire. A Google form was distributed among the young adults using WhatsApp and email where 267 respondents filled the form. The sampling technique adopted was Random Sampling Method. Secondary data was collected using available published research papers in journals, books, and articles. The geographical area considered for the study was Siliguri and its surroundings, a Tier II city in West Bengal.

The researchers administered the survey instrument in the month of March 2023. To statistically test the significance of the data, the chi-square test was used to report the results using SPSS. The strength of the association between the variables was measured using Cramer's V rule.

HYPOTHESIS OF THE STUDY

The hypothesis of the study is as follows:

1. H_{01} - There is no association between age and usage of fintech services.
2. H_{02} – There is no association between age and level of satisfaction using fintech services.
3. H_{03} – There is no association between gender and usage of fintech services.
4. H_{04} - There is no association between gender and level of satisfaction using fintech services.

DATA ANALYSIS AND INTERPRETATION

ANALYSIS 1

Table 1: Age

Age	Frequency	Percent (%)
18-24	171	64
25-31	96	35.95
Total	267	100

Source: Primary data

H_{01}: There is no association between age and usage of fintech services.

H_{a1}: There is an association between age and usage of fintech services.

Table 2: Cross-tabulation of uses of any fintech service through mobile banking, payment apps, or investment platforms among different age groups of young adults

AGE	NO	YES	Total
18-24	24	147	171
% Within age 18-24	14.00%	86.00%	100%
25-31	0	96	96
% Within age 25-31	0	39.50%	100%
Total	**24**	**243**	**267**
Overall Percentage	**9%**	**91%**	**100%**

Source: Primary data

INFERENCES

Table 2 shows that the majority of respondents have selected 'Yes' which means they have used fintech services in some capacity. It is revealed that hardly 9% of the respondents have not used any fintech services among which are the ones who have just entered adulthood. This indicate that, although being widely accepted among young people, fintech services are still not yet approved among those who have just reached maturity. Additionally, the information above shows that younger adults, who are in the same age group as them, have been utilizing it more frequently than those in somewhat older age groups. To validate the data using statistical significance, we adopted the chi-square test.

Table 3: Chi-square test

Pearson chi-square	**14.804**
Degree of freedom	**1**
Significance	**0.000**
Cramer's V value	**0.235**

Source: Primary data

Table 3 shows that Pearson's chi-square is 14.804, which appears to be statistically significant at the 5% level and 1 df because the P value is less than 0.05, which is 0.000, the null hypothesis is rejected and the alternative hypothesis is accepted. Thus, it can be said that there is an association between age and usage of fintech services. To confirm that Cramer's V value is also evaluated to check the strength of association if any which appears as 0.235 which infers the moderate association between age and usage of fintech services. Therefore, it gives substantial support to conclude that age differences have an impact on the uses of fintech services.

ANALYSIS 2

H_{02}: There is no association between age and usage of fintech services.

H_{a2}: There is an association between age and usage of fintech services.

Table 4: Cross-tabulation of satisfaction using fintech services among different age group of young adults

AGE	Not satisfied	Neutral	Somewhat Satisfied	Very satisfied	TOTAL
18-24	15	30	45	81	171
% Within age 18-24	8.80%	17.50%	26.30%	47.40%	100.00%
25-31	0	48	24	24	96
% Within age 25-31	0.00%	50.00%	25.00%	25.00%	100.00%
Total	15	78	69	105	267
Overall Percentage	5.62%	29.21%	25.84%	39.33%	**100%**

Source: Primary data

According to Table 4, the majority of respondents, or 39.33%, selected "Very satisfied," indicating that they have utilized fintech services and are happy with them. It is revealed that hardly 5.62% of the respondents have not been satisfied using fintech services. Additionally, 29.21% of respondents indicated that they were neutral or 25.84% of respondents were rather satisfied. This implies that fintech services need to be improved in order to be universally accepted by majority i.e 55%. Additionally, the aforementioned data also shows that younger age groups—18 to 24 years—have been more satisfied while using fintech services than older age groups—25 to 31 years. To validate the data using statistical significance, we adopted the chi-square test.

Table 5: Chi-square test

Pearson chi-square	**38.455**
Degree of freedom	**3**
Significance	**0.000**
Cramer's V value	**0.380**

Source: Primary data

Table 5 shows that Pearson's chi-square is 38.455, which appears to be statistically significant at the 5% level and 1 df because the P value is less than 0.05, which is 0.000, the null hypothesis is rejected and the alternative hypothesis is accepted. Thus, it can be said that there is an association between age and satisfaction among young adults for using fintech services. To confirm that Cramer's V value is also evaluated to check the strength of association if any which appears as 0.380 which infers the moderate association between age and usage of fintech services. Therefore, it gives substantial support to conclude that age differences have an impact on the satisfaction among young adults of fintech services.

Table 6: Gender

Gender	Frequency	Percent (%)
Male	150	56.2
Female	117	43.8
Total	267	100

Source: Primary data

ANALYSIS 3

H_{03}: There is no association between gender and usage of fintech services.

H_{a3}: There is an association between gender and usage of fintech services.

Table 7: Cross-tabulation of uses of any fintech service through mobile banking, payment apps, or investment platforms gender-wise

GENDER	NO	YES	Total
Male	9	141	150
% Within male	6%	94%	100%
Female	15	102	117
% Within female	12.80%	87.20%	100%
Total	**24**	**243**	**267**
Overall Percentage	**9%**	**91%**	**100%**

Source: Primary data

INFERENCES

Table 7 shows that the majority of the respondents have selected 'Yes' which means they have used fintech services in some capacity. It is revealed that hardly 9% of the respondents have not used any fintech services. This gives an implication that fintech services provided by various financial institutions have been widely accepted by young adults. Also, from the above data, it is clear that males have been using it more than females. To validate the data using statistical significance, we adopted the chi-square test.

Table 8: Chi-square test

Pearson chi-square	3.738
Degree of freedom	1
Significance	0.053
Cramer's V value	0.118

Source: Primary data

Table 8 shows that Pearson's chi-square is 3.738, which appears to be not statistically significant at the 5% level and 1 df. Given that the P value is slightly more than 0.05 which is 0.053, which accepts the null hypothesis and rejects the alternative hypothesis. Thus, it can be said that there is no association between gender and usage of fintech services. To confirm that Cramer's V value is also evaluated to check the strength of association if any which appears as 0.118 which infers the weak association between gender and usage of fintech services. Therefore, it gives substantial support to conclude that gender differences have no impact on the uses of fintech services.

ANALYSIS 4

H_{04}: There is no association between gender and level of satisfaction using fintech services

H_{a4}: There is an association between gender and level of satisfaction using fintech services

Table 9: Cross-tabulation of satisfaction using fintech services gender-wise

GENDER	Not satisfied	Neutral	Somewhat Satisfied	Very satisfied	TOTAL
Male	12	42	12	84	150
% Within male	8.00%	28.00%	8.00%	56.00%	100%
Female	3	36	57	21	117

% Within female	2.60%	30.80%	48.70%	17.90%	100%
Total	15	78	69	105	**267**
Overall Percentage	5.62%	29.21%	25.84%	39.33%	**100%**

Source: Primary data

INFERENCES

Table 9 shows that the majority of respondents i.e., 39.33% have selected 'Very satisfied' which means they have used fintech services and are very satisfied using them. It is revealed that hardly 5.62% of the respondents have not been satisfied using fintech services. Also, 25.84% of respondents are either satisfied to some extent or 29.21% they chose to be neutral. This gives an implication that fintech services have areas of improvement to get widely accepted by majority i.e. 55%. Also, from the above data, it is clear that males are more satisfied while using fintech services than females. To validate the data using statistical significance, we adopted the chi-square test.

Table 10: Chi-square test

Pearson chi-square	70
Degree of freedom	3
Significance	0.000
Cramer's V value	0.512

Source: Primary data

INFERENCES

Table 10 shows that Pearson's chi-square is 70.000, which appears to be statistically significant at the 5% level and 3 df. Given that the P value is less than 0.05 which is 0.000, therefore the null hypothesis is rejected and the alternative hypothesis is accepted. Thus, it can be said that there is an association between gender and their level of satisfaction with the usage of fintech services. To confirm, Cramer's V value is also evaluated to check the strength of association if any, which appears as 0.512 which infers the relatively strong association between gender and their level of satisfaction for usage of fintech services. Males are known to utilize it and feel fulfilled when they use it, which motivates them to use it more frequently. As a result, there is strong evidence to support the claim that gender disparities affect how fintech services are used.

CONCLUSIONS

From the past literature studied, we revealed that there were fewer studies conducted on the specific demographic factor i.e., age and gender. We can conclude from the above results that fintech services are widely used by young adults but still may be not permitted to use by just entrants to adulthood. The age differences have an impact on the usage of fintech services and also on their satisfaction level after using it. Whereas, gender differences do not have any impact on the usage of fintech services but it does have an impact on the satisfaction level after using it which was similar to the results of the study conducted by Tun-Pin and Yen-SanPui-Yee, 2019

LIMITATIONS OF THE STUDY

The study has been conducted in Tier-II city only which could be explored in other parts of West Bengal. The study had been limited to youth age whereas the older age group have not been taken into consideration. Though gender differences have been studied but it showed a very small difference in acceptance and rejection of the hypothesis which could be stronger if the other age group could have been included. The other demographic and non-demographic factors can be studied for further studies.

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