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FACTORS AFFECTING ADOPTION OF FINTECH IN NEPAL

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ABSTRACT

Fintech is the rapidly growing sector has had a profound impact on the global world, transforming various aspects of financial services and shaping the way people manage their money and engage in financial transactions. According to (Thakor, 2020) "FinTech is the use of technology to provide new and improved financial services by leveraging cutting-edge technologies to offer innovative, efficient, and user-centric solutions". It's important to note that the FinTech landscape is constantly evolving, so there may have been further developments since then. The Technology Acceptance Model (TAM) and Unified Theory of Acceptance and Use of Technology (UTAUT) is utilized to analyze the degree that perceived usefulness, perceived ease of use, perceived risk, policy measures and the demographic profile has kinds of impact on the adoption of Fintech in Nepal. The total of 65 questionnaire sample was collected as verified samples for analysis. It was found that 3 factors had a significant positive relationship with the adoption except perceived risk which showed negative relationship. Nevertheless, male respondents were reported to have higher intention as compared to female respondents.

Keywords: Fintech, TAM, UTAUT, Innovation

I. INTRODUCTION

The global financial landscape has witnessed a significant transformation with the rapid rise of financial technology (FinTech) innovations. Fintech, a blend of financial services and technology, has revolutionized the way financial transactions are conducted, leading to improved efficiency, accessibility, and convenience for consumers and businesses alike. Amid this transformative trend, Nepal, a landlocked nation in South Asia, has been experiencing its unique journey towards Fintech adoption (Khatiwada, Shrestha, Yoon, & Kwon, 2019).

In recent years, Nepal has showcased promising growth potential in its financial sector, with traditional banks, remittance services, and mobile banking playing crucial roles in facilitating financial transactions. The advent of Fintech solutions has the potential to further accelerate Nepal's economic growth, financial inclusion, and overall development. However, the effect of Fintech adoption in Nepal remains a subject of keen interest and scrutiny.

Digital changes of business is inescapable today, or at least, organizations incorporate and integrate new innovations into their business processes, all fully intent on making added esteem, getting and accomplishing upper hand (Martinčević, Črnjević, & Klopotan, 2020). Digital transformation in the financial industry creates the new term "Fintech", which is a component of the two words "finance" and "technology", that is, Fintech is a combination of digital technology and financial services. Digital transformation is forcing the financial industry to create innovations that will satisfy their customers because without the financial services users, there is no financial industry.At its core, Fintech is utilized to help companies, business owners, and consumers better manage their financial operations, processes, and lives.

Currently, there is absence of worldwide accepted definition of Fintech. It derives from a method for an overall description of the qualities of Fintech and a specification each portions that make up the financial market (Iluba & Phiri, 2021).Fintech is the utilization of innovation to give better than ever monetary administrations. Part of the inspiration for the development of Fintech is that, while data innovation has made everything - from PCs to vehicles - less expensive and more practical, the unit cost of monetary intermediation has clearly not changed a lot of in north of hundred years(Thakor, 2020). Again, (Leong & Sung, 2018)described Fintech as a cross-disciplinary subject that consolidates Money, Innovation, the executives and Advancement The board. On payment viewpoints, credit payments is the key improvement pattern. An ever increasing number of organizations have created related installment answers for their clients. For model, Starbucks had fostered their own installment Applications.

1.1 History of Fintech

The advocacy of Fintech has started new competition for banks as Fintech are supposed to be more helpful, productive and quicker dissimilar to administrative prerequisites of monetary establishments like banks. Fintech ‘s starting points can be followed back to the approach of personal computer frameworks and the development of electronic banking in the banking industry during the 1970s and 1980s. These early advancements set up for FinTech extension and improvement. Between the age of 1990s and 2000s early adopters of the Fintech offered crucial monetary administrations, for example, online stock exchanging and electronic financial when the area was still in its earliest stages. New items and administrations were made in industries, including payments, credits and insurance because of the development of new Fintech mediaries.

The extension of Fintech was likewise energized by the developing utilization of smart phones during this period. Two instances of Fintech items or organizations that showed up somewhere in the range of 2005 and 2010. Following the crisis of 2008, the development of other financing tools gave Fintech organizations new possibilities in the areas, for example, crowd funding and peer-peer loaning. Block chain innovation's development has likewise begun to show guarantee as a potential disruptor in the banking and non-banking industry. Because of the COVID-

19, a huge number of users are presently involving transactions digitally with interest, which has increased up the extension of Fintech. New advances like AI is being utilized to improve financial transactions as the area proceeds to create and develop (Awards, 2020).

1.2 History of Fintech in Nepal

The ease and comfort presented by digital payment frameworks have admired the ways of managing and spending habits of Nepalese, driving them to use money and embrace an advanced future. While the historical background of digital transactions in Nepal traces all the way back to 1990 when Nabil Bank (then, at that point, Nepal Arab Bank) started providing credit cards for very first time in the country, it was the until mid-2010s that digital transactions built up any pace with the enormous use of e-wallets and electronic financial tools. The domestic e-financial system with QR-code based payment garnered immense popularity after the COVID-19 pandemic in the early 2020.

NRB has revealed a three-fold increase in QR code-based transactions in no less than a year, with the quantity of exchanges ascending from 2.38 million in mid-March 2022 to 6.75 million in mid-March 2023. The transactions have expanded, yet the worth of these transactions has additionally significantly tripled. As per NRB, the aggregate sum of the transactions leaped to Rs. 20.77 in mid-March 2023 from Rs. 7.76 billion in mid-March 2022 (Dhungel, 2023).As individual clients and organizations progressively perceive the advantages of digital payment solutions, the nation is step by step changing into the more carefully comprehensive society. the way that digital payment are developing at a pace of 30% each month shows an expansion in acknowledgment and the extension of conveyance channels.

Despite the fact that banks assumed a significant part in the development of e-payments, it was Fonepay, provided by F1 Soft International which got a lead up the mid-2000s. One more organization that empowered banks to give a portable financial framework was Hello Paisa, established in 2009 to assist with banking clients in taking care of bills, sending/receiving money inside Nepal, getting cash from abroad, and buying packs for their phones or making merchant payments. As of now, eSewa as well as Khalti has cooperated with the majority of the banks in the nation and collaborated with different suppliers that acknowledge payment through eSewa and Khalti.

1.3 Problem Statement

The increasing trend in the adoption of Fintech in Nepal can be observed from relevant data sources. Although the well-known reasons behind the adoption of these technologies are to be verified with various tests. The problem statement is to observe the impact &factors and their significance in contributing to adoption of FinTech in Nepal and to investigate the age group driving the research gap that contributes to the extent of FinTech adoption. It is to identify the main factors that contribute to the adoption of FinTech in Nepal and to determine the extent to which different age groups affect FinTech adoption in Malaysia.

1.4 Objective and purpose of this research

The main objective of this research is-

- To examine the relationship between perceived usefulness, perceived ease of use, perceived risk, policy measures adoption of Fintech.
- To measure the effect of perceived usefulness, perceived ease of use, perceived risk, policy measures adoption of Fintech.
- To analyze the difference between gender and age with regard to adoption of Fintech.

1.5 Scope and Limitations of this research

The scope of the research is limited to the factors that contribute to the adoption of FinTech in Nepal. The study focuses on the perceived ease of use, perceived usefulness, policy measures and perceived risk as the main factors that influence the adoption of FinTech. The study also examines the extent to which different age groups affect FinTech adoption in Nepal.

The research is conducted using a structured research questionnaire, and the data is collected from consumers who own a smartphone/device and have an account in any financial institution in Nepal. The study uses a convenience sampling approach, and the data is collected through online surveys.

The limitations of the study include the use of a convenience sampling approach, which may not be representative of the entire population of Nepal. The study also relies on self-reported data, which may be subject to response bias. Additionally, the study does not consider other factors that may influence the adoption of FinTech, such as cultural and economic factors.

1.6 Significance of the study

The article on "Factors Affecting Adoption of FinTech in Nepal" holds significant relevance in understanding the dynamics of the financial technology landscape. In today's digital era, FinTech innovations are reshaping the financial industry, offering convenient, efficient, and often disruptive solutions to traditional banking and financial services. This article delves into the intricate factors influencing the adoption of these technologies by both consumers and businesses. By examining variables such as perceived risk, perceived usefulness, policy measures and perceived ease of use the article provides valuable insights into the adoption patterns of FinTech solutions. Understanding these factors is crucial for policymakers, financial institutions, entrepreneurs, and investors to navigate the evolving FinTech ecosystem effectively.

Moreover, insights derived from this research can aid in devising strategies to promote broader adoption, foster innovation, and address potential challenges hindering the uptake of FinTech services. As FinTech continues to revolutionize the financial landscape, comprehensive analysis of its adoption drivers becomes imperative for stakeholders to capitalize on its transformative potential and ensure inclusive access to modern financial services.

II. LITERATURE REVIEW

The rise of electronic payments can be measured from a few variables including the rising number of smartphone clients, endeavors of banks in offering portable and web banking administrations, the commitment of Installment Specialist co-ops (PSPs) and Installment Administration Administrators (PSOs) in advancing versatile wallets and QR code installments, the thriving online business industry, and the growing web entrance.

Intention towards adoption refers to an individuals or organization's inclination and willingness to use or adopt a specific technology or innovation. It is a crucial concept in understanding the factors that influence the adoption of new technologies(Ming, Jais, Wen, & Zaidi, 2020).This study analyzed the current rate of adoption of Fintech via four independent variables (Lin, 2006). Besides the prescribed variables in this research, there are also many more variables that can be taken in to consideration while evaluating the adoption factors of FinTech. There are 6 factors that acts as moderating variable during research. This review is focused the Technology Acceptance Model (TAM) and Unified Theory of Acceptance and Use of Technology (UTAUT) to examine the degree of Nepalese acknowledgment of changes in the innovation in everyday transactions. A research done by (Chuang, Liu, & Kao) showed that attitude of people toward using is significantly positive with behavioral intention to use. Also (Tun-Pin, et al., 2019)found that all the above constructs had a significant and positive relationship with the intention to adopt FinTech.

Perceived ease of use refers to the level a person who believes that online transactions via mobile banking would be effortless, as explained by (Davis, 1989). According to (Venkatesh & Davis, 1996) it is necessary to better understand the antecedents and determinants of key acceptance constructs and hence they have focused on understanding the determinants of perceived ease of use.(Segars & Grover, 1996)Explained that to measure the influence of ease of use an employed structural equation modeling sufficiently measures and analyses a set of constructs. The role of perceived ease of use, however, is likely to be more complex than that. Perceived ease of use measures user assessments of ease of use and ease of learning. Perceived ease of use, thus, deals with user motivation that is based on the assessment of the intrinsic aspect of using the IT, such as its interface and the process involved in using it. The construct is then well explained by (Gefen & Straub, 2000), the study theorizes that PEOU directly affects IT adoption only when the primary task for which the IT is deployed is directly associated with intrinsic IT characteristics, such as when the task itself is an integral part of an IT interface. Extending this proposition to e-commerce, it was hypothesized that when Web site is used to purchase products, PEOU would not affect IT adoption because IT ease-of-use is not an inherent quality of the purchased product.

Perceived usefulness is referred to as how much an individual accepts that utilizing a specific technology would be valuable (Burgess & Worthington, 2020). According to (Horst, Kuttschreuter, & Gutteling, 2007)showed that the perceived usefulness of electronic services in general is the main determinant of the intention to use e-government services. A study analyzed that relative advantages, trust and perceived usefulness are more important and critical to customer's intention of online banking adoption. The study further offers a marketing insight for managers to effectively deploy online system and service (Wu, Lin, Li, & Lin, 2010). Demonstrate that framework use is impacted by view of the people's usefulness which are, thus, impacted by impression of the ease of use of the people, the level of social impact applied by experts, and impression of the social presence of the medium. Availability of the medium impacts view of the ease of use of the medium. Shockingly, working with conditions, for example, the accessibility of preparing and support for the utilization of data innovation not affected view of convenience or helpfulness of Email (Karahanna & Straub, 1999).

Perceived Risk insight is the emotional judgment that individuals make about the qualities and seriousness of a risk. It frequently vary from factual evaluations of risk since are impacted by an extensive variety of emotional, mental, logical, and individual variables. (Gidron, 2020). A study done by theorists in Indonesia (Meyliana, Fernando, & surjandy, 2019) stated that the perceived risk has no effect on the adoption of Fintech services in Indonesia whereas the other variable users trust have direct positive impact. The exact outcomes shows that perceived value, perceived risk, and social impact are merely connected with people's FinTech adoption, though performance, effort expectancy, and perceived risk influence people's apparent worth, which thus impacts adoption expectation(Xie, Ye, Huang, & Ye, 2021). Another research showed that the perceived benefit and perceived risk were critical and positively affected by their elements. Perceived risk essentially affected trust. The outcomes likewise tracked down areas of strength for a huge connection among trust and expectation to adopt Islamic Fintech (Ali, Raza, Khamis, Puah, & Amin, 2021).

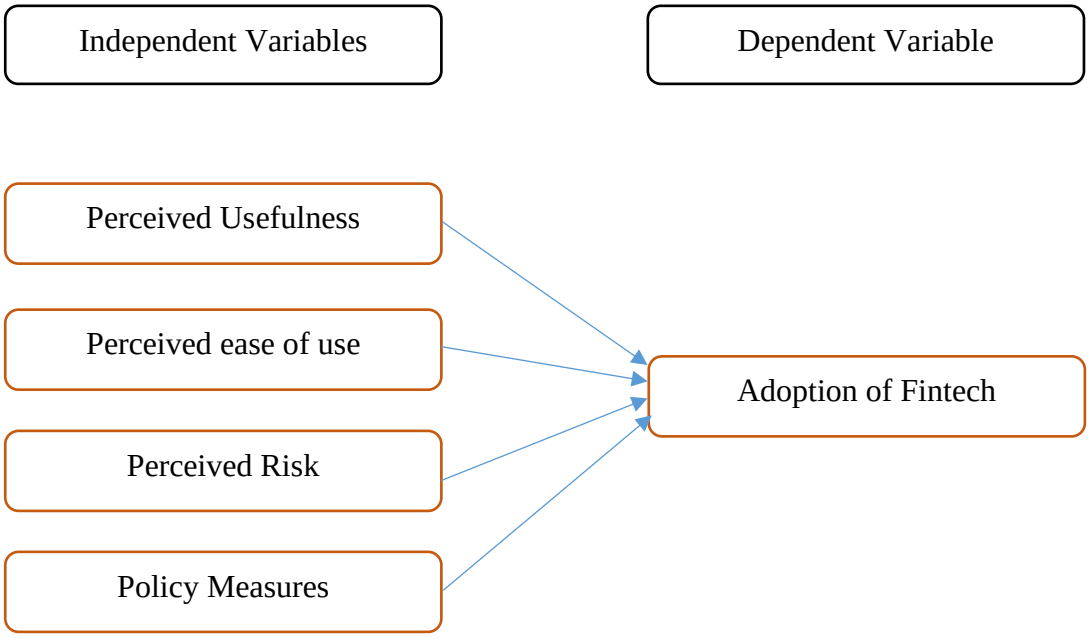
Policy measure means a regulatory, financial, fiscal or voluntary instrument or an instrument of notification that a local community introduces and implements to create a supportive framework, requirements or incentives to ensure that market participants offer or purchase energy services. A study in Pakistan suggested that the various policies and regulations mandated by the Pakistani government has a direct and positive impact on the adoption of Fintech among people. Along with these, financial literacy programs focusing on youths was conducted to create awareness among them (Noreen, Mia, Ghazali, & Ahmed, 2022).

III. CONCEPTUAL FRAMEWORK

The framework is based on the Technology Acceptance Model (TAM) and the Unified Theory of Acceptance and Use of Technology (UTAUT), which are used to study the perceived usefulness, perceived ease of use, perceived risk, and policy measures towards adoption of Fintech.

The framework also includes demographic variables as additional factors that influence the adoption of FinTech. The study uses a structured research questionnaire to collect data on the factors that influence the adoption of FinTech in Nepal. The data is analyzed using statistical methods to determine the significance of the factors and their relationship with Fintech adoption.

Figure 1: Conceptual Framework of the study



1V. RESEARCH HYPOTHESIS

The research hypothesis of this article is-

Hypothesis 1 (H_1): There is a positive relationship between perceived usefulness and the adoption of FinTech.

Hypothesis 2 (H_2): There is a positive relationship between perceived ease of use and the adoption of FinTech.

Hypothesis 3 (H_3): There is a positive relationship between perceived risk and the adoption of FinTech.

Hypothesis 4 (H_4): There is a positive relationship between policy measures and the adoption of FinTech.

V. REASEARCH METHODOLOGY

The research methodology used in this study is a quantitative research approach. The study uses a structured research questionnaire to collect data from consumers who own a smartphone/device and have an account in any financial institution in Nepal. The study uses a convenience sampling approach to select participants due to the unavailability of lists of financial institutions' consumers. This sampling approach is frequently utilized by social science studies due to its close proximity, accessibility, willingness and quick response (Jager, Putnick, & Putnick, 2017). The data is collected through online surveys.

Altogether 310 samples were collected, out of which 4 samples had missing data. Due to the reason, the 4 samples were rejected during the analysis. The total number of respondents after the deduction which is analyzed is 306.

The study analyzes the data using statistical methods, including descriptive statistics, Pearson correlation, multilinear regression, independent sample t-test and one-way ANOVA. The statistical software used in the analysis is SPSS (Statistical Package for the Social Sciences) and PLS (Partial Least Square).

The study also includes ethical considerations, such as obtaining informed consent from participants, ensuring confidentiality and anonymity of the participants, and following ethical guidelines for research involving human subjects.

Overall, the research methodology used in this study is designed to collect and analyze quantitative data to test the hypotheses and answer the research questions related to the factors that influence the adoption of FinTech in Nepal.

The evaluations and sources of the survey questionnaire are shown in Table 1. A 5-point Likert scale is utilized in the survey with the goal that reliability in the research is utilized and mirrors the true judgment of the respondents. All the proposed constructs were reported to have a Cronbach's Alpha above 0.7 (refer to Table 1) and the reliability of those questions are considered to be acceptable (Hair, Anderson, Babin, & Black, 2010).

VI. FINDINGS

6.1 Descriptive Statistics

Table 1: Descriptive Statistics

Demographic	N	Percentage (%)
Gender		
Male	167	54.6
Female	139	45.4
Age		
Upto 20	5	1.6
Age 21 to 30	293	95.8
Age 31 to 40	4	1.3
Above 40	4	1.3
Education		
Higher secondary level	60	19.6
Bachelor	130	42.5

Masters	116	37.9
Occupation		
Student	173	56.5
Businessman	31	10.1
Government job	12	3.9
Private Job	25	8.2
Service Sector	23	7.5
Others	42	13.7

Table 1 shows the sum of 306 respondents in this review, of which 54.6% are male and 45.4% females. A greater part of the respondents, that is, 95.8% are in the age scope of 21-30, trailed by 1.6% from age up to 20, whereas age group 31-40 consists of 1.3% and age above 40 respectively. Most of the respondents' education level 42.5% consists of Bachelor Level, followed by 37.9% of Masters Level and 19.6% of Higher Secondary Level. The vast majority of the respondents are students (56.5%), while others (13.7%) and businessman (10.1%), Private Job (8.2%), Service sector (7.5%) and Government Job (3.9%).

6.2 Measurement Model Assessment

Table 2: Measurement Items Assessment

Variables	Items	Loadings	VIF	Mean	SD
Adoption Of Fintech	AF1	0.886	3.635	4.314	1.18
	AF2	0.843	3.160	3.915	1.421
	AF3	0.729	2.547	3.817	1.466
	AF4	0.809	2.787	3.895	1.532
	AF5	0.878	3.790	4.284	1.24
	AF6	0.763	2.033	3.673	1.441
	AF7	0.867	3.174	4.212	1.300
	AF8	0.779	2.221	4.598	1.050
Perceived Ease of Use	EU1	0.894	2.995	4.513	1.067
	EU2	0.909	3.261	4.415	1.149
	EU3	0.736	1.592	3.869	1.397
	EU4	0.797	1.706	4.131	1.307
Policy Measures	PM1	0.729	1.728	3.984	1.422
	PM2	0.882	3.933	3.931	1.313
	PM3	0.772	2.278	3.549	1.504
	PM4	0.839	3.056	3.908	1.293
	PM5	0.701	1.664	3.670	1.473
	PM6	0.837	2.745	3.938	1.423
	PM7	0.787	1.973	4.484	1.132
Perceived Risk	PR1	0.794	3.022	3.34	1.64
	PR2	0.785	3.208	3.716	1.566
	PR3	0.884	4.108	3.222	1.558

	PR4	0.870	3.708	3.216	1.594
	PR5	0.868	3.423	2.493	1.522
	PR6	0.803	2.724	2.333	1.615
Perceived Usefulness	PU1	0.884	3.068	2.493	1.522
	PU2	0.872	3.150	2.745	1.619
	PU3	0.856	2.585	2.748	1.680
	PU4	0.826	2.686	3.088	1.659
	PU5	0.917	4.507	2.853	1.651
	PU6	0.702	1.709	3.340	1.640

Table 2 indicates the measures and validity related to the outer model. It shows the standardized outer loading, Variance Inflation Factor (VIF), mean, and Standard Deviation (SD) of the outer model. Thirty one scale items are used to assess five latent variables. The outer loading values of all the items are above the threshold value of 0.70, which indicates the absolute contributions of each item to measuring the respective variable (Sarstedt et al., 2017). Similarly, the VIF values of all the items are below 5, indicating no multicollinearity among the scale items (Hair et al., 2019). Consequently, there is no multicollinearity among the items. The mean and standard deviation (SD) results of all the measurement items are in a good range on 5-point Likert scale data. Hence, the measurement items qualify for reliability and validity for further assessment.

6.3 Convergent and Discriminant Validity

Table 3: Construct Reliability and Validity

Variables	**Cronbach's alpha**	**Composite reliability (rho_a)**	**Composite reliability (rho_c)**	**Average variance extracted (AVE)**
Adoption of Fintech	0.931	0.938	0.943	0.674
Perceived Ease of Use	0.855	0.867	0.903	0.700
Perceived Risk	0.915	0.938	0.932	0.697
Perceived Usefulness	0.920	0.938	0.937	0.715
Policy Measures	0.902	0.909	0.923	0.631

Table 3 contains the internal reliability and validity of the constructs used in this study. The Cronbach's Alpha values of all constructs are above the standard threshold value of 0.705 (Bland & Altman, 1997), which indicates that the internal consistency of all constructs and validates the scale used for measuring each of the constructs is reliable. Further, Composite Reliability (CR) rho_a and CR rho_c values are above 0.70, indicating construct reliability and validity (Saari et al., 2021; Hair et al., 2022). The Average Variance Extracted (AVE) values are above 0.50 threshold values, suggesting that the convergent validity of all the constructs is established (Hair et al., 2022). Hence, the results of the above table qualify all the quality criteria measures.

Table 4: Heterotrait-Monotrait ratio of correlations (HTMT)

Variables	Adoption of Fintech	Perceived Ease of Use	Perceived Risk	Perceived Usefulness	Policy Measures
Adoption of Fintech					
Perceived Ease of Use	0.890	-			
Perceived Risk	0.410	0.498	-		
Perceived Usefulness	0.431	0.517	0.900	-	
Policy Measures	0.847	0.865	0.457	0.438	-

Table 4 contains the Heterotrait-Monotrait (HTMT) ratio of correlations of all the variables used in this study. The HTMT ratio values range from 0.410 to 0.900. The standard acceptable range of HTMT ratio values is below 0.85. However, two values are above 0.85 but below 0.90.We can also accept the variables having an HTMT ratio up to 0.90 (Henseler et al., 2015). Hence, discriminant validity has been established between the reflective constructs of this study (Hair et al., 2022).

6.4 Model Fit Assessment

We examined the goodness-of-fit indices for the model. Specifically, the standardized root mean square residual (SRMR) was utilized for this purpose. The SRMR value was 0.079, less than the threshold value of 0.08. The NFI value is 0.85, which is less than the critical value of 0.90. This indicates that the model possesses good explanatory power, as Hu and Bentler (1998) suggested. Moving on, the study of the significance of exogenous variables in the model was conducted by assessing effect size (f^2) on endogenous constructs, measured in terms of r-square change. This approach is based on the methodology laid out by Cohen (1988). R^2 values of 0.75, 0.50, or 0.25 for endogenous latent variables can, as a rough rule of thumb, be respectively described as substantial, moderate or weak. Moving on, the study of the significance of exogenous variables in the model was conducted by assessing effect size (f^2) on endogenous constructs, measured in terms of r-square change. This approach is based on the methodology laid out by Cohen (1988). The f-square value of perceived ease of use is 0.369, perceived risk is 0.003, perceived usefulness is 0.004, and policy measures is 0.245. The effect size of perceived ease of use over adoption of FinTech is large. Whereas the effect size of policy measures is medium over adoption of FinTech, And the effect size of perceived risk and perceived usefulness is small over adoption of FinTech. Lastly, the R-square value of adoption of FinTech is 0.736, which indicates high predictive power. (Hair et al., 2013)

6.5 Structural Model Assessment

Figure 2: Path Diagram

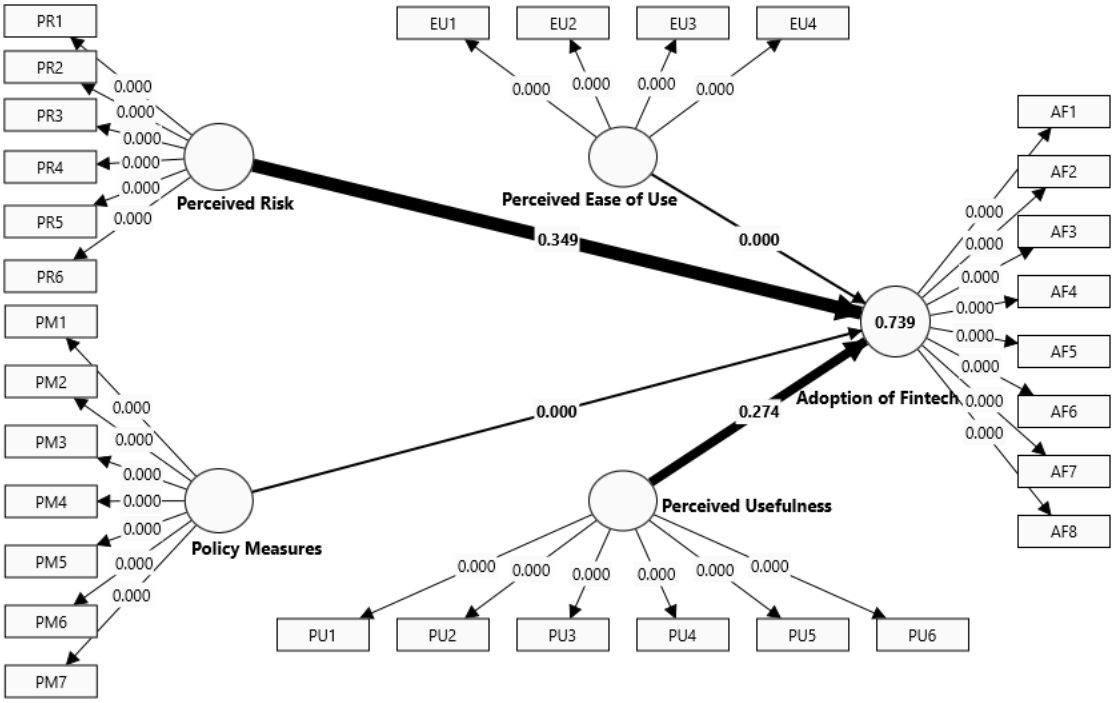


Table 5: Hypotheses Testing (Direct Effect)

Variables	β	Mean	STDEV	T stat.	P values	Decision
H_1: Perceived Usefulness -> Adoption of Fintech	-0.082	-0.081	0.075	1.093	0.274	Rejected
H_2: Perceived Ease of Use -> Adoption of Fintech	0.506	0.51	0.058	8.687	0	Accepted
H_3: Perceived Risk -> Adoption of Fintech	0.071	0.07	0.076	0.936	0.349	Rejected
H_4: Policy Measures -> Adoption of Fintech	0.401	0.398	0.054	7.449	0	Accepted

Table 5 show the boot-strapping results under 5000 subsamples and decisions on hypotheses. Hypotheses H_2, H_4 are accepted at a 0.05 significance level. Hypotheses H_1 and H_5 are rejected at a significance level of 0.05. Hence, Perceived Ease of Use (β=0.506; $p<0.05$) and Policy Measures (β=0.401; $p<0.05$), significantly and positively impacts adoption of FinTech in the finance industry. Similarly, Perceived Risk has a positive and insignificant impact (β=0.071; $p>0.05$) on adoption of FinTech in the finance industry. And Perceived Usefulness (β=-0.082; $p>0.05$) has a negative and insignificant impact on adoption of FinTech in the finance industry

6.6 Importance-Performance Map Analysis (IPMA)

Figure 3: IPMA Map

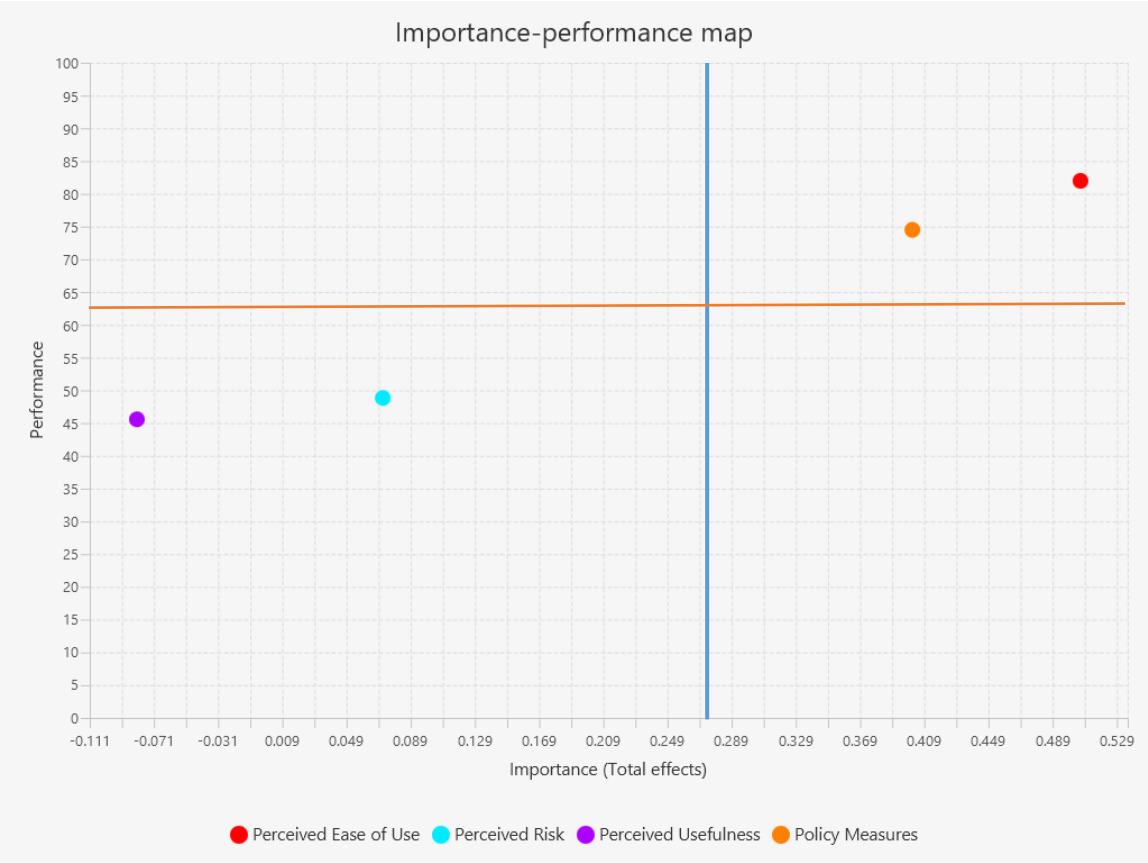


Table 6: IPMA Analysis

	Importance	**Performance**
Perceived Ease of Use	**0.506**	81.984
Perceived Risk	0.071	48.837
Perceived Usefulness	-0.082	45.576
Policy Measures	0.401	74.503
Mean value	0.224	62.725

The table indicates the importance-performance analysis of the factors of adoption of FinTech. The results indicate that if we increase 1 unit in Perceived Ease of Use from 81.984 to 82.984, the adoption of FinTech will increase from 78.834 to 79.34. Similarly, if we increase 1 unit in Perceived Risk from 48.837 to 49.837, the adoption of FinTech will increase from 78.834 to 78.905. Likewise, if we increase 1 unit in Perceived Usefulness from 45.576 to 46.576, then the adoption of FinTech will increase from 78.834 to 78.752. Also if we increase 1 unit Policy Measures from 74.503 to 75.503, then the adoption of FinTech will increase from 78.834 to 79.235. Hence, it indicates that Perceived Ease of Use is the most critical factor for increasing adoption of FinTech in the FinTech industry.

VII. CONCLUSION

The research hypotheses proposed in the study suggest a positive relationship between perceived ease of use, policy measures, and the adoption of Fintech. The findings indicate that these factors play a significant role in shaping consumers' attitudes and behaviors towards adopting Fintech solutions in Nepal.

Moreover, the demographic variables of the respondents, including gender, age, education level, and occupation, provide additional insights into the profile of individuals who are more likely to adopt Fintech services. The study's methodology, which includes data collection through online surveys and statistical analysis using SPSS, ensures a rigorous examination of the research questions.

Overall, the study contributes to the growing body of knowledge on Fintech adoption in emerging markets like Nepal and underscores the importance of understanding the factors that drive or inhibit the uptake of innovative financial technologies. By addressing these factors, policymakers, financial institutions, and Fintech companies can better tailor their strategies to promote the widespread adoption of Fintech and enhance financial inclusion in Nepal.

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