

Impact of Fintech Across Different Economic Sectors- A Literature Review

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Abstract:

The objective of this paper is to review the impact of fintech across different economic sectors, including the insurance and banking industries, Entrepreneurship, small businesses, and financial inclusion. The paper examined the influence of fintech on these economic sectors using a step-by-step research approach and a review of prior studies published between 2015 and 2025. The paper's findings mainly identify cost efficiency, business growth, the expansion

of digital financial services, the enhancement of financial inclusion, and the disruption of traditional payment systems. The study used thematic analysis. Fintech introduces new products, apps, and business models that impact financial services and industry development, fostering competition and reputation among providers (Le, 2021). Mobile, internet, blockchain, machine learning, artificial intelligence, and cryptocurrency are all components that are boosting the digital fintech ecosystem across all sectors of the economy. It is helpful to both developed and developing countries and plays a significant role across sectors. However, infrastructure development and financial literacy are the main hurdles facing people, limiting their full potential and creating risks and challenges. There are privacy concerns, data breaches, digital fraud, cybercrime, and software weaknesses. This study also identifies research gaps in past studies, local and regional studies, and empirical research on gender equality for future researchers and stakeholders.

Keywords:

Impact, Fintech, Financial Services, Banking, Entrepreneurs, Women, Insurance, Financial Inclusion, COVID-19, Demonetization, MSME, Poverty, Sustainability, Challenges, Risks, Capital Market.

1. Introduction:

According to Leong et al., “With the inexorable march of technological advances and digital transformation, we are now witnessing rampant disruptions in highly regulated sectors such as banking and finance, especially with the development of FinTech, a broad umbrella term that describes disruptive technologies in the financial services sector.” Another one, Gai et al. (2018), defined FinTech as “describes the financial technology sectors in a wide range of operations for enterprises or organisations, which mainly addresses the improvement of the service quality by using information technology (IT) applications.” (Takeda, A. and Ito, Y. (2021)) Fintech, or financial technology, offers digital services such as payments, lending, investing, savings, and trading, making processes more convenient. Its adoption increased due to COVID-19, Demonetization, smartphones, and internet access.

However, this growth has impacted sectors that depend on traditional business models. Worldwide fintech expansion has disrupted the economy both positively and negatively. Digital technologies in fintech promote greater transparency and drive global financial inclusion. Ranade (2017) explains how financial inclusion was achieved and how FinTech advanced through JAM (Jan Dhan-Aadhaar-Mobile), a government initiative in India that integrates bank accounts, Aadhaar IDS, and mobile devices. Sinha et al. (2018) offer examples of financial inclusion in India. Kshetri and Voas (2018) found that in developing countries, bank adoption of blockchain reduces fraud and corruption, improves the legal protection of assets, and provides property-backed investment options to the impoverished. Machine learning and artificial intelligence are strengthening and expanding the technological ecosystem, thereby increasing their influence across various economic sectors. Fintech attracts customers through mobile payments, peer-to-peer lending, investing, and cash flow management due to their convenience and user-friendliness. However, issues such as security vulnerabilities, unfamiliarity, fraud, and scams can diminish their positive impact on these sectors.

This paper examines the gaps and affected sectors, along with the risks and challenges that hinder growth in the digital market, and provides recommendations to mitigate their negative effects.

2. Methodology

The research paper used a search strategy to ensure transparency and reproducibility, and a keyword search of the title. The paper utilises 30 relevant research papers on fintech. The paper excludes all unproductive and irrelevant papers from the review study of the impact of fintech. The study uses thematic analysis of prior studies to review the impact of fintech on various economic sectors, investigate the current state of fintech across different economic areas, and identify research gaps for future practitioners or researchers. To find the answer to " Have economic sectors been affected by fintech innovation? What are the factors that are disrupting these economic sectors? Which kinds of theories and methods are used in fintech research?

3. Literature Review

3.1 Impact on Banking: Efficiency, Competition and Cooperations.

Fintech development affects the profitability of large and medium banks more than that of small banks. Key factors include loan quality, capital, interest margins, and costs (Yingying Kong, 2022). FinTech credit reduces gender bias, promotes equality, and removes geographical barriers. Crowdfunding bridges funding gaps for startups and MSMEs through reward-, donation-, and equity-based models. FinTech also supports larger firms through blockchain-based credit and ICOs, offering greater security and transparency. A FinTech ecosystem with banks, FinTechs, and neobanks fosters innovation, improves services, increases efficiency, and cuts costs in financial intermediation. Digital banking, especially digital-only banks, is a growing trend, accelerated by COVID-19. As comfort with mobile and internet banking rises, digital banking will likely expand. Open banking encourages data sharing and the creation of unified accounts. Emerging technologies such as blockchain, AI, ML, RPA, biometric security, digital currencies, and contactless payments further enhance customer-centric financial services (Murinde, V., Rizopoulos, 2022). Fintech has significant disruptive potential to improve welfare, but regulation must ensure that benefits are realised without threatening financial stability (Vives, 2017). Financial innovation affects bank performance by improving efficiency but also creating regulatory and risk challenges. FinTech advancements expand access to financing for underserved groups, increasing competition and prompting strategic adjustments. They influence sector stability by enhancing accessibility but may also introduce systemic risks and vulnerabilities. The impact varies globally across markets, with maturity and regulation shaping outcomes, underscoring the need for proactive oversight, collaboration, and ongoing research into the stability effects of digital transformation (Xu, F., Kasperskaya, 2025).

3.2 Impact of Fintech on Women and Gender

Gender inequality prevents women's financial independence (Esmailpour Moghadam & Karami, 2023). FinTech lowers youth unemployment for both genders, but benefits males more. It offers jobs but does not significantly reduce gender inequality, as traditional barriers for women persist in FinTech (Kömürcüoğlu & Kömürcüoğlu, 2025). FinTech adoption influences loan approval rates for female borrowers, with bank ownership, size, profitability,

and loan mix having minimal impact. Using FinTech Algorithms can help promote gender equality and reduce bias in credit decisions (Song, Z., Rehman, S. U., 2024). Because of their complementary roles, traditional financial institutions and alternative players, such as nonbanking finance firms and FinTechs, must collaborate to achieve India's goal of universal financial inclusion. To accelerate this, banks and other financial entities should partner with FinTech firms and enhance clients' digital literacy, especially vulnerable groups susceptible to scams. Education underpins women's empowerment; financial education can help women achieve social and economic independence. For sustainable growth, financial education and targeted initiatives in rural areas remain essential (Chakravarty, 2025, February). Fintech adoption reduces gender income inequality in China, especially in less developed Western and Northeastern regions, more than in Eastern and Middle regions (Shu, L., Ghazali, 2026). Given the gender ratios in the current science and technology workplace, traditional gender roles are continually reinforced by workplace culture, affecting women in areas such as labour division, promotion, and salary (Wang, L., & Zhang, L., 2025). Shattering the 'triple glass ceiling' in FinTech represents an immense challenge (Fox-Robertson, C., 2024). There is a gender gap in digital access. Women are less likely than men to own a phone or have internet access, especially in low- and middle-income countries (LMICs), hindering fintech opportunities. According to the GSMA Mobile Gender Gap Report 2023, women in LMICs are 19% less likely to use mobile internet, equating to over 264 million fewer women online (Chakravarty, I., Keserwani, 2025). To facilitate women's active participation in the economy and society, it is crucial to enhance their digital literacy and access to digital tools (Krieger-Boden & Sorgner, 2018). Besides fostering women's financial independence, digital financial services are vital for promoting entrepreneurship among women (Xu, F., Kasperskaya, Y., 2025)

3.3 Impact of Fintech on Trade Financing and International Trade

The supplier's profit depends on interest costs and liquidity tied to bank financing. Market challenges have led banks to explore Fintech funding, which affects profitability but has a limited impact on liquidity. A broader ecosystem gap remains (Kannan, N. (2019). Fintech platforms provide more efficient, cost-effective, and secure cross-border trade financing, but also introduce new risks, especially cybersecurity threats. As FinTechs rapidly grow in trade finance, ongoing collaboration, standardisation, and practical solutions are needed to maximise benefits and address challenges. (Sapian, S. M., Abdulkadir, 2021). Fintech development reduces international trade costs more than domestic ones across manufacturing and agriculture, which is intuitive given the greater fintech needs of international flows.

International trade thus responds more to fintech advances if development levels are similar. These findings support previous research on financial inclusion, institutional variables, and the impact of GDP on trade flows (Kumari, M., 2025). Risk management is crucial in the new fintech era, as it exposes banks to digital and cyber risks while also offering new opportunities. Banks must ensure trade financing processes, digitised for efficiency, are guided by trained staff knowledgeable in compliance and risk to safeguard against serious threats. Technology risk is a major concern, especially as fintech affects trade finance, payments, foreign exchange, and remittances, thereby increasing vulnerability. The borderless nature of the system and bitcoin adoption may pose future risks if not properly managed. (SHAHWAN, S., 2020). Digital technologies improve risk management, enable faster, distance-spanning transactions, and increase transparency. The rise of fintech in trade and supply chain finance supports e-commerce growth and addresses COVID-19 challenges. Fintech adoption and advancement should be grounded on efficient financial structures, effective regulatory frameworks, and the needed capabilities to advance inclusive trade and finance (Kim, J. K., Lee, M., 2021)

3.4 Factors affecting Fintech: General review

TAM is the most commonly used theoretical framework, followed by UTAUT. TAM is popular because it explains how customers accept new technology. Furthermore, factors such as trust, financial literacy, and safety, identified in earlier studies, also play crucial roles in fintech adoption (Firmansyah, E. A., & Masri, 2022). Many studies, primarily in Asia and the EU, examine financial inclusion for people with low incomes and the development of new financial ecosystems to boost customer satisfaction, using case studies. Blockchain technology is the most studied Fintech innovation (Takeda, A., & Ito, Y., 2021). The paper examined the mediating role of attitude between IFL, religiosity, and intention, and the moderating role of attitude in the relationship between IFL and investment intention. According to TPB, attitude, subjective norms, FSE, and IFL directly influence investors' intention, whereas religiosity does not. When attitude mediates, it becomes significant. FSE also positively moderates the attitude-investment link (Che Hassan, N., Abdul-Rahman, 2024). The paper examined 12 factors influencing the continuous intention to use FinTech: Technological Factors (perceived usefulness, ease of use); Perceived Benefits (economic benefit, seamless transactions, convenience); Perceived Risks (financial, legal, operational, security); Trust; and Government Regulation. Most studies focused on banking, with little on individual usage. To better understand FinTech's purpose, research should explore developing nations to understand current use (Mohammeda, M. G., & Hassan, R., 2024).

3.5 Poverty, Sustainability and Development

The paper found fintech, third-party payment, and credit reduce poverty in China. Fintech complements economic growth and financial development to achieve this, with results consistent across regions. By prioritising marginalised populations and promoting literacy, nations can effectively leverage technology and make substantial contributions to sustainable development. Xizang benefits most from fintech, while Yunnan has the least impact on household consumption, making fintech development crucial for poverty eradication there. Fintech enhances SMEs' access to low-interest loans by accelerating credit applications and reducing investment management costs, thereby boosting efficiency and potentially reducing poverty (Appiah-Otoo, I., 2021). The review finds a positive, significant impact of financial inclusion and Fintech on sustainable development, but the interaction shows a weak, negative effect. Domestic credit, school enrolment, and age dependency negatively affect sustainability. Some control variables, like inflation, urban population, and trade, have mixed effects. Marginal effects show positive impacts only when interaction variables are at their minimum, highlighting the limited role of financial services in Africa. These insights guide actions to boost financial inclusion, technology use, and sustainable growth (Tidjani, C., & Madouri, A., 2024). FinTech's role in the five SDGs, analysed using indicators to identify relevant industries. Data from reports are examined to show how Saudi Arabia integrates FinTech with SDGs 1, 2, 5, 8, and 17. It details Fintech products like digital lending, crowdfunding, and payments that support these goals. These insights help institutions and policymakers address gaps and promote sustainable development (Noreen, U. 2024). The review shows a positive link between adopting new financial technology and reducing income inequality, poverty, and hunger, while increasing gender equality, sanitation, health, economic growth, and education, both directly and through greater financial inclusion. (Thakkar, N., & Bhuyan, R., 2024) The review of Islamic Fintech's role in reducing poverty in Indonesia. The study found that a better financial system will reduce poverty. Islamic Fintech also contributes to reducing unemployment and improving an inclusive financial system. (Nuryitmawan, T. R., 2023). Economic growth boosts household per capita consumption, thereby helping to reduce poverty (Appiah-Otoo, I, 2021). The positive impact on sustainable development occurs only when mobile agents or ATMs are minimised, underscoring the need for frequent access to financial services in Africa. To address this, enhancing cooperation among providers is essential (Tidjani, C., 2024). As fintech promotes efficiency, the smooth flow of money, reduced costs, and wealth accumulation, it benefits the poor more than the rich. It all leads to reducing poverty in society.

The paper explores the impact of FinTech on financial inclusion and sustainability. It was suggested that the four main pillars could address this. Building digital identities and streamlining account-opening procedures are necessary for the first pillar, while open, interoperable electronic payment systems back the second. The third pillar entails utilising the infrastructure of the first and second pillars to support the electronic delivery of public services and payments. Wider access to financing and investment is supported by the fourth pillar, which is the construction of digital financial markets and systems (Noreen, U. (2024). Fintech promotes financial inclusion, especially through Islamic fintech, reducing transaction costs, increasing access to finance, and lowering household risk. It supports rural e-commerce, social connections, and income smoothing, improving welfare. A more inclusive financial system empowers people to enhance their economic and financial skills. Good financial systems, driven by growth, help reduce poverty by increasing household incomes through cheaper capital and reduced economic vulnerability. Favourable monetary policies further boost living standards and cut poverty. FinTech reshapes consumer behaviour, trends, and expectations by providing easy access to data. It benefits consumers, entrepreneurs, and the economy by expanding options, lowering prices, improving services, streamlining finance, increasing accessibility, speeding transactions, fostering growth, and enabling quicker monetary policy transmission (Nuryitmawan, T. R., 2023).

3.6 Impact of Fintech on Entrepreneurship and Entrepreneurs

Fintech development promotes farmer entrepreneurship, with results that hold up under robustness tests. Mechanism tests show it alleviates credit and information constraints and reduces risk aversion, helping farmers access funds and entrepreneurial opportunities. Fintech development, especially in supporting survival entrepreneurship, benefits less-educated, lower-income farmers, particularly in central and western regions, highlighting its inclusive role in financial services (Xu, F., Sun, Y., Zhou, Y., 2024). The paper shows that Fintech Lending can immediately turn students into entrepreneurs. In the long term, it may reduce graduate unemployment. Business and management students graduate annually. Practitioners should view the university as a business incubator, motivating students and supporting the use of fintech to overcome capital and technology challenges (Purwanto, A., 2020). A standalone intervention may be less effective in helping women microentrepreneurs overcome structural barriers. The findings suggest women benefit more from combining fintech and traditional

banks. The intersection of gender and poverty creates greater challenges for women, requiring attention to intersecting disadvantages (e.g., Rosenthal, 2016). The synergy between fintech and banks especially benefits women in poverty. Overall, while gender and vulnerabilities discourage female entrepreneurship, combining interventions like mobile money and bank accounts can promote it (Adbi, A., & Natarajan, S., 2023). Fintech, short for financial technology, broadly refers to tools, platforms, and ecosystems making financial services more accessible, efficient, and affordable. Crowdfunding is just one aspect of Fintech, which also includes digital payments, Robo-advisors, cryptocurrencies, and funded markets. These innovations impact payment, funding, lending, investing, and currencies. The article shows that Fintech and Crowdfunding are interconnected, even in startup projects and payment methods. The Arabic-speaking region shows limited interest in these tools, including in investments and legislation. The article recommends raising awareness of Fintech, Crowdfunding, and e-business adoption, and developing regulations to organise these models. It emphasises the use of modern communication technology to promote societal growth and encourages innovation and creativity for entrepreneurial success (Abu Amuna, Y. M., 2019). Fintech helps farmers with limited education by providing entrepreneurial information and easing credit constraints, thereby supporting entrepreneurship. Its technological edge overcomes geographical barriers, especially benefiting central and western regions by expanding access to financial services, thus boosting entrepreneurship (Xu, F., Sun, Y., 2024). Banks can enhance mobile money's role in helping poor people save for microenterprises. The fintech and bank debate highlights their complementarity. The relationship between banks and fintech, whether as complements or substitutes, may depend on the degree of individuals' marginalisation in society (Adbi, A., & Natarajan, 2023).

3.7 Impact of Fintech on SMEs and MSMEs

The paper highlights key factors for successful fintech adoption, including access to alternative financing channels, such as P2P lending and microfinance, which help overcome financial challenges and promote growth. Improving digital literacy through training enables MSMEs to use digital tools effectively, boosting efficiency and financial management. Regulatory support and robust tech infrastructure are essential, creating a conducive environment for innovation and integration. Market demand motivates MSMEs to adopt fintech solutions to remain competitive. Collaboration among fintech firms, banks, and MSMEs fosters innovation and growth. Barriers such as low digital literacy, regulatory issues, and cybersecurity must be addressed. Policies and support programs can help overcome these obstacles and realise

fintech's potential for MSMEs. An ecosystem of education, regulation, and technology is crucial for the integration of fintech and MSMEs' digital transformation in Indonesia (Febriyani, W., & Supratman, 2024). According to the review, when used appropriately and in line with local culture, fintech can boost efficiency, market reach, and profits (Putra & Wijaya, 2021). A study by Lestari et al. (2020) found that fintech improved MSME performance, with cultural readiness moderating this effect. MSMEs that blend tradition with innovation achieved revenue growth, market expansion, and greater efficiency. Integrating local culture influences fintech adoption and MSME success. An approach sensitive to local context is crucial for sustainable growth in the digital age. The interaction among culture, fintech, and MSME performance is complex; culture filters fintech use, while aligned technology boosts MSME performance, revenue, and growth (Karim, K., Kamaludin, 2025). According to Ica et al. (2021), the accessibility variable significantly influences capital development among MSME actors. Improved access to financial technology enhances MSMEs' capital development, as accessibility is crucial to their growth. MSMEs that leverage technological advances should be able to benefit from the easy access to facilities offered by fintech companies, thereby increasing their capital. Beyond supporting venture capital financing, fintech also contributes to various areas such as digital payment services and financial management. Fintech enhances financial performance by increasing inclusion, efficiency, and transparency and reducing errors. It benefits MSMEs by supporting development and capital growth through improved access to services such as digital payments and finance. Financial literacy is crucial for utilising fintech effectively and managing finances, both of which are key to MSME success and prosperity. Both fintech and financial literacy significantly influence MSME growth and sustainability. (Pranoto, A. J., 2024). According to Judijanto, L., & Nurrohman, R.2025, Fintech positively impacts MSME financial management by increasing access to services and supporting tech-based growth. Despite obstacles, strategies such as digital education, regulatory reforms, and improved infrastructure can boost fintech adoption. With support from the government, providers, and businesses, fintech can enhance financial inclusion and MSME competitiveness in the digital era. Besides ease of use, accessibility of technology is vital for MSMEs adopting fintech. Urban areas benefit from robust internet infrastructure that enables effective use of these services. Conversely, rural and remote regions face major hurdles due to limited internet connectivity and fewer digital devices (Triana & Syera, 2023). Fintech improves access to capital for MSMEs by offering faster, more flexible loans through tech-driven platforms, such as P2P systems that use data-driven credit scoring to approve loans without formal credit histories, thereby expanding financing opportunities (Islam & Khan,

2024). MSMEs play a crucial role in boosting economic growth. Their main development challenge is access to capital, as few MSMEs can secure funding (Ye & Kulathunga, 2019). Limited community access to financial institutions hampers growth. Advances in information technology, especially fintech, offer solutions by providing easier, collateral-free financing outside traditional banks. Fintech, a broad term for tech-driven financial services, creates new products and models impacting monetary stability, as noted by Bank Indonesia (Pranoto, A. J., 2024). Fintech has transformed MSMEs' financial management, especially in recording and reporting, as well as in access to capital. Before fintech, many relied on error-prone manual records and lacked structured cash flow monitoring. Digital accounting apps automate transaction recording, facilitate financial reporting, and provide real-time insights, enabling better decisions. Fintech also enhances transparency by integrating with banking, payments, and e-commerce platforms, thereby boosting credibility and investment opportunities. Access to capital is easier through fintech lending platforms such as P2P lending, which use data-driven credit scoring to offer faster, more flexible loans, even without a formal credit history (Jamilah & Mardiana, 2024; Nursansiwati & Armiani, 2024; Islam & Khan, 2024). These platforms also provide MSMEs with invoice financing and crowdfunding options, reducing reliance on high-interest loans (Demu, 2023). Fintech improves payment efficiency via digital wallets, QR codes, and electronic transfers, allowing faster, safer transactions and broader market reach, including cross-border sales. Despite the benefits, challenges such as low financial and technological literacy and security concerns, especially in rural areas, remain. Education and support are vital for wider adoption. Overall, fintech enhances financial management, access to capital, and payments, but collaboration among government, providers, and MSMEs is essential for sustainable use (Berliana & Habiburrahman, 2024; Judijanto, L., 2025).

3.8 Financial Technology: Risk Landscape and Challenges

As internet lending grew, reports of unethical and illegal activities increased (Tritto et al., 2020). A major issue is the difficulty of cooperation between banks and Fintech startups (Pu et al., 2021). Duran and Griffin (2021) analyse risks of smart contracts and potential threats to financial stability. Industry challenges include regulatory uncertainty, illegal activities, and data exploitation (Hua & Huang, 2021). Ryu (2018) identified four risk types—financial, legal, security, and operational—and found that legal risk most negatively influences user intention to continue using fintech. The study also noted that early and late adopters see different benefits and risks. The development of financial technology has reduced physical crime and then

increased cybercrime. In addition to cybersecurity risks, this review highlights default risks, operational risks, financial stability, financial illiteracy, money laundering, financial crimes, and regulatory issues in fintech (Jain, R., Kumar, S., 2023). The paper by Mandić, A., and Marković (2025) reviews key challenges, including data privacy breaches, lack of financial literacy, and regulatory uncertainty. Further Empirical evidence indicates that the most recent and potentially greatest threat in the current environment is cyber risk within the Fintech sector (Duran & Griffin, 2021). A study in the USA identified twenty risk factors within the fintech sector (Tritto et al., 2020). Another research empirically evaluates the systemic and tail risks of technology companies, which may introduce new challenges to financial stability (Chaudhry et al., 2022). Cryptocurrencies are increasing the risk of money laundering and terrorism financing (Akartuna et al., 2022). Regtech solutions pose risks such as dehumanisation, algorithmic bias, and cyber threats (Lanfranchi & Grassi, 2022).

3.9 Fintech acceleration in the COVID-19

Yan et al. (2021) found that factors such as Perceived Trust, Social Influence, and Perceived Value positively affect the desire to use fintech, especially mobile services, during COVID-19. Users' intent to adopt mobile banking is influenced more by PV than by perceived risk. Alber and Dabour (2020) note that COVID-19, specifically the social distancing measures enforced by governments, influences how financial technology is used. The review points out that the substantial effects of social distancing are evident in sectors such as retail and leisure, groceries and pharmacies, transit stations, and workplaces. Also, social distancing significantly impacts digital payments, evidenced by changes in transaction volume and value. The paper by Widiatmo (2021) states that Perceived Risk (PR) does not affect the desire to use mobile financial services. Fintech adoption and success depend heavily on user trust, particularly regarding privacy and financial transactions. COVID-19 affects financial technology, influenced by key factors such as trust, self-efficacy, security, and usability (Purba et al., 2021). Tut (2021) and Dubey et al. (2020) suggest that regulatory frameworks significantly influence the rise in Fintech usage during the COVID-19 pandemic. Technology enables individuals to conduct business as usual and access services from home. As technological advances continue, they become increasingly vital for the global economy, particularly during the pandemic era, where minimising social contact is crucial. Lohitha and Harish (2021) state that during the extended COVID-19 pandemic, the widespread use of 'digital' technology in all transaction methods has emerged as a key driver of growth in financial technology. Rabbani et al. (2022) highlight that COVID-19 presents a highly standardised, more integrated, and transformative

growth opportunity, with the industry mainly concentrating on social causes and tactical Fintech adoption. COVID-19 impacts human behaviour and the economy. Fintech is expanding, reducing reliance on physical interactions by offering affordable, time-saving, and comprehensive services accessible to many. The pandemic's social restrictions have boosted Fintech use, making it a crucial growth driver. More users during COVID-19 highlighted benefits such as convenience and ease of access. Regulatory support and factors enhancing Fintech's value and performance are essential during this period (Candy, C., Robin, 2022). Fintech behaviour among users reduces the spread of COVID-19 by avoiding contact, which also makes shopping easier and increases demand. The rise in Fintech users during the pandemic has boosted adoption and encouraged the innovative use of technology in daily transactions, driving Fintech growth. Post-COVID-19, Fintech transactions are becoming more competitive, even as global economic uncertainty persists, potentially rebalancing the financial system. Fintech can help maintain stability and respond to the crisis. It also promotes skill development, digitalisation, and formalisation for workers, entrepreneurs, and the economy, thereby boosting growth and advancing transformation toward higher standards (Gupta & Agrawal, 2021). This shift offers convenience, economic development, and easier market access for small companies and entrepreneurs, fostering innovation. However, regulation is needed to prevent misuse and protect the community's economic stability (Candy, C., Robin, 2022).

4. Literature Gap Identified

Reviewing past papers suggests Future Research should explore banks and FinTech startup relationships since COVID-19, including FinTech's influence on behaviour, variations across countries, and effects on corporate finance like cost of capital and dividend policy. New methods using big data, AI, and machine learning could reveal FinTech's positive impacts on transactions and economic outcomes. Further research should focus on FinTech start-ups in key areas such as payments, remittances, lending, financial management, crowdfunding, enterprise tech, trading, insurance, personal finance, wealth management, and digital banking (Murinde, V., Rizopoulos, E., 2022). Additional areas include customer satisfaction, technology use, sustainability, and social impact, increasingly relevant today, especially with FinTech's growing role. Emphasizing regional diversity and themes like financial inclusion and Fintech entrepreneurship can guide scholars and policymakers to address methodological gaps

and real-world challenges (Xu, F., Kasperskaya, 2025). Limited research exists on fintech and digital financial services' impact on women's financial inclusion, especially women-led start-ups promoting savings, investments, stock ventures, and mutual funds. Emphasizing innovation, cooperation, and policies fosters an inclusive financial system leveraging fintech to boost growth, reduce poverty, and promote social and economic equality, especially for women (Chakravarty, I., Keserwani, 2025). Future studies should examine potential negative effects of fintech, such as digital surveillance, exclusion of disadvantaged groups, and impacts on vulnerable populations, with insights from critical IS literature. Expanding the theoretical framework to include cultural, social, and psychological factors affecting ICT adoption is essential (Shu, L., Ghazali, 2026). Future research should also explore fintech's non-linear impact on poverty (Appiah-Otoo, I, 2021). Investigating women entrepreneurs, SMEs, education, training, cooperatives, and awareness in local regions can provide empirical insights (Tidjani, C., 2024). Developing a composite index for financial inclusion and technology, including institutional factors, can improve analysis. Using methods like quantile-on-quantile regression and Fourier ARDL can enhance understanding. Moreover, future research should examine how financial inclusion and technology influence investment and sustainability (Noreen, U., 2024). Noreen also suggests studying FinTech's role in achieving SDGs in Saudi Arabia and applying similar approaches globally. Nuryitmawan (2023) should explore the nonlinear effects of Islamic FinTech on poverty, considering macro-level indicators. Xu and Sun (2024) found fintech promotes farmer entrepreneurship but risks business failure if loans are mismanaged. Further research should examine these issues. Some studies highlight collaboration or independence between fintech and traditional banks; future research should explore fintech's role in microenterprise development, addressing societal challenges such as poverty, gender inequality, and intersectionality, particularly in female microentrepreneurship (Adbi & Natarajan, 2023).

5. Conclusions

Fintech has the potential to disrupt and improve welfare, but effective regulation is needed to protect consumers and stability. The digital financial divide in regions like sub-Saharan Africa, Latin America, and Southeast Asia hampers adoption due to infrastructure, regulation, and literacy issues. Fintech can enhance financial inclusion through credit, payments, and insurance, but weak regulations raise concerns about privacy and fraud. Promoting literacy,

cybersecurity, and interoperability is essential for sustainable growth, with global support required for capacity building. Gender inequality persists, but Fintech can reduce gender bias in credit decisions using algorithms. Collaboration among banks, institutions, and Fintechs is crucial for improving digital literacy, especially among women and rural populations, to promote social and economic independence. Research shows Fintech adoption helps reduce gender income disparities, influenced by education, employment, and urbanisation. Challenges include poor internet and financial literacy barriers in rural regions. Fintech reduces poverty, supports economic growth, and promotes sustainable development, though interactions with financial inclusion show mixed effects. It fosters innovation supporting SDGs, improving access to banking, microloans, and gender equality, and aiding SMES. Islamic Fintech further reduces poverty and unemployment. Fintech aids farmers by improving access to credit, information, and entrepreneurial opportunities, especially among disadvantaged groups. Its adoption shifts the financial landscape towards a more integrated system, with banks playing evolving roles. Regulators help define fintech's ecosystem role. Overall, Fintech increases financial inclusion, efficiency, transparency, and MSME growth, but challenges like digital literacy and security remain. Strategic efforts in education, regulation, and infrastructure are vital. Enhancing risk management and operational stability in financial institutions is also necessary.

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