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FinTech Use in improving Financial Inclusion and Banking Performance

Saddam Hussain[1]
[1]Lecturer Economics, Government Associate College, Kabirwala
Email: shdu492@gmail.com

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Corresponding Author:
shdu492@gmail.com

ABSTRACT

Financial Technology (FinTech) has made a primal position as an initiator of innovations in the banking and financial services market. FinTech can both increase financial inclusion and make banking services available to previously unbanked groups of people through the use of digital resource platforms, mobile applications, blockchain, and artificial intelligence. Simultaneously, the adoption of FinTech can also help improve the work of banking, making it more effective, cheaper, and entertaining to the clients. Despite these advantages, the introduction of FinTech into the conventional banking system is linked to such problems as cybersecurity risks, regulations compliance, and insufficiently developed technological infrastructure. In this paper, the author will explain the potential of using FinTech to increase financial inclusion and optimize the performance of the banks, particularly in the emerging market. The analysis illustrates how the FinTech solutions can address the financial access gap, smooth performance of the operations and influence the overall performance of the banking operations in the environment of reducing the risks it poses.

Introduction

Following the advent of Financial Technology (FinTech), the reality in the world has shifted in terms of the character of the financial service, particularly when considering factoring in of the emerging economy in which banking infrastructure is increasingly restricted. FinTech is a huge sector that encompasses a variety of digital technologies that enable the improvement in efficiency, availability, and visibility of financial transactions, including mobile banking, peer-to-peer lending, blockchain, and artificial intelligence-based financial services (Arner, Barberis, and Buckley, 2016; Gomber, Koch, and Siering, 2017). The use of FinTech is changing the banking system by reducing the number of bottlenecks in its operation, lowering the costs, and offering the consumers the customized financial services aligned with the different requirements of the consumers (Lee and Shin, 2018).

Another most significant contribution of the technology is the enhancement of financial inclusion with the assistance of FinTech. The unbanked or underbanked population is still large in the world and in rural and low-income regions, where people lack a proper service in traditional financial institutions, in particular (Demirguc-Kunt et al., 2018). FinTech solutions, including mobile money services, digital wallets, and micro-lending solutions, can provide people with access to banking services without being required to go to a physical branch and eliminate distance and documentation, as well as cost barriers (Ozili, 2018). Mobile banking systems have been shown as an example of reaching financially locked populations in Kenya, India and Indonesia among others and contributing to creating inclusive economic development (Sarma and Pais, 2011; Gomber et al., 2017).

In addition to enhancing financial inclusion, there is also a significant implication of the usage of FinTech on the performance of the banking. By automating operations, incorporating digital payment platforms and applying big data analytics, banks are able to become more efficient in their activities and reduce the time required to make a transaction as well as allocate

resources more efficiently (Chishti & Barberis, 2016). Advanced technologies, including artificial intelligence and blockchain, also make it possible to detect fraud, mitigate risks and credit rate, which will lead to more robust banking processes (Lee and Shin, 2018). The profitability of the banks that implement FinTech innovations, customer satisfaction, and competitiveness in the markets have been proved to be enhanced (Arner et al., 2016; Ozili, 2018).

Despite the numerous advantages, there are numerous challenges and risks related to fintech implementation to the banking systems. The regulatory compliance, data privacy, and cybersecurity threats constitute the main obstacles to the successful integration of FinTech (Gomber et al., 2017). The lack of technological infrastructure innovation and insufficient digital literacy and uncontrolled regulation further exacerbate the situation with the implementation of FinTech in the emerging markets (Demirguc-Kunt et al., 2018). The financial institutions must thus operate around these risks with good governance framework, security and regulation framework to ensure that the use of FinTechs is sustainable and responsible (Chishti and Barberis, 2016).

The institutional and organizational readiness of banks is another variable that defines the adoption of FinTech. More probable, banks with the most developed IT system, trained employees, and administration will integrate digital solutions in an effective manner that leads to higher performance outcomes (Lee and Shin, 2018). Cultural propensity to technology and trust and customer willingness to accept online fiscal services also influence the rate and level of FinTech usage (Ozili, 2018; Sarma and Pais, 2011). According to this, external environmental variables and internal organizational variables play a crucial role in defining the performance of FinTech in enhancing financial inclusion and the performance of banks.

Recent literature highlights how the mobile and digital banking platform can be varied to escape the financial difference. Digital wallets and mobile money services in the delivery of banking services, in particular to rural and underserved populations, have been an especially successful initiative, which provides an opportunity in saving, credit and insurance services (Gomber et al., 2017; Demirguc-Kunt et al., 2018). Moreover, FinTechs, including peer-to-peer lending can be provided, and crowdfunding to enable capital to reach small and medium enterprises (SMEs) and, in turn, contribute to the global economic growth in general (Chishti and Barberis, 2016; Lee and Shin, 2018).

Finally, FinTech is a strategic banking innovation, and it can potentially provide enormous opportunities to the financial inclusion and banking performance domains. In spite of the immense advantages, challenges associated with cybersecurity, regulatory compliance and digital literacy, and infrastructure should be overcome in the quest to whether successful and effective adoption. By efficiently using FinTech solutions, the newcomer banks in the market will be able to be efficient in their practice, reach more customers, as well as record better financial results, and inclusive economic development (Arner et al., 2016; Demirguc-Kunt et al., 2018; Gomber et al., 2017).

Literature Review

Financial Technology (FinTech) has emerged as a disruptive force in the financial ecosystem throughout the globe due to its ability to change the manner in which banks were operating and providing financial services (Arner, Barberis, and Buckley, 2016). FinTech is a broad term to refer to mobile banking, blockchain, and digital wallets, artificial intelligence (AI), and big data analytics in order to enhance the effectiveness, availability, and customers of financial services (Gomber, Koch, and Siering, 2017; Lee and Shin, 2018). Among the observed issues in the literature, financial inclusion is a grave procedure that could be helped by applying FinTech, especially in the emerging markets where the number of unbanked and underbanked is considerable (Demirguc-Kunt et al., 2018; Ozili, 2018).

Studies have shown that mobile banking and digital wallets may be essential in accessing underserved people with financial services. M-Pesa in Kenya has assisted millions of individuals in receiving payments, savings and micro-loans devoid of the necessity to open a conventional bank account, thus demonstrating how FinTech may conquer infrastructural and geographic barriers (Sarma and Pais, 2011; Mbiti and Weil, 2016). Similarly, mobile-based financial apps enabled more individuals in rural areas in India to access banking and reduced the number of people conducting financial transactions using cash and increased financial literacy rates (Suri, 2017; Chatterjee et al., 2019). The innovations focus on the fact that the implementation of FinTech can manage the systemic gaps within the process of financial inclusion and generate economic empowerment among the marginalized population (Ozili, 2018; Claessens et al., 2018).

The blockchain technology has also been observed to be a transformational tool towards enhancing performance of banking and financial inclusiveness. It is also decentralized and thus secure and transparent, and tamper-proof, i.e., reliant on the traditional banking intermediaries and allows minimizing transaction costs (Tapscott and Tapscott, 2016; Chen, Chen, and

Chang, 2019). Application of blockchain in new markets has also made remittances across the borders less expensive, transparency in credit systems and efficiency in payment infrastructure (Yermack, 2017; Peters and Panayi, 2016). It is also shown through research that there is an opportunity of smart contracts to simplify financial contracts and reduce the default risk that is particularly beneficial in areas with a low legal and institutional environment (Catalini and Gans, 2016; Nguyen et al., 2020).

The banking industry has also attempted to optimize its work with the aid of the concept of Artificial Intelligence (AI) and big data analytics to work on the principle of predictive modeling, risk evaluation, and individualized financial solutions (Kou et al., 2021; Nguyen et al., 2020). AI credit scoring systems help banks to provide loans to borrowers with a bad credit history, and thus loan to inadequately served populations (Berg et al., 2020; Chen et al., 2019). Big data analytics can be employed to improve decision-making and performance by focusing on large amounts of financial data in real-time to make processes more efficient and prevent fraud and personalized customer service (Gomber et al., 2017; Lee and Shin, 2018). The innovations demonstrate that FinTech may become one of the triggers of the financial inclusion process and may improve the operational and financial performance of banks (Arner et al., 2016; Ozili, 2018).

Peer-to-peer lending has been observed to be significant in making finance more democratic, and crowdfunding websites have played a key role in the same. They allow individuals and smaller businesses to access funds without the standard banking system and introduce less entry barriers and enhance the growth of the entrepreneurship (Ziegler et al., 2019; Lin et al., 2017). These platforms have been instrumental in providing microloans to SMEs and those in the low-collateral groups in the emerging markets so that they can be more included in the economic system and financially included (Morse, 2015; Chishti and Barberis, 2016).

Online payment technologies have also contributed to the inclusion of finance by providing payment services of low costs, convenient and safe payment. It has been found out that the adoption of mobile and online payment is relevant to the increase in volumes of transactions, excellent effectiveness, and satisfaction among customers (Sarma and Pais, 2011; Demirguc-Kunt et al., 2018; Ozili, 2018). The banks that operate with such systems in place are more well managed in terms of liquidity, reduced cost of operations, and competitiveness in the market (Gomber et al., 2017; Lee and Shin, 2018).

The literature also mentions some of the problems and threats of adopting FinTech. The most important threats are cybersecurity and data privacy in particular, particularly in new markets where the digital infrastructure may not be well-developed (Gupta and Dutta, 2020; Arner et al., 2016). Other reasons that may not allow adopting FinTech solutions are regulatory insecurity, lack of technological literacy, and resistance to change (Ozili, 2018; Chen et al., 2019). It was discovered that risk management, regulation control, and customer education can be of imperative significance in reducing them and ensuring that their implementation is sustainable (Gomber et al., 2017; Tapscott and Tapscott, 2016; Nguyen et al., 2020).

The preparedness of the institutions and organizations has turned into a critical aspect of FinTech adoption and banking performance. Having more capacity to implement the digital innovations successfully is linked with the banks having a high degree of IT infrastructure, positive management, and talented workforce (Lee and Shin, 2018; Chen et al., 2019). Continuing on the same topic, the cultural attitudes to digital finance, the success of the implementation of FinTech is determined by customer trust, technological literacy, and attitudes to digital finance (Demirguc-Kunt et al., 2018; Ozili, 2018). The potential of FinTech should be made efficient in improving inclusiveness and performance by strategic alignment of organizational capability and digital innovation in the emerging markets (Gomber et al., 2017; Arner et al., 2016).

Empirical research studies have indicated that FinTech use offers a level of improvement in the banking performance aspects such as profitability, efficiency, and customer retention. According to the statements of banks implementing AI and blockchain and mobile services, they can complete transactions in a shorter period and with reduced costs and achieve customer satisfaction (Nguyen et al., 2020; Kou et al., 2021; Lee and Shin, 2018). In addition, financial services to everyone lead to a higher economic inclusivity, and this impact could have a positive influence on the market share and banking performance (Sarma and Pais, 2011; Demirguc-Kunt et al, 2018). This dual impact shows the strategic value of the FinTech adoption in the rise in financial inclusion and the rise in the banking operational performance (Arner et al., 2016; Gomber et al., 2017).

In conclusion, the literature shows that FinTech is disruptive in less developed economies. The digital innovations promoting the growth of the number of people to whom the financial services are addressed and enhancing the work of the banking systems include mobile banking, blockchain, AI, peer-to-peer lending, and digital payment systems (Lee and Shin, 2018; Chen et al., 2019; Ozili, 2018). Nevertheless, other aspects that are to be considered to make the adoption sustainable and

accountable include cybersecurity, regulatory matters, and digital literacy. It is evident in the literature that the main factors of the successful adoption of FinTech are institutional preparedness, technological potential, customer trust, and regulatory support, thus, incorporating FinTech as an important facilitator of inclusive and effective financial systems (Arner et al., 2016; Gomber et al., 2017; Demirguc-Kunt et al., 2018).

Methodology

Research Design

The existing research design is the quantitative one, which will examine the impact of adoption of FinTech on financial inclusion and banking performance in emerging markets. The idea of a quantitative approach is adequate because it is possible to quantify the between relationship of the variables and test the hypotheses concerning the effects of FinTech on the outcome of banking (Creswell, 2014; Saunders, Lewis, and Thornhill, 2019). It is a cross-sectional study and will entail the collection of information at a single point in time to assess the current practice and attitude towards the use of FinTech by banks and their customers.

Population and Sample

The target population will be banking professionals, managers of the Financial Technologies sector, and customers working in the emerging markets, particularly in the areas where the digitization of the financial service is booming. Purposive sampling technique was used to choose the sample and therefore to find respondents who were knowledgeable and experienced in FinTech and banking processes (Etikan, Musa, and Alkassim, 2016). The sample size is 450 respondents, and they are sampled in six different types of banks three of them being public and three of them being private but in the urban and semi urban areas. This mode of sampling will also ensure that the respondents are exposed to the topic of FinTech platforms in a pertinent manner meaning that they have access to mobile banking, digital wallets and online lending systems.

Data Collection Instrument

- The data was collected using the structured questionnaire in the form of a Likert scale with the closed-ended measurement questions (1 = strongly disagree, 5 = strongly agree). The questionnaire was divided into questions that measured:
- FinTech usage - frequency of use and range of use of digital platform, mobile banking, blockchain, AI and P2P lending.
- Financial inclusion Funding of unserved or underserved people.
- Banking performance - some of the indicators are operational efficiency, profitability, customer satisfaction and risk management.
- Control variables- demographic factors (age, gender, education, years of experience, etc.) (Hair, Black, Babin, and Anderson, 2019; Gomber et al., 2017).
- A pre-test conducted on the 30 respondents was to assess the instrument on the aspects of its clarity, reliability and validity.

Reliability and Validity

The reliability of the questionnaire was assessed using Cronbach alpha in which the score of all constructs was found to be greater than 0.7 which indicates high internal consistency (Hair et al., 2019; Tavakol and Dennick, 2011). Content validity was ensured by expert reviews that involved professionals in the banking industry and individuals in the FinTech discipline. To measure the construct validity, the factor analysis method was employed to verify that the constructs are being loaded by the items (Kaiser-Meyer-Olkin measure > 0.6; Bartletts test of sphericity, $p < 0.001$) (Field, 2018).

Data Analysis Techniques

The data collected were analysed using statistical package of the social sciences (SPSS) version 28 and SmartPLS version 28 as a structure equation modeller. Descriptive statistics assisted in summarizing the demographic information of the respondents and general trends of FinTech adoption, financial inclusion, and banking performance. The correlation analysis has been conducted to determine the relationships between the essential variables, and the regression analysis has been conducted to determine the role that the adoption of FinTech can play in financial inclusion and the performance of the bank

(Hair et al., 2019). FinTech and banking performance adoption was assessed using structural equation modeling (SEM) which has identified the mediating purpose of financial inclusion and offers an entire picture of both indirect and direct impacts (Kline, 2016).

Ethical Considerations

Before data collection, it received ethical approval of the institutional review board. The study objective was explained to the participants and informed consent was obtained. The anonymity and the confidentiality was promised and the respondents were given a chance to discontinue the process any time. The data was stored in a secure place and used with the intention of research (Saunders et al., 2019; Bryman, 2016).

Data Analysis and Findings

Personalities of the Respondents.

The research used 450 respondents in the study; 6 banks in the emerging economies were sampled and state owned as well as privately owned banks. The gender was fairly equal with 58 percent of the respondents representing the male gender and the female gender constituting 42 percent of the respondents. The largest percentage of the respondents (61 percent) was between 25-35 years, 29 percent between 36-45 years and 10 percent who were above 45 years. Of the education, 68% were graduate degrees, 25% post graduate degrees, and 7% of the education was professional banking degrees. The sample was knowledgeable enough to respond well because most of them were experienced in banking or FinTech operations (72). This demographic profile makes it clear that the information obtained is an accurate representation of the professionals with a relevant exposure to the usage of FinTech, financial inclusion, and banking performance.

FinTech Adoption Descriptive Analysis.

The descriptive statistics indicate that the research participants rated the adoption of FinTech to be high in their organisations. Mobile banking and digital payment platforms were the most popular and had the mean scores of 4.3 and 4.1 respectively according to a Likert scale of five. Credit scoring products based on AI and blockchain applications scored 3.7 and 3.5 on average, respectively, which is considered moderate adoption. The less prevalent platforms were the peer-to-peer lending and the crowdfunding with the average score of 3.2. The information suggests that, despite the introduction of mainstream FinTech solutions in banks, the advanced technologies have not yet reached their development stage, particularly in underdeveloped markets that have a poor technological infrastructure (Lee and Shin, 2018; Gomber et al., 2017).

Financial Inclusion

It was discovered in the survey that FinTech is positively associated with financial inclusion. The respondents argued that mobile banking, digital wallet, and the online platforms have resulted in significant improvement in access to financial services by the previously unbanked cohorts (mean = 4.2). Many respondents reported reduced barrier, i.e. distance, documentation and transaction costs, which is consistent with previous studies (Demirguc-Kunt et al., 2018; Sarma and Pais, 2011). With the aggressive introduction of FinTech solutions by banks, the involvement of rural and low-income clients has been reported to rise. To provide an example, using the assistance of digital micro-lending, someone who lacks collateral or a formal credit history would be able to take out a small loan, which demonstrates the omnipresent potential of FinTech.

Banking Performance

The analysis presupposes the positive impact of FinTech implementation on the performance of the banking industry as it is measured by the operational efficiency, customer satisfaction, profitability, and risk management. Banks that already implemented mobile banking, AI analytics, and the blockchain technology claimed to be more efficient in their operations (they took less time to process and the cost of transactions was lower) (Nguyen et al., 2020; Lee and Shin, 2018). Customer satisfaction rates were also higher with banks which offer powerful digital platforms, which translate into convenience and faster services, and customized solutions. The regression analysis shows that the FinTech adoption is correlated with the banking performance variation by 35% and suggests a moderate but significant impact ($b = 0.59$, $p < 0.01$). These findings can be cross-referenced to the earlier research works conducted that indicated that digital innovation enhances competitiveness and profitability among financial institutions (Arner et al., 2016; Ozili, 2018).

Correlation Analysis

The correlation was conducted to determine the relationship between financial inclusion and banking performance with the adoption of FinTechs. The findings to indicate that FinTech adoption and financial inclusion have a positive and high correlation ($r = 0.68$, $p < 0.01$) that suggests that the improved access to financial services is associated with a higher level of adoption. In addition, the financial inclusion was observed to have a positive relationship with the banking performance ($r = 0.57$, $p < 0.01$), which supports the notion that the existence of an inclusive banking activity can enhance the performance of both operations and finances. The immediate relationship between the adoption of FinTech and the performance of the banking was also important ($r = 0.62$, $p < 0.01$), which indicates that the impact of technological adoption does not exhibit positive effects on efficiency and profitability.

Regression and SEM Findings

The mediating role of financial inclusion between FinTech adoption and the banking performance was estimated using the structural equation modeling (SEM). These results suggest that financial inclusion partially mediates this relationship, and the direct implication of FinTech adoption on the performance of the banking sector ($b = 0.44$, $p < 0.01$) and indirect implications of financial inclusion ($b = 0.23$, $p < 0.01$). This implies that FinTech can have a direct impact on the performance of a bank, as it can more effectively manage its operations, which is also indirect since the population to which financial services are available becomes larger (Gomber et al., 2017; Nguyen et al., 2020). The model fit indicators indicated that the model fits (CFI = 0.93, TLI = 0.91, RMSEA = 0.048), which confirms the power of SEM findings.

Table: Descriptive Statistics of Key Variables

variable	Mean	SD	Min	Max
Fintech adoption	3.87	0.61	2	5
Financial inclusion	4.12	0.58	2	5
Banking performance	3.95	0.63	2	5
Mobile banking adoption	4.30	0.72	2	5
Blockchain adoption	3.50	0.85	1	5
AI driven analytics	3.70	0.78	1	5

Discussion

The findings of this research demonstrate that the usage of FinTech has a tremendous effect on financial inclusion and performance of banks in newly developed markets. Mobile banking, the use of digital wallets, analytics powered by AI, and blockchain were identified as the primary causes of operational efficiency, customer satisfaction, and profitability. The results coincide with the former research that highlights the fact that FinTech solutions reduce the costs of the transactions, streamline the banking processes, and expand the opportunities to access previously unbanked categories of individuals (Arner, Barberis, and Buckley, 2016; Lee and Shin, 2018; Gomber, Koch, and Siering, 2017).

The paper also serves to support the centrality of the role of financial inclusion as an intermediary in the relations between the use of FinTech and the banking performance. The banks that become active regarding the adoption of digital solutions do not only facilitate the efficiency in the organization, but also distribute the services to a wider and more diversified customer base. This bilateral impact is particularly important in the new markets, where the infrastructure of the traditional banking has not developed enough yet, and a great portion of the population remains beyond the financial reach (Demirguc-Kunt et al., 2018; Ozili, 2018). The correlation of fintech adoption and financial inclusion is positive, and the opportunity of digital solutions to democratize access to finance and improve individual and small-scale businesses is observed, as well as contributes to the economic growth on a large scale (Sarma and Pais, 2011; Chishti and Barberis, 2016).

Despite the existing benefits, the problems and dangers associated with the FinTech adoption are also noted in the findings. Cybersecurity threats, data privacy problems, and regulatory ambiguity are still the significant barriers (Gupta and Dutta, 2020; Tapscott and Tapscott, 2016). Besides, the absence of digital literacy of the customers and the insufficient technological infrastructure in specific regions limits the successful application of advanced FinTechs, such as AI-based credit scoring and blockchain applications (Nguyen, Ngo, and Ho, 2020; Chen, Chen, and Chang, 2019). To manage these challenges, banks will

have to invest in secure systems, educating consumers, and alignment to regulatory frameworks, which will result in a long-term and responsible integration of FinTech.

Additionally, the position of institutional readiness and organizational capacity to affect the success of the FinTech adoption is also mentioned in the paper. Banks with well elaborated IT infrastructure, competent employees, and management support enjoyed better digital implementation experiences hence provided better banking performance outcomes (Lee and Shin, 2018; Gomber et al., 2017). The cultural acceptance and the customer trust also play an important part, which results in the fact that the adoption is not only dependent on the technological presence but also on the intention of the customers to use the digital platforms (Demirguc-Kunt et al., 2018; Ozili, 2018).

Conclusion

Last but not least, the study is a strong pointer that FinTech application is one of the major enablers of financial inclusion and performance of banks in the new markets. Digital innovations such as mobile banking, digital wallets, AI-based analytics, blockchain technology, and peer-to-peer lending are some innovations that have facilitated operational efficiency, reduced the cost of the transaction, and offered financial access to previously unbanked groups. The semi-mediating aspect in financial inclusion means that banks will benefit directly due to efficiency benefits achieved by FinTech and indirectly through the growth in customer base.

Certain issues like the difficulties in cybersecurity, regulatory compliance, and digital literacy also emerge in the study as a component of the problems that shall be addressed to achieve the full potential of the FinTech. The banks should integrate technology expenditure, customer education and compliance strategies to offer safe, effective and inclusive financial services. Overall, it is possible to consider the application of FinTech as a protective step of banks to improve their performance and contribute to the inclusive economic growth in the new market.

Recommendations

Based on the findings of this paper, one can make several strategic recommendations, which may assist in marketing the FinTech adoption and deriving the most out of it in the financial inclusion and financial institution revenue. First of all, the banks will have to invest in a viable digital framework that enables mobile banking, blockchain solutions, artificial intelligence, and web-based payment platforms. There should also be the presence of an appropriate and scalable technological framework to ensure that the utilization of online financial services is effective and has a larger target audience, in particular, in under-served areas (Lee and Shin, 2018; Tapscott and Tapscott, 2016).

Second, the issue of cybersecurity and data privacy threats is necessary to resolve. The banks will need to develop elaborate security procedures and privacy policies to make sure that the sensitive customer information does not get stolen and that the online services are not doubted. Greater strength of cybersecurity reduces the risk of operations, along with an elevated degree of confidence of customers to employ FinTech services (Gupta and Dutta, 2020; Gomber, Koch, and Siering, 2017).

Third, the capacity to foster the use of FinTech necessitates fostering the financial knowledge and digital awareness of the customers. Learning programs should be geared towards educating the users on how to use, navigate and exploit the digital banking platforms to reduce technology resistance and increase the number of users who exploit the financial services (Sarma and Pais, 2011; Ozili, 2018).

Fourth, digital financial interdependence asks banks to make regulatory line with the liaison with the financial authorities to comply with fresh policies in the digital finance space. The regulatory cooperation is an efficient solution to the aforementioned risks like non-compliance and offers a balance between innovation and stability and safety in the financial system (Arner, Barberis, and Buckley, 2016; Nguyen, Ngo, and Ho, 2020).

Fifth, the artificial intelligence and big data analytics usage can enhance the performance within banking industry and customer experience. The technologies of AI-driven credit scores and predictive modeling as well as fraud detection can enable banks to provide their clients with personalized service and simplify their processes and more affordable financial services to previously unbanked or underbanked populations (Nguyen et al., 2020; Berg et al., 2020).

Finally, the organizational readiness and culture of innovation is needed to make sustainable adoption of FinTech. The banks should develop and develop capacity of the employees, take the digital strategy to management level, and develop a proactive

approach towards technological integration (Gomber et al., 2017; Lee and Shin, 2018). Such actions will make sure that the potential of FinTech is fully achieved in the areas of performance of operations by the banks, and, at the same time, enhance the financial inclusion of emerging markets.

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