

FACTORS INFLUENCING CUSTOMER PERCEPTION TOWARDS FINTECH SERVICE IN TAMILNADU

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ABSTRACT

The perception of customers plays an important role for the companies to become successful in their ventures. It is in the hands of the firms to create a positive customer perception for the benefit of their company. The same is applicable in the context of the Fintech companies. The current study has been carried out to identify the factors which affect the customer perception towards the Fintech companies. The study has been done among the customers of Fintech in Tamil Nadu. The respondents of the study are selected through convenience sampling and the number of respondents so selected is 100. The data has been collected from the respondents through a questionnaire and the analytical tool of the research study is Regression Analysis. The results of analysis show that Customer perception was highly influenced by the FINTECH service factors..

KEYWORDS: Perception, Experience, Benefits, Attitude, Convenience

INTRODUCTION

The sector of Fintech exhibits the innovative services provided to the customers with the help of developments in the field of information & communication technology. The sector of Fintech comprises of the innovative firms which provide financial services to the customers with the support of technology. The concept of Fintech aroused by merging two elements of fiancé & technology as financial technology (Abad-Segura et al., 2020). The services offered by Fintech can be seen in varied industries like e-commerce, mobile payments, risk management, portfolio management, virtual currencies, customized consulting, system integration etc., (Nicoletti, 2017). The Fintech firms owes its growth to financial crisis held in 2008, due to the problems confronted by the customers to get access to the financial services of traditional nature (Mansilla, 2017). The field of Fintech provides easy access to the financial services that proves to be advantageous for the financial inclusion in the emerging markets (TironTudor et al, 2019).

The growth and development of the Fintech field depends over the improved technologies like internet, artificial intelligence, near field communication, blochchain, mobile wallets and so many (Lim, et al., 2019). It can be stated that such improved technologies pave the way to the growth of the Fintech companies through easy access for data collection, prompt service delivery, democratized access (Nakashima, 2018). On the basis of the information & communication technology, increased amount of financial transactions is possible in an electronic mode without any human interference through Fintech (Weichert, 2017).

Online banking or the e-banking is referred to as one among the services developed with the help

of advancements in technology. Through online banking, the customers can perform their bank transactions from the place of work or residence with the help of communication media like the landlines, mobile phones etc.

The increase in the number of customers making use of internet and usage of mobile phones can be considered by the financial companies to develop their services (Kurniawan, 2013). In recent days, the mobile phones are utilized by the customers for performing financial activities like the payment of bills, transfer of money, proximity payments, cellular marketing, coupons, discounts etc., (Oliveira et al., 2016)

PROBLEM STATEMENT

Even with the advancements in the field of technology, some customers feel insecure for making financial transactions through online mode. The customers feel that their money will not be safe in online monetary transactions.

OBJECTIVE

The purpose of the study is to explore the factors which affect the perception of customers towards Fintech firms.

REVIEW OF LITERATURE

Rinrin, et al., (2019) stated that during the evolution of the industrial revolution, the sharia financial institutions had started to improve their innovation in products by using the Fintech. With the innovation and development, the people in the society are also expected to go hand in hand with the updated financial services. The study presented here had the aim of examining the way through which interest for utilizing the sharia services was influenced by varied factors like benefits, suitability, attitude and convenience. The design of the study was descriptive and quantitative and the sample population comprised of the Jepara people. Incidental sampling was used to select the respondents. The sample size of the study was 193 and the questionnaire was used for data collection. The findings of the study showed that benefit, attitude and convenience affected the perception of the customers of sharia Fintech. On the other hand, suitability and trust as found not to affect the perception of the customers.

Barbu et al., (2021) performed a study which analyzed the customer experience regarding Fintech sector. on the basis of S-O-R (stimulus-organism-response) approach, the authors had suggested a model wherein the customer experience regarding Fintech arises from the evaluation of the customers towards the stimuli suggested by the Fintech firms. With the help of PLS-SEM, the authors had tested the hypothesis and validation of the model of the study. the findings of the study showed that customer support, perceived value, speed, perceived innovativeness of the firm and assurance were related in a positive way with the customer experience of Fintech. This customer experience was seen to be optimistically related with the intentions of the customer to be loyal.

Ankita & Debabrata (2020) had stated that the financial services offered by banks had been expanded with the support of the advanced technology. The aim of the paper presented here was to examine the association amidst varied demographic profiles, adoption of services offered by Fintech, perception, pattern of users and the challenges confronted by the customers of banks while using the services offered through Fintech. The sample size of the study was 215. The data was collected through a survey and the outcomes showed that there was a relationship of using the services of Fintech with the varied demographic profiles. Though the Fintech firms have gained momentum in recent years, it is also a fact that misconception proves to be a great obstacle

in the way of Fintech development.

RESEARCH METHODOLOGY

The study is carried out for identifying the factors which affect the customer perception towards the Fintech services. The respondents of the study are selected through convenience sampling and the number of respondents so selected is 100. The data has been collected from the respondents through a questionnaire and the analytical tool of the research study is Regression Analysis.

ANALYSIS AND INTERPRETATION

R	R Square	Adjusted R Square	F	Sig.
0.930(a)	0.865	0.856	99.455	0.000(a)

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.956	.139		6.863	.000
Regulations lessening barriers	.294	.029	.475	10.134	.000
Developing of digital world	.071	.027	.121	2.681	.009
More Millennials in the workforce	.008	.027	.014	.292	.771
Developing of Social media	.102	.047	.115	2.167	.033
Technological innovations have reduced entry barriers	.115	.026	.218	4.451	.000
Customer expectations are shifting.	.170	.042	.257	4.008	.000

a Dependent Variable: customer perception

FINDINGS

The above table revealed a positive coefficient, which means that among all the statements, were influence on the customer perception of FINTECH service in Chennai. There was a positive relation found between customer perception and perceived ease of use. R value of this study was 0.865 and significant value of the study was 0.00. Findings show that the Customer perception was highly influenced by the FINTECH service factors.

CONCLUSION

In the present era, innovations in the financial sector is essential to keep in pace with the

competition. The innovations in financial transactions are identified through the provision of online services to the customers, even if few customers do not opt for the tech-based financial services. The current study found that few variables like perceived benefits, attitudes, benefits and convenience affected the perception of customers towards Fintech companies. Findings show that the Customer perception was highly influenced by the FINTECH service factors.

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