

Unveiling Transformative Forces of Fintech in India: A study of Digital Immigrants Versus Digital Natives

Ms. Krishna Ashutoshbhai Vyas

[M.com, M.Phil., GSET, Ph.D. Pursuing]

Assistant Professor, School of Management R K University Rajkot -360020

Email: vyas.krishnaphd@gmail.com

Abstract:

The information technologies are continued to escalate, the gap between the digital immigrants and digital natives continues to amplify. Fintech services are booming with inventions & modernization. The magnitude of Fintech is intensifying day by day. Embodiment, a utilization of fintech is helpful to the companies, business owners and consumers in order to manage their monetary maneuvers, progressions, and lives through engaging precise software & etiquettes which are used on computers and smartphones. The main focus of the research is identifying and analyzing the key drivers of fintech in India further the study shows the customer adoption and attitude. The study is based on primary data collection method where by the sample of 120 fintech users who were selected based on Digital Immigrants and Digital Natives. sampling method. The study was carried out at saurashtra region. The researcher tried to analyze the level of awareness about various business Fintech products, identify the attitude of the respondents towards fintech products and the level of adoption towards various Fintech product by the respondents. The research was statistically justified with the Chi-square test.

Keywords: *Fintech, awareness, adoption and attitude, Chi-square test*

1.1 Introduction:

India is one of the fastest growing fintech markets in the world; Fintech adoption rate is 87%, the highest in the world. The Indian fintech market is primarily focused on the lending and payments sector, with other segments such as wealth technology, personal finance management, insurance technology, and regulatory technology being highlighted. India is set to become the third largest fintech market by year 2025. 2015 was a formative year for the country's fintech sector as a large number of fintech start-ups and public and private investments emerged. The world's fastest growing fintech industry is concentrated in the Asia-Pacific region, with some of the world's major players such as China and India based in the region. Mark Prensky introduced the concept of digital natives and digital immigrants greater than a decade ago in an article titled "Digital natives, digital immigrants." Prensky defines digital natives as a generation that has grown up with new technologies. He believes that this generation has lived with certain characteristics that have surrounded his entire life and lived with computers, video games, digital music his players, cell phones, his 24/7 access to the internet, and digital tools. Digital natives think and process information differently, and are accustomed to getting information from the World Wide Web at the push of a button, not from textbooks or libraries. In contrast to digital natives, he describes digital immigrants as a generation "not born into the digital world, but at some point, in our lives fascinated and absorbed by many or most aspects of new technology." Define. India's digital journey is within the last 20 years. So, in contrast to the West, only millennials born after 1995 can qualify as digital natives. Meanwhile, over 90% of his workforce in India are digital immigrants who adopt and learn to use digital technology and its language in various ways.

1.2 Literature Review:

(Das & Das, 2022) had conducted research on "Perception, Adoption, and Pattern of Usage of FinTech Services by Bank Customers: Evidences from Hojai District of Assam." This article aims to investigate the relationship between different demographic profiles, the adoption of FinTech services, the perception, user pattern, and constraints faced by the bank customers in using FinTech services. The results based on survey of 215 respondents reveal significant association between usage of FinTech services and different demographic profiles. However, the awareness and use of such services is found more among millennials and generation Z as compared with generation X and baby boomers. While the FinTech companies gained the popularity in payment space, it is observed that misconception is an important factor that hinders the growth of technology-based services among respondents.

(Mehta & Kumari, 2021) had conducted research on "Drivers of FinTech in India - A Study of Customers' Attitude and Adoption". The researcher tried to study the drivers of FinTech in India and also the customers awareness and adoption level. The data from 150 respondents were collected randomly

regarding the same through the structured questionnaire and binary logistic regression was calculated to know whether customer's perception in regards to the various factors contributing to the usage of FinTech services and the interest of respondents to use FinTech in next 5 years.

(Gupta & Agrawal, 2021) had conducted research on "Analytical Study of Fintech in India: Pre & Post Pandemic Covid-19". The researchers analyzed changes in traditional financial sectors after introductions of FinTech in India, as well as the influence of COVID pandemic on the adoption of FinTech in India. The research paper was purely theoretical in nature.

(Lachhwani & Jain, 2021) had conducted research on "A Study on Consumer Attitude Towards Fintech Services". The researcher focused on the consumer's attitude towards FinTech and the factors that influence adoption of FinTech, the data from 168 respondents were collected from Ahmedabad, Gujarat and further the statistical analysis was done through Chi-Square test.

(Mehta & Kumari, 2021) Drivers of FinTech in India - A Study of Customers' Attitude and Adoption." The paper focuses on the customer's responses with respect to adoption, inclination and attitude towards FinTech technologies. It could have implications for regulators, policy makers, banks, FinTech startups and other financial institutions along with retail customer. As per analysis, FinTech will be disruptive to payment and investment management sectors majorly. Variables like ease of use, cheaper service, easy accessibility and enhanced customer experience significantly impact customers' interest of adopting FinTech in next five years.

1.3 Research Gap:

It has been observed from the literature reviews that there is scope to conduct research on "Unveiling Transformative Forces of Fintech in India: A study of Digital Immigrants Versus Digital Natives".

1.4 Objectives:

1. To identify and analyze the key drivers of fintech business and services among the digital Immigrants and digital natives in India
2. To study the awareness about various fintech business and services among the digital Immigrants and digital natives in India.
3. To analyze the attitude of digital Immigrants and digital natives towards fintech business and services in India
4. To Examine the readiness of the digital Immigrants and digital natives for the adoption of fintech business and services initiated in India

1.5 Research Methodology:

| | |
|------------------------------------|--|
| Universe of the Study | People of Saurashtra Region |
| Nature of the Study | Exploring and analytical |
| Sampling Technique | Convenience sampling technique is used |
| Sample of the study | 120 people from Saurashtra Region |
| Collection of Data | Study is based on Primary data. |
| Data Collection Instrument | Structured Questionnaire |
| Data Analysis tools and techniques | Chi-square Statistical test |

1.6 Data Analysis:

| | |
|------------------|------------|
| Cronbach's Alpha | N of Items |
| 0.966 | 37 |

Interpretation:

From the above table it can be seen that the Cronbach's Alpha is of 0.966 which shows there is highest reliability among the sampled data.

| | Factor | Count of Responses | Percentage |
|---------------------------|---------------|--------------------|------------|
| Marital status | Married | 53 | 44 |
| | Unmarried | 67 | 56 |
| | Grand Total | 120 | 100 |
| Educational Qualification | Undergraduate | 20 | 17 |
| | Graduate | 20 | 17 |

| | | | |
|---|------------------|-----|-----|
| | M.Phil. | 20 | 17 |
| | Ph.D. | 20 | 17 |
| | Post Graduate | 20 | 17 |
| | SSC | 20 | 17 |
| | Grand Total | 120 | 100 |
| Gander | Female | 70 | 58 |
| | Male | 50 | 42 |
| | Grand Total | 120 | 100 |
| Digital Immigrants and Digital Natives | Born before 1995 | 67 | 56 |
| | Born after 1995 | 53 | 44 |
| | Grand Total | 120 | 100 |
| Location of respondents | Rural | 20 | 17 |
| | Semi - Urban | 45 | 38 |
| | Urban | 55 | 46 |
| | Grand Total | 120 | 100 |

Interpretation:

From the above demographic characteristics of the respondents in harmony with the aim of the research, researcher bifurcated the samples into two groups bearing in mind the concept of Digital Natives and Digital Immigrants here we can see that total 67 (i.e.,56%) of responded were born after 1995 while 53 (i.e., 44%) of the respondents were born after 1995.

1.7 Chi-Square Tests:**1.7.1 Hypothesis testing of awareness about various fintech business and services among the digital Immigrants and digital natives:**

Ho₁: The awareness about various fintech business and services among the digital Immigrants and digital natives are Independent of each other during the study period

Ha₁: The awareness about various fintech business and services among the digital Immigrants and digital natives are Dependent of each other during the study period

Table 1.7.1: Chi-Square test between awareness about various fintech business & services and the digital Immigrants and digital natives

| Awareness about the varied FinTech businesses | Chi Share Calculated Value | DF | Chi Share Table Value | Significance | Hypothesis |
|---|----------------------------|----|-----------------------|--------------|--------------------------|
| Paytm | 22.830 | 10 | 18.307 | Yes | Null Hypothesis rejected |
| Lendingkart | 33.996 | 10 | 18.307 | Yes | Null Hypothesis rejected |
| MoneyTap | 11.759 | 10 | 18.307 | No | Null Hypothesis Accept |
| Instamojo | 21.521 | 10 | 18.307 | Yes | Null Hypothesis rejected |
| Razorpay | 31.769 | 10 | 18.307 | Yes | Null Hypothesis rejected |
| Shiksha Finance | 21.947 | 10 | 18.307 | Yes | Null Hypothesis rejected |
| Pine Labs | 30.991 | 10 | 18.307 | Yes | Null Hypothesis rejected |
| ZestMoney | 15.001 | 10 | 18.307 | No | Null Hypothesis Accept |
| PolicyBazaar | 18.226 | 10 | 18.307 | No | Null Hypothesis Accept |
| InCred | 10.822 | 10 | 18.307 | No | Null Hypothesis Accept |
| Vendantu | 22.982 | 10 | 18.307 | Yes | Null Hypothesis rejected |
| Acko | 23.037 | 10 | 18.307 | Yes | Null Hypothesis rejected |
| Groww | 19.766 | 10 | 18.307 | Yes | Null Hypothesis rejected |
| Zerodha | 36.957 | 10 | 18.307 | Yes | Null Hypothesis rejected |

| | | | | | |
|--------|--------|----|--------|-----|--------------------------|
| WazirX | 20.769 | 10 | 18.307 | Yes | Null Hypothesis rejected |
| Zebpay | 39.967 | 10 | 18.307 | Yes | Null Hypothesis rejected |

Interpretation:

The above table depicts the Chi-Square test statistics; here it can be seen that majority of the cases the at 5% significance level the result is significant where the Chi-Square calculated value is higher as compared to the Chi-Square table value at 20 degrees of freedom. Hence the awareness about the Paytm, Lendingkart, Instamojo, Razorpay, Shiksha Finance, Pine Labs, Vendantu, Acko, Groww, Zerodha, WazirX, Zebpay; the varied FinTech businesses among the digital Immigrants and digital natives are Dependent of each other during the study period.

1.7.2 Hypothesis testing of the key drivers of fintech business and services among the digital Immigrants and digital natives in India:

Ho₂: The key drivers of fintech business and services among the digital Immigrants and digital natives in India are Independent of each other

Ha₂: The key drivers of fintech business and services among the digital Immigrants and digital natives in India are Dependent of each other

Table 1.7.2: Chi-Square test between the key drivers of fintech business and services among the digital Immigrants and digital natives in India:

| The key drivers of fintech business and services | Chi Share Calculated Value | DF | Chi Share Table Value | Significance | Hypothesis |
|--|----------------------------|----|-----------------------|--------------|--------------------------|
| Digital banking | 40.1 | 20 | 31.41 | Yes | Null Hypothesis rejected |
| Payment | 30.051 | 20 | 31.41 | No | Null Hypothesis Accept |
| Trading and cryptocurrency | 34.523 | 20 | 31.41 | Yes | Null Hypothesis rejected |
| Insurance | 38.918 | 20 | 31.41 | Yes | Null Hypothesis rejected |
| Deposit and lending | 35.1 | 20 | 31.41 | Yes | Null Hypothesis rejected |
| Capital raising | 25.051 | 20 | 31.41 | No | Null Hypothesis Accept |
| Education | 37.567 | 20 | 31.41 | Yes | Null Hypothesis rejected |

Interpretation:

The above table depicts the Chi-Square test statistics; here it can be seen that majority of the cases the at 5% significance level the result is significant where the Chi-Square calculated value is higher as compared to the Chi-Square table value at 20 degrees of freedom. The **key drivers of fintech business and services among the digital Immigrants and digital natives in India** like; Digital banking, Payment, Trading and cryptocurrency, Insurance, Deposit and lending, Education are Dependent of each other during the study period.

1.7.3 Hypothesis testing of the attitude of digital Immigrants and digital natives towards fintech business and services in India:

Ho₃: The attitude of digital Immigrants and digital natives towards fintech business and services in India are Independent of each other during the study period

Ha₃: The attitude of digital Immigrants and digital natives towards fintech business and services in India are Dependent of each other during the study period

Table 1.7.3: Chi-Square test between the attitude of digital Immigrants & digital natives and the fintech business and services in India

| Perspective Regrading FinTech Services | Chi Share Calculated Value | DF | Chi Share Table Value | Significance | Hypothesis |
|---|----------------------------|----|-----------------------|--------------|--------------------------|
| Riskier to use | 44.918 | 20 | 31.41 | Yes | Null Hypothesis rejected |
| Access this service anytime and anywhere | 33.693 | 20 | 31.41 | Yes | Null Hypothesis rejected |
| Service is the cheapest | 20.4 | 20 | 31.41 | No | Null Hypothesis accepted |
| Trustworthy | 40.385 | 20 | 31.41 | Yes | Null Hypothesis rejected |
| Service is complex and it will take me a lot of time to learn how to use it | 30.15 | 20 | 31.41 | No | Null Hypothesis accepted |
| Convenient and the easiest to use | 36.899 | 20 | 31.41 | Yes | Null Hypothesis rejected |
| User-friendly | 33.448 | 20 | 31.41 | Yes | Null Hypothesis rejected |
| Fast and quick | 35.1 | 20 | 31.41 | Yes | Null Hypothesis rejected |
| Security of your money/investment | 21.051 | 20 | 31.41 | No | Null Hypothesis accepted |
| Protection of your personal data | 33.523 | 20 | 31.41 | Yes | Null Hypothesis rejected |
| Cyber attacks | 25.918 | 20 | 31.41 | No | Null Hypothesis accepted |
| Lack of expertise/experience | 33.1 | 20 | 31.41 | No | Null Hypothesis rejected |
| No concerns | 31.051 | 20 | 31.41 | No | Null Hypothesis accepted |

Interpretation:

The above table depicts the Chi-Square test statistics; here it can be seen that majority of the cases the at 5% significance level the result is significant where the Chi-Square calculated value is higher as compared to the Chi-Square table value at 20 degrees of freedom. The **attitude of digital Immigrants and digital natives towards fintech business and services in India**; Riskier to use, access this service anytime and anywhere, trustworthy, convenient and the easiest to use, User-friendly, Fast and quick to access, Protection of your personal data, Lack of expertise/experience in India are Dependent of each other during the study period. **the attitude of digital Immigrants and digital natives towards fintech business and services in India** like; Service is the cheapest, it is complex and will take me a lot of time to learn how to use it, Security of your money/investment, Cyber-attacks, no concerns are Independent of each other during the study period.

1.7.4 Hypothesis testing of the readiness of the digital Immigrants and digital natives for the adoption of fintech business and services initiated in India:

Ho₄: The readiness of the digital Immigrants and digital natives towards adoption of fintech business and services in India are Independent of each other during the study period

Ha₄: The readiness of the digital Immigrants and digital natives towards adoption of fintech business and services in India are Dependent of each other during the study period

| Readiness for FinTech Products | Chi Share Calculated Value | DF | Chi Share Table Value | Significance | Hypothesis |
|---|----------------------------|----|-----------------------|--------------|--------------------------|
| I would like to use Fintech services in my daily life | 25.050 | 20 | 31.41 | No | Null Hypothesis accepted |
| I will think to continue using Fintech services as much as possible | 20.500 | 20 | 31.41 | Yes | Null Hypothesis accepted |
| I am ready and open to use fintech services. | 32.808 | 20 | 31.41 | No | Null Hypothesis rejected |

Interpretation:

The above table depicts the Chi-Square test statistics; here it can be seen that at 5% significance level the result is significant where the Chi-Square calculated value is higher as compared to the chi-square table value at 20 degrees of freedom. Hence the null hypothesis would be rejected (in case of I am ready and open to use fintech services) The readiness of the digital Immigrants and digital natives towards adoption of fintech business and services in India are Dependent of each other during the study period.

1.8 Major findings:

1. The researcher found that majority of the respondents as compared to the Digital Immigrants Digital Natives are more aware about the fintech businesses in India.
2. The researcher explored the key drivers of fintech business and services among the digital Immigrants and digital natives in India that approximately 70% respondents use Fintech Services for Digital banking, Payment, Deposit and lending, Capital raising.
3. The research stated attitude of digital Immigrants and digital natives towards fintech business and services in India: that more than 80 % respondents agrees that Fintech Services can be access at anytime and anywhere, it is the cheapest, trustworthy, convenient and the easiest to use, fast and quick but at a same time more than 70 % respondents are agrees the security of their money/investment and majority were facing problems because of lack of expertise/experience.
4. The Chi-Square statistical test applied to identify whether the awareness about various fintech business and services among the digital Immigrants and digital natives are Independent of each other during the study period or not. Analysis showed that the null hypothesis would not be accepted, it proves that the awareness about various fintech business and services among the digital Immigrants and digital natives in India (like Paytm, Lendingkart, Instamojo, Razorpay, Shiksha Finance, Pine Labs, Vendantu, Acko, Groww, Zerodha, WazirX, Zebpay) are dependent of each other during the study period.
5. The result showed in case of the key drivers of fintech business and services among the digital Immigrants and digital natives in India that the null hypothesis would not be accepted it proves that the

key drivers of fintech business and services among the digital Immigrants and digital natives in India (like Digital banking, Payment, Trading and cryptocurrency, Insurance, Deposit and lending, Education) are dependent of each other during the study period.

6. The statistical examination of research related to the attitude of digital Immigrants and digital natives towards fintech business and services in India showed the null hypothesis would not be accepted it proves that the attitude of digital Immigrants and digital natives towards fintech business and services in India (like Riskier to use, access this service anytime and anywhere, trustworthy, convenient and the easiest to use, User-friendly, Fast and quick to access, Protection of your personal data, Lack of expertise/experience in India) are dependent of each other during the study period.
7. The statistical study of research on the readiness of the digital Immigrants and digital natives for the adoption of fintech business and services initiated in India showed that the null hypothesis would not be accepted it proves the readiness of the digital Immigrants and digital natives for the adoption of fintech business and services initiated in India (like ready and open to use fintech service) are dependent of each other during the study period.

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