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FINTECH CHALLENGES AND OPPORTUNITIES IN BANKING

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Abstract
The potential and impact of fintech on banks is becoming an increasingly important topic. Electronic banking, mobile phone payments and other innovative financial services have become an integral part of every person's life. FinTech is a new, fast-growing part of the financial services industry, so they have limited understanding of emerging phenomena (Anagnostopoulos, 2018). Fintech analyses are important not only for understanding financial innovation, but also for all aspects of finance in terms of consumer adaptation using fintech (Chen, 2016). Investments in FinTech are reaching record highs, so it is often said that FinTech institutions can change the banking system and reduce its popularity. Authors Jünger and Mietzner (2019) analysed in their article on the digitization of banking transactions that consumers tend to choose FinTech companies more than banks when it comes to transparency policies. In this context, the preferences and perceptions of the Mauritian population are analysed when it comes to adoption, awareness, current and future use of fintech services, which defines the scientific novelty of this topic. Consumer adoption attitudes of fintech services in Mauritius were analysed using an Extended Technology Acceptance Model (TAM). A questionnaire was designed and sent to the population of Mauritius where 176 responses were obtained. The data was analysed using Statistical Package for the Social Sciences (SPSS) and a multiple regression was used to test the hypotheses and find out if the independent variables (subjective norms, perceived usefulness, perceived ease of use, trust and perceived risk) have a positive influence on the dependent variable (attitude) of users in the adoption of fintech services. Next, subjective norms, perceived usefulness, perceived ease of use, and trust were found to positively influence consumer attitudes when choosing fintech services, while perceived risk did not of positive influence on consumer attitudes when adopting fintech services, which provides more information to the literature on fintech services personalization using TAM. Limitations and recommendations are discussed below.
KEY WORDS: Fintech, Digitalization, Consumer, Technology Acceptance Model (TAM), Statistical Package for the Social Sciences (SPSS), Multiple Regression.

Introduction

The 21st century has been witnessing some drastic changes in the financial industry with advanced technology like Financial Technology which is commonly known as Fintech has become a fundamental component in finance in today's world (Acar et al., 2019). According to Martin et al. (2019) the change in consumer habits and needs, as well as the development of technology, are among the main reasons for the emergence of FinTech. Technologies and innovations have made the life of people easier and faster therefore the fintech industry has indeed been booming (Yazici, 2019). Therefore, the goal of innovation is not to create better finance, but to apply it in real life and make life easier for consumers (Kordoš et al., 2018). Scientists do agree that Fintech has had a huge impact on global traditional banks. With the introduction of fintech industry globally, countries like Luxembourg, UK and Hong Kong are actively involved in the fintech market (Chang et al., 2016). Certainly, different countries in the world have been touch by it and Mauritius is not left out and has been influenced by Fintech. Gedeon (2018) said that since Mauritius is recognised as a financial centre it's taking initiative to provide a platform for fintech products. 'Fintech and Innovation-Driven Financial Services Regulatory Committee' was established in 2018 for the expansion of Fintech in Mauritius (Sitompul, 2019). To promote fintech in Mauritius there were created the Mauritius African Financial Technology Center (MAFH). This hub was created to invite government, entrepreneurs, innovators and experts to work together and to create better and bigger financial products in Mauritius. Mauritius is indeed a country who can promote the fintech growth since Mauritius is a well-established country with internet facilities, appropriate tax rate and proper legal system (Jünger and Mietzner, 2020). In this context, the preferences and perceptions of the Mauritian population are analysed when it comes to adoption, awareness, current and future use of fintech services, which defines the scientific novelty of this topic. Rogers Capital, KPMG, Sanne group and Apex Fund Services are examples of companies who provide a variety of fintech products (Bhalla and Singh, 2014; Gies, 2018). The implementation of the National Payment Switch is a big step forward in promoting digitalization in Mauritius. In June 2020, the Financial Services Commission (FSC) said that Securities Token Trading Systems will be licenced (Singh et al. 2020).

Nicole Anderson stated that before Covid19, there was an injection of USD$ 1.34 in 2018/2019 which was on top in the African Ecosystem (Hill, 2021; Fu and Mishra, 2020). Post the pandemic, Ian Dhillon deduced that fintech companies in Mauritius were the conquerors since traditional banks could not go with the flow quickly (Guild, 2017). He also said that banks are now partnering with fintech companies to focus on digital applications, online banking, stronger KYC, and effortless transactions.

Innovation in the fintech industry fuels society without cash. Banks like Mauritius Commercial Bank (MCB) has already an application called Juice which is

online banking transactions without any liquid cash (Khiaonarong and Goh, 2020). The other online transaction application is MyT money, but it is not a banking system. The introduction of these technologies and innovations have enhanced and the attitudes of consumers towards them (Vivek, 2019).

Literature review

According to Lagna and Ravishankar (2022) Fintech field is the buzz of today with the introduction of smartphones, laptops and other devices, it can be seen that technology has had a great impact in the life of everyone be it a child or an elder person. This was hiked by the non-banks and technology-driven start-ups, Dabholkar and Bagozzi (2002) discussed. Arner et al. (2015) described fintech as the union of technology and financial services. To simplify, fintech is the incorporation of technology into resources of financial services to provide better and more modern services to consumers. Fintech start-ups depend on modern technologies to keep up to the expectations of consumers. Yazici (2019) argued that financial technology is an attempt to pursue stockholders, venture capitalists, consumers and the whole state. Many countries look up to fintech services with the intention to attract foreign investors as well as foreign currencies for a better economic situation in their countries.

Fintech connects businesses who are technology-based to provide new and innovative services in the market. Sung et al. (2019) said that fintech products are likely to be transparent, easy and efficient for customers to be interested in them.

Hu et al. (2019) discussed how fintech firms raised up from $12.2 billion to $153.1 billion from 2010 to 2016. MC Kinnon and Shaw introduced 'financial deepening' in 1973, this has therefore led to an advance in technology (Tan et al. 2018). Dabholkar and Bagozzi (2002) argued that companies adopt technology as a motivation to provide many financial services to customers for efficiency enhancement. Fintech has an objective of marking bigger volumes of transactions with smaller number of transactions by offering innovative products and technology-driven start-ups. Arner et al. (2015) argued that the habits of consumers have drastically changed with the introduction of online banking.

Zion market research believed that the mobile banking market will have a value of £2660.87 billion by 2024 globally (Dzhuruk, 2020). Vivek (2019) talked about how investment in fintech became US$ 12 billion in 2014 worldwide. He talked about payments in innovation. Cornelli, et al. (2023) said that the need for finance for small and medium enterprise (SMES) has led to the fact of lending from fintech financing. Three fintech accelerators were introduced in Hong Kong and Singapore within a year.

Fintech has contributed a lot in different sectors and has become one of the most active growing markets in the world.

Types of Fintech

Peer to Peer Lending. Sitompul (2019) defined peer to peer lending (P2P) as firms who connect borrowers and lenders without the need of traditional banks. This system is growing rapidly in the industry where they act as online intermediaries. This is beneficial for companies that do not have high costs (Sitompul, 2019). This system is beneficial because borrowers benefit from low interest rates and lenders benefit from high returns. Suryono et al. (2021) deduced that the two best and most successful peer-to-peer lending companies are Lending Club and Prosper.

Peer to Peer Payment is a bill payment method that allows you to make transfers anytime, anywhere between your online bank accounts. For example, we can use a peer-to-peer payment to cover a $30 lunch bill (Guild, 2017). It allows users to fund transfers from their personal accounts to another account using online banking or, for example, using mobile apps such as Paypal.

Mobile Wallet. Amoroso and Magnier (2012) defined mobile wallet as a virtual wallet that contains personal payment cards data on a mobile phone. It is useful and convenient for anyone to make cashless payment. It allows you to pay digitally very safely and fastly. Apple Pay, Android Pay and Samsung Pay are examples of mobile wallets.

Blockchain. Blockchain is a type of database that collects data electronically about certain information stored on a computer. Blockchain is designed to record and share information that can be used later. This type of database is decentralized, transparent and seamless (Junger and Mietzner, 2020). Entries are linked and known as blocks in a single list called a chain (Kuisma et al., 2007). Blockchain is considered as one of the greatest achievements of fintech, which uses blockchain, the transactions are cheaper and faster compared to the traditional banking system (Alt and Puschmann, 2012).

Cryptocurrency. Meyliana et al. (2019) defines cryptocurrency as a digital or electronic money which can be used to make payments or transfers using computers. Cryptocurrency is used as an intermediary where a person's coin ownership records are kept in ledger form in a computer to record, secure, control and verify transactions of coin ownership (Lagna and Ravishankar, 2022; Nakashima, 2018). The main cryptocurrency is Bitcoin, which was invented in 2008 under the unidentified name of Satoshi Nakamota (Nakashima, 2018). This virtual currency is the first decentralized cryptocurrency that allows payment for trade and transactions. It is fast, cheaper and does not require any transaction fees.

Crowdfunding. Akinwale and Kyari (2020) defined crowdfunding as a way to finance a business or venture by assembling little sum of money from bigger number of people online. By using crowdfunding, US$ 34 billion was raised in 2015 globally (Romanova and Kudinska, 2016). Funding is easier and faster when using crowdfunding and the best examples are Kickstarter and Indiegogo (Romanova and Kudinska, 2016).

Models/Theories used to measure consumer's behaviour when using fintech:

Theory of Reasoned Action/ Theory of Planned Behaviour. Fishbein and Ajzen (1975) derived that Theory of Reasoned Action (TRA) was utilized to explain the behaviour of an individual with his

willpower, control, and consciousness but it could not explain the behaviour of an individual without his willpower and control. It is due to this failure of explanation that the Theory of Planned Behaviour (TPB) was established by Icek Ajzen (2002) himself with lots of improvements. It is a forecast of a person's intention to behave in a certain way at a precise time and place. Also, TPB is expected to derive the behaviour of people over which people have the capacity to apply self-restraint (Sandhu and Arora, 2020). TPB falls into 6 forms that shows an individual's control over his behaviour:

• Attitudes

This is based on the approach of a person's behaviour. It can be both negative and positive.

• Behavioural Intention

This is simply where the better is the intention, the better will be the behaviour.

• Subjective Norms

This refers to whether peer or close people to the person believe that he or she needs to engage in such a behaviour. This influences the person's behaviour since he or she needs the consent and acceptance of other people.

• Social Norms

This represents the code of conducts that is certain formalities or policies deciding one's behaviour. Also, the behaviour is influenced by a larger group. Social norms are ontological and rational.

• Perceived Power

This includes factors which have control and power on the behaviour of people.

• Perceived Behavioural Control

This refers to people's perception of easy and difficult situations and actions. The way they behave depends greatly on circumstances.

Technology Acceptance Model (TAM) was developed by Fred Davis and Richard Bagozzi (Davis, 1989). Hu et al. (2019) analysed that Technology Acceptance Model (TAM) was planned to conceal the flaws of the TRA in 1986. TAM is used to examine the behavioural attitudes of individual to implement technology. TAM is a broadly used model since it is efficient in the technology adoption research. TAM shows the contrast in the consumer willingness to adopt technology (Nakashima, 2018). The behavioural attitudes are classified into perceived usefulness and perceived ease of use which are significant in the adoption of new technology. Here, they are significant to the adoption of fintech services by consumers in Mauritius. The attitudes are categorized in the following:

• Perceived Usefulness

In the context of TAM, perceived usefulness (PU) is defined as a factor which is applied in the adoption of information system and as a degree to which a customer will enhance efficiency by adopting new technology. Fred Davis (1989) derived that perceived usefulness is to derive to what extent the usage of a new technology will enhance and facilitate the life of an individual. In our thesis, perceived usefulness is used to study whether consumers in Mauritius opt for this service if they believe that fintech is beneficial over traditional banks. Lots of past studies showed a positive relationship between perceived usefulness and consumer's attitudes and intentions in the context of the adoption of technology. Perceived usefulness is part of our hypothesis testing.

• Perceived Ease of Use

Perceived ease of use (PEU) is another main factor of TAM and is defined as the degree of effort and knowledge which is expected to be used by adopters of fintech (Davis, 1989). In this study, perceived ease of use is defined as the extent that consumers will want to use an effortless fintech service. Consumers adopt fintech by considering the ease of use of fintech which is considered as an important aspect. If fintech is easy to use and more convenient, any consumer will wish to adopt this technology showing a positive relationship between perceived ease of use and consumer's attitudes when adopting financial technology which is also part of the hypothesis testing.

• Attitudes

Attitude is a factor of TAM and TPB as well. Attitude (ATT) refers to the behaviour comprising of personal views, judgements and inclination towards something. (Ajzen and Fishbein, 1975). Norman and Conner (2006) derived that attitude is determined by both perceived usefulness and perceived ease of use. Attitudes are used to determine the intention of a consumer when adopting any technology. Regarding TAM, it is observed that positive attitude regarding new technology is an assumption of intention to adopt this technology (Tang et al. 2020). The more positive attitude of a consumer, the more likely is the intention of adopting fintech services. Attitudes is the dependent variable of our study.

• Trust

Trust (TRU) is another factor and component in TAM where trust is used to attract users to adopt fintech. Trust can be defined as the integrity, belief and ability towards someone or something (Zhang et al., 2018). Since fintech is new and modern, trust is the confidence which is important. Trust is significant that attracts the attitude of an individual when adopting new technology (Nakashima, 2018). The more trust there is, the more the consumer will tend to incline towards the adoption of fintech. Trust is used to analyse whether it has a positive impact on the attitudes of consumers when adopting fintech services in the hypothesis testing.

• Brand Image

Brand image (BI) is the good reputation of any product or service. A good brand image can attract users easily as it already has a goodwill which is desirable and of high standard. Sandhu and Arora (2020) said that a good brand image can build the trust of an individual. Brand image has a positive impact on the trust of consumers when adopting fintech.

• Perceived Risk

Perceived risk (PR) is a type of risk where there is a lacune of trust. Also, some studies found that perceived risk is an element which negatively affects the consumers from adopting technology that is fintech. In our study, we refer perceived risk as an economic and personal risk which the consumer perceives when adopting fintech services. Economic risk also known as financial risk is monetary crisis and fiscal detriment. Personal risk is private data about consumers which they do not want to disclose when adopting the financial technology. Paulet and Mavoori (2020) considered perceived risk as a main

component influencing the consumers adopting fintech. The riskier the technology, the poorer will be the attitudes of consumers when adopting this technology. PR is also used for the hypothesis testing.

• Government Support

Government support (GS) is an important factor when adopting fintech. Good government improves the credibility and reliability of good and services (Hu et al 2019). Vivek (2019) showed that government support positively influences the attitude of consumers when adopting fintech.

Hypotheses for proposed model:

H1: Subjective norm has a positive impact on the attitudes of consumers when adopting fintech services.

H2: Perceived usefulness has a positive impact on the attitudes of consumers when adopting fintech services.

H3: Perceived ease of use has a positive impact on the attitudes of consumers when adopting fintech services.

H4: Trust has a positive impact on the attitudes of consumers when adopting fintech services.

H5: Perceived risk has a positive impact on the attitudes of consumers when adopting fintech services.

The figure below shows the conceptual model of this thesis where the independent variables (Subjective norms, Perceived usefulness, Perceived ease of use, Trust and Perceived risk) are shown to have an impact on the dependent variable (Attitude).

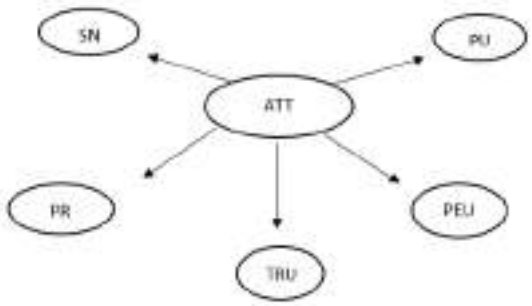

Fig. 1. Conceptual model

Methodology

Research methodology is the way to identify, process and analyse information and data about a particular subject. In our study, data have been identified and analysed on people's perception and attitudes when they adopt fintech. Research methodology serves as a purpose for decision making. Primary data have been used and online questionnaires have been sent to respondents. The sample size is 176 respondents of the Mauritian population. After the collection of data from the questionnaires, the data are run into a Statistical software. Statistical Package for the Social Sciences (SPSS) has been used. This helps in calculating the data and converting them in charts. In addition, a multiple regression analysis is done which is utilized to analyse the relationship and between the independent and dependent variables. The dependent variable is the attitudes when adopting fintech services and the independent variables are the subjective norms, perceived usefulness, perceived ease of use, trust and perceived risk.

Research Objectives

• Mauritians' awareness of fintech and knowledge about how to use fintech.

• The factors affecting the adoption of fintech services.

• The impact of the factors on attitudes of consumers when adopting fintech services.

• The future of fintech.

Research Questions

• Are consumers aware and know how to use fintech in Mauritius?

• Is TAM model relatable to Mauritians?

• What are the factors affecting the adoption of fintech in Mauritius?

Model Specification

A multiple regression analysis is utilized to analyse the relationship between the independent and dependent variables. The dependent variable is the attitudes when adopting fintech services and the independent variables are the subjective norms, perceived usefulness, perceived ease of use, trust and perceived risk.

The regression equation is as follows:

$Y= \beta0+\beta1x1+\beta2x2+\beta3x3+\beta4x4+\beta x5+\varepsilon$

Where:

Y is attitude (ATT) and is the dependent variable.

β0 is a constant term.

x1 = Subjective Norm (SN)

x2 = Perceived Usefulness (PU)

x3 = Perceived Ease of Use (PEU)

x4 = Trust (TRU)

x5 = Perceived Risk (PR)

ε is error term.

Data analysis and results

The Cronbach Alpha measures the reliability and consistency of a Likert scale of the questionnaire. Table 1 illustrates the reliability statistics of the factors affecting the adoption of fintech services. The Cronbach's Alpha is 0.889 which indicates that the questions or factors are 88.9% reliable. This shows that the data are reliable and can be used.

Table 1: Reliability Statistics

Cronbach's Alpha	N of Items
.889	10

Table 2. Demographics results

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variable	category	frequency	Percentage (%)
Gender	Male	60	34.1
	Female	116	65.9
Age	18-25	156	88.6
	26-35	10	5.7
	36-45	2	1.1
	46-60	7	4.0
	Above 60	1	0.6
Residence	Urban area	113	64.2
	Rural area	63	35.8
Educational level	Primary	1	0.6
	Secondary	42	23.9
	Undergraduate	120	68.2
	Postgraduate	13	7.4
Profession	Student	106	60.2
	Employed	60	34.1
	Self-employed	8	4.6
	Unemployed	4	2.3
	Not applicable	108	61.4
Income level	<15000	18	10.8
	15001-25000	32	18.2
	25001-40000	8	4.5
	> 40000	9	5.1
Bank account user	Yes	176	100
	No	0	0
User of which bank	SBM	98	55.1
	MCB	125	71.0
	Afrasia bank	10	5.5
	Mauritius bank	62	35.4
	HSBC	4	1.5
Aware of fintech	Yes	140	79.5
	No	36	20.5
Usage of fintech	Yes	155	88.1
	No	21	11.9
Frequency of usage	Always	76	43.2
	Sometimes	79	44.9
	Never	21	11.9

Table 2 shows the demographics results where more females have responded to the questionnaires than males. Respondents aged between 18 till 25 years have the highest frequency. 113 out of 176 respondents lives in Urban area as compared to 63 respondents who live in Rural area. 68.18% are undergraduates and 60.23% are students. 108 respondents have zero income and only 9 respondents earn more than Rs40000. All the 176 respondents have a bank account. MCB has the highest frequency followed by SBM which are the two most dominant banks in Mauritius. 36 respondents did not know about fintech services before this survey and 155 use fintech services. 76 respondents always use fintech, 79 sometimes and 21 respondents do not use fintech at all out of the 176 respondents.

Multiple Regression

Multiple Linear Regression is used to analyse how independent variables have an impact on a dependent variable. In this study, we have as independent variables- Subjective Norms(SN), Perceived Usefulness(PU), Perceived Ease of Use(PEU), Trust(TRU) and Perceived Risk(PR) and as dependent variable we have the Attitudes(ATT) of consumers when adopting fintech services.

The following hypotheses were tested:

Hypothesis 1: Subjective norm

H0: Subjective norm does not have a positive impact on the attitudes of consumers when adopting fintech services.

H1: Subjective norm has a positive impact on the attitudes of consumers when adopting fintech services.

Hypothesis 2: Perceived Usefulness

H0: Perceived usefulness does not have a positive impact on the attitudes of consumers when adopting fintech services.

H1: Perceived usefulness has a positive impact on the attitudes of consumers when adopting fintech services.

Hypothesis 3: Perceived ease of use

H0: Perceived ease of use does not have a positive impact on the attitudes of consumers when adopting fintech services.

H1: Perceived ease of use has a positive impact on the attitudes of consumers when adopting fintech services.

Hypothesis 4: Trust

H0: Trust does not have a positive impact on the attitudes of consumers when adopting fintech services.

H1: Trust has a positive impact on the attitudes of consumers when adopting fintech services.

Hypothesis 5: Perceived Risk

H0: Perceived risk does not have a positive impact on the attitudes of consumers adopting fintech services.

H1: Perceived risk has a positive impact on the attitudes of consumers when adopting fintech services.

Table 3. Model Summary

Table 3 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.810a	.657	.647	.52944

a. Predictors: (Constant), PR, PEU, SN, TRU, PU

b. Dependent variable: ATT

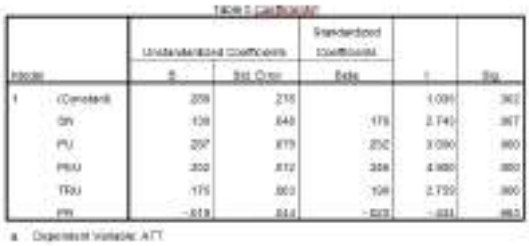
Table 3 represents the model summary of the independent and dependent variables.

R is the multiple correlation coefficient which has a value of 0.810 which signifies a high level of correlation between variables. R Square is the coefficient of determination which is a more accurate measure of the strength of the relationship between the variables. R square has a value of 0.657, this shows that 65.7% is the percentage of variation in the dependent variable which is being explained by the independent variables. Since R square is relatively high, this shows a strong relationship between the variables. Adjusted R square is 0.647 which represents a good degree of prediction. Independent variables cause 64.7% of the variance in the dependent variable.

Table 4. ANOVA

Table 4 shows the ANOVA Table where the F-ratio shows whether the model is a good fit for the data. The table shows the independent variables significantly predict the attitudes of consumers when adopting fintech services. The p-value of F (5,170) is 0.000 which is less than 5% significance. This proves that the regression model is good fit and has significantly describes the variance in the attitudes of consumer when adopting fintech services.

Table 5. Coefficients



Unstandardized coefficients show how much the dependent variable varies with an independent variable when the other independent variables remain constant. A positive coefficient indicates a direct relationship between the dependent and independent variables whereas a negative coefficient indicates an inverse relationship between the dependent and independent variables. Subjective norm, perceived usefulness, perceived ease of use and trust have a positive coefficient which shows a direct relationship between them and attitudes. Perceived risk has a negative coefficient which shows an inverse relationship between it and the attitudes.

The constant 0.288 means that if the values of the independent variables are zero then the attitudes of consumers when adopting fintech services will be 0.288. When 1 unit of subjective norm will increase, there will be an increase in the unit of attitudes of consumers by 0.130. When 1 unit of perceived risk will increase, there will be a decrease in the attitudes of consumers by 0.19. Perceived ease of use has the greatest coefficient which indicates that a change in its unit will bring a greater change in the unit of attitudes of customers.

Beta coefficient shows the degree of change that the independent variable will have on the dependent variable. Beta of perceived ease of use has the greatest value of 0.346 which indicates that it will have the greatest impact on the attitudes of customers when adopting fintech services.

The significance value shows the significance of contribution that each independent variable has on the dependent variable. If the value is less than 5%, then we can conclude that there is more significance contribution between the independent and dependent variable. Subjective norms, perceived usefulness, perceived ease of use and trust have significance value less than 0.05 therefore, it can be said that they are more significant to the attitudes of consumers than perceived risk which has a value of 0.665 which is more than 0.05 indicating no significance of contribution towards the attitudes of consumers when adopting fintech services.

The multiple regression becomes as follows:

$Y = 0.288+0.130x^1 +0.287x^2 +0.352x^3 +0.175x^4 - 0.19x^5$

Where Y= Attitude (ATT) of consumers that affect the adoption of fintech (dependent variable)

x^1 = Subjective Norm (SN)

x^2 = Perceived Usefulness (PU)

x^3 = Perceived Ease of Use (PEU)

x^4 = Trust (TRU)

x^5 = Perceived Risk (PR)

As we can see that subjective norm, perceived usefulness, perceived ease of use and trust have a positive impact on the attitudes of consumers when adopting fintech services. Perceived risk does not have a positive impact on the attitudes of consumers when adopting fintech services. Basically, the alternative hypothesis of hypothesis 1,2,3 and 4 are accepted and not rejected whereas the alternative hypothesis of hypothesis 5 is rejected and not accepted.

Conclusions

From the analysis, it is be deduced that the data of this study is highly reliable since the value of Cronbach Alpha is 0.889. Out of the 176 respondents, 156 are aged between 18 to 25 years which shows that more youngsters were interested in filling in the questionnaires and showed interest in the concept of fintech. All the respondents have a bank account and most of them use fintech services which shows how modern and updated they are with new technologies.

From the results of the multiple regression, it can be observed that there is a high correlation between the variables. The regression model is good fit. The independent variables, subjective norms, perceived usefulness, perceived ease of use and trust have a positive and direct relationship and impact with the dependent variable that is the attitudes of consumers when adopting fintech services. This matched with Davis (1986) who said that perceived usefulness and perceived ease of use are highly correlated and significant to the usage of fintech. Patel and Patel (2018) found that subjective norms have a positive impact on the adoption of fintech services. Faradynawati (2018) also derived that trust has a positive impact on the attitudes of consumers when adopting fintech services. Hu et al. (2019) also agreed that perceived usefulness and trust have a positive impact when adopting fintech. Norman and Conner (2006) found that trust, perceived usefulness, and perceived ease of use have a positive impact on the attitude of consumers when adopting fintech services. On the other hand, perceived risk has an inverse, indirect and negative relationship, and impact with the attitudes of consumers when adopting fintech services which is consistent to the findings of Dowling (1986) and Hu et al. (2019) who observed that with high level of perceived risk, it prevents the consumers from adopting new technology.

In a nutshell, Mauritius is a small island where its citizens need to adopt to new technologies to ease their lives. With the introduction of new facilities, traditional banks must also adopt them to stay active and updated. Taking this study in consideration, the impacts of fintech on traditional banks have been well discussed with its opportunities and threats. Traditional banks will continue to operate, not in the traditional way but with more modernisation and innovation with the help of fintech services. For years, banks have dominated the market but now they must collaborate with fintech innovations to survive in the future.

Limitations of the study

The number of respondents is 176 which is very less as compared to a population of over 1.2 million in Mauritius. The results generated from the 176 respondents cannot really be used to generalize the behaviour, attitudes and views of the entire population. Also, considering that almost the sample consisted of only the youngsters, the views of the older generation could not be taken since the questionnaires were online. The questionnaires were shared online because of the Corona Virus which prevented the distribution of printed questionnaires. In addition, there are not many research available on fintech in Mauritian context therefore lots of data were provided referring to the research of other countries. Lastly, this study is based on the current situation in Mauritius where everything is uncertain because of the second wave of Corona Virus and there may be a third wave, or everything can get better in the future therefore the information gathered from this survey can vary and can change in the future.

Recommendations

The authors recommend further research and studies on fintech and the application of fintech to Mauritians, as this new concept is not well known among Mauritians. Workshops can be held to educate people, especially seniors, about fintech and its purpose. Similarly, Fintech could also be incorporated into current school and student curricula. Traditional banks have the opportunity to apply fintech to modernize their services. It is important to mention that fintech ensures that less or no paper is used, thus saving resources and efforts to create a greener and better environment. It is important to note that the research of future researchers can be used to assess the impact of fintech on a greener and more sustainable environment.

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