

Incorporating Financial Technology in Economy: Fostering the Roots of Consumer Trust and Values

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Abstract


Delivering of financial services by using technology which is a faster way in comparison to traditional Methods. This is relatively a new term for India and many of its sub-continent. Now investors can do their own R&D. They can easily know what is happening in stock markets returns from their portfolios in real time. The difference between visiting frequently for each work and the ability to pull up required information in no time on your handy phone or tablet is again a good example of FinTech. This word is the combination of two words finance and technology. Which has saved the lives of people, this is empowering the man power to take care of their financial responsibilities. For the application a greater financial literacy is required than ever before. Financial situation of consumers is in an advance zone now. Following study is concerned with the technicality, application, whereabouts, Pros and Cons of Fintech technology. This is becoming the root of economic growth by winning the trust of consumers. Its application in the international market is not new and now successfully it is capturing Indian Market as well.


Keywords: Financial technology, Economy, Consumer trust, Indian market


Article Publication


 Published Online: 17-Aug-2021

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 [10.31305/rrjm.2021.v06.i08.022](https://doi.org/10.31305/rrjm.2021.v06.i08.022)

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Introduction

The words “financial” and “technology,” is a relatively new, consumers and other financial as well as non-financial institutions in making their work easier, quicker than the earlier adopted traditional ones. Manual works are replaced. Means no more queues in banks. Everything is possible by a handy gadget mobile. This all has become possible due to fintech only. Any consumer’s ability to move online and applying their financial transactions to apps that agree you to pay friends to tools that allow financial institutions to make quick lending decisions are all part of the evolution of financial services. Investors can do own researches, select stocks and know their portfolio performance in no time also an example of FinTech.

FinTech is making consumers to take custodies of their financial lives, taking to an enlarged financial education than ever before. It’s tearing down the old methods and helping to improve the consumers’ financial conditions and resulted by leveraging advanced technology. Quick and fair lending, Online tenders, Draws are the few examples of Fin Tech in action. Some well-known companies such as Personal Capital, Lending Club, Kabbage and Wealth front are examples of FinTech companies that have emerged in the past decade, providing new twists on financial concepts and allowing consumers to have more influence on their financial outcomes.

Abbreviations:

R&D (Research and Development), Artificial Intelligence (AI), Person to Person(P2P), Financial Technology (FinTech)

Modes of Financial Technology Comprise:

Digital lending and credits, Internet or Mobile Banking, Online or Mobile Payment are some of the modes applied in this technology. Following are some of other popular and important modes explained as here under:

Blockchain & Cryptocurrency: Blockchain solutions have aimed to reduce fraud by keeping provenance data on the blockchain. Crypto currency exchanges have been able to connect users buying or selling cryptocurrencies such as bitcoin.

Insuretech: A new word used for Insurance. Technological Advancements in Industrial sectors: Trading and investing has improved with the adoption of FinTech. Information from big data is often unstructured and unreadable without the help of AI technologies. Using natural language processing, these technologies can sift through complex datasets and extract insights from data in a matter of seconds. Now, traders can now run large amounts of data through algorithms and identify trends and risks.

FinTech Industry in Modern Time:

The growth of FinTech is due in large part to the opportunity it affords small players to compete on the same field as traditional banks and financial institutions. Thanks to FinTech, it's no longer about who is biggest, but who is fastest and most responsive at effectively addressing the ever-changing consumer demands. Additionally, the solutions offered by FinTech companies are no longer "one size fits all." Instead, they offer targeted – often niche – services. As consumers become even savvier and more connected, the FinTech companies that succeed will be the ones that continue to successfully innovate in bringing new solutions to old problems.

It fills the gap of a particular financial need, sometimes at much lower costs than those offered by traditional financial providers.

Research Methodology and Findings:

This is Known as the next economic, business and industrial revolution. fintech has technology as its salient feature. The next normal appears to have advanced its advent. Fintech has started making Inroads in Indian manufacturing, real estate, IT-ITeS and other sectors and is seeing a steep adoption, with the COVID-19 or Omicron now further accelerating the digitalization process by at least a decade. -emerging Economies and Markets having digital technology at the core of everything can make a business more resilient and faster to adapt to any headwinds. As per the report, Fintech will usher in a new age of connected technologies and data-driven insights and change the way people work and interact with each other.

According to a recent report revolutionized sector Innovative technologies, such as Artificial Intelligence. mass automation, Industrial communications. Big Data, Robotics and 3D Printing are transforming the global manufacturing landscape.

At present "India is at the cusp of a digital edge where young talent plays leading roles through their start-ups and organizations are adopting technologies for a paradigm shift. This is the era where Fintech can act, analyse and alert for the next steps of decision making."

Major Challenges before Fintech Companies & Suggested Solutions:

Industrial Impetus through Fintech: Right- now Business is redefining their methods for the upcoming industrial revolution.as bundle of technologies are in use.it is a vast and purely technology matter which is not in the realm of everyone at least for now. Fintech is challenging the way we function, learn and approach problem solving. This is all about developing people who can take responsibility especially in times of volatility, Uncertainty, complexity and Ambiguity. They need to be exposed to the need, utility and efficacy of ideas and practices in the areas of diversity, inclusion, creative problem solving, work life balance, sustainability and spreading happiness and peace through service.

We know that India has a larger pool of IT professional and many are in the mid and beginning of this journey. Value addition projects and new technologies as automation or Data analytics etc. which are relevant to apply fintech are introduced in education sector as well.

Going the extra mile with cybersecurity is also about creating awareness at all levels. Hackers are smarter than ever, so you need to ensure that your employees and customers are able to keep pace with them. Run a cybersecurity education program for both so that they can follow best practices to keep themselves and your business safe in the long run. You will have a smarter team you can rely on, while customers will be happy with the effort you invest in their education. Both ways, it is a win-win strategy for your business.

Cyber risks for fintech companies are daunting, but you can deal with them with the right approach. Knowing your vulnerabilities is the first step to staying ahead of hackers. Make sure that you keep track of applications and evaluate them regularly rather than taking a one-time approach. Customer data privacy should be your top priority at all times. Cover these areas, and you will never have to stress about cyber threats again.

Conclusion

Prioritize identity and access management as large fintech companies often struggle to maintain transparency about access to their systems and networks. You cannot rely on manual access management processes as they are time-consuming and risky with ever-changing teams. Integrating an innovative identity and access management system keeps your business secure in the long run. You can depend on it to protect your company from cyber attackers. For example, you can use AI technology for online document verification. It lets you eliminate illegitimate documents and prevent unauthorized access and fraudulent activities.

- Secure the cloud as most fintech applications run on the cloud. It is both an opportunity and a risk for businesses. While you can deliver seamless services to your customers on the cloud, it exposes your data and security to attacks. An expanded attack surface can be daunting for any business. Thankfully, implementing a robust cloud security strategy provides the coverage you need to secure your company and customers. Securing the cloud fortifies your business today and even as new threats emerge over time.
- Perform architecture and code review, Fintech applications are perhaps the most vulnerable aspect of your business. But you can secure them with proper architecture and code review. Ensure that you define the security requirements and features of the product to your development team before they write even a single line of code. Remember that you should never compromise security at the cost of convenience. Collaborate with a code review team to get flawless applications that deliver only the best to your customers. It takes a massive effort to go through the entire code, but it is worthwhile.
- Invest in proactive security assessments to apply this fintech companies can go the extra mile with cybersecurity by investing in proactive security assessment. Surprisingly, experts recommend that hire a hacker to do so, though this professional must be an ethical one. They can perform penetration tests on your systems and applications to detect the vulnerabilities therein. Even better, they can suggest relevant measures to patch these flaws and ensure safety in the long run. Knowing that hackers have no way to proliferate your systems gives you peace of mind.
- Protect users when logging in remember your customers are your assets and you are responsible for protecting them. Going slack with their accounts and identities can land you in a problem. You may end up with liability and lawsuits as users sue you for compromising their data. It is easy to prevent this problem by protecting your users as they log in. Educate them regarding strong passwords and enforce multi-factor authentication to ensure every customer is secure at a personal level. It takes some fine-tuning for your apps, but you can go a long way in keeping your business and customers secure with the effort.
- Implement robust encryption as no organization can be fully confident about its security protocols, but you can make a difference by implementing encryption. Having SSL and HTTPS is not enough to secure

your business website. You must encrypt every line of data in your database. Encrypting your emails is also crucial. It adds an extra layer of security to your data, products, and systems. Even if a hacker compromises them, breaking through the encryption and getting the data is practically impossible. While there is a myth that encryption slows down the systems, do not worry much because safety matters more than speed.

- Have a business continuity plan fintech companies should think beyond securing their systems from cyberattacks. It is crucial to have a business continuity plan in place if a disaster strikes. You may have the best cybersecurity plan and practices for your business, but hackers can be smarter. It makes sense to be ready with a disaster recovery plan. Ensure that you can deal with disruptions like cyber-attacks, lost devices and platform failure. The smallest issue can expose your systems, but a business continuity plan keeps your organization going. Your customers will not have to face problems or security threats, no matter what goes wrong.

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