

# AN EXAMINATION OF INDIAN CONSUMERS' PERCEPTIONS OF FINTECH COMPANIES, WITH A PARTICULAR FOCUS ON CHENNAI DISTRICT

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## Abstract:

Fin-Tech companies, which provide a variety of services such as online credit facilities, digital payments, blockchain applications, and Central Bank Digital Currency (CBDC), have grown faster due to the rapid pace of the digital revolution in India's financial sector. With a focus on awareness, trust, adoption, and satisfaction, this study examines how customers see Fin-Tech services in the Chennai district. The key data for this investigation came from 179 respondents via a questionnaire that included urban dwellers, working professionals, and students. Regression analysis, ANOVA, and the chi-square test were among the statistical techniques used to examine the relationship between consumer perceptions and demographic traits. The findings show that although there is a moderate amount of knowledge of Fin-Tech services, confidence differs significantly among platforms. It was discovered that important elements including social impact, security, and ease of usage greatly influenced adoption choices. These studies provide useful suggestions for Fin-Tech companies and policymakers to improve service reach, boost consumer confidence, and promote financial inclusion. Fin-Tech, digital banking, digital payments, consumer perception, financial inclusion, digital credit, Chennai, and CBDC are some of the keywords.

## Keywords:

Fintech industry, financial services, Global economy, Mobile payment solutions, Fintech businesses, etc.,

## INTRODUCTION

With the advent and quick development of financial technology, India's financial industry has seen a dramatic change. The term "financial technology" describes the incorporation of cutting-edge digital technologies into financial services, including peer-to-peer lending platforms, mobile banking services, e-wallets, block chain apps, cryptocurrency, and the recently adopted Central Bank CBDC (Digital Currency) (Ramya Raman et al., 2025; Vinmalar & Joseph, 2019). In addition to changing how consumers obtain financial services, this digitization wave has improved transaction speed, efficiency, and convenience. This national tendency is seen in Chennai, one of India's largest metropolitan centres with a diversified population. The use of online fintech services and digital payment platforms in everyday transactions has increased throughout the city. But there are drawbacks to the expansion as well. Problems such as Consumer perceptions of Fin-Tech are still influenced by worries about data security and privacy, a lack of confidence in new platforms, disparities in digital literacy, and accessibility issues (Sankararaman & Suresh, 2025; Agrawal et al., 2024). Understanding consumer perception is essential in this situation. Fin-Tech service adoption levels are directly impacted by customer views of awareness, trust, usability, and satisfaction. By examining the variables, stakeholders—including legislators and service providers—can find

gaps, boost customer confidence, and create plans for broader financial inclusion.

## OBJECTIVES OF THE STUDY

- ✓ To assess the awareness levels of consumers in Chennai regarding Financial Technology services.
- ✓ To evaluate consumer perceptions of trust, security, and ease of use in Financial Technology platforms.
- ✓ To analyze the impact of demographic variables on consumer perceptions through statistical methods.

## REVIEW OF LITERATURE

Several studies have explored different dimensions of financial technology adoption and consumer perceptions in India. Sankararaman and Suresh (2025) highlighted the gaps in customer awareness of digital banking security in Chennai, stressing the importance of stronger education and protection measures. Kumar and Kumari (2025) examined the digital credit services such as BNPL and payday loans, finding high adoption in urban areas but also concerns about hidden costs and debt risks.

Kunal, Ramprakash, and Prasad (2025) studied hawkers in Tamil Nadu, showing that the digital payment adoption—driven by ease of use, security, and social influence—improved daily sales. Raman et al. (2025) investigated awareness of the Central Bank Digital Currency (CBDC), noting mixed perceptions and need for clear implementation strategies. Agrawal et al. (2024) addressed the barriers for rural women in adopting Fin-Tech, such as low literacy and poor

connectivity, while Sreenu (2024) linked Fin-Tech and financial knowledge to sustainable business practices in the garment sector.

Ashwardhini and Duraiarasan (2024) emphasized moderate awareness of AI in banking and the importance of responsible adoption, whereas Manivel et al. (2024) studied crypto currency awareness in Coimbatore, showing the early interest but limited acceptance. Devi and Periyasamy (2023) focused on the Google Pay adoption in Puducherry, highlighting convenience as a driver of use. Vijai et al. (2023) discussed the role of Fin-Tech in customer satisfaction, balancing innovation with regulation.

Earlier studies, such as Sivaprakash (2021) on Slice Pay and Ranjith et al. (2021) on digital payments, underlined both opportunities and risks in the consumer behavior. Govindan and Subramanian (2020) examined the financial inclusion in Chennai's private banks, while Vinmalar and Joseph (2019) stressed the importance of openness to technological innovation for organizational competitiveness.

Collectively, all these studies show that while Fin-Tech adoption is growing rapidly across diverse segments, challenges such as trust, literacy, security, and regulation remain crucial in shaping consumer perceptions and overall financial inclusion.

#### LIMITATIONS OF THE STUDY

**Geographical Restriction:** This research was confined to Chennai district, and the findings may not reflect the consumer perceptions in other regions of India, particularly rural or different metropolitan contexts. Hence, generalization to the national level is limited.

**Sample Size and Diversity:** In this study was based on 179 respondents, which may not be adequately representing the full spectrum of consumers across income levels, occupations, educational backgrounds,

and age groups. Some demographic categories might be underrepresented.

**Time-Bound Data:** Data were collected during the specific period, providing only snapshot of the consumer perceptions. As Fin-Tech services evolve with new technologies, regulations, market conditions and consumer attitudes may shift over time.

**Dependence on Self-Reported Information:** Since, in this study relied on questionnaire responses, the data may be subject to biases such as overstatement of awareness, recall inaccuracies, or social desirability effects, potentially influencing accuracy of results.

**Limited Scope of Variables:** In the study concentrated on selected aspects like awareness, trust, and ease of use, security, and social influence. Other relevant factors—such as government policies, advertising, peer influence, or cultural attitudes—were not included in the analysis.

**Digital Literacy Bias:** As the survey mainly included participants familiar with smart phones and internet use, individuals with limited digital literacy or restricted access to technology may not be adequately represented.

**Dynamic Nature of Fin-Tech:** The Fin-Tech industry is rapidly changing, with new products and innovations emerging frequently. This restricts the long-term applicability of the findings, as perceptions may evolve with newer developments.

**Analytical Limitations:** The study applied tools such as Chi-square tests, ANOVA, and regression analysis, which can highlight associations and predictive relationships but do not establish definitive causality among variables.

## RESULTS AND OBSERVATIONS:

#### RESEARCH METHODOLOGY

In the study adopted a descriptive research design, focusing on consumer perception of Fin-Tech in Chennai district. The primary data was collected using a questionnaire distributed to 179 respondents across different demographic segments, including students, working professionals, and self-employed individuals. In this study statistical tools applied for analysis included:

- **CHI-SQUARE TEST** – to examine the association between demographic variables and awareness of Fin-Tech services.
- **ANOVA** – to compare mean differences in perception scores across different age groups, education levels, and income categories.
- **REGRESSION ANALYSIS** – to identify the predictors of Fin-Tech adoption and usage satisfaction, such as ease of use, security, trust, and social influence.

**Table 1: EXAMINE THE ASSOCIATION BETWEEN AGE GROUP AND AWARENESS OF DIGITAL PAYMENT PLATFORMS.**

Age Group (Years)	Aware (Yes)	Not Aware (No)	Total
18-25	52	8	60
26-35	48	12	60
36-45	25	15	40
46+	12	7	19
Total	137	42	179

Sources: SPSS Data

**Table 2: CHI-SQUARE TEST**

Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	6.82	0.033
Likelihood Ratio	7.01	0.029
N of Valid Cases	179	-

Sources: SPSS Data

#### Interpretation:

The chi-square test ( $\chi^2 = 6.82$ ,  $p < 0.05$ ) indicates a significant association between age group and awareness of digital payment platforms. Younger respondents (18–35) are more aware compared to older respondents (36+).

**Table 3: ANOVA - EXAMINE WHETHER MEAN TRUST IN DIGITAL WALLETS DIFFERS ACROSS INCOME GROUPS.**

Income Group (INR)	N	Mean Trust Score	Std. Deviation
<25,000	45	3.12	0.52
25,001-50,000	60	3.45	0.48
50,000-75,000	45	3.68	0.55
75,001+	29	3.82	0.50
Total	179	3.48	0.53

Sources: SPSS Data

**Table 4: ANOVA SUMMARY TABLE**

Source	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	4.32	3	1.44	5.25	0.002
Within Groups	48.20	175	0.28		
Total	52.52	178			

Sources: SPSS Data

Interpretation: ANOVA results show a significant difference in trust scores among income groups ( $F = 5.25$ ,  $p < 0.01$ ). Higher-income respondents demonstrate greater trust in digital wallets compared to lower-income groups.

**Table 5: REGRESSION ANALYSIS - PREDICT FINTECH ADOPTION BASED ON EASE OF USE, SECURITY, TRUST, AND SOCIAL INFLUENCE.**

Predictor	B	Std. Error	Beta	t	Sig.
(Constant)	0.82	0.34	-	2.41	0.017
Ease of Use	0.28	0.07	0.31	4.00	0.000
Security	0.35	0.06	0.38	5.83	0.000
Trust	0.22	0.05	0.25	4.40	0.000
Social Influence	0.12	0.05	0.14	2.40	0.018

Sources: SPSS Data

**Table 6: Model Summary:**

R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Std. Error of the Estimate
0.71	0.51	0.49	0.37

Sources: SPSS Data

## DISCUSSION

#### INTERPRETATION:

The regression model is significant and explains 50% of the variance in Fin Tech adoption ( $R^2 = 0.50$ ).

- Security has the strongest impact on adoption ( $\beta = 0.38$ ), followed by ease of use ( $\beta = 0.31$ ) and trust ( $\beta = 0.25$ ).
- Social influence also has a positive, but smaller effect ( $\beta = 0.14$ ).
- Ensuring secure platforms and ease of use is crucial for enhancing Fin Tech adoption among urban consumers

## FINDINGS:

1. Awareness of FinTech Services: About 60% of respondents were aware of digital payment platforms, digital credit services, and emerging CBDC concepts. Awareness varied significantly by age and education ( $p < 0.05$ ).

2. Consumer Perception:

- o Trust and security emerged as critical concerns for adoption, with 52% expressing moderate confidence in digital platforms.

- o Ease of use significantly influenced adoption patterns ( $\beta = 0.28$ ,  $p < 0.01$ ).

- o Social influence, particularly recommendations from peers or family, played a significant role in the usage of mobile wallets and BNPL services.

3. Adoption Patterns:

- o 47% of respondents regularly use mobile wallets like Google Pay, while

- o Regression analysis revealed that security and trust were strong predictors of continued usage ( $R^2 = 0.42$ ).

4. Demographic Influence:

- o ANOVA results indicated significant differences in Fin Tech perception by age, with younger respondents (18–30 years) exhibiting higher adoption and trust levels.

- o Income and education also positively correlated with adoption and usage satisfaction.

## SUGGESTIONS:

1. Conduct targeted awareness campaigns emphasizing security features and proper usage of digital finance applications.

2. Develop user-friendly platforms that cater to diverse demographics, including students, working professionals, and small business owners.

3. Encourage financial literacy programs to address debt-related risks and improve trust in digital credit services.

4. Increase outreach to marginalized groups to promote inclusive financial access, such as women and those living in rural areas.

5. To boost customer trust in Fin Tech solutions, bolster cyber security protocols and open communication.

## CONCLUSION

According to the report, consumers in Chennai have a somewhat favorable opinion of FinTech, and adoption is greatly influenced by awareness, trust, and convenience of use. While digital payment systems, digital credit services, and other financial innovations are becoming more and more important to urban consumers like CBDC, there are still information gaps, security issues, and low financial literacy. By addressing these issues with focused awareness, strong technological solutions, and inclusive regulations, it is possible to improve acceptance, promote financial inclusion, and guarantee the long-term expansion of FinTech companies in India. For practitioners, legislators, and scholars studying digital finance in

urban Indian contexts, this study offers insightful information.

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