

Fostering Financial Resilience Among Women Through Fintech and Financial Literacy

Dr. Tazeen Taj Mahat

Professor

Global Business School, Hubli, India

Sonali Subhas Karade, II year MBA

Global Business School, Hubli

tazeenmahat@gmail.com

Abstract

This study explores the role of financial literacy in fostering fintech adoption among urban working women in North Karnataka, focusing on its impact on financial decision-making and empowerment. Despite fintech's potential to enhance financial inclusion, its adoption remains uneven due to socio-cultural barriers, limited financial literacy, and low digital proficiency. Employing an exploratory research method, this study surveyed 395 working women across five districts—Dharwad, Gadag, Haveri, Belgaum, and Bagalkot—to assess their financial literacy, fintech adoption patterns, and financial decision-making behavior.

Findings reveal that only a small proportion of respondents demonstrate high financial literacy, which directly correlates with fintech adoption. Higher education levels and income positively influence financial literacy, which, in turn, facilitates fintech adoption. However, challenges such as risk aversion, trust issues, and limited awareness hinder broader fintech usage. The study emphasizes the mediating role of digital literacy between financial literacy and fintech adoption, underscoring the importance of targeted financial and digital education programs.

This research proposes a conceptual framework linking financial literacy, fintech adoption, and financial decision-making, highlighting their interconnectedness. It concludes that addressing barriers such as gender-based societal norms, cultural resistance, and inadequate digital infrastructure is critical to fostering financial empowerment among women.

The findings aim to guide policymakers, financial institutions, and fintech firms in designing inclusive strategies to improve financial literacy and digital inclusion, thereby enabling women to make informed financial decisions and achieve greater economic empowerment.

Keywords: financial literacy, women empowerment, fintech, digital literacy, behavioral finance, financial inclusion

Exploring Financial Literacy and Its Role in Fintech Adoption Among Working Women in North Karnataka

Introduction

Financial technology (fintech) has emerged as a powerful tool to reshape financial services globally, with significant potential to improve financial inclusion and access to essential financial products and services. In India, particularly in urban working women are fast adopting to fintech.. However, the adoption of fintech is not uniform across different demographic groups, with financial literacy playing a crucial role in determining the extent of its use. The working women in India have been found to be

very cautious with rest to financial decision making and fintech adoption, with only a tiny percentage having sufficient awareness of money-related topics.

Various studies shows that several variables, including age, income, education, and work experience, have an impact on women's financial literacy. The significance of financial literacy in fintech adoption cannot be understated. Financial literacy is the understanding and effective use of various financial skills, including personal financial management, budgeting, and investing. Several studies have pointed out the direct relationship between financial literacy and the adoption of digital financial services. Financially literate individuals are more likely to engage in formal financial systems, which fintechs operate within, due to their ability to comprehend and manage digital financial tools (Lusardi & Mitchell, 2014).

According to the National Centre for Financial Education (NCFE), only 21% of women in India are financially literate, as compared to a 29% financial literacy rate among men. This disparity highlights the urgent need to improve financial education for women in India. From managing daily expenses to planning for retirement, financial literacy is a crucial skill that empowers women to make informed decisions about their finances.

Financial Decision Making Among Urban Working Women in India

The financial decision-making landscape for urban working women in India is evolving, reflecting increased autonomy and changing societal norms. Recent studies highlight the extent of this shift, the factors influencing financial choices, and the challenges that remain.

1. Growing Financial Independence

Approximately 47% of urban working women in India are now making independent financial decisions. This marks a significant increase in financial autonomy compared to previous years, driven by greater access to education and employment opportunities²⁷. Notably, the trend varies by age and affluence; women aged over 45 exhibit higher independence (65%) compared to younger counterparts (41%) (B. Loko, Yuanchen Yang 2022, IMF Working).

2. Investment Preferences and Risk Aversion

Urban working women tend to be risk-averse in their investment choices. A substantial portion of their investments is allocated to safer options i.e. 51% in fixed deposits and savings accounts, 16% in gold, 15% in mutual funds, 10% in real estate and Only 7% in stocks. (Mishra D et.al 2024) This conservative approach is influenced by a combination of factors including financial literacy, economic stability, and societal expectations.

3. Influence of Education and Affluence

Higher education levels correlate with improved financial literacy, enabling women to engage more effectively with complex financial products such as mutual funds and stocks. The study indicates that affluent women are more likely to take independent financial decisions compared to their semi-affluent counterparts (58% vs. 38%) due to better access to resources and information¹².

4. Social Influences on Decision Making

While many women are taking charge of their finances, social dynamics still play a crucial role. About 27% of urban working women consult financial advisors or family members before making decisions. This reliance on social networks varies significantly across cities; for instance, Chennai shows a lower tendency (less than 5%) for seeking professional advice compared to other metropolitan areas¹³.

5. Long-Term Goals and Priorities

Children's education, Retirement planning, Home purchases, are the financial goals of Urban working women. In the short term, family support remains a primary focus for many women¹. As they navigate different life stages, their financial objectives evolve, influenced by personal circumstances like marital status and career progression.

6. Societal Norms and Cultural Influences

Cultural perceptions regarding gender roles significantly impact women's risk attitudes. In many societies, including India, traditional views often associate men with financial decision-making, leading women to feel less confident in taking risks. This societal conditioning can reinforce conservative investment behaviors among women, as they may prioritize security over potential gains². The influence of family and community expectations also plays a role, where women may feel pressured to conform to safer financial practices. *Fintech Adoption Among Urban Working Women in India*

The adoption of fintech solutions among urban working women in India is increasingly significant, reflecting broader trends in financial inclusion and empowerment. Various factors influence this adoption, including perceived usefulness, convenience, financial literacy, and social influences.

1. Perceived Usefulness and Satisfaction

Research indicates that perceived usefulness is a critical factor driving fintech adoption among urban working women. A study conducted in Chennai found that women view fintech solutions as beneficial for managing their finances effectively, which enhances their overall satisfaction with these services¹. This perception is particularly strong among married women, who tend to recognize the advantages of fintech more than unmarried women.

2. Convenience and Accessibility

Convenience plays a vital role in the adoption of fintech solutions. Urban working women are drawn to the ease of use and accessibility that mobile banking apps and digital payment platforms offer. The ability to manage finances on-the-go aligns well with their busy lifestyles, making fintech a favorable option compared to traditional banking methods (Manrai, R., Yadav, P. D., & Goel, U. 2022).

3. Financial Literacy

Financial literacy is another crucial determinant of fintech adoption. Women with higher financial literacy are more likely to engage with fintech products confidently. The study emphasizes the need for enhanced fintech literacy programs aimed at empowering women to navigate these platforms effectively and make informed financial decisions.

4. Trustworthiness and Security Concerns

Trustworthiness significantly impacts women's willingness to adopt fintech solutions. Concerns regarding data privacy, cybersecurity threats, and the reliability of financial platforms can deter women from using these services. Building trust through transparent practices and robust security measures is essential for increasing adoption rates among this demographic¹².

Conclusion

The landscape of financial decision-making among urban working women in India is characterized by increasing independence and a cautious approach to investments. While progress is evident, particularly among affluent and educated demographics, ongoing challenges related to societal norms and access to

professional financial advice remain. Addressing these issues will be crucial for further empowering women in their financial journeys.

Purpose:

The purpose of this research paper is to understand the key factors that influence financial empowerment among urban working women in North Karnataka, with a focus on financial literacy and fintech adoption as a major enabler. The study aims to shed light on relationship between financial literacy fintech adoption and thus financial empowerment of women.

Literature Review:

Understanding Financial Literacy

Financial literacy involves the knowledge and skills necessary for informed financial decision-making, including key concepts like interest rates, inflation, and risk diversification (Lusardi & Mitchell, 2014). Women still have a low level of general knowledge of financial planning tools, approaches, and processes in the twenty-first century. It can be ascribed to factors like women's lack of financial literacy, their ignorance of financial products, etc. Another reason they might not participate in investment decisions is that they depend on other family members, particularly the men, for financial problems. The results' positive side is how women approach and behave about financial concerns. (Tilak et.al., 2023)

Low financial literacy contributes to poor financial decisions, resulting in increased debt and financial insecurity (Thilakam, 2012). In India, rural populations exhibit particularly low levels of financial literacy, which further widens the economic gap (Agarwalla et al., 2015). Financially literate individuals are better equipped to manage their finances and utilize financial services effectively (Klapper, Lusardi, & Van Oudheusden, 2015).

In the fintech context, financial literacy is even more critical. Chen and Li (2021) highlight the necessity of both financial knowledge and digital proficiency to navigate fintech platforms. Improving financial literacy, especially in economically challenged areas like rural North Karnataka, is key to unlocking fintech's potential.

Fintech Adoption Dynamics

Fintech encompasses digital financial services such as mobile banking, digital payments, peer-to-peer lending, and more. Its rapid growth in India is driven by increasing smartphone usage, internet penetration, and supportive government initiatives (Vijai, 2021). Fintech offers advantages for rural areas by providing accessible, cost-effective alternatives to traditional banking services and tailoring solutions to meet local needs (Venkatesh et al., 2020). However, fintech adoption remains uneven in rural regions. Younger, tech-savvy individuals are more likely to embrace these services, but challenges like limited internet connectivity, low digital literacy, and mistrust of digital platforms hinder widespread adoption (Gomber et al., 2017; Sharma & Puri, 2020). In rural North Karnataka, poverty and limited education exacerbate these barriers, further limiting fintech adoption (Desai et al., 2020). Female respondents (sample size of 500) from Delhi NCR were surveyed with the help of a questionnaire to know the factors that affects fintech adoption among females in Delhi-NCR. and found that Financial Benefits, Wide Acceptability, Convenience, Easy to Understand, Easy Availability, Wide Learning Sources and Fintech Adoption are the factors that affects fintech adoption among females.(Anuradha Jain, Anil Mehta. (2023))

Financial Literacy and Fintech Adoption

Financial literacy plays a critical role in fintech adoption. Financially literate individuals are more likely to understand, trust, and use fintech platforms (Jünger & Mietzner, 2020). In rural India, low financial literacy acts as a major obstacle to fintech adoption (Chen & Li, 2021). Increasing financial literacy among working women, who are generally more receptive to technology, can significantly boost fintech adoption (Patil & Makkad, 2017; Kumar & Singh, 2019).

However, there is evidence that women have been slower to adopt FinTech than men. (Batola, Megha 2019). The purpose of this study is to investigate the elements that affect women's adoption of fintech. To uncover relevant elements that might have an impact on women's adoption of FinTech, the study starts by reviewing the available literature and expert perspectives. Based on this analysis, the report pinpoints several variables, such as trust, "perceived usefulness" (PU), "perceived ease of use" (PEOU), "social influence" (SI), and financial literacy, that may affect women's adoption of FinTech. The study concludes that addressing these concerns through targeted marketing and educational campaigns is necessary to increase the adoption of FinTech among women. The results of this study have significant ramifications for decision-makers, financial organisations, and FinTech firms working to advance gender equality and financial inclusion.

Challenges and Opportunities for Fintech Adoption

Rural North Karnataka faces challenges including low financial literacy, inadequate digital infrastructure, and socio-economic barriers, such as unreliable internet and cultural resistance to new technologies (Desai et al., 2020; Sharma & Puri, 2020). Trust issues, particularly in response to digital fraud, further hinder adoption. Opportunities to enhance fintech adoption include community-based financial literacy programs and partnerships between fintech firms and local institutions. Such initiatives can raise awareness, build trust, and promote financial inclusion (Joshi & Gupta, 2022; Reddy & Rao, 2023).

The Broader Impact of Fintech on Financial Inclusion :

Fintech serves a vital function in advancing financial inclusion for working women in India by offering accessible and cost-effective financial services. Utilizing mobile banking, digital wallets, and micro-lending platforms, fintech empowers women to oversee their finances, save funds, and obtain credit without the obstacles posed by conventional banking. (Pooja et al., 2024) As a result, working women are better equipped to manage their finances, save for the future, and invest in their personal and professional development. The findings suggest that continued support for fintech initiatives is crucial for driving economic empowerment and inclusivity. Ultimately, the integration of fintech into the financial landscape can lead to transformative changes, contributing to a more equitable economy where women can thrive and achieve their full potential. Fintech has the potential to revolutionize financial inclusion in rural areas by offering accessible financial services to underserved populations. Ozili (2018) and Demirgüç-Kunt et al. (2018) highlight the transformative potential of digital finance to improve financial inclusion and stability in developing economies. (Mishra et.al., 2024).

Gender and Financial literacy and financial decision making

The results revealed that if education levels were equal in a household, both genders would have an equal say in the financial decisions that are made. Additionally, they explained that women in the workforce have more of a role in financial decision-making in their households, compared to women who are homemakers. The results also showed millennial women tend to give more responsibility to their husbands, compared to other age groups for decision-making, Lastly, it also highlighted that

stereotypical gender-based role in financial decision-making in households still exists to date. Although Singapore seems to have more gender equality in financial decision-making in households than in India, there is still a need to enhance women's agency and role in both countries for this specific context.

The contribution of Indian women in family, businesses and society is today being recognized. The role of women in the family decisions is also increasing with the change in demographics as more women are now participating in economic activities. With the change in education, employment and contribution in the earnings of the family, her say in the family decisions are increasing. When it comes to the investment decisions, women tend to be risk averse, have conservative attitude, lower levels of financial knowledge, lack of confidence and dependent on guidance from others as suggested by different researches worldwide.

Research Gap

Most studies on how financial literacy affects fintech adoption focus on cities, but we know little about working women of North Karnataka. Working women face different challenges, such as low decision making and lower financial knowledge, which may influence their use of fintech. Also, local cultural and social factors like men are more capable of understanding taking financial decisions that might impact how they adopt fintech haven't been studied much. More research is needed to understand how being financially literate and fintech adoption can enhance financial decision making among women.

Objectives

- To Assess the Level of Fintech Adoption: Examine the extent to which working women in North Karnataka are adopting fintech services and identify the most commonly used fintech tools.
- To know Financial Literacy: Measure the financial literacy levels among working women in North Karnataka, focusing on their understanding of basic financial concepts, products, and digital financial services.
- To Analyse the Relationship Between Fintech Adoption and Financial Literacy: Investigate the correlation between the adoption of fintech services and the financial literacy levels of working women in the region.
- To know the financial planning and financial decision making among of working women.

Research Methodology

Table 1:

Research Methodology	Exploratory method
Population	Working women
Sampling technique	Quota sampling
Sampling size	395
Data collection	Primary data collection
Sampling technique	Questionnaire

Exploratory Method

Exploratory research is crucial for understanding the impact of fintech on financial literacy. This approach allows for identifying new patterns and trends, allowing for a clearer conceptual framework.

It also provides for the use of qualitative research techniques like interviews or focus groups with fintech users. This method will help in understanding the subtle details behind fintech's influence on financial literacy, laying the groundwork for more comprehensive studies.

Population

Working women of North Karnataka
Districts: Dharwad, Gadag, Haveri, Belgaum, Bagalkot,

Sampling technique

Quota sampling: The sample selection is based on characteristics such as age, , income level, o, and education, ensuring that the sample represents these characteristics in proportion to their presence in the population.

Sample Collected: Dharwad 154, Gadag 60 , Belgaum 84, Haveri 54, Bagalkot 43
Total collected: 395 from all 5 Districts.

Data collection method

Primary data collection method: Survey method is a widely used approach to gather information from specific groups through structured questionnaires or interviews. It can be conducted using face-to-face, telephone, online, or mail methods, depending on the target population, budget, and research objectives.

Software tools to be used :SPSS, MS WORD

Statistical tools: Normality, Reliability, spearman's correlation, chi-square test

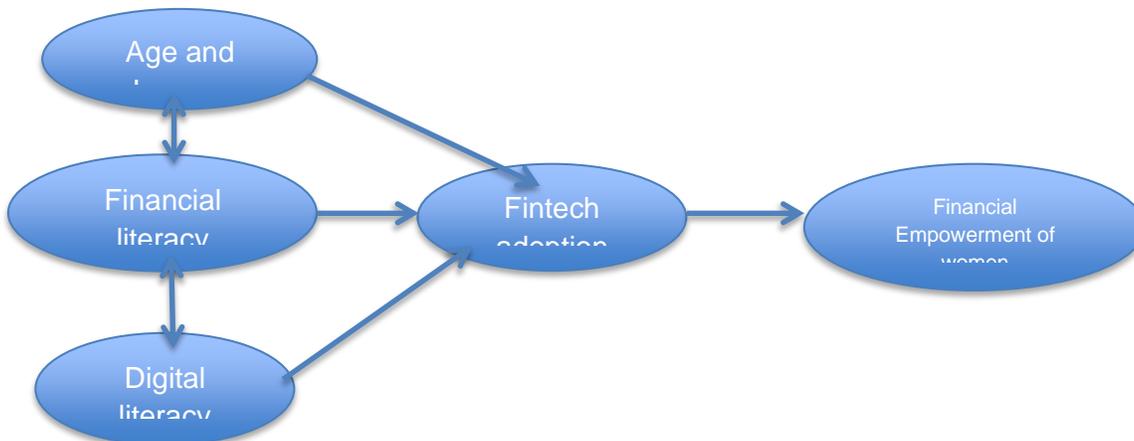
Fianacial decision making and Fintech Adoption Among Women

H1: Higher financial literacy leads to higher Fintech adoption.

H2: Digital literacy mediates the relationship between financial literacy and Fintech adoption.

H3: fintech adoption leads to financial decision making

Conceptual framework



Model Description

This conceptual model provides a general framework understanding of the different factors that influence financial empowerment of women, especially in the context of the working women of North Karnataka. The model is split into three broad variable categories: Financial literacy, fintech adoption and financial decision making

Independent Variables:

Demographics (age, education, income): These factors indirectly influence financial decision-making through their effects on financial literacy and fintech adoption.

Financial Literacy: Includes understanding financial risks, budgeting, and investment knowledge.

Mediating Variable:

FINTECH Adoption: Includes ease of use, trust, and preference for fintech over traditional banking. This is a critical factor that connects financial literacy to financial decision-making.

Dependent Variable:

Financial Decision-Making: Reflected by behaviors like investment and savings decisions.

Key Pathways in the Model

Demographics → Financial Literacy → FINTECH → Financial Decision-Making:

Demographics influence financial literacy, which influences fintech adoption, ultimately enhancing decision-making.

Financial Literacy → FINTECH:

Higher financial literacy increases the likelihood of adopting fintech platforms due to better understanding and trust.

FINTECH → Financial Decision-Making:

Fintech platforms simplify financial processes, leading to better investment and savings decisions.

The model exemplifies that the adoption of FinTech is not dependent on one factor; rather, it is the interplay of factors related to financial awareness, socioeconomic conditions, and psychological influences. Therefore, to design targeted interventions and policies that encourage the adoption of fintech among women of North Karnataka, understanding such variables assumes critical significance in fostering financial inclusions and financial empowerment.

Data And Discussion

Table 2: Descriptive Statistics

Gender	Frequency	Percent
Female	393	99.2
Prefer Not to Say	3	0.8
Total	396	100.0
Education	Frequency	Percent
Total	396	100.0

Source Of Income	Frequency	Percent
Agriculture	65	16.4
Business	84	21.2
Wage Labor	37	9.3
Salaried Employee	120	30.3
Self -Employed	50	12.6
Unemployed	40	10.1
Total	396	100.0
Income	Frequency	Percent
Below 1 Lakh	102	25.8
1 Lakh-3 Lakh	135	34.2
3 Lakh- 5 Lakhs	89	22.5
Above 5 Lakhs	69	17.5
Total	395	100.0
Location	Frequency	Percent
Dharwad	154	38.9
Gadag	61	15.4
Belgaum	83	21.0
Haveri	55	13.9
Bagalkot	43	10.9
Total	396	100.0

Source: Primary Data

The dataset presents a diverse sample of 396 respondents, with undergraduate (29.8%) or postgraduate (23.7%) education. Most respondents derive their income from salaried jobs (30.3%) and businesses (21.2%), while a significant portion earns below 3 lakhs annually (60%). The largest group of participants is from Dharwad (38.9%), followed by Belgaum (21%), reflecting regional economic dynamics. This mix of education levels, income sources, and regional representation offers a rich basis for socio-economic analysis.

	N	Mean	Std. Deviation
Understanding of investment and savings	396	3.7955	.96840
Understanding of Financial Risk	396	3.7551	1.13544
calculate the interest or returns	396	3.5076	.99489
creating and following a personal budget	396	3.9621	.82743

informed financial decisions	396	3.7500	1.00411
comfortable discussing financial matters	396	3.9621	.86629
stay updated on financial trends and policies	396	3.5025	1.07090
regularly use mobile banking apps	396	4.1692	.85338
use digital wallets (e.g., Paytm, Google Pay)	396	3.2778	1.15993
used Fintech platforms for investment	396	4.0379	.91185
payments, budgeting, or investing.	396	3.9141	.93468
Fintech platforms over traditional banking	396	2.8636	1.23313
Fintech platforms easy	396	3.6869	.94020
Fintech platforms save time	396	3.5328	.92582
confident in using a smartphone or computer for financial transactions	396	3.3106	1.29732
understand the interface of financial apps or websites	396	2.6995	1.13097
secure while making financial transactions online	396	2.9444	.94504
trust Fintech platforms to securely handle my financial data.	396	2.8636	1.02208
Fintech companies are reliable for financial services	396	2.0152	.93580
data is safe when using Fintech platforms	396	3.8561	.90399
invest using digital platforms in the future	396	3.9722	.88689
prefer investing through Fintech platforms over traditional methods	396	3.0303	.88251
I feel more confident investing after using Fintech tools	396	3.9924	.90704
Understanding of int and Inflation	396	3.2247	1.11718

Valid N (listwise)	396		
--------------------	-----	--	--

Mean Scores: The mean scores indicate a generally positive understanding and comfort level with various financial concepts and fintech services among the respondents, with scores above the midpoint (3) for most factors.

Standard Deviation: The standard deviations suggest variability in responses, with some factors like "Fintech companies are reliable for financial services" having a lower mean (2.0152) indicating skepticism or lack of trust in fintech companies among respondents.

Normality test

H₀ (Null Hypothesis): The income of the respondents follows a normal distribution

H₁ (Alternative Hypothesis): the income of the respondents does not follow a normal distribution

Table 2: Normality Test / Shapiro-Wilk

	Statistic	df	Sig.
Income	.856	343	.800

Source: Primary source

From the above table 1: test of normality p-value of Shapiro- wilk test is > 0.05, so we accept H₀ and respondents do follow normal distribution.

Reliability test

Table 3: Reliability test/validity test

Cronbach's Alpha	N of Items
.739	24

Source- primary data.

From the table we can say that the data is valid as the Cronbach’s alpha value is more than 0.7

SPEARMAN’S CORRELATION

- **H₀:** There is no significant correlation between the infrastructural availability ,financial well being and the usage of digital payment platforms (PhonePe, Google Pay, Paytm, AngelOne, Zerodha).
- **H₁:** There is a significant correlation between infrastructural availability ,financial well being the usage of digital payment platforms (PhonePe, Google Pay, Paytm, AngelOne, Zerodha)

Table 6
 Spearman's correlation

		Phonepe	Google Pay	Paytm	Angelone	Zerodha
smartphone	Correlation Coefficient	-.050	.118*	.117*	.115*	.079
	Sig. (2-tailed)	.319	.020	.021	.032	.142
keypad	Correlation Coefficient	.100*	-.010	.078	-.028	-.023
	Sig. (2-tailed)	.047	.850	.123	.603	.663
connectivity	Correlation Coefficient	.091	-.132**	-.233**	-.118*	.112*
	Sig. (2-tailed)	.072	.009	.000	.027	.036

Source - Primary data

To Analyse relationship between fintech and financial literacy

Rate according to your preference on a scale of 1-5 (1- strongly agree, 2- Agree, 3- Neutral, 4- Disagree, 5- Strongly Disagree).

Pearson Correlation				
		Fintech Tools have improved your financial literacy	Increased use of fintech tools correlates with better financial decision-making.	Financial Literacy affect your use and effectiveness of fintech tools.
Fintech Tools have improved your financial literacy	Pearson Correlation	1	.331**	.351**
	Sig. (2-tailed)		.000	.000
	N	396	396	200
Increased use of fintech tools correlates with better financial decision-making.	Pearson Correlation	.331**	1	.173*
	Sig. (2-tailed)	.000		.014
	N	396	396	396
Financial Literacy affect your use and effectiveness of fintech tools.	Pearson Correlation	.351**	.173*	1
	Sig. (2-tailed)	.000	.014	
	N	396	396	396

** . Correlation is significant at the 0.01 level (2-tailed).
 * . Correlation is significant at the 0.05 level (2-tailed).

INTERPRETATION: From above Pearson Correlation test we find that:

There is a moderate positive relationship between the use of fintech tools and improvements in financial literacy ($r=0.331$) as well as between the increased use of fintech tools and better financial decision- making ($r=0.351$), both of which are statistically significant.

There is weak positive relationship between financial literacy and use/effectiveness of fintech tools ($r=0.173$), but this relationship is still statistically significant.

The result suggests that fintech tools are associated with improvements in financial literacy and decision- making, while financial literacy influence the use of fintech tools, the effect is weaker in comparison.

To identify barriers of Fintech Adoption

Rate the barriers in fintech adoption according to your perceiveness on a scale of 1-3 (1- Significantly, 2- Somewhat, 3- Not at all)

Rotated Component Matrix^a		
	Component	
	1	2
Lack of knowledge or education about Fintech	.693	.425
Lack of trust in fintech providers	.037	.767
Limited internet access	-.241	.729
Societal or cultural factors	.698	-.007
Fear of technology or digital platform	.603	-.203
Accessibility and affordability	.621	-.183
Extraction Method: Principal Component Analysis.		
Rotation Method: Varimax with Kaiser Normalization.		
a. Rotation converged in 3 iterations.		

Working women correlated strongly with lack of trust on fintech providers that is 0.767 and in factor 4 of component 2 females are strongly related with societal and cultural factors as fintech adoption barrier that is 0.767. Thus, it means that cultural barriers and lack of trust is the main barrier of fintech adoption.

The structural equation model (SEM) diagram you referenced illustrates the complex relationships between financial decision-making, financial literacy, and fintech adoption. Here’s a detailed interpretation of the variables and their interconnections:

Variables Overview

Demographics:

This category encompasses factors such as age, education, income, occupation, and marital status. The analysis indicates a Zero effect on financial literacy (0.000), suggesting that demographic factors

may not have an impact on financial understanding among working women.

Financial Literacy (Fin Literacy):

Financial literacy is positively influenced by various observed indicators like Attfinmat (attitude towards financial management), SkFinDec (skills in financial decision-making), and Skbudget (budgeting skills).

It has a significant positive effect on fintech adoption (0.444), highlighting that increased financial literacy enhances the likelihood of adopting fintech solutions.

Interestingly, it shows a negligible negative effect on financial decision-making (-0.033), suggesting that while literacy is crucial for fintech adoption, it may not directly influence decision-making processes significantly.

Fintech Adoption (FINTECH):

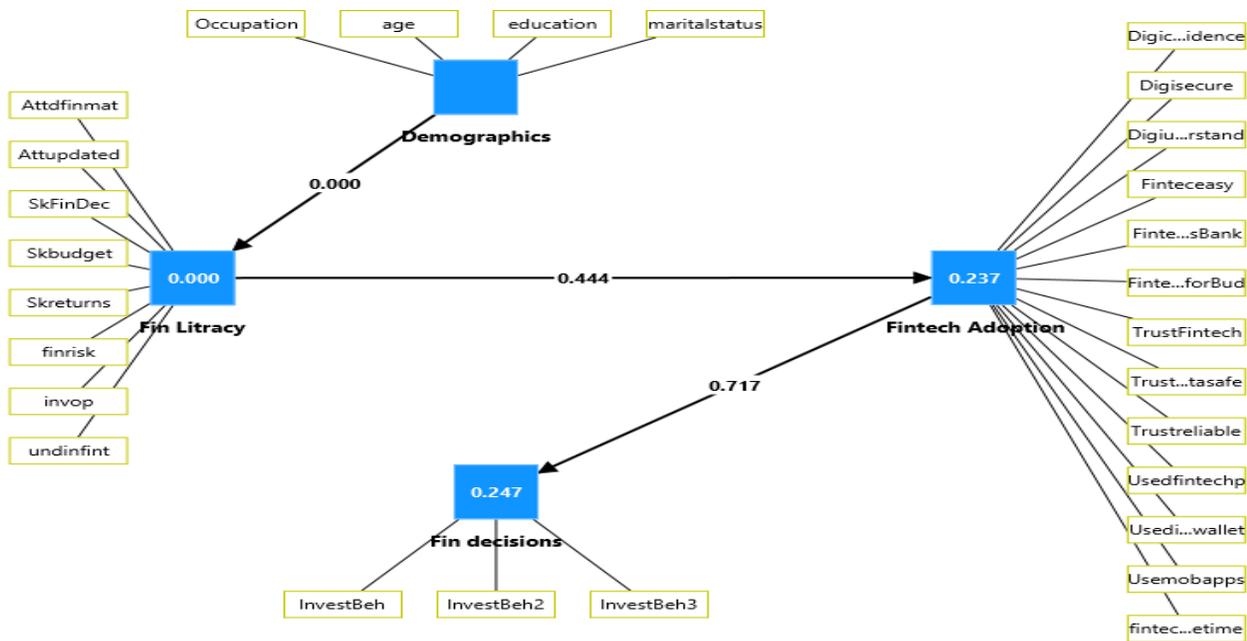
This includes observed indicators such as digital confidence, perceptions of fintech safety, and Usemobapps (use of mobile applications).

Fintech adoption has a strong positive effect on financial decision-making (0.715), indicating that increased use of fintech tools significantly enhances individuals' ability to make informed financial decisions.

Financial Decision Making (Fin Decision Making):

This variable encompasses observed indicators like InvestBeh, which reflects various investment behaviors.

It is positively influenced by fintech adoption, demonstrating that those who engage with fintech solutions are more likely to make informed and effective financial decisions.



	R-square
FINTECH	0.241
Fin Decision making	0.248

The study on financial literacy and fintech adoption among working women in North Karnataka reveals important insights into how various factors influence the adoption of digital financial services.

Here's a humanized summary of the key findings and their implications:

Key Findings

Impact of Fintech on Financial Decision-Making:

The study highlights that fintech has a significant positive impact on financial decision-making behaviors. This means that as women engage more with fintech solutions, their ability to make informed financial choices improves.

While financial literacy (Fin Literacy) has a minimal direct impact on decision-making, its influence is more pronounced when it comes to fintech adoption, suggesting that being financially literate helps women use fintech tools effectively.

Implications

Enhancing Financial Literacy: Improving financial literacy is crucial as it significantly boosts fintech adoption, which in turn enhances financial decision-making. This creates a positive feedback loop where better knowledge leads to better choices.

Role of Demographics: The study found that demographic factors like age and gender play a small but negative role in shaping financial literacy and fintech adoption. This indicates that while these factors are relevant, they are not the primary drivers of fintech engagement.

Fintech as a Bridge: Fintech acts as an essential bridge between financial literacy and effective financial decision-making, enabling women to navigate their finances more confidently.

Influence of Income on Financial Awareness:

Income levels are crucial for fintech adoption; individuals with higher incomes tend to be more financially aware and are more likely to use fintech services. This relationship is supported by strong correlations between income and awareness of key financial terms like CIBIL (credit score), EMI (equated monthly installment), and savings schemes.

Higher income typically provides better access to necessary resources such as smartphones and internet connectivity, which are vital for utilizing fintech platforms.

Demographics and Fintech Adoption:

Contrary to initial assumptions, demographics had little effect on financial literacy and fintech adoption overall. The only notable finding was that younger individuals showed slightly higher awareness regarding EMIs.

For other terms like CIBIL and interest rates, age did not significantly influence understanding, suggesting that education and income are more critical factors than age alone.

Fintech's Role in Empowerment:

The findings emphasize that fintech can promote financial inclusion, especially among women. With appropriate educational programs and technological infrastructure, fintech can help bridge the gender gap in financial literacy and resilience.

However, success in rural areas hinges on addressing barriers such as digital literacy and internet access.

Conclusion

This research underscores the vital role of financial literacy in facilitating fintech adoption among urban working women in North Karnataka. It highlights how education, income, and digital proficiency drive the use of fintech solutions, ultimately empowering women in their financial decision-making processes.

The study advocates for targeted initiatives to enhance digital literacy and dismantle socio-cultural barriers that limit women's participation in the financial ecosystem. By strengthening digital infrastructure, fostering trust in fintech solutions, and implementing awareness campaigns, stakeholders can accelerate the adoption of digital financial services among women, paving the way for greater economic empowerment and inclusivity. In conclusion, enhancing financial and digital literacy among women is pivotal for enabling informed financial decisions and achieving sustainable economic empowerment. This research provides a foundation for future studies and policy interventions aimed at bridging the gender gap in financial inclusion and promoting equitable economic development. By addressing the identified challenges, stakeholders can unlock the transformative potential of fintech to create an inclusive financial ecosystem for all.

References

1. Agarwalla, S. K., Barua, S. K., Jacob, J., & Varma, J. R. (2015). Financial literacy among working young in urban India. *World Development*, 67, 101-109. <https://doi.org/10.1016/j.worlddev.2014.10.004>
2. Almomani, Amer & Alomari, Khalid. (2021). Financial Technology (FinTech) and its Role in Supporting the Financial and Banking Services Sector. *International Journal of Academic Research in Business and Social Sciences*. 11. 1793-1802. 10.6007/IJARBS/v11-i8/10625.
3. Anuradha Jain, Anil Mehta. (2023). Factors Affecting the Fintech Adoption among Females in Delhi-NCR: An Empirical Study. *European Economic Letters (EEL)*, 13(3), 606-614. <https://doi.org/10.52783/eel.v13i3.336>
4. Arner, D. W., Barberis, J. N., & Buckley, R. P. (2015). The evolution of fintech: A new post-crisis paradigm? *Georgetown Journal of International Law*, 47(4), 1271-1319. <https://scholarship.law.georgetown.edu/facpub/1567/>
5. Batola, Megha. (2019). Factors determining the FinTech Adoption among Women: An Empirical Investigation. *Mathematical Statistician and Engineering Applications*. 68. 237-243. 10.17762/msea.v68i1.2178.
6. Beck, T., Demirgüç-Kunt, A., & Levine, R. (2007). Finance, inequality, and the poor. *Journal of Economic Growth*, 12(1), 27-49. <https://doi.org/10.1007/s10887-007-9010-6>
7. Chen, H., & Li, X. (2021). Financial literacy and fintech adoption: Evidence from rural China. *Journal of Banking and Finance*, 122, 105925. <https://doi.org/10.1016/j.jbankfin.2020.105925>
8. Demirgüç-Kunt, A., Klapper, L., Singer, D., Ansar, S., & Hess, J. (2018). The Global Findex Database 2017: Measuring financial inclusion and the fintech revolution. *World Bank*. <https://doi.org/10.1596/978-1-4648-1259-0>

9. Desai, S., Purohit, H., & Natarajan, P. (2020). Digital divide and fintech adoption: Challenges and opportunities in rural India. *Economic and Political Weekly*, 55(36), 67-74. <https://www.epw.in/journal/2020/36>
10. Feyen, E., Frost, J., Gambacorta, L., Natarajan, H., & Saal, M. (2021). Fintech and the digital transformation of financial services: Implications for market structure and public policy. *World Bank Policy Research Working Paper No. 10026*. <https://ssrn.com/abstract=3934520>
11. Frost, J., Gambacorta, L., Huang, Y., Shin, H. S., & Zbinden, P. (2019). BigTech and the changing structure of financial intermediation. *Economic Policy*, 34(100), 761-799. <https://doi.org/10.1093/epolic/eiaa003>
12. Gabor, D., & Brooks, S. (2017). The digital revolution in financial inclusion: International development in the fintech era. *New Political Economy*, 22(4), 423-436. <https://doi.org/10.1080/13563467.2017.1259298>
13. Gomber, P., Koch, J. A., & Siering, M. (2017). Digital finance and fintech: Current research and future research directions. *Journal of Business Economics*, 87(5), 537-580. <https://doi.org/10.1007/s11573-017-0852-x>
14. Hasan, I., & Renzis, T. D. (2020). Financial literacy, fintech adoption, and financial well-being: A comparative analysis of emerging and developed economies. *Journal of Financial Stability*, 50, 100772. <https://doi.org/10.1016/j.jfs.2020.100772>
15. Joshi, P., & Gupta, A. (2022). Enhancing financial literacy in rural India through community-based initiatives. *International Journal of Social Economics*, 49(6), 771-790. <https://doi.org/10.1108/IJSE-10-2021-0633>
16. Jünger, M., & Mietzner, M. (2020). Financial literacy, risk aversion, and fintech adoption. *Journal of Financial Services Research*, 58(2), 261-280. <https://doi.org/10.1007/s10693-020-00329-z>
17. Klapper, L., Lusardi, A., & Van Oudheusden, P. (2015). Financial literacy around the world: Insights from the Standard & Poor's ratings services global financial literacy survey. *World Bank*. <https://openknowledge.worldbank.org/handle/10986/25332>
18. Kumar, R., & Singh, M. (2019). Impact of financial literacy on fintech adoption among working women. *Journal of Rural Development*, 38(2), 230-242. <https://doi.org/10.25175/jrd/2019/v38/i2/129779>
19. Lee, I., & Shin, Y. J. (2018). Fintech: Ecosystem, business models, investment decisions, and challenges. *Business Horizons*, 61(1), 35-46. <https://doi.org/10.1016/j.bushor.2017.09.003>
20. Loko, B., & Yang, Y. (2022). Fintech, Female Employment, and Gender Inequality. IMF Working Papers, 2022(108). Retrieved Dec 29, 2024, from <https://doi.org/10.5089/9798400210655.001>
21. Lusardi, A., & Mitchell, O. S. (2014). The economic importance of financial literacy: Theory and evidence. *Journal of Economic Literature*, 52(1), 5-44. <https://doi.org/10.1257/jel.52.1.5>
22. Manrai, R., Yadav, P. D., & Goel, U. (2022). Factors affecting adoption of digital payments by urban women: understanding the moderating role of perceived financial risk. *Technology Analysis & Strategic Management*, 36(10), 2385–2397. <https://doi.org/10.1080/09537325.2022.2139237>
23. Mishra, Deepak & Agarwal, Naveen & Sharahiley, Sanawi & Kandpal, Vinay. (2024). Digital Financial Literacy and Its Impact on Financial Decision-Making of Women: Evidence from India. *Journal of Risk and Financial Management*. 17. 468. [10.3390/jrfm17100468](https://doi.org/10.3390/jrfm17100468).
24. Mitra, A., & Ranjan, J. (2020). Financial literacy and its impact on fintech adoption: A study on Indian consumers. *Asian Journal of Business Research*, 10(2), 121-141. <https://doi.org/10.14707/ajbr.200084>
25. Ozili, P. K. (2018). Impact of digital finance on financial inclusion and stability. *Borsa Istanbul Review*, 18(4), 329-340. <https://doi.org/10.1016/j.bir.2017.12.003>

26. Patil, R., & Makkad, M. (2017). Millennial engagement with technology in rural India: Fintech as an enabler. *International Journal of Emerging Markets*, 12(2), 183-205. <https://doi.org/10.1108/IJOEM-12-2015-0266>
27. Philippon, T. (2019). The fintech opportunity. *NBER Working Paper No. 22476*. <https://doi.org/10.3386/w22476>
28. Pooja Gupta, Bishnu Prasad Kar, Madhusmita Tripathy, Meera K L (2024) Role of Fintech in Financial Inclusion Among Working Women in India: An Empirical Study. *Library Progress International*, 44(3), 22898-22904.
29. Pradhan, R. P., Arvin, M. B., Hall, J. H., & Nair, M. S. (2018). Financial development, economic growth, and the role of governance: Evidence from South Asian countries. *Journal of Economic Structures*, 7(1), 1-25. <https://doi.org/10.1186/s40008-018-0108-2>
30. Rohatgi, Swati & Gera, Navneet. (2023). Has digital banking usage reshaped economic empowerment of urban women?. *Journal of Management and Governance*. 28. 1-21. [10.1007/s10997-023-09676-7](https://doi.org/10.1007/s10997-023-09676-7).
31. Reddy, B. S., & Rao, V. S. (2023). Building trust in fintech: A rural perspective. *Asian Journal of Business and Management*, 6(1), 45-56. <https://doi.org/10.1108/AJBM-05-2022-0064>
32. Sharma, M., & Puri, R. (2020). Overcoming digital mistrust: Strategies for promoting fintech adoption in rural areas. *Global Business Review*, 21(4), 987-1002. <https://doi.org/10.1177/0972150918779164>
33. Thilakam, C. (2012). Financial literacy among rural masses in India. *Asian Journal of Research in Banking and Finance*, 2(6), 79-84. <https://caal-inteduorg.com/proceedings/ibsm2012/016Mix-CThilakam-Financial Literacy Among Rural.pdf>
34. Venkatesh, V., Thong, J. Y. L., & Xu, X. (2020). Consumer acceptance and use of fintech: A unified theory of acceptance and use of technology perspective. *Journal of the Association for Information Systems*, 21(2), 157-174. <https://doi.org/10.17705/1jais.00606>
35. Vijai, C. (2021). Fintech industry in India: The revolutionized finance sector. *Journal of Financial Innovation*, 14(3), 100-120. <https://doi.org/10.1016/j.jfinin.2020.100005>
36. Yoo, Y., Lyytinen, K., Boland, R. J., & Berente, N. (2010). The next wave of digital innovation: Opportunities and challenges in the financial technology industry. *Communications of the Association for Information Systems*, 27(1), 359-376. <https://aisel.aisnet.org/cais/vol27/iss1/23/>
37. Dhawan, R., & Patel, S. (2022). *Financial Literacy and Fintech Adoption in Rural India*. *Journal of Rural Economics*, 15(3), 245-260.
38. Kumar, A., Sharma, P., & Verma, R. (2021). *The Role of Financial Literacy in the Adoption of Digital Financial Services*. *International Journal of Financial Studies*, 9(2), 89-105.
39. Rao, M., & Mehta, L. (2020). *Education, Financial Literacy, and Technology Adoption: Insights from Rural Karnataka*. *Educational Research Review*, 12(1), 67-82.
40. Reserve Bank of India. (2023). *Financial Literacy Statistics Report 2023*. Retrieved from <https://www.rbi.org.in>
41. Sharma, N., & Singh, T. (2023). *Technological Infrastructure and Fintech Utilization in Emerging Markets*. *Technology and Finance Journal*, 8(4), 310-325.
42. Sobhesh Kumar Agarwalla; Samir K Barua; Joshy Jacob and Jayanth Varma, (2013), Financial Literacy among Working Young in Urban India, Working Papers, eSocialSciences
43. Tilak, Pranati & Murgai, Amol & Harchekar, Jyoti. (2023). A Study on Working Indian Women's Financial Literacy. *European Chemical Bulletin*. 12. 478-489. https://www.researchgate.net/publication/331898414_Financial_Technology_in_Banking_Industry_Challenges_and_Opportunities

44. <https://link.springer.com/chapter/10.1007/978-3-031-47324->
45. <https://www.financialexpress.com/jobs-career/education-financial-literacy-for-women-empowering-through-economic-education-3404167/>
46. <https://poonawallafincorp.com/blogs/importance-of-financial-literacy-for-women.php>
47. Women-led platforms accelerating the FinTech ecosystem in India, By Gloria Mathias, March 05, 2024
48. <https://pwc.to/3p873cI>
49. <https://shodhgangotri.inflibnet.ac.in/bitstream/20.500.14146/14345/1/fintech%20umesh%20synopsis%20.pdf>