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A Study on Fintech VS Traditional Financial System

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Abstract

This study examines the differences and similarities between fintech and traditional financial systems. Fintech refers to financial technologies that are designed to enhance and automate financial services, while traditional financial systems refer to the conventional banking and financial services provided by established financial institutions.

The study provides an overview of fintech and traditional financial systems, their respective advantages and disadvantages, and their impact on the financial industry. The study also investigates the regulatory frameworks that govern these systems and how they impact their development and growth.

The findings of the study suggest that fintech has several advantages over traditional financial systems, including greater accessibility, lower costs, and faster processing times. However, traditional financial systems still have their advantages, such as greater security and stability.

Keywords:

fintech, traditional financial system, financial services, accessibility, costs, processing times, security, stability, regulatory frameworks, competition, complement, efficiency, sustainability.

Introduction of the study:

The financial industry has undergone significant changes in recent years with the emergence of financial technologies, commonly known as fintech. Fintech refers to the application of technology in the provision of financial services. It encompasses a broad range of financial activities such as payment systems, crowdfunding, digital currencies, and lending. Fintech has rapidly grown in popularity and is challenging the traditional financial system, which has been the dominant force in the industry for decades.

This study aims to investigate the differences and similarities between fintech and traditional financial systems. The study will provide an overview of fintech and traditional financial systems, their advantages and disadvantages, and their impact on the financial industry. The study will also explore the regulatory frameworks that govern these systems and how they affect their development and growth.

The study will be relevant to academics, policymakers, and practitioners in the financial industry. The study will contribute to the existing literature on fintech and traditional financial systems and provide insights into their potential impact on the financial industry. The findings of this study will be valuable to financial institutions, regulators, and investors who seek to understand the changing landscape of the financial industry and adapt to the new reality brought about by fintech

Literature review

(1) TITLE:- Competition and cooperation between fintech companies and traditional financial institutions
ARTICLE NO.:- E3S WEB OF CONFERENCES 166, 13028
INVENTOR:- Anatoly Suprun, Tetiana Petrishina, Iryna Vasylchuk
DATE OF INVENTION:- 2020
ABSTRACT:- The modern world is changing rapidly under the influence of digital technologies. This also applies to the financial sector of the economy. Since the mid-2000s, new fintech companies have entered the market. These companies are using new technologies to improve existing and create new financial services. In the course of their development, the interests of new market entrants often overlap with those of traditional participants, mainly banks. Investigation of the relations between fintech companies and traditional financial institutions gives an opportunity to form an idea of the financial picture of the near future. The research of the relations between fintech companies and traditional financial institutions gives an opportunity to form an idea of the financial picture of the near future. The article considers both aspects of competition and aspects of possible cooperation between financial market participants in a digital economy. The results of the scientific research demonstrate that cooperation will prevail over the competition. Probably existing financial institutions will reformat their architecture and become digital ones at the core.

(2) TITLE:- Fintech activity and business models: Analogies and difference with traditional financial channels
ARTICLE NO.:- FinTech, BigTech and Banks, 7-36,2019
INVENTOR:- Alessandra Tanda, Cristiana-Maria Schena
DATE OF INVENTION:- 2019
ABSTRACT:- Technological progress and the dissemination of innovation have enabled FinTech companies to emerge. These are currently able to offer products and services in all areas of traditional financial intermediation, often outside the regulatory perimeter. Not only do FinTech companies provide new products and processes, but they also enter the market with new business models and services which respond better to customers' demands and preferences. Via the unbundling and rebundling of financial services, FinTech companies are able to specialise in various business segments and potentially disrupt traditional incumbent activities. Nevertheless, in contrast to BigTech, FinTech companies have to collect and gather information and reach critical masses if they are to become formidable competitors

(3) TITLE:- Fintech and transformation of the financial industry
ARTICLE NO.:- Electronic markets 28(3),235-243,2018
INVENTOR:- Rainer Alt, Roman Beck, Martin T Smits
DATE OF INVENTION:- 2018
ABSTRACT:- This preface introduces the special issue on FinTech in Electronic Markets. The issue includes a total of eight papers, which cover diverse aspects in the broad FinTech universe. Seven papers emerged from the special issue call that was published in 2016 and one paper from a fast-track that was organized with the Business Information Systems Conference (BIS) from 2016. Taken alone, the number of submissions for the FinTech special issue call was larger than for regular special issues in Electronic Markets, which might suggest that FinTech is an active research field. This is remarkable since the term itself has only recently gained broad attention.

For example, a simple query on Google Trends reveals that it was only in 2014 that the compound term “FinTech” emerged on a broad scale and made the transformation of the financial industry visible to everybody (Arner et al. 2016). An industry that had remained rather stable over decades was apparently confronted all of a sudden with new market participants and the acceleration of digital innovation. A surge in the foundation of new companies (“start-ups”) occurred, which promised to change the entire industry with some even claiming that this will be the beginning of the end of banks. This would confirm statements from the 1990s whereby “banking is essential, banks are not” or whereby “banks are the steel industry of the [nineteen]nineties” (Beck 2001, p. 7). Some 25 years later, we may see the beginning of this (digital) transformation. Although the financial industry as a whole and many of the traditional players from the world of “big banks” exist, the “FinTech” movement has substantially influenced this sector.

(4) TITLE:- Risk spillover between Fintech and traditional financial institutes: Evidence from the US
ARTICLE NO.:- International review of financial analysis 71, 101544,2020
INVENTOR:- Jianping Li, Jingyu Li, Xiaoqian Zhu, Yinhong Yao, Barbara Casu
DATE OF INVENTION:- October, 2020
ABSTRACT:- In this paper, we propose a novel approach to examine the risk spillovers between FinTech firms and traditional financial institutions, during a time of fast technological advances. Based on the stock returns of U.S. financial and FinTech institutions, we estimate pairwise risk spillovers by using the Granger causality test across quantiles. We consider the whole distribution: the left tail (bearish case), the right tail (bullish case) and the center of the distribution and construct three types of spillover networks (downside-to-downside, upside-to-upside, and center-to-center) and obtain network-based spillover indicators. We find that linkages in the network are stronger in the bearish case when the risk of spillover is higher. FinTech institutions' risk spillover to financial institutions positively correlates with financial institutions' increase in systemic risk. These results have important policy implications, as they underscore the importance of enhancing the supervision and regulation of FinTech companies, to maintain financial stability.

(5) TITLE: - Givers or Receivers? Return and volatility spillovers between Fintech and the Traditional Finance Industry
ARTICLE NO.:- Finance Research Letters 46, 102458, 2022
INVENTOR: - Yuxuan Chen, Junmao Chiu, Huimin Chung
DATE OF INVENTION:- May, 2022
ABSTRACT:- We investigate the return and volatility spillovers between a Fintech ETF and the ETFs of the traditional financial industry with an empirical network model. We find that the traditional financial ETFs are still the main givers, and the Fintech ETF is the net receiver. The Fintech ETF does not lead to greater volatility and financial instability in most of the traditional financial sectors. The information transmission between these ETFs is high, especially during the period of US-China trade friction. Our results provide a full understanding of the effect of changes in information transmission between Fintech and the traditional financial industry.

(6) TITLE: - Fintech Innovations in the Financial Service Industry
ARTICLE NO.:- Journal of Risk and Financial Management 15 (7), 287, 2022
INVENTOR: - Mansurali Anifa, Swamynathan Ramakrishnan, Shanmugan Joghee, Sajal pKabiraj, Malini Mittal Bishnoi
DATE OF INVENTION: - july 2022
ABSTRACT:- Fintech in Islamic finance
Umar A Oseni, S Nazim Ali
Fintech In Islamic Finance, 3-14, 2019
A quick search of the available books on fintech reveals that one of the earliest publications on the subject was published in 2016. With the exception of a few books on fintech published in earlier years, most leading books on fintech were published in 2016 due to the novelty of the phenomenon. Fintech in Islamic finance should be generally understood in a broad manner as Islamic financial services transcend mere banking. For the purpose of identifying the applicable Shariah principles, it may be helpful to define fintech in its general sense and identify its different components and applications. One key aspect of fintech which is conspicuously missing in the ongoing discussions and application of fintech in Islamic financial services and products is online dispute resolution. From the Shariah perspective, maqasid al-Shariah will continue to be relevant in fintech, as the maslahah provided by the new technologies trumps any other argument that seeks to preserve the traditional financing methods.

(7) TITLE: - Fintech, the new era of financial services
ARTICLE NO.:- Vezetéstudomány-Budapest Management Review 48 (11), 22-32, 2017
INVENTOR: - David Varga
DATE OF INVENTION:- November 2017
ABSTRACT:- The research aims to fill the gap in the current academic literature regarding the appearance of innovation-focused financial technology (fintech) companies. The analysis provides a conceptual overview of the key value drivers behind fintechs, including the utilization of resource-based theories, business models, human-centered design and open innovation. The article introduces how fintechs can serve as an enabler of innovation in the incumbent financial sector and can have positive effects on the triple-bottom-line by solving the problems of people who live at the bottom-of-the-pyramid.

(8) TITLE: - Fintech integration process suggestion for banks
ARTICLE NO.:- Procedia Computer Science 158, 971-978, 2019
INVENTOR: - Okan Acar, Yusuf Ensar Çıtak
DATE OF INVENTION:- September 2019
ABSTRACT:- Although the fintech subject has been highly discussed by the financial institutions all around the world, there are only a few studies on how banks should draw a framework for fintech integration. In this research, we are aiming to draw a framework by using business experience in Kuveyt Türk Participation Bank in Turkey to give guidance to other financial institutions in Fintech Integration Process. This study contains the entire fintech Integration Process from revealing the needs of the internal departments to the completion of fintech integration. We divided the Fintech Integration Process into seven phases. First phase, collecting the needs of internal departments. Second phase consists of scouting relevant fintechs around the world by using databases and online platforms. Third phase, fintech makes a presentation for introduction and explains its business model. At the end of this meeting, relevant bank employees evaluate the presentation and decide whether to invite fintech again for the Business Committee or not. Fourth phase, fintech enters the Business Committee to make presentations for Vice Presidents of the relevant departments. Fifth phase, fintech meets with IT, compliance and legal departments to discuss and solve problems. In the sixth phase, senior management makes the decision to start the POC (Proof of Concept) process. Lastly, in the seventh phase, fintech integration comes alive for the customer's use. All these phases are constructed to mitigate risks and increase awareness of fintechs in the departments. In this way, most of the departments get in touch with fintechs and understand the importance of external collaboration.

(9) TITLE: - Behavioral finance vs. traditional finance
ARTICLE NO.:- Adv. Manage 2 (6), 1-10, 2009
INVENTOR: - Nik Maher an Nik Muhammad, N Maher an
DATE OF INVENTION: - October 2009
ABSTRACT: - Behavioral finance, bounded rationality, neuro-finance, and traditional finance
KC Tseng
Investment Management and Financial Innovations, 7-18, 2006
The principal purpose of this study is to piece together the important development and contributions by efficient market hypothesis, bounded rationality, behavioral finance, neurofinance, and the recently introduced adaptive market hypothesis. In the process the author will review the selected literature so that they can be linked together for further consideration and development. When monthly and daily data for S&P 500, DJIA, and NASDAQ indexes were analyzed from 1971 to 2005, the author found a long string of positive and significant autocorrelations and great volatility, which were not consistent with the efficient market hypothesis. The international market indexes from Japan, Hong Kong, Singapore, Mexico, Taiwan, and Canada are also very volatile even though they show less volatility compared to the US indexes. Since AMH was introduced in 2004, it is promising but is still at its infant stage of development. Finally, neural/medical finance can help us understand the brain activities when investors are making investing and trading decisions, and the effect of drugs on brain and investment decision-making. The future of neurofinance and AMH appears to be promising.

(10) TITLE: - Fintech and access to finance
ARTICLE NO.:- Journal of corporate finance 68, 101941, 2021
INVENTOR: - Helen Bollaert, Florencio Lopez-de-Silanes, Armin Schwienbacher
DATE OF INVENTION:- October 2021
ABSTRACT:- This article surveys research on the effects of digitalization on access to finance. We focus the review on access through fintech. We review the growth of three main fintech technologies, fintech lending (incl. peer-to-peer lending), crowdfunding and initial coin offerings. We discuss existing evidence on how fintech affects access to finance for firms and investors and consider the regulatory challenges it poses. We incorporate the papers in this special issue, underlining their significant contributions to our understanding of the digitalization of finance and its effects. Finally, we discuss the challenges of research in the digital finance area and propose some new avenues for future research.

(11) TITLE:- Fintech and the Future of Finance
ARTICLE NO:- Asian Journal of Public Affairs, 2017
INVENTOR:- Lee Kuan Yew School of Public Policy Research Paper No. 17-20
DATE OF INVENTION:-august 18,2017
ABSTRACT:- The application of technological innovations to the finance industry (Fintech) has been attracting tens of billions of dollars in venture capital in recent years. Examples of Fintech innovations include digital cash transfer services in Kenya and India, and peer-to-peer lending platforms in China. These services, when developed in tandem with complementary government policies and regulatory frameworks, have the potential to expand financial services to hundreds of millions of people currently lacking access and to break new ground on the way finance is conducted. This is important because sustainable economic growth is strongly linked with financial inclusion. The successful adoption of Fintech to increase financial inclusion is highly dependent on competent regulatory oversight. By examining varying degrees of success in the adoption of Fintech services in Kenya, India and China this paper argues that adopting a responsive regulatory approach, rather than an overly interventionist one, is the most suitable framework for boosting financial inclusion through technological innovation.

(12) TITLE: - FINTECH SERVICES" AND THEFUTURE OF FINANCIAL INTERMEDIATION
ARTICLE NO: - Economic Research Volume 8(2) March 2021 SLJER 08.02.02
INVENTOR: - P D C S Dharmadasa
DATE OF INVENTION:- march 2021
ABSTRACT: - The aim of this paper was to review existing literature on Fintech services and their Potential impact on traditional financial intermediary practices. The review is significant and timely as banks and customers are gradually familiarizing with these services showing a significant growth of Fintech utilization in Sri Lanka in recent times.
Utilizing a qualitative approach, the paper has examined two most significant usual practices of banks including: (a) banking practices on credit, deposits and capital raising and payment services, and (b) banking practices on clearing and settlement services, because of the emergence of two major Fintech services; namely, peer to peer (P2P) lending, and digital wallet and crypto currencies. The review considered both national and international studies on „Fintech‟ adaptation in financial institutions. It is observed that there is no compelling threat from P2P lending to banking activities, in general, though there will be migration of lenders from banks to P2P platforms that will result in banks to lose some segments of customers in the future. The review also identified that growing usage of smartphones tends to replace physical wallets with digital wallets Which will bring potential disruptions to traditional operations of the banking industry? Adoption of Fintech in the banking industry, however, will not result in a complete Financial disintermediation given the monopolistic nature of money creation by the Banks, and the risky and unreliable nature of these innovations.

(13) TITLE:- Role of Financial Technology FinTech: A Survey
ARTICLE NO:-Advances in Intelligent Systems and Computing book series (AISC, volume 1153)
INVENTOR:- Anjum Razzaque & Allam Hamdan
DATE OF INVENTION:-24 march 2020
ABSTRACT: - FinTech is not any new theory or a concept. But rather it is a phase which tends to bubble up every now and then as new forms of technologies revolutionize the world. FinTech has been applied in various sectors. Multiple scholars have investigated this phenomenon from the prism of the users in order to comprehend their perceptions of benefits and risks for using FinTech: predominantly revealing that perceived benefit and perceived risks affect intention to use of FinTech; and for raising awareness for FinTech users. This is a review of current literature and it proposes a conceptual model viable for future empirical assessment. Also, recommendations are made in this article for future research in relation to the model and the nine propositions of this study.

(14) TITLE: - FinTech and Its Disruption to Financial Institutions
ARTICLE NO: - 10.4018/978-1-7998-5351-0.ch091
INVENTOR: - Research Anthology on Block chain Technology in Business
DATE OF INVENTION: - march 2021
ABSTRACT: - This chapter studies how FinTech is transforming traditional financial institutions (FIs). This chapter achieves the four related goals. First, it discusses the current stage of FinTech development in different areas such as crowdfunding, payment, blockchain, and crypto currency. Second, it examines how each FinTech development affects traditional FIs, in both positive and negative ways. Third, it explores how FIs are currently managing FinTech innovations. It also suggests ways through which these institutions could best utilize FinTech to better serve their customers and eventually optimize the overall financial system. Finally, following the book's focus on man's role at the center of technology advancement, this chapter discusses whether FIs' customers' needs are still placed at the center of FIs' incentives to adapt new technology, and if not, how can we focus back to the people that the financial system ultimately serves.

(15) TITLE: - Reputation and its consequences in Fintech services: the case of mobile banking
ARTICLE NO: - ISSN: 0265-2323
INVENTOR: - Yen Thi Hoang Nguyen, Tommi Tapanainen, Hai Thi Thanh Nguyen
DATE OF INVENTION: - 3 June 2022
ABSTRACT: - Purpose
Recently, traditional financial institutions are facing strong competition from disruptive innovators (Fintech firms) forcing them to increasingly invest in new IT solutions to maintain their competitive edge. However, there are still advantages that traditional financial institutions enjoy, of which the primary one may be reputation. Surprisingly, the firm reputation link to use intention has not received much attention in the literature, prompting this research. The purpose of this study is to examine the firm reputation link to use intention in the context of mobile banking.

(16) TITLE:- Future Possibilities in Finance Theory and Finance Practice
ARTICLE NO:-
INVENTOR:- Robert C. Merton
DATE OF INVENTION:-2000 march
ABSTRACT:- The origins of much of the mathematics in modern finance can be traced to Louis Bachelier's 1900 dissertation on the theory of speculation, framed as an option-pricing problem. This work marks the twin births of both the continuous-time mathematics of stochastic processes and the continuous-time economics of derivative-security pricing. In solving his option-pricing problem, Bachelier provides two different derivations of the classic partial differential equation for the probability density of what later was called a Wiener process or Brownian motion process. In one derivation, he writes down a version of what is now commonly called the Chapman—Kolmogorov convolution probability integral in one of the earliest examples of that integral in print. In the other, he uses a limit argument applied to a discrete-time binomial process to derive the continuous-time transition probabilities. Bachelier also develops the method of images (or reflection) to solve for a probability function of a diffusion process with an absorbing barrier. All this in his thesis five years before the publication of Einstein's mathematical theory of Brownian motion.

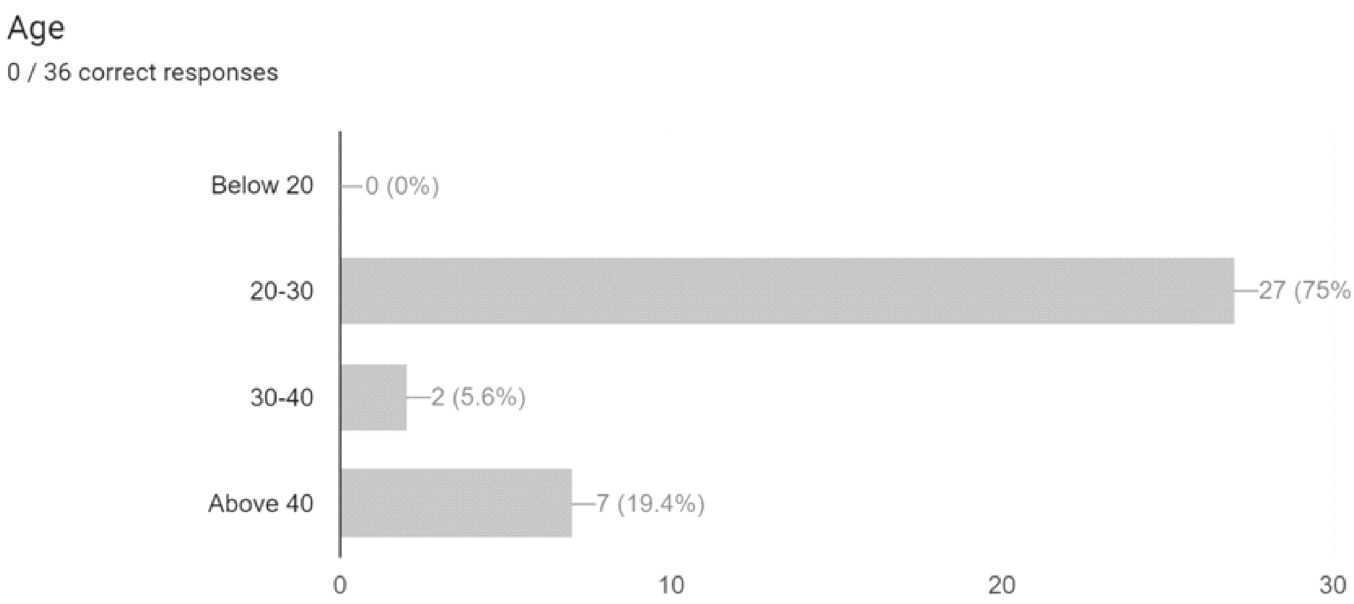
(17) TITLE: - Why We're so Excited About FinTech
ARTICLE NO: - Citations: 7
INVENTOR:- Susanne Chishti,Janos Barberis
DATE OF INVENTION: - 18 March 2016
ABSTRACT: - FinTech encompasses a new wave of companies changing the way people pay, send money, borrow, lend, and invest. The birth and rise of FinTech is deeply rooted in the financial crisis, and the erosion of trust it generated. In this favourable landscape, FinTech providers came in, offering new and fresh services at lower costs, through well-designed platforms or mobile apps. FinTech companies offer trust, transparency, and technology. They are also widening access to investment opportunities, through crowdfunding. FinTech in developing countries is not only about making existing services more convenient: it is creating new infrastructure, and providing for greater inclusion of millions of people in the real economy. The verdict is that FinTech Innovation will come from Asia for the most part, followed by Africa, North America, Latin America, and eventually Europe. It only requires an open innovation mind-set for banks to join the game.

(18) TITLE:- How do fintech firms address financial inclusion?
ARTICLE NO:- Conference or Workshop Item (Paper)
INVENTOR: - Stan Karanasios
DATE OF INVENTION:- 11 November 2020
ABSTRACT:- Financial technology (fintech) firms are transforming the financial sector with new innovative services. Indeed, fintech firms have established themselves as viable addition to the traditional financial structure and are potentially playing an important role in addressing financial inclusion. However, hitherto there is limited understanding of how fintech firms address financial inclusion. In this paper, we present a preliminary phase of research and analysis on a case study of fintech start-ups in Ghana. We address the research question: "how do fintech firms address financial inclusion?" Informed through activity theory, our preliminary findings show that fintech firms act as innovators and aggregators, leverage existing infrastructure of incumbents and deploy cooperative strategies comprising elements of competition and cooperation to address financial inclusion. Based on the findings, this study develops a fintech driven financial inclusion model that explains how fintech firms work towards addressing financial inclusion.

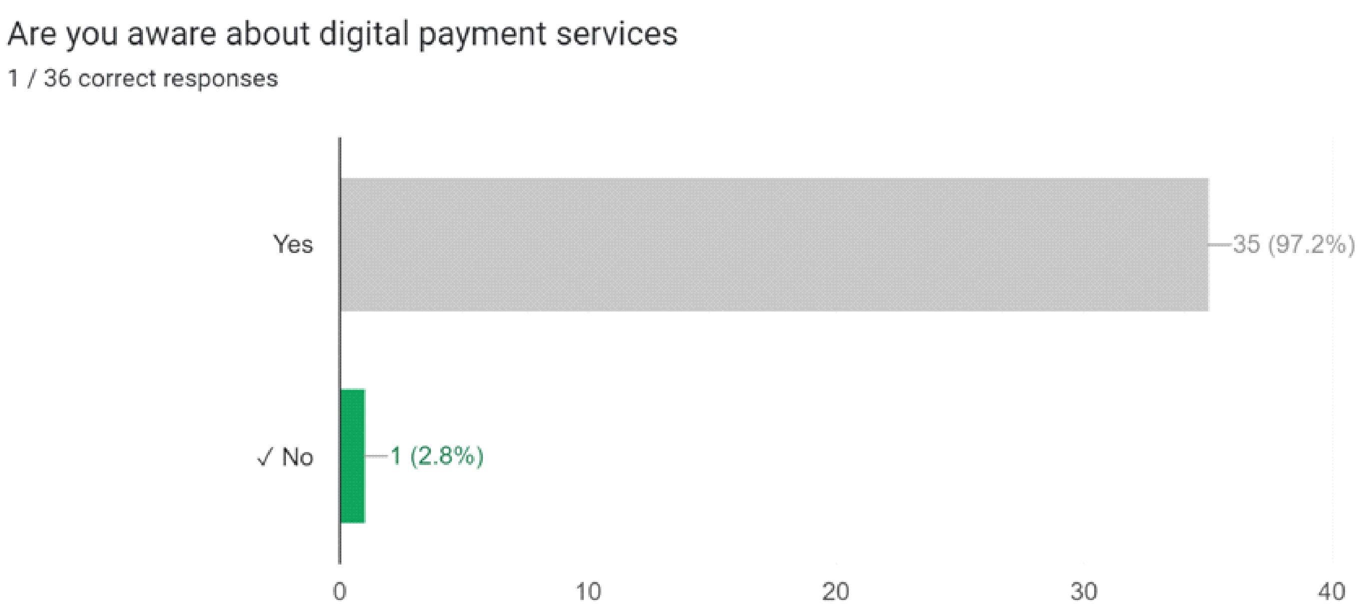
(19) TITLE:- The role of location in FinTech formation
ARTICLE NO:- 32, 2020 - Issue 7-8
INVENTOR:-mari avarmaa & laivi laidroo
DATE OF INVENTION:- 30 Sep 2019, Published online
ABSTRACT:- Given the rapid emergence of FinTechs, the objective of this paper is to determine location-specific factors associated with FinTech establishment intensity using Porter's diamond framework. The analysis is based on a country-level dataset covering the period of 2007–2017 and 107 countries. The results reveal that greater FinTech establishment intensity characterizes smaller countries, countries with stronger information and communications technology (ICT) services clusters, and countries that have experienced a crisis during the recent decade. Greater FinTech establishment intensity is also observed in countries with greater tertiary education enrolment rates, stronger university-industry cooperation, greater fixed line availability, and overall ICT readiness. The macroeconomic situation and indicators of financial development prove to be important determinants of FinTech formation. Given the importance of several dimensions of location's diamond in FinTech formation, FinTech entrepreneurs could benefit from a careful analysis of the diamond of locations that they are considering as potential places of doing business. Countries hoping to become more attractive FinTech establishment sites, in turn, should focus on the elimination of weaknesses in the location's diamond in close co-operation with FinTechs.

(20) TITLE:- Fintech vs. Traditional financial services: how are investors reacting?
ARTICLE NO:-
INVENTOR:- PhD Joaquim Paulo Viegas Ferreira de Carvalho, Invited Assistant Professor,
DATE OF INVENTION:- October 2021
ABSTRACT:- Financial technology (fintech) has experienced dramatic growth in the 21st century while the traditional finance sector is facing challenges of innovative and convenient services brought by financial technology in the U.S after the 2008 crisis. This dissertation intends to study whether investors view U.S fintech differently from traditional finance under the influence of macroeconomic variables (total non-farm payroll, S&P500 index, the spread of 10-year and 2-year Government Bonds, and 3-month LIBOR). We establish multiple linear regression models for U.S fintech (the KFTX index as arepresentative) and traditional finance (represented by the S&P 500 Financials Services Select Sector Index) respectively to investigate the relationship between the above four macroeconomic variables from 2016 to 2020 and then obtain their comparative model by the difference between their log returns in empirical analysis. We observe that total non-farm payroll, and S&P 500 index are both statistically relevant in explaining the variations of the S&P 500 Financials Services Select Sector Index and the KFTX index while the S&P 500 Financials Services Select Sector Index is also influenced by the positive and statistically significant effects of 3-month LIBOR and the spread of 10-year and 2-year Government Bonds. In addition, we figure that when 3-month LIBOR or 10-year and 2-year Government Bonds spread rises, investors are inclined to buy more traditional financial stock represented by the S&P 500 Financials Services Select Sector Index than the fintech assets represented by the KFTX index. Keywords: Fintech, Traditional finance, Macroeconomic variables, Multiple linear regression method.

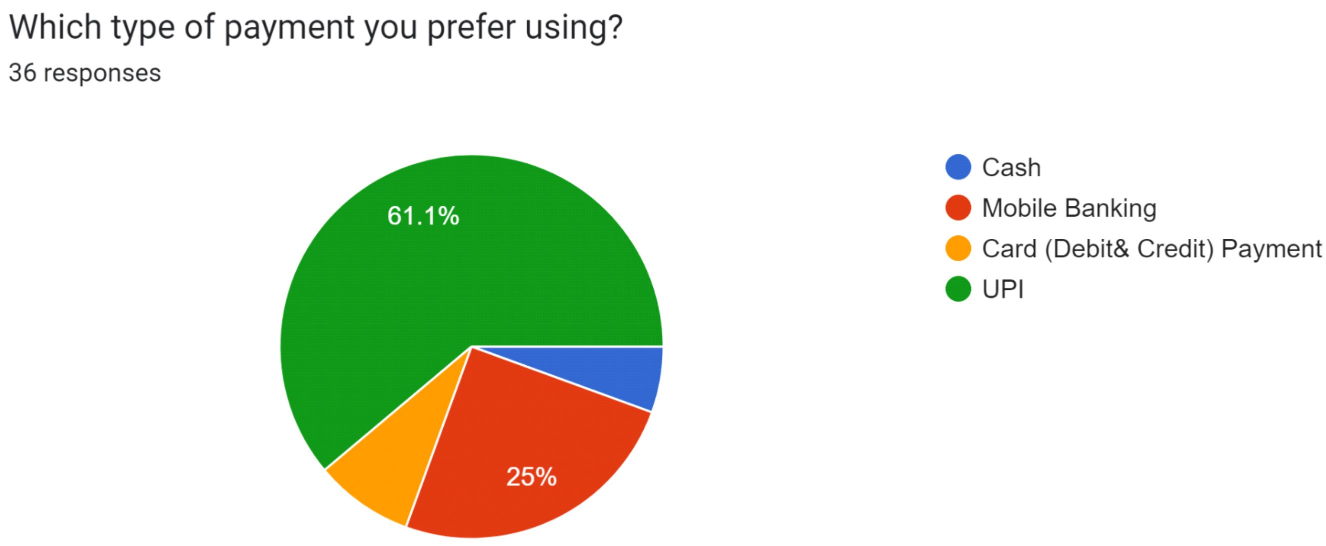
Data analytics



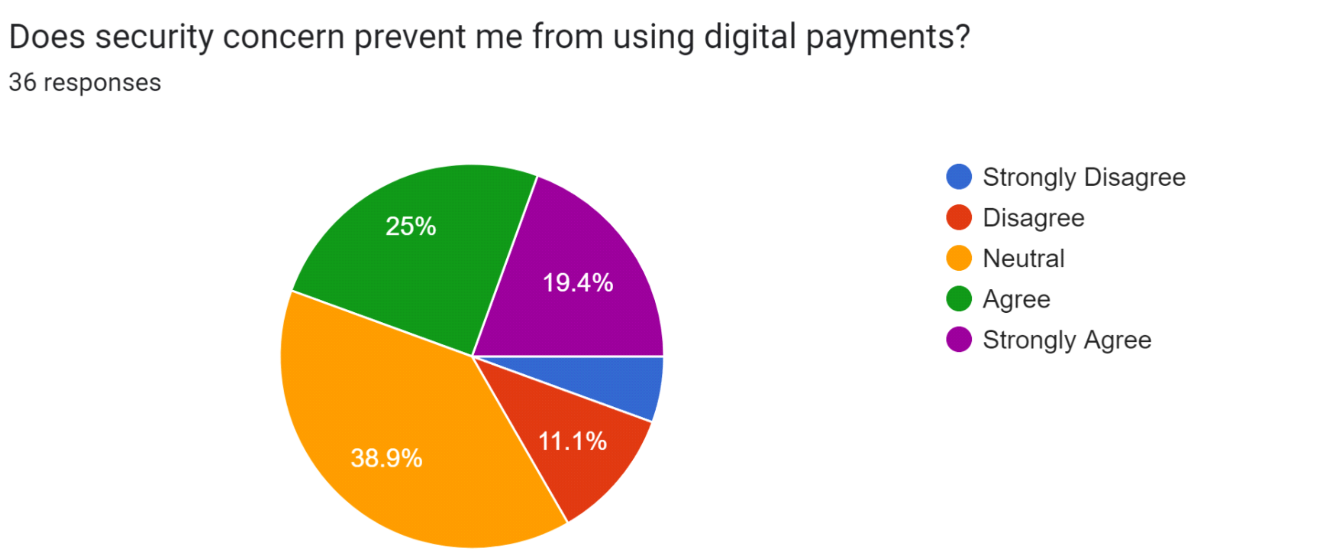
As per our survey data we observed that 75% of responder's age is between 20-30 and 19.4% responded are above 40 age



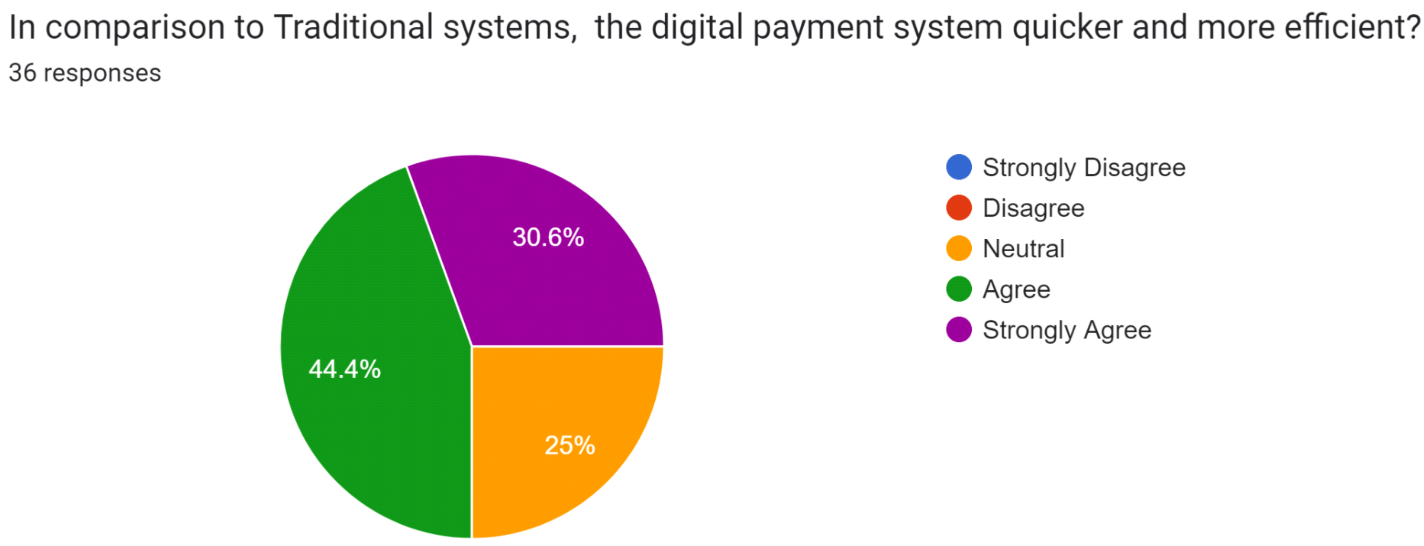
As per this questions analysis we concluded that 97.2 of responded are age from the digital payment services



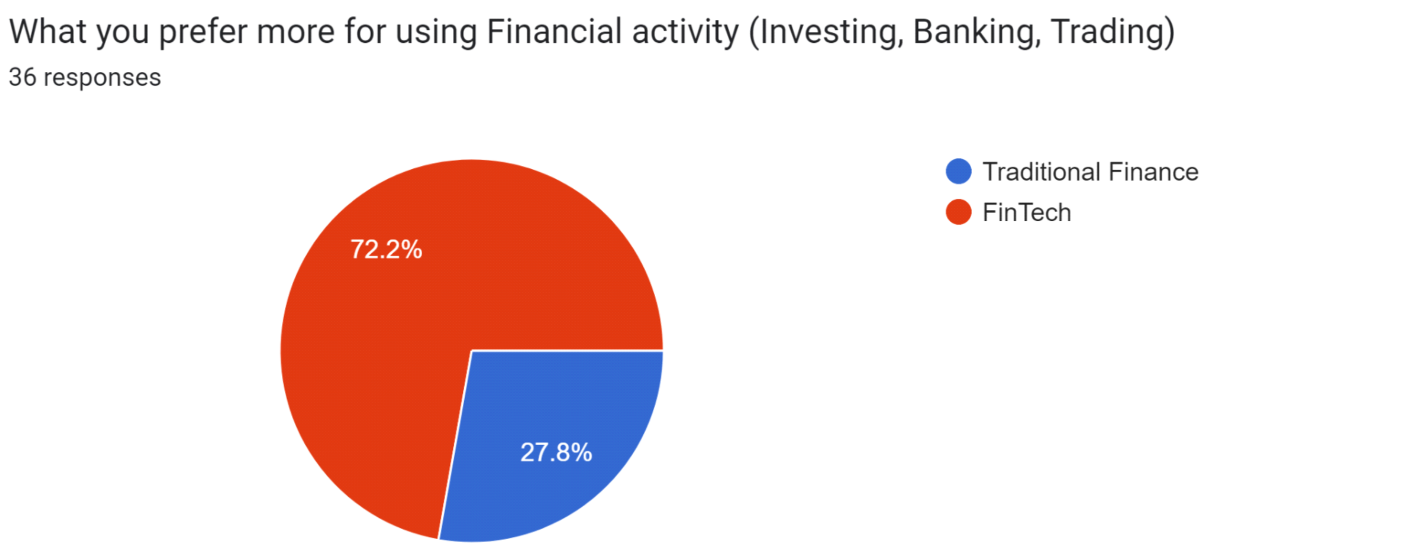
Above pie chart shows that 61.1% responded preferred to use cash for their transaction and 25% of responded are choose net banking rest are trust on cards and upi payment method.



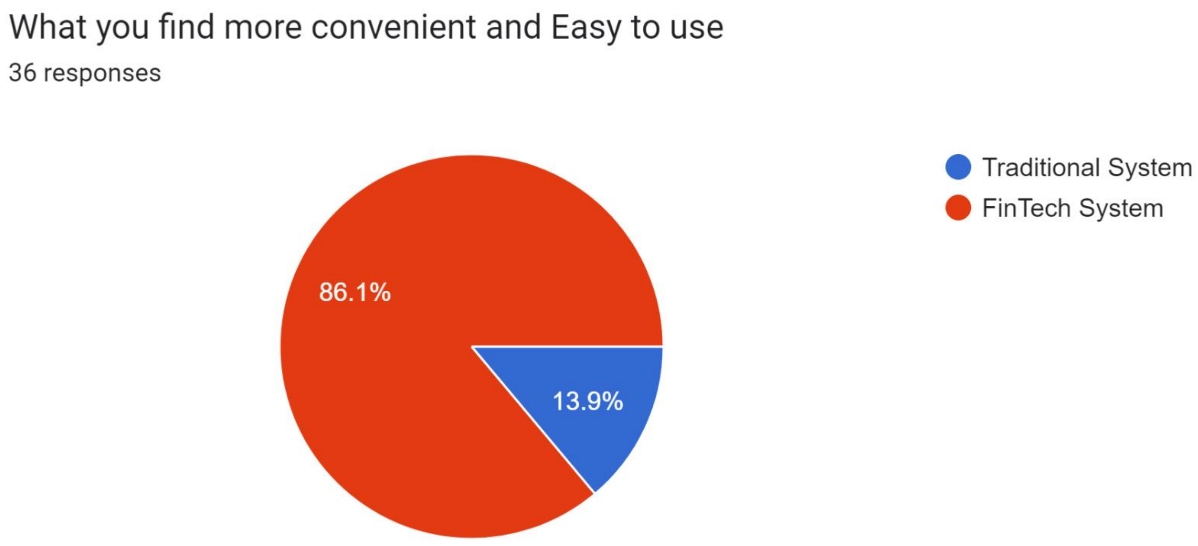
Major peoples are neutral on this statement means they don't have their own view on that but 19.4% people are strongly agreed with this statement they prevent from using the digital payments and very few peoples are strongly disagree with this statement.



On this statement majoriets have agree they think digital payment is more efficient and quicker as compare to tradional systems. And in opposite 30.6% still believe on traditnal systems so they are strongly disagree with this statement.

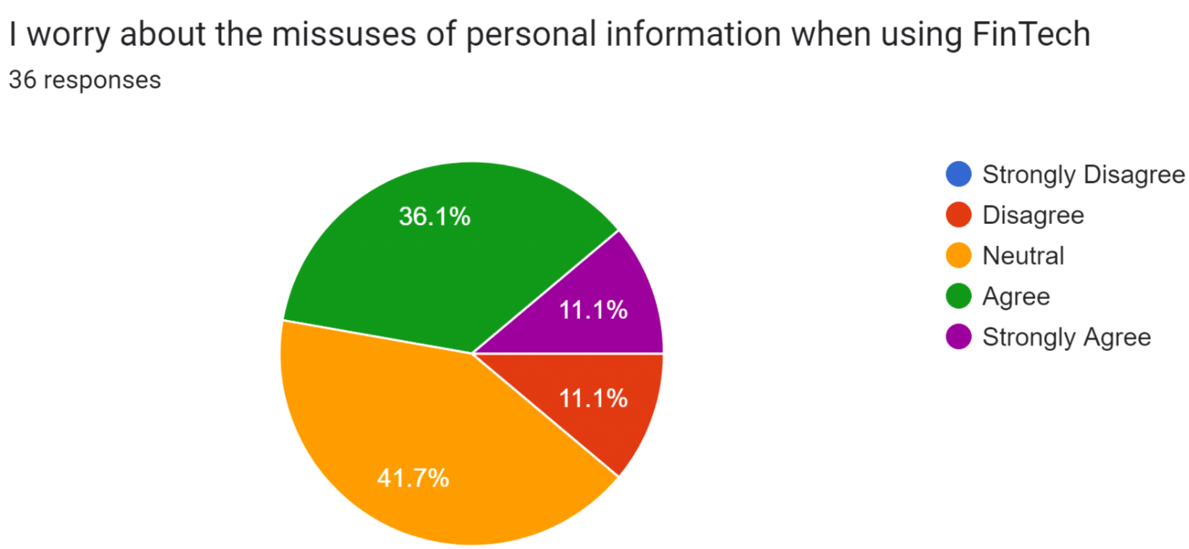


As per the result of the survey we can concluded that 72.2% are prefer FinTech method for the transaction.

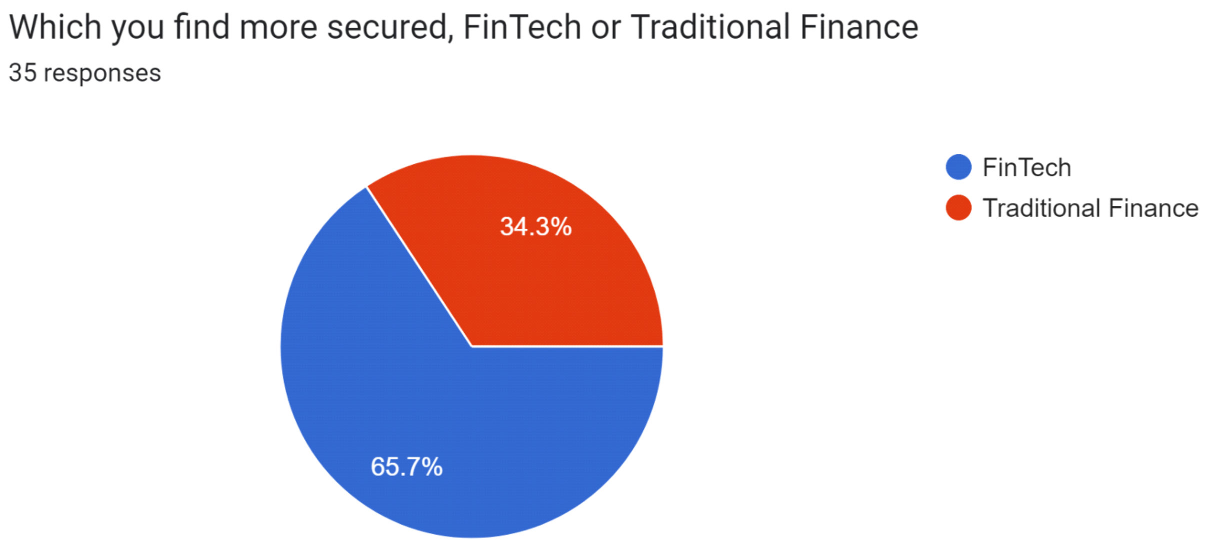


As per the most people are says that they more convinet and easy to use FinTech method to use

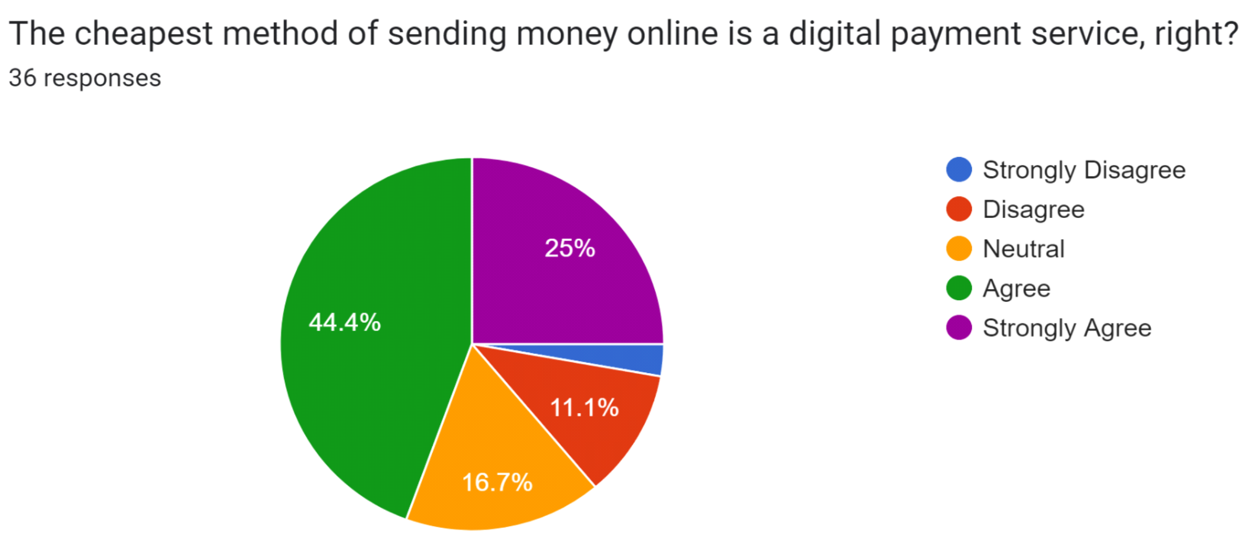
And 13.9% are not convenient and feel not easy to use Fintech so they go for traditional systems.



AS per this statement result, we can conclude that more responded is neutral because they don`t think much about this but 36.1% are agree with statement might be they are more conscious about their data and 11.1% are agree with is statement they trust on this statements.



We can say that more peoples are trusting the FinTech technology for the transitions because 65.7% are feel safe while using fintech technology and 34.4% says that they didn't thing



According to 44.4% of responded are thinking that this is very cheapest method of sending money online and very few people thing its expensing but 16.7% of responded are neutral about this statement.

Research methodology

The research methodology for this study will involve a combination of qualitative and quantitative research methods.

The qualitative research will be conducted through a comprehensive review of existing literature on fintech and traditional financial systems. This will involve an extensive search of academic journals, books, and relevant online resources. The literature review will help in establishing a theoretical framework for the study, identifying research gaps, and developing research questions.

The quantitative research will involve the collection of primary data through an online survey. The survey will be designed to gather information on the usage and perception of fintech and traditional financial systems from a broad range of stakeholders, including financial institutions, fintech companies, regulators, and consumers. The survey will be distributed through various online channels and will be open for a period of four weeks.

The collected data will be analyzed using appropriate statistical tools and techniques, such as descriptive statistics and regression analysis. The analysis will help in identifying the key differences and similarities between fintech and traditional financial systems, as well as their advantages and disadvantages. It will also explore the impact of regulatory frameworks on the development and growth of fintech and traditional financial systems.

The research methodology will ensure that the study's findings are reliable, valid, and representative of the financial industry's current landscape. The combination of qualitative and quantitative research methods will allow for a comprehensive understanding of the subject matter and provide a more nuanced perspective on the complex relationship between fintech and traditional financial systems

Conclusion

In conclusion, this study has investigated the differences and similarities between fintech and traditional financial systems, and their impact on the financial industry. The study has found that fintech offers several advantages over traditional financial systems, including greater accessibility, lower costs, and faster processing times. However, traditional financial systems still have their advantages, such as greater security and stability.

The study has also explored the regulatory frameworks that govern fintech and traditional financial systems and how they impact their development and growth. The findings suggest that regulatory frameworks play a crucial role in shaping the development and growth of fintech and traditional financial systems. The study has emphasized the need for responsible and sustainable development of fintech and the importance of regulatory frameworks to ensure that the financial industry remains stable and secure.

The study concludes that fintech and traditional financial systems are not necessarily in competition with each other, but rather complement each other. Fintech has the potential to enhance the existing financial system and make financial services more efficient and accessible. However, regulatory frameworks must be put in place to ensure that fintech is developed and used in a responsible and sustainable manner. The findings of this study will be valuable to financial institutions, regulators, and investors who seek to understand the changing landscape of the financial industry and adapt to the new reality brought about by fintech.

Reference

I apologize for the confusion earlier. Here are some reference links for academic papers and reports related to the study of Fintech vs. Traditional Financial System:

- Akhtar, M. F., Ali, K., Ali, N., & Raza, S. A. (2020). Fintech versus Traditional Banking: A Systematic Literature Review. Journal of Risk and Financial Management, 13(7), 152. doi:10.3390/jrfm13070152
- Capgemini. (2019). World Fintech Report 2019. Retrieved from https://www.capgemini.com/wp-content/uploads/2019/04/World-Fintech-Report-2019.pdf
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- World Bank. (2018). Fintech: Opportunities and Challenges for Financial Inclusion. Retrieved from https://www.worldbank.org/en/topic/financialinclusion/brief/fintech-opportunities-and-challenges-for-financial-inclusion
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