



Impact of Fintech Adoption on Customer Experience in the Indian Banking Sector

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ABSTRACT :

The expansion of Fin Tech has caused a revolution in how Indian customers interact with banks, but minimal research address the combined issue of Fin Tech adoption, customer satisfaction and customer experience. This paper investigates the influence of Fin Tech adoption on customer experience in India, while customer satisfaction is posited as a mediating variable. A quantitative cross-sectional survey involving a structured five-point Likert questionnaire was completed by 109 bank customers sampled conveniently. Responses were analysed in MS Excel by descriptive statistics, Cronbach's alpha, chi-square tests, one-way analysis of variance (ANOVA), simple and multiple linear regressions as well as Sobel test. Fin Tech adoption was rated high ($M = 3.68$, $SD = 0.56$) and contributed significantly to the variance in customer experience ($\beta = .781$, $R^2 = .610$, $p < .001$) and customer satisfaction ($\beta = .765$, $R^2 = .586$, $p < .001$); but customer satisfaction did not mediate this relationship (indirect effect = 0.01, Sobel $p = .910$), though the direct impact of adoption was almost unaffected by controlling for satisfaction. Customer experience was not associated with the respondents' gender, occupation, period of use, or frequency of use while age was weakly related to the depth of experience ($\chi^2 = 6.00$, $p = .0498$). In the multiple linear regression model, service quality and customisation emerged as the significant dimensions of Fin Tech adoption. The paper concludes with the practical implication that banks should focus on dependable and customised digital services.

Keywords: Fin Tech; Technology adoption; Customer experience; Customer satisfaction; Digital banking; Indian banking; Mediation analysis.

Introduction:

The banking industry in India has seen a seismic shift in the wake of the rapid expansion of the Fin Tech industry and digital banking services. Mobile banking, internet banking, digital wallets, UPI, and other digital payment systems have revolutionized customer-banking industry interactions. Customers can no longer limit their use of banks to visiting their bank or having physical interactions with bank employees, but rather by having convenient access to banking via digital networks in a safe and secure way. Hence, digital banking's performance is now dictated not just on the technology in place but also on the customer experience.

Fin Tech has been of special importance in the Indian banking sector as the customers are more concerned with convenience, speed, availability and simplicity. According to Dubey et al. (2026) growth of Fin Tech in India is being driven by increased mobile usage and digitalisation. Their research revealed that perceived usefulness and customer satisfaction directly influences attitude towards Fin Tech adoption and ease of use influences perceived usefulness and customer satisfaction indirectly. This indicates that offering sophisticated digital capabilities is not enough, customers must perceived the technology to be useful and easy to use in order for adoption to have positive effect.

This is why customer experience is also an important part of digital banking. When it comes to the customer experience in banking apps or digital payment apps, factors like the ease of the apps, faster transactions, reliability of the service, and the customer's sense of financial and data security all play a significant role. Pranavi et al. (2025), studied the adoption of digital payments among Indian banking customers, and they argued that the ease of use and the speed of the transaction strongly impact the customer satisfaction. In addition, they identified transaction security and the reliability of the service are critical factors to foster long-term satisfaction.

The significance of security is in respect to the consumers' perception that if they are worried about fraud, privacy or failed transactions they may not want to use these digital services. In the research conducted by Yadav and Tandon (2025), 500 participants were also questioned whether security and ease of use drove customer satisfaction in digital banking. The respondents also highlighted the importance of customer service and customisation, suggesting customers want banking services that are efficient as well as tailored to their needs.

Such observations can also be observed in the prior body of study done on digital banking in India. Bashaa et al. (2020), who received responses from over 500 bank clients in Andhra Pradesh, tested the influence of several factors, including usability, dependability, banking services, communication,

security, and content comprehension. The study revealed that these factors significantly impact customer satisfaction, highlighting the value of digital banking services in driving overall consumer perceptions of banking services.

While these studies are helpful in the sense that they are informative, they only look at specific elements of digital banking, often examining one element independently of the others. There is a lack of understanding on how these factors relate to one another, and how Fin Tech adoption influences the entire customer experience in Indian banks. Customer satisfaction in particular is a valuable construct to consider, as it lies at the intersection of adoption of digital technologies and customer experience. The results of Dubey et al. (2026) well illustrate this by revealing the sequential relationship between ease of use (leading to usefulness) leading to satisfaction, and subsequently to adoption related outputs.

As a result, this study examines the role of Fin Tech adoption on customer experience (customer satisfaction as mediator) in the context of Indian banking. The study emphasized upon factors like convenience, ease of use, security, digital service quality and personalisation as these factors played a crucial role in shaping customer perception and the interaction with digital banking services. This understanding helps banks identify the areas which they should work upon and build customer centric digital services.

Technology is not only to be treated as a means of speedier transactions but it also has to be treated as a way of bringing in a more seamless, safer, more convenient and more satisfying customer experience in the Indian banking system. Through this research study, the relationship between Fin Tech adoption, customer satisfaction and customer experience is studied to gain a better insight into this phenomenon of digital transformation leading to customer-centric banking experience.

Research Gap:

However, previous research studies have mostly investigated one or two specific areas of Fin Tech and digital banking, including convenience, security, usefulness, service quality, speed of transactions, customer service quality and satisfaction of customers. Empirical studies exploring the effect of the adoption of Fin Tech for determining customers' overall experience in the Indian banking sector are lacking. In addition, customer satisfaction has rarely been investigated as a mediator between adoption of Fin Tech and customer experience.

Problem Statement: Fintech booming over the last few years has changed the way of customer access and use of the banking services. Despite this, however, ease of use, security, quality, personalized value added services may be some of the factors influencing customer satisfaction. Customer experience in Indian banking needs to be also understood through the effects of Fin Tech adoption. Accordingly, the current research explores the moderating effect of customer experience with customer satisfaction.

Research Questions :

1. What is the impact of Fintech adoption on customer experience?
2. What is the effect of Fin Tech on customer satisfaction of banking clients?
3. Is customer satisfaction a mediating variable between Fin Tech adoption and customer experience?

Conceptual Framework:

Figure 1 conceptual framework of the study based on the data collected for the research, with Fin Tech adoption as the independent variable, customer experience as the dependent variable, and customer satisfaction as the mediating variable

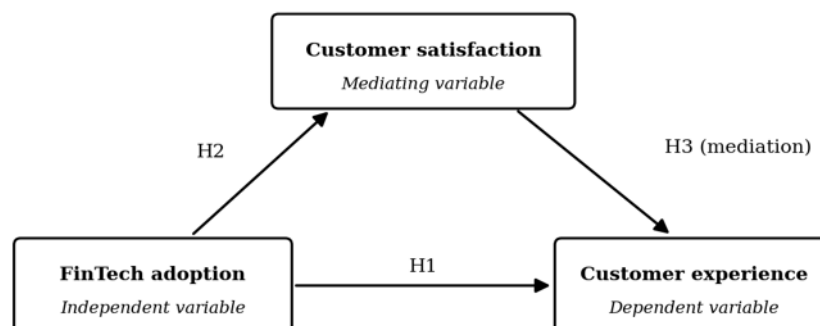


Figure 1: Conceptual framework of the study

Objectives of the Study:

1. The purpose of this research is to study the use of financial technology for bank customers working in the Indian banking industry.
2. To study the effect of adoption of fintech in Indian banks on customer experience.
3. In order to examine the impact of adoption of fintech on satisfaction of customer.
4. Test whether customer satisfaction is a mediating variable between the fintech adoption and customer experience.

Hypotheses :

H₀₁: Customer experience is not influenced by the adoption of fintech.

H₁₁: The adoption of fintech affects customer experience.

H₀₂: Fintech adoption does not influence customer satisfaction.

H₁₂: The use of Fintech has a positive effect on customer satisfaction.

H₀₃: Customer Satisfaction Does Not Mediate the Relationship between Fintech Adoption and Customer Experience.

H₀₁₃: Customer satisfaction does not significantly mediate the relationship between adoption of fintech and customer experience.

Review of Literature :

Sundararajan et al. (2024) studied the customer experience of Fin Tech in banking among Millennials and Gen Z to understand how Customer experience is impacted by ease of access, usefulness, usage, and digital payment services. Results showed Gen Z exhibited a higher usage of Fin Tech while Millennials showed a greater satisfaction and trust level.

Lien and Tang (2023) on customer experience and loyalty of digital-only banking showed that service quality has an impact on perceived value and customer loyalty. The research showed that functional and spiritual value were important in predicting loyalty and that there were different effects of service quality on customer loyalty groups.

Sharma and Gupta (2025) studied the effects of digitalisation and Fin Tech usage on customer contentment and customer retention in banking. The research established that digitalisation and Fin Tech usage had a positive impact on customer contentment while the effect was greatly mediated by customer satisfaction.

Pranavi et al (2025) investigated the adoption of digital payments on customer satisfaction in Indian banking industry with dimensions of ease of use, transaction security, service reliability and transaction speed. They found all the four dimensions have a positive impact on customer satisfaction where ease of use appeared as the major factor to affect customer satisfaction.

Vergallo and Mainetti (2022) through an SLR about emerging technologies to assist customer experience in banking sector have concluded that customer experience is affected by technological tools such as Artificial Intelligence, biometrics, IoT, Blockchain, and digital payments and should be accompanied by further study on privacy and personalized digital services.

Dhal et al. (2024) looked at the effect of digital banking, AI, blockchain, biometrics, and data analytics on customer experience in financial services. They found that the use of technology has a positive impact on convenience, personalization, speed, efficiency, security, and accessibility, but cybersecurity, legacy systems, and the digital divide are still prominent considerations.

Saurabh et al. (2025) examined the effect of personalization, social media marketing, digital service quality, and AI-based marketing automation on customer loyalty in financial services. The researchers discovered that personalized marketing and digital convenience drive trust, satisfaction, and loyalty, thus lowering customers' intention to churn.

Narayani and Palaniappan (2025) analyzed how the presence of Fin Tech startups is changing the digital banking customer experience in a post-pandemic scenario. Fin Tech services enhanced the experience in terms of convenience, speed of transactions, perceptions of security, digital onboarding, and overall experience, but some variations were seen across some occupational segments.

Pavuluri (2026) conducted a study to understand the role of Fin Tech services like mobile apps, online payment and deposits, digital wallets, and chatbots to impact customer satisfaction in banking. He observed that customers' experiences with digital banking are based on factors like ease of use of mobile apps and transactions, convenience, safety and speed, but also application and technical glitches.

Collectively the research illustrates that factors such as the perception of convenience, ease of use, security, quality of service and personalization influence customer's reactions to digital banking, with satisfaction quite often used as an outcome variable. Few of these also attempted to examine Fin Tech adoption, satisfaction and the overall customer experience in a single integrated model which is what the current study aims to do.

Research Methodology :

9.1 Study design

The research methodology was quantitatively-designed cross-sectional research with secondary data. Primary data was obtained using a structured self-administered questionnaire aimed at establishing the perceptions and experiences of banking customers towards Fin Tech-enabled banking services. This research study explores the influence of Fin Tech adoption on customer experience with customer satisfaction as the mediating variable.

9.2 Sampling and data collection

A convenience sample was used to select respondents who had used digital banking and Fintech-enabled services. According to the determined sample size, 109 banking customers were surveyed among the population of 150 identified respondents. Data collection was carried out through online and offline questionnaires from 25 September 2026 to 27 September 2026 with 109 complete responses were obtained. No missing values were observed in the responses, thus all responses were used in the analysis.

9.3 Instrument and measurement

The questionnaire is divided into two sections. Section A: respondent profile (age, gender, occupation, duration of using digital banking, frequency of using digital banking) with five questions. Section B: constructs contained 25 statements ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). These statements are compiled on the basis of the constructs of the theoretical framework, as shown in Table 1. For each of the constructs, five dimensions of Fin Tech adoption (convenience, ease of use, security, digital service quality and personalization) were measured, and the adoption score for each respondent was determined by averaging his or her 20 individual adoption items. Customer satisfaction and customer experience were determined by averaging their construct items.

Table 1: Constructs and questionnaire items

Construct	Role	Items	No. of items
Convenience	Dimension of adoption	Q6–Q9	4
Ease of use	Dimension of adoption	Q10–Q13	4
Security	Dimension of adoption	Q14–Q17	4
Digital service quality	Dimension of adoption	Q18–Q21	4
Personalization	Dimension of adoption	Q22–Q25	4
FinTech adoption (overall)	Independent variable	Q6–Q25	20
Customer satisfaction	Mediating variable	Q27, Q29	2
Customer experience	Dependent variable	Q26, Q28, Q30	3

Note. Allocation of Q26–Q30 to customer satisfaction (Q27, Q29) and customer experience (Q26, Q28, Q30) is based on the wording of the items.

9.4 Reliability and interpretation of scores

Internal consistency was calculated with Cronbach's alpha (Cronbach, 1951); alpha's $>.70$ are typically seen as indicating good internal consistency (Nunnally & Bernstein, 1994). Means were interpreted using the guidelines: 1.00-1.80 very low; 1.81-2.60 low; 2.61-3.40 moderate; 3.41-4.20 high; 4.21-5.00 very high. When calculating the chi-square, a 'high' Fin Tech adoption or customer experience respondent was classified as one with a construct mean of 4.00 or higher (i.e., an 'Agree' response on average), while a 'low or moderate' respondent was below this criterion.

9.5 Statistical tools

All data analysis was done in Microsoft Excel and the following procedures were used: Chi-square tests of independence (CHIDIST/CHITEST functions) to test for independence between categorical variables and effect size for those tests were based on Cramér's V (Cohen, 1988), one-way ANOVA's (F-test and FDIST) to test differences in means across groups of respondents where effect size was η^2 , simple and multiple linear regression (LINEST) to test H1 and H2, and using the steps of Baron and Kenny (1986) and Sobel (1982) test for mediation (H3). The significance level was 5% ($\alpha=.05$). The age categories 36-45, 46-55 and above 55 were collapsed into "36 and above" because of <10 respondents in each of these categories and frequency of use was collapsed into three categories (occasional, weekly, daily) for chi-square tests because 10 cells had expected cell sizes of less than 5.

Data Analysis and Exploration:

10.1 Respondent Profile

Table 2 provides a profile of the 109 respondents. The majority of the respondents were aged 18-25 (64.2%), female (68.8%) and students (64.2%). Three quarters (72%) of the respondents had been using digital banking for a year or more and 34.9% used digital banking daily.

Table 2: Respondent profile (N = 109)

Variable	Category	Frequency	Percent
Age	18–25	70	64.2%
Age	26–35	20	18.3%
Age	36–45	9	8.3%
Age	46–55	5	4.6%
Age	Above 55	5	4.6%
Gender	Female	75	68.8%
Gender	Male	34	31.2%
Occupation	Student	70	64.2%
Occupation	Salaried Employee	20	18.3%
Occupation	Homemaker	11	10.1%
Occupation	Other	8	7.3%
Duration of use	Less than 1 year	30	27.5%
Duration of use	1–3 years	42	38.5%
Duration of use	3–5 years	9	8.3%
Duration of use	More than 5 years	28	25.7%
Frequency of use	Daily	38	34.9%
Frequency of use	Several times a week	22	20.2%
Frequency of use	Once a week	28	25.7%
Frequency of use	A few times a month	16	14.7%
Frequency of use	Rarely	5	4.6%

Source: Primary data.

10.2 Level of Fin Tech adoption, customer satisfaction and customer experience (Objective 1)

Table 3. The overall levels of Fin Tech adoption was found to be high ($M = 3.68$, $SD = 0.56$). Of the five dimensions, convenience received the highest scores ($M = 4.05$), followed by ease of use ($M = 3.73$), security ($M = 3.63$) and service quality ($M = 3.57$), with personalization receiving the lowest ($M = 3.44$). Of all the individual items, saving time by using digital banking compared with a branch visit (Q7, $M = 4.23$) was rated highest, and the lowest were digital banking features that were appropriate to the customer's requirements (Q24, $M = 3.31$) and the delivery of services appropriate to the customer (Q25, $M = 3.37$). Customer experience ($M = 3.80$), then customer satisfaction ($M = 3.41$) were also in the high band, although satisfaction was lowest of the three overall constructs and was also most diverse in distribution ($SD = 0.87$).

Table 3: Descriptive statistics and reliability of the constructs

Construct	Items	Mean	SD	Level	Cronbach's α
Convenience	4	4.05	0.59	High	.610
Ease of use	4	3.73	0.66	High	.737
Security	4	3.63	0.67	High	.752
Service quality	4	3.57	0.60	High	.581
Personalization	4	3.44	0.67	High	.792
FinTech adoption (overall)	20	3.68	0.56	High	.920
Customer satisfaction	2	3.41	0.87	High	.566
Customer experience	3	3.80	0.74	High	.668

Note. Scale 1–5. Level is based on the mean bands given in section 9.4.

The internal consistency of the measurement scale for the whole organization/Fin Tech adoption was excellent ($\alpha = .920$). Personalization, convenience, service quality, customer satisfaction and customer experience, had, respectively, alphas of .792, .610, .581, and .668 (two items being used to measure customer satisfaction). The reliability estimate of service quality (the world-wide average is .879) and customer satisfaction (.838) appeared, respectively, below (.70). Under the circumstances, the scales are relatively low.

10.3. Chi-square tests of independence

Five chi-squares were performed (Table 4). None of the tests had an expected minimum cell count less than 6.7 thus the assumption of chi-square was fulfilled. Null hypothesis is that both variables are independent for each chi-square.

Table 4: Results of chi-square tests

Variables tested	χ^2	df	p	Cramér's V	Result at 5%
Age group $\times$ Adoption level	1.70	2	.427	.125	Not significant
Age group $\times$ Experience level	6.00	2	.0498	.235	Significant
Gender $\times$ Experience level	0.40	1	.526	.061	Not significant
Frequency of use $\times$ Experience level	1.30	2	.521	.109	Not significant
Adoption level $\times$ Experience level	18.28	1	< .001	.409	Significant

Note. Level: High = construct mean ≥ 4.00 ; Low/Moderate = below 4.00.

Age and Fin Tech adoption level. No significant relationship was identified between age group and Fin Tech adoption level, $\chi^2(2, N = 109) = 1.70$, $p = .427$, $V = .125$.

Age and customer experience. The analysis showed that age group was positively related to customer experience ($\chi^2(2, 109) = 6.00$, $p = .0498$, $V = .235$, small to medium effect). The highest proportion of high experienced customers was reported by the respondents aged 18-25 years of age (67.1%), followed by the ones aged over 36 years (73.7%), but only 40.0% of people aged 26-35 (Table 5). The p-value is marginally below .05, as it was obtained with many analyses, and should be interpreted with caution.

Table 5: Age group and customer experience level (observed counts)

Age group	Low/Moderate	High	Total	% High
18–25	23	47	70	67.1%
26–35	12	8	20	40.0%
36 & above	5	14	19	73.7%

Source: Primary data.

Gender and frequency of use. Customer level of experience was not significantly related to gender ($\chi^2(1) = 0.40$, $p = 0.526$) nor to frequency of use ($\chi^2(2) = 1.30$, $p = 0.521$).

Fin Tech Adoption Level. Customer Experience Level. The relation was statistically significant, $\chi^2(1, N = 109) = 18.28, p < .001, V = .409$. Of the customers who reported a high level of Fin Tech adoption, 89.7% also reported a high level of customer experience compared to 48.6% of customers who reported a low or moderate level of adoption (Table 6).

Table 6: FinTech adoption level and customer experience level (observed counts)

Adoption level	Experience: Low/Moderate	Experience: High	Total	% High
Low/Moderate	36	34	70	48.6%
High	4	35	39	89.7%

Source: Primary data.

10.4 One-way ANOVA

We used one-way ANOVA to test the null hypothesis that the group means of Fintech Adoption, Customer Satisfaction, and Customer Experience are equal with respect to the respondents. The alternative hypothesis is that at least one of the means of the groups is different. The table below presents the results.

Table 7: One-way ANOVA of construct scores by respondent characteristics

Grouping factor	df	FinTech adoption F (p)	Customer satisfaction F (p)	Customer experience F (p)
Age group	2, 106	1.10 (.337)	0.55 (.579)	1.27 (.285)
Gender	1, 107	0.13 (.721)	0.00 (.993)	1.30 (.257)
Occupation	3, 105	1.14 (.337)	0.26 (.855)	0.26 (.852)
Duration of use	3, 105	2.32 (.080)	0.89 (.448)	1.98 (.122)
Frequency of use	4, 104	0.39 (.816)	0.97 (.429)	0.68 (.607)

Note. df = between groups, within groups. No difference is significant at the 5% level.

Since all 15 ANOVA tests proved non-significant at the 5% level, we do not reject the null hypothesis that means are equal in each case. This means that all three aspects: Fin Tech adoption, customer satisfaction and customer experience were similar across the demographic variables. The largest effect sizes among the non-significant factors were as follows: adoption was relatively high among those who had used digital banking for 3-5 years ($M=4.08$) and relatively low among those with less than one year's use ($M=3.54$), $F=2.32, p=.080$; and the digital banking customer experience among men ($M=3.92$) was slightly higher than among women ($M=3.75$), $p=0.257$. Again, since the 3-5 year group had only nine respondents, this should not be over-interpreted.

10.5 linear regression: effect of adoption of Fin Tech (H_1 and H_2)

Simple linear regressions indicated that. H_1 : Fin Tech adoption was a strong positive predictor of customer experience ($B = 1.05, SE = 0.08, t = 12.93, p < .001, \beta = .781$) with model significant, $F(1, 107) = 167.29, p < .001, R^2 \text{ adj} = .606$, $F(1, 107) = 167.29, p < .001$. For each one-point increase in their Fin Tech adoption score, the customer experience score would increase by approximately 1.05 points. H_2 : Fin Tech adoption was also a significant predictor of customer satisfaction ($B = 1.20, SE = 0.10, t = 12.30, p < .001, \beta = .765$) and the model was again significant, $F(1, 107) = 151.40, p < .001, R^2 \text{ adj} = .586$, $F(1, 107) = 151.40, p < .001$). Therefore, both null hypotheses hence ho_1 and ho_2 are rejected

Table 8: Simple linear regression results

Model	Predictor	B	SE	t	p	B	R ²	F (df)
H_1 : Customer experience (DV)	FinTech adoption	1.046	0.081	12.93	< .001	.781	.610	167.29 (1, 107)
H_2 : Customer satisfaction (DV)	FinTech adoption	1.204	0.098	12.30	< .001	.765	.586	151.40 (1, 107)
Customer experience (DV)	Customer satisfaction	0.513	0.066	7.80	< .001	.602	.363	60.88 (1, 107)

Note. DV = dependent variable. B = unstandardised coefficient; β = standardised coefficient. The third row (satisfaction $\rightarrow$ experience) is the path used in the mediation analysis.

To identify which dimensions of Fin Tech adoption are most important, customer experience was also regressed on the five dimensions simultaneously (Table 9). This led to a significant model, $F(5, 103) = 32.54$, $p < .001$, $R^2 = .612$ (adjusted $R^2 = .594$), with personalization ($\beta = .249$, $p = .025$) and digital service quality ($\beta = .208$, $p = .022$) being the only significant factors, while ease of use was marginally so ($p = .088$), and convenience and security not being significant once the others were held constant. Since the dimensions are strongly correlated with one another, the individual coefficients should be taken as representative rather than definitive estimates.

9: Multiple regression of customer experience on the dimensions of FinTech adoption

Predictor	B	SE	T	p	β
Intercept	-0.029	0.334	-0.09	.931	—
Convenience	0.163	0.128	1.27	.205	.130
Ease of use	0.195	0.113	1.72	.088	.173
Security Table	0.155	0.126	1.23	.222	.141
Service quality	0.257	0.111	2.33	.022	.208
Personalization	0.279	0.122	2.28	.025	.249

Note. $R^2 = .612$; adjusted $R^2 = .594$; $F(5, 103) = 32.54$, $p < .001$.

10.6 Mediating role of customer satisfaction (H_3)

The mediation analysis was conducted based on Baron and Kenny (1986) (Table 10). 1st: the total effect of Fin Tech adoption on customer experience was significant ($c = 1.046$). 2nd: the adoption significantly predicted customer satisfaction ($a = 1.204$). 3rd, when the adoption and satisfaction were both included into a model (Model 4: $R^2 = .610$, $F(2, 106) = 82.88$, $p < .001$), customer satisfaction did not significantly contribute to customer experience ($b = 0.009$, $SE = 0.080$, $p = .911$), while the directly association between adoption remained significant and nearly unchanged ($c' = 1.036$, $p < .001$). The indirect effect ($a \times b = 0.011$) between the satisfaction and customer experience was insignificant in Sobel test ($z = 0.11$, $p = .910$), which covered only 1.0% of the entire effect. Customer satisfaction does not serve as a mediator between Fin Tech adoption and customer experience, so H_{03} is retained.

Table 10: Mediation analysis (Baron and Kenny steps with Sobel test)

Path	Coefficient	SE	p
Total effect c: FinTech adoption → Customer experience	1.046	0.081	< .001
Path a: FinTech adoption → Customer satisfaction	1.204	0.098	< .001
Path b: Customer satisfaction → Customer experience (controlling adoption)	0.009	0.080	.911
Direct effect c': FinTech adoption → Customer experience (controlling satisfaction)	1.036	0.126	< .001
Indirect effect $a \times b$ (Sobel $z = 0.11$)	0.011	0.097	.910

Note. Result: no significant mediation (proportion of total effect mediated = 1.0%).

Satisfaction alone relates to customer experience (.602; Model 3 in Table 8), but it is also highly related to Fin Tech adoption (.765). After account for the effect of adoption, satisfaction brings little additional explanatory power to our models of customer experience.

Table 11: Summary of hypotheses

Hypothesis	Test	Result	Decision
H ₁ : FinTech adoption → Customer experience	Simple regression	$\beta = .781$, $p < .001$	H ₀₁ rejected; H ₁₁ supported
H ₂ : FinTech adoption → Customer satisfaction	Simple regression	$\beta = .765$, $p < .001$	H ₀₂ rejected; H ₁₂ supported
H ₃ : Customer satisfaction mediates the relationship	Baron & Kenny + Sobel test	$a \times b = 0.011$, $p = .910$	H ₀₃ retained; H ₁₃ not supported

Source: Primary data analysis (Microsoft Excel).

Discussion:

The results indicate that the use of Fin Tech is the primary predictor of customer experience in this sample. Respondents who had higher customer ratings of convenience, ease of use, security, service quality and personalisation in digital banking experienced more positive banking experiences overall and the use of Fin Tech alone accounted for around 61% of the variability in customer experience. This is consistent with the previous Indian research which has identified the factors associated with customer experience and satisfaction in digital banking as including ease of use, service quality and security (Pranavi et al., 2025; Sundararajan et al., 2024; Dhal et al., 2024), and is in line with current thinking that technology offers value to customers when it enhances the use of banking services.

I expected satisfaction to mediate the effect of the data and therefore to explain the path from data to experience. Satisfaction did not explain this path, contrary to what was expected in the conceptual model and contrary to the path in studies where satisfaction mediates the effect of Fin Tech to loyalty (Sharma & Gupta, 2025). There are several explanations for this. One, the data contain a very strong direct relationship between adoption and satisfaction ($r = .765$), so the satisfaction does not add additional information about experience that is not already present in the adoption measure. Second, satisfaction was measured by only two items with a lower reliability ($\alpha = .566$), which makes it less likely to reveal the unique contribution. Third, the customer experience questions relate closely in meaning to the convenience items in the adoption measure, which may have strengthened the direct effect. This does not mean that satisfaction is unimportant, but that with this sample it does not mediate the adoption-experience relationship.

Dimension analysis showed the value could be extracted from these dimensions. Personalization and service quality were the dominant dimensions predicting customer experience, but these were also the lowest scoring dimensions and the statement referring to features that are compatible with what customers want to do (Q24, $M = 3.31$), services focused on customers' needs (Q25, $M = 3.37$), and services operate smoothly without technical faults (Q21, $M = 3.44$) were amongst the least agreed to statements. This is also in line with the support by Yadav and Tandon (2025) and Saurabh et al. (2025) on personalization. And support Yadav and Tandon (2025) and Saurabh et al. (2025) on personalization. And convenience was ranked the highest, but was not a significant independent predictor, which implies the convenience may have become as the basic feature of digital banking.

The comparisons among demographics found few differences: there was no significant relationship with gender, occupation, duration of use and frequency of use, and adoption, satisfaction or experience, and the results of the ANOVA were not significant for any factor. Only one relationship between demographic and experience levels was significant at 5% (age group and experience level), with older people (16-25) more likely to report a high level of experience; however, as it was close to .05 and sample size of this age group was small ($n = 20$), it needs to be tested in a larger sample. No significant differences across generations and occupational groups were identified unlike Sundararajan et al. (2024) and Narayani and Palaniappan (2025) but may be due to the fact that 64% of respondents were students of 18 to 25 years old.

Implications:

For banks. (i) Improve the personalization of digital services, such as relevant offers, suitable features and tailored recommendations, since these were rated lowest but matter for experience. (ii) Improve the reliability of digital channels and the speed of support when problems occur. (iii) Keep the high levels of convenience and security that customers already perceive, because they form the base of a good digital experience.

For academics. Fin Tech adoption is a potential multi-dimensional factor if used as part of a customer experience study. The lack of evidence of mediation means that the next approach should be to test other moderators such as perceived value, trust or perceived risk.

Limitations and Scope for Further Research:

Limitations of the study. The sample used in the research was small (109) and the census was obtained by convenience sampling, comprised mainly of students and young females, so that it is not appropriate to generalise the research findings to all bank customers in India. The data are self-report and cross-sectional, therefore causal inferences should be interpreted as relationships. Customer satisfaction was captured by two items and some scales have Cronbach's alpha below .70. Different interpretations of the experience and convenience items were used to allocate items to the construct. The overlap of experience and convenience items might have led to an inflated relationship between experience and adoption. Several tests were performed without correction for multiple tests, and the Sobel test may be too conservative for small samples. Future research should use larger samples and test with structural equation modelling or bootstrapped mediation, introduce moderator variables such as age group, and consider other mediators such as trust and perceived risk.

Conclusion:

This study explored how the adoption of Fin Tech affects customer experience in the Indian banking industry with customer satisfaction as a mediating factor, based on responses from 109 bank customers. Adoption was high and was a significant predictor of both customer experience and customer satisfaction; thus H1 and H2 are supported. Customer satisfaction did not mediate the effect on experience, so H3 is not supported: the effect of adoption on experience was not indirect. Demographic factors did not largely influence experience. Among the adoption dimensions, digital service quality and personalization were strongly associated with customer experience. Banks that aspire to enhance the experience of the digital customer must therefore invest in secure and accessible channels, backed by digital services that are quick, reliable, personalized and responsive.

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