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IMPACT OF FINTECH ON RETAIL BUSINESS OPERATIONS: A PERCEPTIONAL STUDY WITH REFERENCE TO MYSURU CITY

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ABSTRACT

This study examines retailers' perceptions and adoption of Fintech in Mysuru City, drawing on primary data from 100 retailers collected via a structured questionnaire and analysed using percentage analysis. Findings show Fintech is deeply embedded in daily operations, with 83% of retailers using it daily. Retailers strongly endorse its ease of integration (90%), cost-effectiveness (80%), operational transparency (65%), and transaction accuracy (65%). However, perceptions are weaker regarding trust in providers (63%), impact on sales and revenue (51%), and contribution to customer loyalty (41%), while 41% report having faced prior service issues, and awareness and financial-literacy gaps persist among a notable segment of respondents. The study concludes that while Fintech has achieved strong functional acceptance among retailers, broader and more confident adoption requires strengthening trust, reliability, and financial literacy. Findings offer practical insight for Fintech providers and policymakers designing retailer-focused digital-inclusion strategies.

KEYWORDS: Fintech, Retailers, Financial Services, Banking, E-Rupee

1. INTRODUCTION

Financial technology, widely known as Fintech, refers to the integration of digital technology into financial services and processes with the aim of enhancing, automating, or reimagining how those services are delivered. What began as a set of narrow technical innovations within banking has grown into a vast, rapidly evolving industry touching nearly all financial interaction consumers and businesses undertake from mobile banking, insurance, and investment platforms to peer-to-peer payments and cryptocurrency. Fintech today functions less as a discrete sector than as an infrastructure layer underlying modern commerce, and its reach into the retail environment has been particularly transformative. The evolution of Fintech is best understood as a series of incremental innovations rather than a single point of origin. The 1950s introduced Americans to the credit card, with Diners' Club launching in 1950 and Bank of America and American Express following in 1958 a consumer

credit revolution reinforced by the establishment of the Interbank Card Association in 1966. That same year, a global telex network was established, providing the communications backbone for later financial innovation. Barclays Bank's introduction of the Automatic Teller Machine in 1967 is widely regarded as the symbolic starting point of the modern Fintech era, an innovation significant enough that former U.S. Federal Reserve Chairman Paul Volcker later reflected on the role of financial innovation in the 2008 global financial crisis. Fintech, then, is not a wholly new phenomenon but the latest chapter in a long process of technological substitution for manual, branch-based financial processes. In retail specifically, this substitution has accelerated sharply. Customers now expect instantaneous, secure, flexible payment options digital wallets, contactless cards, NFC payments, and buy-now-pay-later arrangements have moved from novelty to baseline expectation. For retailers, Fintech adoption extends beyond payments into inventory management, customer relationship management, fraud detection, and data-driven decision-making, reshaping how retail businesses operate end-to-end. Yet adoption among retailers, especially small and medium-sized ones, remains uneven depending heavily on whether they perceive Fintech as trustworthy, secure, cost-effective, and easy to integrate. Retailers lacking confidence or digital literacy may continue relying on traditional practices even as infrastructure expands. Much existing research has focused on consumers or banking customers, leaving retailers who are simultaneously Fintech users and adoption gatekeepers comparatively understudied. This study addresses that gap by examining perceptions, adoption patterns, and usage experiences among 100 retailers in Mysuru City, evaluating Fintech's role in efficiency, cost, transparency, and financial access, while identifying persistent barriers of trust, security, and awareness offering both academic and practical insight for researchers, providers, and policymakers.

2. REVIEW OF LITERATURE

The literature on Fintech adoption and perception has evolved along several distinct but overlapping lines of inquiry: studies examining Fintech's effect on customer satisfaction and loyalty, studies identifying the behavioural and psychological factors that drive adoption, studies focused on trust and security as adoption barriers, and a smaller but growing body of work examining Fintech specifically within the retail sector. Reviewing these strands together helps situate the present study within the broader trajectory of Fintech research. **Susilawaty (2020)** measured the quality of financial technology system services in relation to customer satisfaction among small and medium enterprises. The study found that satisfaction with Fintech information had a positive effect on overall customer satisfaction. **Indra (2020)** observed that digital transformation clearly demonstrates the emergence of Fintech initiatives, the rapidly evolving sharing economy, regulation, and technology. Fintech, still in its infancy at the time, offered services such as funding payments, e-aggregation, e-trading, e-insurance, and bitcoin. **Edmore (2020)** investigated the impact of Fintech, mobile money, and digital financial services, concluding that the adoption of mobile money services had a positive impact on digital

transactions. **Garima and Rajeev (2021)** analysed factors influencing attitude and behavioural intention to use Fintech services, finding that perceived usefulness, perceived ease of use, and perceived security significantly and positively influenced attitudes and behavioural intentions. **Yoon Young (2021)** found that Fintech firms differentiated themselves from traditional financial services by offering unique, customised mobile payment services, and that security-driven systems enhanced users' positive perceptions during financial transactions. **Franklin (2021)** argued that the financial system has played an important role in rapid digital transformation and in how financial products and services have been delivered and consumed in recent years. **Anissa and Friztina (2021)** concluded that Fintech payment usage, as a form of digital payment, facilitated growing business transactions, particularly during the pandemic, and examined the factors influencing Fintech payment intention among microenterprises in developing countries. **Rashedul (2021)** ascertained the main factors affecting customer adoption and experience of mobile payments through quantitative research, noting that COVID-19 caused a decline in cash payments and an increase in contactless payments in the Netherlands. **Shamini and Mary (2022)** argued that financial technology is central to customer satisfaction, loyalty, and brand perception, extending their analysis to customer satisfaction with the Fintech industry based on a sample of 400 respondents. **Jisha and Sumathy (2023)** analysed technology adoption among retail shops using a quantitative research design with primary data collected from 55 retail shop owners, applying t-test, correlation, and regression analysis. The study found that retailers exhibited a moderate level of Fintech adoption. **Sundhi and Manjari (2024)** analysed the impact of digital and financial literacy on Fintech product adoption among banking customers using purposive sampling across a 546-bank study, providing insights for banks and Fintech firms seeking to improve adoption strategies.

The research gap concerning the impact of Fintech on retailers primarily revolves around the need for empirical studies that specifically address retailer perceptions of Fintech adoption and its effects on business operations. While existing literature emphasises the benefits of Fintech such as enhanced payment processes and improved customer experience there is limited exploration of the challenges retailers face during integration and the long-term implications of these technologies for their business models. Much of the existing literature also focuses on Fintech's impact on banking rather than on retail specifically, highlighting a lack of targeted research in this area. Future research should investigate retailer perspectives, the effectiveness of Fintech solutions, and evolving consumer expectations in the retail sector, providing a more comprehensive understanding of Fintech's role in shaping retail dynamics.

3. RESEARCH METHODOLOGY

Most prior studies have focused on the impact of Fintech on banking and consumer perceptions, with comparatively less attention given to the retail sector. Given the rapid growth of Fintech especially in

tech-savvy hubs such as Mysuru there is a need to understand how retailers in these regions perceive Fintech and its influence on their businesses. Understanding retailer perceptions can help financial institutions and Fintech companies design more effective strategies and innovations that cater to the evolving needs of this important customer segment.

3.1 Objectives

1. To analyse the perception of retailers towards Fintech.
2. To examine the significance of using Fintech in retail shops.
3. To examine the impact of financial literacy and trust on Fintech adoption among retail shops.
4. To evaluate the business performance of retail shops using Fintech.

3.2 Research Design

The present study adopts a descriptive and empirical research design, aimed at capturing retailers' existing perceptions, attitudes, and usage patterns with respect to Fintech rather than establishing causal relationships between variables. The study relies primarily on primary data, collected directly from retailers through a structured questionnaire designed around the study's four objectives perception of Fintech, its significance for retail operations, the role of financial literacy and trust, and its impact on business performance. Secondary data, drawn from academic journals, industry reports, and prior published studies, were used to support the review of literature and to contextualise the primary findings within existing research. The study is geographically confined to Mysuru City, Karnataka a market selected for its mix of traditional and modern retail formats and its growing digital payments infrastructure, making it a suitable setting to examine Fintech adoption among small and medium retail businesses. The collected responses were tabulated and analysed using percentage analysis, with frequency distributions calculated for each survey item and presented through tabular representation.

3.3 Sampling Design.

The population for the study comprises retail shop owners operating across various categories including grocery, clothing, electronics, bakery, stationery, hotels, cafés, and pharmacies within Mysuru City. Given the absence of a complete sampling frame for retailers in the region, a non-probability convenience sampling method was adopted, under which respondents were selected based on their accessibility and willingness to participate. A target sample size of 100 retailers was set for the study, balancing the need for a statistically usable dataset against the practical time and access constraints involved in reaching individual retail shop owners.

4. An Overview of the Relationship between Retailers and Fintech

The relationship between retailers and Fintech has grown significantly as technological advancement continues to reshape commerce and financial services. Fintech the use of technology to improve financial transactions and services offers retailers innovative solutions that enhance the customer experience, streamline payment processes, and provide new financial options. This collaboration has become essential for retailers seeking to remain competitive in an increasingly digital marketplace. In recent years, Fintech solutions such as digital payments, mobile wallets, buy-now-pay-later (BNPL) services, point-of-sale financing, fraud detection, and data analytics have become integral to retail operations. According to Statista, global Fintech investment related to retail exceeded \$30 billion in 2023, highlighting the sector's rapid growth, while the digital payments market alone is projected to reach \$12.06 trillion by 2027, expanding at a compound annual growth rate of over 13 percent. Digital payments and mobile wallets have transformed the way consumers make purchases. Services such as Apple Pay and Google Pay enable quick, contactless, and secure transactions, benefiting retailers through reduced checkout times and lower cash-handling costs; in 2023, contactless payments accounted for 44 percent of all in-store payments worldwide. BNPL services, which allow customers to split payments into interest-free instalments, have also surged in popularity, processing approximately \$120 billion in transactions in 2023 and reflecting their potential to boost consumer purchasing power and retailer sales. Retailers have further embraced point-of-sale financing by partnering with Fintech companies to offer instant credit at checkout, encouraging higher spending and fostering customer loyalty. On the security front, Fintech firms increasingly employ artificial intelligence and machine learning to detect fraudulent activity in real time, helping retailers reduce losses from fraud and chargebacks. Advanced data analytics offered through Fintech platforms also provide retailers with valuable insight into customer behaviour, enabling personalised marketing, optimised inventory management, and improved customer retention. The benefits of Fintech for retailers are therefore multifaceted: diverse and convenient payment options increase sales and lower cart-abandonment rates, cost savings from reduced cash handling and lower transaction fees improve profitability, and enhanced payment security and faster transactions contribute to a better overall customer experience and greater loyalty. Access to Fintech-enabled credit solutions further allows for larger consumer purchases, while automation and real-time data analysis help retailers streamline business processes. Despite these advantages, retailers face challenges in integrating Fintech solutions with existing systems, ensuring compliance with financial regulations, and maintaining data privacy and cybersecurity. Regulatory frameworks such as PCI DSS and GDPR require strict adherence to protect sensitive financial information, making close collaboration between retailers and Fintech providers essential. Looking ahead, this partnership is expected to deepen further: as of 2024, more than 60 percent of retailers worldwide planned to increase investment in Fintech partnerships and digital payment infrastructure, with emerging technologies such as block chain, cryptocurrency, and embedded finance anticipated to further transform the retail financial ecosystem. Fintech is a vital

enabler for modern retail, offering tools that improve payment convenience, financial inclusion, and business intelligence. Retailers that embrace Fintech innovation are better positioned to meet evolving consumer expectations and succeed in a fast-changing digital economy.

5. Data Analysis and Interpretation

5.1 Demographic Profile of Respondents

The demographic profile of respondents covers the type of retail shop, age, gender, educational qualification, years in business, number of employees, and frequency of Fintech usage.

Table 1: Type of Retail Shop

Particular	Frequency	Percentage (%)
Grocery	21	21%
Clothing	5	5%
Electronics	3	3%
Bakery	7	7%
Stationery	8	8%
Boutique	1	1%
Hotel	12	12%
Cafe	5	5%
Pharmacy	4	4%
Others	34	34%
Total	100	100%

Source: Compiled by author from primary data

Table 1 presents the distribution of respondents by type of retail shop. The sample is dominated by the "Others" category at 34%, indicating that the retail base in Mysuru City is highly diverse and extends well beyond conventional shop formats. Grocery retailers form the next largest group at 21%, reflecting the everyday-essentials nature of much local retail activity, followed by hotels (12%) and stationery shops (8%). Smaller categories — clothing (5%), café (5%), bakery (7%), pharmacy (4%), and electronics (3%) — together account for a modest share, while boutiques represent the smallest segment at just 1%, suggesting limited representation of niche retail formats in the sample.

Table 2: Age of Respondents

Particular	Frequency	Percentage (%)
18 – 25 years	10	10%
26 – 35 years	33	33%
36 – 45 years	28	28%
46 – 55 years	20	20%
Above 55 years	9	9%
Total	100	100%

Source: Compiled by author from primary data

Table 2 presents the age distribution of respondents. The largest proportion, 33%, falls within the 26–35 years age group, followed closely by the 36–45 years group at 28%, indicating that young and middle-aged individuals dominate retail ownership in the sample. The 46–55 years group accounts for 20% of respondents, while the youngest cohort, 18–25 years, represents 10%, suggesting relatively limited entry into retail business among very young entrepreneurs. Respondents above 55 years form the smallest share at 9%. Overall, the data indicate that retail ownership in Mysuru City is concentrated among economically active, working-age individuals between 26 and 45 years.

Table 3: Gender of Respondents

Particular	Frequency	Percentage (%)
Female	14	14%
Male	86	86%
Total	100	100%

Source: Compiled by author from primary data

Table 3 presents the gender distribution of respondents. Male respondents constitute an overwhelming majority of the sample at 86%, while female respondents account for only 14%. This significant gender imbalance suggests that retail shop ownership in Mysuru City remains predominantly male-dominated, with women's participation in retail entrepreneurship comparatively limited within the sample surveyed. This finding may reflect broader socio-economic patterns in business ownership within the region and highlights a potential area for further investigation into the barriers affecting

women's entry into retail business and their engagement with Fintech-enabled commercial operations.

Table 4: Educational Qualification

Particular	Frequency	Percentage (%)
High school	49	49%
Bachelor's degree	32	32%
Master's degree	8	8%
Other	11	11%
Total	100	100%

Source: Compiled by author from primary data

Table 4 presents the educational qualification of respondents. Nearly half of the retailers, 49%, have completed only high school education, making it the largest educational category in the sample. Respondents holding a bachelor's degree account for 32%, while only 8% have attained a master's degree, and 11% report other qualifications. This distribution indicates that formal higher education is not a prerequisite for retail business ownership in Mysuru City, with a majority of retailers possessing relatively basic educational backgrounds. This finding is relevant to understanding Fintech adoption, as lower educational attainment may correlate with limited financial literacy and digital familiarity.

Table 5: Years in Business

Particular	Frequency	Percentage (%)
Less than 1 year	3	3%
1 – 5 years	38	38%
6 – 10 years	35	35%
More than 10 years	24	24%
Total	100	100%

Source: Compiled by author from primary data

Table 5 presents the distribution of respondents by years in business. The largest share, 38%, has been operating for 1–5 years, closely followed by 35% with 6–10 years of business experience, indicating

that the majority of retailers fall within an early-to-established business stage. Retailers with more than 10 years of experience account for 24%, reflecting a meaningful presence of long-standing businesses in the sample. Only 3% have been in business for less than a year. Overall, the data suggest a retail sample with substantial operational experience, which may influence how readily retailers adapt to and trust Fintech innovations.

Table 6: Size of Retail Shop by Number of Employees

Particular	Frequency	Percentage (%)
1 – 5 employees	68	68%
6 – 10 employees	20	20%
11 – 20 employees	5	5%
More than 20 employees	7	7%
Total	100	100%

Source: Compiled by author from primary data

Table 6 presents the distribution of retail shops by the number of employees. A substantial majority, 68%, operate with just 1–5 employees, confirming that most retail businesses in the sample are small-scale enterprises. A further 20% employ 6–10 workers, while only 5% and 7% respectively fall into the 11–20 and more-than-20 employee categories. This heavy concentration toward micro and small enterprises indicates that Fintech adoption decisions among Mysuru's retailers are largely shaped by the constraints and priorities typical of small businesses, such as limited resources, cost sensitivity, and simpler operational structures, rather than those of larger organisations.

Table 7: Frequency of Using Fintech Services

Particular	Frequency	Percentage (%)
Daily	83	83%
Weekly	9	9%
Monthly	4	4%
Occasionally	4	4%
Total	100	100%

Source: Compiled by author from primary data

Table 7 presents the frequency with which respondents use Fintech services. An overwhelming majority, 83%, use Fintech services on a daily basis, indicating that digital financial tools have become deeply embedded in routine retail operations. Weekly usage accounts for 9%, while monthly and occasional usage each represent only 4%. This strong skew toward daily engagement suggests that Fintech is no longer a supplementary or occasional tool for most retailers in Mysuru City but a core component of everyday business activity — reflecting high functional reliance on digital payments and related services, even where trust or security concerns persist.

5.2 Perception of Retailers towards Fintech

Table 8: Ease of Integrating Fintech into Daily Operations

Particular	Frequency	Percentage (%)
Strongly agree	32	32%
Agree	58	58%
Neutral	10	10%
Disagree	0	0%
Strongly disagree	0	0%
Total	100	100%

Source: Compiled by author from primary data

Table 8 presents retailers' perceptions of the ease of integrating Fintech into daily operations. A combined 90% of respondents expressed agreement — 32% strongly agree and 58% agree — that Fintech is easy to integrate into their business activities. Only 10% remained neutral, and notably, no respondents disagreed or strongly disagreed. This absence of negative responses indicates a strong, near-universal consensus among retailers that Fintech tools fit smoothly into existing operational workflows, reflecting low perceived technical or procedural barriers to adoption and suggesting that integration difficulty is not a meaningful obstacle to Fintech use among Mysuru's retail businesses.

Table 9: Satisfaction with the Cost-Effectiveness of Fintech Solutions

Particular	Frequency	Percentage (%)
Strongly agree	29	29%
Agree	51	51%
Neutral	16	16%
Disagree	4	4%
Strongly disagree	0	0%
Total	100	100%

Source: Compiled by author from primary data

Table 9 presents retailers' satisfaction with the cost-effectiveness of Fintech solutions. A combined 80% of respondents agree 29% strongly agree and 51% agree that Fintech solutions are cost-effective, while 16% remain neutral and only 4% disagree, with no respondents strongly disagreeing. This strong majority suggests that retailers widely perceive Fintech as delivering genuine cost savings, whether through reduced cash-handling expenses, lower transaction fees, or improved operational efficiency. The minimal disagreement indicates that cost concerns are not a significant barrier to Fintech adoption among Mysuru's retailers, reinforcing cost-effectiveness as one of Fintech's most positively perceived attributes.

Table 10: Perception of Security Provided by Fintech Solutions

Particular	Frequency	Percentage (%)
Strongly agree	32	32%
Agree	44	44%
Neutral	16	16%
Disagree	8	8%
Strongly disagree	0	0%
Total	100	100%

Source: Compiled by author from primary data

Table 10 presents retailers' perceptions of the security offered by Fintech solutions. A combined 76%

of respondents agree 32% strongly agree and 44% agree that Fintech solutions provide adequate security, while 16% remain neutral and 8% disagree. Although this reflects a clear majority holding favourable views, the presence of disagreement, unlike in the ease-of-integration and cost-effectiveness measures, indicates that security remains a comparatively more contested perception among retailers. This suggests that while most retailers feel reasonably confident in Fintech security, a meaningful minority continues to harbour reservations, underscoring security as an area warranting continued attention from Fintech providers.

Table 11: Trust in Fintech Providers

Particular	Frequency	Percentage (%)
Strongly agree	25	25%
Agree	38	38%
Neutral	26	26%
Disagree	7	7%
Strongly disagree	4	4%
Total	100	100%

Source: Compiled by author from primary data

Table 11 presents retailers' level of trust in Fintech providers. A combined 63% of respondents agree 25% strongly agree and 38% agree that they trust Fintech providers, while a notable 26% remain neutral, and 11% disagree or strongly disagree. Compared to earlier perception measures such as ease of integration and cost-effectiveness, trust shows a visibly lower agreement level and a larger neutral segment, indicating greater hesitancy among retailers. This suggests that trust in providers is a more fragile dimension of Fintech perception, likely shaped by concerns over reliability, transparency, and prior service experience, and represents an area requiring targeted confidence-building measures.

Table 12: Experience with Customer Feedback Regarding Fintech Usage

Particular	Frequency	Percentage (%)
Strongly agree	25	25%
Agree	39	39%
Neutral	19	19%
Disagree	14	14%

Particular	Frequency	Percentage (%)
Strongly disagree	3	3%
Total	100	100%

Source: Compiled by author from primary data

Table 12 presents retailers' experience with customer feedback regarding Fintech usage. A combined 64% of respondents agree 25% strongly agree and 39% agree that Fintech supports effective collection of and response to customer feedback, while 19% remain neutral and 17% disagree or strongly disagree. This majority agreement suggests that Fintech tools are perceived as genuinely useful in strengthening retailers' understanding of customer needs and preferences. However, the relatively higher combined disagreement compared to earlier measures indicates that not all retailers have experienced this benefit equally, pointing to variation in how effectively different Fintech platforms facilitate customer engagement.

Table 13: Perceived Necessity and Usage of Fintech

Particular	Frequency	Percentage (%)
Strongly agree	20	20%
Agree	35	35%
Neutral	21	21%
Disagree	15	15%
Strongly disagree	9	9%
Total	100	100%

Source: Compiled by author from primary data

Table 13 presents retailers' perceptions of the necessity and usage of Fintech. A combined 55% of respondents agree 20% strongly agree and 35% agree that Fintech services are necessary and useful for their business, while 21% remain neutral and 24% disagree or strongly disagree. This is the lowest agreement level observed among the perception measures so far, with a notably higher combined disagreement of 24%. This suggests that while a slight majority of retailers view Fintech as essential, a substantial minority remains unconvinced of its necessity, indicating divided opinion on whether Fintech is indispensable versus merely a supplementary business tool.

Table 14: Fintech's Role in Improving Customer Experience

Particular	Frequency	Percentage (%)
Strongly agree	23	23%
Agree	37	37%
Neutral	18	18%
Disagree	10	10%
Strongly disagree	8	8%
Total	96	96%

Source: Compiled by author from primary data

Table 14 presents retailers' perceptions of Fintech's role in improving customer experience. A combined 60% of respondents agree 23% strongly agree and 37% agree that Fintech contributes positively to customer experience, while 18% remain neutral and 18% disagree or strongly disagree. This indicates that a clear majority of retailers associate Fintech with enhanced customer convenience, satisfaction, and engagement, though a meaningful segment remains unconvinced. The relatively even split between neutral and disagreeing respondents suggests that customer-experience benefits, while broadly recognised, are not yet perceived as universally transformative across all retail segments in Mysuru City.

5.3 Significance of Using Fintech in Retail Shops

Table 15: Changes in Customer Satisfaction after Adopting Fintech

Particular	Frequency	Percentage (%)
Strongly agree	20	20%
Agree	36	36%
Neutral	24	24%
Disagree	11	11%
Strongly disagree	9	9%
Total	100	100%

Source: Compiled by author from primary data

Table 15 presents retailers' observations of changes in customer satisfaction following Fintech adoption. A combined 56% of respondents agree 20% strongly agree and 36% agree that adopting Fintech has led to noticeable improvements in customer satisfaction, while 24% remain neutral and 20% disagree or strongly disagree. This indicates that a slight majority of retailers perceive a positive link between Fintech adoption and customer satisfaction, though the relatively high neutral share suggests that for many, the effect has not been strongly pronounced or easily distinguishable, pointing to a gradual rather than immediately transformative impact of Fintech on customer-facing outcomes.

Table 16: Fintech's Effect on Transaction Speed and Efficiency

Particular	Frequency	Percentage (%)
Strongly agree	19	19%
Agree	36	36%
Neutral	24	24%
Disagree	11	11%
Strongly disagree	10	10%
Total	100	100%

Source: Compiled by author from primary data

Table 16 presents retailers' perceptions of Fintech's effect on transaction speed and efficiency. A combined 55% of respondents agree 19% strongly agree and 36% agree that Fintech improves transaction speed and efficiency, while 24% remain neutral and 21% disagree or strongly disagree. This indicates that just over half of retailers view Fintech as beneficial for faster and more efficient transactions, though the sizeable neutral and disagreement segments suggest the perceived efficiency gains are not uniformly experienced. This variation may reflect differences in the specific Fintech tools used or the extent to which they have been fully integrated into daily operations.

Table 17: Fintech's Role in Reducing Cash-Handling Errors

Particular	Frequency	Percentage (%)
Strongly agree	20	20%
Agree	41	41%
Neutral	10	10%
Disagree	19	19%

Particular	Frequency	Percentage (%)
Strongly disagree	10	10%
Total	100	100%

Source: Compiled by author from primary data

Table 17 presents retailers' perceptions of Fintech's role in reducing cash-handling errors. A combined 61% of respondents agree 20% strongly agree and 41% agree that Fintech helps reduce cash-handling errors, while only 10% remain neutral and 29% disagree or strongly disagree. Notably, this measure shows a lower neutral share but a comparatively higher disagreement level than earlier tables, suggesting more polarised opinion. While a clear majority of retailers credit Fintech with improving transaction accuracy, a substantial minority appears unconvinced, possibly reflecting continued reliance on cash transactions or mixed experiences with error reduction in practice.

Table 18: Fintech's Effect on Operational Transparency

Particular	Frequency	Percentage (%)
Strongly agree	27	27%
Agree	38	38%
Neutral	19	19%
Disagree	6	6%
Strongly disagree	10	10%
Total	100	100%

Source: Compiled by author from primary data

Table 18 presents retailers' perceptions of Fintech's effect on operational transparency. A combined 65% of respondents agree 27% strongly agree and 38% agree that Fintech adoption increases operational transparency, while 19% remain neutral and 16% disagree or strongly disagree. This indicates broad recognition among retailers that Fintech tools contribute to clearer visibility into business transactions and processes, likely through digital record-keeping and real-time transaction tracking. With disagreement comparatively low, transparency emerges as one of the more consistently positively perceived benefits of Fintech, reinforcing its value not only for operational efficiency but also for accountability within retail businesses.

Table 19: Fintech's Effect on Accuracy of Customer Transactions

Particular	Frequency	Percentage (%)
Strongly agree	26	26%
Agree	39	39%
Neutral	15	15%
Disagree	11	11%
Strongly disagree	9	9%
Total	100	100%

Source: Compiled by author from primary data

Table 19 presents retailers' perceptions of Fintech's effect on the accuracy of customer transactions. A combined 65% of respondents agree 26% strongly agree and 39% agree that Fintech improves transaction accuracy, while 15% remain neutral and 20% disagree or strongly disagree. This reflects strong overall confidence among retailers in Fintech's ability to process customer transactions correctly and reliably, with agreement levels comparable to those observed for operational transparency. The relatively low neutral response further suggests that most retailers hold a clear, formed opinion on this attribute, reinforcing transaction accuracy as one of Fintech's more consistently valued operational benefits.

Table 20: Fintech's Effect on Sales and Revenue

Particular	Frequency	Percentage (%)
Strongly agree	15	15%
Agree	36	36%
Neutral	29	29%
Disagree	10	10%
Strongly disagree	10	10%
Total	100	100%

Source: Compiled by author from primary data

Table 20 presents retailers' perceptions of Fintech's effect on sales and revenue. A combined 51% of

respondents agree 15% strongly agree and 36% agree that Fintech contributes to improved sales and revenue, while a notably high 29% remain neutral and 20% disagree or strongly disagree. This is among the weakest agreement levels recorded across the perception measures, with the largest neutral segment observed so far. This suggests that while Fintech is valued for operational and transactional benefits, retailers are considerably less certain about its direct impact on business revenue, indicating a perceived gap between efficiency gains and tangible financial growth.

Table 21: Fintech's Role in Managing Inventory and Stock Levels

Particular	Frequency	Percentage (%)
Strongly agree	18	18%
Agree	47	47%
Neutral	12	12%
Disagree	12	12%
Strongly disagree	11	11%
Total	100	100%

Source: Compiled by author from primary data

Table 21 presents retailers' perceptions of Fintech's role in managing inventory and stock levels. A combined 65% of respondents agree 18% strongly agree and 47% agree that Fintech helps in managing inventory and stock levels effectively, while 12% remain neutral and 23% disagree or strongly disagree. This indicates that a clear majority of retailers find Fintech useful for inventory-related tasks, likely through real-time data tracking and integration with sales systems. The relatively even split between neutral and disagreeing respondents, however, suggests that inventory-management benefits are not experienced uniformly, possibly varying by business size or the sophistication of Fintech tools used.

Table 22: Ease of Integrating Fintech into New Retail Ventures

Particular	Frequency	Percentage (%)
Strongly agree	13	13%
Agree	50	50%
Neutral	18	18%

Particular	Frequency	Percentage (%)
Disagree	9	9%
Strongly disagree	10	10%
Total	100	100%

Source: Compiled by author from primary data

Table 22 presents retailers' perceptions of the ease of integrating Fintech into new retail ventures. A combined 63% of respondents agree 13% strongly agree and 50% agree that Fintech can be readily integrated into new business ventures, while 18% remain neutral and 19% disagree or strongly disagree. This indicates that a clear majority of retailers view Fintech as an adaptable and accessible technology suited to supporting new business start-ups, not merely established operations. The comparatively lower "strongly agree" share alongside a dominant "agree" response suggests generally positive but measured confidence, rather than strong enthusiasm, regarding Fintech's suitability for new ventures.

Table 23: Willingness to Recommend Fintech to Other Retailers

Particular	Frequency	Percentage (%)
Strongly agree	17	17%
Agree	43	43%
Neutral	19	19%
Disagree	11	11%
Strongly disagree	10	10%
Total	100	100%

Source: Compiled by author from primary data

Table 23 presents retailers' willingness to recommend Fintech to other retail shop owners. A combined 60% of respondents agree 17% strongly agree and 43% agree that they would recommend Fintech to fellow retailers, while 19% remain neutral and 21% disagree or strongly disagree. This majority endorsement reflects reasonably broad satisfaction with Fintech among current users, suggesting positive word-of-mouth potential for wider adoption within the retail community. However, the sizeable combined disagreement of 21% indicates that a meaningful segment of retailers remain hesitant to advocate for Fintech, likely reflecting unresolved concerns around trust, security, or

perceived business value discussed in earlier tables.

Table 24: Perception of Fintech's Role in Improving Customer Experience

Particular	Frequency	Percentage (%)
Strongly agree	21	21%
Agree	46	46%
Neutral	15	15%
Disagree	8	8%
Strongly disagree	10	10%
Total	100	100%

Source: Compiled by author from primary data

Table 24 presents retailers' perceptions of Fintech's role in improving customer experience. A combined 67% of respondents agree 21% strongly agree and 46% agree that Fintech improves customer experience, while 15% remain neutral and 18% disagree or strongly disagree. This represents one of the stronger agreement levels among the perception measures, indicating widespread recognition among retailers of Fintech's positive contribution to customer convenience, satisfaction, and engagement. The comparatively low disagreement further reinforces customer experience as a consistently valued benefit of Fintech adoption, aligning with earlier findings on transaction accuracy and operational transparency.

5.4 Impact of Financial Literacy and Trust on Fintech Adoption

Table 25: Familiarity with Fintech (Digital Payments, Online Banking, Digital Wallets)

Response	Frequency	Percentage (%)
Aware	43	43%
Neutral	32	32%
Not aware	17	17%
Total	92	92%

Source: Compiled by author from primary data

Table 25 presents retailers' familiarity with Fintech tools such as digital payments, online banking, and digital wallets. 43% of respondents reported being aware of these financial technologies, while 32% remained neutral regarding their level of awareness, and 17% indicated they were not aware. The total of 92% suggests a small proportion of non-response in the original data. These findings indicate that while a considerable share of retailers possess familiarity with Fintech, a substantial segment remains uncertain or unaware, highlighting a continuing need for targeted awareness and education initiatives to strengthen retailers' understanding of available financial technologies.

Table 26: Importance of Understanding Fintech for Retail Success

Response	Frequency	Percentage (%)
Agree	47	47%
Neutral	35	35%
Disagree	18	18%
Total	100	100%

Source: Compiled by author from primary data

Table 26 presents retailers' views on the importance of understanding Fintech for retail success. 47% of respondents agreed that understanding Fintech is important for the success of their retail business, while 35% remained neutral and 18% disagreed. This indicates that just under half of retailers explicitly recognize Fintech knowledge as a contributor to business success, while the relatively high neutral share suggests considerable uncertainty or indifference on this point among a large segment of respondents. This finding points to an opportunity for Fintech providers and industry bodies to more clearly communicate the tangible business value of Fintech literacy to retailers.

Table 27: Financial Literacy Helps in Understanding and Using Fintech Effectively

Response	Frequency	Percentage (%)
Agree	43	43%
Neutral	32	32%
Disagree	17	17%
Total	92	92%

Source: Compiled by author from primary data

Table 27 presents retailers' views on whether financial literacy helps in understanding and using Fintech services effectively. 43% of respondents agreed that financial literacy supports effective use of Fintech, while 32% remained neutral and 17% disagreed, with the total reaching 92% due to non-response in the original data. This pattern closely mirrors the familiarity results in Table 25, reinforcing a consistent relationship between financial literacy and Fintech competence. The considerable neutral segment suggests that many retailers may not have consciously connected their financial knowledge to their Fintech usage, underscoring the value of integrated financial and digital literacy programmes.

Table 28: Fintech Adoption Improves Customer Satisfaction and Loyalty

Response	Frequency	Percentage (%)
Agree	41	41%
Neutral	32	32%
Disagree	27	27%
Total	100	100%

Source: Compiled by author from primary data

Table 28 presents retailers' perceptions of whether Fintech adoption improves customer satisfaction and loyalty. 41% of respondents agreed that Fintech adoption strengthens customer satisfaction and loyalty, while 32% remained neutral and 27% disagreed. This relatively modest majority, coupled with a substantial combined neutral-and-disagree share of 59%, suggests that retailers hold more divided views on Fintech's role in building customer loyalty compared to its operational benefits. This indicates that while Fintech may enhance transactional convenience, its impact on deeper customer relationship outcomes such as loyalty is perceived as less certain or direct by a considerable portion of retailers.

Table 29: Prior Issues Experienced with Fintech Services

Response	Frequency	Percentage (%)
Experienced issues	41	41%
Neutral	33	33%
No issues experienced	26	26%
Total	100	100%

Source: Compiled by author from primary data

Table 29 presents retailers' prior experience with issues related to Fintech services. 41% of respondents reported having experienced issues while using Fintech services, 33% remained neutral, and 26% reported no issues experienced. The fact that a plurality of retailers has encountered problems higher than the share reporting a trouble-free experience highlights that service reliability remains a genuine concern rather than an isolated one. This finding reinforces the need for Fintech providers to strengthen system stability, customer support, and issue-resolution mechanisms, as unresolved service problems could undermine trust and slow the pace of continued Fintech adoption among retailers.

Table 30: Fintech Helps Reduce Operational Costs

Response	Frequency	Percentage (%)
Agree	46	46%
Neutral	30	30%
Disagree	24	24%
Total	100	100%

Source: Compiled by author from primary data

Table 30 presents retailers' views on whether Fintech helps reduce operational costs. 46% of respondents agreed that Fintech services contribute to lower operational costs, while 30% remained neutral and 24% disagreed. This indicates that nearly half of retailers perceive tangible cost-saving benefits from Fintech adoption, consistent with earlier findings on cost-effectiveness (Table 9), reinforcing cost reduction as one of Fintech's recurring perceived advantages. However, the combined 54% of neutral and disagreeing responses suggests that cost benefits are not universally experienced, likely varying with the extent and type of Fintech tools adopted across different retail businesses.

6. FINDINGS

The demographic profile shows that retail ownership in Mysuru City is diverse, with "Others" (34%) and grocery shops (21%) forming the largest categories (Table 1). Respondents are predominantly young to middle-aged, with 61% falling within the 26–45 years range (Tables 2), and male-dominated at 86% (Table 3). Nearly half (49%) have only high-school education (Table 4), most have 1–10 years of business experience (Table 5), and 68% operate micro-enterprises with 1–5 employees (Table 6). Fintech usage is highly routine, with 83% of retailers using it daily (Table 7). Perceptual data reveal strong, near-unanimous agreement on Fintech's ease of integration (90%, Table 8) and cost-effectiveness (80%, Table 9), with security perceived favourably (76%, Table 10) though less

unanimously. Trust in providers is comparatively weaker (63%, Table 11), and perceived necessity of Fintech records the lowest agreement among perception measures (55%, Table 13). On operational significance, transparency (65%, Table 18) and transaction accuracy (65%, Table 19) are the most positively rated benefits, while Fintech's effect on sales and revenue is the weakest and most uncertain (51% agreement, 29% neutral, Table 20). Cash-handling error reduction shows polarised views (61% agreement, 29% disagreement, Table 17). A majority would recommend Fintech to peers (60%, Table 23), and customer-experience benefits are strongly endorsed (67%, Table 24). Regarding literacy and trust, awareness of Fintech remains incomplete, with only 43% reporting familiarity (Table 25) and similar proportions linking financial literacy to effective Fintech use (Table 27). Views on Fintech's contribution to customer loyalty are notably divided (41% agreement, Table 28). Critically, 41% of retailers report having experienced prior issues with Fintech services exceeding those reporting no issues (26%) highlighting reliability as an unresolved concern (Table 29). Cost-reduction benefits are moderately endorsed (46%, Table 30). Overall, Fintech is most consistently valued for operational efficiency, transparency, and transaction accuracy, while trust, revenue impact, and awareness remain comparatively weaker and more contested dimensions of retailer perception.

7. CONCLUSION

This study set out to examine retailers' perceptions of Fintech in Mysuru City, focusing on adoption, ease of use, cost-effectiveness, security, trust, and its broader impact on retail operations. The findings confirm that Fintech has become deeply embedded in day-to-day retail activity, with an overwhelming majority of retailers using digital financial tools on a daily basis. Perceptions are strongly favourable on operational dimensions such as ease of integration, cost-effectiveness, transaction accuracy, and transparency, indicating that Fintech has succeeded in addressing many of the practical, functional needs of small and medium retail businesses. However, the study also reveals that this operational confidence does not extend uniformly across all dimensions of Fintech adoption. Trust in providers, perceived impact on sales and revenue, and the contribution of Fintech to customer loyalty remain comparatively weaker and more contested areas of perception. Awareness and financial literacy gaps persist among a meaningful segment of retailers, and a notable proportion report having encountered service-related issues in the past pointing to reliability and support as unresolved concerns rather than isolated incidents. Taken together, these findings suggest that while Fintech has achieved strong functional acceptance among retailers, its full potential particularly in building deeper trust, demonstrable revenue impact, and customer loyalty remains only partially realised. Addressing this gap will require Fintech providers to move beyond transactional efficiency and invest more deliberately in transparent communication, robust security assurances, reliable customer support, and targeted financial-literacy initiatives tailored to small retailers. Policymakers, too, have a role to play in strengthening the regulatory and educational infrastructure that underpins retailer confidence in digital financial systems. Ultimately, Fintech stands as a significant enabler of efficiency,

transparency, and convenience for retailers in Mysuru City, but sustained and broader adoption will depend on closing the trust, awareness, and reliability gaps identified in this study. Future research extending beyond a single city, and incorporating probability sampling and inferential analysis, would help validate and generalise these findings further.

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