Chapter 11
FinTech in the Kingdom of Bahrain:
An Investigation of Users' Adoption and Satisfaction

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ABSTRACT

Financial technology (FinTech) has developed rapidly over the last decade. In the Kingdom of Bahrain, both public and private sectors have adopted FinTech in different ways. The objective of this research is to explore and assess Bahraini users' adoption of and satisfaction with FinTech services. A model was built to quantify FinTech users' satisfaction. and a questionnaire was used to collect data; 319 responses were returned. The outcome was that all the factors investigated, accessibility, ease of use, completeness, accuracy, security, reliability, responsiveness, service quality, system quality, and information quality, have a significant positive effect on user satisfaction. The contribution of this research is the model of satisfaction for FinTech that can be applied in different countries. The proposals recommended by the authors will also inform government and concerned organizations about FinTech in Bahrain for greater user satisfaction.

INTRODUCTION

Since the financial crisis of 2008, FinTech has emerged and developed fundamentally. Fintech alludes to the novel procedures and items that wind up accessible for budgetary administrations on account of computerized mechanical headways. More precisely, the Financial Stability Board characterizes FinTech as "mechanically empowered financial development that could result in new business models, applications, processes or items with a related material impact on monetary markets and establishments and the arrangement of budgetary administrations" (Bates, 2017).

FinTech is an important tool for developing and supporting financial transactions in many sectors. Many countries around the world adopted this technology and employed it heavily in their transactions. FinTech in Kingdom of Bahrain has been started with many initiatives and support from different sectors including public and private. However, few studies have been conducted in the field of FinTech adoption and satisfaction since the beginning of FinTech adoption in Kingdom of Bahrain which raise the need for such kind of studies so that the factors affect both adoption and satisfaction can be investigated toward better satisfaction technology. Thus, this research is conducted.

AN OVERVIEW OF FINTECH

Definitions of FinTech

The term "FinTech" implies the use of technology inside the financial sector and covers a wide range of activities, including financing, instalments, frameworks, tasks and hazards of boards, information security and adaptation and client interface (Spain Financial Center, 2016).

As a specific technical term, FinTech is seen as a distinct scientific category which for the most part represents financial innovation in a wide area of activities by ventures or associations; fundamentally, it addresses improving the quality of administration by applying Information Technology (IT) (Gai et al., 2018).

FinTech Benefits and Challenges

The low-cost structure is one of the advantages of the FinTech solution, driving its future development. This takes into consideration potential risks from future data analysis by financial services. Reducing the cost to customers is a significant part of the FinTech solution, through complicated algorithms to analyze transactions and forecast future consumer needs (Andersson and Holmgren, 2017).

Martell (2018) predicted that providing better services to clients by streamlining them would become dependent on the Internet of Things (IoT). Banks can apply the benefits of FinTech and IoT to improve the security of the clients through sensors installed on-site and connected to FinTech applications, to confirm the identity of the client.

On the other hand, there are many challenges for FinTech adoption. Of the various challenges to FinTech (Lee and Shin, 2018), the most significant is the "Client Management Challenge", which addresses the acquisition of clients, fundamental to organizations in adopting the most proficient method of ensuring consumer satisfaction in the provision of financial services. Clients use a variety of FinTech services from different organizations, for example, using PayPal to pay online business fees. FinTech

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