

The Contribution of Technological and Financial Mechanisms to the Enhancement and Success of the FinTech Industry (Applied Study)

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Abstract

This study aims to identify the most important mechanisms for activating and achieving the success of the financial technology industry. A set of mechanisms contributing to this success has been identified and defined in two parts: technological mechanisms and financial mechanisms. In order to achieve the objectives of the study, the SPSS program was used to analyze various applied aspects. The study concluded that there is a high significant impact of technological and financial mechanisms in enhancing the success of the financial technology industry.

The study also recommended the need to effectively regulate the financial technology industry through the effective use of Blockchain technology applications in the financial sectors, and the provision of cybersecurity, providing a regulatory and legislative environment that facilitates financial technology activities, which contributes to achieving the required quality of the mechanisms of the general financial technology system.

Keywords: Financial technology, technological and financial mechanisms, financial technology companies.

JEL Classification Codes : O14, B26, G29

1. INTRODUCTION

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The Contribution of Technological and Financial Mechanisms to the Enhancement and Success of the FinTech Industry- (Applied Study)-

In recent years, a new term has become popular in the world of finance and business: financial technology (FinTech). This term has received significant and growing attention in various fields, such as creative and innovative business models. This term expresses a combination of financial services and information technology. It is worth noting that this term was first used in the early 1990s, as the name of one of Citigroup's projects related to accelerating technological cooperation between different sectors (especially the financial and technology sectors). Fintech is one of the most modern technologies in the world of finance and business, and it has brought about significant changes in the financial sectors in many countries around the world. This technology is fundamentally reshaping these sectors day after day. The financial sectors in many countries have witnessed clear, radical transformations in light of the increasing spread of financial technology.

Financial technology has also brought about fundamental transformations in the financial systems of most countries around the world, and has become capable of meeting many needs, services, and financial operations with advanced methods that greatly compete with traditional financial services in terms of speed and cost. Fintech startups have succeeded in providing various financial services, including payment services, digital currencies, money transfer, lending, crowdfunding, wealth management, and insurance services. This impacts the future of traditional financial services and leads to competition between traditional financial institutions and fintech firms. This creates administrative and regulatory challenges for the financial sector and regulatory and oversight bodies. There is an increasing need to provide administrative, legal, financial, and technological mechanisms to address these developments.

Research Problem:

Financial technology has witnessed rapid growth in recent years, facilitated by multiple factors, such as: technological progress, increasing demand for financing, changing customer expectations, increasing legislation supporting financial technology, and growing conviction in the financial and investment role of financial technology and the added value it brings to individuals, institutions, and the economy as a whole.

Accordingly, the study attempts to answer the following question: To what extent do technological and financial mechanisms contribute to the success of the financial technology industry?

Significance of the Study:

The importance of this study lies in its coverage of a modern topic in the world of finance and business (financial technology). The significant interest in financial technology (and the promotion surrounding it) stems from its clear ability to reduce the costs of financial transactions and increase their efficiency, with high levels of effectiveness. The importance of this topic is increasing in light of the clear and noticeable increase in investments in this technology. This study focuses on identifying a set of mechanisms necessary for the success of financial technology, as the presence of these mechanisms contributes to enhancing the quality of the work of financial and

banking institutions, enhances distinguished services for individuals, helps diversify economic activity, achieves financial stability and enhances financial inclusion.

Study objectives:

The study seeks to achieve the following objectives:

- Identify the most important technological requirements for the success of the fintech industry.
- Identify the most important financial requirements for the success of the fintech industry.
- Highlighting the role these mechanisms play in the success of financial technology by providing creative administrative, financial, and technological solutions to many regulatory and procedural obstacles.

2. The theoretical framework of the study

2.1 Financial technology as one of the most promising industries in the world

Financial technology is one of the most invested sectors globally, with more than 26,000 startups operating in this field. With the rapid digital transformation in the financial sector, it has become essential to understand the technological trends impacting this market. The global financial technology (Fintech) market is experiencing significant growth, with the size of the global fintech market expected to reach \$1,264.6 billion by 2032.

Large financial institutions with a long history in the financial market are seeking to collaborate with emerging technologies to expand their markets. Similarly, emerging fintech companies themselves are forming partnerships with large and established financial institutions to enhance their growth and markets. Therefore, mergers and acquisitions deals are increasing in the fintech market. For example, in 2021, PayPal completed its acquisition of Paydy, which is a company that provides a buy now, pay later service, based in Japan. This acquisition will expand PayPal's capabilities, customization, and applicability in the local payments market in Japan. Similarly, in 2021, Mastercard acquired Aiaa, the leading European provider of open banking technology. Through this acquisition, Mastercard is expanding its existing open banking technology and established data capabilities, as well as accelerating the organization's progress toward creating a more robust global open data network.

From the above, it can be said that innovative financial technology has become one of the most promising industries in the world, due to its ability to use modern technological mechanisms and techniques and benefit from them in expanding the scope of providing financial and banking services and products. The tremendous development witnessed by the world today in the field of information and communications technology has led to the emergence of many innovative financial and banking applications and solutions, which greatly help in increasing the efficiency of financial services and expanding their reach, and the resulting positive impact on the economy in general.

2.1.1 The concept of financial technology:

The Contribution of Technological and Financial Mechanisms to the Enhancement and Success of the FinTech Industry- (Applied Study)-

Financial technology, or fintech, is a term that combines financial knowledge and technological skills to provide financial services and improve the internal performance of institutions. It has drawn attention to the rapid spread of cryptocurrencies and crowdfunding, blockchain platforms, peer-to-peer lending, business intelligence and analytics, and the maturity of the sciences of: artificial intelligence (AI), big data, machine learning, and the Internet of Things.

Financial technology (Fintech) refers to the reliance on innovation and modernization of traditional financial services methods and types, facilitating the management of financial operations in banks and financial institutions, as well as managing personal funds and using smartphones in banking and investment services. (Leong & Sung, 2018, p. 76)

The main elements of financial technology applications include: "automation of insurance processes, trade and commerce, fraud prevention and check forgery prevention, refers to Fintech as "new processes and products that are innovative thanks to digital technological developments.

” The Financial Stability Board (FSB) defines it as “a financial technology innovation that results in new and improved business models, applications, processes, or services that have a significant material impact on markets and service delivery. ((FSB), The Financial Stability Board, 2019, p. 4)

2.1.2 Stages of the FinTech Cycle:

All regions of the world today are in one of the three stages of the FinTech cycle:

Table N°1: Stages of the FinTech Cycle:

Advanced incubator companies	Emerging incubator environment	The newly created incubator environment
It is the one that reaches the saturation stage, fewer deals but their sizes are larger, focusing on high-value companies and unicorn companies (i.e. those with a value of more than a billion dollars), and thus investment growth on an annual basis is slow, and today, only the early market movers, the United States and parts of Europe, which include world-leading financial technology centers, have reached this stage.	The first groups of fintech startups gain a large customer base and triple-digit annual investment rates, there is a growing strategic need for stakeholders to collaborate with new companies.	As most fintech startups are still in the idea or early stages, funding for companies is slow, while entrepreneurs—who receive minimal support—carefully navigate regulations, acquire customers, and build partnerships.

Source: BioFinance 2016 Report, FinTech in the Middle East and North Africa, p. 9, available online:

https://www.microfinancegateway.org/sites/default/files/publication_files/ar_fintechmena_wamda.pdf

2.1.3 Fintech sectors:

The most important fintech sectors can be highlighted as follows:

- **First wave sectors:**

What is meant by the first wave sectors, according to what was stated in the scientific flash reports, is that the sectors that belong to the emerging incubator environment and most of whose customers are distinguished by owning simple technological means such as smart phones and applications that enable them to conduct their simple financial transactions such as payment and obtaining credit as a first degree. This is on the one hand, and on the other hand, the legal and legislative regulations that prepare them for this and that guarantee a safe and stable work process to a great extent.

- **Second Wave Sectors:**

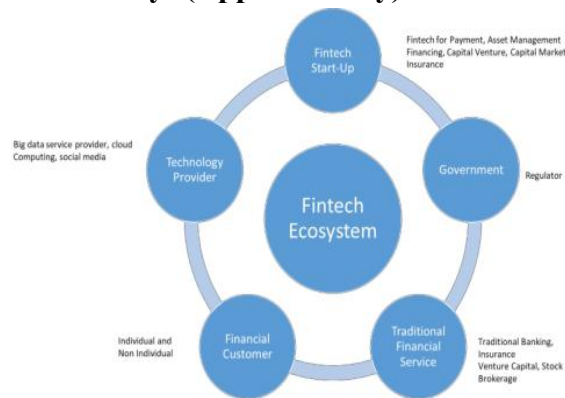
At the level of this segment, the scope of activities of financial technology companies is expanding to include activities that are based increasingly on high-precision technology and advanced technology in the financial sector. This is due to the availability of a more modern environment, more digital markets, and a broader investment movement than the first sector, which can be described as primitive. - - International Money Transfer- Wealth Management -Insurance.

- **Blockchain:**

A blockchain is a distributed database that manages an ever-growing list of records called blocks. Each block contains a timestamp and a link to the previous block. The blockchain is designed to preserve the data stored within it and prevent it from being modified. That is, when information is stored in the blockchain, it cannot be modified later.

Figure1: Fintech ecosystem

The Contribution of Technological and Financial Mechanisms to the Enhancement and Success of the FinTech Industry- (Applied Study)-



-Fintech startups: including startups offering payment system services, asset management, financing, crowdfunding, capital markets, and insurance.

- **Technology developers:** whose role is to develop the systems that underlie fintech, such as big data, cloud computing services, and social media analysis.
- **Governments:** including financial authorities and legislative bodies that issue laws for the financial system.
- **Consumers of financial services:** both individuals and businesses.
- **-Traditional financial institutions:** such as traditional banking, insurance companies, and brokerage firms.

2.2 The technological mechanisms necessary to achieve success in financial technology:

In light of reviewing the theoretical literature and previous related studies, it was concluded that there is a set of technological mechanisms necessary to achieve success in financial technology, the most important of which are the following:

2.2.1 The correct use of Blockchain technology applications in the financial sectors: Achieving success for financial technology in countries requires the correct use of Blockchain technology applications in the financial sectors, with avoiding the negative aspects and unintended uses of these applications, indicate that the "Blockchain" system is a new system that has clearly emerged in application since 2008.

It can be viewed as a record in which financial transactions, assets, expenses, etc. are kept. Blockchain is used as the main platform for the virtual currency Bitcoin. This currency has gained its strength, value, and fame from this system. The use of Blockchain is not limited to financial transactions and the transfer and conversion of currencies. Rather, the system's uses and applications extend to many diverse fields, such as documenting transactions, registering property, creative industries, brokerage, data storage, providing assistance, smart contracts, government services, and more. (Guo & Liang, 2016, p. 7)

According to Nakamoto, the blockchain network consists of four main elements, which are the block, the digital piece of information (Single Order), the hash, and the

timestamp. These four elements, in combination, constitute what is called the block chain. (Nakamoto, 2008, p. 5)

2.2.2 Technological guarantees for the success and sustainability of fintech institutions:

Achieving sufficient success for financial institutions in any country requires providing the necessary technological guarantees and doing everything necessary to ensure the success and sustainability of fintech institutions. indicated that there is a group of programs and areas that must be given attention to ensure the success and sustainability of financial technology institutions, the most important of which are: - Cybersecurity- Providing digital identity services for each customer, as part of the Know Your Customer (KYC) strategy. - Providing artificial intelligence (AI) technology, big data processing technology, automated money transfer technology, insurance technology (InsurTech), technology for handling large amounts of wealth, and more. - Providing a regulatory and legislative environment that supports the operations of fintech institutions. - Providing appropriate systems for payment, settlement, and exchange of securities. (Leong & Sung, 2018, p. 77)

2.2.3 Providing an integrated and automated system to provide electronic financial advice (Robo-Advisers):

Related literature and previous studies confirm that the success of financial institutions in any country requires providing an integrated and automated system to provide electronic financial advice to all parties. Those in need of this advice should note that this aspect has witnessed significant development in recent years, and significant market penetration has been achieved through the provision of electronic financial advice ,indicated that financial advice obtained through financial technology systems is no less valuable and valuable than financial advice. That obtained from specialized human cadres, the financial advice system (via financial technology) meets the financial needs of customers through a portfolio of proposed solutions, which take into account the various levels of risk, investment horizons, and different preferences of these customers. Financial technology systems also provide a very large number of financial proposals, recommendations, and advice, within a very short period of time. (Saksonova & Kuzmina-Merlino, 2017)

2.2.4 Providing electronic platforms: The success of financial institutions in any country requires providing electronic platforms for financing and lending operations, while achieving direct contact and communication with investors (i.e. performing the traditional role of banks).This includes crowdfunding platforms and peer-to-peer lending and borrowing. Chen, emphasized that the use of crowdfunding has spread and increased in recent years, and that this method is one of the main activities and one of the many aspects of financial technology. (Liang et al., 2016)

The Contribution of Technological and Financial Mechanisms to the Enhancement and Success of the FinTech Industry- (Applied Study)-

It allows large numbers of individuals to engage in crowdfunding operations through an electronic platform or platforms (platform technology) for many activities, such as commercial and charitable projects, personal loans, and others, indicated that the idea of crowdfunding clearly emerged around 2010 AD, and this idea was preceded and accompanied by what are called financial innovations and creativity based on modern technology.

2.3 The financial mechanisms necessary for the success of financial technology.

After reviewing the theoretical literature and previous related studies, a set of financial mechanisms necessary for achieving success in financial technology was identified. The most important of these mechanisms are the following:

2.3.1 Great interaction with customers: The success of financial institutions in any country requires ensuring great interaction with the customers of these institutions, confirmed that the process of interacting with the customers of financial institutions includes seven main elements, which are:

1- Personalization. 2- Information exchange. 3- Customer interaction patterns. 4- Achieving effective communication between fintech industry customers through a private network called the Users' Network. 5- Enabling information technology to enable interaction between customers and fintech institutions, and between customers themselves, through the Face-to-Screen system, given that customers are located in very distant geographical areas. 6- Offering hybrid products (i.e., a combination of goods and services), known as hybridization. 7- Having a clear and effective strategy regarding the distribution channels for fintech services. (Lastuti & Tri , 2018, p. 2)

2.3.2 The quality of the outputs of the general financial technology system (Outputs):

The financial technology industry produces diverse outputs, and these outputs come in multiple forms and shapes, resulting from the transformation processes from traditional financial institutions to financial technology institutions. The most important of these outputs: new services, new goods, new operations, new business models, and other outputs. (Yuanfeng & Dan, 2016, p. 8)

- Quality of FinTech Inputs: indicated that the success of financial institutions in any country requires ensuring the appropriate quality of FinTech inputs, noting that FinTech inputs include a combination of the following: (Higgins, 2019, p. 18)

- - Technologies adopted for providing financial services, data analysis, currency encryption, dealing with cryptocurrencies, providing group platforms for customers, supporting electronic payment operations, and more.
- - Institutions specialized in providing information technology and supporting electronic platforms, providing distinguished financial services, and others.
- - Fund flows that serve investments supporting fintech businesses, etc.

- **The quality of the mechanisms of the general financial technology system (Mechanisms):** confirmed that the mechanisms of the general financial technology system include all mechanisms related to dealing with products (goods and services...), operations, and current business models.

In terms of providing them creatively, developing and improving their quality, and enabling customers to access them easily, these mechanisms must also focus on reducing costs and achieving high and sufficient transparency. These mechanisms must also take advantage of modern and accelerating technologies. Furthermore, within these mechanisms, efforts must be made to provide creative alternatives to the financial services provided by financial institutions. (Lastuti & Tri , 2018, p. 3)

2.3.3 Ensuring the efficient and rapid processing of fintech data: Achieving sufficient success for financial institutions in any country requires ensuring the efficient and rapid processing of fintech data, indicated that achieving this requires taking into account four main elements: 1- Data source: Services provided by the fintech industry are differentiated based on the data source used by each institution. It should be noted that customer data may be personal data, behavioral data, or data related to financial transactions with the fintech industry and others. 2- The time frame of the data. This dimension relates to historical data related to the business of the financial technology industry and other data (such as previous trends in dealing with specific stocks during a specific time period, and expected future trends in dealing with specific stocks). 3- Data Usage, which distinguishes how data is used, defined, and analyzed. 4- Data Type, which demonstrates that the fintech industry provides data in various forms and levels, and this data may be structured or unstructured. (Yuanfeng & Dan, 2016, p. 7)

2.3.4 Supporting fintech companies in achieving sufficient liquidity from the various financial products offered to electronic markets:

Achieving sufficient success for financial institutions in any country requires providing the necessary and adequate support to fintech companies to achieve adequate monetization of the operational and strategic processes of the various financial products offered to electronic markets, mentioned three main elements that must be taken into consideration: - Payment schedules that specify regular periodic payments and non-periodic payments made by customers and businesses. (Zhu et al., 2017, p. 149)

And distinguish between them. - The currencies used: There are traditional currencies, and there are virtual electronic currencies used within the framework of various transactions within the financial technology industry (with customers or partners). Here, it is worth noting the existence of multiple electronic currencies, the regulatory and legal debate surrounding which is still ongoing in many countries (such as Bitcoin, Ethereum, and others).

The Contribution of Technological and Financial Mechanisms to the Enhancement and Success of the FinTech Industry- (Applied Study)-

On the other hand, customers do not necessarily have to pay money to obtain the required services. The financial technology industry is concerned with establishing exchange markets, where each party pays the value of its purchases in the form of an exchanged service, not in the form of money. For example, a customer may obtain a specific financial service, and in return provide a service to the other party, such as providing an advertising service, a consulting service, or something else.- business cooperation: this dimension explains whether the fintech industry implements its programs independently or through cooperation and coordination with other institutions, such as traditional financial service providers.

3. Applied Framework for the Study:

3.1 Study Methodology:

Based on the objectives the study seeks to achieve, the descriptive and quantitative approach (appropriate for this study, through analysis, correlation, and interpretation) was used to arrive at the results and conclusions upon which the study's proposals and recommendations are based.

About 250 electronic questionnaires were distributed and about 210 completed and valid questionnaires were retrieved for analysis.

As for the study tool (questionnaire), this tool aimed to measure the most important technological and financial mechanisms contributing to the success of the financial technology industry. To build the questionnaire's vocabulary, the most important studies and research that addressed this topic were reviewed to measure the most important mechanisms for the success of the financial technology industry.

3.1.1 Statistical methods used in the study:

In order to analyze the questionnaire data and reach the desired results, the statistical package SPSS (v26) was used. The tests included:

- Cronbach's alpha coefficient to measure the reliability of questionnaire items.
- Arithmetic mean and standard deviation to determine the relative importance of sample members' responses to the dimensions of the study variables.
- Linear regression analysis to determine the effect of the independent variables on the dependent variable.

3.1.2 Study Model:

Dependent Variable: Achieving Success in the FinTech Industry

Independent Variables: Technological Mechanisms/Financial Mechanisms

3.1.3 Study reliability using Cronbach's alpha coefficient :

To estimate the study's reliability, we will rely on Cronbach's alpha coefficient, which calculates the overall reliability coefficient of the questionnaire, in addition to the reliability coefficient for each of the study's variables. These are shown in Table 2.

Table N°2 : Results Study reliability using Cronbach's alpha coefficient

the axes	Number of phrases	Cronbach's alpha coefficient
Technological mechanisms	17	0.869

Financial mechanisms	20	0.896
The total	37	0.905

Source: Prepared by the researcher using the SPSS v26 statistical program

The results of the statistical analysis showed that the level of stability was high according to the accepted statistical standards. The value of the Cronbach's alpha coefficient for the questionnaire as a whole reached (0.905), which is a statistically acceptable percentage and means that the study is characterized by good stability at a rate of 90.5%, which is good for adopting the results of this study.

3.2 Discussion and Analysis of Results

3.2.1 Statistical results

Table N°3: Statistical results for the dimensions of technological mechanisms

Dimensions	Phrases	Arithmetic Average	Standard deviation	Degree of importance
Providing an integrated system for providing electronic financial advice	The ability of fintech systems to provide financial advice.	3 .70	0.73	High
	Meeting the financial needs of customers	3.45	0.65	High
	Taking into account the varying levels of risk among customers.	3.91	0.77	High
	Adequate analysis of clients' preferred investments	3.37	0.68	High
	Having an integrated system to provide financial advice to all clients.	3.41	0.62	High
	The total	3.57	0.69	High
The extent of technological guarantee for the success of financial technology and its uses	Provides digital identity identification services to each customer.	3.43	0.63	High
	Big data processing technology	3.82	0.68	High
	Availability of artificial intelligence technology	3.73	0.71	High
	Providing a supportive regulatory and legislative environment	3.39	0.65	High
	-Insurance technology is available within the framework of financial technology	3.67	0.70	High
	Provides cybersecurity to ensure the use of fintech institutions	3.35	0.59	High

The Contribution of Technological and Financial Mechanisms to the Enhancement and Success of the FinTech Industry- (Applied Study)-

	The total	3.56	0.66	High
Providing digital platforms	Provides platforms that bring together all parties involved in financial projects.	3.89	0.78	High
	Using university finance platforms to conduct lending operations	3.75	0.74	High
	Providing platforms for financing and lending operations.	3.59	0.66	High
	The total	3.74	0.70	High
Good use of fintech applications	The ability to use blockchain to store data	3.71	0.68	High
	The ability to use blockchain to provide financial services	3.59	0.53	High
	The ability to use blockchain locally and internationally	3.29	0.50	High
	The total	3.19	0.58	High
The total		3.51	/	High

Source: Prepared by the researcher using the SPSS v26 statistical program

It is clear from the table above that the arithmetic mean for the technological mechanisms axis reached **3.51** which is greater than the neutral mean, which means that the answer to all the axis items is in the “Agree” degree. The standard deviation of the axis also indicates the weakness of the dispersion of the individuals’ answers

Table N°5: Statistical results for the dimensions of financial mechanisms.

Dimensions	Phrases	Arithmetic Average	Standard deviation	Degree of importance
Providing the necessary support for financial technology to achieve sufficient liquidity for financial products.	The ability to adopt blockchain applications in the financial sectors	2.95	0.59	High
	Determining which currencies can be legally transacted in fintech	2.89	0.57	High
	Precisely identifying the synergies between the fintech industry and the traditional banking industry for financial services	3.29	0.70	High
	The total	3.03	0.61	High
Quality of FinTech Public System Outputs	Quality of programs offered by fintech	3.11	0.67	High
	The quality of diversification in financial services provided by fintech	3.49	0.69	High
	Achieving customer	2.89	0.55	High

	satisfaction with financial services provided by financial technology			
	The quality of smart business models provided by financial technology	2.83	0.61	High
	The total	3.08	0.66	High
Efficient and fast data processing for fintech	Providing FinTech data (structured and unstructured data).	2.59	0.59	High
	Effective use of data related to fintech transactions	2.98	0.51	High
	Proper processing of customers' personal and behavioral data	2.78	0.56	High
	Sound analysis of future trends in dealing with financial technology	2.59	0.60	High
	The total.	2.73	2.68	High
Quality of FinTech Public System Inputs	Providing effective tools for analyzing financial data	3.41	0.59	High
	Providing collective electronic platforms for customers	3.08	0.49	High
	Providing the necessary technologies to provide financial services	3.71	0.61	High
	Provides everything necessary to support electronic payment operations	3.26	0.64	High
	Ability to handle cryptocurrencies	3.18	0.58	High
	Cooperation between IT institutions supporting electronic platforms.	3.66	0.69	High
	The total.	3.38	0.63	High
Interaction between customers	The ability of information technology to facilitate interaction between customers and financial institutions	3.64	0.68	High
	Dedicating a positive customer interaction pattern within the financial technology ecosystem	3.02	0.57	High
	Personalizing online customer relationships	3.37	0.61	High
	The total	3.34	0.69	High
The total		3.11	/	High

Source: Prepared by the researcher using the SPSS v26 statistical program

The Contribution of Technological and Financial Mechanisms to the Enhancement and Success of the FinTech Industry- (Applied Study)-

It is clear from the table above that the arithmetic mean for the financial mechanisms axis reached **3.11** which is greater than the neutral mean, which means that the answer to all the axis items is in the “Agree” degree. The standard deviation of the axis also indicates the weakness of the dispersion of individuals’ answers

3.2.2 Hypothesis Testing:

In order to test the study's hypotheses, which revolve around the correlation and influence between the model variables, we will analyze a simple and multiple linear regression model, the results of which are shown in the following tables.

Table N°6: Linear regression analysis of the impact of technological mechanisms on the success of the financial technology industry

Variables	Regression coefficients		Beta	T-value	Sig
	B	STD.ERR			
Constant	11.345	3.567	–	5.983	0.000
Technological mechanisms	1.876	0.382	0.611	8.258	0.000
Correlation coefficient	0.611		Coefficient of determination	0.593	
Standard error of estimate	3.156		Modified coefficient of determination	0.579	

Source: Prepared by the researcher using the SPSS v26 statistical program

Analysis:

From the table above, we note that there is a strong correlation between the technological mechanisms axis and the fintech industry success axis, with the correlation coefficient reaching 0.61. This is also illustrated by the coefficient of determination reaching 0.59, which means that the technological mechanisms variable contributes approximately 59% to the success and enhancement of the fintech industry. The value of the constant B also reached 11.345, indicating a positive linear relationship between the two variables, In addition, we find that the level of significance is less than 0.05, which means that the test is significant and therefore the hypothesis is accepted.

Table N°7: Analysis of the results of linear regression on the impact of financial mechanisms on the success of the financial technology industry.

Variables	Regression coefficients		Beta	T-value	Sig
	B	STD.ERR			
Constant	13.035	2.981	–	7.935	0.000
Financial mechanisms	1.201	0.139	0.504	9.591	0.000
Correlation coefficient	0.504		Coefficient of determination	0.482	
Standard error of estimate	3,982		Modified coefficient of determination	0.469	

Source: Prepared by the researcher using the SPSS v26 statistical program

Analysis:

From the previous table, we note that there is a strong correlation between the financial mechanisms axis and the fintech industry success axis, with the correlation coefficient reaching 0.50. This is also illustrated by the coefficient of determination,

which reached 0.48. This means that the financial mechanisms variable contributes approximately 48% to the success and strengthening of the fintech industry. The value of the constant B also reached 13.035, indicating a positive linear relationship between the two variables, and this is at a significance level of less than 0.05, which indicates the significance of the test and the existence of a strong direct relationship between them.

Table N°8: Results of multiple regression testing of the impact of technological and financial mechanisms on the success of the financial technology industry.

Variables	Regression coefficients		Beta	T-value	Sig
	B	STD.ERR			
Constant	8.935	3.703	–	4.168	0.000
Technological mechanisms	.0699	0.518	.0508	6.942	0.000
Financial mechanisms	.0514	0.396	0.447	7.994	0.000
Correlation coefficient	0.705		Coefficient of determination		0.683
Standard error of estimate	2.839		Modified coefficient of determination		0.669

Source: Prepared by the researcher using the SPSS v26 statistical program

Analysis:

Table 8 demonstrates the combined impact of both technological and financial mechanisms on the success of the fintech industry. Their combination contributed to raising the explanatory coefficient of the multivariate model to approximately 68.3%. This indicates that the success of the fintech industry requires concerted efforts and integration between technologies and technological and financial mechanisms. We also note the presence of a positive linear relationship between the model variables at a significance level of less than 0.05, which indicates the significance of the test and the presence of a strong direct relationship between the variables. On this basis, the general trend relationship can be written as follows: $Y=0.69(X1)+0.51(X2)+8.95$

4. Conclusion

The study sought to identify the most important concepts related to technological and financial mechanisms and the extent to which they contribute to the success of the fintech industry. It also highlighted the role of investment in this type of mechanism through fintech projects. The study also focused, in its practical aspect, on proving the validity of the hypotheses formulated, using a questionnaire as the primary tool for the study and analyzing its results, and the most important results of the study can be summarized as follows:

- The success of the fintech industry is a cornerstone of any digital activity, especially in the banking sector, where it should be viewed as a core service with priority in the financial sector.
- Achieving success in the fintech industry is an integral part of digital development, as it is the foundation for the success of digital schemes in various modern service fields, particularly in the financial sector.

The Contribution of Technological and Financial Mechanisms to the Enhancement and Success of the FinTech Industry- (Applied Study)-

- There is a statistically significant impact and a strong influence relationship between the dimensions of technological mechanisms and the dimensions of financial mechanisms in improving and succeeding the financial technology industry, with variations in the degree of impact.

Recommendations:

- This study recommends the need to develop and improve the level of attention paid to ensuring the quality of inputs into the general fintech system, and to place greater emphasis on ensuring the required quality of the mechanisms of the general fintech system.
- The study recommends developing interest in the proper use of blockchain technology applications in the financial sector.
- Working to provide all necessary resources to ensure the efficient and rapid processing of financial technology data as one of the key mechanisms for the success of the financial technology industry, and providing all necessary means of support for financial technology.

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