

Digital Transformation in the Financial Sector: Implications for Financial Inclusion and Consumer Behavior

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Abstract: The objective of this study is to provide a thorough understanding of the impact of digital transformation in the financial industry, the adoption level of digital financial services, and its potential to generate financial inclusion and consumer behavior.

A total of 142 participants, selected through purposive sampling, were individuals working in Pasig City with experience using digital banking. A quantitative research method and descriptive research design were used to determine the respondent's adoption level of digital financial services and to determine the impact of digital transformation on financial inclusion and consumer behavior.

To understand the result and quantitatively investigate the data, the percentage, weighted mean, Mann-Whitney U test, and Kruskal-Wallis were used. The study concluded that the respondents were primarily employed in retail and customer service with an income level of ₱21,914 - ₱43,828 that falls in the lower-middle-class. It shows that working individuals fully adopt digital financial products and services. Moreover, there was no significant difference in the adoption level, impact of digital transformation on financial inclusion, and consumer behavior when participants were grouped according to their demographic profile.

Keywords: Adoption, Consumer Behavior, Digital Transformation, Financial Inclusion.

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I. INTRODUCTION

The digital transformation has notably impacted financial services, reshaping both society and industry. According to Feyen, Frost, Gambacorta, Natarajan, and Saal (2021), Digital transformation has brought significant economically meaningful changes, not only superficial changes but also making an impact on the economics of financial services. This significant transformation is propelled by digital innovation, mainly through FinTech (Brătășanu, 2017). That also resulted in increased connectivity and fast information processing in both customer-facing interactions and back-office operations. (Gomber, Koch, & Siering, 2017).

The digital transformation in the financial sector is changing the landscape of financial inclusion by enabling anybody, regardless of their demographic profile, to access banking services like credit and loans, insurance services, and

payment services. However, according to Aggarwal (2019), there are still barriers to financial inclusion, such as distance barriers, language barriers, timing barriers, attitude barriers, illiteracy barriers, documentation barriers, income barriers, psychological barriers, and cultural barriers that needs to address.

In the financial sector, as technology continues to advance, consumers have fundamentally changed their behavior in managing their finances. According to Van Raaij (2014), consumer behavior is how consumers make financial decisions, such as spending, saving, borrowing, insuring, and investing. Due to the digital transformation, consumers can access their accounts, make transactions, and perform various financial tasks anytime and anywhere. This has also changed their spending, savings, and overall financial decisions. However, according to Wardhani (2023) there are still individuals who prefer using cash to conduct their transactions.

The purpose of this study is to provide a thorough understanding of the impact of digital transformation in the financial sector and its potential to generate financial inclusion and consumer behavior. Understanding the implication of digital transformation in the financial sector is crucial for policymakers, financial institutions, and consumers alike, as it will shape the future of finance and the economic well-being of societies globally.

➤ *Statement of The Problem*

The study was guided with the following questions:

- What is the profile of the respondents in terms of
 - ✓ Nature of work; and
 - ✓ Income level;
- What is the adoption level of the respondents to digital financial services?
- Is there a significant difference in the adoption level of the respondents to digital financial services when they are grouped according to their demographic profile?
- What is the assessment of the respondents on the impact digital transformation in financial inclusion among diverse respondents in Metro Manila?
- ✓ Accessibility;
- ✓ Reduced Costs and;
- ✓ Innovation in Products;
- Is there a significant difference on the impact of the digital transformation to financial inclusion when respondents are grouped according to their profile
- What is the assessment of the respondents on the impact digital transformation in consumer behavior among diverse respondents in Metro Manila?
- ✓ Convenience;
- ✓ Personalization and;
- ✓ Security Concerns;
- Is there a significant difference in the impact of digital transformation on consumer behavior when respondents are grouped according to their profile?

➤ *Diffusion of Innovation Theory*

The Diffusion of Innovation Theory is used to investigate or explain how an idea or product diffuses within a specific population and how they adopt it over a period. According to Rogers in a book review of Orr (2003), adoption is the overall use of innovation as the most effective course of action, while diffusion is the dissemination of an innovation through specific channels over a period among individuals within a social group.

There are four main elements of Diffusion of Innovation (DOI). The first is innovation. "An innovation is an idea, practice, or project that is perceived as new by an individual or other unit of adoption" (Orr, 2003). The second element is communication channels. It is a process in which participants

create and share information with one another to reach a mutual understanding (Orr, 2003). The third element is time. It refers to the gradual acceptance of an individual to innovation. The last element is the social system, defined as "a set of interrelated units engaged in joint problem-solving to accomplish a common goal" (Orr, 2003). These theories help to achieve the objective of the study by explaining why and how individuals adopt the digital financial services and help to better understand how digital transformation spread and impacts the financial inclusion and consumer behavior across the different groups or demographic profile.

II. METHODS

A. *Research Method Used*

The researcher followed a quantitative approach; this approach dealt with numbers and variables measured in a systematic way that involved measuring phenomena and relationships, which is appropriate to achieve the objective of the study. As cited by Apuke (2017), quantitative research is dealt with in assessing and analyzing the variables that include applying specific statistical techniques through the use and analysis of numerical data to answer questions like who, how much, what, where, when, how many, and how.

The researcher used a descriptive research design to effectively describe the adoption level and impact of digital transformation in financial inclusion and consumer behavior. This was achieved through the use of a survey, which helped to gather data from a broad sample of individuals.

The main objective of this study is to provide a thorough understanding of the impact of digital transformation in the financial sector and its potential to generate financial inclusion and consumer behavior. The research aims to confirm if there is a difference in the adoption level and impact of digital transformation in financial inclusion and consumer behavior when respondents are grouped according to their demographic profile.

B. *Respondents*

Researchers use purposive sampling in selecting participants in the study, according to Campbell, S., Greenwood, M., Prior, S., Shearer, T., Walkem, K., Young, S., Bywaters, D., and Walker, K. (2020). Purposive sampling technique is intentionally selecting participants with specific characteristics, and it moves away from the random sampling method. This sample technique ensures that the specific characteristic is part of the final sample of the study.

Using purposive sampling, the participants of the study are working individuals who have experience in using digital banking or digital financial services in Pasig City.

C. *Scope and Delimitations*

The study took place in Pasig City and involved 18-year-olds and above who have experience in using digital financial services. Using researcher-made questionnaires to gather data that is necessary for the study and to control extraneous variables, which are offline alternatives and cultural factors, each suspected participant was asked if they

are currently working and have experience in using digital financial products.

D. Research Instruments Used

The questionnaire used in this study is researcher-made; it is organized into three sections, such as the adoption level in digital financial services, the impact of digital transformation in financial inclusion, and the impact of digital transformation on consumer behavior. The questions are designed using a 4-point Likert scale (1—Strongly Disagree or Not Adopted to 4—Strongly Agree or Fully Adopted) to capture respondents' level of agreement and adoption level on various factors influencing their financial decisions.

The questionnaire was validated by professionals with expertise in finance. To assess the reliability of the questionnaire, a pilot test was conducted in 25 respondents that met the qualification needed in the study. It shows that the computed Cronbach's alpha is 0.76, 0.87, and 0.85 it indicates that the questionnaire used is reliable and it provides confidence that the questionnaire can produce stable and reliable results.

E. Data Gathering Procedure

To gather the information needed in the study, researchers consulted professionals with expertise in finance to validate the researcher-made questionnaire. After the questionnaire was validated, it underwent a reliability test. After passing the reliability test, researchers used a purposive sampling technique that gathered 142 respondents. The researcher primarily used face-to-face surveys to gather data.

Before giving the questionnaire, participants were asked if they are working and have experience in using digital financial products and services, and they were asked if they are willing to participate in the study by completing the questionnaire. The data that was collected is analyzed using statistical techniques to identify patterns and insights related to adoption level, financial inclusion, and consumer behavior.

F. Statistical Treatment Used

To properly analyze and interpret the data gathered in the survey the following statistical test was used; Percentage, Weighted mean, Mann-Whitney-U-Test, and Kruskal-Wallis Test.

III. RESULTS AND DISCUSSION

A. Demographic Profile

The table illustrates the income level and nature of work distribution of a sample of 142 respondents. For nature of work, the largest group is retail and customer services with 78 respondents, followed by administrative and support services with 41 respondents, finance and the public sector with 14 respondents, and the smaller group is healthcare with 9 respondents. While for income level, the largest group is Lower Middle class (₱21,914 to 43,828), comprising 54 individuals, followed by Low Income but not poor (₱10,957 to ₱21,914) with 50 respondents, Poor (below ₱10,957) with 27 respondents, and Rich (₱76,669) with 4 respondents.

Table 1: Demographic Profile of the Respondents

Variables	Categories	Frequency	Percentage
Nature of Work	Healthcare	9	6.3
	Retail and Customer Services	78	54.9
	Administrative and Support Services	41	28.9
	Finance and Public Sector	14	9.9
	Poor (below 10,957)	27	19.0
Income Level	Low Income but not poor (10,957 to 21,914)	50	35.2
	Low middle class (21,914 to 43,828)	54	38.0
	Middle Class (43,828 to 76,669)	7	4.9
	Rich (76,669)	4	2.8

Table 1. This income level and nature of work distribution suggest that the respondents were primarily employed in retail and customer service with an income level of ₱ 21,914 - ₱ 43,828 that falls in the lower-middle class. This distribution may give insights into their financial standing, which may influence their lifestyle and perspective in using digital financial services.

B. Adoption Level to Digital Financial Services

The table illustrates the adoption level of digital financial services when respondents are grouped according to their demographic profile. In terms of the nature of work, Retail and Customer Services has the highest adoption level with a weighted mean (3.57) indicating full adoption, followed by Healthcare and Finance and Public Sector with a

weighted mean (3.56) that also indicates full adoption, and the lowest weighted mean (3.40) from Administrative and Support Services that indicates mostly adoption. In terms of Income level, the highest weighed mean (3.75) belongs to Rich (76,669) indicates full adoption, followed by Low middle class (21,914 to 43,828) with weighed mean (3.59) that also indicates full adoption, while Low Income but not poor (10,957 to 21,914) with weighed mean (3.49), Poor (below 10,957) with weighed mean (3.38) and Middle Class (43,828 to 76,669) with weighed mean (3.07) indicates mostly adoption.

Table 2: Adoption Level of the Respondents to Digital Financial Services

Variables	Categories	Mean	VI
Nature of Work	Healthcare	3.56	FA
	Retail and Customer Services	3.57	FA
	Administrative and Support Services	3.40	MA
	Finance and Public Sector	3.56	FA
Income Level	Poor (below 10,957)	3.38	MA
	Low Income but not poor (10,957 to 21,914)	3.49	MA
	Low middle class (21,914 to 43,828)	3.59	FA
	Middle Class (43,828 to 76,669)	3.07	MA
	Rich (76,669)	3.75	FA

Table 2. The table suggests that the adoption of digital financial product services is influenced by both the nature of work and their income level. The higher adoption level in sectors related to retail and customer services, possibly due to the growing trend of digital payment and online retail services encourages workers to use digital financial services for daily transactions and savings. In contrast, administrative and support services were perhaps due to fewer interactions with financial products. In relevance to the study of Majores (2014), customer satisfaction and loyalty among Internet banking users of the Philippines National Bank in Batangas City show that most users of digital banking are self-employed. Income levels result in the fact that digital banking is widely used across all income levels, with higher income groups enjoying greater access to multiple financial products, possibly due to financial stability, access to technology, and high digital literacy. However, lower-income respondents result at a slower rate due to limited access to digital

resources. In the study of Wanof (2023), he emphasizes that digital technology allows lower-income individuals to easily manage their finances and engage in formal financial services. It suggests that allowing and engaging lower-income levels can help to improve their financial stability.

C. Difference in the Adoption Level of the Respondents to Digital Financial Services when Group According to their Demographic Profile.

The table present the analysis to determine if there is a significant different in the adoption level of the respondents when they were grouped according in the demographic profile. The statistical treatment that is applied in this study is the Kruskal- Wallis test. The p-values of nature of work (0.172), and income level (0.088) exceed the significant level of 0.05 which indicates that there is no significant difference in the adoption level of respondents when grouped according to their profile.

Table 3: Difference in the Adoption Level of the Respondents to Digital Financial Services when Group According to their Demographic Profile.

Variables	Computed Value	P-value	Interpretation
Nature of work	0.035	0.172	Not Significant
Income level	8.11	0.088	Not Significant

Table 3. Suggests that digital financial services have become accessible to all demographic profiles. It implies that regardless of their nature of work—whether healthcare, retail and customer service, administrative and support services, finance, or the public sector—there is notable variation in their adoption level. Similarly to income level, such as poor (below 10,957), low-income but not poor (10,957 to 21,914), low middle, middle class (21,914 to 43,828), and rich (76,669). For instance, in the study of Teka (2017), the demographic profile of the respondents, such as age, income, educational status, and occupation, has a similar adoption level in e-banking. However, in contrast, Matsumoto and Munyegera (2016) found that many studies conclude that an individual's income level has a relationship with their adoption of mobile money.

D. The Assessment of the Respondents on the Impact of Digital Transformation in Financial Inclusion.

The impact of digital transformation on financial inclusion when examining three key aspects: accessibility, reduced cost, and innovation on products. Regarding accessibility, across all respondents, the highest weighted mean for the nature of work is 3.24, which is agree under

finance and the public sector, followed by retail and customer services with a 3.09 weighted mean, which is agree, and the lower weighted mean is 3.07, which is still agree, which is under healthcare and administrative support services. In terms of their income levels, all respondents generally agree the highest weighted mean is 3.14 from the middle class, followed by the rich with a 3.10 mean, the poor with 3.04, lower-income but not poor with 3.02, and the lowest weighted mean is 2.99 from the lower middle class.

In terms of reduced cost, for diverse nature of work, the highest weighted mean is 3.42, which indicates agree under finance and the public sector, while the lowest weighted mean is 3.39, indicating agree under administrative and support services. Across all income levels, the overall weighted means are as follows: the poor class has a mean of 3.29 which is agree, the low-income class has 3.39 which is agree, the lower middle-income class has 3.42 which is also agree, the middle-income class has 3.63 which indicates strongly agree, and the rich income class has 3.80 which also indicates strongly agree. Overall, the data shows that respondents generally agree or strongly

agree with the financial benefits associated with digitization. `

Innovation in products, for the nature of work, has the highest weighted mean of 3.37, which indicates agree under Finance and Public Sector, followed by Retail and Customer Services with 3.31, which indicates agree, and Administrative and Support Services also agree with a mean of 3.24, and the lowest mean with 3.20 belongs to

healthcare, which also indicates agree. In terms of income level, it shows that the highest weighted mean is 3.55, which indicates strongly agree under the rich income level, followed by the low middle class with 3.34, which indicates agree; the middle class with 3.31, which indicates agree; the low income but not poor with 3.28, which indicates agree; and the lowest mean is 3.17, which belongs to poor also indicates agree.

Table 4: The Assessment of the Respondents on the Impact of Digital Transformation in Financial Inclusion

Parameter	Variables	Categories	Mean	VI
Accessibility	Nature of Work	Healthcare	3.07	A
		Retail and Customer Services	3.09	A
		Administrative and Support Services	3.07	A
		Finance and Public Sector	3.24	A
	Income Level	Poor	3.04	A
		Low Income but not poor	3.02	A
		Low middle class	2.99	A
		Middle Class	3.14	A
Reduced Cost	Nature of Work	Healthcare	3.40	A
		Retail and Customer Services	3.41	A
		Administrative and Support Services	3.39	A
		Finance and Public Sector	3.42	A
	Income Level	Poor	3.29	A
		Low Income but not poor	3.39	A
		Low middle class	3.42	A
		Middle Class	3.63	SA
Innovation in Products	Nature of Work	Healthcare	3.20	A
		Retail and Customer Services	3.31	A
		Administrative and Support Services	3.24	A
		Finance and Public Sector	3.37	A
	Income Level	Poor	3.17	A
		Low Income but not poor	3.28	A
		Low middle class	3.34	A
		Middle Class	3.31	A
		Rich	3.55	SA

Legend: (SA) Strongly Agree, (A) Agree, (D) Disagree, (SD) Strongly Agree

Table 4. It shows all respondents generally agree, suggesting that digital banking is accessible regardless of their nature of work and income level. Moreover, respondents expressed ease in creating new accounts and transferring money through digital platforms. However, those in low- and high-income level respondents encountered issues such as Internet connection issues and occasional maintenance disruptions that hindered their ability to access their accounts. These findings are consistent with the study of Demirgüç-Kunt, Klapper, Singer, Ansar, and Hess (2017); they found out that individuals with low income have lack of access to essential financial services. Instead, they rely on cash. Additionally, they also highlighted that those with higher income use

formal accounts like credits when borrowing. Respondents also generally agree that digital transformation in the financial sector reduced costs. Suggesting benefits, including lower transaction fees and time saved by avoiding

physical branch visits. However, there are variations among lower-income groups, with some expressing less certain cost-saving benefits. According to Buteau, Rao, and Valenti (2021), the adoption of digital financial products and services among marginalized and vulnerable individuals can reduce the risk and cost of using cash while increasing their access to formal financial services such as credit, savings, insurance, and pensions. Lastly, respondents also generally agree that digital transformation offers innovative products in the financial sector. The results highlight that through the innovation of products, respondents use different payment apps such as GCash, PayPal, etc. Moreover, it helps them to reduce their reliance on using cash. Additionally, middle- and high-income individuals show strongly agree with product innovation, particularly in investment and peer-to-peer lending platforms. A related study by Bemo, Aberra, Zimmerman, Lanzarone, and Lubinski (2017) emphasized that digital financial services can significantly reduce transaction costs for consumers and financial institutions.

Furthermore, innovative digital financial products provide access to diverse financial products regardless of their demographic profile that promote financial inclusion.

E. Difference on the Impact of the Digital Transformation to Financial Inclusion when they are Grouped According to their Demographic Profile.

Using Mann-Whitney U and Kruskal-Wallis tests, it shows that the computed p-value for accessibility is 0.710 for nature of work and 0.051 for income level. In terms of

reduced cost, the computed p-value is 0.982 for nature of work and 0.297 for income level. Lastly, for innovation in products, the computed p-value is 0.756 for nature of work and 0.71 for income level. It shows that all computed p-values for accessibility, reduced cost, and innovation in products are higher than the alpha level of 0.05. Therefore, there is no significant difference in the impact of digital transformation on financial inclusion when respondents are grouped according to their demographic profile.

Table 5: Difference on the Impact of the Digital Transformation to Financial Inclusion when they are Grouped According to their Demographic Profile

Variables	Computed Value	P-value	Effect Size	Interpretation
Accessibility				
Nature of work	1.381	0.710	0.010	Not Significant
Income level	9.43	0.051	0.067	Not Significant
Reduced Cost				
Nature of work	0.171	0.982	0.001	Not Significant
Income level	5.20	0.267	0.037	Not Significant
Innovation in Products				
Nature of work	1.188	0.756	0.008	Not Significant
Income level	8.63	0.071	0.061	Not Significant

Table 5. It revealed that there was no significant difference in the impact of digital transformation on financial inclusion when respondents are grouped according to their demographic profile. This highlight that digital financial services are becoming more inclusive and accessible and they experience the accessibility, reduced cost, and innovation in products that allow them to easily manage their finances. It is contrary to the study of Fungacova and Weill (2014), they conclude that financial inclusion has asignificant difference when grouped with an individual's income, education, age, and gender.

F. The Assessment of the Respondents on the Impact of Digital Transformation in Consumer Behavior.

The impact of digital transformation on consumer behavior when examining three key aspects: convenience, personalization, and security concerns. In terms of convenience, for the nature of work, the weighted mean is as follows: 3.57 for Retail and Customer Services indicates strongly agree, 3.55 for Finance and Public Sector also indicates strongly agree, 3.49 for Administrative and Support Services, and 3.33 for healthcare, which indicates agree. For income level, 3.84 for rich indicates strongly agree, 3.56 for

low income but not poor indicates strongly agree, 3.56 for low middle class also indicates strongly agree, 3.41 for middle class, and 3.39 for poor both indicate agree.

In terms of personalization, for the nature of work, all respondents generally agree that digital transformation has improved personalization. Their weighted mean is as follows: 3.30 for Finance and Public Sector, 3.18 for Retail and Customer Services, 3.13 for Administrative and Support Services, and 3.02 for healthcare. For income level 3.58 for rich, which indicates strongly agree; 3.26 for middle class; 3.16 for low income but not poor; 3.15 for low middle class; and 3.11 for poor, which all indicate agree.

In terms of security concerns, for the nature of work, all respondents generally agree with the weighted mean of 3.46 for finance and public sector, 3.45 for retail and customer services, 3.43 for healthcare, and 3.40 for administrative and support services. For income level, only the middle class strongly agree with the 3.34 weighted mean, while it is 3.47 for Administrative and Support Services, 3.42 for rich, 3.41 for poor, and 3.38 for low middle class, and they all agree.

Table 6: The Assessment of the Respondents on the Impact of Digital Transformation in Consumer Behavior

Variables	Computed value	P-value	Effect Size	Interpretation
Convenience				
Nature of work	3.005	0.391	0.021	Not Significant
Income level	6.97	0.137	0.049	Not Significant
Personalization				
Nature of work	2.641	0.450	0.019	Not Significant
Income level	3.70	0.449	0.026	Not Significant
Security Concerns				
Nature of work	2.478	0.924	0.003	Not Significant
Income level	3.87	0.424	0.027	Not Significant

Table 6. Respondents generally agree that digital transformation in the financial sector impacts consumer behavior. Respondents generally expressed that using digital financial services is convenient; it emphasizes that respondents are used to digital financial services, as it allows them to manage their finances anytime and anywhere. In terms of personalization, respondents generally agree that digital transformation in the financial sector offers them a variety of products and services to improve their financial stability, such as investment opportunities and high credit limits. Lastly, the security concerns imply that respondents have strong awareness that involves securing their accounts in using digital financial services. The results highlight that digital transformation impacts consumer behavior in terms of convenience, personalization, and security concerns. For instance, in the study of Jain and Raman (2021), they emphasize that individuals use digital financial services due

to it helping to easily manage their financial records and it helping to eliminate the fake money.

G. Difference on the Impact of the Digital Transformation to Consumer Behavior when they are Grouped According to their Demographic Profile.

Using Mann-Whitney U and Kruskal-Wallis tests, it shows that the computed p-value for convenience is 0.391 for nature of work and 0.137 for income level. In terms of personalization, the computed p-value is 0.450 for nature of work and 0.449 for income level. Lastly, for security concerns, the computed p-value is 0.924 for nature of work and 0.424 for income level. It shows that all computed p-values for convenience, personalization, and security concerns are higher than the alpha level of 0.05. Therefore, there is no significant difference in the impact of digital transformation on consumer behavior when respondents are grouped according to their demographic profile.

Table 7: Difference on the Impact of the Digital Transformation to Financial Inclusion when they are Grouped According to their Demographic Profile

Variables	Computed value	P-value	Effect Size	Interpretation
Convenience				
Nature of work	3.005	0.391	0.021	Not Significant
Income level	6.97	0.137	0.049	Not Significant
Personalization				
Nature of work	2.641	0.450	0.019	Not Significant
Income level	3.70	0.449	0.026	Not Significant
Security Concerns				
Nature of work	2.478	0.924	0.003	Not Significant
Income level	3.87	0.424	0.027	Not Significant

Table 7. It revealed that there was no significant difference on the Impact of the digital transformation to consumer behavior when they are grouped according to their nature of work and income level. This highlight that digital banking services are perceived likewise, regardless of demographic factors. These findings align with previous studies by Abuhasan and Moreb (2021), which highlight the broad appeal of digital banking in enhancing convenience and customer satisfaction. Similarly, Uribe-Linares, Rios-Lama, Merino (2023) emphasize that while consumers across different groups benefit from technology-driven improvements, traditional banks must quickly adapt to evolving expectations.

IV. CONCLUSION AND RECOMMENDATION

A. Conclusion

The study provides valuable insights into the impact of digital transformation in the financial sector and its potential to generate financial inclusion and influence consumer behavior. The findings revealed that the respondents were primarily employed in retail and customer service with an income level of ₱ 21,914 - ₱ 43,828 that falls in the lower-middle-class. The respondents mostly adopt or fully adopt the digital financial services, this suggests there is a growing trend in using digital financial products wherein respondents are comfortable and willing to use digital financial products in managing their finances. Moreover, the respondents

generally agree that digital transformation in the financial sector impacts financial inclusion; this implies that they experience accessibility, reduced cost, and innovation in products in using digital financial services. They also agree that that digital transformation in the financial impact consumer behavior, implying that digital transformation in the financial sector enhances convenience, personalization, and security concerns that helps them to manage their finances digitally.

Moreover, the study shows that there is no enough evidence that there is a difference in the impact of digital transformation to adoption level, financial inclusion, and consumer behavior when respondents are grouped according to their profile. This indicates that digital financial services are becoming more inclusive and accessible across different demographic profile that allow them to better manage their finances.

B. Recommendation

➤ Consumers

Consumers may continue to adopt digital financial services, as they offer significant convenience, accessibility, and personalized services offered by financial institutions to help manage finances effectively and achieve financial goals, and use the available resources that can help to embrace

digital financial products and services and be aware of their advantages and disadvantages.

➤ *Policymakers*

Policymakers should prioritize addressing internet connectivity challenges to ensure broader access to online financial services also may implement financial education programs to schools or other organizations to increase awareness about online financial products and services, and provide a policy of protection for consumers when using online financial products and services, like ensuring their data, so that individuals will increase their trust in using them.

➤ *Financial Institutions*

Financial institutions must enhance their security measures to cultivate trust and confidence in digital transactions. Provide more innovative products that can cater to all demographic profiles and attract non-users to become users, provide an online tutorial on how to use and what services non-users and users can get by adopting digital transformation in the financial sector, and enhance the accessibility of digital financial products and services. Additionally, financial institutions may create structures that are easy-to-use technologies.

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