

UNIVERSITI TEKNOLOGI MARA

**THE DISRUPTIONS AND THE
OPPORTUNITIES IN
FINTECH**

ILHAM ADLI BIN AZAHAR

Academic writing submitted in partial fulfilment of
the requirements for **Diploma in Muamalat**

Academy of Contemporary Islamic Studies

December 2019

AUTHOR'S DECLARATION

I admit that work has been done in this academic writing in accordance with the rules of the Universiti Teknologi MARA. It is original and my own work, unless otherwise mentioned or recognized as a work of reference. This academic writing is not presented for any diploma or qualification to any academic institution or other non-academic institution.

I hereby acknowledge that I have been provided with the Academic Rules and Regulations for Undergraduate, Universiti Teknologi MARA, which governs my research and research.

Name of Student : Ilham Adli Bin Azahar

Student I. D. Number : 2017606592

Programme : Diploma in Muamalat-IC110

Faculty : Academy of Contemporary Islamic Studies

Academic Writing

Title : The Disruptions and The Opportunities in FinTech

Signature of Student :

Date : December 2019

ABSTRACT

A study of the disruptions and the opportunities in FinTech. The design of this study is using qualitative method. Library research has been used for this research. The data collection methodology used in this research is deductive method. Based on the previous researches and findings, there are many disruptions happened to the financial institution in the FinTech development. Despite all the challenges, FinTech brings more opportunities to the financial consumers and financial institutions. It is because FinTech is more relevant and convenient to all the economic units, and it is competent to be implemented in the financial world.

TABLE OF CONTENTS

AUTHOR’S DECLARATION	i
ABSTRACT.....	ii
ACKNOWLEDGEMENT.....	iii
TABLE OF CONTENTS.....	iv
LIST OF DIAGRAMS.....	vii
INTRODUCTION.....	1
1.1 Introduction	1
1.2 Background of The Research	2
1.3 Problem Statement	3
1.4 Research Questions	5
1.5 Research Objectives	5
1.6 Research Significance	6
1.7 Research Limitation	7
1.8 Summary	7
LITERATURE REVIEW	8
2.1 Introduction.....	8
2.2 Definition of Fintech.....	8
2.3 History and Revolution of Fintech.....	11
2.3.1 Fintech 1.0 (1886-1967) is about infrastructure	11
2.3.2 Fintech 2.0 (1967-2008) is about banks.....	11
2.3.3 Fintech 3.0 (2008-Current) is about start-ups.....	12

2.3.4 Fintech from the 1950s onwards.....	13
2.3.5 Fintech Services Today.....	14
2.3.6 Bank Roles	15
2.4 Purpose of Fintech	17
2.5 Consumption of Fintech.....	18
2.6 Structure of Fintech.....	20
Diagram 2.6.1 : The Digital Transformation of Traditional Finance	21
Diagram 2.6.2 : Internet-Based Financial Businesses	21
Diagram 2.6.3 : New Fintech Models	22
Diagram 2.6.4 : FinTech Information Services	22
2.7 Fintech And Market Structure in Financial Services.....	23
2.8 Summary	24
METHODOLOGY	25
3.1 Introduction.....	25
3.2 Research Strategy.....	26
3.3 Research Design.....	26
3.4 Research Method – Qualitative versus Quantitative.....	27
3.5 Research Data Collection Method	27
3.5.1 Primary Source.....	28
3.5.2 Secondary Source.....	28
3.6 Research Data Analyzing Method	29
3.7 Summary	29