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**FinTech Adoption and Financial-Sector Outcomes: A Systematic Literature Review
Firm-Performance, Stock Price Volatility, Operational Efficiency and Financial
Stability**

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ABSTRACT

Purpose: This study explores the existing literature on the impact of Financial Technology (FinTech) on Financial Firm Performance with mediating roles of operational efficiency (OE) and financial stability (FS). The existing literature is mostly on banking sector, FinTech startups, digital finance, financial inclusion and FinTech Models. This systematic literature review (SLR) synthesizes the evidence on the impact of FinTech on financial-sector outcomes with specifically focuses on four domains: firm performance, stock price volatility, operational efficiency and financial stability.

Methodology: By following PRISMA 2020 principles, the review protocol, database coverage, search concepts, eligibility criteria, coding domains and a narrative synthesis.

Findings: the evidence indicates a positive association between FinTech and firm performance but it also dependent on other factors such as measurement tools, technology type, firm dynamics and country conditions. Evidence on financial stability is mixed: FinTech can enhance risk management, resource allocation but new array of vulnerabilities arises such as market competition, cyber exposure and liquidity mismatch. Evidence on stock price volatility is clear that fintech adoption improve the asymmetric information for all stakeholders. Operational efficiency and financial stability play central role in mechanism of FinTech adoption and firm performance, but cost of implantation and organizational capability can produce non-linearity in short run.

Practical Implications: The qualified results are helpful for researchers to understand the extent of literature to find out direction of further research.

Originality: This is a unique work done on the FinTech adoption and firm performance / stock price volatility. This type of SLR is never conducted early. So, it is unique work done.

Keywords: FinTech adoption; digital finance; firm performance; Tobin's Q; stock-price volatility; operational efficiency; financial stability; systematic literature review; emerging markets; Pakistan

1. Introduction

FinTech refers the modification of financial products, services, processes and business models based on prevailing technologies to create ease for internal and external customers. The literature includes mobile apps, digital payments, artificial intelligence (AI), machine learning (ML), cloud computing, blockchain, APIs, open banking, RegTech, automated decision systems and automated risk detection systems. FinTech adoption enhancing ease of doing banking over the internet, but these innovations have potential risks including operational, regulatory and systematic risk (Murinde et al., 2022; Ozili, 2018).

The research base on FinTech has extended rapidly but with diversity in conclusions. The recent growth in literature is around digital finance, financial inclusion, risk management and technology-based services. A 2024 systematic mapping focuses the maturity and breadth of the field while a bibliometric review 2024, confirms the expansion in knowledge structure. A 2025 systematic review focused on impact of FinTech adoption on banking systems and its performance, and a 2026 review of traditional banking system reports all three impacts of FinTech positive, negative and mixed. These reviews are valuable but leave a gap: they don't synthesis firm-level performance, stock price volatility and channels (operational efficiency and financial stability) mechanism.

This is resulting gape because a positive association between FinTech and firm-performance not a guarantee of risk mitigation. The investment in technology can improve processes and market valuation and simultaneously enhancing cyber exposure, adoption costs and liquidity risks. Conversely, a short-term increase in operational cost during the implementation phase may enhance operational efficiency in long-run.

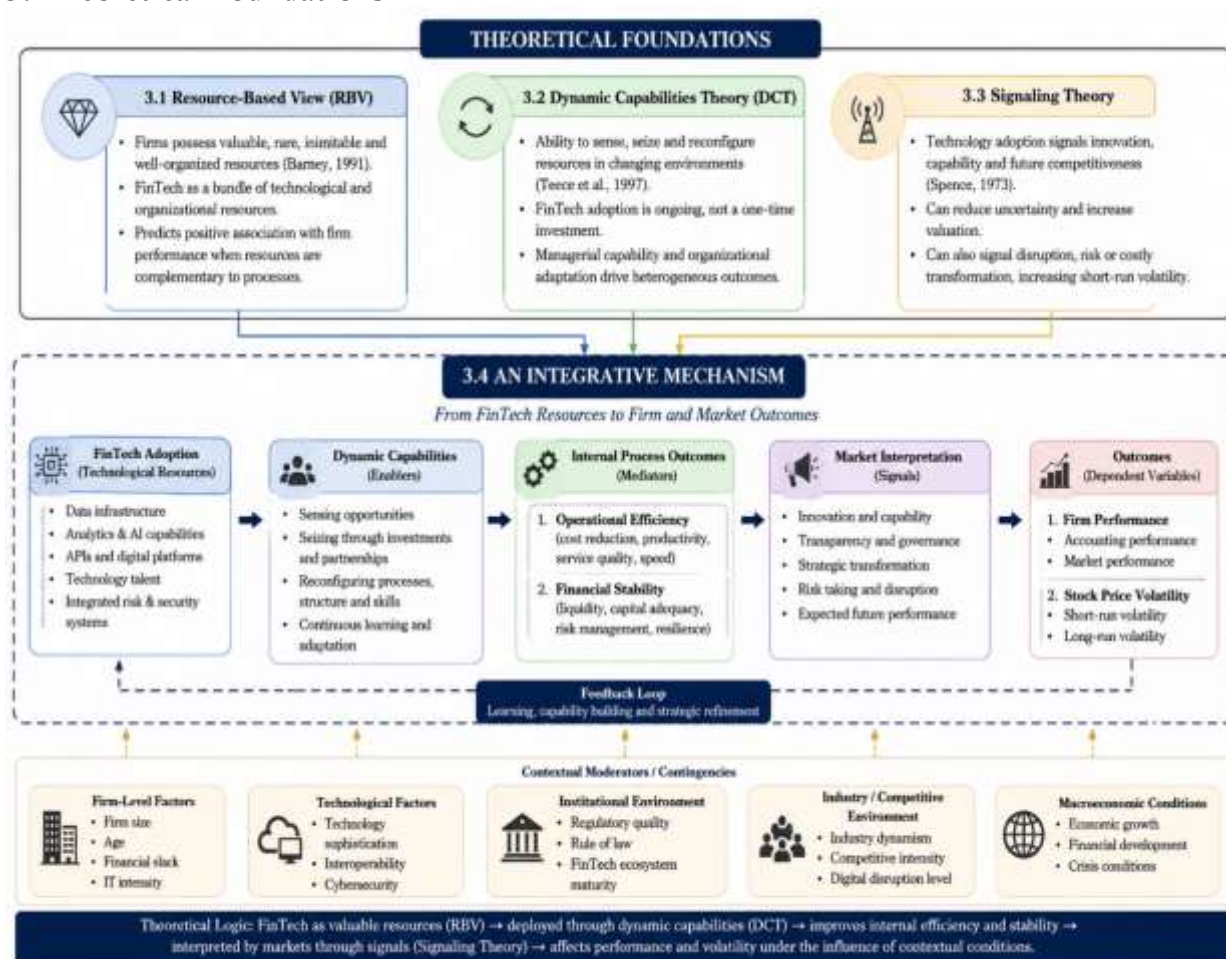
The present review addresses the four-question related to the problem. First, what is the direction and intensity of the relationship between FinTech and firm performance? Second, what is the impact of FinTech adoption on the stock price volatility? Third, does operational efficiency play role as mediator? Third, does financial stability play role as mediator?

2. Review Questions and Contribution

<i>RQ</i>	<i>Review question</i>	<i>Analytical focus</i>
<i>RQ1</i>	<i>How does FinTech adoption affect financial-firm performance?</i>	<i>Profitability, productivity, market value, Tobin's Q, ROA/ROE, efficiency</i>
<i>RQ2</i>	<i>How does FinTech adoption affect stock-price volatility and market risk?</i>	<i>Volatility, returns, investor perception, information asymmetry, event effects</i>
<i>RQ3</i>	<i>Does operational efficiency transmit FinTech effects?</i>	<i>Automation, cost reduction, process quality, credit/risk analytics, service efficiency</i>
<i>RQ4</i>	<i>Does financial stability transmit or condition FinTech effects?</i>	<i>Risk-taking, liquidity, capital, credit quality, resilience, stability</i>
<i>RQ5</i>	<i>Which contingencies explain heterogeneous findings?</i>	<i>Regulation, market maturity, firm size, managerial capability, technology type, crisis</i>
<i>RQ6</i>	<i>What methodological gaps remain?</i>	<i>Measurement, endogeneity, panel design, mediation, emerging-market evidence</i>

The review's contribution covers four aspects. First, it shifts the unit of synthesis from 'FinTech research in general' to firm-level financial outcomes. Second, it integrates market-based and accounting/operational outcomes. Third, it treats operational efficiency and financial stability as transmission mechanisms rather than only outcomes. Fourth, it places emerging-market evidence, particularly South Asian evidence, at the center of the research agenda. This positioning differentiates the manuscript from broad bibliometric reviews and from reviews focused only on customer adoption or traditional bank performance

3. Theoretical Foundations



3.1 Resource-Based View

The Resource-Based View (RBV) argues that sustainable competitive advantage can be achieved through valuable, rare, difficult to replicate and properly organized resources (Barney, 1991). FinTech is defined as a bundle of technological and organizational resources rather than an asset. It contained data infrastructure, data analytics, API and digital platform which enhanced firms' capabilities. Therefore, RBV considered a positive association between effective FinTech adoption and firm performance as it enhances and strengthens firm processes.

3.2 Dynamic Capabilities Theory

Teece et al. (1997) emphasize the capability to sense opportunities, achieve them, and re-organize resources. Therefore, FinTech adoption is unlikely to be a one-time investment.

The translation of FinTech investment into performance is dependent on factors such as managerial capability, staff skills and organizational adaptation.

Figure 1. Integrative evidence map emerging from the systematic review



Note: The figure synthesizes the mechanisms emerging from the reviewed evidence; it is not a causal model estimated in the review.

4. Methodology

4.1 Review Design

This manuscript follows a systemic literature review as review design and its structure is based on PRISMA 2020 principles. PRISMA 2020 emphasizes on review's transparency, structure and synthesis (Page et al., 2021). The present review's structure is based on synthesis of qualitative evidence because it uses definitions, samples, technologies, dependent variables and empirical estimations.

4.2 Search Strategy

Search strategy of this review covers Scopus and Web of Sciences.

Concept	Core terms
<i>FinTech</i>	<i>fintech OR "financial technology*" OR "digital finance" OR "financial innovation"</i>
<i>Adoption</i>	<i>adopt* OR implement* OR integrate* OR digitalis* OR technology* adoption OR fintech intensity</i>
<i>Firm outcomes</i>	<i>firm performance OR bank performance OR profitability OR ROA OR ROE OR Tobin* Q OR firm value OR productivity</i>
<i>Market risk</i>	<i>stock price volatility OR share price volatility OR market volatility OR risk-taking OR investor perception</i>
<i>Mechanisms</i>	<i>operational efficiency OR cost efficiency OR productivity OR financial stability OR bank stability OR resilience</i>
<i>Context</i>	<i>bank* OR financial institution* OR insurance OR leasing OR investment company* OR securities OR emerging market*</i>

Search String:

TITLE-ABS-KEY((fintech OR "financial technolog*" OR "digital finance") AND (adopt* OR implement* OR integrat*) AND (firm performance OR bank performance OR profitability OR "Tobin* Q" OR "firm value" OR "stock price volatility" OR "financial stability" OR "operational efficiency"))

4.3 Eligibility Criteria

<i>Include</i>	<i>Exclude</i>
<i>Peer-reviewed journal articles</i>	<i>Editorials, news items, dissertations and non-peer-reviewed commentary</i>
<i>Empirical or systematic-review studies on FinTech/digital finance</i>	<i>Purely technical computing papers without financial/organizational outcomes</i>
<i>Studies reporting firm, bank, market, efficiency or stability outcomes</i>	<i>Consumer-only adoption studies unless they explicitly connect adoption to firm/bank outcomes</i>
<i>Studies published in English</i>	<i>Non-English studies without an accessible English abstract/full text</i>
<i>2015–August 2026 for the updated review</i>	<i>Studies outside the time window unless foundational theory or seminal FinTech literature</i>
<i>Banking and wider financial institutions; emerging and developed markets</i>	<i>Studies unrelated to financial-sector or firm-level implications</i>

4.4 Data Extraction and Quality Assessment

Each eligible study coded as per following process:

<i>Coding domain</i>	<i>Examples</i>
<i>FinTech measurement</i>	<i>Textual annual-report index; patents; FinTech firms; digital-finance index; technology-specific indicators</i>
<i>Performance</i>	<i>ROA, ROE, NIM, productivity, Tobin's Q, firm value, market share</i>
<i>Risk/market</i>	<i>Stock volatility, bank risk-taking, credit risk, systemic risk, investor response</i>
<i>Mechanism</i>	<i>Operational efficiency, financing cost, innovation, risk management, financial stability</i>
<i>Design</i>	<i>Panel FE/RE, GMM, IV, DID, event study, SEM/mediation, bibliometric/SLR</i>
<i>Context</i>	<i>Country development, regulation, competition, firm size, managerial capability, COVID/crisis</i>
<i>Finding</i>	<i>Positive / negative / mixed / null / nonlinear</i>

Each included study assessed on following checklist. Studies with:

- 1) Clear research objectives.
- 2) Representative of sample.
- 3) Valid FinTech construction.
- 4) Valid of outcomes measurement.
- 5) Appropriate empirical design.

- 6) Teart endogeneity and reverse causality.
- 7) Robustness and sensitivity analysis.
- 8) Transparent reporting.

Quality Scoring:

Each domain is scored 0 (not demonstrated), 1 (partially demonstrated), or 2 (well demonstrated), producing a 0–16 quality score. Studies should then be classified as high quality (12–16), moderate quality (8–11), or lower quality (0–7).

5.1 Evolution and Structure of the Literature

The literature has expanded from conceptual discussions of digital finance and financial inclusion toward firm-level measurement and causal identification. Murinde et al. (2022) synthesize the opportunities and risks created by FinTech for banking, while Liu et al. (2024) provide a systematic mapping of the field. Pandey et al. (2024) identify major clusters in banking and finance, and later reviews continue to show rapid growth and increasing attention to performance, risk, financial inclusion and regulation. The evolution is important because it reveals a shift from 'FinTech as a service' toward 'FinTech as organizational capability.'

Recent work also demonstrates that measurement is becoming more firm-specific. Bian et al. (2024) use machine learning and textual analysis of annual reports, combined with FinTech patent applications, to study 181 Chinese commercial banks and find a positive effect on bank performance. Yue et al. (2024) similarly construct a machine-learning-based FinTech lexicon from annual-report MD&A text and find that greater digital-finance application is associated with higher enterprise value, partly through lower financing costs. These studies strengthen the case for annual-report textual measures because macro-level indices can hide substantial within-country and within-sector heterogeneity.

5.2 FinTech Adoption and Firm Performance

The dominant pattern in the evidence is positive, but it is not universal. Bian et al. (2024) report a positive and significant association between FinTech adoption and traditional-bank performance, with heterogeneity across technology categories and stronger effects in banks with greater technology-management capacity. Yue et al. (2024) show that firm-level digital-finance application raises enterprise value and that financing-cost reduction is an important channel. Al-Shouha et al. (2024) report positive performance implications in Arabian commercial banks, while Alsmadi et al. (2023) show that FinTech can interact with business enablers in shaping banking performance.

Evidence from emerging economies is particularly relevant. Le et al. (2021) link FinTech credit with bank efficiency in international data. Chhaidar et al. (2022) examine FinTech investment and European bank profitability. Akhtar and Nosheen (2022) show that FinTech and bank mergers can have performance implications. More recent studies continue to indicate that FinTech can improve profitability, solvency or productivity, but the effect depends on managerial capabilities, implementation quality and competitive conditions. A 2026 study in the *Quarterly Review of Economics and Finance* reports that FinTech use improves bank profitability and solvency, while reducing liquidity, and identifies operational efficiency and business growth as mechanisms.

The counter-evidence is theoretically important. The attached thesis identifies studies in which FinTech adoption has weak, insignificant or negative performance consequences. The explanations include high implementation costs, competitive pressure, organizational adjustment costs and the possibility that technology investment is not efficiently converted

into productive capability. Thus, the literature does not justify a simple 'more FinTech equals better performance' proposition.

5.3 FinTech Adoption and Stock-Price Volatility

Compared with performance, stock-price volatility is a much less developed research stream. Evidence points in both directions. Arenas et al. (2024), studying the BIZUM case in Spain, provide evidence consistent with the possibility that FinTech-related developments can affect banking market volatility through investor perceptions. Conversely, FinTech-related announcements can create information shocks. Del Sarto et al. (2025) show that announcements concerning FinTech funding can affect traditional banks, illustrating how technology news can transmit to incumbent-bank valuation.

Risk-market research also indicates that the FinTech ecosystem can generate new sources of volatility. Bhatnagar et al. (2022) document dynamic connectedness between risk and return in the Indian FinTech market, while Sharma et al. (2022) show that FinTech, robotics and blockchain index funds have different diversification properties across pre- and post-COVID periods. These findings imply that FinTech does not have a mechanically stabilizing effect: the sign can depend on whether investors interpret technology as an efficiency-enhancing capability or as a new source of uncertainty.

The review therefore identifies stock-price volatility as a major underdeveloped outcome. Many studies examine bank risk, credit risk, or returns, but relatively few directly model firm-level stock-price volatility as the dependent variable while simultaneously accounting for firm and year heterogeneity. This is a clear opportunity for emerging-market research.

5.4 Operational Efficiency as a Transmission Mechanism

Operational efficiency is the most intuitive internal mechanism. FinTech can automate repetitive tasks, reduce processing time and transaction costs, improve credit scoring and risk assessment, support customer segmentation and enhance data-driven decision making. Le et al. (2021) link FinTech credit with bank efficiency, while Bian et al. (2024) show that FinTech adoption has implications for bank transformation and market share. The 2026 evidence reviewed here further identifies operational efficiency as a pathway from FinTech use to bank performance.

However, efficiency gains may not be immediate. Implementation requires investment in infrastructure, training, cybersecurity and process redesign. The literature therefore supports the possibility of a J-shaped or nonlinear relationship: efficiency may deteriorate during initial implementation and improve after organizational learning. This is consistent with Dynamic Capabilities Theory because technology only creates value when firms can reconfigure routines around it.

Evidence for mediation is still limited. Most studies estimate direct effects of FinTech on performance or efficiency, while comparatively few explicitly estimate the indirect effect through operational efficiency. This is a methodological gap rather than merely a contextual gap. Future studies should report direct, indirect and total effects and test whether mediation varies with firm size, managerial capability and market stress.

5.5 Financial Stability as a Transmission or Buffer

Financial stability is the second major mechanism. FinTech can improve stability by strengthening risk assessment, credit monitoring, portfolio diversification, liquidity management and information quality. Safiullah and Paramati (2024) find that the development of FinTech firms increases bank financial stability in Malaysia, while an Indonesian study finds that greater FinTech presence improves bank stability, particularly

for smaller and non-listed banks. Qin and Jing (2025) provide recent evidence that FinTech adoption can mitigate credit risk in Chinese commercial banks.

Yet the evidence is clearly mixed. Khan et al. (2023) find that FinTech adoption reduced bank stability in GCC economies, with effects moderated by bank size, capitalization, ownership and competitive conditions. This contrast with Malaysia and Indonesia demonstrates the importance of institutional context. Regulation, market competition, bank capitalization and technological maturity can determine whether FinTech becomes a stabilizing capability or a new risk channel.

The stability literature also suggests that the relationship may be nonlinear. Rapid technology adoption can increase competition, liquidity mismatch, cyber exposure and operational concentration before firms develop sufficient governance and resilience. This is why financial stability should be treated as both an outcome and a transmission condition rather than as an unambiguously positive mediator.

5.6 Measurement of FinTech Adoption

Measurement is one of the most important methodological findings. Four broad approaches dominate: (1) macro or regional digital-finance indices; (2) counts of FinTech firms or transactions; (3) technology investment, patents or digital infrastructure; and (4) firm-level textual measures based on annual reports. The latter approach is particularly promising for firm-level research because it captures disclosed strategic engagement.

Bian et al. (2024) combine annual-report text with patents, while Yue et al. (2024) use Word2Vec and TF-IDF weighting. The attached thesis extends this direction by developing a multi-dimensional dictionary with more than 300 FinTech-related terms covering payments and settlement, resource allocation, risk management, digital service channels and technology infrastructure. This is conceptually stronger than a single keyword count because it recognizes FinTech as a multi-dimensional capability.

Nevertheless, textual disclosure should not be treated as identical to verified technology implementation. Annual reports capture managerial communication and strategic emphasis, which may contain impression management. Future work should triangulate text-based indices with patents, technology expenditure, digital transaction volumes, APIs, app functionality or regulatory data.

5.7 Geographic and Sectoral Imbalance

The evidence base is concentrated in China, other Asian economies, Europe, the Gulf and selected developed markets. Recent systematic reviews also document strong contributions from China, Malaysia, India, Jordan and Indonesia. By contrast, Pakistan and much of South Asia remain underrepresented in firm-level causal research. This matters because FinTech operates through institutions: regulatory capacity, banking structure, digital infrastructure, market concentration and financial inclusion differ sharply across countries.

Sectoral concentration is another limitation. Traditional banks dominate the empirical literature, whereas insurance, leasing, investment companies, securities firms, Modarabas, ETFs and REITs are much less represented. A whole-financial-sector perspective can therefore add value by testing whether the effects of FinTech are genuinely financial-sector-wide or concentrated in banking.

6. Evidence Matrix

Study	Context	FinTech measure	Outcome	Direction	Key insight
Bian, Wang & Xie (2024)	China; 181 banks	Annual-report text + patents	Bank performance	Positive	Technology categories and tech managers create heterogeneity
Yue, Yang & Dong (2024)	China; listed firms 2016–2022	Word2Vec/TF-IDF annual reports	Enterprise value	Positive	Financing-cost channel; stronger for smaller/less marketized firms
Al-Shouha et al. (2024)	Arabian commercial banks	FinTech adoption indicators	ROA/ROE/performance	Positive	Pandemic-era evidence
Alsmadi et al. (2023)	Banking	FinTech/business-enabler measures	Bank performance	Positive/conditional	Business enablers matter
Le et al. (2021)	International banks	FinTech credit measures	Bank efficiency	Positive	Efficiency channel
Chhaidar et al. (2022)	European banks	FinTech investment	Profitability	Positive/heterogeneous	Investment intensity matters
Akhtar & Nosheen (2022)	Bank M&A	FinTech + M&A	Acquirer performance	Mixed/strategic	Integration conditions matter
Arenas et al. (2024)	Spain	BIZUM/market evidence	Stock volatility	Stabilizing evidence	Investor perception/signaling
Del Sarto et al. (2025)	Traditional banks	FinTech funding announcements	Bank market response	Shock/heterogeneous	Technology news transmits to incumbents
Bhatnagar et al. (2022)	India	FinTech market data	Risk/return connectedness	Dynamic	Market regime matters
Sharma et al. (2022)	Emerging markets	FinTech/robotics/blockchain funds	Diversification/volatility	Mixed	COVID regime differences
Safiullah & Paramati (2024)	Malaysia; 26 banks	FinTech firms	Bank stability	Positive	Emerging-market evidence
Indonesia study (2023)	Indonesia; 141 banks	FinTech-firm presence	Bank stability	Positive	Stronger for small/non-listed banks
Khan et al. (2023)	GCC; 2010–2022	Bank FinTech index	Bank stability	Negative	Regulation, size and capitalization moderate
Qin & Jing (2025)	China; commercial banks	FinTech adoption	Credit risk	Risk-reducing	Risk-management channel

Liao et al. (2025)	Banks	FinTech development	Liquidity mismatch	Potential risk	Liquidity channel
Mansour (2024)	Commercial banks	FinTech development	Profitability	Positive/conditional	Firm context matters
Murinde et al. (2022)	115 countries	Bank-level/global indicators	Banking opportunities/risks	Mixed	Broad opportunity-risk framework
Wang et al. (2025)	Meta-analysis	FinTech-bank studies	Bank development	Aggregated evidence	Supports need for synthesis
He et al. (2026)	Banking	FinTech use	Profitability/solvency/liquidity	Mixed-positive	Efficiency and growth mechanisms

7. Cross-Study Synthesis

Five patterns emerge. First, the performance effect is more consistently positive than the volatility effect. Second, efficiency is a plausible internal pathway, but its timing matters. Third, stability is context dependent and may improve or deteriorate depending on regulation and bank characteristics. Fourth, firm-level measurement is increasingly replacing broad country-level proxies, improving identification of heterogeneous adoption. Fifth, the literature remains geographically and sectorally concentrated.

Dimension	Consensus	Residual ambiguity	Research implication
Performance	Generally positive	Magnitude and heterogeneity	Use market and accounting outcomes; test nonlinearities
Stock volatility	Sparse/mixed	Sign, timing, event vs panel effects	Expand firm-level volatility research
Operational efficiency	Mostly positive	Implementation costs and lag	Estimate mediation and dynamic effects
Financial stability	Mixed	Institutional and regulatory dependence	Model moderation/nonlinearity
Measurement	Textual and multi-source measures growing	Disclosure vs actual implementation	Triangulate measures
Geography	Asia/China strongly represented	South Asia underrepresented	Prioritize Pakistan and comparable markets
Sector	Banks dominate	Non-bank financial firms neglected	Use whole-financial-sector samples
Identification	Increasing sophistication	Endogeneity remains pervasive	Use FE, IV, DID, dynamic designs and robustness

8. Research Gaps and Future Agenda

The review identifies the following priority gaps:

- Contextual gap: firm-level evidence from Pakistan and South Asia remains limited relative to China, Europe and the Gulf.
- Scope gap: banking dominates, while insurance, leasing, Modarabas, investment firms, securities companies, ETFs and REITs are underrepresented.
- Outcome gap: market valuation and stock-price volatility are less integrated than accounting performance.
- Mechanism gap: operational efficiency and financial stability are usually examined as separate outcomes rather than jointly modeled mediators.
- Measurement gap: disclosure-based FinTech measures need validation against observable technology deployment.
- Identification gap: adoption is endogenous to firm capability, size, governance and investment resources; stronger causal strategies are needed.

- Dynamic gap: implementation costs and learning effects imply lags and possible nonlinearities that static regressions may miss.
- Regulatory gap: regulatory sandboxes, open banking rules, cybersecurity requirements and data governance may change the sign and magnitude of effects.
- Technology gap: AI, blockchain, APIs, cloud computing and digital payments should be separated because their risk-return profiles may differ.
- Crisis gap: COVID-19 and other market stress periods may change both the efficiency channel and investor response.

9. A Research Framework for Emerging Markets

The synthesis supports a research framework in which FinTech adoption is the focal capability and firm performance and stock-price volatility are the two principal outcomes. Operational efficiency and financial stability operate as parallel mechanisms. Regulation, firm size, managerial capability, market competition and crisis conditions are candidate moderators. This framework directly reflects the strongest unresolved questions in the literature and provides a coherent bridge between strategic-management theory and empirical finance.

For emerging-market financial sectors, the framework is especially useful because the same technology can have opposite consequences. Where digital infrastructure is weak but technology solves information and transaction frictions, the efficiency effect may dominate. Where regulatory capacity is weak and technology creates concentrated operational or cyber risks, the disruption-risk channel may dominate. The empirical objective should therefore be to estimate the relative strength of these channels rather than impose a universal sign.

10. Implications for the Pakistan Research Agenda

The attached doctoral thesis provides an unusually suitable empirical setting for testing the identified gaps: 80 PSX-listed financial firms, 2011–2025, a balanced panel of 1,200 firm-year observations, a firm-level FinTech adoption index, Tobin's Q, stock-price volatility, operational efficiency and financial stability. The thesis therefore represents a natural empirical extension of the review rather than a disconnected study.

For Pakistan, future empirical work should exploit the institutional development of digital payments, branchless banking, regulatory sandboxes, open banking/API initiatives and the expansion of digital financial services. Researchers should distinguish between genuine implementation and disclosure intensity, use firm and year fixed effects, test cross-sectional dependence and serial correlation, and employ endogeneity checks where credible instruments are available.

11. Conclusion

This systematic literature review concludes that FinTech is best understood as a strategic and organizational capability rather than a uniform technology shock. The evidence generally associates FinTech adoption with better firm performance, but the effect is conditional on managerial capability, technology type, competitive conditions and institutional quality. Operational efficiency provides a credible mechanism through which FinTech can lower costs, accelerate processes and improve decisions, while financial stability provides a second mechanism through risk management, credit quality and resilience. Neither mechanism is universally positive: implementation costs, cyber exposure, liquidity pressures, competition and regulatory weaknesses can reverse or attenuate the benefits.

Market outcomes remain the least developed part of the literature. The evidence suggests that FinTech can reduce stock-price volatility by improving information quality and signaling strategic capability, but technology-related announcements and new operational risks can also generate short-run uncertainty. Consequently, future research should integrate firm value and market volatility in the same empirical framework and explicitly test the efficiency and stability pathways.

The principal contribution of this review is therefore integrative. It connects strategic resources, dynamic capabilities and market signaling to a mechanism-based financial model in which FinTech adoption affects performance and market risk through operational efficiency and financial stability. The strongest opportunities for future research lie in emerging markets, non-bank financial institutions, firm-level FinTech measurement, mediation, nonlinear dynamics and credible causal identification.

12. Practical and Editorial Positioning for Submission

<i>Element</i>	<i>Recommended positioning</i>
<i>Article title</i>	<i>FinTech Adoption and Financial-Firm Outcomes: A Systematic Literature Review of Performance, Market Volatility, Operational Efficiency and Financial Stability</i>
<i>Article type</i>	<i>Systematic literature review / evidence synthesis</i>
<i>Primary contribution</i>	<i>Mechanism-based integration of performance, volatility, efficiency and stability</i>
<i>Differentiation</i>	<i>Firm-level and emerging-market orientation; dual outcome + dual mediator framework</i>
<i>Methodological standard</i>	<i>PRISMA 2020; Scopus + Web of Science; transparent coding and quality assessment</i>
<i>Potential target journals</i>	<i>Research in International Business and Finance; International Review of Financial Analysis; Electronic Commerce Research and Applications; Technological Forecasting and Social Change; Finance Research Letters</i>
<i>Critical pre-submission step</i>	<i>Run the stated Scopus/WoS search and replace PRISMA count placeholders with audited screening numbers</i>

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Appendix A. PRISMA 2020 Submission Checklist and Finalization Notes

Before journal submission, the authors should execute the stated search in Scopus and Web of Science, export all records, remove duplicates, record title/abstract and full-text exclusions with reasons, and populate the PRISMA 2020 flow diagram. The manuscript should not report fabricated screening counts. The evidence matrix should then be expanded to include every eligible study returned by the final database search.

<i>Finalization item</i>	<i>Status in this manuscript</i>
<i>Research questions</i>	<i>Completed</i>
<i>Theoretical framework</i>	<i>Completed</i>
<i>Search concepts and Boolean string</i>	<i>Completed</i>
<i>Eligibility criteria</i>	<i>Completed</i>
<i>Coding framework</i>	<i>Completed</i>
<i>Narrative evidence synthesis</i>	<i>Completed</i>
<i>Evidence matrix</i>	<i>Completed using thesis + verified scholarly evidence</i>
<i>PRISMA 2020 flow counts</i>	<i>Must be populated from actual Scopus/WoS export</i>
<i>Study-level quality scores</i>	<i>Recommended before submission</i>
<i>Full database corpus</i>	<i>Must be rerun before submission</i>
<i>Target-journal formatting</i>	<i>Adapt to selected journal's author guidelines</i>

Evidence-update note: the review was updated against recent scholarly records including the 2024 FinTech systematic-mapping literature, the 2025 bank-performance SLR, recent firm-level textual-measurement studies, and 2026 bank-performance evidence. The PRISMA 2020 framework was used as the reporting standard.