



Book Review: Fintech and the Transformation of Digital Banking, A Conceptual Review and Its Implications

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The development of digital technology has driven fundamental changes in the financial services industry through the emergence of financial technology (fintech). The book *Fintech: Digital Banking Financial Technology* by Budi Raharjo comprehensively discusses banking transformation due to technological innovation, ranging from digital payment systems, peer-to-peer lending, crowdfunding, to blockchain and cryptocurrencies. This article aims to summarize the main ideas of the book in an academic framework by highlighting the concept of fintech, the dynamics of the relationship between banks and fintech companies, the socio-economic impact in developing countries, and the future direction of the digital finance industry. The results of the study show that fintech is not only a challenge for conventional banking, but also a strategic opportunity through collaboration and continuous innovation.

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The revolution of the internet and mobile technology has transformed various industrial sectors, including the financial sector. Fintech emerged as a form of integration between technology and financial services that shifted the traditional banking business model towards a more digital, fast, and user-oriented system. Budi Raharjo emphasized that this phenomenon resembles the disruption of the publishing industry by e-books, where convenience and efficiency are the main factors in public acceptance. This book serves as an introduction as well as a comprehensive mapping of fintech developments in the global and Indonesian contexts.

The development of digital technology in the last two decades has brought significant structural changes to various sectors of the economy, including the financial services industry. The revolution of the internet, cloud computing, big data, and mobile device penetration has created a new landscape in the provision of faster, cheaper, and more accessible financial services. In this context, financial technology (fintech) has emerged as a disruptive innovation that integrates information technology with the financial system, thereby shifting traditional banking business models towards a more open and user-oriented digital financial ecosystem.

The book *Fintech: Digital Banking Financial Technology* by Budi Raharjo positions fintech as a transformational phenomenon that is not only technical, but also institutional and social. Fintech not only changed the way transactions were carried out, but also redefined the role of banks as financial intermediary institutions. If previously banks played a role as the only gateway for financial services—from fund storage, payments, to financing—now these functions can be performed by various non-bank actors through digital platforms, such as electronic payment companies, peer-to-peer lending, and digital wallet providers.

This transformation has historical similarities to the disruption of the publishing industry due to the presence of e-books. As e-books change consumer behavior from reading physical books to a more flexible and instant digital format, fintech is shifting people's preferences from branch-based banking services to application-based financial services. This phenomenon shows that changing consumer behavior is a key factor in the adoption of digital financial innovations, especially among millennials and generation Z who grew up with digital technology.

Furthermore, this book emphasizes that the emergence of fintech cannot be separated from the crisis of trust in banking after the 2008 global financial crisis. The crisis has given rise to a negative perception of banks as complex, expensive, and less transparent institutions. It is in this space that fintech companies develop by offering added value in the form of cost transparency, better user experience, and the use of technology for operational efficiency. Fintech was then seen as a symbol of the democratization of financial services, as it allowed for wider access for people previously marginalized by the formal banking system.

In addition, fintech also plays a strategic role in driving financial inclusion, especially in developing countries. With a high level of mobile phone penetration but limited banking access, fintech is able to create an alternative financial infrastructure that is more inclusive. This book shows that in many developing countries, fintech is not just a complement to the financial system, but a major foundation for people's economic activities, especially in the form of mobile payments and microfinance services.

However, digital transformation in the financial sector also presents new challenges, such as regulatory issues, data security, consumer protection, and financial system stability. Budi Raharjo emphasized that fintech innovation must go hand in hand with regulatory compliance and business ethics so as not to pose systemic risks. Therefore, the relationship between banks, fintech companies, and regulators is a central issue that determines the sustainability of the digital financial ecosystem.

Based on this background, this article aims to summarize and analyze the main idea of the book *Fintech: Digital Banking Financial Technology* by placing it in an academic framework. The main focus of the article includes the conceptual understanding of fintech, the dynamics of the relationship between banks and fintech companies, the socio-economic impact of fintech, and its implications for the future of digital banking. Thus, this article is expected to make a theoretical and practical contribution to the study of digital finance, especially in understanding the paradigm shift from conventional banking to a more collaborative and inclusive fintech ecosystem.

Fintech Key Concepts and Themes

Fintech is defined as technological innovation applied to the financial system to improve the efficiency, transparency, and accessibility of services. This book outlines various main themes of fintech, including digital payments, peer-to-peer lending, robo-

advisors, big data, artificial intelligence, and digital identity. One of the central issues discussed was the bank's dilemma: competing or collaborating with fintech companies. The author emphasized that collaboration is the most rational strategy for banks to maintain relevance in the midst of changes in customer behavior.

This book also maps the development of the fintech ecosystem in various countries and regions, such as Europe, Asia, and Africa. Singapore, India, and Indonesia are shown as examples of countries with rapid fintech growth. Key supporting factors include adaptive regulation, mobile technology penetration, and public demand for inclusive financial services. In this context, fintech is seen not only as a technological product, but as an ecosystem that involves regulators, investors, financial institutions, and users.

One of the important contributions of fintech is the increase in financial inclusion, especially in developing countries. Fintech allows unbanked and underbanked people to access financial services through mobile devices. The book highlights how digital banking and mobile payment models are able to reduce financial access discrimination and encourage small-scale economic activity. However, the author also warns of social risks, such as data protection, cybersecurity, and potential digital inequality.

Fintech is inseparable from the dynamics of investment and company innovation. This book reviews the role of venture capital, crowdfunding, and smart money in supporting the growth of fintech startups. In addition, it was also explained how banks began to build innovation laboratories, incubators, and strategic partnerships to respond to digital disruption. This transformation led to a hybrid business model that combines the power of conventional banks and the agility of a fintech startup.

In the final chapter, Budi Raharjo discusses the convergence of fintech with blockchain technology and cryptocurrencies. Blockchain is seen as having great potential in improving transaction efficiency, transparency, and asset recording. This book also reviews the future of fintech leading to a cashless society, API-based services, and the importance of ethics and regulations in maintaining the stability of the digital financial system.

CONCLUSION

The book *Fintech: Digital Banking Financial Technology* provides a comprehensive overview of the transformation of the financial industry due to

technological innovation. Fintech is not just a threat to conventional banking, but a strategic opportunity to create a more inclusive, efficient, and customer-oriented financial system. In the future, the success of the financial industry will be largely determined by the ability of banks, regulators, and fintech companies to collaborate, innovate, and maintain ethics and security in the digital ecosystem.

The digital transformation triggered by the development of financial technology (fintech) has fundamentally changed the landscape of the financial services industry. The book *Fintech: Digital Banking Financial Technology* by Budi Raharjo shows that fintech is not just an additional technological innovation, but a structural force that redefines the roles, functions, and business models of modern banking. These changes include a shift from branch-based financial services to digital platforms that emphasize speed, efficiency, transparency, and user experience.

One of the key conceptual findings that can be drawn from this book is that fintech operates as a catalyst for disruption as well as an accelerator of innovation. On the one hand, fintech challenges the dominance of conventional banks by presenting alternative financial services such as digital payments, peer-to-peer lending, crowdfunding, and robo-advisory. On the other hand, fintech also opens up strategic opportunities for banks to carry out internal transformation through collaboration, the use of Application Programming Interfaces (APIs), and the development of hybrid business models. Thus, the relationship between banks and fintech is not zero-sum, but tends towards co-existence and strategic partnerships.

From a socio-economic perspective, this book confirms the significant contribution of fintech in driving financial inclusion, particularly in developing countries. Fintech enables access to financial services for groups of people previously unreachable by the formal banking system, such as low-income communities and micro-entrepreneurs. In this context, fintech not only plays a role as an instrument of economic efficiency, but also as a social empowerment mechanism that has the potential to reduce the gap in financial access.

However, this book also underlines that the development of fintech is inseparable from various challenges and risks. Issues of regulation, cybersecurity, personal data protection, and financial system stability are major concerns in the digital financial ecosystem.

Without an adaptive regulatory framework and adequate oversight, fintech innovation has the potential to pose systemic risks and erosion of public trust. Therefore, a balance between innovation and regulatory compliance is an important prerequisite for fintech sustainability.

Furthermore, the discussion of blockchain and cryptocurrencies in this book shows that the future of fintech will be increasingly integrated with data-based and decentralized technologies. Blockchain is seen as a potential foundation for a more transparent and efficient financial system, although its adoption still faces technical and regulatory challenges. In the long run, the vision towards a cashless society and financial services based on a digital ecosystem is an inevitable direction.

Overall, the book *Fintech: Digital Banking Financial Technology* makes an important contribution to comprehensively understanding the dynamics of digital financial transformation. This book is not only relevant for practitioners and regulators, but also for academics interested in studying paradigm shifts in the financial industry. The article concludes that the future success of fintech and digital banking is highly dependent on the ability of all stakeholders—banks, fintech companies, regulators, and society—to build an innovative, inclusive, secure, and ethical digital financial ecosystem.