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The Economic Impact of Digital Banking on Financial Inclusion, Stability, and Sustainable Economic Growth: A Systematic Literature Review

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ABSTRACT

The study aims to examine the growing body of literature on how digital banking affects financial inclusion, financial stability, and sustainable economic growth across different contexts, to review the literature on the regulatory, technological, and institutional responses shaping the adoption of digital banking, and to identify key perspectives, highlight existing research gaps, and outline future avenues for investigating the economic role of digital banking in fostering inclusive and resilient growth using a Preferred Reporting Items for Systematic Reviews and Meta Analyses (PRISMA) method. The study selected studies (35) have examined the relationship between digital banking and key economic outcomes. This review synthesizes the most relevant peer-reviewed studies; however, the heterogeneity of methods, regional contexts, and outcome measures limits direct comparability. The exclusion of non-peer-reviewed sources may also restrict the scope of insights. The findings suggest that policymakers and regulators should develop adaptive strategies that balance innovation with risk management. Strengthening digital infrastructure, regulatory frameworks, and financial literacy can accelerate inclusion while safeguarding stability and supporting long-term sustainable growth. Therefore, this study provides one of the first systematic reviews linking digital banking simultaneously to financial inclusion, stability, and sustainable economic growth. It highlights underexplored areas such as digital risks, SME adoption, and sustainability-oriented banking, offering a foundation for future empirical research and policy interventions.

Keywords - *Digital banking, Digital finance, Financial inclusion, Financial stability, Economic growth, Systematic literature review*

JEL Classification Numbers: G21; E50; O33; O47

Forward

The Department of Economics is pleased to include this study, *"The Economic Impact of Digital Banking on Financial Inclusion, Stability, and Sustainable Economic Growth: A Systematic Literature Review,"* in its Working Paper Series. The series serves as a platform for the early dissemination of rigorous academic work and for fostering informed debate on contemporary economic challenges and policy responses.

Digital banking has emerged as a transformative force in modern financial systems, reshaping the way individuals, firms, and governments access and use financial services. Its implications for financial inclusion, systemic stability, and long term sustainable economic growth have become increasingly important, particularly in developing and emerging economies. A comprehensive synthesis of existing evidence is therefore timely and policy relevant.

This working paper employs the Preferred Reporting Items for Systematic Reviews and Meta Analyses (PRISMA) framework and reviews 35 peer reviewed articles to systematically assess the economic impacts of digital banking. By consolidating diverse empirical and theoretical insights, the study clarifies key transmission channels through which digital banking influences inclusion, financial sector resilience, and growth outcomes, while also identifying gaps in the current literature and directions for future research.

The Department of Economics hopes that this working paper will be of value to academics, policymakers, financial sector practitioners, and postgraduate students seeking a structured understanding of the economic consequences of digital banking. As with all papers in this series, the findings and interpretations are intended to stimulate scholarly discussion and constructive feedback. Therefore, we commend the authors for their contribution and trust that this working paper will contribute meaningfully to ongoing debates on digital finance, inclusive growth, and sustainable development.

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LIST OF ABBREVIATIONS

Abbreviations	Definitions
CBSL	Central Bank of Sri Lanka
IFC	International Finance Corporation
QR	Quick Response (Code)
SLR	Systematic Literature Review
GDP	Gross Domestic Product
SDGs	Sustainable Development Goals
ICT	Information and Communication Technology
FinTech	Financial Technology
ESG	Environmental, Social, and Governance
PRISMA	Preferred Reporting Items for Systematic Reviews and Meta-Analyses
WB	World Bank
MSMEs	Micro, Small, and Medium Enterprises
OECD	Organization for Economic Co-operation and Development

The Economic Impact of Digital Banking on Financial Inclusion, Stability and Sustainable Economic Growth: A Systematic Literature Review

1. Introduction

The rapid growth of digital banking has transformed the financial landscape globally, with significant implications for economic systems, institutional frameworks, and societal development. Over the past two decades, digital banking innovations such as mobile banking, internet banking, e-wallets, peer-to-peer lending, and blockchain-based platforms have become integral to how individuals and firms' access and use banking services. According to the World Bank (2022), nearly 76% of adults worldwide now have an account at a financial institution or through a mobile money provider, compared to just 51% in 2011. This unprecedented expansion of access to financial services highlights the increasing importance of digital banking in enhancing financial inclusion, improving financial stability, and fostering sustainable economic growth, particularly in emerging and developing economies.

The global adoption of digital banking has accelerated following the COVID-19 pandemic, which forced economies to depend heavily on digital channels for transactions, payments, and credit access (Demirgüç-Kunt et al., 2022). Governments and regulatory authorities have responded by promoting financial technologies as a means to bridge access gaps while simultaneously safeguarding financial systems against systemic risks. The potential macroeconomic effects of digital banking are therefore multifaceted: while digital platforms create opportunities for broader access, cost efficiency, and innovation, they also introduce new risks such as cybersecurity vulnerabilities, digital exclusion, and market concentration. This complexity makes it vital to synthesize and critically evaluate the available literature on the economic implications of digital banking.

Financial inclusion has become one of the most prominent policy objectives associated with digital banking. Digital platforms reduce transaction costs, enable remote access, and provide innovative products to previously underserved populations. Studies such as Ahmed & Arsalan (2024) and Abdalla & Saeudy (2024) demonstrate how digital financial services expand access to credit and savings among small enterprises and low-income groups. In South Asia and Africa, mobile banking has proven especially transformative in overcoming geographical and infrastructural constraints (Basnayake *et al.*, 2024). However, the inclusivity of digital banking is not automatic; it is conditioned by financial literacy, trust in digital platforms, and regulatory quality (Weerakoon & Anuradha, 2024). This indicates that inclusion outcomes may vary significantly across regions and institutional contexts.

Financial stability is another crucial dimension influenced by digital transformation. On one hand, digital banking can strengthen stability by diversifying risk, improving liquidity flows, and enhancing transparency in financial transactions (Fernando & Disanayaka, 2024). On the other hand, rapid technological adoption may expose economies to cyber-attacks, operational failures, and risks of regulatory arbitrage (Ahmed et al., 2024). Scholars such as Banna, et al., (2023) argue that inclusive fintech systems can reduce vulnerability in dual banking structures, but only when regulatory oversight is strong and adaptive. Thus, digital banking represents a double-edged sword for financial stability, requiring careful governance and robust institutional frameworks.

Sustainable economic growth represents the long-term macroeconomic dimension of digital banking. By enabling efficient resource allocation, improving capital access for small and medium-sized enterprises (SMEs), and fostering innovation, digital finance is argued to promote growth that is inclusive and resilient (Dharmadasa, 2021). For instance, Tennakoon (2024) demonstrates that technology readiness and behavioral intention play mediating roles in the adoption of digital banking, with downstream effects on customer engagement and productivity. Similarly, Hordofa (2024) highlights that digital transformation can stabilize financial systems in emerging markets, creating a foundation for sustained growth. Yet, research also suggests that growth effects

are non-linear: beyond certain thresholds, inclusion may yield diminishing returns or amplify risks unless supported by institutional reforms (Basnayake et al., 2024).

Despite these advances, literature remains fragmented and inconclusive. Measurement approaches vary widely: some studies rely on proxies such as ATM penetration or mobile money accounts, while others employ composite indices of digital financial inclusion (Nayanajith *et al.*, 2019; Paudel & Jayanthakumaran, 2009). Empirical methods range from descriptive surveys and cross-sectional models to advanced econometric techniques such as ARDL, threshold regression, and structural equation modeling. Findings are often context-specific, reflecting differences in regulatory environments, levels of technology adoption, and macroeconomic structures. Consequently, there is limited consensus on the precise pathways through which digital banking affects inclusion, stability, and growth.

Given these complexities, the research question of this SLR is, *What are the economic impacts of digital banking on financial inclusion, financial stability, and sustainable economic growth?* This question is particularly relevant as the number of studies exploring digital financial ecosystems has grown rapidly in recent years, with significant variation in focus, methodology, and results (Ahmed et al., 2024; Al Khub et al., 2024). A systematic review is therefore necessary to consolidate knowledge, identify converging findings, and highlight gaps that require further investigation.

To mitigate the risk of overlooking relevant evidence, this review applies to a rigorous selection process consistent with PRISMA guidelines, focusing on peer-reviewed journal articles published primarily between 2018 and 2025. The corpus of 35 selected articles spans diverse contexts including Sri Lanka, South Asia, Asia-Pacific, Sub-Saharan Africa, Bangladesh, Ethiopia, Egypt, Indonesia, Europe, China, Vietnam, Jordan, and Tanzania, thereby providing a rich comparative perspective. These studies investigate the intersection of digital banking with financial inclusion, SME finance, consumer behavior, financial stability, macroeconomic performance, poverty alleviation, institutional quality, and sustainable growth. By systematically analyzing their methodologies, variables, and findings, this SLR aims to provide an integrated understanding of the economic effects of digital banking.

This SLR paper contributes in three ways, (1) it reviews the main research approaches used to examine digital banking's impact on inclusion, stability, and growth, identifying methodological strengths and limitations, (2) it synthesizes findings to reveal patterns, threshold effects, and moderating factors such as financial literacy, institutional quality, and technological readiness and (3) it highlights knowledge gaps and future research avenues, particularly regarding the balance between innovation and risk, the mediating role of stability in linking inclusion to growth, and the long-term sustainability of digital financial ecosystems. This review not only consolidates the current state of knowledge but also provides a platform for policymakers, regulators, and scholars to better understand how digital banking can be leveraged to achieve inclusive, stable, and sustainable economic development.

2. Methods

This study employed the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) criteria (Rathnayaka et al., 2022) to guide the systematic literature review (SLR). The protocol follows the structure recommended by PRISMA, ensuring transparency, reproducibility, and rigor in the selection and synthesis of evidence. Each step of the review was independently verified by me, and discrepancies were resolved through consensus.

2.1 Literature search

The databases used for the literature search included Google Scholar, Scopus, Web of Science, and EconLit. In addition, institutional reports from the Central Bank of Sri Lanka (CBSL), International Monetary Fund (IMF), and World Bank were reviewed to capture policy-relevant perspectives. The review focused on empirical and conceptual studies addressing digital banking in the context of financial inclusion, financial stability, and sustainable growth.

The time frame was restricted to January 2018 to June 2025, reflecting the period when digital banking gained strong momentum in Sri Lanka, particularly after the introduction of mobile payments, QR-based systems, and the launch of the National Financial Inclusion Strategy in 2021 (CBSL & IFC, 2021). The search strings combined keywords related to digital banking, finance, inclusion, stability, and growth.

Table 1. Search terms used for different relationships (without synonyms)

Keywords	Operator	Keyword grouping	Operator	Keywords
Digital Banking	OR	Mobile Banking, Internet Banking, FinTech, E-Payment	AND	Financial Inclusion
Digital Finance	OR	Digital Payment Systems	AND	Sustainable Economic Growth, GDP Growth
Financial Stability	OR	Systemic Risk, Liquidity Risk, Bank Resilience, Cybersecurity Risk	AND	Regulatory Frameworks, Risk Management

Synonyms and Boolean operators were applied to ensure comprehensive coverage. Zotero software was used to organize and manage references.

2.2 Eligibility criteria

The eligibility criteria for this review were defined in advance to ensure consistency and rigor. Studies were included if they met the following conditions: (1) peer-reviewed journal articles or high-quality institutional reports; (2) published in English between 2018 and 2025; (3) explicit focus on digital banking or digital financial services; (4) examination of economic outcomes related to financial inclusion, financial stability, or sustainable economic growth; and (5) adoption of quantitative, qualitative, or mixed-method approaches.

Table 2. Eligibility criteria

Criteria	Decisions
When predefined keywords related to digital banking or digital financial services appear in the title, keywords, or abstract.	Inclusion
The paper is published in a peer-reviewed journal.	Inclusion
The publication is written in the English language.	Inclusion
Studies adopting quantitative, qualitative, or mixed-method approaches.	Inclusion
Research focuses on financial inclusion, financial stability, or sustainable economic growth.	Inclusion
Non-peer-reviewed materials such as working papers, dissertations, or conference abstracts.	Exclusion
Papers focusing only on stock markets, foreign exchange, or cryptocurrency without economic relevance to inclusion or stability.	Exclusion
Duplicate records identified in the database search and inaccessible studies are removed.	Exclusion

Source: (Mengist et al., 2020)

Exclusion criteria were also applied to maintain focus. Studies that concentrated solely on niche financial products such as stock markets, foreign exchange, or cryptocurrency trading, without direct links to inclusion or stability, were excluded. Similarly, papers dealing exclusively with technical IT aspects of banking infrastructure, without economic analysis, were removed. Research lacking clear economic perspectives on

financial inclusion, stability, growth, along with non-peer-reviewed outputs such as working papers, dissertations, and conference abstracts, were also excluded.

2.3 Study selection and data extraction

The process of study selection was carried out in three stages. First, titles, abstracts, and keywords were screened for relevance to the research objectives. Second, the full text of potentially eligible papers was reviewed against the inclusion and exclusion criteria. Finally, studies that satisfied all requirements were retained for analysis. Data extraction was carried out using structured Excel forms, which helped organize information from each study into three key categories: General Information (author(s), publication year, country context), Study Characteristics (study type, methodology, analytical techniques, and study area), and Summary of Findings (key variables analyzed and main outcomes). This approach ensured a systematic comparison of heterogeneous study designs and outcomes across the literature.

The review adhered to the PRISMA 2020 guidelines, which outline a four-stage process: (1) identification of studies through database searches, (2) screening and removal of irrelevant records, (3) assessment of full-text eligibility, and (4) final inclusion in the review (Rathnayaka et al., 2023). Although PRISMA was originally designed for health interventions, its structured framework is suitable for systematic reviews in social sciences, including studies on digital finance (Rathnayaka et al., 2023). During data extraction, the Excel forms were customized to capture patterns across different relationships relevant to the research questions. Notes and keywords were systematically recorded for each study to facilitate thematic analysis, ensuring a comprehensive understanding of how digital banking influences financial inclusion, stability, and sustainable economic growth.

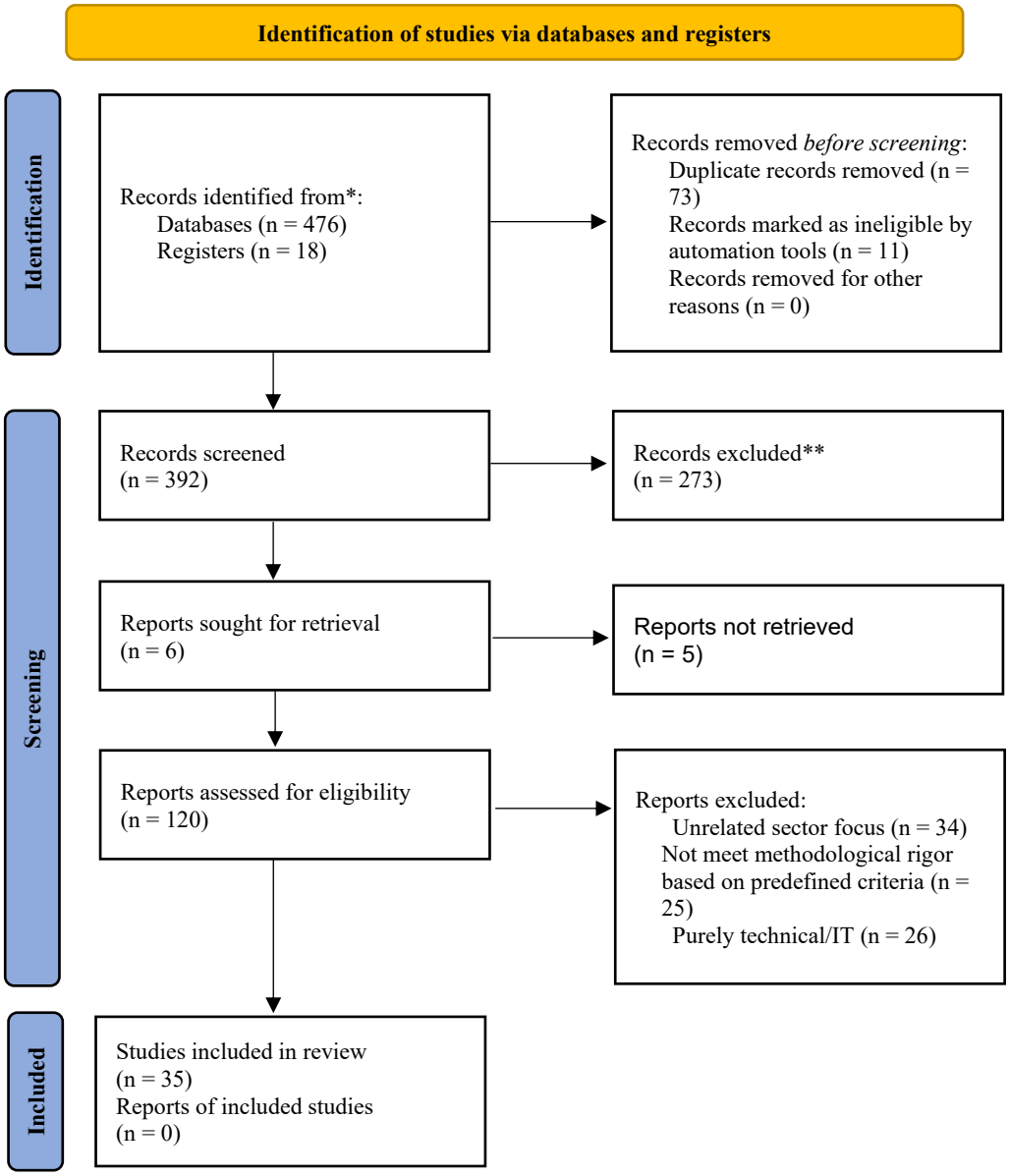
2.4 Quality assessment

The quality of the selected studies on digital banking, financial inclusion, financial stability, and sustainable economic growth was evaluated using predefined criteria focusing on clarity of objectives, methodological transparency, and robustness of findings. Each study was carefully reviewed to ensure relevance and reliability in addressing the research questions. Any differences in evaluation outcomes were cross-checked against predefined criteria to maintain consistency and accuracy in the assessment.

Out of the initial 120 studies identified, 35 papers met the required threshold, demonstrating sufficient methodological robustness to be included in the review. Studies that were excluded comprised review articles, working papers, pilot studies, reports, unpublished Ph.D. dissertations, books, conference proceedings, supplementary studies, prospective or intervention-based studies, and articles published in languages other than English. This process ensured that only high-quality, empirical research directly relevant to the study objectives was incorporated into the systematic literature review.

3. Results

In this review, a total of 476 records were initially retrieved from the selected databases and institutional sources. After removing 84 duplicates, 392 records proceeded to the first stage of screening based on titles and abstracts. Of these, 272 studies were excluded for lack of relevance to digital banking or the economic outcomes of interest. Consequently, 120 full-text articles were assessed for eligibility during the second screening phase. Following the application of inclusion and exclusion criteria, 35 studies were retained for the final review. The majority of excluded articles either focused exclusively on technical aspects of financial technology without economic implications or addressed unrelated sectors such as capital markets or healthcare. Figure 1 presents the PRISMA 2020 flow diagram illustrating the selection process.



Source(s): (Rathnayaka et al., 2023) **Figure1.** PRISMA flow diagram

Out of the 35 studies included in the review, 12 focused on financial inclusion, particularly examining customer adoption, behavior, credit access, literacy barriers, and outreach to underserved populations. 10 studies investigated digital banking and finance, highlighting innovations such as digital payments, lending platforms, and the role of financial technologies in improving efficiency. Eight studies concentrated on financial system stability, assessing risks such as systemic failures, liquidity management, cybersecurity, and institutional resilience. A further 5 studies explored the relationship between digital banking and sustainable economic growth, emphasizing productivity improvements, transaction efficiency, and sectoral development linkages.

Geographically, the majority of studies (65.7%) were conducted in developing countries across South Asia, Sub-Saharan Africa, and Southeast Asia, while a smaller share (5.7%) examined developed economies, particularly within the European Union. About 20% of the research adopted a regional or multi-country focus, covering Asia, Sub-Saharan Africa, and ASEAN markets, whereas three studies (8.6%) had a global comparative scope. With regard to methodology, the majority employed quantitative approaches (74.3%), including time-series econometric models, panel regressions, and structural equation modeling. Approximately 26% used qualitative or mixed methods. Almost all studies relied on secondary data from financial institutions, household surveys, or central bank databases, while only a limited number (around 15%) used primary data

collected via questionnaires or interviews. The scope of outcomes explored ranged from improvements in account ownership, digital payment adoption, and access to credit, to assessments of systemic risks, resilience of banking operations, and contributions to GDP and productivity.

Table 3. Characteristics of the included studies (n = 35)

Study Area	n	Percentage	Sources
Digital Banking / Finance	10	28.6	(Ahmed et al., 2024; Antwi & Kong, 2023; Citterio et al., 2024; Dewasiri et al., 2024; Fairooz & Wickramasinghe, 2019.; Madusanka & Kumari, 2021; Ozili, 2018; Qamruzzaman & Jianguo, 2018; Tennakoon, 2024; W.A.Y.A. Weerakoon & P.A.N.S. Anuradha, 2024)
Digital Transformation & Technology Readiness	3	7.3	
Mobile / Online / Non-Cash Payments/ Fintech Adoption	3	7.3	
Risk Management & Cybersecurity	2	4.9	
Digital Banking Models & Strategy	2	74.9	
Financial Inclusion	12	34.3	
Customer Adoption & Behavior	3	7.3	(Abiona & Koppensteiner, 2018.; Al-Afeef & Alsmadi, 2025; Fernando & Disanayaka, 2024; Liyanagamage, 2021; Mohd Daud et al., 2024; PHAM & DOAN, 2020; Saha & Qin, 2023; Samuditha Ganepola & Prabhath Jayasinghe, 2023; Silue, 2021; Sobhan, 2018; Thathsarani & Jianguo, 2022; Wijesinghe & Dulanjani, 2022)
Literacy, Awareness and Access	2	4.9	
Inclusive Finance & Underserved Populations	3	7.3	
Financial Inclusion Nexus (with DB/EG)	4	9.8	
Financial System Stability	8	22.9	
Banking Sector Resilience & Performance	3	7.3	(Antwi et al., 2024; Banna & Alam 2022; Chinoda & Kapingura, 2024; Ha, 2022; Hordofa, 2024; Raza et al., 2023; Vuong et al., 2025; Wagdi & Fathi, 2025)
Risk & Systemic Stability	3	7.3	
Competition, Efficiency & Market Stability	2	4.9	
Sustainable Economic Growth	5	14.3	(Banna, 2022; Basnayake et al., 2024; Becha et al., 2025; Ilmi et al., 2025; Thaddeus et al., 2020)
Banking Sector Development & Growth Linkages	2	4.9	
Financial Inclusion & Growth Nexus	2	4.9	
Innovation, ESG & Sustainability in Banking	1	2.4	
Study setting			Publication year
Developing Countries	23	65.7	2018/19 5 14.3
Developed Countries / EU	2	5.7	2020 2 5.7
Global	3	8.6	2021 3 8.6
Multiple Countries / Regional	7	20.0	2022 5 14.3
Methodology			2023 4 11.4
Quantitative	26	74.3	2024 11 31.4
Qualitative	5	14.3	2025 5 14.3
Models / Simulation	4	11.4	
			Data Sources
			Secondary Data 85.4
			Primary Data 14.6

4. Key findings

All 35 studies included in this review examined critical parameters relating to digital banking, financial inclusion, and their economic implications. Figure 2 presents the variables most frequently analyzed across the reviewed articles. Among these, digital banking and digital finance were the most common, appearing in 32 studies. Financial inclusion was assessed in 21 articles, while 11 studies investigated financial stability. Economic growth appeared in 10 studies, whereas sustainable development was highlighted in five. Other key themes included bank performance, financial literacy, digital adoption, poverty alleviation, and competition. Notably, most studies considered multiple parameters simultaneously, often integrating financial inclusion with financial stability or economic growth to evaluate wider macroeconomic implications (Banna & Alam 2022; Fernando & Disanayaka, 2024; Ha, 2022).

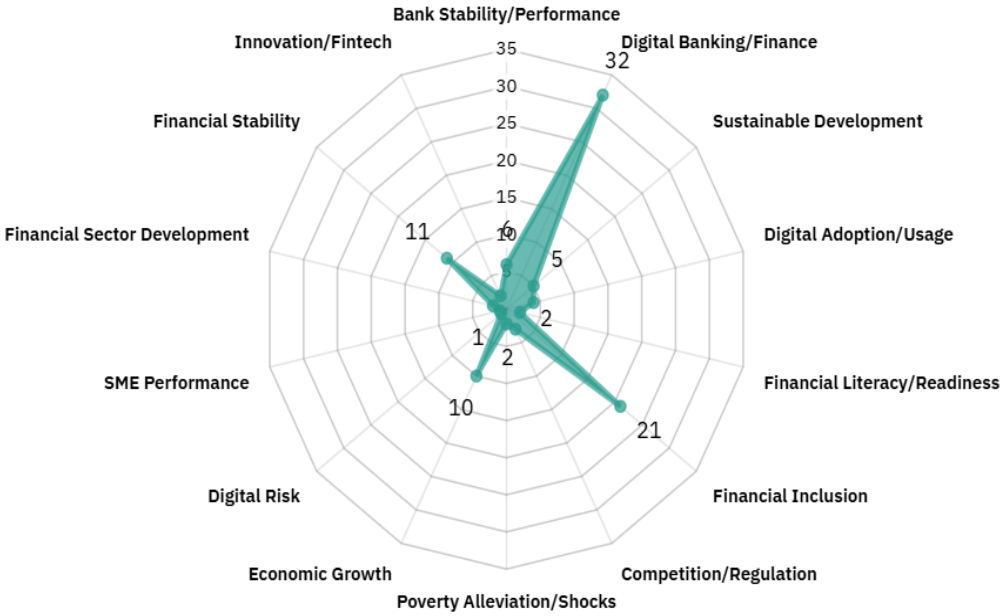


Figure 2. Factors examined and their frequencies in the included studies

Impacts of digital banking/finance on financial inclusion: Twenty-one of the 35 studies evaluated financial inclusion as a primary outcome, with most research focused on South Asia and Sub-Saharan Africa but several papers drawing cross-country evidence. Studies commonly reported that digital channels (mobile banking, e-payments, internet banking) expanded access to transaction and savings accounts especially among previously unbanked groups and facilitated usage of formal financial services (Banna & Alam, 2022; Dewasiri et al., 2024; Thaddeus et al., 2020). Country studies in Sri Lanka and Bangladesh found that digital adoption plus financial literacy markedly raised account usage and saving behavior (Madusanka & Kumari, 2021; Sobhan, 2018). In short, the dominant finding was that digital banking materially improved both access and use of financial services, though gains were moderated by digital literacy and infrastructure, and a few studies cautioned that potential risks to stability may also arise (Ozili, 2018; Wagdi & Fathi, 2025).

Impact of digital banking on financial stability: Thirteen studies assessed stability and systemic soundness. Most of these examined developing countries and found a generally positive link between broader digital inclusion and stability through larger deposit bases and reduced informality (Banna & Alam 2022; Fernando & Disanayaka, 2024). However, several papers cautioned that benefits depending on regulatory capacity: weak supervision or poor cyber-risk controls could transform digital channels into new shock transmission routes (Ahmed et al., 2024; PHAM & DOAN, 2020). Regional evidence from Sub-Saharan Africa and Indonesia showed improved liquidity management via digital payments but also warned about heightened competitive pressure and operational risk (Chinoda & Kapingura, 2024; Raza et al., 2023). Evidence from European banks also highlighted links between digitalization, performance, and stability, though with more mixed results

(Citterio et al., 2024; Del Sarto & Ozili, 2025). Overall, digital inclusion tended to support stability provided that governance and risk controls kept pace (Chinoda & Kapingura, 2024; Fernando & Disanayaka, 2024; PHAM & DOAN, 2020).

Impact of digital banking on bank performance: Five studies explicitly linked digitalization to bank performance. European and cross-country evidence suggested that digital transformation improved efficiency and profitability (Citterio et al., 2024; Ha, 2022), while emerging market studies indicated mixed outcomes where initial efficiency gains were sometimes offset by intensified competition and margin compression (Antwi & Kong, 2023). In Sri Lankan and Asian settings, stronger digital channels correlated with improved ROA/ROE metrics when supported by scale and cost discipline (Samuditha Ganepola & Prabhath Jayasinghe, 2023; Wijesinghe & Dulanjani, 2022). Thus, digital banking often raised profitability, but results depended on market structure and bank strategy (Citterio et al., 2024; Ha, 2022; Wijesinghe & Dulanjani, 2022).

Impacts of digital finance on economic growth and GDP : Ten studies examined macro growth linkages. Cross-country and regional analyses (Asia-Pacific, Sub-Saharan Africa, and ASEAN) commonly reported that digital finance and inclusion strengthened growth channels by improving access to credit, reducing transaction costs, and enhancing resource allocation (Basnayake et al., 2024; Ilmi et al., 2025; Mohd Daud et al., 2024; Qamruzzaman & Jianguo, 2018; Thaddeus et al., 2020). Country-level evidence from Sri Lanka and China, along with other developing settings, showed positive associations between digital financial depth and GDP growth, particularly where institutional quality was higher (Becha et al., 2025; Samuditha Ganepola & Prabhath Jayasinghe, 2023; Wijesinghe & Dulanjani, 2022). Several papers stressed that digitalization's growth payoff was conditional on ICT infrastructure and governance (Saha & Qin, 2023; Silue, 2021).

Impacts of digital finance on poverty alleviation & household resilience: Two core studies focused directly on poverty and shocks, with additional papers addressing social outcomes indirectly. Empirical work on mobile money and financial inclusion highlighted reductions in consumption volatility and improved ability to manage shocks (Abiona & Koppensteiner, 2018; Saha & Qin, 2023). Micro-level evidence further suggested that digital payments and accounts enabled vulnerable households to access transfers and sustain consumption, particularly when combined with targeted outreach programs. In sum, while the evidence base is relatively limited, it consistently points to digital finance as a mechanism for reducing vulnerability (Abiona & Koppensteiner, 2018; Saha & Qin, 2023).

Impacts of digital banking on SMEs, productivity and firm outcomes: Only a handful of studies examined enterprise outcomes. Findings suggested mobile and digital payments improved small firm cash management, expanded market access, and supported productivity gains especially for micro and small firms lacking traditional bank relationships (Thathsarani & Jianguo, 2022). Where SMEs adopted digital finance with complementary management practices, performance gains were more pronounced. The evidence therefore supports a positive SME channel but calls for more micro-level research (Thathsarani & Jianguo, 2022).

Impacts of digital finance on digital adoption, literacy and consumer behavior: Three studies addressed adoption drivers and user readiness. Sri Lankan surveys found that technology acceptance, perceived usefulness, and digital literacy were strong predictors of adoption (Madusanka & Kumari, 2021; Tennakoon, 2024). Behavioral motives, including hedonic factors, also mediated uptake of mobile money (Dewasiri et al., 2024). Policy implications emphasized digital skills training and trust-building to convert access into sustained use (Dewasiri et al., 2024; Madusanka & Kumari, 2021; Tennakoon, 2024)

Impacts of digital finance on competition, regulation and market structure: Three studies examined competitive dynamics and regulation. Antwi et al. (2023) and Chinoda & Kapingura et al. (2024) showed that digital finance intensified competition, which improved efficiency but, in some cases, squeezed margins and raised stability concerns especially where regulatory oversight lagged. Ahmed & Arsalan (2024) argued for balanced frameworks that foster innovation while protecting consumers and system stability. The consensus was that regulatory design is a critical mediator of digital finance outcomes (Ahmed et al., 2024; Antwi & Kong, 2023; Chinoda & Kapingura, 2024).

Impacts of digital finance on digital risk, cybersecurity and operational resilience: Two studies directly examined digital risk, with others raising related concerns. Findings highlighted cybersecurity threats, fraud, and operational resilience as growing vulnerabilities as banks expand digital delivery (Ahmed et al., 2024; Ozili, 2018). Country-level evidence emphasized the importance of strengthening cyber-risk frameworks, incident reporting, and staff capacity to prevent digital channels from becoming sources of systemic shocks. Overall, effective risk management emerged as essential to securing the gains of digital transformation (Ahmed et al., 2024; Ozili, 2018).

Impacts on sustainability and green finance: Two studies explored sustainability linkages. Recent findings showed that digital finance can facilitate green investment flows and advance environmental goals by improving the targeting of green credit and expanding access to green bonds (Becha et al., 2025; Vuong et al., 2025). Evidence from China indicated threshold effects, where sustainability gains became stronger once digital inclusion surpassed critical levels. The emerging consensus is that digital finance can be harnessed for sustainability when supported by coherent policies and incentives (Becha et al., 2025; Vuong et al., 2025).

Impacts of digital banking on payments, remittances and financial infrastructure: Three studies evaluated payment systems and remittance flows. Digital payment adoption strengthened formal payment rails, reduced transaction costs, and supported remittance channels, although remittance volumes declined during global shocks (Abiona & Koppensteiner, 2018; Mohd Daud et al., 2024; Raza et al., 2023). Evidence indicated that resilient payments infrastructure is foundational for scaling inclusion and facilitating cross-border flows (Abiona & Koppensteiner, 2018; Mohd Daud et al., 2024; Raza et al., 2023).

5. Discussion

This study provides a comprehensive review of the role of digital banking and digital finance in shaping financial and economic outcomes using literature published between 2018 and 2025 (Appendix 1). It primarily examines the impact of digital transformation on financial inclusion, financial stability, banking performance, and economic growth, while also considering related themes such as poverty alleviation, SME development, sustainability, digital risks, and regulatory challenges. By synthesizing findings across 35 peer-reviewed articles, this study highlights how digital finance functions as both an enabler and a disruptor, with varying effects across developed and developing contexts.

The analysis covered evidence from more than 25 countries, including large emerging markets such as China, Bangladesh, and Sri Lanka, alongside developed economies in Europe and North America. Given the rapid expansion of digital ecosystems globally, the findings demonstrate that financial outcomes are increasingly interconnected through technology-driven channels such as mobile banking, fintech platforms, and e-payment systems. The review further underscores that the pace of adoption and regulatory maturity significantly influence whether digitalization strengthens financial resilience or introduces new vulnerabilities.

Economic impacts of digital banking

The reviewed studies categorized the effects of digital banking and digital finance across macroeconomic and microeconomic dimensions. Digital adoption contributed positively to GDP growth, particularly in countries with robust digital ecosystems and supportive institutional frameworks (Basnayake et al., 2024; Thaddeus et al., 2020). Household and SME access to credit increased, stimulating consumption and investment, though disparities persisted across income groups (Becha et al., 2025). Conversely, in some developing markets, gaps in infrastructure and literacy limited widespread benefits, reinforcing existing inequalities (Sobhan, 2018).

At the macro level, digitalization improved resource allocation efficiency and reduced transaction costs, thereby accelerating economic activity. However, as shown in regions such as Africa and South Asia, rapid expansion without adequate regulation also raised risks of volatility and consumer exploitation (Ahmed et al., 2024). As evidenced during global shocks such as COVID-19, digital transformation has acted as a structural force shaping economic pathways, with divergent outcomes depending on institutional capacity.

Costs and risks of digital banking and finance

While digital banking and finance enabled inclusive growth, several studies cautioned against rising systemic risks. Cybersecurity breaches, fraud, and operational vulnerabilities were identified as critical concerns (Ahmed et al., 2024;Pham & Doan, 2020). Moreover, the entry of fintech firms intensified competition in banking sectors, which improved efficiency but also compressed margins and increased financial fragility (Antwi & Kong, 2023).

The economic costs of digital risks are difficult to quantify but can mirror the destabilizing effects of traditional banking crises. Studies highlighted that weaknesses in consumer protection and disruptions to digital services can undermine trust, slow adoption and reversing financial inclusion gains (Dewasiri et al., 2024). In emerging economies, these vulnerabilities are amplified by weaker governance and limited supervisory capacity, underscoring the need for resilient digital infrastructure and comprehensive regulatory oversight.

Policy and regulatory responses

Governments and central banks have increasingly adopted regulatory measures to balance innovation with stability. Several studies highlighted that proactive regulatory frameworks, including stronger consumer protection, cybersecurity provisions, and supportive digital infrastructure, enhanced financial stability while enabling innovation (Banna & Alam, 2022; Chinoda & Kapingura, 2024). In contrast, jurisdictions with fragmented or delayed regulation experienced market instability, reduced inclusion, or heightened consumer risks.

The design of government policies was shown to be essential in ensuring that digital transformation does not exacerbate inequalities. For instance, targeted subsidies for digital infrastructure in rural areas improved inclusion in South Asia and Sub-Saharan Africa (Saha & Qin, 2023). At the same time, international remittance flows through mobile channels underscored the importance of aligning cross-border regulation with global financial governance standards (Raza et al., 2023).

Contributions to the literature

This review advances the literature by consolidating empirical findings from 2018-2025 on how digital banking and digital finance affect financial inclusion, stability, and economic growth across diverse country contexts. It shows that outcomes are highly context-dependent: developed economies primarily harness digital finance to enhance efficiency and innovation, while developing countries employ it as a mechanism for inclusion, poverty reduction, and resilience. The review highlights key knowledge gaps, particularly regarding the long-term sustainability of digital banking models, the interaction between digital risks and systemic stability, and the regulatory conditions required to ensure equitable outcomes.

In addition, this study identifies emerging research frontiers, including the integration of fintech with sustainability agendas, the role of mobile-enabled financing for SMEs, and the rising importance of digital literacy and consumer trust. While much of the current literature emphasizes adoption of drivers and short-term impacts, relatively little attention has been given to fiscal, social, and governance trade-offs arising from rapid digitalization. Future research should therefore explore how countries can balance innovation with resilience and design digital ecosystems that foster both growth and sustainable development.

6. Limitations

This review is subject to several limitations that warrant consideration, (1) the scope was restricted to 35 peer-reviewed studies and selected indexed databases, which may have excluded relevant insights from industry reports, policy briefs, or emerging empirical work in developing economies where digital finance adoption is accelerating (Banna & Alam, 2022), (2) while the analysis addressed financial inclusion, stability, and growth, other critical dimensions such as consumer protection, digital literacy, and cybersecurity risks were not explored

in depth, despite their growing importance for sustainable financial ecosystems (Ahmed et al., 2024), (3) the reviewed literature employed diverse methodologies, ranging from household surveys to macroeconomic modelling, which limited direct comparability and generalization of findings (Thaddeus et al., 2020). Consequently, while this review provides a structured synthesis of evidence, the results should be interpreted cautiously, with future research encouraged to adopt interdisciplinary and standardized approaches for broader validity.

7. Conclusion

The adoption of digital banking and finance has demonstrated significant economic potential by enhancing financial inclusion, supporting banking sector stability, and contributing to sustainable economic growth. This review synthesized evidence from 35 peer-reviewed studies published between 2018 and 2025, providing a structured understanding of how digital finance affects financial inclusion, banking stability, economic growth, and sustainable development. The findings highlight that digital technologies, particularly mobile banking and fintech solutions, have expanded financial access to underserved populations and contributed to greater resilience in financial markets (Banna & Alam, 2022; Ozili, 2018). However, the benefits have been uneven across regions, with developing economies facing challenges of digital literacy, infrastructure, and regulatory gaps (Ahmed et al., 2024; Tennakoon, 2024).

The review also reveals that while digital finance improves efficiency and inclusion, it introduces risks related to cybersecurity, competition, and operational sustainability, requiring policymakers to balance innovation with consumer protection (Antwi & Kong, 2023; Chinoda & Kapingura, 2024). Further, several studies confirm that financial inclusion significantly contributes to poverty alleviation and inclusive growth, but its impact on banking stability varies depending on institutional frameworks and governance quality (Basnayake et al., 2024; Pham & Doan, 2020).

Overall, the review contributes to the broader literature on digital finance by consolidating findings across diverse contexts and identifying gaps in empirical evidence. For policymakers, the results underscore the importance of integrating digital financial strategies with broader economic and social policies to ensure long-term resilience and equitable growth. For researchers, the study highlights the need for further investigation into threshold effects, institutional moderators, and the role of digital finance in advancing sustainable development goals. As digital transformation accelerates, aligning technological adoption with stability, inclusion, and growth remains central to achieving balanced financial sector development in both developed and emerging economies.

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Appendix

Source	Countries Examined	Method	Objective	Main Finding
Fernando & Disanayaka, (2024).	36 developing countries.	The study utilized panel regression to analyze data from 2011 to 2017. It examined the impact of specific proxies of digital financial inclusion on banking stability.	To explore the transformative impact of digital financial inclusion on banking sector stability in developing countries. The research aimed to address a gap in the literature by linking specific digital inclusion indicators to bank stability using a large dataset.	The research found a positive and significant relationship between digital financial inclusion and banking stability. Increasing digital financial services can enhance the resilience of a nation's banking system.
Fairooz & Wickramasinghe, (2019)	Sri Lanka	An exploratory, qualitative case study was used, based on interviews with leaders from selected organizations.	To explore the digital transformation process in the Sri Lankan banking and financial sector.	The study found that digital transformation is a complex process requiring a fundamental shift in business strategy. It also identified key actors and factors involved in the adoption of digital technologies.
Banna, H., & Alam, M. R. (2022).	7 emerging Asian countries: China, India, Indonesia, Malaysia, Pakistan, the Philippines, and Thailand.	The researchers used an unbalanced panel data approach for 574 banks from the selected countries.	To examine the effect of digital financial inclusion on banking stability and its contribution to sustainable economic development.	The findings suggest that digital financial inclusion promotes banking stability and helps achieve sustainable economic development in emerging Asian economies.
W.A.Y.A. Weerakoon & P.A.N.S. Anuradha, (2024)	Sri Lanka	A quantitative, deductive approach was used, with data from a survey of 380 SMEs analyzed using SPSS.	To examine how financial literacy moderates the relationship between digital banking and the financial performance of SMEs.	The study found a significant and positive moderating influence of financial literacy on the relationship between digital banking and SME financial performance. It also highlighted the constructive role of both digital banking and financial literacy in bolstering SMEs.
Madusanka & Kumari (2021)	Sri Lanka	A quantitative, survey-based approach was employed, analyzing data from 100 digital banking users.	To identify the factors influencing the adoption of digital banking services by customers.	The research found that perceived ease of use and perceived usefulness are the primary drivers of digital banking adoption. The study also highlighted the significant role of security and privacy concerns as a major barrier to adoption.

Source	Countries Examined	Method	Objective	Main Finding
Thathsarani & Jianguo, (2022)	The study focused on Sri Lanka, specifically analyzing SMEs in the Western and Sabaragamuwa Provinces.	A quantitative approach was used, with data collected from a survey of 366 small and medium enterprises (SMEs). The data was analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM).	To examine how digital finance and the Technology Acceptance Model (TAM) influence financial inclusion and the performance of SMEs.	The research found that both digital finance and TAM significantly influence financial inclusion and SME performance. The study concludes that the adoption of digital finance is a crucial factor for improving the operational and financial outcomes of SMEs.
Liyanagamage (2021)	Sri Lanka	A panel data model (Fixed Effect GLS) was used to analyze a broad set of data from 22 commercial banks.	To analyze the determinants of banking sector stability in Sri Lanka.	The research found that bank efficiency has a positive effect on stability, while credit growth has a negative effect. It also indicated that a more stable and developed economy promotes banking stability.
Qamruzzaman & Jianguo, (2018)	Seven South Asian countries: Bangladesh, Bhutan, India, Nepal, Pakistan, and Sri Lanka.	The researchers used a panel data approach with cointegration analysis and causality tests (e.g., Granger causality) to examine the long-run and short-run relationships between financial innovation and economic growth.	To empirically investigate the relationship and causal nexus between financial innovation and economic growth in South Asia.	The study found a significant positive relationship between financial innovation and economic growth. It concluded that financial innovation is an important driver of economic growth in South Asian countries.
Dewasiri et al., (2024)	Sri Lanka	Quantitative study using survey data and structural equation modeling (SEM)	To investigate how mobile money adoption influences financial inclusion in Sri Lanka, with a focus on the mediating role of hedonism in user behavior.	The study revealed that mobile money adoption significantly enhances financial inclusion, and hedonism mediates this relationship by influencing the willingness and motivation to adopt digital financial services.
Tennakoon (2024)	Sri Lanka	A quantitative, survey-based approach was used, with data collected from commercial banking customers. The study employed a Structural Equation Model to analyze the relationships between the variables.	To investigate the influence of technology readiness on the adoption of digital banking. The study specifically examined the mediating effect of behavioral intention in this relationship.	The research found that technology readiness has a significant positive impact on behavioral intention to use digital banking. In turn, behavioral intention significantly influences digital banking adoption. The study confirmed that behavioral intention acts as a crucial mediating factor in this process.

Source	Countries Examined	Method	Objective	Main Finding
Basnayake et al. (2024)	15 Asia-Pacific countries	A dynamic panel data model was used to analyze the data, employing the Generalized Method of Moments (GMM) estimation technique.	To examine the impact of digital financial inclusion on economic growth and investigate the moderating role of institutional quality in this relationship.	The study found that digital financial inclusion positively influences economic growth. It also confirmed that the quality of institutions significantly moderates this relationship, meaning that strong and well-functioning institutions are essential for digital
Hordofa, (2024)	Ethiopia	A quantitative approach was used, analyzing data from 18 commercial banks using panel data regression models.	To examine the impact of digital transformation on financial stability in Ethiopia's emerging market.	The research found that digital transformation has a significant and positive impact on financial stability. Specifically, the study concluded that digital financial services and innovations enhance
Thaddeus et al., (2020)	49 Sub-Saharan African countries	The researchers used a dynamic Generalized Method of Moments (GMM) to analyze the causal relationship between digital financial inclusion and economic growth.	To empirically investigate the impact of digital financial inclusion on inclusive economic growth in Sub-Saharan Africa and examine the role of governance in this relationship.	The study found a positive and significant relationship between digital financial inclusion and economic growth. The findings suggest that enhancing digital financial services is a crucial strategy for fostering inclusive
Ozili, (2018)	Developing and emerging economies	This is a critical literature review and discussion paper. It doesn't use a specific quantitative method or collect new data. Instead, it synthesizes existing research to discuss the benefits, risks, and regulatory issues of digital finance.	To provide a critical assessment and discussion of the issues surrounding the impact of digital finance on financial inclusion and financial stability, which had not been comprehensively addressed in the literature at the time.	The article highlights the many benefits of digital finance for users and the economy, but it also identifies persistent issues and risks, such as cybersecurity threats, consumer protection gaps, and the potential for a "debt trap" for the poor. It suggests that while digital finance is a powerful tool for
Banna, (2022)	Bangladesh	A dynamic panel data model was used to analyze a broad set of data from banks. The study also employed a two-step system Generalized Method of Moments (GMM) to address endogeneity issues.	To investigate the influence of digital financial inclusion on sustainable economic growth, specifically by examining the mediating role of banking stability.	The research found that digital financial inclusion contributes to sustainable economic growth and that banking stability plays a significant mediating role in this process. The study concludes that promoting digital financial inclusion

Source	Countries Examined	Method	Objective	Main Finding
M Sobhan, (2018)	Bangladesh	A quantitative, survey-based approach was used, collecting data from 420 mobile banking users. The researchers employed statistical techniques to analyze the data.	To investigate the role of mobile banking in promoting financial inclusion among the rural population.	The study found a significant positive relationship between mobile banking adoption and financial inclusion in rural areas. It concluded that mobile banking services are an effective tool for extending financial services to previously unbanked rural populations.
Ha, (2022)	European banks	A panel data regression model was used to analyze data from 100 banks across 15 European countries. The study employed a two-step system, Generalized Method of Moments (GMM) to control endogeneity.	To investigate the impact of digitalization on both financial stability and the performance of European banks.	The research found that digitalization has a positive and significant effect on bank stability, as it enhances operational efficiency and risk management. However, the impact on bank performance (e.g., profitability) was found to be mixed and insignificant in some cases, suggesting that while digitalization improves stability, the financial returns are not always immediate or substantial.
Antwi et al., 2024	91 developing economies.	A dynamic panel data approach was used, with the Generalized Method of Moments (GMM) estimator to analyze the complex relationships between the variables.	To empirically investigate the relationship between financial inclusion, competition, and financial stability. The study aimed to provide new evidence on this nexus in developing economies.	The research found a positive and significant effect of financial inclusion on financial stability. However, it also revealed that the relationship between competition and financial stability is complex and non-linear. The study concluded that promoting financial inclusion is a key strategy for enhancing financial stability in developing countries.
Chinoda & Kapingura, (2024)	38 Sub-Saharan African countries	A two-step system Generalized Method of Moments (GMM) was used to analyze panel data from commercial banks.	To investigate the combined impact of digital financial inclusion and bank competition on bank stability.	The research found that digital financial inclusion has a positive effect on bank stability. However, the study also revealed that a high level of bank competition diminishes this positive impact. This implies a need for a balanced regulatory approach to promote digital inclusion while managing competition.
Raza et al., (2023)	Indonesia	A dynamic panel regression model was used to analyze quarterly data from 108 banks over the period 2017-2020.	To examine the impact of digital payments on the financial stability of banks within Indonesia's dual banking system.	The research found that digital payments have a positive and significant impact on bank stability. The study also showed that this positive impact is stronger for Islamic banks compared to conventional banks, due to their higher capital adequacy.

Source	Countries Examined	Method	Objective	Main Finding
Silue, (2021)	34 developing countries	The researcher used panel data regression models, including Fixed Effects and the Generalized Method of Moments (GMM), to analyze the relationship between digital financial inclusion and economic growth.	To investigate the impact of digital financial inclusion on economic growth in developing countries.	The study found a positive and significant effect of digital financial inclusion on economic growth. It concluded that access to digital financial services is a crucial factor in driving economic development and reducing poverty in developing economies.
Vuong et al., (2025)	Low-financially developed economies	A conceptual and theoretical analysis was used, based on a literature review. It did not use empirical data or quantitative methods.	To explore how digital financial inclusion, creative innovations, and green finance can be leveraged to enhance banking system stability in low-financially developed economies.	The research proposes a theoretical framework showing that these three factors can significantly contribute to banking stability. It suggests that a holistic approach combining financial technology, innovative business models, and sustainable finance is crucial for creating a more resilient banking system in these economies.
Antwi & Kong, (2023)	91 developing economies	A dynamic panel data approach was used, employing the Generalized Method of Moments (GMM) to analyze the relationship between digital financial technology and financial stability.	To investigate the impact of digital finance technology on financial stability of the banking sector in developing market economies.	The research found that digital financial technology positively influences banking sector stability. It also identified that this relationship is more pronounced in economies with stronger institutional quality, highlighting the importance of a supportive institutional environment for realizing the full benefits of digitalization.
Becha et al., (2025)	China	The researchers used a panel threshold model to analyze a large dataset.	To investigate the relationship between digital financial inclusion, environmental sustainability, and regional economic growth.	The research found that the impact of digital financial inclusion on economic growth is non-linear. It concluded that there is a threshold effect, meaning that digital financial inclusion only significantly and positively impacts economic growth and environmental sustainability after reaching a certain level.
Al-Afeef & Alsmadi, (2025)	Jordan	Quantitative survey-based analysis	To examine how digital literacy influences financial management skills and empowerment, with a focus on the role of digital banking services.	The study found that higher levels of digital literacy significantly improve individuals' financial mastery, enhancing their ability to adopt and effectively use digital banking platforms.

Source	Countries Examined	Method	Objective	Main Finding
PHAM & DOAN, (2020)	13 Asian countries	The researchers used panel data analysis with the Generalized Method of Moments (GMM) estimator to investigate the relationship between financial inclusion and stability.	To empirically investigate the impact of financial inclusion on the financial stability of the banking system.	The research found a positive and significant relationship, concluding that financial inclusion contributes to enhancing financial stability in Asian countries. It also suggested that the positive effect is more pronounced in countries with a stronger regulatory framework.
Wagdi & Fathi, (2025)	Egypt	A quantitative, panel data approach was used, with data from 30 banks. The research employed a regression model with a moderation analysis to examine the relationships between the variables.	To investigate the impact of digital financial services on banking stability and to analyze the moderating role of financial inclusion in this relationship.	The research found that digital financial services positively impact banking stability. Furthermore, the study concluded that financial inclusion significantly moderates this positive relationship, amplifying the stabilizing effect of digital services on the banking sector.
Ahmed et al., (2024)	Global perspective	A conceptual and theoretical analysis was used, based on a comprehensive literature review. It does not involve empirical data collection or quantitative analysis.	To explore the necessary balance between leveraging digital innovation for financial inclusion and implementing robust measures to protect digital banking customers from various digital risks.	The research highlights a critical trade-off between promoting innovation and ensuring consumer protection. The authors propose a framework that advocates for a proactive, risk-aware approach where regulatory bodies and financial institutions collaborate to build resilient digital systems. The study concludes that achieving true financial inclusion requires not only technological access but also a foundation of trust and security.
Mohd Daud et al., (2024)	52 developing and emerging economies	Dynamic panel data analysis (System GMM)	To investigate the role of financial inclusion and digital technology in promoting economic growth across emerging and developing economies.	The study found that financial inclusion significantly contributes to economic growth, and digital technology enhances this relationship by enabling broader access and efficiency.
Saha & Qin, (2023)	34 developing countries	A dynamic panel data approach was used, with the Generalized Method of Moments (GMM) estimator to analyze the relationship between financial inclusion and poverty.	To empirically investigate the impact of financial inclusion on poverty alleviation and examine whether financial inclusion reduces income inequality.	The research found a significant positive relationship between financial inclusion and poverty alleviation. The study concluded that promoting financial inclusion is a crucial strategy for reducing poverty and income inequality in developing economies.

Source	Countries Examined	Method	Objective	Main Finding
Ilmi et al., (2025)	ASEAN market (Association of Southeast Asian Nations), a regional group of countries.	A conceptual and literature review approach was used. The study did not involve empirical data collection or statistical analysis.	To explore the relationship between digitalization and economic growth within the ASEAN market. The study also aimed to identify and analyze effective business strategies that leverage digitalization for growth.	The research found that digitalization is a key driver of economic growth in the ASEAN market, with its impact being amplified by effective business strategies. The study highlighted that companies successfully leveraging digitalization for growth often focus on innovation, customer-centric models, and new supply chain structures.
Citterio et al., (2024)	Europe	A dynamic panel data regression model was used to analyze data from 184 banks across 23 European countries.	To examine whether digital transformation is profitable for banks, specifically by looking at its impact on profitability and cost efficiency.	The research found that a bank's digital transformation has a positive effect on its profitability and cost efficiency, but this impact is not immediate. The study concluded that digital transformation is indeed a profitable investment for banks, though the financial benefits are often realized in the long term.
Abiona & Koppensteiner, (2018)	Tanzania	The researchers used an empirical analysis to study the expansion of mobile money services.	To investigate the impact of mobile money expansion on financial inclusion, poverty, and vulnerability to economic shocks.	The study found that mobile money expansion significantly reduced both poverty, vulnerability to shocks. It concluded that the greater financial inclusion provided by mobile money services helps households to better cope with economic downturn & other unexpected events.
Wijesinghe & Dulanjani, (2022)	Sri Lanka	A quantitative, econometric analysis was used, employing time-series data from 1990 to 2020. The researchers applied the ARDL (Autoregressive Distributed Lag) model and causality tests.	To empirically investigate the relationship between banking sector development and economic growth in Sri Lanka.	The research found a significant positive relationship between banking sector development and economic growth in both the short and long run. The study concluded that developing a robust and efficient banking sector is crucial for fostering sustainable economic growth in Sri Lanka.
Samuditha Ganepola & Prabhath Jayasinghe, (2023)	Sri Lanka	A quantitative, econometric analysis was used, with time-series data from 1980 to 2021. The researchers employed a VECM (Vector Error Correction Model) and causality tests.	To empirically investigate the long-run and short-run relationship between financial sector development and economic growth in Sri Lanka.	The research found a significant positive relationship between financial sector development and economic growth in both the short and long run. The study concluded that a well-developed financial sector is crucial for fostering sustainable economic growth in Sri Lanka.

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