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**Research article**

# Securing the Future: The Moderating Role of FinTech in the Government's Child Benefit Program on Financial Literacy and Sustainable Behavior of Omani Parents

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**Abstract**

The study aims to investigate the relationship between financial literacy and the sustainable financial behavior of parents in Oman who receive child benefit cash transfers from the Government, focusing on the moderating influence of financial technology (Fintech). This study is guided by one general objective, which is to understand the demographic factors of the Omani parents receiving the child benefit cash transfers from the government, and two main objectives: to examine the impact of financial literacy on sustainable financial behaviour among Omani parents receiving child benefit cash transfers, and to evaluate the moderating role of FinTech in strengthening this relationship. A mixed-methods approach was employed in this study. Semi-structured online questionnaires were used to collect Primary data. Existing literature, including scholarly articles, journals, published books, and relevant websites were reviewed to gather secondary data. A sample of 225 Omani parents receiving child benefit cash transfers was selected through convenience sampling. Correlation and multiple regression analyses were performed to assess the research hypotheses. Findings indicate that parents possess responsible financial habits and basic knowledge yet still struggle with high costs and difficulty in executing their budget. The study found FinTech crucial for translating financial knowledge into action. It proposes a new support model for Omani parents that combines financial resources with literacy training integrated with practical FinTech tools, empowering them to secure their children's long-term financial future.

**Keywords:** FinTech, Financial Literacy, Sustainable Financial Behavior, Budgeting, Sustainability

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## 1. Introduction

Child benefit cash transfers are part of social security schemes by Governments that include regular payments to families with children for managing the costs of raising children. These benefits are meant to ease day-to-day financial pressure, support parents in providing basic needs, and ultimately improve children's well-being. It is noticed that in many low-income households, this support has made a difference in living standards, nutrition, and overall stability.

A study in 2022 in BMJ Global Health found that families receiving child benefit payments were able to afford nutritious food, cover essential expenses, and feel more confident about their financial situation. Countries such as Spain have gone a step further by incorporating child-focused cash benefits and tax relief into their social welfare systems to combat child poverty and strengthen family support.

The message is clear that consistent financial assistance helps create healthier, more secure families. According to a study by Shaefer (2024), child benefit schemes from governments have a positive impact on child health and development. The impact is more when cash transfers are combined with small behavioral-change interventions among people receiving these benefits leading to larger investments in productive activities compared to providing cash alone (Premand et al., 2020). Still, while these programs address immediate financial needs, they do not always tackle the underlying issues that keep families in poverty or hinder long-term stability (Banda et al., 2024).

Because of these limitations, more governments and development agencies are weaving financial education into their social support systems. Financial technology (fintech) provides customized financial literacy programs directly to cash-transfer recipients, helping families to manage their money wisely, plan, and better withstand financial shocks (Ilugbusi & Adisa, 2024). Lanciano et al., (2024) informs in his research that higher financial literacy is linked to stronger attitudes that are sustainability oriented and more responsible financial choices, as it helps people think about long-term consequences. For lasting economic improvement, integrating financial education into social protection initiatives is becoming increasingly important.

According to Nogueira et al., (2025), Financial literacy and behavior have a strong impact on the overall human development outcomes. Individuals who can understand financial principles try to make more sustainable investment choices (Senaya, 2024). When financial education is combined with child benefit programs, it is easy for policy makers to address the short-term needs of families together assisting them to build their long-term financial stability which can lead to the advancing of their broader sustainable development goals.

In this study, we will examine how integrating financial literacy with child benefit cash transfers may influence parents' sustainable financial behaviors and decisions, and how this may translate into improved outcomes for children. It will aim at offerring insights into the effectiveness of such integrated interventions in promoting financial inclusion, reducing poverty, and supporting child development by assessing parents' and children's financial literacy awareness and exploring how fintech can enhance learning and financial capability.The study will also look into the challenges, effective approaches, and policy considerations involved in adding financial education to social protection programs. By doing so, it aims to provide useful insights for policymakers and other stakeholders who are working to design stronger and more effective strategies for reducing poverty.

Even though child benefit cash transfers offer quick support to families in need, they do not always help parents build lasting financial security. If the money is not managed wisely, the expected improvements in children's welfare may fall short and families may continue to face financial difficulties. There is still limited understanding of how parents actually spend and allocate these funds to secure long term financial benefits for their children. Although financial literacy and fintech could play an important role in

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improving the effectiveness of these programs, their real impact in Oman has not yet been clearly understood.

Child benefit cash transfer scheme was introduced in the beginning of 2024 in Oman for children under the age of eighteen. The payments are sent directly to the parents' bank accounts by the Government. To determine whether these funds are truly contributing to better outcomes for children, it is important to examine how parents handle and use this money. While previous studies have explored the broad link between financial literacy and financial behavior, very little research has focused specifically on parents who receive government cash transfers or on the possible influence of fintech in this context. This study aims to address these gaps by investigating how financial literacy shapes the financial choices made by these parents and by assessing the extent to which fintech may support or change this relationship.

### *1.1 Objectives & Significance Of Study*

#### 1.1.1 Research Objective

a) General Objective:

i. To understand the demographic factors of the Omani parents receiving the child benefit cash transfers from the government.

b) Main Objectives:

i. To assess the relationship between financial literacy and the sustainable financial behavior of parents receiving child benefit cash transfers from the government.

ii. To evaluate the moderating role of fintech on the impact of financial literacy and sustainable financial behavior of parents receiving child benefit cash transfers from the government.

### *1.2 Significance of the Study*

The purpose of this study is to explore how financial literacy influences the financial behavior of beneficiaries of Oman's child benefit program with a specific focus on the role of fintech as a moderating factor in this relationship. It aims to assess how financial literacy impacts beneficiaries' ability to budget saves and plan for future financial stability while identifying challenges such as limited financial knowledge and opportunities to improve their financial well-being. The study also examines how fintech platforms including mobile applications online resources and interactive tools can provide accessible and effective financial education promoting positive behavioral changes and enhancing beneficiaries' ability to manage cash transfers. By addressing these areas, the research supports Oman's vision 2040 priorities particularly in the domains of economic development financial sustainability and welfare and social protection. It seeks to align with national goals by empowering beneficiaries with the knowledge and tools needed to achieve financial independence, reduce dependency on social benefits and improve their quality of life additionally the findings aim to inform policymakers on integrating scalable fintech based financial literacy interventions into social protection frameworks ensuring long term impacts on both individual financial resilience and national economic stability.

## 2. Literature Review

### *2.1 Economic sustainability*

Gallo & Aristei (2021) investigated how financial knowledge and confidence influence sustainable financial behavior, including investment choices and preferences for socially responsible companies. They found that individuals' financial behaviors are shaped by their confidence and knowledge: underconfident people invest less and avoid risky decisions, overconfident people take higher risks, and those with strong knowledge are more likely to invest and support ethical businesses. Rotar (2025) examined the impact of public debt on economic growth in 12 EU countries under the new economic governance framework, using regression analysis. The study concluded that high debt, especially above 93–105% of GDP, hampers

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economic growth, with even lower levels affecting less developed Euro-area nations, emphasizing the challenge of balancing public investment, particularly in sustainable projects, with fiscal contraction. Ibar-Alonso et al. (2021) explored financial literacy and sustainable consumer behavior in Spain by analyzing 53,819 tweets with Natural Language Processing (NLP). They found that higher financial literacy encourages the selection of green financial products, and that social and emotional contexts, reflected on social media, play an important role alongside knowledge. Bartosiewicz et al. (2025) studied sustainable development in the transport and storage sector across 25 EU countries using panel data and ANOVA. Their results revealed regional differences in how macroeconomic factors such as GDP, unemployment, and wages affect sustainability, with GDP negatively impacting Central, Eastern, and Northern Europe, and unemployment influencing regions where wages support social sustainability. Together, these studies highlight the multifaceted connections between financial literacy, confidence, public policy, macroeconomic conditions, and sustainable behavior, emphasizing both individual and systemic factors that shape economic and environmental outcomes.

### *2.2 Child benefit cash transfers*

Social protection child benefits offer significant benefits to vulnerable populations. The Canada Child Benefit (CCB) income transfer program, which favored families at higher risk of food insecurity, was studied by Brown & Tarasuk (2019). They found that although the prevalence and severity of food insecurity were elevated among economically vulnerable households, the likelihood of severe food insecurity decreased significantly post-CCB, particularly among those with low-income measures, demonstrating the effectiveness of income transfers for meeting basic needs. Using government-owned administrative and census data, Cohen et al. (2022) systematically examined the relationship between cash transfer programs and child health and family economic outcomes in Canada. Among other things, their research found a positive correlation between cash transfers and improved health outcomes for children and parents, including a decrease in low birth weight, a greater duration of breastfeeding, and a decrease in aggression. As a result of these transfers, employment and income levels were raised, household poverty was reduced, and food insecurity was reduced. Copeland et al. (2022) examined 1,266 participants aged 9, 11, and 13 years old for the long-term effects of childhood family income supplements on adult functioning. Children receiving childhood cash benefits had lower levels of fear and depression, improved physical health, and decreased risk behaviors, according to their findings. A significant amount and duration of cash transfers affected outcomes, suggesting that longer periods of support resulted in better outcomes. As a result of these studies, we can conclude that social protection child benefit cash transfers are highly effective in enhancing family well-being and reducing socioeconomic disparities in the long run.

### *2.3 Impact of cash transfers on the economic well-being of children receiving the child benefit cash transfers.*

Robert et al. (2020) examined the impact of cash transfers and psychotherapy on economic and psychological well-being in rural Kenya using an experimental design with 5,756 participants, finding that while psychotherapy alone had little effect, unconditional cash transfers significantly increased consumption, assets, income, and mental health, with combined interventions enhancing cost-effectiveness and highlighting financial transfers as a key tool for improving both economic and psychological outcomes. Similarly, Anne et al. (2022) explored child benefit cash transfers in Canada through surveys, administrative data, and program evaluations across 23 studies, reporting that these transfers improve family economic stability, reduce poverty and food insecurity, and have positive health effects on children and parents, though outcomes varied, prompting recommendations for further research to identify optimal program types, levels, target populations, and mechanisms. Dwyer et al. (2023)

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focused on homelessness in Vancouver, Canada, assessing the effects of a one-time CAD 7,500 unconditional cash transfer in a cluster-randomized trial with 115 participants from 22 shelters, revealing reduced time spent homeless, increased savings and spending on necessities, and overall societal savings, emphasizing the need for further studies to optimize cash transfer designs, address public misconceptions, and tailor supportive services. Collectively, these studies demonstrate that unconditional cash transfers consistently enhance economic stability, improve psychological and physical well-being, and offer cost-effective solutions across diverse contexts, though continued research is needed to refine implementation strategies and maximize impact.

### *2.4 The financial behavior of parents of children receiving the child benefit cash transfers.*

Recent studies have explored how cash transfer programs influence the financial behavior and well-being of households, including parents of children receiving child benefits. Kwak (2023) examined the effect of South Korea's child benefit payments on household expenditures, finding that financial transfers significantly increased spending on children's education and welfare, though they did not notably improve household savings, suggesting a preference for meeting immediate needs over long-term planning. Jiang, Wang, and Zhang (2021) analyzed 214 valid responses from low-income families to evaluate how social welfare services reduce financial and emotional stress, concluding that financial subsidies and sponsorship programs were the strongest contributors to stress reduction, supported by psychological services for children and single parents. Sahadewo and Anindita (2019), studying Indonesia's Bantuan Siswa Miskin program using Stata and do-files, found that targeted cash transfers effectively eased financial burdens and enabled families to allocate more resources to essentials and education, highlighting the importance of well-designed student-support schemes. Robson et al. (2024) assessed Turkey's Emergency Social Safety Net (ESSN) program and demonstrated that cash transfers substantially reduced multidimensional poverty among refugee families, particularly in education and health, underscoring the role of financial interventions in strengthening resilience among vulnerable populations. Similarly, Iqbal (2020) evaluated Pakistan's Benazir Income Support Programme (BISP) and showed that monetary transfers improved environmental living conditions and reduced environmental poverty for ultra-poor households, reinforcing the necessity of cash assistance in meeting basic survival needs. Collectively, these studies show that cash transfers, whether oriented toward children, education, or poverty reduction, tend to improve short-term financial stability and child-related expenditures, enhance well-being, and reduce poverty, although their impact on long-term financial behaviors such as savings remains limited. Iqbal (2020), in the study titled "How Cash Transfers Program Affects Environmental Poverty the fundamental needs of impoverished.

### *2.5 Impact of financial literacy on the financial behavior of parents of children receiving the child benefit cash transfers.*

Research on the impact of financial literacy on financial behavior consistently highlights the essential role of parental influence, family socialization, and financial knowledge in shaping responsible financial actions, particularly among households receiving financial support. Trang (2022), in her survey of 730 Vietnamese university students, found that parental financial decision-making, when mothers serve as the primary financial managers, significantly enhances students' financial literacy and budgeting behavior, even after controlling for demographic variables. This underscores the strong intergenerational transmission of financial skills and the value of empowering parents to guide children toward healthy financial habits. Similarly, Kwame and Joseph (2023), using a large cross-sectional sample of 3,932 tertiary students in Ghana, demonstrated through logistic regression that higher financial literacy strongly predicts better financial behavior, emphasizing the importance of financial knowledge in shaping prudent spending, saving, and money-management practices. Their findings also stress the need for structured financial

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literacy programs, especially in developing economies, to improve household financial decision-making and long-term financial well-being. The role of parents as central financial socialization agents is further reinforced by Mohd and Saridan (2020), whose conceptual review found that parental financial socialization (PFS),through communication, role modeling, and reinforcement, directly shapes children's financial attitudes, literacy, and lifelong financial habits. Their study highlights that early exposure to financial management fosters independence and equips young individuals with the skills necessary for financial stability in adulthood. Complementing this, the study by Sumaira and Aamir (2021) on banking employees in Lahore, Pakistan, revealed a strong positive relationship between financial literacy and financial behavior, with family financial socialization acting as a partial mediator. Their findings show that formal education alone is insufficient; rather, financial behavior improves when supported by positive family financial practices, regardless of demographic factors such as age, income, and gender. Collectively, these studies illustrate that financial literacy, strengthened through parental guidance, family socialization, and targeted education, plays a pivotal role in shaping responsible financial behavior among individuals, suggesting that parents receiving child benefit transfers are likely to exhibit stronger financial decision-making when equipped with adequate financial knowledge and supportive family financial environments.

***2.6 Moderating effect of Fintech on the impact of financial literacy and financial behavior.***

Recent studies highlight the crucial role of financial literacy and fintech adoption in shaping financial behavior, well-being, and satisfaction across different contexts. Singh, Jaiswal, Rai, and Kumar (2024) in India found that fintech adoption strengthens the positive impact of financial literacy on financial well-being, suggesting that integrating digital tools with educational initiatives enhances financial stability and access to services. Similarly, Yanti and Suryadi (2024) reported that financial literacy, self-efficacy, and QRIS digital payment usage positively influence financial behavior among users in Pontianak, Indonesia, emphasizing the importance of incorporating fintech into national literacy strategies to foster responsible financial habits. Hidayati and Nugroho (2023) examined Indonesian university students and demonstrated that financial literacy and fintech payments significantly affect financial management behavior, with internal locus of control further amplifying these effects, highlighting the need to consider psychological factors alongside digital tools. In India, Prabhakaran and Mynavathi (2023) revealed that subjective financial literacy strongly predicts fintech adoption across mobile banking, online payments, and digital lending, whereas objective literacy mainly impacts mobile banking usage, underlining the importance of perceived knowledge in driving digital finance uptake. Farida, Nur, and colleagues (2021) in East Java, Indonesia, found that fintech usage directly improves financial behavior and satisfaction, while financial literacy indirectly enhances satisfaction through behavior, reinforcing the transformative role of fintech in modern financial management. Collectively, these studies indicate that financial literacy alone improves financial outcomes, but its combination with fintech adoption, digital payment platforms, and psychological considerations significantly amplifies financial well-being, behavior, and satisfaction, suggesting policymakers and educators should prioritize integrated strategies to enhance both knowledge and digital tool usage for broader financial empowerment.

After reviewing many previous studies conducted from 2020 to 2025 with different aspects, two main research hypotheses have been established as below:

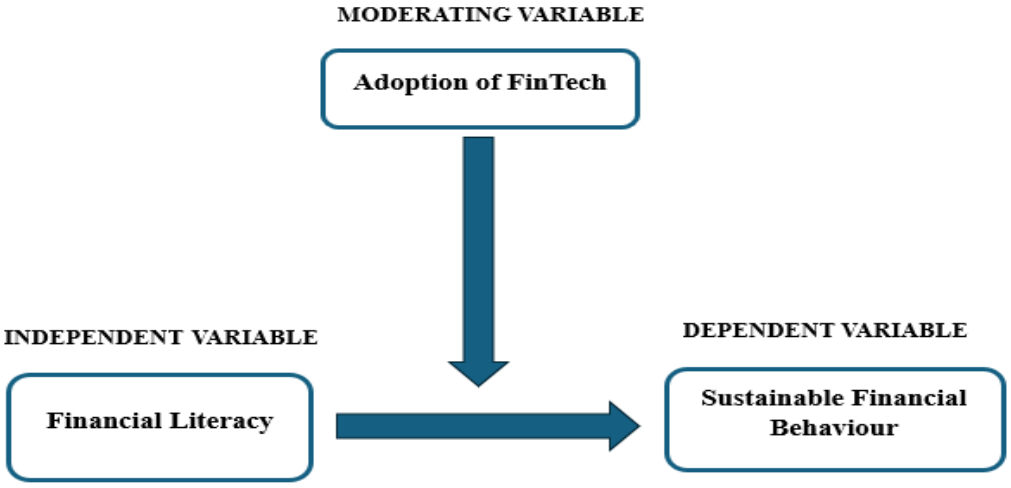
*H1: There is a significant relationship between financial literacy and sustainable financial behavior among the Omani parents of children who receive child benefit cash transfers.*

*H2: The fintech moderates the relationship between financial literacy and the sustainable financial behavior of Omani parents of children who receive child benefit cash transfers.*

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**Figure 1**

*Conceptual Framework*




## 3. Methodology

### *3.1 Type of Research*

This study used a mixed-methods approach to examine how fintech adoption moderates the relationship between financial literacy and financial behavior of Omani parents receiving child benefit cash transfers. Quantitative data from closed-ended questionnaire responses were analyzed statistically to identify relationships between variables. Qualitative data from open-ended questions provided deeper insights into parents' financial situations, challenges, and experiences with government support.

### *3.2 Research Design*

This study was conducted using a mixed-method research design using both qualitative and quantitative approaches, and hence, this study was both descriptive and exploratory. In this study, the researchers focused on analyzing the financial behavior of parents receiving the child benefit cash transfer from the government based on their financial literacy and the effect of fintech in improving their financial situation. The researchers also tried to get better insights into the financial challenges and feelings of the parents receiving child benefit cash transfers by exploring their current financial situation and challenges faced by them through the responses received from the open-ended questions.

### *3.3 Research Respondents*

The population of the study is Omani parents residing in Muscat who are receiving the child benefit cash transfers from the Government of Oman. To meet the conditions for a multiple regression analysis with optimal performance is around 225 (Al-Harbi, 2023). This research will have a sample size of 225 parents receiving child benefit cash transfers. The researchers used a convenience sampling method, which is a non-probability sampling technique for selecting the samples for the study. Convenience sampling methods were used because it is easier to get more responses within the least time and at less cost.

### *3.4 Research Instrument*

The researchers used a semi-structured questionnaire to collect primary data for analysis. The questionnaire consists of five main sections. Part one includes seven questions related to demographic characteristics (Gender, Age, Marital Status, Number of Children, Monthly Household Income, Education, and Employment Status). Part two examines Financial Literacy through five questions, while part three explores Financial Behavior using five questions. Part four addresses the Usage of Fintech through six questions. Part five is the last part, which contains 3 questions to get deeper insights into the respondents'

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Financial Situation and Challenges. The questionnaire was designed electronically via computer and sent via email and social media to the respondents, ensuring that they have easy access to the questionnaire. The questionnaire comprised closed-ended questions from part one to part four and open-ended questions in the last part. In addition, parts two, three, and four contained questions that used a 5-point Likert scale. The internal consistency and reliability of the survey questions was tested using Cronbach's Alpha.

**3.5.1 Internal Consistency and Reliability of Survey items**

**Table 1**

*Reliability Statistics*

| | |
|---|---|
| **Cronbach's Alpha** | **N of Items** |
| .874 | 17 |

Table 1 shows the reliability statistics Cronbach's Alpha of 0.874 for the 17-item scale indicated excellent internal consistency, showing that the items are highly correlated and reliably measure the same construct. This high reliability ensures that responses are consistent and dependable, enhancing the credibility of the analysis.

***3.6 Research Procedure***

**3.6.1 Gathering of Data**

Both primary and secondary data were used to conduct this research. Primary data were collected from online questionnaires sent to the respondents through email and social media which served as the main source of data for this study. However, the secondary data included in this study have been gathered from previous literature reviews of numerous articles, journals, and published books.

**3.6.2Treatment of Data**

The data was analyzed using SPSS, starting with a descriptive analysis to summarize the demographic characteristics of the respondents. The descriptive statistics included percentage and frequency analysis, mean and standard deviation. This has provided a foundational understanding of the sample's composition and ensured data quality and completeness. Orange software was used to analyze open-ended questions including frequency and word cloud to understand parents' financial challenges and situations.

The hypotheses were tested using (Inferential analysis) correlation and multiple regression analysis which helped in understanding the significant relationship between the financial literacy of parents who are receiving the child benefit cash transfers from the Government of Oman and their financial behavior. The moderating role of fintech on the influence of financial literacy on the financial behavior of the parents receiving the child benefit cash transfers was also analyzed using multiple regression analysis.

## 4. Discussion And Findings

***4.1 Descriptive Analysis***

Descriptive analysis is a statistical method used to summarize and describe the main features of a dataset. It helps researchers understand the general trends and patterns in the data by presenting measures such as the minimum, maximum, mean (average), and standard deviation. In this study, descriptive analysis was used to analyze responses to Likert scale questions, providing a clear overview of how participants rated their financial literacy, financial behavior, and fintech usage. This approach facilitates the identification of central tendencies and variations in responses, thereby making the data easier to interpret and compare.

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**Table 2**

*Financial literacy*

| Descriptive Statistics | | | | | |
|---|---|---|---|---|---|
| | **N** | **Minimum** | **Maximum** | **Mean** | **Std. Deviation** |
| I know the difference between credit and debit cards | 225 | 1 | 5 | 3.60 | 1.134 |
| I feel families are required to save part of their income for any emergency. | 225 | 1 | 5 | 4.51 | .791 |
| I think that all kinds of investments are profitable. | 225 | 1 | 5 | 3.03 | 1.095 |
| I know about the different investment options. | 225 | 1 | 5 | 3.31 | 1.035 |
| I am aware of the risks and returns associated with different investment options. | 225 | 1 | 5 | 3.56 | .985 |

### 4.1.1 Interpretation

From table 2, it is evident that the importance of emergency savings received the highest agreement (Mean = 4.51), while the idea that all investments are profitable had the lowest (Mean= 3.03). Other financial literacy statements showed moderate agreement, reflecting fair knowledge about investments, credit cards, and risk–return.

**Table 3**

*Financial behavior*

| Descriptive Statistics | | | | | |
|---|---|---|---|---|---|
| | **N** | **Minimum** | **Maximum** | **Mean** | **Std. Deviation** |
| I make savings from my salary or wages each month. | 225 | 1 | 5 | 3.86 | 1.032 |
| I make a budget plan weekly or monthly. | 225 | 1 | 5 | 3.60 | 1.048 |
| I try to cut my living expenses regularly. | 225 | 1 | 5 | 3.84 | .791 |
| I strictly follow the weekly or monthly budget that I make. | 225 | 1 | 5 | 3.47 | 1.048 |
| I invest my savings in gold and other investments. | 225 | 1 | 5 | 3.26 | 1.172 |
| I pay my bills and credit card dues on time. | 225 | 1 | 5 | 4.09 | .959 |

### 4.1.2 Interpretation

Table 3 shows the financial behaviour of the respondents. We understand from table 3 that the Participants showed the strongest agreement with paying bills on time which is evident from the highest mean value (Mean = 4.08). Budgeting behaviors (mean = 3.47) showed moderate agreement, and investing in gold or other assets had the lowest mean (3.26) showing that the respondents were not very interested

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in savings and budgeting.

**Table 4**

*Usage of Fintech*

| Descriptive Statistics | | | | | |
|---|---|---|---|---|---|
| | N | Minimum | Maximum | Mean | Std. Deviation |
| I use mobile banking or fintech apps to do financial transactions. | 225 | 1 | 5 | 4.23 | .880 |
| I use fintech apps to help manage my budget and savings. | 225 | 1 | 5 | 3.34 | 1.169 |
| Fintech apps make it easier for me to save and invest money regularly. | 225 | 1 | 5 | 3.61 | .990 |
| Using Fintech apps make me feel more confident about managing my money. | 225 | 1 | 5 | 3.57 | .989 |
| Fintech apps have helped me increase my knowledge of managing money. | 225 | 1 | 5 | 3.52 | 1.009 |
| Fintech apps encourage me to save and invest money. | 225 | 1 | 5 | 3.48 | 1.023 |

**4.1.3 Interpretation**

From the above Table 4, we understand that respondents strongly agreed that they use fintech apps for transactions (Mean = 4.23). Other benefits, such as boosting confidence, supporting savings/investments, and improving financial knowledge, received moderate agreement. Managing savings and budgets through these apps had the lowest mean (Mean=3.34), indicating less frequent or less effective use of this feature.

**4.2 Testing The Hypothesis**

Alternative Hypothesis 1

*H1: There is a significant relationship between financial literacy and financial behavior among the Omani parents of children who receive child benefit cash transfers.*

**Table 5**

*Model 1 Summary 1*

| Model Summary | | | | | |
|---|---|---|---|---|---|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Sig. |
| 1 | .467a | .218 | .215 | .61629 | <.001 |
| a. Predictors: (Constant), FL | | | | | |

Source: Computed data

Table 5 shows the model summary of the regression analysis indicating the association of Financial literacy and Financial behavior. The R value =0.467 indicates a moderate positive correlation between Financial Literacy and Financial Behavior. R Square =0.218 indicates that financial literacy has an influence of approximately 21.8% on financial behavior. The relationship is highly significant as the $p < .001$.

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The model demonstrates a statistically robust and practically meaningful relationship between financial literacy and financial behavior. With an R value of 0.467, the association is moderately strong, suggesting that as individuals gain financial knowledge, their behavior improves correspondingly.

Alternative Hypothesis 2

*H2: The fintech moderates the relationship between financial literacy and the financial behavior of Omani parents of children who receive child benefit cash transfers.*

**Table 6**

*Model Summary 2 (Andrew F Hayes' Process Model for moderation)*

| Model : 2 |
|---|
| Y: FB |
| X: FL |
| W: F |
| Sample Size: 225 |

The data from table 6 comes from Andrew F. Hayes' PROCESS Model, which is designed to assess a moderating effect. Specifically, it shows how the level of a moderator (W) affects the effect of an independent variable (X) on a dependent variable (Y).

**Table 7**

*Model Summary 2 As per Andrew F Hayes' Process Model*

| R | R-squared ($R^2$) | MSE | F | df1 | df2 | p-value |
|---|---|---|---|---|---|---|
| 0.5547 | 0.3077 | 0.3394 | 32.7492 | 3 | 221 | 0.0000 |

**Table 8**

*Regression Coefficients*

| Variable | B (Coeff.) | SE | T | P | LLCI | ULCI |
|---|---|---|---|---|---|---|
| Constant | 4.2265 | 0.8514 | 4.9641 | .0000 | 2.5486 | 5.9044 |
| FL (Financial Literacy) | -0.4001 | 0.2419 | -1.6541 | .0995 | -0.8768 | 0.0766 |
| F (Fintech Usage) | -0.4804 | 0.2278 | -2.1092 | .0361 | -0.9292 | -0.0315 |
| FL × F (Interaction) | 0.1983 | 0.0614 | 3.2319 | .0014 | 0.0774 | 0.3193 |

**Table 9**

*Interaction Effect (FL × F)*

| $R^2$ Change | F | df1 | df2 | p-value |
|---|---|---|---|---|
| 0.0327 | 10.4452 | 1 | 221 | .0014 |

**Table 10**

*Conditional Effects of FL at Different Levels of F*

| F (Fintech Level) | Effect of FL on FB | SE | T | p | LLCI | ULCI |
|---|---|---|---|---|---|---|
| 2.8600 (Low) | 0.1671 | 0.0885 | 1.8881 | .0603 | -0.0073 | 0.3415 |
| 3.6667 (Medium) | 0.3271 | 0.0684 | 4.7822 | .0000 | 0.1923 | 0.4619 |
| 4.3333 (High) | 0.4593 | 0.0760 | 6.0470 | .0000 | 0.3096 | 0.6090 |

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Source: Computed data

**Table 11**

*Comparison of Model Fit Before and After Moderation*

| Model | R | $R^2$ (%) | p-value |
|---|---|---|---|
| Before Moderation | 0.467 | 21.8% | < .001 |
| After Moderation | 0.5547 | 30.77% | < .000 |

The table 6 to 11 shows the results of the moderation analysis using Hayes' PROCESS macro for moderation. The information from the above tables reveals that fintech usage significantly moderates the relationship between financial literacy and financial behaviour. This is evident from the fact that there is an increase in the R value from 0.467 to 0.5547. Although financial literacy alone did not significantly predict financial behaviour at lower levels of fintech usage, the interaction between financial literacy and fintech usage was statistically significant, indicating a moderation effect. Conditional effects analysis demonstrated that with medium and high levels of fintech usage ($p < .001$), financial literacy had a strong and positive impact on financial behaviour. This suggests that individuals who actively engage with fintech platforms are more likely to apply their financial knowledge in practice, resulting in better financial behaviour. Conversely, individuals with low fintech usage may not fully benefit from their financial literacy. The model's explanatory power improved with the inclusion of the interaction term. The R value increased from 0.467 to 0.5547, indicating a stronger relationship among financial literacy, financial behaviour, and fintech usage. The $R^2$ also rose from 21.8% to 30.77% from table No.6.6, confirming that fintech usage enhances the predictive strength of financial literacy on financial behaviour. These findings underscore the critical role of fintech tools in maximizing the effectiveness of financial education initiatives.

## 5. Findings Of the Study

Most respondents were female (70.7%) and the largest age group was 25–34 years (34.2%). The majority were married (88%), while 8.4% were divorced and 3.6% were widowed. Most families had 1–2 children (46.7%), followed by those with 3–4 children (30.2%). Regarding employment, 36.4% worked in the government sector, 27.1% were unemployed, and 26.7% were employed in the private sector. In terms of monthly household income, the majority (33.8%) earned between OMR 501–1000, while 12% earned OMR 2001 or more. Additionally, 59.1% of participants held a bachelor's degree and 11.6% held a postgraduate degree, with only 3.6% being uneducated, indicating that the sample is generally well-educated.

The respondents agreed that savings for emergencies was most needed, but their financial behavior was just the opposite as they were not ready to invest their money which was evident from the analysis. They have very little knowledge of risks and returns. They also had a practice of managing their regular financial obligations such as paying bills on time and showed a strong desire to reduce expenses and start monthly saving. Regarding investment, they had the least investment in gold and other financial investments. Many of the respondents agreed that budget management would improve their financial confidence, a small part of the respondents was neutral and were less convinced of the benefits of financial planning. Many of the respondents agreed that they used mobile banking apps for conducting their regular banking transactions.

The findings from the hypothesis testing confirm that financial literacy has a positive impact on the financial behaviour among the parents of children receiving the child benefit cash transfers from the Government. The financial behaviour significantly improved with the moderating role of fintech on financial literacy and financial behaviour among the respondents. This means that fintech acts as a catalyst in translating financial understanding into tangible financial practices.

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The study also found that when it comes to managing their money, most families try to create a budget but often find it very hard to follow because of the high cost of living. Many of the parents feel that they just need to cover their basic needs, while few of them are worried. Most of the respondents concern was that it is difficult to save money because of the introduction of VAT which have led to the increase in prices of even very basic and necessary needs.

### 5.1 Conclusion and Recommendations

This study revealed that fintech significantly enhances the positive impact of financial literacy on the financial behaviour of Omani parents. To effectively address the challenges of high cost of living, it is recommended that policymakers and financial institutions integrate user-friendly fintech tools such as automated budgeting and savings features, directly with the child benefit scheme. For future research, a longitudinal study is recommended to understand how fintech can aid financial behaviours over time and their long-term impact on the family's financial well-being.

Additionally, it is recommended to encourage parents to learn the basics of financial management themselves, such as budgeting, saving, and paying bills. Integrate financial literacy systematically into child support programs, whether through workshops, digital learning materials, or practical budgeting training. Link financial support to optional financial counseling opportunities or short awareness campaigns to encourage families to develop healthy spending and saving habits by the government agencies.

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