

Fintech – An Existential Carrot that Flutters in Front of Your Noses:

A Case of Financial Ecosystem Innovations in Quebec

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Abstract

As technological innovations are evolving and globalizing, traditional financial organizations are facing continuously changing patterns. Though incentives for financial technology – Fintech – engagement has been rather uncommon in previous decades, this phenomenon conjectures radical transformations within the financial industry, where Fintech is expected to gain a central position within a decade.

This paper investigates the impact of Fintech in the context of the financial ecosystem in Quebec (Canada), employing a multiple-case study research. Primary data was collected from top managers and founders via in-depth interviews.

Data analysis used grounded theory methods and techniques, in which constant iteration between open and theoretical coding led to the discovery of a core variable: comfort zoning. Then, the typology was created by reduction, generating four types of comfort zoning: *Nimbling*, *Imperilling*, *Cocooning* and *Discomforting*.

Findings on how the diffusion of Fintech innovations affects the financial ecosystem are embedded within the players' interactions. Collaborative openness of Fintech and financial institutions holds a central position, creating mutually supportive partnerships towards a bulletproof ecosystem.

Implications and outcomes for practice and policy, as well as suggestions for prospective international business research are discussed, including how we can now categorize such development paths and potential partnerships, using comfort zoning typology.

Keywords: Fintech, Knowledge diffusion, National and regional innovation system, Ecosystem, Theory building