

## THE ROLE OF DIGITAL FINANCIAL INCLUSION IN ACHIEVING SUSTAINABLE POVERTY ALLEVIATION: A SYSTEMATIC LITERATURE REVIEW

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### Abstract

This study was conducted with two main research objectives. The objectives were to (1) find out the current empirical knowledge in ‘The Role of Digital Financial Inclusion in Achieving Sustainable Poverty Alleviation’ and (2) find out the areas with less literature in ‘The Role of Digital Financial Inclusion in Achieving Sustainable Poverty Alleviation’. The systematic literature review (SLR) approach and Preferred Reporting Items for systematic reviews and meta-analyses (PRISMA) framework were applied in this research. Articles were discovered through Lens.org and Scopus databases, and the search terms used for the study were ‘poverty alleviation’ and ‘digital financial inclusion. Both automated and manual screening were used to choose articles. Researchers have employed mathematical techniques based on Biblioshiny and VOSviewer. The findings highlight that digital technologies such as mobile banking, digital wallets, and international remittances serve as crucial tools for marginalised populations, enhancing their financial stability, entrepreneurial behaviour, and overall well-being. Researchers identified nine themes of keywords that highlight the broad impacts of digital financial inclusion on poverty alleviation. These themes collectively demonstrate the multifaceted impact of digital financial inclusion for economic growth and gender equality, to environmental sustainability and social development. Despite these insights, the review also identified areas with limited research, notably international remittances, environmental impact, digitalisation, and cybersecurity, which require further investigation. It is very important to further investigate these areas related to digital financial inclusion and poverty alleviation for the design of new economic policies and to achieve sustainable economic growth.

**Keywords:** Digital financial inclusion, mobile banking, poverty alleviation, sustainability

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## **Introduction**

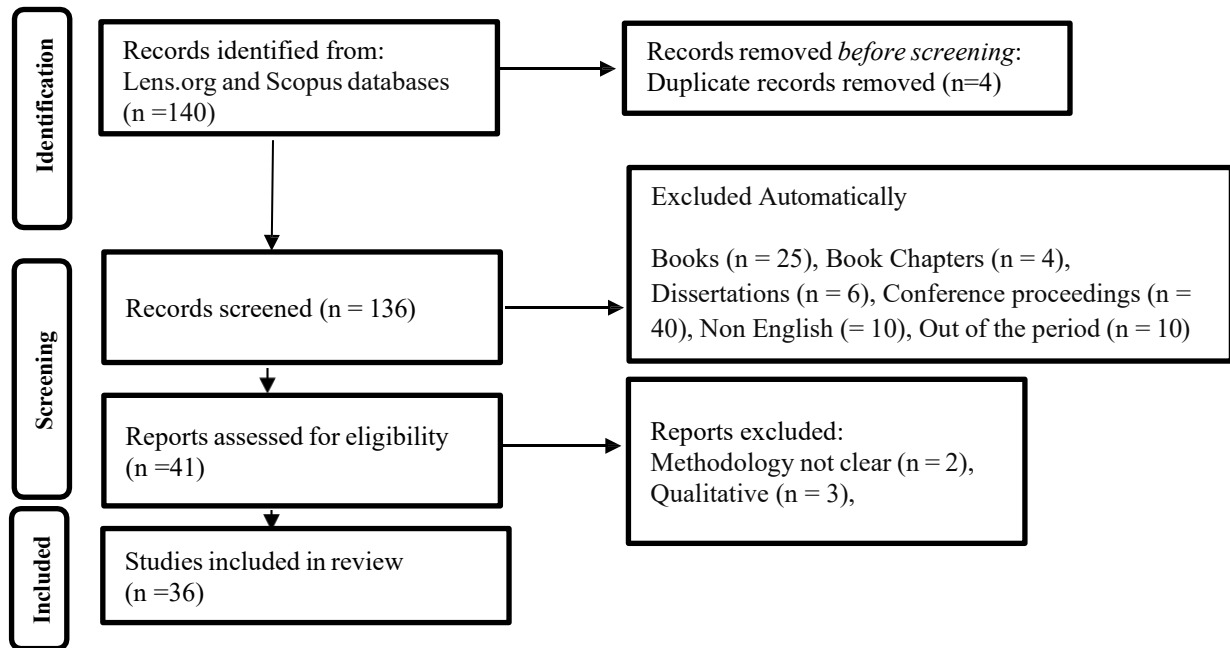
One of the most significant tools for reducing poverty has always been financial inclusion (Mwakalila & Muba, 2025). It highlights the scope and expansion of financial services and attempts to give the impoverished and other vulnerable groups sufficient financial help. It is founded on the equal opportunity principle. Digital financial inclusion, which is defined by both inclusivity and digitalisation, has emerged as a key strategy for lowering poverty and preventing its recurrence (Ho et al., 2025). Removing barriers resulting from variables like education, gender, age, irregular income, regulatory limitations, and geographic location is the main objective of financial inclusion programs implemented globally (Mwakalila & Muba, 2025). Digital financial inclusion is the integration of digital and inclusive finance, which improves the economy's efficiency and well-being and acts as an accelerator to reduce poverty (Gumilar et al., 2024). Because digital technology and the internet are integrated, digital financial inclusion encompasses a bigger demographic and has a more expansive scope than traditional finance (Ok Ergün, 2024). In contrast to traditional finance, which is restricted to certain activities like loans, savings, and payments, digital financial inclusion makes use of digital technologies to create network effects without incurring marginal expenses. Within the last two decades usage of digital financial services has grown very fast. Today 85% of the population worldwide owns a smartphone, which makes digital financial services accessible. 75% of adults in low- and middle-income nations have a bank account. Since 2011, there has been an 80% growth. Compared to 25% in 2021, 40% of adults in these economies now formally save through an account. In 2024, 62% of adults sent or received digital payments, with 42% of those transactions going toward purchases (United Nations, 2025). However, studies on the impact of digital financial inclusion on poverty reduction are limited. Researchers have found some important studies on the particular area. According to Chen and Zhao (2021), digital finance has a huge impact on reducing the absolute and relative poverty of rural households in China. It primarily does this by reducing information and credit barriers and encouraging the growth of social networks. Although digital financial inclusion is essential in reducing the income gap between urban and rural areas and enhancing uneven growth, Wang et al. (2020) noted that its impacts varied by region. It is of great theoretical and practical significance to discuss the relationship between digital financial inclusion and poverty alleviation. However, there are a limited number of previous papers that are on the particular topic. Especially, when it is considered about the literature papers, researchers did not find any systematic literature review paper at the time they conducted the research. Therefore, researchers conducted their study to answer the main research problem of 'What is the Role of Digital Financial Inclusion in Achieving Sustainable Poverty Alleviation?' The particular study was conducted with two main research objectives, including (1) to find out the current empirical knowledge in 'The Role of Digital Financial Inclusion in Achieving Sustainable Poverty Alleviation' and (2) to find out the areas with less literature in 'The Role of Digital Financial Inclusion in Achieving Sustainable Poverty Alleviation'.

## **Methodology**

The systematic literature review (SLR) approach was used in this research. The Preferred Reporting Items for systematic reviews and meta-analyses (PRISMA) framework, which offers recommended principles for planning, carrying out, and writing reports in an SLR, must be adhered to by the SLR (Dogra & Priyashantha, 2023). Therefore, in accordance with PRISMA guidelines, researchers created a protocol at the design stage of this study, the contents of which are listed in Table 1. The PRISMA criteria, for which the PRISMA flow diagram was created, were used to choose the articles, as shown in Table 1. The three phases are 'identification,' 'screening,' and 'inclusion.' The study's implementation of these phases can be seen in Figure 1. The search terms used for the "identification" were 'Poverty Alleviation' and 'Digital Financial Inclusion.' Using the 'OR' operator for similar phrases and the "operative" for distinct terms, they were typed into the Lens.org and Scopus databases. Both automated and manual screening were used to choose articles. For transparency, automated screening involved algorithmic filtering based on predefined criteria, while manual screening entailed human review to assess context and ensure accuracy. Researchers have employed mathematical techniques based on Biblioshiny and VOSviewer. Biblioshiny tool was used to understand the study characteristics such as journals, authors, keywords, references, and year of publication. Using the VOSviewer, researchers have generated two maps called as 'keyword co-occurrence network visualisation' map and the 'density visualisation' map. Using the map known as 'keyword co-occurrence network visualisation,' the VOSviewer shows connections between the terms of the chosen works. This map addressed the first objective: to find out the current empirical knowledge in 'The Role of Digital Financial Inclusion in Achieving Sustainable Poverty Alleviation in Economies' from 2018 to 2025. Keyword density and keyword co-occurrence networks are related. The term density at each location on the density visualisation map is automatically represented by a colour that spans from blue to green to red, according to the VOSviewer guide. When a position's hue approaches red, it indicates that it contains more neighbouring keywords, and its weight rises accordingly. The weights decrease as a point gets closer to blue and has fewer close keywords. This map addressed the second objective, finding the areas

with less literature in ‘The Role of Digital Financial Inclusion in Achieving Sustainable Poverty Alleviation in Economies.’

**Figure 1**  
PRISMA article selection for flow diagram



(Source: Authors' creation (2025))

**Table 1**  
Inclusion criteria

| Inclusion criterion | Focus on  |
|---------------------|---|
| 1                   | Publications from 2018 to 2025                              |
| 2                   | Publications in academic journals                           |
| 3                   | Publications as articles                                    |
| 4                   | The articles in the English language                        |
| 5                   | Empirical research that employed quantitative methodologies |

(Source: Authors' creation (2025))

## Empirical results

### Study selection

140 articles were initially discovered in the Lens.org and Scopus databases. 4 articles were eliminated from the 140 total because they were duplicates. Following that, the authors began screening the documents. The Lens.org and Scopus databases' automatic screening feature was utilised to remove 95 articles. It's noteworthy that 10 articles were disqualified for failing to satisfy criterion 1. The writers have eliminated Dissertations (n = 6), books (n = 25), book chapters (n = 4), and conference proceedings (n = 40) were not included since they did not satisfy criteria 2 and 3.

Because they did not satisfy criteria 4, 10 papers authored in other languages were found and eliminated. Also, when the articles were checked manually for eligibility, it was discovered that the methodology was unclear (n=2), qualitative (n=3). These were eliminated because they did not satisfy criterion 5. As a result, 36 studies have been added to the final review since they satisfy all inclusion requirements.

### Study Characteristics

36 publications from 29 journals were included in the review. The review used the results of 451 references and 75 keywords. The number of published papers has increased over the period; the greatest number of articles (10) was published in 2024, next by eight in 2023. However, no publications about the specific research criteria were found in 2019. The 9 journals that published the highest number of related articles out of 29 journals. Thus,



|   |  |  |   |
|---|--|--|---|
| Theme 4: Gendered Financial Inclusion     |  | Digital financial inclusion, gender equality, India, sustainable development goals | Baheti et al., 2024; Li, 2025; Mhlanga, 2024, Zhu, 2025 |
| Theme 5: Entrepreneurship-Led Growth      |  | Economic growth, entrepreneurial behaviour, and the income of residents            | Baheti et al., 2024; Li, 2025                           |
| Theme 6: Spatial Poverty Dynamics         |  | endogenous development momentum, poverty alleviation areas, spatial measurement    | (Wang et al., 2020)                                     |
| Theme 7: Poverty Risk Resilience          |  | instrumental variable estimation, risk-coping ability, vulnerability to poverty    | (Wang & He, 2020) (Zhu, 2025)                           |
| Theme 8: Mobile Remittance Impact         |  | International remittance, mobile penetration, poverty reduction                    | Inoue, 2024; Zhu, 2025                                  |
| Theme 9: Multidimensional Poverty Effects |  | Multidimensional poverty, nonlinear effect   | Cheng, 2023; F. Wang et al., 2024                       |

Source: Author compiled based on VOSviewer output

Theme 1 - Sustainable Fintech Ecosystems: Digital financial inclusion has become a very impactful factor when building sustainable fintech ecosystems, and it drives the alleviation of poverty and gains socio-economic development (Ahmad & Arshad, 2025). One impactful outcome of the technology-driven financial services is the minimisation of physical or paper currency usage. It not only fosters resource conservation and responsible consumption but also enhances access for underprivileged populations to financial services. The robust digital infrastructure improves financial technologies. (Wang et al., 2024). This will lead to innovative opportunities for sustainable development, while minimising environmental impact. Theme 2 - Digital Inclusion Dynamics: The digitalisation of financial services connects rural communities and vulnerable households. Further financial inclusion expands the financial literacy of Micro, Small, and Medium Enterprises (MSMEs) and reduces poverty, and mitigates vulnerability (Zhu, 2025). Theme 3 - Inclusive Growth Analysis: Digital financial inclusion increases household consumption and minimises liquidity constraints. This will lead to an inclusive growth of the economy (Li, 2025). Researchers can do econometric analysis to investigate how long-term financial resilience contributes to sustainable poverty alleviation. Theme 4 - Gendered Financial Inclusion: Empowering women for financial inclusion is helpful to bridge economic gaps and drives broader social transformation. On the other hand, digital financial inclusion improves gender equality (Li, 2025). Theme 5 - Entrepreneurship-Led Growth: Entrepreneurial behaviour is stimulated by digital financial inclusion, and it will boost the income of residents (Baheti et al., 2024). Finally, there will be an inclusive economic growth. Theme 6: Spatial Poverty Dynamics. This theme emphasises the importance of spatial measurement and localised development momentum, particularly in areas targeted for poverty reduction (Wang et al., 2020). Theme 7: Poverty Risk Resilience incorporates econometric approaches such as instrumental variable estimation to assess how digital financial inclusion affects risk-coping abilities. Theme 8 - Mobile Remittance Impact: Access to international remittance is improved by mobile penetration, allowing for effective transfers and promoting poverty reduction in marginalised communities (Inoue, 2024). Theme 9 - Multidimensional Poverty Effects: Digital financial inclusion reduces multidimensional poverty with a nonlinear effect. Because it enhances the health, education, and livelihood in diverse communities (Cheng, 2023).

### Find areas with less literature

According to Figure 3 (density visualisation of keyword co-occurrence map), the keywords in the yellow area denote extensive research on the findings represented by such keywords and indicate sufficient knowledge of the area. The keywords in the green circle points of Figure 3 indicate fewer research areas. As examples, keywords such as international remittances, environmental impact, digitalisation, and cybersecurity are in the green circles. Such a low level of occurrences of keywords indicates an insufficiency of findings related to such keywords to generalise. Thus, future researchers must focus on these areas to generate more research for established knowledge.

**Figure 3**

Density visualisation of the keyword co-occurrence map



(Source: VOSviewer output)

## Conclusion

This systematic review synthesises empirical research on the role of digital financial inclusion in achieving sustainable poverty alleviation from 2018 to 2025. The study analyses 36 articles from 29 journals, highlighting a growing body of knowledge, particularly in recent years (2023–2024). The nine themes highlight the broad impacts of digital financial inclusion on poverty alleviation. In order to promote sustainable development, inclusive growth places an emphasis on rising consumption by households and less liquidity constraints. Social change is fuelled by gendered financial inclusion, which supports gender equality and women's empowerment. Entrepreneurship-led growth demonstrates how citizens' incomes are increased through entrepreneurial activity when they have access to digital resources. The impact of mobile remittances demonstrates enhanced international transfer capabilities, supporting marginalised communities. Multidimensional poverty effects show how digital tools enhance livelihoods, education, and health in a variety of communities. In order to enable comprehensive sustainable development, other themes like sustainable fintech ecosystems and digital inclusion dynamics concentrate on creating environmentally responsible financial institutions and increasing access to vulnerable and rural communities. For the particular study, researchers have used VOSviewer and Biblioshiny. These bibliometric tools provide a valuable visualisation; however, they cannot fully capture the contextual depth of the studies. The review also identifies gaps for further research by pointing out that important topics like international remittances, environmental impact, digitalisation, and cybersecurity are underrepresented in the scope of current literature. Both theoretically and practically, this paper makes a significant contribution to researchers and policymakers. Theoretically, it emphasises the importance of digital finance as a multidimensional driver for sustainable poverty alleviation and how existing literature regarding this area. Practically, it guides policymakers to implement digital tools such as mobile banking, remittances to empower digital financial inclusion.

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