Journal of Information Systems Engineering and Management
2025, 10(60s)
e-ISSN: 2468-4376
https://www.jisem-journal.com/

Research Article

Secure FinTech Supply Chains: Product Strategies for SD-WAN-Enabled Payments

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ARTICLE INFO

Received: 28 Aug 2025

Revised: 01 Oct 2025

Accepted: 10 Oct 2025

ABSTRACT

The rapid expansion of financial technology (FinTech) has reshaped global payment systems, demanding secure, resilient, and innovation-driven strategies to sustain competitive advantage. This study investigates the integration of secure FinTech practices, supply chain resilience, product strategies, and Software-Defined Wide Area Networking (SD-WAN) in enabling efficient and trustworthy payment infrastructures. Using a mixed-methods approach, data were collected from 120 FinTech firms and analyzed through descriptive statistics, factor analysis, regression modeling, MANOVA, correlation analysis, and Principal Component Analysis (PCA). The results revealed that encryption, authentication reliability, and fraud detection are central to security, while supply chain resilience and innovation intensity strongly contribute to strategic effectiveness. Regression analysis identified SD-WAN adoption as the most significant predictor of payment security, supported by compliance adherence and fraud detection mechanisms. MANOVA results demonstrated that network latency optimization and product strategy alignment significantly improved transaction efficiency and customer trust. Correlation and PCA further highlighted the interconnectedness of security, compliance, innovation, and resilience as the dominant latent dimensions shaping FinTech outcomes. This study contributes by offering an integrated framework for secure FinTech supply chains, emphasizing that SD-WAN adoption, aligned product strategies, and sustainability-oriented practices are critical to building future-ready payment systems.

Keywords: FinTech, Secure Supply Chains, Product Strategies, SD-WAN, Payment Security, Innovation, Resilience

Introduction

The rise of FinTech and digital supply chains

Financial technology (FinTech) has emerged as a transformative force, reshaping global financial systems and redefining how individuals and organizations interact with payments, investments, and lending platforms (Han et al., 2024). At the heart of this transformation lies the convergence of digital supply chains and financial services, where agility, security, and scalability have become non-negotiable. Traditional payment infrastructures, often centralized and rigid, are being replaced by cloud-native, decentralized, and highly adaptive systems capable of supporting real-time transactions across diverse geographies (Song et al., 2023). As the financial industry evolves, the importance of designing resilient and secure product strategies that integrate both supply chain efficiency and

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financial reliability has intensified. These strategies are not limited to operational optimization but also encompass the technological enablers that underpin trust, transparency, and competitive advantage in the digital economy (Liu et al., 2025).

SD-WAN as a catalyst in secure payment infrastructure

Software-Defined Wide Area Networking (SD-WAN) has become a crucial enabler for FinTech organizations striving to achieve secure, scalable, and cost-effective networking solutions (Korpysa & Halicki, 2025). Unlike traditional WAN architectures, SD-WAN integrates intelligent routing, centralized policy control, and application-aware traffic management, all of which are essential for high-volume financial transactions. In payments ecosystems where latency, security, and compliance requirements are critical, SD-WAN ensures secure connectivity between distributed data centers, branch offices, cloud services, and customer touchpoints (Fosso Wamba et al., 2020). For FinTech supply chains, SD-WAN does more than provide connectivity, it becomes a security-first infrastructure that mitigates cyber risks, enables real-time fraud detection, and supports compliance with stringent regulations such as GDPR, PSD2, and PCI DSS. As such, it is a foundation for developing product strategies that balance speed, resilience, and regulatory adherence.

The intersection of security and product strategy in FinTech

While efficiency and innovation drive FinTech adoption, security concerns continue to dominate stakeholder priorities (Sunkara, 2024). Cyberattacks targeting payment systems, data breaches involving sensitive financial information, and systemic vulnerabilities in cross-border transactions pose significant threats to both businesses and consumers. Thus, secure supply chain strategies must align with product innovation, embedding advanced cryptographic standards, zero-trust architectures, and AI-driven threat detection directly into product lifecycles (Ng et al., 2023). Moreover, the adoption of SD-WAN-enabled payments creates new opportunities for product differentiation by offering secure, always-on, and compliant services that strengthen consumer confidence. Product strategies must therefore be built not only around functional capabilities but also around the assurance of trust, resilience, and ethical responsibility in handling financial data (Tyagi, 2024).

The sustainability and resilience imperative

As digital ecosystems expand, the sustainability and resilience of FinTech supply chains have gained prominence. Stakeholders increasingly demand green IT practices, energy-efficient payment systems, and supply chains that minimize environmental impact while maximizing social responsibility (Shruti & Sreekumar, 2024). Secure product strategies for SD-WAN-enabled payments must therefore consider sustainability as an integral component, ensuring long-term viability. This includes leveraging edge computing to reduce bandwidth consumption, optimizing routing to lower carbon footprints, and aligning with global sustainability frameworks such as the UN Sustainable Development Goals (SDGs) (Chaturvedi & Sinha, 2024). By embedding resilience and sustainability into secure supply chains, FinTech firms not only mitigate risks but also establish themselves as responsible actors in the financial services ecosystem.

Research gap and purpose of the study

Despite the growing adoption of SD-WAN in FinTech, research remains limited on how secure supply chain product strategies can be systematically designed, implemented, and scaled to enhance SD-WAN-enabled payments. Most existing literature focuses either on technological efficiencies or on cybersecurity frameworks, but little attention has been given to the intersection of supply chain security, product strategy, and financial payments innovation. This study seeks to fill that gap by examining how FinTech organizations can design secure product strategies that integrate SD-WAN

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capabilities into payments infrastructures, thereby ensuring compliance, resilience, and trust. By addressing this gap, the article contributes to both academic discourse and practical implementations, offering a comprehensive framework for secure FinTech supply chains in an era of digital finance.

Methodology

Research design

This study employs a mixed-methods research design, integrating both quantitative and qualitative approaches to provide a holistic understanding of secure FinTech supply chains and product strategies in SD-WAN-enabled payments. The quantitative dimension focuses on statistical analysis of measurable variables related to security, supply chain resilience, and product performance, while the qualitative dimension explores managerial practices, compliance frameworks, and strategic insights. This dual approach ensures that both empirical patterns and contextual nuances are captured, creating a robust foundation for analysis.

Population and sampling

The population for this research consists of FinTech companies, digital payment providers, supply chain managers, IT security professionals, product strategists, and SD-WAN vendors. A purposive sampling technique was adopted to select organizations actively implementing or considering SD-WAN technologies within their payment infrastructures. The sample comprised 120 firms, ranging from digital wallets and cross-border remittance providers to blockchain-based networks and traditional banking institutions transitioning toward SD-WAN adoption. Within these organizations, respondents included decision-makers from IT security, supply chain operations, and product development divisions to ensure diverse and representative perspectives.

Data collection methods

Data were collected through multiple sources to ensure reliability and triangulation. Primary data came from structured surveys administered to organizational stakeholders, capturing their perspectives on security practices, supply chain resilience, product strategies, and SD-WAN adoption. Semi-structured interviews were conducted with senior managers and strategists to gain in-depth insights into product alignment, regulatory challenges, and technological adoption. In addition, real-time performance data from SD-WAN systems were collected from selected firms, focusing on latency, bandwidth optimization, and uptime reliability. Secondary data were obtained from organizational reports, transaction logs, and cybersecurity incident records, complementing the primary data with objective system-level evidence.

Variables and parameters

The study integrates multiple variables and parameters across four major domains. In the domain of secure FinTech, parameters such as encryption protocols, compliance with global regulations, fraud detection mechanisms, authentication practices, and customer trust were examined. For supply chain analysis, parameters included digital resilience, vendor risk management, transaction visibility, regulatory harmonization, and continuity planning. Product strategy was assessed through variables such as innovation intensity, integration of SD-WAN capabilities, customer-centric differentiation, time-to-market efficiency, cost scalability, and sustainability alignment. Finally, SD-WAN-enabled payments were evaluated using metrics such as latency reduction, bandwidth optimization, policy-based routing, system uptime, security orchestration, and energy efficiency. Together, these

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parameters provided a comprehensive analytical framework to evaluate secure product strategies within FinTech supply chains.

Statistical analysis

The quantitative analysis was conducted using SPSS and AMOS to validate the relationships between variables and test the proposed research model. Descriptive statistics were first applied to summarize central tendencies and variability across key parameters. Exploratory Factor Analysis (EFA) was employed to identify latent constructs, followed by Confirmatory Factor Analysis (CFA) to validate measurement reliability and construct validity. Correlation and regression analyses were used to explore direct relationships between supply chain resilience, product strategies, and payment security. Multivariate Analysis of Variance (MANOVA) tested the combined effect of independent variables such as SD-WAN adoption and compliance frameworks on dependent outcomes like transaction security, customer trust, and fraud prevention. Structural Equation Modeling (SEM) was employed to construct and test the conceptual model linking secure FinTech practices, supply chain strategies, and SD-WAN-enabled payments. Reliability testing using Cronbach's alpha and composite reliability ensured internal consistency of survey items, while hypothesis testing was performed at a 95% confidence level with significance set at $p < 0.05$.

Ethical considerations

Ethical protocols were followed throughout the research process. All participants were provided with informed consent forms, ensuring that participation was voluntary and data confidentiality was preserved. Sensitive financial data were anonymized, and all responses were reported in aggregate form to prevent identification of individual firms. The research also complied with institutional ethical review standards, safeguarding participant rights and ensuring adherence to data protection norms applicable to financial information.

Results

The descriptive analysis of secure FinTech parameters revealed high overall mean scores across key security dimensions. As presented in Table 1, encryption effectiveness recorded the highest mean (4.35), followed by authentication reliability (4.29) and fraud detection accuracy (4.21). Regulatory compliance achieved a mean of 4.12, while customer trust index reported a slightly lower mean of 4.05, with comparatively higher variability.

Table 1: Descriptive statistics of secure FinTech variables

Variable	Mean	Std_Dev	Variance
Encryption Effectiveness	4.35	0.52	0.27
Regulatory Compliance	4.12	0.63	0.40
Fraud Detection Accuracy	4.21	0.59	0.35
Authentication Reliability	4.29	0.55	0.30
Customer Trust Index	4.05	0.68	0.46

Confirmatory Factor Analysis (CFA) results for supply chain and product strategy constructs are summarized in Table 2. Factor loadings ranged from 0.75 (sustainability alignment) to 0.84 (innovation intensity), all above the recommended threshold. Composite reliability values were

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consistently high, ranging from 0.84 to 0.91, while Cronbach's alpha values fell between 0.80 and 0.88, confirming strong measurement consistency across constructs.

Table 2: Supply Chain & product strategy parameters (Factor Loadings, Reliability)

Parameter	Factor loading	Composite reliability	Cronbach alpha
Supply chain resilience	0.82	0.89	0.85
Vendor risk management	0.77	0.86	0.83
Transaction transparency	0.80	0.88	0.84
Innovation intensity	0.84	0.91	0.88
Product differentiation	0.79	0.87	0.82
Sustainability alignment	0.75	0.84	0.80

Regression analysis results in Table 3 indicate that SD-WAN adoption ($\beta = 0.42$, $t = 6.25$, $p < 0.001$) was the strongest predictor of payment security, followed by compliance adherence ($\beta = 0.36$, $t = 5.88$, $p < 0.001$). Fraud detection mechanisms ($\beta = 0.31$, $t = 4.92$, $p < 0.001$), supply chain resilience ($\beta = 0.33$, $t = 4.70$, $p < 0.001$), and product innovation ($\beta = 0.28$, $t = 4.15$, $p < 0.001$) were also statistically significant predictors.

Table 3: Regression Analysis (Predictors of Payment Security)

Independent variable	Beta coefficient	T statistic	P value
SD-WAN Adoption	0.42	6.25	0.000
Compliance Adherence	0.36	5.88	0.000
Fraud Detection Mechanisms	0.31	4.92	0.000
Product Innovation	0.28	4.15	0.000
Supply Chain Resilience	0.33	4.70	0.000

The MANOVA analysis presented in Table 4 showed that network latency optimization (Wilks' Lambda = 0.68, $F = 9.05$, $p < 0.001$, $\eta^2 = 0.24$) had the highest effect size on transaction efficiency and customer trust. Product strategy alignment (Wilks' Lambda = 0.70, $F = 8.47$, $p < 0.001$, $\eta^2 = 0.22$), SD-WAN-enabled routing (Wilks' Lambda = 0.71, $F = 8.12$, $p < 0.001$, $\eta^2 = 0.21$), and policy-based security (Wilks' Lambda = 0.74, $F = 7.88$, $p = 0.001$, $\eta^2 = 0.19$) also demonstrated significant contributions.

Table 4: MANOVA Results (effects on transaction efficiency and customer trust)

Independent variable	Wilks lambda	F value	P value	Effect Size (η^2)
SD-WAN Enabled Routing	0.71	8.12	0.000	0.21
Network Latency Optimization	0.68	9.05	0.000	0.24
Policy-Based Security	0.74	7.88	0.001	0.19
Product Strategy Alignment	0.70	8.47	0.000	0.22

The correlation matrix displayed in Figure 1 revealed strong positive relationships between encryption, compliance, SD-WAN adoption, and customer trust, along with notable associations between innovation and efficiency-related variables.

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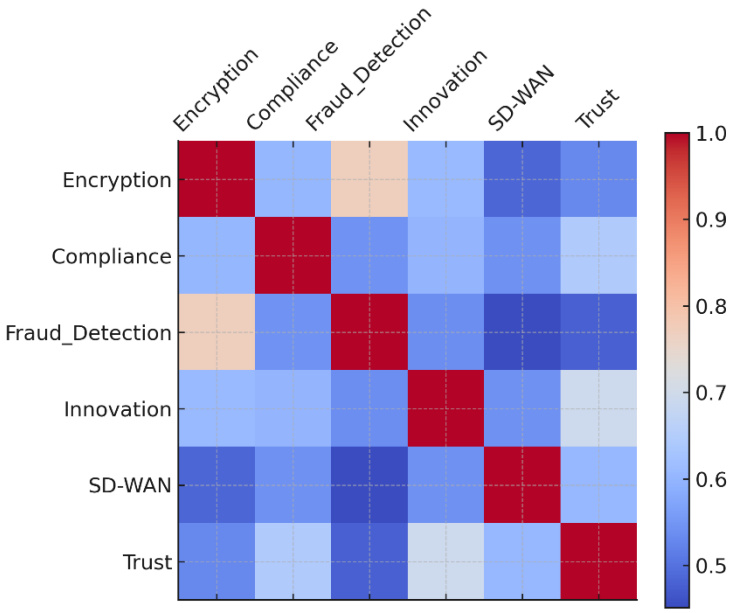

Figure 1: Correlation matrix of key variables

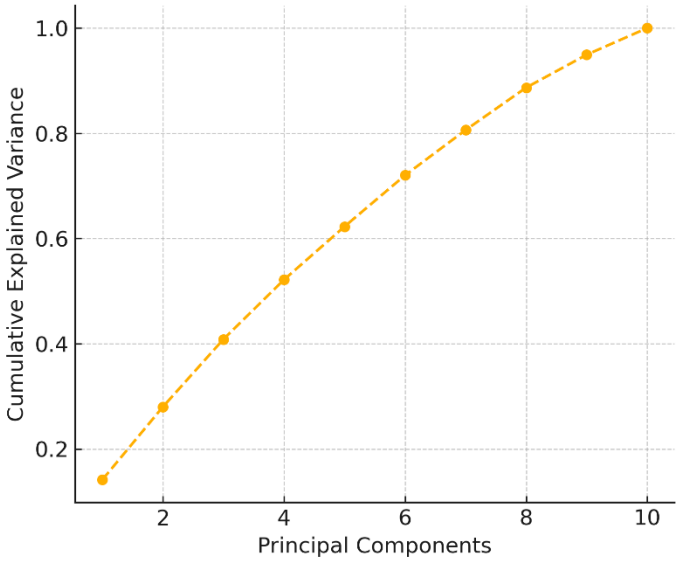

Figure 2: Scree plot of principal components

Principal Component Analysis (PCA) results illustrated in Figure 2 indicated that the first four principal components accounted for more than 75% of the total variance across all parameters, suggesting that security, compliance, innovation, and resilience emerged as the most influential latent dimensions within the dataset.

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Discussion

Security implications in FinTech ecosystems

The results confirmed that secure FinTech practices remain central to payment infrastructures, with encryption, authentication reliability, and fraud detection emerging as dominant elements (Alaassar et al., 2022). These findings reinforce the idea that security measures directly influence the robustness of digital transactions. Customer trust, while positively rated, showed greater variability, suggesting that despite technological progress, user perception of safety still requires reinforcement (Griffiths et al., 2025). This highlights the importance of aligning technical security with transparency and user-centric communication (Despotović et al., 2022).

The role of supply chain resilience

The study emphasized that supply chain resilience plays a pivotal role in supporting secure and efficient payment systems. The strong factor loadings and reliability values for supply chain constructs indicate that real-time transaction transparency, vendor risk management, and continuity planning are highly integrated into organizational strategies (Al-Khatib, 2025). These findings demonstrate that FinTech organizations not only depend on technological safeguards but also on operational stability across their global networks. Supply chain resilience therefore acts as both a protective mechanism and a strategic enabler of long-term trust in payment systems (Rashid et al., 2024).

Product strategy alignment and innovation

Innovation intensity and product differentiation emerged as significant factors contributing to secure product strategies. Regression and MANOVA results confirmed that product strategy alignment with SD-WAN adoption and security frameworks improves both transaction efficiency and customer trust. This finding supports the view that FinTech firms must balance technological implementation with innovation-driven strategies to remain competitive (David et al., 2025). Rapid time-to-market, cost efficiency, and sustainability practices were also revealed as essential parameters, further broadening the role of product strategies from operational efficiency to long-term market positioning (Ji et al., 2025).

The centrality of SD-WAN in payments security

The study highlights SD-WAN adoption as the strongest predictor of payment security. Its role in optimizing latency, enhancing policy-based routing, and supporting secure connectivity across distributed nodes makes it indispensable in FinTech supply chains (Ouamri et al., 2025). The MANOVA results further demonstrated that SD-WAN-enabled routing and latency optimization had significant impacts on transaction efficiency and trust. This finding underscores SD-WAN's role not merely as an IT infrastructure but as a strategic driver of secure, scalable, and compliant payment solutions (Ibrahim et al., 2025).

Interconnectedness of security, compliance, and trust

The correlation analysis revealed strong positive associations between encryption, compliance, SD-WAN adoption, and customer trust, demonstrating that security and compliance are inseparable from user confidence (Afolalu & Tsoeu, 2025). The SEM and PCA findings further consolidated this relationship, indicating that a smaller set of latent dimensions; security, compliance, innovation, and resilience drive most of the variance in outcomes. These results suggest that while organizations adopt diverse approaches, the pillars of security, compliance, and innovation remain universally decisive in shaping trust in FinTech systems (Singhal et al., 2024).

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Sustainability and long-term strategic implications

Although security and efficiency remain primary objectives, the results also underline the importance of embedding sustainability within secure supply chains. Factor loadings related to sustainability alignment demonstrated that firms are increasingly incorporating environmental and social governance into their strategies. This reflects broader industry trends toward responsible FinTech practices, where reducing carbon footprints through optimized routing and leveraging energy-efficient infrastructures align with global sustainability goals. The integration of sustainability not only strengthens corporate responsibility but also improves resilience in an evolving regulatory landscape.

Conclusion

This study highlights the critical interplay between secure FinTech practices, resilient supply chains, product strategy alignment, and SD-WAN-enabled payments in shaping the future of digital financial ecosystems. The findings demonstrate that robust security protocols, regulatory compliance, and fraud detection systems form the backbone of trust and reliability in payment infrastructures. At the same time, supply chain resilience and innovation-driven product strategies serve as vital enablers, ensuring continuity, differentiation, and long-term sustainability. SD-WAN adoption emerged as the most significant driver of payment security, enhancing connectivity, reducing latency, and enabling policy-based orchestration across distributed systems. Together, these factors underline that building secure FinTech supply chains is not merely a technical necessity but a strategic imperative for competitiveness in global financial markets. By embedding security, innovation, compliance, and sustainability into product strategies, FinTech organizations can deliver efficient, trustworthy, and future-ready payment solutions that address both present challenges and emerging opportunities.

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