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# APPLICATION-BASED FINANCIAL SERVICES AND INVESTOR BEHAVIOUR IN INVESTMENT MANAGEMENT PRACTICES: A SYSTEMATIC REVIEW OF THEORETICAL INSIGHTS, TRENDS, AND FUTURE DIRECTIONS

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***Abstract:*** **People who have digital accounts for banking, trading, and financial investment opportunities. The growing adoption of fintech apps has changed the way investors behave, especially tech-savvy users like IT professionals in Bengaluru. This review paper seeks to reconnect the dots between ABFS and investor behaviour by reviewing large sample of literature spanning the years 2002–2026. This research adopts the key theoretical frameworks: Unified Theory of Acceptance and Use of Technology (UTAUT), Theory of Planned Behaviour (TPB), behavioural finance theory and trust theory. The research method adopted was systematic literature review that was carried out by employing Scopus, Web of Science, Google Scholar, and peer-reviewed journals. According to the results, the main factors that explain the financial behaviour of adoption and investment are: financial awareness, the digital financial literacy, ease of use, Accessibility, Trust and Security, and Risk perception. The review also highlights some key gaps in the existing research, such as a lack of qualitative research, the absence of longitudinal studies, a narrow provision of emerging market studies, and poor focus on decentralized finance and AI-based investment applications. The paper proposes a conceptual and Structural Equation Model (SEM)-based framework explaining the relationship between technological, behavioural, and psychological factors influencing investor behaviour. Its finding will be valuable for the scientific community as it lays the basis for an integrated framework in understanding the adoption of fintech in emerging economies, and will also be helpful for policy makers, fintech developers and researchers**

***Keywords:*** **Application-based financial services, fintech adoption, investor behaviour, financial literacy, SEM model, trust and security, risk perception, digital investment platforms, TAM, TPB & UTAUT.**

## I. INTRODUCTION

The financial sector around the world has dramatically changed with the introduction and development of digital technology and fintech innovation. Mobile banking, online trading applications, robo-advisory platforms, cryptocurrency exchanges, and digital investment applications, collectively known as application-based financial services (ABFS), have revolutionized the financial landscape by providing investors instant access to financial services via digital applications. These innovations have lowered barriers, such as geographic and procedural barriers, that limit involvement in investment activities among

and within socio-economic groups. Indian fintech industry has become among the world's fastest emerging sectors and Bengaluru is a key technological and financial innovation hub. Bengaluru's IT community is a tech-savvy and economically active group, which is now increasingly turning to fintech applications for investment and portfolio management tasks. They show a different pattern of behaviours in investment decisions due to the exposure with technology, financial services online and digital infrastructure. ABFS has gained considerable research interest in the past 20 years. Other research has highlighted that technological acceptance, financial literacy, trust and behavioural factors are significant influences on the use of digital financial services [3] [15]. The Technology Acceptance Model (TAM) proposes that perceived usefulness and perceived ease of use have high impact on technology acceptance [3].Similarly, the Unified Theory of Acceptance and Use of Technology (UTAUT) proposed that the social influence and facilitating conditions play an important part in technology adoption [15]. Revealed by behaviour finance studies there are also psychological biases, emotional reactions and risk perceptions are a great influence on investor decisions [13]. Other issues that continue to be key factors in the investor's trust can also be influenced due to issues in trust and cybersecurity of digital financial platforms [4]. In spite of the numerous studies in the field of the adoption of fintechs, literature does not provide integrated review-based research on the role of financial literacy, trust, ease of use, respectively, and risk perception of the IT employees in emerging economies. The article thus endeavours to bring together relevant literature from 2002 to 2026 to build up a broader understanding of investor behaviour in the context of financial services in application. The study also introduces a conceptual and SEM framework to seize the relationship among technological, behavioural and psychologic variables that affect adoption of fintech and investment behaviour.

## II. OBJECTIVES OF THE STUDY

1. To review literature published between 2002 and 2026 relating to application-based financial services and investor behaviour.
2. To examine the role of financial awareness and digital literacy in fintech adoption among IT professionals.
3. To study the influence of ease of use and accessibility on digital investment decisions.
4. To study the influence of trust, security, and risk perception on investor behaviour.
5. To identify major research gaps in existing fintech and behavioural finance literature.
6. To develop a conceptual and SEM-based framework explaining investor behaviour in ABFS.
7. To provide practical implications for fintech developers, policymakers, and researchers.

## III. RESEARCH QUESTIONS

1. What are the main factors that affect the adoption of fintech and investor actions?
2. How do people's attitudes to and understanding of finances influence their digital investment choices?
3. How does the ease of use and accessibility affect duration of ABFS use?
4. How is trust and security factor involved in the investors' confidence?
5. What effect does risk perception have on the adoption of and investments in fintech?
6. What is the combined effect of technological and behavioural factors on investor behaviour?
7. What gaps within the literature are there from 2002 to 2026?

## IV. METHODOLOGY OF THE STUDY

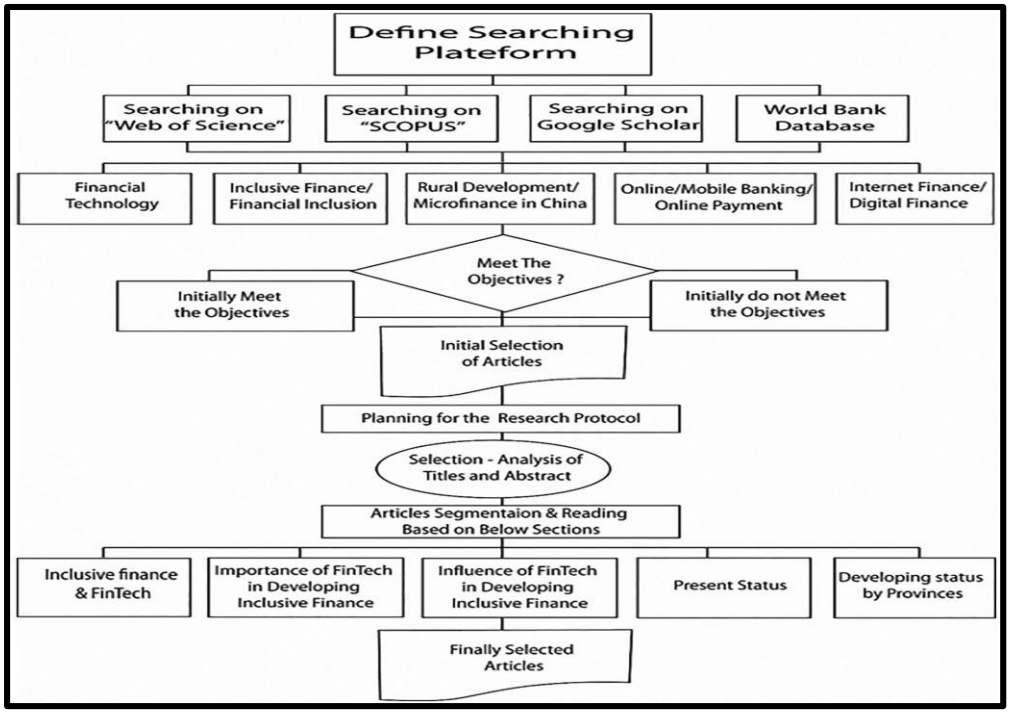
A systematic literature reviewing (SLR) method is used in the study. The research articles published from 2002 to 2026 were retrieved from the databases such as Google Scholar, Scopus, Web of Science, Elsevier, Springer, and Emerald. Search terms were fintech adoption, digital investment platform, investor behaviour, financial literacy, trust in fintech, application-based financial services or risk perception. All review was performed on peer-reviewed journal articles, conference papers, reports, and scholarly books. Qualitative and quantitative analyses have been conducted to give a balanced picture on dimensions technological and behavioural..

Thematic analysis was applied to categorize literature into major concepts including:

- Financial awareness and digital literacy
- Ease of use and accessibility
- Trust and security
- Risk perception
- Investor behaviour and fintech adoption

The review additional incorporated theoretical models viz, TAM, TPB, UTAUT, Behavioural Finance Theory, and Trust Theory to build an integrated conceptual framework.

**Fig 1: Systematic Literature Review and Article Selection Process**




## V. REVIEW OF LITERATURE

### *A. Fintech Adoption and Technology Acceptance*

In recent years, Financial Technology has been radically renewing the face of banking and investments, creating a digital financial system. Application banking services (ABFS), such as mobile banking, on-line trading platforms, robot advisors and digital wallets have enhanced financial market participation and access in many ways. The technology adoption theories offer a robust framework for the reasons behind user receiving & using in daily basis of digital financial services. The Technology Acceptance Model (TAM) by Davis [3] proposes that perceived usefulness and perceived ease of use are the key factors that affect technology acceptance. Customers need a fintech application to be convenient, efficient and useful for financial management, according to TAM. Venkatesh et al. [15] also extended the current state of TART research using the Unified Theory of Acceptance and Use of Technology (UTAUT), which added various constructs: performance expectancy, effort expectancy, social influence, and facilitating conditions. All of these factors together understand user acceptance and continued usage of digital financial platforms. In fintech studies, the UTAUT framework has been used extensively to account for user behaviour when it comes to mobile banking and fintech digital investment services. Lee and Shin [9] states that fintech ecosystem can enhance financial inclusion by cutting down transaction costs, making financial activities more transparent, and offer immediate financial services. Their research found that fintech innovations instigate increased financial participation, particularly those of the digitally adept. In other words, Gomber et al. [5] described how fintech has transformed the nature of investment management with the combination of artificial intelligence, big data analytics, and block chain technology to be present in the financial service value chain. New research from the past few

years (2020-26) suggests that AI-powered investment applications, robo-advisory services, cryptocurrency systems and decentralized finance (DeFi) services are now having a meaningful impact on investors' choices. These technologies offer automated investment recommendations, predictive analysis, and customized portfolio managing choices that enhance investment choices. But this sudden expansion of fintech increase the risks in the fields of cybersecurity- technology and regulatory requirements. Further it indicates that fintech use is found to be unique among with different groups based on age, education, income and digital literacy. Professionals like more technology-driven such as IT workers tend to have a higher rate of adoption, as they are more familiar with the digital systems & online platform, therefore, there are definitely psychological, social & behavioural factors, apart from technology, that affect fintech adoption..

B. ***Financial Literacy and Investor Awareness***

Educating about money development is an essential factor that adds to better investment decisions and the application of fintech. A person with knowledge and skills to opinion and analyze financial service product, assess financial investments risk and make knowledgeable financial choices. Overall, Lusardi and Mitchell [10] showed that financial literacy has a most significant effect on the confidence in planning investment, savings for retirement as well as diversifying portfolios. For that reason, they highlighted that having high financial literacy helps investors in the management of complicated financial products and making rational investment choices. Digital financial literacy goes beyond the basics of financial literacy to encompass technological skills to interact with digital financial platforms and electronic financial tools. It is digital literacy that stands to make it possible for a person to interact effectively with fintech services, make comparisons between investment choices and comprehend on-line financial risks, said Xiao and O'Neill [16]. Financial literacy has therefore come into focus as one of the drivers of the adoption of financial technologies, whilst the complexity of digital financial products is rising.The rise in complexity of digital financial products coupled with financial literacy has thus become one of the key drivers in fintech uptake. The more financially-focused investors are more confident with their online trading, mobile banking and digital investment app. Double Bot is a prime example.The more money educated investors are, the more they are confident with their trading, mobile banking and digital investment applications online, for instance, Double Bot. Financial literacy also reduces behavioural biases and feelings in financial investments. According to Hastings el al. (6), positive benefits of financial learning on investors' financial capability and confidence on the economic outcomes have positive effect for investors in general to participate in financial investment. Studies conducted during the most recent five years (2022-2026) suggest that investors with a greater grasp of digital literacy demonstrate greater acceptance of decentralized finance (DeFi) systems, specialized investment platforms utilizing AI, and cryptocurrency trading.Moreover, research on digital literacy and its association with cryptocurrency, AI investment platforms, and decentralized finance (DeFi) systems over the past five years (2022-2026) has supported a correlation between digital literacy and investor openness to these emerging financial innovations. Alongside this, both educational interventions and webinars and financial awareness programs have helped boost demand for digital financial services amongst younger and technologically adept populations, as has fintech tutorials. However, in emerging economies it is also reported that financial literacy is one of the significant issues. Poor awareness of the financial risk and online fraud, as well as concerns about cyber security prevents people from accessing the fintech application. Empowering investors to improve their digital financial literacy through educational campaigns and user-friendly fintech platforms is therefore vital for boosting their engagement and enhancing financial inclusion.

***C. Ease of Use and Accessibility***

Ease of use and accessibility are some of the most important factors that drive acceptance and ensuring that the use of digital financial services continues. As per Davis [3] users would be more easily accepting technology when they believe the device is understandable and easy to use. Easy-to-use interfaces, intuitive navigation, simplified transactions and live support services greatly add to end-user satisfaction alongside engagement in fintech. The positive relationship between user experience and technology usage, where the design of the application matters a lot is concluded in Kim et al. [8]. In their research, they found that the easier it is to use, the lower the cognitive workload and technological anxiety, while maximising customer retention while customers continue to engage with platforms for the duration of time. Similarly, Zhou et al. [17] found that the access through smartphone and mobile app has been supporting mobile banking and mobile financial services in the face of the continuous use of mobile financial services by working professionals. Being able to access the financial services digitally makes the entire investment management process a completely different ballgame. With digital access to financial services, investors are in a much better position to keep track of market trends, conduct transactions and run their portfolios, 24/7, from anywhere. Therefore, user-friendliness is an important factor particularly for IT Professionals and staff that work for long periods of time. These factors have been exacerbated by recent advances in fintech, which have made interfaces available in a variety of languages, the use of AI to power customer support,

biometrics, and cloud-based financial services.. Each of these innovations help to make the investment more easily done, and makes it better for users in many demographic categories. Despite the progress made to-date, some obstacles remain to accessibility in emerging markets. Low internet speed/patchy connectivity, insufficient digital infrastructure, technological complexity and affordability are still limiting the penetration of fintechs in certain socio-economic segments. Hence, the challenge for fintech developers is to create more inclusive and user-centric platforms to make them more accessible and allow more investors to participate.

***D. Trust, Security, and Risk Perception***

Confidence and security are pivotal behavioural factors influencing investor confidence and fintech usage. Now with digital financial transactions comes issues of privacy, cyber security, online fraud and financial risk. If investors' confidence is high in digital financial systems, they are more inclined to use fintech applications.If the investors have trust and confidence in the reliability, transparency and security of the digital financial systems, they are more likely to use any fintech platform. Gefen et al. [4] focused on how trust would have a positive impact on online transactions and the involvement of customers. They were able to elaborate on their integrated trust model and they mentioned that perceived reliability and perceived security positively contribute to user confidence in EC and digital financial services. Mayer et al. [11] also noted that uncertainty across digital environments is lowered and long-term customer relationships are enhanced by organizational trust. Another key determinant of investors' actions is risk perception. Slovic [14] proposed that the perceived risk of a financial transaction and/or financial product is a significant factor in determining investment decisions and behavioural reaction to financial products. One of the reasons people are reluctant to invest on fintech portals is because of concerns about financial losses, data breaches, identity theft, and cyberattacks. Theories of behavioural finance also indicate that investments can be affected by emotions and psychological factors that shape risk-taking practices in financial decision making. One of the challenges for the global fintech sector is the threat from cybersecurity issues. Investor trust is affected by data privacy breaches, phishing attacks, unauthorized transactions, and digital financial application online scams to the extent that they negatively impact investor willingness to interact with digital financial applications.Data privacy breaches, phishing attack, unauthorized transactions and digital financial application online scams impact investor trust and willingness to use digital financial applications downwards. As a result, fintech firms are becoming more inclined to invest in cutting-edge synthetic intelligence equipment, numerous factor authentication, biometric verification, file encryption, and other AI-based fraud detection systems to move investor self-confidence. Research done since 2021 has shown that improved regulations, oversight, and consumer protection laws have a positive impact on investors' confidence in fintech services. Authorities have implemented more intensive regulations on data protection and enhanced cybersecurity measures in various countries to safeguard secure digital financial environments. Such actions help to build investors' faith in fintech, increase its penetration, and increase financial involvement in digital investment platforms.

## VI. RESEARCH GAP TABLE

| Author & Year | Focus Area | Method Used | Research Gap Identified |
|---|---|---|---|
| Davis (1989) [3] | Technology Acceptance Model | Quantitative | Limited fintech and digital investment focus |
| Gefen et al. (2003) [4] | Trust in e-commerce | Survey | Lack of investor behaviour perspective |
| Lusardi & Mitchell (2014) [10] | Financial literacy | Secondary data analysis | Limited digital investment context |
| Lee & Shin (2018) [9] | Fintech adoption | Survey research | Lack of emerging market analysis |
| Venkatesh et al. (2016) [15] | UTAUT model | Empirical model | Limited behavioural finance integration |
| Kim et al. (2009) [8] | Ease of use and IS adoption | Longitudinal study | Insufficient fintech application focus |
| Slovic (1987) [14] | Risk perception | Behavioural analysis | Limited digital finance perspective |
| Zhou et al. (2010) [17] | Mobile banking adoption | Quantitative | Lack of IT employee-focused studies |
| Recent fintech studies (2022–2026) | AI and digital investment apps | Mixed methods | Limited long-term behavioural analysis |
| Emerging DeFi studies (2023–2026) | Cryptocurrency and DeFi | Exploratory | Lack of regulatory and behavioural integration |

## VII. CONCEPTUAL FRAMEWORK

**Fig. 1: Integrated UTAUT2 and Trust Theoretical Model for FinTech Use**

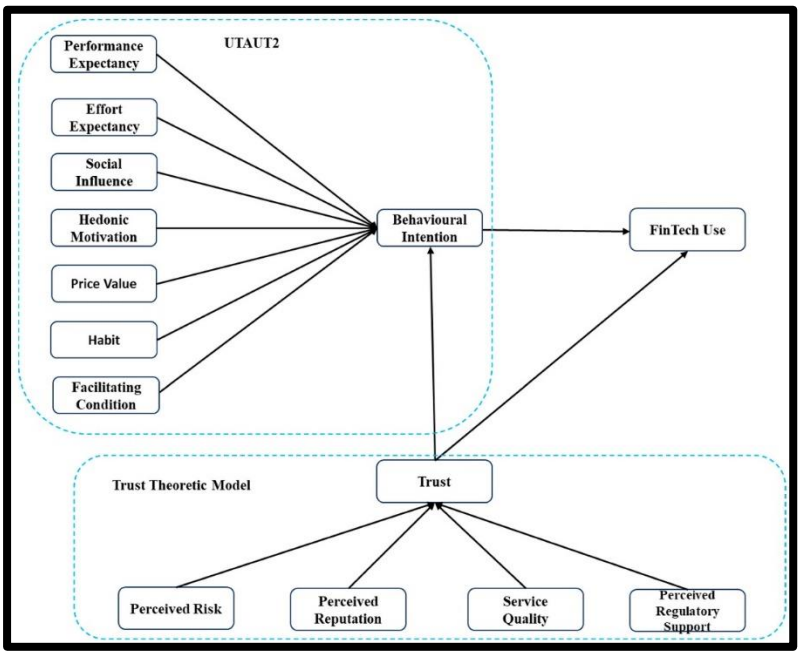



**FIG 2 : Digital Financing Drivers, Adoption Factors, and Financial Inclusion Framework**

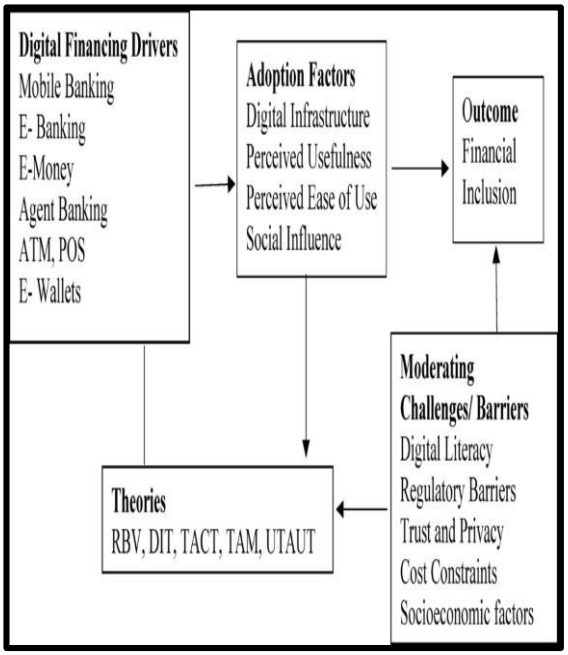
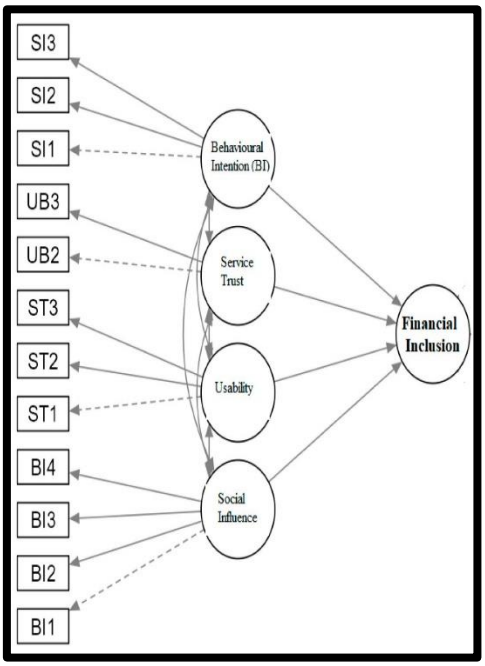



**Fig 3: SEM Model of Behavioural Intention, Trust, Usability, and Social Influence on Financial Inclusion**




***Framework Description:***

In the backdrop of the developed conceptual framework for the study, it can be explained that how application based financial services (ABFS) are related with Investor behaviour of IT Professional of Bengaluru. The framework has been created by merging behavioural finance theories with the technological and adoption models to grasp the effect of technological, psychological and behavioural factors on digital investment choices. This framework takes Application Based Financial Services (ABFS) as the major independent variable affecting investors behavior by several interrelated moderated variables namely; financial awareness, usability, accessibility, risk perceived, trust and security. Application based financial services are mobile banking apps, digital trading platforms, online investment apps, robo advisors and other fintech-facilitated financial products, which offer investors easy and instant access to financial services. These houses ease

the investment procedure, reduce funding investment tumbled and significance financial marketplaces even more truthful to buyers. The institutionalization of using ABFS only helps to increase investor's awareness about finance and financial literacy. With financial awareness, one can be able to understand investment products, make assessment regarding risk and appreciate the financial decisions. The more comfortable an investor is with the financial aspects, the more confident he or she is in confidently using a digital financial platform to become an active investorThe ease of use and accessibility within the framework is an important mediating variable. Users are more likely to adopt digital platforms if they think they are easier to use, useful and simple, as per the Technology Acceptance Model (TAM). An easy-to-use interface and navigable systems, proactive multilingual solutions, and the accessibility to fintech apps via smartphones enhance investor satisfaction and regular usage. Accessibility also helps to lower technological barriers and open up the financial market to a wider user base, namely to the job market, and even to all the individuals who are technologically skilful.

The framework also underlines that one of the largest behavioural factors is risk perception that affects the decision of the investors. Investors sometimes view risks that stem from cybersecurity issues, financial loss, data privacy issues and online fraud within digital investment platforms. However, the negative impact of perceived risk is observed to hinder fintech adoption and restrict investors' confidence in the sector. It, however, suggests that as financial awareness increases and user experience improves, risks and perils would be low, and investment behaviour would be proactive.

Moderating variables of trust and security are integrated to boost the linkage between fintech adoption and investor behaviour. Trust is a crucial aspect that can affect whether or not investors will trust digital financial platforms with their investment in such platforms. Security is an umbrella that encompasses many layers — from encryption technology, secure payment gateways to regulatory compliance — which enhances the level of trust investors have in fintech solutions and further ensures reliability. Digital investment platforms are more likely to be conducive to being used if investors believe they are also trusted, transparent, and secure.

The conceptual framework integrates the main theories that contributed to the research and approach used, including the Technology Acceptance Model (TAM), Unified Theory of Acceptance and Use of Technology (UTAUT), the Behavioural Finance Theory and the Trust Theory. The technological aspects are presented by TAM and UTAUT models and the psychological, emotional aspects are presented by the theory of Behavioural Finance. The Trust Theory can provide an explanation using the extent to which financial systems are reliable and secure for the level of trust that would be gained in a digital system.

The framework helps to understand application-based financial services impact on investor behaviour in a holistic manner in emerging markets such as Bengaluru.. The interaction between technological acceptance, financial literacy, behaviour perception and involvement of the trust mechanisms in investment decision making behaviour was emphasised in the model. The framework could also be used as a basis for developing a proposal for further empirical research using other sophisticated analytical methods such as Structural Equation Modelling (SEM).

## VIII. PROPOSED SEM MODEL

***Fig. 4: Proposed Structural Equation Model (SEM) for Investor and Social Influence toward Financial Inclusion***

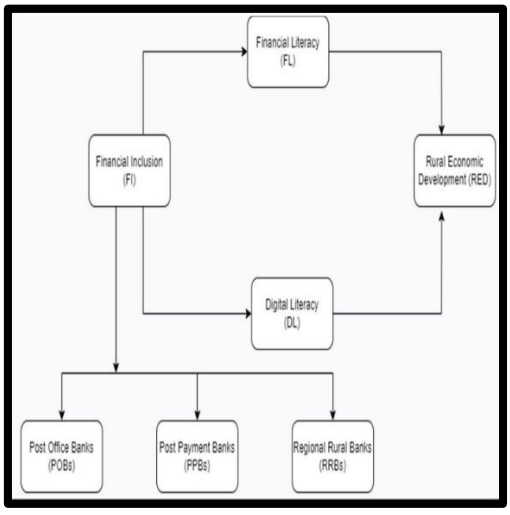
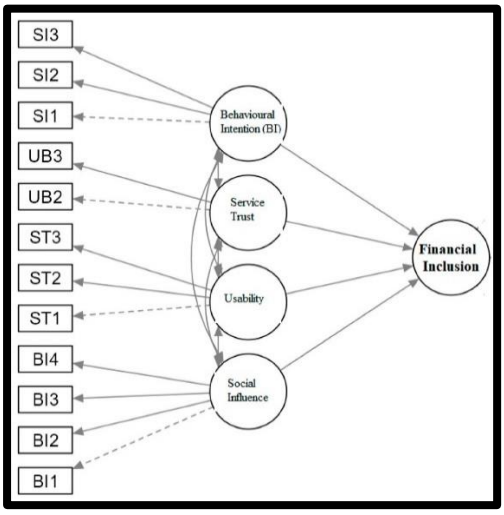



***Fig: 5: SEM Framework of Behavioural Intention, Service Trust, Usability, Behaviour in ABFS***



## IX. SEM MODEL EXPLANATION

The proposed model is a Structural Equation Model (SEM) shows the connection among application based financial services (ABFS) and investor behaviour in IT industry among the investors of Bengaluru. The purpose of the model is to help construct a systematic understanding of how the variables between technological, behavioural and psychological factors all relate and affect investment decision-making in digital financial environments. SEM is regarded as a good analytical method because it enables the researchers to study at once multiple variables and the direct/indirect relationships between them.

Based on this proposed model, the application-based financial services (ABFS) is the first construct that determines the investors' behaviour by using some mediators. Fintech platforms such as mobile banking apps, online trading platforms, digital wallets, robo advisory services, and other platforms that enable online investment through fintech offer examples of ABFS. It proposes that greater use of these digital financial services will result in higher investment financial literacy and accessibility, as well as greater user-friendliness. Investors' financial awareness enables them to make integrated investment decisions, identify financial risks and organize an investment portfolio and digital investment

The ease of use and accessibility are recognized as the important mediating constructs in the SEM model. The model shows that user-friendliness, ease of transactions and mobile accessibility all positively relate to investors' satisfaction and ongoing investment in fintech products and services. Investors will be more inclined to and continue to use digital investment platforms when the apps are user-friendly, easy to use and can be accessed anytime, anywhere. Accessibility also narrows technology gaps and enables more engagement in online financial services and transactions for those using technology, as well as for working adults.

Another important construct that is part of the SEM model is risk perception. There are various drawbacks for investors interested in using fintech platforms, including privacy concerns, financial fraud, market uncertainties, and cybersecurity threats. An increase in perceived risk has a negative impact on investor actions and is likely to decrease the acceptance of digital financial platforms as the model practically suggests. Nevertheless, with hopes of having higher financial literacy & rich experiences in investing, the vagueness can be reduced, along with that they can gain confidence in fintech services.

When comparing ABFS and investors' behaviour, the variables of trust & security are introduced and integrated in a way to enhance that link. One of the key elements identified for the successful adoption of digital financial services for scaled-up and sustained use was trust. Enhanced trust and a positive influence on their participation in digital investment activities are being built with the help of such features as the analysis of transactions in line with artificial intelligence, biometric authentication, making secure payments, complying with regulations and using payment technology. This sense of security and dependability, along with transparency, when users invest with fintech platforms, results in greater engagement among investors with these sites. The Theoretical Backgrounds which integrated into the SEM were Technology Acceptance Model (TAM), Unified Theory of Acceptance and Use of Technology (UTAUT), Behavioural Finance Model (BFT) and Theory of Trust (TT). The present research is convinced by the willingness to accept technology, willingness to use technology, involvement of the investors in accepting the digital financial platforms (TAM), while the acceptance of the involved technology and the psychological perception and emotional response of the investors towards the investments are additionally explained with the Support of the Theory of the Behavioural Finance. Trust Theory can serve as a tool in comprehending the significance of security and dependability within digital monetary settings. The proposed SEM model provides a broad scope for future empirical research that could be conducted after this research on the relationship between fintech adoption and investors' behavior. The framework will be statistically tested via statistical analytical tools like AMOS, SmartPLS, LISREL or WarpPLS which will be used to analyze the relationship between the constructs proposed in the framework and to validate the behavioural patterns among the investors. The model also offers practical training to the financial industry and policy makers on how to improve financial market digital services and increase investors' participation in the new financial markets.

## X. IMPLICATIONS OF THE STUDY

### *A. Theoretical Implications*

The current research builds on this existing literature, with the conceptual framework linking theories of behavioural finance and technology adoption theories into one. The current literature on fintech primarily considers technological acceptance or behavioural economic decision-making separat from one another. This study attempts to address this limitation by

combining the Technology Acceptance Model (TAM), the Theory of Planned Behaviour (TPB), the Unified Theory of Acceptance and Use of Technology (UTAUT), the Behavioural Finance Theory and the Trust Theory in a single theory to understand investor behaviour when considering digital financial environments.

The study helps deepening the theoretical understanding by comprehensively describing the role of the financial awareness, ease of use, accessibility, trust, security, and risk perception in fintech adoption and investment decision-making behaviour. It illustrates that the influences on investor behaviour are not all due to the convenience of technology and that psychological, behavioural and emotional factors play a role. Considering trust and security levels as factors to be moderated further strengthens the theoretical relevance of the framework as digital financial transactions entail uncertainty, privacy concerns, and cybersecurity risks.

Also, the study adds to the growing body of literature in the field of the emerging markets as it specializes on studying financial and technologically knowledgeable professional class of IT professionals from Bengaluru. Existing research focus has been on the developed world, with some work on emerging markets like India. So, the idea of conceptual and SEM-based framework is well-situated for a future empirical research related to the behaviour of investors in today's digitally changed economies.

Additionally, the research enriches the field of behavioural finance by elucidating the interplays between rational finance decision-making and behavioural biases in digital investment contexts. It emphasises the role that digital literacy and technological self-confidence play in the alleviation of uncertainty and increasing participation in investment. The framework can also be used to apply the future academic research of financial services based on artificial intelligence, decentralized finance (DeFi), block chain investment systems and the robo-advisory application.

***B. Managerial Implications***

The findings of the study hold many implications for management with respect to the fintech firms, the developers of the digital investment platforms, banking institutions and financial service providers. The ability to use the app, accessibility, financial literacy, trust and cyber security are key factors that affect investor use and repeated use of fintech applications, the review shows. Hence, fintech companies need to concentrate on building financial platforms focused on the customer which make investment processes easier and better.

Overcoming technological complexity and ensuring ease of use among investors is crucial for Fintech developers, and one of the main ways to accomplish this goal is by emphasizing simple and intuitive interface design. Seamless navigation, support in multiple languages, customizable dashboards, AI-driven customer support, and live economic reports can help boost investor experience and maintain platform engagement. With investors increasingly turning to smartphones for making investments and managing their portfolios, mobile investment apps are especially crucial.

The study also puts the significance of embedding digital financial literacies tools in fintech applications. Investors can gain valuable insights into the stock market with the help of educational resources, investing tips, financial awareness courses, market analysis, and AI-driven trading platforms. In addition to driving more investment in fintech products, investor awareness also helps to minimize behaviour issues and irrational investment behaviour.

Trust and cybersecurity become key factors that affect investor confidence of digital finance platforms. It is crucial for fintech companies to invest significantly in their cybersecurity infrastructure, encryption systems, multi-factor authentication methods, biometric verification, and the use of AI for fraud detection. Clear communication accompanying privacy policies, data protection measures, and regulatory compliance can further build investors' confidence and enhance long-term customer relationship.

The study also recommends that fintech companies tailor their financial offering to investors' risk appetite and behavioural characteristics, according to their preferences. AI algorithms can provide personalized investment advice, automated portfolio management, and predictive financial insights using data analytics. This customisation can help enhance customer loyalty and competitive edges in the fintech space.

Moreover, the partnership between Fintech companies, banking sectors, educational institutions and regulatory agencies could help generate financial inclusion and greater digital investment awareness to boost investments in a wide spectrum of audiences. Those organizations that strike the balance between technology innovation and customer trust and financial literacy are more likely to have a sustainable growth and better competitive positioning in the digital financial ecosystem.

### *C. Policy Implications*

Successful management of digital financial ecosystems and investor protection mechanisms must trail behind the soaring need for better regulatory regimes that provide for transparency, security, and consumer protection but support technological innovation.

Cybersecurity and data protection are among the major policy implications. There is the need for governments and regulators to place strengthening data privacy laws and cybersecurity regulations to protect investors from online fraud, identity theft, phishing attacks, and unauthorized financial transactions. Strong regulations would instill investor confidence and make it safer to adopt fintech. There also need to be clear regulations for data storage, transparency in financing, and systems of grievance management for consumers.

To reiterate, the study recommends that a national and regional watching body dolts boilerplate send out economies and develop for digital financial literacy programs. Lawmakers should implement educational programs, awareness campaigns, and digital financial training programs to enhance investor understanding of the fintech applications, investment risks, cyber safety practices, and digital financial management. Literacy in finance is of paramount significance for economies in the ../0 emerging stage, given that the technological development may be curtailed by socio-economic disparities and insufficiently conscious about finance.

An additional important implication relates to financial inclusion. Governments need to adopt policies to provide better internet connectivity, digital infrastructure, and access to fintech across their territories.

## XI. CONCLUSION

Fintech developments such as mobile apps, online trading platforms, robo-advisors and AI investments have fundamentally changed how we manage investments, as well as how we make investment decisions, within the digital economy. Rapidly evolving fintech technology has increased the accessibility, convenience, and effectiveness of financial transactions and investments. These innovations have also eliminated many of the barriers to investing typically associated with traditional methods of investing; thus, new opportunities have arisen for investors who possess the technological skills necessary to participate in these new digital markets.

In this review we synthesize the literature published from 2002 through 2026 that has investigated factors associated with fintech adoption and behaviours of traders, conclude that there are many environmental and individual factors that interact to influence investor behaviours, including: fintech providers' ability and efforts to create a standardised experience for the user; social interactions; user/trader's knowledge of digital finance; user's perception and awareness of supply chain risks and potential threats from digital supply chains; accessibility, trust, security, and risk assessment. When investors view these fintech systems as being useful, dependable, valuable, and easy-to-use, they are more likely to adopt these platforms and continue to use them frequently and effectively.

The research also highlights a major portion of the investor base in Bengaluru, IT professionals, due to their technical skillset and level of digital literacy; thereby highlighting their level of activity in these digital markets as compared to non-IT professions.

Investor behaviour in digital finance ecosystems is influenced by multiple theoretical frameworks such as Technology Acceptance Model (TAM), Theory of Planned Behaviour (TPB), Unified Theory of Acceptance and Use of Technology (UTAUT), Behavioural Finance Theory, and Trust Theory. This study uses a Structural Equation Model (SEM) to provide a framework that integrates a significant amount of theoretical literature designed to inform and describe how technological acceptance, financial literacy, trust mechanisms, and behavioural perceptions interact to influence fintech adoption and investment practices.

Additionally, this review presents numerous research gaps in the literature. Most existing studies are predominantly quantitative; however, there is a lack of qualitative, longitudinal, and mixed-methods approach studies. Emerging areas of fintech, including decentralized finance (DeFi), cryptocurrency investing platforms, artificial intelligence (AI) financial advisory services, and Block chain-based investment services, remain under-researched in behavioural finance.

Future research should focus on empirical validation of the conceptual framework, cross-cultural fintech adoption patterns, investor behaviour in digital environments, and long-term changes to behaviour induced by technological advancements in financial services.

Findings from this research provide valuable information for fintech developers, policymakers, researchers, financial institutions, and academics regarding the design of secure, inclusive, and user-friendly digital monetary systems. Fintechs should place emphasis on

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