
mLAC Journal for Arts, Commerce and Sciences (m-JACS)**Volume 4, No.3, September 2026, P 11- 26****ISSN: 2584-1394 (Online)**

FROM HABIT TO HEALTH: FINTECHS ROLE IN ELEVATING RETAIL INVESTORS FINANCIAL WELL BEINGVinutha T N^{*1}, K. Nirmala¹¹ Department of Commerce, Bangalore University, Bengaluru, India^{*} Corresponding author email address: vinu15gowda@gmail.com**DOI: <https://doi.org/10.59415/mjacs.310>**

Abstract

The increase of financial technology (fintech) has transfigured the investment setting, offering retail investors state-of-the-art tools to augment their monetary practices. The studies core objectives include recognising the significant determinants driving fintech acceptance amongst retail investors, and evaluating the impact of fintech usage on their financial health. Leveraging an integrated theoretical framework, the study employs primary data collection and advanced statistical techniques to evaluate the interplay between fintech engagement and financial outcomes. To understand the retail investors determinants of fintech adoption, UTAUT2 model has been extended in this study. The Financial Health Framework established by Financial Health Pulse aids in building the financial health score. SEM model has been applied to analyse the causal relationship b/w variables. The outcomes highlight that performance, facilitating conditions, effort expectancy, financial literacy price value, & perceived risk significantly affect fintech adoption. Also, there is a favourable association b/w the fintech usage frequency and upgraded financial health indicators, such as, savings rates, budgeting efficiency, and management of debt.

Keywords: FinTech; Modified UTAUT2, Financial Health Score, Retail Investors JEL Code: G10, G20, O33, D14

1. Introduction

Fintech's explosive growth has transformed the global financial scene and presented retail investors with incredible opportunities. (Anyfantaki, 2016). By providing individual investors with tools for improved financial planning, portfolio management, and investment decision-making, fintech innovations have democratized right to use to financial services (Gomber, Kauffman, Parker, & Weber, 2018). These technologies takes care of age-old barriers like low financial knowledge, narrow access to financial advice by offering comprehensible platforms that assimilate computerisation, customization, and instantaneous analytics (Haddad & Hornuf, 2019). As fintech continues to flourish, knowing its adoption and influence on financial well-being becomes central.

Retail investors lack professional experience in managing investments which leads to difficulty in achieving financial stability. Poor Savings Rate, Difficulties in Budgeting and ineffective budgeting are few examples (Lusardi & Mitchell, , 2014). The fintech platforms solve these problems by offering leading-edge features like budgeting apps, P2P lending platforms and robo-advisors. Nevertheless, systematic research is necessary for analyzing various factors that impact the choice to embrace these technologies. A solid theoretical outline for examining these factors is adopted from the Extended UTAUT2 model (Venkatesh, Thong, & Xu, 2012). The model demonstrates the intricacy of technology adoption habits by incorporating the variables like social influence, performance and effort expectations, and habit

The study also assesses the retail investor's financial health post adoption of fintech by using the Financial Health framework developed by Financial Health Pulse (CFPB Financial Well-Being Scale, 2015). This framework covers Spending, Saving, Borrowing and Planning Habits of People by providing a broad lens to measure how fintech impacts management of debt, budgeting efficiency, and long-term financial spirit. The study bids a complete assessment of fintech's purpose in nurturing the financial well-being by linking various frameworks to scrutinize the association b/w technology embracement and financial outcomes.

A mixed-methods approach is adopted for the research, linking qualitative information from focus groups and interviews with numerical examination of primary survey statistics. The outcomes intent to provide actionable commendations to fintech providers, financial educationalists and legislators to enhance the financial well-being of

retail investors.

This study makes two significant hand-outs. The first one, it advances the academic indulgent of fintech adoption by extending the UTAUT2 model to the retail investing context. Second, it enriches the discourse on financial well-being by empirically linking fintech usage to improvements in financial health. These insights are expected to inform the development of targeted fintech solutions that not only augment user experience but also fund to long-term financial stability.

2. BACKGROUND AND THEORETICAL FOUNDATION

FinTech

Fin-tech is defined as a new concept that improves financial services by proposing technology solutions including digital finance which includes crowd funding, P2P lending, and crowd lending, Digital payments (mobile payment), investment trading, digital money, personal financial management tools and digital insurance (Leong & Sung, 2018). The adoption of FinTech overcomes the time and location constraints of financial operations such as checking balances, transferring funds, and reducing visits to physical branches. This leads to greater efficiency in financial services, fosters new opportunities for financial innovation, and enhances governance. (Kabir, Huda, & Faruq, 2020). These technological advancements possess the potential to suggest fundamental financial services that are reasonable, secure, and efficient. (Leong, Tan, Xiao, Tan, & Sun, 2017)

Fintech Adoption and Retail Investing

The fintech rise has revolutionised the retail investing background, providing accessible, intuitive platforms that cater to individual investors. Fintech adoption among retail investors is driven by its ability to bridge gaps in financial literacy and investment knowledge through tools such as robo-advisors, algorithmic trading platforms and micro-investing apps (Haddad & Hornuf, 2019); Philippon, 2016). These technologies enable retail investors to take data-driven resolutions & participate in markets that were previously inaccessible. Despite these advancements, barriers such as lack of trust, perceived risk, and limited digital literacy persist, highlighting the prerequisite for directed strategies to improve fintech adoption (Gomber, Kauffman, Parker, & Weber, 2018); Chuang et al., 2021). The adoption of fintech and retail investing behaviors relationship is thus an acute area of study, through significant indications for financial inclusion and market participation.

Modified UTAUT2 Model

The UTAUT model delivers a useful background for understanding the determinants that impact technology adoption & can be applied to examine how fintech is incorporated into higher education. (Venkatesh, Morris, Davis, & Davis, 2003) expresses that UTAUT highlights four key dynamics which stimulus consumers' intents and actions for using technology: performance expectancy, effort expectancy, social influence, and facilitating conditions. The UTAUT is expanded upon by UTAUT2 model (Venkatesh, Thong, & Xu, 2012) by adding three more constructs i.e. hedonic motivation, habit and the price value comes up to 7 independent variables which are the elements of Behavioural Intention. Finally, the actual use is influenced by BI. This model illuminates 56–74% of the behavioral intention and 40–52% of the actual usage when matched to other intensely deep-rooted theories (Hassan, Islam, Abdullah, & Nasir, 2024). This study's underlying idea is established on the UTAUT shaped by (Venkatesh, Thong, & Xu, 2012). This adaption enables a more sophisticated knowledge of how retail investors interact with fintech products, allowing for more targeted tactics to increase uptake.

Financial Health

Financial health is a multidimensional construct encompassing an individual's ability to manage day-to-day expenses, save for future goals, and maintain resilience against financial shocks (CFPB Financial Well-Being Scale, 2015); (Collins & Urban, 2019). The Financial Health framework developed by Financial Health Pulse provides a structured approach to evaluating these dimensions, emphasizing spending, saving, and borrowing behavior. Studies have highlighted that financial health is closely linked to a person's knowledge of finances & access to financial tools, both of which fintech platforms are positioned to enhance (Lusardi & Mitchell, The Economic Importance of Financial Literacy: Theory and Evidence, 2014); Hasler & Lusardi, 2019). An understanding of how fintech technologies support long-term financial stability and well-being may be gained by evaluating financial health against the backdrop of adoption.

Impact of Fintech on Financial Health

Fintech adoption have been related with significant improvements in financial well-being, particularly through enhanced budgeting, savings, and debt management capabilities (Jagtiani & Lemieux, 2017); (Gomber, Kauffman, Parker, & Weber, 2018). By leveraging data-driven insights and personalized recommendations, fintech tools empower users to make informed financial decisions, fostering greater financial resilience (Berg et al., 2020). Studies also suggest that sustained use of fintech platforms can contribute to habit formation, leading to better financial behaviors over time (Hasler & Lusardi, 2019; Philippon, 2016). However, the extent of fintech's impact on financial well-being varies across demographics, underscoring the necessity for inclusive designs that takes care of diverse user requests.

3. THEORETICAL MODEL AND HYPOTHESIS

The study draws inspiration from the UTAUT as discussed earlier to discover the history of fintech adoption amongst the retail investors. From the UTAUT model, performance expectancy, effort expectancy, social influence, facilitating conditions have been embraced and from the UTAUT2 Model, Price Value, Perceived Risk and Financial Literacy has been adopted. These factors are associated to the fintech adoption by their influence on behavioral intention and the actual use. The research model derived is discussed below:

Performance Expectancy (PE)

The degree to which a person agree to take that utilizing technology will assist them achieve specific tasks is known as performance expectancy (Venkatesh, Morris, Davis, & Davis, 2003). This variable has been proposed in the literature to influence people's desire to utilize shopping applications (Chopdar, Korfiatis, Sivakumar, & Lytras, 2018), ICT in (Verdegem & Marez, 2011). We base our consideration of the fintech use's performance expectations on users' behavioral intentions. Thus, the subsequent hypothesis has been put out.

H1 Hypothesis: Performance expectancy significantly influences the behavioral intentions of retail investors in utilizing fintech services.

Effort Expectancy (EE)

Effort expectancy refers to the degree to which a user believes a system is easy to use and functional (Venkatesh, Morris, Davis, & Davis, 2003). (Kim, Yoon, & Han, 2016) expresses that ease of using a technology has a vibrant role during initial stages of adoption since it stimuli's peoples willingness to use a particular innovation. Studies (Khechine, Lakhali, & Ndjambo, 2016); (Liébana-Cabanillas, Molinillo, & Ruiz-Montanez, 2019) have found Intention to utilise the technology is positively correlated with effort expectancy. The association between effort expectancy and intention to utilize fintech have not yet been established in the framework of its adoption by students of higher education. Thus, the study hypothesises that:

H2 Hypothesis: Effort expectancy significantly influences the behavioral intentions of retail investors in utilizing fintech services.

Social Influence (SI)

Social influence is the degree to which others' influence can persuade someone to use a particular technology. The views or opinions of family and friends influence people in deciding to utilize a new technology. The influencers favourable or unfavourable opinion of a technology, their choices are perhaps going to have an impact on their associates choices. With reference to the perspective of FinTech adoption, social influence has a favorable influence on private banking customers in India (Singh, Sahni, & Kovid, 2020). With reference to Indonesian SMEs, Social factors affected how SMEs' adopted new technology (Najib & Fahma, 2020). Also, (Oliveira, Thomas, Baptista, & Campos, 2016) demonstrates how users' intentions to use mobile payments are positively impacted by social influence. Accordingly, this study submits that:

H3 Hypothesis: Social Influence significantly influences the behavioral intentions of retail investors in utilizing fintech services.

Facilitating Conditions (FC)

The facilitating conditions include the extent to which a person has assurance in a company and the technical arrangement that encourages system use (Venkatesh, Morris, Davis, & Davis, 2003). It describes how a client perceives the resources and assistance that are easily accessible when using a technology. Any technical invention must be used with certain tools, software, hardware, and Internet connectivity in addition to certain skill sets. Therefore, the presence facilitating conditions may increase interest in and subsequent usage of fintech. The intention to utilise technologies like shopping applications, ICTs (Macedo, 2017) and digital payment services (Oliveira,

Thomas, Baptista, & Campos, 2016) has been demonstrated in earlier research to be favorably impacted by enabling situations. The present study suggests that more people will intend to use and intend to utilise fintech services if they have access to conducive environments like mobile phones, network connectivity, and social backing. Thus, this research postulates that:

H4 Hypothesis: Facilitating Conditions significantly influences the behavioral intentions of retail investors in utilizing fintech services.

PriceValue(PV)

It refers to the individuals evaluation of the sense of balance amid the observed paybacks of a technology and the financial charge related with its usage (Venkatesh, Thong, & Xu, 2012). In the setting of fintech adoption, price value highlights the importance of affordability and cost-effectiveness in influencing user intentions. Research has demonstrated that price value positively impacts the embracing of numerous technologies, such as mobile payment services (Oliveira, Thomas, Baptista, & Campos, 2016), e-learning platforms (Hua & Huang, 2020), and e-commerce websites (Kumar & Nayak, 2019). When users perceive that the proceeds of a fintech platform, like enhanced accessibility, time savings, & personalized financial management, outweigh the associated costs, they are more probable to embrace and continuously practice the service. Consistent with prior studies, this research posits that a higher price value perception will lead to an increased intent to accept fintech platforms among retail investors.

H5 Hypothesis: PriceValue significantly influences the behavioral intentions of retail investors in utilizing fintech services.

Financial Literacy (FL)

Financial literacy is the understanding and awareness of the financial concepts and the services that allow people to make educated financial decisions. According to (Panos & Wilson, 2020). Understanding various financial needs, such as financial risks, interest rates, returns, investing, and money management is part of the notion of financial literacy (Morgan, 2021). There isn't much study on financial literacy at the moment. While (Prasad, Meghwal, & Dayama, 2018) sought to determine the association b/w financial literacy in the digital age among Indian households, (Rahayu, Ali, Aulia, & Hidayat, 2022) looked at the connection between Indonesia's millennial generation's financial conduct and their degree of knowledge of digital finance. Therefore, The consequences of having financial literacy on students is highly pertinent and requires much discussion and investigation. The drive of the paper is to study the significance of financial literacy is influencing the behavioural intention to routine fintech amongst retail investors. Hence following assumption has been framed.

H6 Hypothesis: FinancialLiteracy significantly influences the behavioral intentions of retail investors in utilizing fintech services.

PerceivedRisk(PR)

Perceived risk is perceived as potential negative consequences or uncertainties a consumer associates with embracing a novel technology or service (Featherman & Pavlou, 2003). In the milieu of fintech acceptance, perceived risk includes concerns about confidentiality, security, financial loss & technological reliability. Studies have consistently shown that advanced planes of perceivedrisk negatively impact the espousal of technologies like mobile banking (Kesharwani & Bisht, 2012), digital wallets (Shin, 2009), and e-commerce platforms (Zhang, Zhu, & Liu, 2012). These risks often deter users from embracing fintech services, particularly when sensitive financial data or transactions are involved. However, the presence of robust security measures, transparency, and user education can mitigate these concerns and enhance user trust. This research aligns with previous studies, suggesting that minimizing perceived risk will positively influence the intention of retail investors to embrace fintech services.

H7 Hypothesis: Perceived Risk significantly influences the behavioral intentions of retail investors in utilizing fintech services.

BehaviouralIntention(BI)

Behavioral intention is the probability that customers will engross in a certain conduct (Ajzen, 2002). Greater usage of technology is frequently the result of stronger behavioral intentions. Prior researches on the technology adoption have repeatedly said that behavioral intention and actual usage are positively correlated (e.g., (Chopdar, Korfiatis, Sivakumar, & Lytras, 2018) (Macedo, 2017) (Venkatesh, Thong, & Xu, 2012), For example, (Macedo, 2017) discovered that usage behavior is highly influenced by behavioral intention when it comes to older persons adopting ICT. Similarly (Venkatesh, Thong, & Xu, 2012) highlight the significant distinction b/w behavioural intention & the usage of technology. Given the emphasis of this reading and existing hypothetical indication, examining the connection between behavioral intention and actual usage behavior is essential. Therefore, we hypothesize that:

Hypothesis H8: FinTech Actual Usage (AU) is positively impacted by Behavioural Intention (BI).

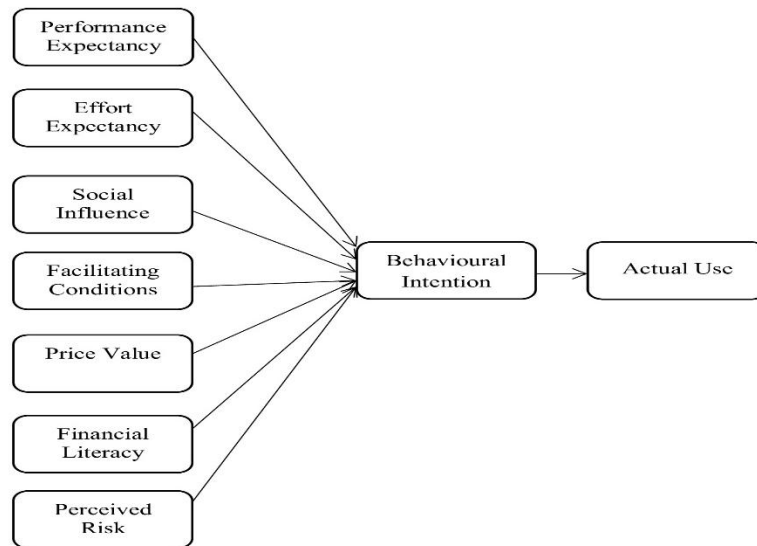


Figure 1: Research Model

4. RESEARCH METHODOLOGY

The paper has adopted extended UTAUT 2 model to recognize and investigate the determinants which powers the retail investors to embrace FinTech services. Furthermore, the research incorporates the Financial Health Framework, developed by Financial Health Pulse, to estimate the result of FinTech services on the financial health of retail investors, offering a broad idea of the association b/w FinTech adoption and the financial health. The research poses following questions: a) what are the factors that guides the retail investor's intent to use the fintech services and consequently their adoption? b) Can UTAUT 2 be modified to further investors' embrace of fintech in terms of analytical power? c) Do FinTech adoption by investors improve their financial health? A survey method has been adopted to respond to these questions. This works well for assessing how the variables behave and relate to one another (Chin & Newsted, 1999). Also, deliberating to (Huang & Benyoucef, 2015), survey methodology has been used in many studies to measure behavioral variations in communal and e-commerce environments.

Questionnaire

With slight modifications, the measurement items adopted in this study has been adopted from the (Venkatesh, Thong, & Xu, 2012). The UTAUT2 model includes 5 latent variables, which includes: price value, performance expectancy, effort expectancy, enabling condition, and the social impact. The UTAUT2 Model has been extended to take in financial literacy and perceived risk. Financial literacy has been derived from (Lusardi, 2019). All the items have been rated on a Likert scale - 5 point, in which 1 signifies strong disagreement and five signifies strongly agreement. To authorise the validity of the contents of the measuring scale, we did a comprehensive literature research and spoke with number of subject-matter experts. The questionnaire was designed with contribution from four experts: two FinTech experts and two faculty members.

Data Collection

The judgmental sampling technique was applied utilizing the following criteria. a) Retail Investor; b) Fintech Service User; and c) Bengaluru Urban resident. The survey questions were disseminated electronically using Google Form in order to administer the questionnaires. Data collection through online questionnaires is appropriate from the perspective of the FinTech adoption research. Furthermore, it is more beneficial because to its broad reach and simplicity of production (Chen, Wang, Huang, & Shen, 2016)

The (Barclay, Higgins, & Thompson., 1995) rule was adhered to for calculating the size of the sample. This means that the size of the sample must be ten times larger than the total no. of structural paths that lead to the particular

structural design. In the study, the maximum number of structural paths leading to a particular component is seven (Figure 1). In accordance with the ten times rule, the sample size ($7 \times 10 = 70$) is considered enough. 206 of the 232 responses that were received were judged appropriate for the study. We concluded that the number of responses collected was sufficient, given that 70 was the minimum sample size required for the study.

Data Analysis

The data analysis were conducted in 3 stages, the first one being descriptive analysis, followed by structural model analysis, and finally measurement model analysis. Descriptive analysis was done using SPSS to examine the demographic characteristics of the respondents. For additional investigation, the study made use of (AMOS – SEM). It is a method of data analysis which can evaluate a sequence of simultaneously formed, fairly multifaceted correlations b/w the external and endogenous variables (Sarkar & Costa, 2008). These correlations could be built starting with a number of indicators. Regression analysis and factor analysis are two forms of analysis that are combined in this method. The structural model is observed to determine whether variables are associated or have an impact on one another, and the measurement model is evaluated for the two-stage SEM analysis for the construct validity and reliability of each indicator (Costa & Jongen, 2006)

Additionally, Financial Health Scores will be calculated using the scoring model, later investors will be segmented into different financial health categories like financially coping, vulnerable etc using the threshold values from the scoring model and regression models will be developed to explore predictors of financial health and chi-square test will be executed to evaluate the association b/w fintech usage frequency (Regularly, Occasionally, Rarely) and financial health categorization

5. RESULTS AND FINDINGS

Table 1: Characteristics of the respondents

Characteristic	Criteria	No. of Respondents	%
Gender	Female	99	48.1
	Male	107	51.9
Age	Less than 20	8	3.89
	20-29	70	33.98
	30-39	46	22.33
	40-49	62	30.09
	50 and above	20	9.71
Level of Education	Less than Pre-University Education	21	10.19
	Under Graduate	74	35.92
	Post Graduate	49	23.79
	Others	62	30.09
Frequency of Fintech Use	Regularly	76	36.89
	Occasionally	46	22.33
	Rarely	84	40.77

Measurement Model

The degree to which the research model matches the data is determined by the measurement model's outcome, which is displayed in Tables 2 and 3. The reliability of the AMOS program was evaluated using Cronbach's alpha and composite reliability, while the rationality of the research instruments was evaluated using convergent and discriminant validity tests. All other components have loading factors larger than 0.70, suggesting a solid indication, although three elements (FL2, PV4, and PR3) had factor loadings < 0.4 and were removed from the final model. All scales' composite reliability ratings, which above the lowest cutoff point of 0.70 for Cronbach alpha values (refer to Table 2), show how reliable they are. Since the square root value of the convergent validity extract of mean variation (AVE) is more than the limit value (0.70) (see Table 2), all scales are considered trustworthy. According to Fornell and Larcker's assessment of discriminant validity, all ten constructs are valid since each factor's extracted variance is comparatively significant when considering the relationship between scales (see Table 3).

Table 2: Quality Criteria - Factor Loading and (AVE, Composite reliability, Cronbach's Alpha)

Constructs	Items	Factor Loadings	AVE	Composite Reliability	Cronbach's Alpha
Performance Expectancy	PE1	0.830	0.758	0.780	0.912
	PE2	0.843			
	PE3	0.874			
	PE4	0.852			
Effort Expectancy	EE1	0.841	0.821	0.791	0.918
	EE2	0.832			
	EE3	0.861			
	EE4	0.879			
Social Influence	SI1	0.822	0.812	0.821	0.920
	SI2	0.811			
	SI3	0.824			
	SI4	0.823			
Facilitating Conditions	FC1	0.747	0.789	0.725	0.888
	FC2	0.741			
	FC3	0.732			
	FC4	0.718			
Price Value	PV1	0.765	0.792	0.731	0.892
	PV2	0.774			
	PV3	0.778			
Financial Literacy	FL1	0.888	0.872	0.777	0.881
	FL3	0.895			
	FL4	0.911			
Perceived Risk	PR1	0.921	0.889	0.819	0.923
	PR2	0.914			
	PR4	0.917			
Behavioural Intention	BI1	0.844	0.842	0.792	0.895
	BI2	0.851			
	BI3	0.845			
	BI4	0.866			
Actual Use	AU1	0.945	0.879	0.844	0.926
	AU2	0.942			
	AU3	0.914			
	AU4	0.889			

Table 3: Discriminant Validity

Variables	Mean	SD	PE	EE	SI	FC	HM	FL	CM	BI	AU
PE	4.524	1.341	<i>0.934</i>								
EE	4.431	1.523	0.635	<i>0.921</i>							
SI	4.751	1.275	0.588	0.526	<i>0.873</i>						
FC	4.612	1.364	0.623	0.611	0.638	<i>0.824</i>					
PV	4.211	1.351	0.737	0.475	0.536	0.604	<i>0.833</i>				
FL	4.651	1.340	0.623	0.475	0.475	0.623	0.623	<i>0.916</i>			
PR	4.825	1.519	0.737	0.526	0.526	0.737	0.737	0.737	<i>0.911</i>		
BI	4.441	1.276	0.612	0.611	0.611	0.612	0.612	0.612	0.612	<i>0.853</i>	
AU	4.523	1.364	0.588	0.611	0.611	0.588	0.588	0.588	0.588	0.588	<i>0.831</i>

The diagonal displays the squared roots of the extracted extract of mean variation (AVE) in italics for $n = 206$, while the diagonal displays the variable correlations. Perceivedrisk (PR), behavioral intention (BI), pricevalue (PV), financial literacy (FL), socialinfluence (SI), performanceexpectancy (PE), effortexpectancy (EE), and actual use (AU).

Structural Model

According to the study's fit index data, the root mean square error of approximations is 0.062, the Tucker-Lewis Index is 0.924, the CMIN/DF is 1.426, and the Comparative Fit Index is 0.940. (Hu & Bentler, 1999) provide an effective fit model for the minimum cut-off value fit. The goodness details are shown in Table 4.

Table 4: Goodness of Fit

Indicators	Value	Standard	Category
RMSEA	0.062	$0.05 \leq \text{RMSEA} \leq 0.08$	Good Fit
CMIN/DF	1.426	≤ 2.00	Good Fit
NFI	0.914	≥ 0.90	Good Fit
IFI	0.930	≥ 0.90	Good Fit
TLI	0.924	≥ 0.90	Good Fit
CFI	0.940	≥ 0.90	Good Fit

The research hypotheses are assessed by valuing the structural model. The hypothesis testing result is presented in Table 5. Financial literacy ($\beta:0.534$, $p\text{value}:0.000$), facilitating conditions ($\beta:0.200$, $p\text{value}:0.018$), performance expectations ($\beta:0.512$, $p\text{value}:0.006$), effort expectancy ($\beta = 0.410$, $p\text{value}:0.000$), price value ($\beta:0.491$, $p\text{value}:0.000$), and perceived risk ($\beta = 0.333$, $p\text{value}:0.009$) are the determinants that have a positive impact on BI, according to the study's findings. Consequently, the following theories are approved: 1, 2, 4, 5, 6, and 7. Meanwhile, social influence and behavioral intention do not appear to be associated ($\beta:0.011$, $p\text{value}:0.071$). Consequently, hypothesis 3 is refuted. Furthermore, this study found that behavioral intention affects actual fintech use ($\beta:0.511$, $p\text{value}:0.003$), supporting hypothesis 8.

Table 5: Hypothesis Testing

	Hypothesis	β	P - value	Decision
H1	Performance Expectancy $\rightarrow$ Behavioural Intention	0.512	0.006	Supported
H2	Effort Expectancy $\rightarrow$ Behavioural Intention	0.410	0.000	Supported
H3	Social Influence $\rightarrow$ Behavioural Intention	0.011	0.071	Not Supported
H4	Facilitating Conditions $\rightarrow$ Behavioural Intention	0.200	0.018	Supported
H5	Price Value $\rightarrow$ Behavioural Intention	0.491	0.020	Supported
H6	Financial Literacy $\rightarrow$ Behavioural Intention	0.534	0.000	Supported
H7	Perceived Risk $\rightarrow$ Behavioural Intention	0.333	0.009	Supported
H8	Behavioural Intention $\rightarrow$ Actual use	0.511	0.003	Supported

Co-efficient of Determination

The R^2 indicates that the study's model can clarify the ways in which various factors contribute to the explanation of variations in FinTech uptake. As a result, predictions with a higher R^2 value may be correct. The findings of the research model explain a noteworthy variance in BI ($R^2 = 0.63$). This shows that the variables of performance expectation, effort expectation, social influence, facilitation conditions, pricing value, financial literacy, and perceived risk account for 63% of the variation in variations in the desire to embrace FinTech. Furthermore, the theory enlightens a considerable variance in fintech adoption ($R^2 = 0.58$), representing that the behavioral intention variable explains for 58% of the variation in fintech adoption.

6. FINTECH AND FINANCIAL HEALTH

Financial Health Framework that incorporates relevant dimensions and metrics was designed to evaluate the effect of fintech use on financial health of retail investors. Financial Health Score was determined based on Budgeting and Expense Management, Saving and Emergency Funds, Debt Management, Investment Behavior, Financial Stress and Confidence Scores. Each dimension has been assessed through survey items and they have been assigned equal points. Scores have been calculated separately for each dimension totalling to 100. Investors with scores of 0-39 have been regarded as financially vulnerable, those with scores of 40-79 are Financially Coping and 80-100 are Financially Healthy (CFPB Financial Well-Being Scale, 2015). Later, Fintech usage was assessed by frequency of using fintech services i.e, Daily, Weekly, Monthly, Quarterly and Rarely which was further classified as Regularly, Occasionally and Rarely.

Table 6: Fintech Usage Frequency Cross tabulation

Category	Regularly	Occasionally	Rarely	Total
Financially Vulnerable	10	5	24	39
Financially Coping	56	37	59	152
Financially Healthy	10	4	1	15
Total	76	46	84	206

Chi-Square Tests

A Chi Square Test of Independence was executed to evaluate the association between fintech usage frequency (Regularly, Occasionally And Rarely) and financial health categorization (Financially Vulnerable, Financially Coping, Financially Healthy), The test links observed calculations against expected calculations under the null hypothesis, which assumes no association b/w these 2 variables.

Table 7: Chi-Square Tests

Test	Value	df	Sig. (p-value)
Pearson Chi-Square	12.345	4	0.015
Likelihood Ratio	11.987	4	0.016
Linear-by-Linear Association	8.234	1	0.004
Number of Valid Cases	206		

With a p-value of 0.015 ($p < 0.05$), the outcomes demonstrate a significant association b/w the frequency of fintech use and financial health classification.

The findings validate that the frequency of fintech use significantly marks the classification of financial health. Specifically, Individuals who use fintech tools regularly are more likely to fall into the "Financially Healthy" or "Financially Coping" categories. Those who use fintech tools rarely are more likely to belong to the "Financially Vulnerable" category. The significant relationship underscores the significance of consistent fintech usage in enhancing the individuals' financial health by facilitating better budgeting, savings, and investment behaviors.

7. FINANCIAL BEHAVIOR ON FINANCIAL HEALTH

The impact of financial behaviour scores on the financial health categories are studied using regression analysis and the same has been presented below. The regression analysis assessing the impact of several financial behavior scores like Savings, Budgeting, Debt, Investment, Stress, and Confidence on the Financial Health Category produces a robust model.

Table 8: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.838 ^a	.701	.692	.27715

a. Predictors: (Constant), Confidence_Score, Stress_Score,

Budgeting_Score, Debt_Score, Savings_Score, Investment_Score

The above table shows that 0.701 is the R^2 value which denotes that 70.1% of the variant in financial health categories can be elucidated by these variables used in the study. The value of 0.692 is the adjusted R^2 which consents that the model remains dynamic even after controlling for the number of factors.

Table 9: ANOVA Results

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	35.919	6	5.986	77.939	.000 ^b
	Residual	15.285	199	.077		
	Total	51.204	205			

a. Dependent Variable: Financial Health Category

b. Predictors: (Constant), Confidence_Score, Stress_Score, Budgeting_Score, Debt_Score, Savings_Score, Investment_Score

The ANOVA results i.e. $F=77.939$, $p < 0.001$ endorses the total significance of the model, representing that the independent variables like Confidence_Score, Stress_Score, Budgeting_Score, Debt_Score, Savings_Score, Investment_Score jointly have a noteworthy impact on financial health category.

Table 10: Coefficients Analysis

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
	(Constant)	.463	.074		6.250	.000
	Budgeting_Score	.005	.001	.384	9.855	.000
	Savings_Score	.006	.001	.321	8.081	.000
	Investment_Score	.005	.001	.330	8.274	.000
	Debt_Score	.005	.000	.462	11.856	.000
	Stress_Score	.002	.001	.183	4.701	.000
	Confidence_Score	.003	.001	.198	5.030	.000
<i>a. Dependent Variable: Financial Health Category</i>						

Each financial behavior score had a substantial impact ($p < 0.001$) on financial health category. Debt Score (Beta = 0.462): The most powerful predictor, underscoring the prominence of debt supervision in improving financial health. Budgeting Score (Beta = 0.384): A major positive factor demonstrating how excellent budgeting techniques improve financial wellness. Investment Score (Beta = 0.330): Shows that investing practices are closely related to financial health improvement. Savings Score (Beta = 0.321): Emphasizes the significance of saving practices in obtaining better financial health categories. Stress Score (Beta = 0.183): Lower stress levels appear to have a upright influence on financial health, however the effect is minor. Confidence Score (Beta = 0.198): Indicates that confidence in financial decision-making is an important, if less influential, factor of financial wellness.

8. DISCUSSION

In this study, we examined the factors influencing the adoption of fintech by retail investors and how using it affected their financial well-being. This objective is driven by the paucity of information and contradictory results in the corpus of current research on the factors promoting fintech adoption. In order to fill in these gaps, this study used components from UTAUT2 theory and two more, namely perceived risk and financial literacy

The results validate the hypothesis (H1) that behavioral intention to use fintech is significantly correlated with performance expectation. Additionally, these results are consistent with other studies conducted by (Chopdar, Korfiatis, Sivakumar, & Lytras, 2018) and (Venkatesh, Thong, & Xu, 2012). This confirmation suggests that user behavior is significantly influenced by the benefits of utilizing fintech. Therefore, if they can benefit more from embracing fintech, investors are more inclined to embrace it. The findings show that behavioral intention when utilizing fintech is significantly correlated with effort expectation (H2). Retail investors, being increasingly comfortable with digital technologies, do not see ease of using the technology as a barrier to adoption. This suggests that even if fintech platforms require some effort to navigate, their overall utility and functionality outweigh the ease of use concerns. In contrast, **social influence** does not expressively impact retail investors' intention to use fintech services (H3), indicating that their decision is primarily guided by personal preferences and financial goals rather than external pressures. **Facilitating conditions** positively influence retail investors' intention to accept fintech, as they benefit from supportive infrastructure and resources that enhance their experience with fintech platforms. **Price value** significantly influences behavioural intention, which highlights the importance of cost-effectiveness in fintech adoption. Retail investors are further inclined to assent fintech services when they notice value in terms of affordability and transparency, in line with the UTAUT2 model.

This paper incorporates the variable financial literacy and perceived risk into the UTAUT2 model. According to the results, these two elements have a big impact on retail investors' plans to use FinTech. Among these variables, financial literacy comes out as a strong predictor ($\beta = 0.534$) of adoption. Fintech services are more probable to be adopted by investors who have a deeper comprehension of financial concepts, including financial risks, investment methods,

interest rates, returns, and money management. This is in line with earlier study by (Lusardi, Financial literacy and the need for financial education: evidence and implications, 2019), which highlights that the likelihood of implementing financial innovations is increased by having a solid grasp of financial elements. The intention to employ fintech technology is significantly correlated with perceived risk ($\beta = 0.333$), indicating that investors' decisions are influenced by their worries about possible financial dangers. Despite these concerns, the perceived benefits and value associated with fintech services continue to drive adoption. This study supports the idea that while perceived risk may impact adoption, positive behavioural intentions remain a critical factor in the successful use of fintech, as reinforced by previous research.

It has been shown that incorporating perceived risk variables and financial literacy into the initial UTAUT2 model enhanced the model's capacity to predict the adoption of new technology. This model has a 63% projection power for behavioral intention and a 58% predicting power for technical use, according to its high R^2 score of 0.63. This research has improved the UTAUT2 model in the framework of retail investors' adoption of FinTech.

The strong correlation between fintech usage and fintech health categorization shows that fintech platforms have the impending to play a substantial part in boosting financial wellbeing. Policymakers & fintech providers should prioritize encouraging regular use of fintech tools through targeted awareness campaigns, creating user-friendly features that improve accessibility and usability for individuals across financial health categories, and providing personalized insights and recommendations to empower vulnerable users and guide them toward better financial practices.

The regression study found that debt management is the utmost significant element of financial wellness, with the greatest standardized coefficient ($\beta=0.462$). Budgeting, saving, and investing all play important roles in improving financial wellness. Effective budgeting ($\beta=0.384$), disciplined savings ($\beta=0.321$), and excellent investing habits ($\beta=0.330$) are crucial for financial well-being. Psychological factors, such as stress ($\beta=0.183$) and confidence ($\beta=0.198$), has a statistically substantial effect on financial wellness. The regression model accounts for a substantial amount (70.1%) of the variant in financial health categories, demonstrating its validity and dependability.

Practical Implications

The study's results have a lot of real world effects for anyone involved in the fintech industry. Fintech firms' prominence on pricing value stresses on how significant it is to propose sensibly priced solutions with exclusive value propositions to fascinate and hold retail investors.. The necessity of instructing users about money management, investment tactics, and the rewards of using fintech solutions is underscored by the assimilation of financial literacy into fintech platforms. It provides useful info on how to form regulations that would realm the financial steadiness of retail investors and cheer their contribution. These understandings may be used by policy makers to generate regulatory structures which necessitates fintech companies to completely release their pricing arrangements, assuring affordability and guarding users from tacit fees. SEBI in association with fintech companies, academic institutions, and other stakeholders should develop and carry out national financial literacy programmes that explicitly target underserved retail investors. Moreover, the study's results about the uses of fintech for saving, debt management, and budgeting can through the creation of new fintech products that support practical financial practices. By using these findings, SEBI may create an atmosphere that ropes the adoption of fintech while also backup its objectives of safeguarding investors and advancing financial inclusion.

Scope for Further Research

Despite offering valuable insights into the elements impelling fintech adoption and its influence of financial well-being of retail investors, this study has certain limitations. It depends on on self-reported data, that may be skewed, & is geographically restricted, which restricts how broadly its conclusions may be applied. Additionally, while the Modified UTAUT2 model and the Financial Health Framework provide a strong theoretical basis, additional factors such as macroeconomic conditions and cultural effects were not examined. Future research may close these gaps by expanding the study to cover a range of demographics and geographic regions, employing qualitative methodologies to offer a greater consideration to user experiences, and utilizing longitudinal research to evaluate the lasting effects of fintech use.

9. CONCLUSION

The study highlights how fintech has a significant impact on retail investors and how likely it is to influence their acceptance and financial well-being. It is difficult to evaluate the fintech services, behavioral intention and actual use, since the outcomes demonstrate that the study model has strong descriptive power. This study uses the Modified UTAUT2 model to identify key elements that promote the adoption of fintech, including price value, enabling circumstances, performance expectation, effort, expectancy, and financial literacy. Furthermore, using the Financial Health Framework shows that using fintech is positively correlated with better financial outcomes, such as better debt management, increased savings rates, and better budgeting. These outcomes underscore the twofold role of fintech as a instrument for streamlining financial practices and as a substance for development of whole financial health. The research proposes practical acumens for policymakers, fintech creators, and financial educators, underlining the significance of building customer-centric results that caters ease of use, value for price paid while endorsing financial literacy. In the end, this study supports a deeper form of fintech's contribution to retail investors' financial well-being and vesting.

10. CONFLICT OF INTEREST

On behalf of all authors, the corresponding author states that there is no conflict of interest.

11. REFERENCES

- Ajzen, I. (2002). Residual effects of past on later behaviour: habituation and reasoned action perspectives. *Personality and Social Psychology Review*, 102-107.
- Alshraifa, H., & Sanad, Z. (2024). FinTech Education: An Exploratory Study from the Point View of Business Students. In *Artificial Intelligence-Augmented Digital Twins. Studies in Systems, Decision and Control* (pp. 153-169). Springer.
- Barclay, D., Higgins, C., & Thompson, R. (1995). The partial least squares (PLS) approach to casual modeling: personal computer adoption and use as an Illustration. .
- Baudier, P., Ammi, C., & Deboeuf-Rouchon, M. (2020). Smart home: Highly-educated students' acceptance. *Technological Forecasting and Social Change*, 153.
- Brown, S., & Taylor, K. (2014). Financial literacy and household savings. *Journal of Economic Behavior & Organization*, 338-359. .
- CFPB Financial Well-Being Scale. (2015). *MEASURING FINANCIAL WELL-BEING: A GUIDE TO USING THE CFPB FINANCIAL WELL-BEING SCALE*. Consumer Financial Protection Bureau.
- Chen, K.-H., Wang, C.-H., Huang, S.-Z., & Shen, G. C. (2016). Service innovation and new product performance: The influence of market-linking capabilities and market turbulence. *International Journal of production Economics*, 54-64.
- Chin, W. W., & Newsted, P. R. (1999). Structural equation modeling analysis with small samples using partial least squares. *Statistical Strategies for Small Sample Research*, 307-341.
- Chopdar, P. K., Korfiatis, N., Sivakumar, V., & Lytras, M. D. (2018). Mobile shopping apps adoption and perceived risks: A cross-country perspective utilizing the Unified Theory of Acceptance and Use of Technology. *Computers in Human Behavior*, 86, 109-128.
- Collins, J. M., & Urban, C. (2019). Measuring financial well-being over the lifecourse. *European Journal of Finance*, 26(9), 1-19.
- Costa, A., & Jongen, W. (2006). New insights into consumer-led food product development. *Trends in Food Science & Technology*, 457-465.
- Featherman, M. S., & Pavlou, P. A. (2003). Predicting e-services adoption: a perceived risk facets perspective. *International Journal of Human-Computer Studies*, 59(4), 451-474.
- Gomber, P., Kauffman, R. J., Parker, C., & Weber, B. W. (2018). On the Fintech Revolution: Interpreting the Forces of Innovation, Disruption, and Transformation in Financial Services. *Journal of Management Information Systems*, 35, 220-265.

- H Chen, R. D., & Li, X. (2021). The impact of fintech education on university students' adoption of fintech services: Evidence from a Chinese university. *Journal of Financial Education*, 47, 29-45.
- Haddad, C., & Hornuf, L. (2019). The emergence of the global fintech market: economic and technological determinants. *Small Business Economics*, 53, 81-105.
- Hu, L.-t., & Bentler, P. M. (1999). Cutoff criteria for fit indexes in covariance structure analysis: Conventional criteria versus new alternatives. *Structural Equation Modeling*, 1-55.
- Hua, X., & Huang, Y. (2020). Understanding China's fintech sector: development, impacts and risks. *The European Journal of Finance*, 321-333.
- Huang, Z., & Benyoucef, M. (2015). User preferences of social features on social commerce websites: An empirical study. *Technological Forecasting and Social Change*, 95, 57-72.
- Khechine, H., Lakhal, S., & Ndjambou, P. (2016). A meta-analysis of the UTAUT model: Eleven years later. *Canadian Journal of Administrative Sciences*, 33(2), 138-152.
- Kim, S. C., Yoon, D., & Han, E. K. (2016). Antecedents of mobile app usage among smartphone users. *Journal of Marketing Communications*, 22(6), 653-670.
- Klapper, L., Lusardi, A., & Panos, G. A. (2013). Financial literacy and its consequences: Evidence from Russia during the financial crisis. *Journal of Banking & Finance*, 37(10), 3904-3923.
- Lai, P. C., & Zainal, N. (2019). Financial technology adoption among university students: Evidence from Malaysia. *International Journal of Financial Research*, 10(2), 108-121.
- Lee, I. (2020). The impact of fintech education on students' financial literacy and technology adoption. *Journal of Financial Education*, 46(1), 78-94.
- Lee, I., & Kim, J. (2020). Exploring the role of financial literacy in fintech adoption among the young generation: An empirical analysis. *Journal of Finance and Data Science*.
- Liébana-Cabanillas, F., Molinillo, S., & Ruiz-Montanez, M. (2019). To use or not to use, that is the question: Analysis of the determining factors for using NFC mobile payment systems in public transportation. *Technological Forecasting and Social Change*, 266-276.
- Lusardi, A. (2019). Financial literacy and the need for financial education: evidence and implications. *Swiss Journal of Economics and Statistics*.
- Lusardi, A., & Mitchell, O. S. (2014). The Economic Importance of Financial Literacy: Theory and Evidence. *Journal of Economic Literature*, 52(1), 5-44.
- Macedo, I. M. (2017). Predicting the acceptance and use of information and communication technology by older adults: An empirical examination of the revised UTAUT2. *Computers in Human Behavior*, 75, 935-948.
- Morgan, P. J. (2021). Fintech, financial literacy, and financial education. *The Routledge Handbook of Financial Literacy*, 239-258.
- Najib, M., & Fahma, F. (2020). Investigating the Adoption of Digital Payment System through an Extended Technology Acceptance Model: an Insight from the Indonesian Small and Medium Enterprises. *International Journal on Advanced Science, Engineering and Information Technology*, 10(4), 1702-1708.
- Oliveira, T., Thomas, M., Baptista, G., & Campos, F. (2016). Mobile payment: Understanding the determinants of customer adoption and intention to recommend the technology. *Computers in Human Behaviour*, 61, 404-414.
- Panos, G., & Wilson, J. (2020). Financial literacy and responsible finance in the FinTech era: capabilities and challenges. *The European Journal of Finance*, 26(4), 297-301.
- Prasad, H., Meghwal, D., & Dayama, V. (2018). Digital financial literacy: a study of households of Udaipur. *Journal of Business and Management*, 23-32.
- Rahayu, R., Ali, S., Aulia, A., & Hidayat, R. (2022). The current digital financial literacy and financial behavior in Indonesian millennial generation. *Journal of Accounting and Investment*, 23(1), 78-94.
- Sarkar, S., & Costa, A. I. (2008). Dynamics of open innovation in the food industry. *Trends in Food Science and Technology*, 19(11), 574-580.
- Sekaran, U., & Bougie, R. (2016). *Research Methods For Business: A Skill Building Approach*. John Wiley & Sons.

- Singh, S., Sahni, M. M., & Kovid, R. K. (2020). What drives FinTech adoption? A multi-method evaluation using an adapted technology acceptance model. *Management decision*, 58(8), 1675-1697.
- Venkatesh, V., Morris, M. G., Davis, G. B., & Davis, F. D. (2003). User Acceptance of Information Technology: Toward a Unified View. *MIS Quarterly*, 27(3), 425-478.
- Venkatesh, V., Thong, J. Y., & Xu, X. (2012). Consumer Acceptance and Use of Information Technology: Extending the Unified Theory of Acceptance and Use of Technology. *MIS Quarterly*, 157-178.
- Verdegem, P., & Marez, L. D. (2011). Rethinking determinants of ICT acceptance: Towards an integrated and comprehensive overview. *Technovation*, 31(8), 411-423.

Annexure 1: Measurement Items

Variable	Items	Statements
Performance Expectancy	PE1	I can more successfully reach my financial objectives when I use fintech solutions.
	PE2	My capacity to effectively monitor my financial portfolio is enhanced by fintech tools.
	PE3	Using fintech technologies improves my ability to make sound financial decisions.
	PE4	I anticipate that using fintech products will greatly improve my financial situation
Effort Expectancy	EE1	I have no trouble learning how to use fintech technologies.
	EE2	Fintech technologies for investment management are simple to use and navigate.
	EE3	Fintech products are simple to use and intuitive.
	EE4	I have no trouble understanding how fintech technologies can assist me in making financial decisions.
Social Influence	SI1	I'm encouraged to use fintech technologies for investing by people whose perspectives I respect.
	SI2	The majority of my social network thinks I should invest using fintech technologies
	SI3	My friends and family believe that I ought to employ fintech tools.
	SI4	My classmates frequently discuss managing their investments with fintech technologies.
Facilitating Conditions	FC1	I have access to the technology I need to use fintech tools, such as a smartphone and the internet.
	FC2	My ability to use fintech platforms efficiently is a result of my financial literacy.
	FC3	The accessible assistance and direction enable me to use fintech tools efficiently.
	FC4	My surroundings allow me to use fintech technologies without any disruptions
Price Value	PV1	When weighed against the advantages they provide for investment management, fintech solutions are reasonably priced.
	PV2	When it comes to managing my investments, fintech solutions offer good financial value.
	PV3	Fintech products are reasonably priced and well worth the services they provide.
Financial Literacy	FL1	I am knowledgeable enough to comprehend financial systems and tools.
	FL3	I am aware of the advantages and disadvantages of investing with fintech tools.
	FL4	My understanding of finance allows me to use fintech technologies to make better investment selections.
Perceived Risk	PR1	The hazards to privacy and security when utilizing fintech tools worry me.
	PR2	I'm concerned that adopting fintech tools can result in losses
	PR4	The possibility of data leaks when utilizing fintech solutions worries me.
Behavioural Intention	BI1	I plan to keep managing my investments with fintech tools on a regular basis.
	BI2	In the future, I want to make financial decisions using fintech technologies.
	BI3	I anticipate using fintech technologies more frequently in the near future.
	BI4	I often use fintech products as part of my financial management regimen.
Actual Use	AU1	I frequently monitor my investing portfolio using fintech technologies.
	AU2	Fintech platforms are what I usually use to manage my money.
	AU3	Fintech tools have been included into my daily investment endeavors.
	AU4	Better financial results have resulted from my use of fintech products.