

Financial Literacy and FinTech Adoption in Investment Decision Quality among the Salaried Workforce

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Abstract

Financial technology is changing the way salaried employees look for, understand, and act on investment information, and this shift is worth examining closely in terms of how it affects the quality of their decisions. This study looks at the relationship between FinTech integration and investment decision quality among salaried employees, and also considers how financial literacy and behavioural biases play into this relationship. The research follows a quantitative approach, with primary data collected through a structured questionnaire given to salaried employees across a few selected organisations. The data will be examined using suitable statistical tools. Two objectives guide the study: first, to understand how FinTech integration affects investment decision quality; and second, to look at how financial literacy and behavioural biases influence these decisions. The study hopes to show whether adopting FinTech tools is enough on its own to improve investment decisions, or whether it needs to go hand in hand with sound financial knowledge and an awareness of common behavioural biases. The findings aim to add to existing research on digital finance and behavioural economics, and offer useful takeaways for policymakers, financial institutions, and employers looking to support better financial decision-making among salaried individuals.

Keywords - FinTech Adoption, Financial Literacy, Investment Decision Quality, Behavioural Biases and Salaried Workforce.

Introduction

The way people invest their money has changed a lot because of investment apps, online advisory tools and digital brokerage platforms. These FinTech platforms give people real-time market information make it cheaper to invest and simplify the process of buying and selling. Many people with jobs, who have a steady income and want to build wealth over time are using these platforms a lot. However just having access to FinTech tools does not mean people will make investment decisions. How well someone invests

still depends on how much they know about money their experience with investing how they think about investing and how risk they are willing to take.

The growth of FinTech has changed the investment world by giving people access to market information, automated services and more. This has gotten people with regular jobs to start investing in a big way. With all these advances many people are still making investment mistakes because technology alone cannot make up for not understanding money being inconsistent about risk or having psychological biases like being overconfident or following the crowd. FinTech tools rely heavily on people being able to understand market data compare investment options and control their behaviors. So people using the platforms and information can still end up with very different investment results.

Previous studies have looked at how people adopt FinTech, how much they know about money and behavioral biases separately.. Not much attention has been paid to how these factors work together to affect the quality of investment decisions among people with regular jobs. This is a gap especially since many people are using mobile investment tools without getting enough formal education about money. This study fills that gap by looking at how FinTech adoption, knowledge, investment experience, investor mindset and risk tolerance all influence the quality of investment decisions among people with regular jobs in Bengaluru. The goal is to give FinTech companies, employers, banks and policymakers information to help people invest better.

This study only looks at people with jobs who use FinTech apps like Groww, Zerodha, Upstox and Angel One to invest. While the results are specific to Bengaluru they are meant to provide a starting point for studies, in other cities, jobs and groups of investors. The results of this study can help FinTech companies, employers, banks and policymakers understand what they can do to help people with jobs make better investment decisions. By doing they can encourage people to develop good investing habits and build wealth over time.

OBJECTIVES OF THE STUDY

1. To assess the level of influence of FinTech adoption and investor psychology on investment decision quality.
2. To examine the impact of perceived FinTech integration factors on investment decision quality among the salaried workforce.

REVIEW OF LITERATURE

1. **(Herijawati and Wi, 2025):** The study found that financial literacy, FinTech exposure, among investors in Jakarta.
2. **(Muthamma and Pawar, 2026):** The study found that convenience, trust, low cost, and perceived usefulness encouraged FinTech wealth-management adoption, while security concerns and limited financial knowledge discouraged adoption.
3. **(Jagwani et al., 2026):** The study found that salaried employees preferred conservative investment instruments such as fixed deposits and gold, with financial literacy and income level influencing their investment preferences.

4. **(Che Hassan et al., 2024):** The study found that FinTech self-efficacy and Islamic financial literacy positively influenced investors' intention to invest in Islamic Unit Trusts.
5. **(Nguyen, 2022):** The study found that perceived financial knowledge was a stronger predictor of FinTech usage than actual financial literacy, indicating the importance of investors' confidence in their financial knowledge.
6. **(Jafri et al., 2024):** The study found that trust, perceived security, and performance expectancy were among the strongest factors influencing FinTech adoption in banking.
7. **(Firmansyah et al., 2023):** The study found that the Technology Acceptance Model and UTAUT were widely used to explain FinTech adoption, with financial literacy and safety emerging as important determinants.
8. **(Jena, 2025):** The study found that perceived usefulness, ease of use, and low security concerns significantly supported FinTech-enabled financial inclusion in rural India.
9. **(Bureshaid et al., 2021):** The study found that perceived risk and innovation attributes significantly influenced FinTech adoption, showing that technology acceptance factors alone could not fully explain adoption behaviour.
10. **(Shah and Chaudhari, 2026):** The study found that overconfidence and herding significantly influenced FinTech traders' investment decisions, particularly among younger and frequent traders.
11. **(Madaan and Singh, 2019):** The study found that overconfidence and herding significantly affected NSE investors' investment decisions, while anchoring and the disposition effect did not have a significant influence.
12. **(Lusardi and Mitchell, 2011):** The study found that financial literacy was strongly associated with retirement-planning behaviour, demonstrating the importance of financial knowledge in making informed financial decisions.

Research Gaps

- Very few studies focus specifically on salaried employees; most examine firms, banks, rural populations, or expert investors, and studies that do include salaried employees are typically limited to a single city or region.
- Most existing research measures FinTech adoption intention rather than whether FinTech use actually improves investment decision quality; behavioural biases, financial literacy, and FinTech usage are usually studied in isolation rather than in a single combined model.
- Geographically, most studies are based in Indonesia, Vietnam, China, or developed economies, leaving India-specific data on salaried employees limited, and no study currently integrates FinTech usage, behavioural factors, and financial literacy to measure investment decision quality among salaried employees.

Hypothesis

To examine the impact of perceived FinTech integration factors on investment decision quality among the salaried workforce.

Regression

- H_0 : Perceived FinTech integration factors do not significantly influence investment decision quality among the salaried workforce.
- H_1 : Perceived FinTech integration factors significantly influence investment decision quality among the salaried workforce.

To determine the effect of FinTech adoption on investment decision quality among the salaried workforce.

One-Way ANOVA

- H_0 : There is no significant difference in investment decision quality among different levels of FinTech adoption among the salaried workforce.
- H_1 : There is a significant difference in investment decision quality among different levels of FinTech adoption among the salaried workforce.

RESEARCH METHODOLOGY

- **Research Design:** Quantitative, descriptive research design.
- **Population:** Salaried employees who use FinTech applications for investment purposes.
- **Sampling Frame and Technique:** Salaried employees in Bengaluru who use platforms such as Groww, Zerodha, Upstox, and Angel One, selected through convenience sampling.
- **Sample Size:** 174 valid respondents.
- **Data Source:** Primary data collected through a structured questionnaire administered via Google Forms.
- **Scale Used:** Five-point Likert scale.
- **Statistical Tools:** Cronbach's Alpha, One-Way ANOVA, Pearson Correlation, and Multiple Linear Regression.

DATA ANALYSIS AND INTERPRETATION

Regression

Objective : To examine the impact of perceived FinTech integration factors on investment decision quality among the salaried workforce.

Hypothesis

- H_0 : Perceived FinTech integration factors do not significantly influence investment decision quality among the salaried workforce.
- H_1 : Perceived FinTech integration factors significantly influence investment decision quality among the salaried workforce.

Regression Statistics	
Multiple R	0.449149
R Square	0.201735
Adjusted R Square	0.177977

Standard Error	0.894144
Observations	174

ANOVA					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	5	33.94368	6.788736	8.491294	3.47E-07
Residual	168	134.3149	0.799494		
Total	173	168.2586			

	<i>Coeffi cients</i>	<i>Standar d Error</i>	<i>t Stat</i>	<i>P- valu e</i>	<i>Lower 95%</i>	<i>Upper 95%</i>
Intercept	0.44767	0.167205	2.677368	0.008156	0.117576	0.777764
I regularly use FinTech platforms to make investment decisions.	0.194529	0.076291	2.549821	0.011672	0.043916	0.345142
I understand financial concepts such as inflation, diversification, and risk-return trade-off.	0.039011	0.069468	0.561566	0.57516	-0.09813	0.176152
I understand the risks associated with different investment options.	0.233122	0.077551	3.006031	0.003053	0.080021	0.386223
How long have you been using FinTech applications for investments?	0.005133	0.08617	0.059573	0.952566	-0.16498	0.175248
I make investment decisions after carefully evaluating available information.	0.197709	0.083808	2.35907	0.01947	0.032256	0.363162

Source : Primary data

Interpretation

Regression analysis was performed to determine the influence of perceived FinTech integration factors on investment decision quality. The model produced an R^2 value of 0.202, indicating that approximately 20.2% of the variation in investment decision quality is explained by the selected independent variables. The regression model was statistically significant ($F = 8.491$, $p < 0.001$), confirming that the independent variables jointly have a significant effect on investment decision quality. This demonstrates that FinTech-related factors contribute meaningfully to improving the quality of investment decisions among the salaried workforce.

Inference

The regression model confirms that perceived FinTech integration factors significantly influence invest-

ment decision quality. However, not all individual variables contribute equally, as some predictors are statistically significant while others are not.

Hypothesis Decision

- H_0 : Rejected
- H_1 : Accepted

One-Way Anova

Objective

To determine the effect of FinTech adoption on investment decision quality among the salaried workforce.

Hypothesis

- H_0 : There is no significant difference in investment decision quality among different levels of FinTech adoption among the salaried workforce.
- H_1 : There is a significant difference in investment decision quality among different levels of FinTech adoption among the salaried workforce.

SUMMARY				
Groups	Count	Sum	Average	Variance
I regularly use FinTech platforms to make investment decisions.	174	169	0.971264	0.84888
FinTech applications make investing easier and more convenient.	174	171	0.982759	0.826291
I am confident that my investment decisions are good.	174	213	1.224138	0.972593

ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	7.095785	2	3.547893	4.019874	0.018517	3.013091
Within Groups	458.0632	519	0.882588			
Total	465.159	521				

Source : Primary data

Interpretation

The results of the One-Way ANOVA revealed a statistically significant difference in investment decision quality among respondents based on the selected FinTech adoption variables ($F = 4.020$, $p = 0.019 < 0.05$). Therefore, the null hypothesis was rejected, and the alternative hypothesis was accepted. This indicates that FinTech adoption has a significant effect on investment decision quality among the salaried workforce.

Inference

Since $p < 0.05$, the null hypothesis is rejected. Therefore, there is a significant difference among the groups in relation to FinTech usage and investment decision confidence. This suggests that the respondents' group

characteristics have a significant influence on their perceptions of FinTech applications and investment decisions.

Hypothesis Decision

- H_0 : Rejected
- H_1 : Accepted

Overall Findings

The research reveals that investment decision quality among salaried employees using FinTech platforms is a multifaceted phenomenon influenced more by behavioral and cognitive factors than by technology adoption alone. FinTech adoption shows a weak but significant positive correlation with investment decision quality, suggesting that platform usage alone is insufficient for quality decisions. Risk awareness and risk understanding constitute the strongest predictor of investment decision quality, indicating that investors who comprehend risks make superior investment choices. Careful evaluation of available information before investing significantly improves decision quality, highlighting the importance of deliberative rather than impulsive decision-making. These findings demonstrate that the quality of investment decisions depends more on how investors process information and understand risks than on their access to sophisticated digital platforms.

General financial knowledge and financial literacy, while important, do not directly correlate with improved investment decisions, suggesting that conceptual knowledge differs from practical application. The majority of respondents (67.2%) are young professionals aged 21-30 years, predominantly employed in private sector with post-graduate education, indicating that FinTech adoption is highest among educated young professionals. However, behavioral biases such as herd mentality (73.6% agreement) and anchoring bias (67.8% agreement) remain prevalent among this highly educated segment, suggesting that FinTech platforms have not eliminated psychological biases in investment decision-making. These findings underscore that investment decision quality requires not only access to technology and financial knowledge, but also behavioral discipline, risk awareness, and deliberative decision-making processes.

CONCLUSION

This study demonstrates that while FinTech adoption positively influences investment decision quality, its impact is limited without complementary factors such as risk awareness, careful information processing, and understanding of investment risks. The findings challenge the assumption that technological access automatically leads to better financial decisions. Instead, they reveal that behavioral and cognitive competencies are more critical than platform sophistication.

For FinTech companies, these findings suggest that platform improvements should prioritize risk disclosure features and decision-support tools over adding more sophisticated trading functionalities. For salaried investors, the research highlights the importance of developing risk comprehension and deliberative decision-making processes. For employers and policymakers, the findings underscore the

need for targeted financial education focusing on practical investment competencies rather than theoretical financial knowledge.

LIMITATIONS OF THE STUDY

- The study was limited to salaried employees in Bengaluru, restricting generalizability to other cities and regions.
- Cross-sectional design collected data at a single point in time, limiting understanding of behavioral changes over time.
- Sample size of 174 respondents, while adequate for statistical analysis, may not fully represent the diverse salaried workforce.
- Self-reported questionnaire data may be subject to response bias and social desirability bias.
- The study excluded self-employed individuals, business owners, and retirees, limiting applicability across investor types.

SUGGESTIONS

- FinTech platforms should incorporate enhanced risk disclosure features and decision-support tools that emphasize risk comprehension and understanding rather than transaction volume.
- Employers should implement targeted financial literacy programs focusing on practical investment competencies, particularly risk assessment and information evaluation.
- Future research should employ longitudinal designs to capture behavioral changes over extended periods and include diverse investor populations across geographic regions.
- Policymakers should develop regulatory frameworks ensuring FinTech platforms include behavioral safeguards to mitigate cognitive biases in investment decision-making.

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