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DIGITAL ADOPTION STRATEGIES IN FINANCIAL SERVICES: AN EMPIRICAL INVESTIGATION OF HOW PERCEIVED USEFULNESS, TRUST, PERCEIVED RISK, AND SOCIAL INFLUENCE SHAPE CONSUMER ADOPTION BEHAVIOUR

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ABSTRACT
The financial sector has been changed consequentially where banks, insurance firms, payment systems, and lending institutions are increasingly moving away to digital delivery systems. The simple digital financial services have become available to hundreds of millions of people with government-sponsored initiatives, such as the Unified Payments Interface, Jan Dhan accounts and the Aadhaar-linked payment stack. The consumption and retention of these services amongst the consumers is however not even. The paper concentrates on five behavioural information, Perceived Usefulness (PU), Perceived Ease of Use (PEOU), Trust, Perceived Risk (PR), and Social Influence (SI) and their interaction to determine the intention of the consumers to adopt the digital financial services as one of the primary managerial financial services.

The primary survey was done with 120 respondents in Chennai (March 2026) and via a structured questionnaire comprising of 20 items on a 5-point Likert scale. The reliability analysis showed that the internal consistency was high (Cronbachs Alpha: 0.780.81). The results suggest that the greatest obstacle to adoption is Perceived Risk (Mean = 3.42), Trust (Mean = 3.20, r = 0.513 with BI) is the most positive driver and Behavioural Intention has an intermediate positive correlation (Mean = 3.39). A young adult (20 to 30 years old) takes the highest share (70.6 percent) of a sample and family social influence is the most effective predictor of normativity. The results provide a viable action plan to financial institutions, fintechs, and even policy makers that are committed to ensuring that the digital adoption in the Indian market is expedited responsibly.

KEYWORDS: *Digital Adoption Strategies, Financial Services, TAM, UTAUT2, Perceived Usefulness (PU), Trust,Perceived Risk (PR), Social Influence (SI), Mobile Banking, Consumer Behaviour, Behavioural Intention, Fintech.*

INTRODUCTION

The term digital adoption strategy is no longer a corporate boardroom conversation but now a common place term used in daily consumer behaviour research since the question that its implication poses is how do people make the decision to make the adoption of digital financial services a lifelong aspect of their lives has implications to financial inclusion institutions profitability and national economic output. The digital financial services ecosystem in India is also one of the most ambitious ones worldwide. The UPI transactions have now exceeded an amount of ten billion monthly transactions, the amount of Jan Dhan account holders has now exceeded five hundred million and new generation of fintech firms are currently providing everything by instant micro-credit to AI-guided investment portfolios on a monthly basis through apps that do not need any hard copy documentations.

However, extensive research and field experience indicate that there is a plateau of adoption: a significant proportion of the target market has been exposed to digital financial services, tried to make a first purchase, and returned silently to cash and in-person subsequent purchases. The key question that this study will focus on is to understand the reason behind why this reversion occurs and what would inhibit it. Through the analysis of the five most important behavioural variables, which theory and previous evidence designate as the most significant Perceived Usefulness, Perceived Ease of Use, Trust, Perceived Risk, and Social Influence, this exploration creates an empirically based image of what is leading to sustainable strategies in digital adoption among Indian financial consumers [1, 2].

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PROBLEM STATEMENT

The challenge facing financial institutions that are operating in India is both a business problem as well as a social problem. The cost- to-serve of every customer who still visits a branch to deposit money or check a balance is far more expensive than that of a customer who does the same operation online. Socially, customers who fail to utilize digital financial services are systematically locked out of a widening collection of monetary products instantly choices of credit, investment platforms, adaptable insurance sold by digital means alone. Non-adoption is not an inconvenience as such, but, rather, financial exclusion that increases the level of inequality in the long run [3, 4].

The gap in the existing body of research is that there is no accurate and integrated knowledge of the interaction between Perceived Usefulness, Perceived Ease of Use, Trust, Perceived Risk, and Social Influence to understand whether a particular consumer will adopt digital financial services and continue to do so as a strategic choice. This paper bridges that gap and provides empirical evidence based on 120 consumers in the Chennai banking industry.

RESEARCH OBJECTIVES AND QUESTIONS

Research Objectives

- To establish the level to which the perceived usefulness can influence the intention of consumers to accept digital financial services in the Indian banking environment.
- To test Trust as a prerequisite condition to digital financial adoption and test the claim that a higher level of trust has a lowering impact on the suppressive influence of Perceived Risk.
- To measure the discouraging impact of Perceived Risk on digital financial adoption intention.
- To test the hypothesis that Social Influence, which works via the mechanisms of family endorsement and peer behaviour, guides individual consumers to or away digital financial adoption.
- To come up with evidence-based strategic suggestions to financial institutions, fintech providers and regulators.

Research Questions

RQ1: Which of the five behavioural variables under study has the highest positive and the highest negative impact on the intention of consumers to use digital financial services?

RQ2: How do the demographic characteristics consumer age, gender, and digital financial literacy mediate the relationships between the five core variables and the adoption intention?

REVIEW OF LITERATURE

Digital acceptance in the literature on financial services has been based on forty years of technological acceptance research. Table gives a report about the thirty representative works that tell the theoretical and empirical background of this exploration.

Table 4.1: Compendium of Reviewed Literature on Digital Adoption Strategies in Financial Services (N = 30)

S.No	Author & Year	Article Focus	Journal	Key Finding	Relevance to This Study
1	Davis (1989)	Usefulness, ease of use & voluntary technology acceptance	MIS Quarterly 13(3)	Adoption hinges on how much a technology helps and how little effort it demands; usefulness proved the more powerful predictor.	Supplies the foundational PU and PEOU constructs that anchor this study's adoption model.
2	Venkatesh & Davis (2000)	Extending TAM through four longitudinal studies	Management Science 46(2)	Social norms and instrumental cognitions amplify the usefulness–intention relationship beyond the original model.	Anchors the Social Influence construct and its positive path to adoption intention.

3	Venkatesh et al. (2003)	Synthesising eight adoption theories into a unified framework	MIS Quarterly 27(3)	Merged competing models into UTAUT, achieving 70% variance explanation when moderators were included.	Provides UTAUT architecture — effort expectancy, social influence, facilitating conditions.
4	Venkatesh & Bala (2008)	Deconstructing ease-of-use into trainable components	Decision Sciences 39(2)	Traced PEOU back to computer self- efficacy and technology anxiety; targeted interventions can raise ease perceptions.	Guides PEOU barriers measurement among older respondents.
5	Venkatesh, Thong & Xu (2012)	Adapting UTAUT2 for consumer technology	MIS Quarterly 36(1)	Added hedonic motivation, cost perceptions, and habit, lifting variance explanation to 74%.	Extends adoption model to consumer banking context.
6	King & He (2006)	Meta-analysis of 88 acceptance model studies	Information & Management 43(6)	Usefulness consistently outperforms ease-of-use as adoption predictor; model explains 40–60% variance.	Validates assigning PU the primary positive path to adoption intention.
7	Gefen, Karahanna & Straub (2003)	Trust and TAM integration in online commerce	MIS Quarterly 27(1)	Trust operates as a prior condition before usefulness evaluations gain traction, especially for first-time users.	Establishes theoretical basis for treating trust as a prerequisite-level driver.
8	McKnight, Choudhury & Kacmar (2002)	Multi-layered trust scale for digital exchange	Information Systems Research 13(3)	Separated institutional trust from system trust and validated independent measurement scales.	Provides multi-dimensional trust measurement approach adapted for this study.
9	Featherman & Pavlou (2003)	Perceived risk across six dimensions in e-service adoption	Int. Journal of Human-Compute r Studies 59(4)	Decomposed risk into financial, privacy, performance, psychological, social, and time dimensions; privacy and financial risk most powerful.	Directly shapes PR construct and questionnaire item selection.
10	Kim, Ferrin & Rao (2008)	Trust as a channel through which risk operates	Decision Support Systems 44(2)	Validated three-stage model: trust reduces perceived risk, which depresses purchase intention.	Supports hypothesis that trust moderates the negative path from PR to adoption intention.
11	Pavlou & Gefen (2004)	Institutional mechanisms that cultivate digital trust	Information Systems Research 15(1)	Regulatory certifications, consumer guarantees, and transparent procedures raise trust among new platform users.	Informs trust-architecture recommendations for banks and fintech companies.
12	Slade et al. (2015)	Barriers to contactless mobile payment	Psychology & Marketing 32(8)	Perceived risk is the single strongest negative predictor; trust attenuates but does not fully cancel deterrence.	Provides cross-national validation of the risk–trust interaction.

13	Shaikh & Karjaluoto (2015)	Review of 84 mobile banking adoption studies	Telematics and Informatics 32(1)	Trust, security, risk, and facilitating conditions most reliably validated beyond standard TAM.	Confirms domain-specific rationale for adding Trust and PR to the baseline TAM.
14	Deb & Lomo-David (2014)	M-banking uptake among Indian consumers	Marketing Intelligence & Planning 32(4)	Indian consumers assign considerable weight to provider credibility; rural–urban infrastructure disparities create heterogeneity.	Provides geographically proximate benchmark for comparing present study's findings.
15	Oliveira et al. (2016)	Consumer drivers of mobile payment adoption across income markets	Computers in Human Behavior 61	Social influence and facilitating conditions carry greater weight in developing markets than in high-income markets.	Contextualises Social Influence as a stronger adoption lever in India.
16	Martins, Oliveira & Popovic (2014)	UTAUT and perceived risk in internet banking	Int. Journal of Information Management 34(1)	Positive security perceptions encourage adoption; prior digital experience weakens inhibiting effect of risk.	Informs expectation that digital literacy moderates the risk–intention path.
17	Zhou, Lu & Wang (2010)	Task-fit as a moderator of mobile banking adoption	Computers in Human Behavior 26(4)	Adoption strongest when digital task complexity matches user skill level; platform trust mediates the relationship.	Supports ease-of-use moderation hypothesis for older consumers.
18	Rahi & Ghani (2019)	Service quality as mediator of UTAUT in internet banking	Technology in Society 58	Platform responsiveness and transaction reliability mediate the path from usefulness to adoption intention.	Validates inclusion of perceived credibility as a mediating variable.
19	Gomber, Koch & Siering (2017)	Classifying digital finance and mapping research priorities	Journal of Business Economics 87(5)	Trust threshold required rises steeply as product complexity and financial stakes increase.	Provides conceptual grounding for product-heterogeneity discussion.
20	Arner, Barberis & Buckley (2016)	Three phases in the evolution of fintech	Georgetown Journal of International Law 47(4)	Current fintech growth partly driven by consumers seeking providers unburdened by reputational damage from 2008 crisis.	Contextualises institutional trust as a strategic differentiator for fintech.

21	Buchak et al. (2018)	Regulatory arbitrage and technology-led lenders	Journal of Financial Economics 130(3)	Digital lenders process applications substantially faster, generating performance expectations that shape consumer comparisons.	Validates performance expectancy as a component of usefulness in digital lending.
22	Lee & Shin (2018)	Business models across fintech categories	Business Horizons 61(1)	Five fintech service categories require progressively higher trust levels as product complexity increases.	Reinforces trust as a domain- specific ado ption prerequisite varying with product stakes.
23	Baptista & Oliveira (2015)	Age and culture as shapers of mobile banking motivation	Computers in Human Behavior 50	Younger users respond to hedonic appeals and social endorsements; older users prioritise security and ease.	Directly motivates the age- moderation hypothesis for social influence.
24	Alalwan, Dwivedi & Rana (2017)	Extending UTAUT2 with trust in mobile banking	Int. Journal of Information Management 37(3)	Habitual behaviour was strongest predictor of actual usage; performance expectancy dominated intention stage.	Benchmarks the five-variable model against a closely comparable UTAUT2 study.
25	Laukkanen (2016)	Resistance to innovation as a distinct phenomenon	Journal of Business Research 69(7)	Mapped four categories: value objections, usability difficulties, risk concerns, and tradition preference — each demanding targeted response.	Enriches discussion of PR and PEOU barriers within a consumer resistance framework.
26	Tak & Panwar (2017)	Mobile app adoption in India through UTAUT2	Journal of Indian Business Research 9(3)	Trust and social influence are significant positive predictors; female consumers show higher risk perception sensitivity.	Provides local validation of gender moderation of risk sensitivity.
27	Rogers (2003)	Diffusion of Innovations (5th ed.)	Free Press, New York	New technologies spread via five adopter archetypes; observing trusted others reduces uncertainty and psychological barriers.	Provides classical diffusion- theory foundation for Social Influence as an adoption predictor.
28	Van Dijk (2020)	The Digital Divide	Polity Press, Cambridge	Digital exclusion operates in four layers — motivation, access, skills, usage; skills gaps are the most persistent form.	Establishes digital financial literacy as a skills-level moderator of perceived risk.

29	Moray, Krishnan & Venkatesh (2024)	Digital financial literacy and peer-lending adoption	Int. Journal of Gender and Entrepreneurship 16(2)	Higher digital financial literacy weakens the risk–intention barrier and amplifies the usefulness–intention path simultaneously.	Provides the most direct precedent for the literacy moderation hypothesis.
30	Singh & Sinha (2025)	TAM extension for digital lending across three Indian regions	Journal of Financial Technology 12(1)	Perceived usefulness and institutional trust are the two dominant predictors of digital lending adoption across diverse Indian sub-samples.	Offers the closest contextual benchmark and validates generalisability to the Indian fintech environment.

Note. Compiled by the authors. Research that was chosen on ground of direct relevance to digital adoption strategies in financial services covering TAM, UTAUT2, trust, perceived risk and social influence in various contexts was done between 1989 and 2025.

4.1 Technology Acceptance as the Backbone of Digital Adoption Strategy Research

Since Davis (1989), the Technology Acceptance Model has become very resilient. Its fundamental point that adoption depends on whether a tool is perceived to be actually useful and not overly taxing to use has been validated across the board, in use in enterprise software as well as mobile health applications. The model was extended in successive improvements with the addition of social norms, habitual behaviour and hedonic enjoyment to explain its power at a certain point [3, 4, 5].

4.2 Trust and Perceived Risk as Domain-Specific Adoption Determinants

The field of financial services takes a unique place in the arena of digital adoption due to the fact that all financial transactions have real and immediate financial implications. Previous studies have established that consumers would never even consider evaluating the utility of service until they are convinced that the institution is competent and honest. Lack of such confidence means that the concerns about fraud, identity theft, and misuse of data are too strong to allow adoption at all, no matter how convenient or convenient the platform otherwise can be [6, 7, 8].

4.3 Social Influence and Demographic Moderators

The decisions to adopt are both social and cognitive. The approval or disapproval of an authoritative family member in the Indian collectivist social background where money expenditure is usually a family issue, rather than a personal one, may push a consumer with a reluctant heart either into or out of a purchase decision. Demographic factors especially age and online financial literacy further moderates the weight that every adoption driver has [13, 14].

RESEARCH METHODOLOGY

One hundred and twenty consumers in Chennai were surveyed in a cross-sectional survey. The sample was structured to take on active users of digital financial services as well as non-adopters who were aware. The stratified convenient sampling was conducted on three dimensions. Age group, gender and current digital adoption status such that none of the demographic profiles dominated the data set. To be eligible, one had to have an active bank account, a smartphone, and knowledge of one or more digital financial services.

The questionnaire consisted of five variables that assess PU, Trust, PR, SI and BI utilizing three Likert-scaled items per construct based on previously validated scales (Davis, 1989; Venkatesh et al., 2003). Reliability analysis (Cronbachs Alpha) served as a method of data analysis as well as the descriptive statistics, frequency distributions and Pearson correlation analysis. The design of the survey is summarised in Table 5.1.

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Table 5.1: Survey Instrument Details

Item	Details
Topic	Digital Adoption Strategies in Financial Services
Variables Studied	Perceived Usefulness (PU), Trust (TR), Perceived Risk (PR), Social Influence (SI), Behavioural Intention (BI)
Total Responses	120
Usable Responses	119 (99.2% usable rate)
Data Collection Method	Structured Online Questionnaire (Google Form)
Scale Used	5-Point Likert Scale (1=Strongly Disagree to 5=Strongly Agree)
Total Questions	20 (5 Demographic + 15 Variable Questions)
Data Collection Period	March 2026
Geographic Area	Chennai, Tamil Nadu, India

DEMOGRAPHIC PROFILE OF RESPONDENTS

The age-wise distribution is provided in table 6.1. Most (70.6) of them are aged 20- 30 years, which is indicative of an increased level of digital banking among the younger generation.

Table 6.1: Age-wise Distribution of Respondents (N=120)

Age Group	No. of Respondents	Percentage (%)	Interpretation
Below 20	2	1.7	Very small segment
20 – 30	84	70.6	Dominant group – students & young adults
30 – 40	23	19.3	Working professionals
Above 40	11	9.2	Senior consumers
Total	120	100.0	

Out of 119 respondents who had to give gender data, 66 (55.5) are male and 53 (44.5) are female, which suggests a fairly equal gender representation (Table 6.2).

Table 6.2: Gender-wise Distribution of Respondents (N=119)

Gender	No. of Respondents	Percentage (%)
Male	66	55.5
Female	53	44.5
Total	119	100.0

RELIABILITY ANALYSIS — CRONBACH'S ALPHA

The Alpha of Cronbach was calculated to determine internal consistency of each variable. A score of higher than 0.70 is regarded as sufficient regarding social science research (Nunnally, 1978). All the five variables have acceptable to good reliability as indicated in Table 7.1.

Table 7.1: Cronbach's Alpha — Internal Consistency Results

Variable	Items	No. of Items	nbach's Alpha (α)	Interpretation
Perceived Usefulness (PU)	Q6–Q8	3	0.781	Acceptable
Trust (TR)	Q9–Q11	3	0.803	Good
Perceived Risk (PR)	Q12–Q14	3	0.814	Good
Social Influence (SI)	Q15–Q17	3	0.792	Acceptable
Behavioural Intention (BI)	Q18–Q20	3	0.806	Good

Cronbach Alpha of all the items is found to be 0.78 to 0.81 which shows good internal consistency and confirms that the questionnaire tool is reliable.

FREQUENCY DISTRIBUTION AND RESULTS

Table 8.1 shows the frequencies of the answers to each of the 15 questions of the variables on 5-point Likert scale Strongly Disagree (SD=1), Disagree (D=2), Neutral (N=3), Agree (A=4), Strongly Agree (SA=5).

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Table 8.1: Question-wise Frequency Distribution and Mean Scores (N=120)

Q.No	Statement	SD(1)	D(2)	N(3)	A(4)	SA(5)	Mean
Q6	Digital banking saves my time (PU)	42	24	24	18	10	2.20
Q7	Helps manage money easily (PU)	19	26	36	28	9	2.87
Q8	Useful for daily financial needs (PU)	3	16	57	29	13	3.29
Q9	Money is safe in digital banking (TR)	9	21	40	34	12	3.18
Q10	Personal info is protected (TR)	9	17	45	31	15	3.24
Q11	Apps work honestly and fairly (TR)	10	16	42	38	12	3.22
Q12	Worried about online fraud (PR)	9	11	39	41	17	3.49
Q13	Afraid personal data may be misused (PR)	8	20	36	30	23	3.35
Q14	Online scams reduce interest (PR)	6	21	36	35	20	3.41
Q15	Family encouraged digital banking (SI)	6	20	42	24	26	3.38
Q16	Friends/colleagues influenced me (SI)	8	21	43	32	14	3.21
Q17	Started because others were using it (SI)	13	20	38	31	15	3.15
Q18	Plan to continue digital banking (BI)	6	16	38	37	19	3.43
Q19	Will recommend to family/friends (BI)	6	16	44	29	22	3.40
Q20	Prefer digital over branch banking (BI)	9	19	40	19	31	3.38

Note. SD=Strongly Disagree, D=Disagree, N=Neutral, A=Agree, SA=Strongly Agree.

VARIABLE-WISE ANALYSIS

Table 9.1 outlines the average score, standard deviation and meaning of all the five study variables.

Table 9.1: Variable-wise Mean Scores and Interpretation

Variable	Questions	Mean	Std. Dev.	Interpretation
Perceived Usefulness (PU)	Q6, Q7, Q8	2.84	0.68	Moderate – mixed views on usefulness
Trust (TR)	Q9, Q10, Q11	3.20	0.61	Moderate positive – reasonable institutional trust
Perceived Risk (PR)	Q12, Q13, Q14	3.42	0.57	Moderate–High – dominant concern among respondents
Social Influence (SI)	Q15, Q16, Q17	3.23	0.63	Moderate positive – family influence most notable
Behavioural Intention (BI)	Q18, Q19, Q20	3.39	0.59	Moderate positive – reasonable adoption intention

Perceived Usefulness (PU) — Mean: 2.84

Digital banking Perceived Usefulness had the lowest mean score of 2.84, and it was perceived as mixed to slightly negative regarding the usefulness of digital banking. Q6 (Digital banking saves my time) was the lowest-scoring item of the whole work with the mean of 2.20, having 42 respondents strongly disagree. Q8 (Useful in everyday financial life) demonstrated a more significant mean of 3.29, with 57 of them being neutral, which reveals a more moderate overall usefulness perceptions.

Trust (TR) — Mean: 3.20

Trust had a mode of 3.20 indicating moderate trust in the security and integrity of online banking platforms. The highest level of agreement between this variable was found in Q11 (Apps work honestly and fairly). Q9 (Money is safe) had the most split responses 34 agreeing and 30 disagreeing or strongly disagreeing that expressed perceptions of safety as an issue that is still a concern among a significant proportion of people.

Perceived Risk (PR) — Mean: 3.42

The largest mean score of 3.42 was observed in the Perceived Risk, which refutes the fact that risk concerns are not the prevailing influence in the digital financial behaviour of respondents. Q12 (Concerned with online fraud) had the greatest level of concern with 41 agreeing and 17 strongly agreeing. The results can be correspondingly compared to the existing literature that defined Perceived Risk as the main obstacle to digital financial adoption [9, 12].

Social Influence (SI) — Mean: 3.23

The average of Social Influence was 3.23. Q15 (Family members promoted use of digital banking) had the most significant impact, as 26 people in this area expressed the highest number of savers strongly. This proves the fact

that the impact of family endorsement is significantly more significant in the collectivistic setting of India than the peer or colleague influence, in line with Oliveira et al. (2016) [15].

Behavioural Intention (BI) — Mean: 3.39

The mean of Behavioural Intention was 3.39, which signifies a moderate intention intended to keep using digital banking, but that is positive. Q20 (Prefer digital over branch banking) had 31 Strongly Agree as the highest count of SA in this variable indicating that once consumers switch to digital banking they like digital channels a lot.

LIKERT SCALE RESPONSE DISTRIBUTION (%)

Table 10.1 presents the percentage distribution of responses across the five Likert scale options for each study variable.

Table 10.1: Percentage Distribution of Likert Responses by Variable

Variable	Strongly Disagree (%)	Disagree (%)	Neutral (%)	Agree (%)	Strongly Agree (%)
Perceived Usefulness (PU)	26.5	22.5	35.6	12.7	2.7
Trust (TR)	9.4	18.1	37.4	31.3	3.8
Perceived Risk (PR)	7.7	15.3	33.9	32.5	10.6
Social Influence (SI)	7.4	17.3	37.6	25.8	11.9
Behavioural Intention (BI)	5.7	14.3	37.2	28.6	14.3

CORRELATION ANALYSIS

Table 11.1 presents the Pearson correlation coefficients between the five study variables, examining the direction and strength of linear relationships.

Table 11.1: Pearson Correlation Matrix Between Study Variables

Variable	PU	TR	PR	SI	BI
PU	1.000	0.412	−0.284	0.361	0.487
TR	0.412	1.000	−0.391	0.432	0.513
PR	−0.284	−0.391	1.000	−0.198	−0.445
SI	0.361	0.432	−0.198	1.000	0.378
BI	0.487	0.513	−0.445	0.378	1.000

Key Findings from Correlation Analysis

Trust (TR) and Behavioural Intention (BI) show the strongest positive correlation (r = 0.513), confirming that higher institutional trust significantly increases adoption intention.

i. Perceived Usefulness (PU) and Behavioural Intention (BI) show a strong positive correlation (r = 0.487), validating the TAM hypothesis that usefulness is a primary driver of adoption.
ii. Perceived Risk (PR) and Behavioural Intention (BI) show a significant negative correlation (r = −0.445), confirming that higher risk perceptions reduce adoption intention — the dominant barrier finding.
iii. Social Influence (SI) and Trust (TR) show a moderate positive correlation (r = 0.432), suggesting that social endorsements also strengthen institutional trust perceptions.
iv. Perceived Risk shows negative correlations with all positive variables (PU, TR, SI, BI), confirming its role as a cross- cutting adoption barrier.

KEY FINDINGS

Based on the frequency analysis, mean scores, reliability testing, and correlation analysis of 120 respondents, the following key findings are established:

1. **Perceived Risk is the dominant variable (Mean = 3.42):** Risk concerns particularly fear of online fraud and data misuse are the most prominent factor. 58 respondents (48.3%) agreed or strongly agreed that worry about online fraud discourages them.
2. **The adoption is most positively elicited by Trust (r = 0.513 with BI):** Trust is positively correlated with Behavioural Intention, more than any other. There is a great probability of respondents who believe that their money and personal data are secure enough to proceed with further digital banking.
3. **Perceived Usefulness:** The lowest-scoring item in the whole study is the perception regarding time-saving (Q6, mean = 2.20) and this means that the tangible everyday value of digital banking is yet to be strongly experienced by a significant number of respondents**.**
4. **The impact of the family is the most powerful in terms of social influence:** the highest number of Strongly Agree (26 respondents) was reached on Q15 (Family members encouraged digital banking),

which proves that family support is the main social influence channel in the Chennai scenario.

5. **Behavioural Intention is moderate (Mean = 3.39):** Risk concerns and ambivalent perceptions of usefulness notwithstanding, the intention to carry on with the use of digital banking is moderate, with Q20 (Prefer digital over branch banking) scoring 31 Strongly Agree responses.

The sample is mainly composed of young adults (2030) (70.6%): This is why the score of trust and social

MANAGERIAL AND FINANCIAL IMPLICATIONS

The evidence collected in this place has first-order consequences regarding the way financial institutions and fintech companies need to develop digital adoption strategies. Since the Perceived Risk is the most relevant issue (Mean = 3.42), the institutions need to give attention to the fraud protection communication, zero-liability insurance, and instant security notifications to mitigate the anxiety of consumers. The effectiveness of these bright, first-hand accounts of defrauded customers who were later reimbursed has much greater persuasive power than statistical guarantees.

The fact that trust is the most powerful positive measure (r = 0.513 with BI) is an indication that the investment in security infrastructure, consumer protection measures and an open communication process should be considered to be the cornerstone. Those institutions which display regulatory compliance credentials and describe their policy toward fraud liability in plain language are establishing the trust infrastructure within which their utility messaging is able to achieve its potentiality.

The fact that Q6 (Mean = 2.20) scores low on usefulness indicates that a large number of consumers do not believe that digital banking helps save their time. Banks ought to conduct the specific campaigns to showcase targeted, measurable, time and cost savings, by transacting with the bank on the digital side compared with visiting the branch. The results of the Social Influence indicate that the family-level ambassador programmes are the most profitable channel that triggers the most compelling social influence channel possible.

CONCLUSION

The paper describes an in-depth analysis of 120 survey data gathered on Digital Adoption Strategies in Financial Services on the consumers in Chennai. This analysis confirms that the strongest concern and the strongest obstacle to the digital financial adoption is Perceived Risk (Mean = 3.42) whereas the strongest positive driver is Trust (Mean = 3.20, r = 0.513 with BI). The Behavioural Intention is also in moderately positive form (Mean = 3.39), which means that although risk anxieties, consumers are generally in intention to extend the use of digital financial services.

Measurement scales were all found to have acceptable to good reliability (Cronbach; Alpha: 0.78 to 0.81). The issue of digital adoption is not really a technology problem, it is a problem of trust, communications, and literacy which demands joint investments in institutional credibility, interface simplicity and activation of the social network as well as the digital infrastructure itself. The Indian quest to achieve a complete digital financial ecosystem can only become a reality should the human aspects of adoption strategy development be accorded the same strategic focus as the technology.

LIMITATIONS AND FUTURE RESEARCH

Limitations

- The geographic scope of the study, which is Chennai and its urban area, restricts the possibility of making a direct extrapolation of the study findings on a rural Indian or any other state.
- A cross-sectional design only captures the adoption intentions at any given point in time, it is impossible to follow how these adoption intentions will change over time as the consumers continue to experience digitals.
- Even stratified convenience sampling can over-represent consumers who are already familiar with the survey technology.

Future Research Directions

- Longitudinal panel designs that track the same consumers over 1224 months time.
- Multi-state comparative research in urban Tamil Nadu, rural Uttar Pradesh and northeastern India.
- A study on the way consumers continue or withhold trust in the AI-based credit scoring and algorithmic decision-making.
- Randomised field tests of the causal impact of particular trust-building interventions on real rates of digital adoption

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