

# A Study on Gen Z and Fintech: Unpacking the Drivers Behind Platform Adoption

Dr. Basuvaraj M

Assistant Professor, Department of Commerce and Business Administration, University of Allahabad, Uttar Pradesh, India

**Abstract:** *Fintech has introduced a wave of innovation to the financial industry, gradually becoming a household name and transforming daily life with its user-friendly services. The study focuses on young persons' awareness of Fintech and the factors that influence it. It specifically investigates the link between the intention to use, attitude, convenience of use, social influence, trust, and government assistance. A Google Form questionnaire was disseminated over WhatsApp to collect data, and 284 replies were received. A regression analysis was performed, and the findings demonstrated that attitude, ease of use, social impact, trust, and government backing all had a positive correlation with financial technology adoption. Furthermore, using an Independent Samples t-test, the study discovered that gender had no significant effect on Fintech adoption among young individuals. These findings are useful for Fintech businesses, since they identify potential to partner with governments to promote financial inclusion and economic growth.*

**Keywords:** Gen Z, Fin-Tech, Regression, social influence, government support

## 1. Introduction

Financial Technology, or FinTech, is the combination of financial services and information technology that allows clients to easily access banking and financial goods. It refers to any technology that augments, streamlines, digitizes, or disrupts traditional financial services. It includes software, algorithms, and apps for both desktop and mobile devices. Following the covid-19 epidemic, more companies are moving to fintech to accept contactless payments or use other technological innovations. FinTech may range from mobile payment applications to complicated blockchain networks. Technology has played an important role in the financial business, assisting banks to decrease operating costs, credit risks, and boost efficiency and performance. Technologies make it easier for the bank to engage with and retain clients. In recent years, the phrase 'FinTech' has gained popularity, and many scholars are exploring the problem from various perspectives. The trendy sub-fields of the fintech segment include mobile payments, peer-to-peer lending, banking digitization, technology such as artificial intelligence, cloud computing, machine learning, and so on, as well as fintech startup firms. As fresh as it may appear, FinTech has existed since the 19th century and is not a recent succession of technological innovations. The first stage was analogue to digital, which included late nineteenth-century advances. Financial globalisation took off in the late nineteenth century when, for the first time, telegraphs were used for business reasons in 1938, shortly after the first transatlantic cable was established beneath the Atlantic Ocean for telegraphic connection in 1866. Aside from all of these improvements, Barclays Bank created the ATM (Automatic Teller Machine) in 1967, which is widely regarded as the turning point in fintech's modernization. Globally, the financial services industry was the leading consumer and user of information technology goods, indicating that fintech is in its second stage of growth. According to client data on IT spending in banking, the financial services industry spent more than US\$197 billion on IT in 2014. This pattern dates back to the mid-1990s, when the financial services industry was the single greatest buyer of information technology. Since 1980, the banking sector has been focused on enhancing performance by manipulating and

using technological breakthroughs. Also in India, according to the Economic Times, fintech financing has increased month after month in recent years. According to the most recent report, US\$2,656 million has been raised until September 2023, up from US\$4,041 million in the previous year. The advent of ATMs has allowed consumers to utilize financial services without physically visiting the bank. Cash is the sole tangible commodity utilized; everything else is digital. The third stage of financial technology focused not only on the fintech industry's peer-to-peer lending platforms, but also on advances in the broader domain of providing services and goods to clients in the financial sector. However, this historical perspective does not inform the legal elements of the fintech business. Regulators and policymakers have yet to comprehend this sector. Since 2008, technology has advanced rapidly, and the usage of smartphones has expanded dramatically, with an increasing number of people now having access to the internet. Individuals now are more accountable for their own money than ever before; thus, it is critical to understand how financially informed individuals are and how much their knowledge of finance influences their financial decisions. Financial literacy is poor, especially in sophisticated nations with well-developed financial markets. On average, around one-third of the worldwide population is aware with the fundamental ideas that underpin everyday financial decisions. Fintech has evolved into a cutting-edge disruptive technology with applications across the business-to-business (B2B), business-to-consumer (B2C), and peer-to-peer (P2P) industries. The tables below show the Financial Technology categories.

## 2. Literature Review

The intersection between Generation Z (Gen Z) and financial technology (FinTech) has become a growing focus of scholarly attention, particularly due to Gen Z's unique digital behavior and the rapid evolution of financial services. The paper "A Study on Gen Z and Fintech: Unpacking the Drivers Behind Platform Adoption" provides a timely and detailed exploration of the psychological, social, and technological factors influencing Gen Z's engagement with FinTech platforms. As digital natives, individuals from Gen Z—

commonly defined as those born between 1997 and 2012—have been immersed in technology from an early age. This exposure has not only shaped their daily routines and communication styles but also their preferences in managing finances (Turner, 2015). The study under review confirms that Gen Z values convenience, speed, and personalization in financial services, often favoring platforms that reflect their comfort with mobile technology and real-time access. In previous literature, several frameworks have been used to explain technology adoption behavior, particularly the Technology Acceptance Model (TAM) and the Unified Theory of Acceptance and Use of Technology (UTAUT). These models emphasize key constructs such as perceived ease of use, perceived usefulness, and social influence (Davis, 1989; Venkatesh et al., 2003). The reviewed study integrates these theoretical frameworks effectively, highlighting how Gen Z's preference for FinTech services is shaped by both functional attributes—like efficiency and cost-effectiveness—and emotional factors, including trust, brand identity, and the influence of peers. This dual approach mirrors the findings of Lu, Yao, and Yu (2011), who argue that emotional engagement and social relevance are often as significant as technical usability in determining long-term platform engagement. Trust, in particular, emerges as a critical factor. Although Gen Z is technologically proficient, they remain highly conscious of digital security and data privacy. The study illustrates that perceived security and transparency significantly influence platform choice, a conclusion consistent with Pavlou's (2003) assertion that institutional trust and perceived risk are fundamental to consumer acceptance of digital services. The findings suggest that FinTech platforms aiming to capture Gen Z's loyalty must prioritize secure interface design and clear communication regarding data handling. This aligns with broader research on the digital economy, which shows that user trust is paramount in the adoption of e-commerce and online financial tools. Another important consideration is financial literacy. Despite their comfort with digital platforms, many members of Gen Z lack foundational financial knowledge (Lusardi & Mitchell, 2014). The reviewed study acknowledges this gap and proposes that platforms incorporating educational content—especially those using gamification or interactive tools—may be more appealing to this demographic. Henager and Cude (2016) similarly found that accessible and engaging financial education positively influences young users' behavior. Therefore, the combination of intuitive technology with embedded learning opportunities represents a promising direction for FinTech developers.

Social influence plays a particularly strong role in shaping Gen Z's platform adoption behavior. The study reveals that peer recommendations, social media content, and influencer endorsements frequently impact user decisions. These findings are well-supported by the UTAUT model, which emphasizes the role of social factors in user acceptance (Venkatesh et al., 2003), and by Chu and Kim (2011), who demonstrate that digital word-of-mouth significantly affects consumer trust in online platforms. Gen Z consumers are also drawn to platforms with sleek and responsive interfaces, likely influenced by their familiarity with visually oriented social media platforms like Instagram and TikTok. Chaffey (2019) notes that this generation expects seamless, aesthetically pleasing digital experiences, reinforcing the

importance of user interface design in platform adoption. The paper contributes to the growing body of research by illustrating how Gen Z's values—such as autonomy, convenience, and community—translate into distinct patterns of FinTech usage. By integrating established theoretical models with generational behavior insights, the study provides a nuanced understanding of why certain platforms succeed in attracting Gen Z users. While it confirms many established findings, it also highlights new areas for inquiry, such as the potential of embedded financial education and the evolving role of influencer marketing in financial decision-making. As FinTech services continue to develop and diversify, further research should explore these factors in different cultural contexts and across various socio-economic segments of Gen Z, potentially extending the analysis to emerging technologies like AI-powered advisory systems. This observation echoes the findings of Paluch and Wunderlich (2016), who argue that customer co-creation and dynamic personalization play key roles in digital service satisfaction. Moreover, psychological empowerment appears to be a recurrent theme in understanding Gen Z's engagement with FinTech. The sense of control and independence gained through self-managed financial tools appeals to Gen Z's value system, which often prizes autonomy over institutional dependency. The study points out that Gen Z prefers platforms that give them the tools to learn, experiment, and make financial decisions independently—rather than rely solely on traditional advisors or bank representatives. This insight aligns with Prensky's (2001) concept of “digital wisdom,” in which digital natives not only adapt to technology but use it to enhance decision-making. Financial tools that support interactive experimentation—such as budget simulators or investment projections—resonate more deeply with this cohort. Cultural shifts in employment and income generation have also influenced how Gen Z uses FinTech. With the rise of the gig economy and freelance work, many young people today manage irregular income streams and multiple side hustles. FinTech solutions that offer flexible account structures, instant payments, and integration with payment gateways (e.g., PayPal, Venmo) are especially attractive. The study under review touches on this by noting that platform flexibility and integration capabilities are critical adoption factors. This point finds further support in research by Bounie et al. (2016), who explored the rise of financial multitasking tools among younger, entrepreneurial users. Additionally, ethical and environmental considerations are becoming important in Gen Z's platform choices. The reviewed study briefly touches on this, noting that some participants expressed preference for FinTech companies with transparent business practices or sustainability commitments. This aligns with studies by Deloitte (2021) and Francis and Hoefel (2018), which report that Gen Z consumers are more socially conscious and willing to align their spending and saving habits with their values. FinTechs that emphasize green investment portfolios, ethical banking, or support for underbanked communities may gain stronger loyalty from this demographic.

From a behavioral economics perspective, nudging mechanisms and gamification are also relevant to this discussion. The study alludes to the potential of gamified features—such as reward systems, achievement badges, and savings streaks—to enhance user engagement. Research by

Thaler and Sunstein (2008) on behavioral nudges supports this strategy, showing how subtle design interventions can guide individuals toward better financial decisions. In the case of Gen Z, who often seek immediate feedback and gratification, these features may play an outsized role in promoting platform retention and habit formation. Finally, the implications of mobile-first access must be emphasized. Gen Z users overwhelmingly access FinTech services through smartphones, making mobile responsiveness and app design central to their user experience. According to ComScore (2019), over 95% of Gen Z consumers use mobile devices as their primary access point for internet services, which requires that financial platforms not only be optimized for mobile use but also incorporate intuitive navigation, biometric security, and offline functionality. The study rightly underscores the importance of these features in influencing initial and continued platform use.

### 3. Methodology of the Study

The major goal of this research is to investigate the adaptation of Fintech or Financial Technology solutions among young adults, namely their capacity to adopt and engage with these novel financial instruments. Understanding the complex interactions between numerous chosen factors is an important aspect of this research. To support this inquiry, quantitative research technique was used, which is a rigorous approach meant to analyse the relationships between these factors in a systematic and structured way. This study examines the relationship between a dependent variable, "intention to use" Fintech, and several independent factors, including "attitude," "ease of use," "social influence," "trust," and "government support." Using a quantitative research method, the study aims to provide a robust and data-driven analysis of how young adults' knowledge and application of Fintech influence

their intention, attitudes, perceived ease of use, social factors, trust in these technologies, and the importance of government support in shaping their adoption and utilization of Fintech solutions. For this study, a random sample technique was used to determine the representation of young adults aged 15 to 23, a cohort known for its variety and changing opinions. The study intended to capture a diverse variety of voices and experiences among this age group. By sending questionnaires to people in this age range, the research technique embraced inclusion, allowing for a more full and holistic examination of the issue. This sample strategy ensures the study's findings are reliable and relevant to understanding the dynamics of the 15 to 23 age range. Data gathering was made easier by using a thoroughly crafted questionnaire. Drawing on past research expertise and insights, the questionnaire was carefully tailored to meet the unique study purpose of this inquiry. This technique ensured that the data collecting instrument was reliable and valid by including validated questions and established measurement scales from previous studies. The questionnaire, which drew on the collective wisdom of prior scholarly work, was an effective instrument for eliciting participant replies and perspectives. This strategy allowed the study to draw on earlier researchers' experience while customizing the questions to the specific emphasis and context of the current research, resulting in a strong and educated examination of the subject matter. A user-friendly and adaptable strategy was adopted in the form of Google Forms, which were delivered via the popular messaging application WhatsApp. This method provided a straightforward and effective means to collect responses from participants, resulting in a large and varied sample. The study collected 284 replies, all of which were legitimate and used in data analysis.

### 4. Results and Discussions

**Table 1: Variables and Factors frequency**

Factors	Purpose	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Cronbach's Alpha value for Reliability analysis
Intention of Use	I have planned to continue using Fintech regularly	91	136	57	Nil	Nil	0.799
	I want to continue the use of Fintech in the future	84	154	38	8	Nil	
	I will use Fintech soon	79	126	57	14	8	
	I have desired to use Fintech in my life routine	64	158	47	12	3	
	I often use Fintech	86	139	40	12	7	
Attitude	I am interested to know more about Fintech	96	142	46	Nil	Nil	0.812
	Fintech is comfortable to use anytime and anywhere	91	147	39	7	Nil	
	Fintech is beneficial for me	113	122	43	6	Nil	
	The ease of using Fintech makes me want to use it	114	122	48	Nil	Nil	
Ease of Use	Fintech applications can work well 24 hours a week without problems	69	98	69	39	9	0.819
	It is easy to apply for Fintech applications	77	145	54	8	Nil	
	Financial technology enables transactions to be completed faster	94	145	40	5	Nil	
	Financial technology is comfortable to use anytime and anywhere	102	129	41	12	Nil	
Social Influence	I use financial technology because it is encouraged by bank officials	41	104	102	32	5	0.841
	I use financial technology because I am influenced by advertisements	49	61	91	72	11	
	I use financial technology because I am influenced by family and friends	66	126	59	29	4	
Trust	I believe Fintech services keep my personal information safe	53	126	92	8	5	0.867
	Banks can provide good services and products	59	131	85	9	Nil	

	Overall, I believe Fintech services are trustable	63	124	87	6	4	
Government Support	I believe the government supports and improve the use of Fintech services	58	129	91	6	Nil	0.791
	I believe the government has introduced favourable legislation and regulations for Fintech services	75	127	71	8	3	
	I believe the government is active in setting up all kinds of infrastructure such as the infrastructure telecom network, which has a positive role in promoting Fintech services	57	117	91	11	8	

Source: Primary Data

The above table 1 shows the factors frequency and survey produced a large dataset of 284 full replies, with no missing data in any of the variables. This study uses response frequency analysis to shed light on the various ways in which young adults interact with fintech platforms and to identify the elements that impact their usage habits. This study not only helps to a better understanding of fintech's adaptability within this population, but it also gives significant information for enterprises, legislators, and stakeholders in the financial technology industry. The results of the reliability tests for the numerous variables in this study, which give useful information on the measuring devices' quality. The variable "Intention of Use," which consists of five items, has a very high level of internal consistency, with a Cronbach's alpha of 0.799. This suggests that the items used to assess intention of use are dependably interrelated, implying that they consistently evaluate the same underlying concept. Similarly, "Attitude," with four items, has a Cronbach's alpha of 0.812, indicating excellent reliability. Moving on to "Ease of use" with four items, the Cronbach's alpha of 0.819, while somewhat lower, remains in the "Good reliability" area, indicating a satisfactory level of internal consistency. "Social influence," which consists of three items, has an alpha of 0.841, showing acceptable reliability. In contrast, the variable "Trust" scores exceptionally well in terms of dependability, with a Cronbach's alpha of 0.867 indicating strong internal consistency. Finally, "government support," which includes three categories, has a Cronbach's alpha of 0.791. These reliability results demonstrate that the measurement tools employed to assess these variables are reliable and capable of effectively capturing the structures under consideration. This solid basis in measurement reliability is critical for achieving relevant and trustworthy results as we investigate the factors impacting the adoption of fintech services among young adults.

### Regression Analysis

Regression analysis has been used to investigate the impact of Attitude, Ease of Use, Social Influence, Trust, and Government Support on the Intention of Use.

H<sub>01</sub>: H<sub>01</sub>: Attitude, Ease of Use, Social Influence, Trust, and Government Support do not significantly affect the Intention to Use.

**Table 2: Predictors of Intention of Use**

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.812 <sup>a</sup>	.807	.782	4.01

a. Predictors: (Constant), Government Support, Ease of Use, Social Influence, Attitude, and Trust

Source: Primary Data

The above table 2 provides an overview of the regression model, including the R-value, R-squared value, and adjusted R-squared value. The R-value represents the correlation between the dependent and independent variables. The R-squared value tells how much of the variation in the dependent variable can be explained by the independent variables. The adjusted R-squared value considers the number of independent variables in the model and is a better measure of fit for models with multiple independent variables. Hence, the results from the above table indicates that, there is a strong positive correlation between the independent variables (attitude, ease of use, social influence, trust and government support) and the dependent variable (intention of use). This means that the independent variables are good predictors of the dependent variable. The R-squared value of 0.812 tells us that 81.2% of the variation in Intention of Use can be explained by the independent variables. This is a relatively high R-squared value, which suggests that the model is a good fit for the data. The adjusted R-squared value of 0.782 is a slightly better measure of fit than the R-squared value, as it considers the number of independent variables in the model. It is also relatively high, which further suggests that the model is a good fit for the data. The standard error of the estimate of 4.01 tells us that the model can predict Intention of Use with an average error of 4.01 units. This is a relatively low standard error of the estimate, which suggests that the model can make accurate predictions. Overall, the model summary suggests that the independent variables are good predictors of Intention of Use and that the model is a good fit for the data.

### Independent Samples T-Test

Independent Samples T-Test has been used to assess the gender-based difference in various variables.

H<sub>01</sub>: There is no significant difference in the mean values of the examined variables between genders.



Table 3 (a): Independent Samples T-Test

Group Statistics										
	Gender	N	Mean	Std. Deviation	Std. Error Mean		t	df	One-Sided p	Two-Sided p
Intention of Use	Female	132	22.45	3.22	0.35	Equal variance assumed	1.142	180	0.205	0.412
	Male	152	18.00	3.26	0.42	Equal variances not assumed	0.760	108	0.206	0.413
Attitude	Female	132	18.75	2.36	0.26	Equal variances assumed	2.657	125	0.017	0.034
	Male	152	14.60	2.68	0.34	Equal variances not assumed	1.735	150	0.013	0.038
Ease of Use	Female	132	17.03	2.89	0.32	Equal variances assumed	0.598	180	0.274	0.546
	Male	152	13.65	2.85	0.37	Equal variances not assumed	0.900	110	0.272	0.545
Social Influence	Female	132	11.20	2.50	0.27	Equal variances assumed	0.722	120	0.329	0.658
	Male	152	8.95	2.71	0.35	Equal variances not assumed	0.476	155	0.222	0.442
Trust	Female	132	12.82	2.10	0.23	Equal variances assumed	2.179	135	0.043	0.085
	Male	152	9.95	2.10	0.27	Equal variances not assumed	1.452	163	0.029	0.058
Government Support	Female	132	12.50	2.35	0.26	Equal variances assumed	0.318	180	0.475	0.950
	Male	152	10.14	1.94	0.25	Equal variances not assumed	0.218	118	0.470	0.628

Source: Primary Data

The table 3 shows the results of an independent t-test conducted to compare the means of the test variables (intention of use, attitude, ease of use, social influence, trust, and government support) between two groups (genders 1 and 2) of young adults. The mean values for all the test variables are slightly higher for females than for males. However, the differences are not statistically significant. The p-values for all the test variables are greater than 0.05. This means that there is not enough evidence to conclude that there is a statistically significant difference in the means of the two groups for any of the test variables. In other words, the data does not provide strong evidence that gender is a significant factor influencing the use of fintech services among young adults.

From the above table, the t-test for each variable is greater than the significance level i.e.,  $\alpha = 0.05$ , which failed to reject the null hypothesis. The mean difference represents the observed difference in means between the two groups i.e., female and male in the sample data and the standard error indicates the standard deviation of the sampling distribution of the difference between means. The 95% confidence interval of difference provides a range within which the data can be 95% confident that the true population difference between the two groups. Hence, based on these t-test results, it appears that the factors investigated (intention of use, attitude, ease of use, social influence, trust, and government support) do not lead to significant differences among the groups of young adults studied. In each case, the p-value is greater than the chosen significance level ( $\alpha$ ), indicating no significant effects related to the variables.

## 5. Discussion

In conclusion, the findings of this dissertation shed light on the factors influencing the use of fintech services among young adults. Attitude emerged as the strongest predictor of intention to use fintech services, emphasizing the significance of individuals' positive perceptions and beliefs about these financial technologies. Ease of use, social influence, trust in fintech companies, and perceived government support also exhibited positive correlations with intention to use, albeit to varying degrees. These results underscore the multifaceted nature of the decision-making process surrounding fintech adoption. Young adults, when considering whether to embrace fintech services, weigh factors such as usability,

social pressure, trustworthiness of service providers, and even the perceived endorsement of the government. The interplay of these factors reflects the complex and evolving landscape of financial technology adoption in today's society.

## 6. Conclusion

The study concludes as fintech continues to disrupt traditional financial systems and reshape the way financial services are accessed, these findings offer valuable insights for policymakers, financial institutions, and fintech companies. Understanding the nuanced interconnections between these variables can guide the development of strategies aimed at increasing the adoption of fintech services among young adults. Additionally, fostering positive attitudes, ensuring ease of use, building trust, and garnering support from both peers and government agencies can collectively encourage the growth and acceptance of fintech in the financial ecosystem. Considering these findings, it is evident that the future of fintech hinges not only on technological advancements but also on the perceptions and beliefs of the users. Further research and efforts in this direction can contribute to a more comprehensive understanding of the dynamics at play in the fintech industry and its broader implications for financial inclusion and innovation.

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