

Fintech Trading Apps and Financial Decision-Making of College Students

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Abstract

This study examines the impact of FinTech trading applications on the financial decision-making behaviour of college students. With the increasing adoption of digital financial platforms, trading apps have significantly influenced how young investors participate in financial markets. The study adopts a quantitative research approach and is based on primary data collected from 191 respondents using a structured questionnaire. Statistical analysis was conducted using IBM SPSS, including descriptive statistics, reliability analysis, correlation, and multiple regression. The findings reveal that although trading apps enhance accessibility and participation in financial markets, the relationship between motivational and behavioural factors and financial decision-making is not statistically significant. The regression results indicate low explanatory power, suggesting that traditional behavioural constructs may not fully explain student investment behaviour. The study highlights the complexity of financial decision-making among college students and emphasizes the need for improved measurement frameworks and financial literacy interventions. The findings contribute to behavioural finance literature and provide insights for FinTech companies and policymakers to design better user-centric financial platforms.

Keywords: FinTech, Trading Apps, Financial Decision-Making, Behavioral Finance, College Students

INTRODUCTION

Financial technology has transformed the financial services sector by enabling digital access to investment platforms. Trading applications such as Zerodha and Groww have made investing more accessible, particularly for college students. These platforms offer real-time data, simplified interfaces, and low transaction costs.

However, despite increased participation, concerns remain regarding the quality of financial decision-making among students. Behavioural biases, limited financial literacy, and reliance on digital cues such as notifications may influence investment decisions. This study aims to examine how FinTech trading applications impact financial decision-making among college students.

REVIEW OF LITERATURE

Previous studies have highlighted the role of FinTech in improving financial

accessibility (Lee & Shin, 2018). Behavioural finance research indicates that investors often exhibit irrational behaviour due to biases such as overconfidence (Barber & Odean, 2001).

Kahneman and Tversky (1979) introduced Prospect Theory, explaining decision-making under risk. Lusardi and Mitchell (2014) emphasized the importance of financial literacy in improving investment decisions. Thaler (2016) highlighted the role of behavioural nudges in influencing financial behaviour.

Despite extensive research, limited studies focus specifically on college students and their interaction with trading apps, particularly in the Indian context.

RESEARCH GAP & HYPOTHESES

Existing literature lacks integrated analysis of behavioural factors, financial knowledge, and technology usage among college students.

Hypotheses:

- H1: Behavioural factors significantly influence financial decision-making
- H2: Financial knowledge significantly affects investment behaviour
- H3: Trading app usage significantly impacts financial decisions

RESEARCH METHODOLOGY

The study adopts a quantitative research design. Primary data was collected from 191 respondents using a structured questionnaire.

- Sampling: Convenience sampling
- Tool: IBM SPSS
- Analysis:
 - Descriptive statistics
 - Cronbach's Alpha
 - Correlation
 - Regression

DATA ANALYSIS AND RESULTS

The descriptive analysis indicated moderate response levels across variables. Reliability analysis revealed low internal consistency, with Cronbach's Alpha values below acceptable thresholds.

Correlation analysis showed weak relationships among variables. Regression analysis indicated low explanatory power ($R^2 < 0.1$), suggesting that the model does not significantly predict financial decision-making.

Only one variable showed partial significance, but overall hypotheses were not supported.

FINDINGS AND DISCUSSION

The study finds that FinTech trading applications improve accessibility

but do not significantly influence structured financial decision-making among students.

The lack of significant relationships may be attributed to:

- Low reliability of measurements
- Independent behavioural patterns
- Influence of external factors not captured in the model

These findings suggest that student investment behaviour is more complex and cannot be fully explained using traditional behavioural constructs.

CONCLUSION

The study concludes that while FinTech trading apps enhance participation in financial markets, they do not significantly influence financial decision-making in a structured manner.

The findings highlight the need for improved financial literacy and better-designed research models to understand student investment behaviour.

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