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Exploring User Perceptions and Preferences for Innovative Financial Platforms: Risks, Engagement, and Key Features

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Abstract

This study investigates students perceptions, preferences, and behaviors concerning innovative financial platforms, with a focus on understanding the risks, engagement drivers, and desired features among students in emerging markets. Portrayal on primary data from a survey of 119 college students in Nagaon, India, the research identifies fraud and scams, cybersecurity threats, and regulatory gaps as the most significant risks deterring adoption. Additionally, the findings highlight that mobile payment apps are the preferred financial tools, driven by their affordability, accessibility and user-friendly interfaces. Key features sought by users include security, ease of use, and low fees, underlining the importance of trust and cost-effectiveness in platform design. The study also reveals diverse patterns of information-seeking behavior, emphasizing the role of informal networks and self-directed learning

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in shaping user engagement. By addressing these insights, the research contributes to the development of fintech solutions tailored to user needs, promoting financial inclusion and enhancing trust in emerging markets.

Keywords: *Innovative Financial products, cybersecurity threats, financial inclusion, Students preferences.*

Introduction:

The rapid advancement of financial technology (fintech) has transformed the delivery and consumption of financial services, giving rise to a variety of innovative platforms designed to meet the growing needs of users. These platforms, which include digital investment tools, robo-advisors, and crowdfunding services, offer the assurance of enhanced convenience, accessibility, and personalized financial management. However, their adoption and success hinge on a nuanced understanding of user perceptions, preferences, and behaviors, as well as identifying concerns around risks, usability, and desired features. Previous research considered some critical factors influencing user engagement. For example, studies have emphasized that convenience, cost-effectiveness, and real-time analytics are key drivers of millennials' use of digital investment tools (Brown & Wilson, 2019). Similarly, transparency, low fees, and real-time portfolio tracking have been identified as the most desired features in robo-advisory platforms, underlining the importance of affordability and trust (Gupta & Tan, 2020).

Despite these advancements, major barriers to adoption persist, particularly in rural and underserved areas, where lack of digital literacy and inadequate infrastructure limit access to these technologies (Silva & Gomez, 2021). Trust dynamics further obscure user engagement, as research indicates that transparent communication and the availability of verified project information are crucial for fostering confidence in crowdfunding platforms (Lee & Park, 2018). These findings underscore the multifaceted nature of user expectations and the challenges faced by developers in creating platforms that are both effective and comprehensive.

Building on this foundation, the present study pursues to provide a wide-ranging exploration of user perceptions, preferences, and behaviors regarding innovative financial platforms. By examining the relationship between perceived risks, factors that drive user engagement, and the features users value most, this research aims to suggestion actionable insights for the development of user-centric fintech solutions. Ultimately, the study seeks to bridge gaps in existing knowledge and contribute to the design of financial technologies that not only meet user needs but also address broader issues of accessibility, trust, and inclusivity.

Objective of the Study:

The present study is intended to understand user perceptions, preferences, and behaviors regarding innovative financial platforms, focusing on risks, engagement factors, and desired features.

The Subsequent sections of the study have been outlined as follows: Section 2 presents the literature review related to the topic. Section 3 describes the research methodology. Section 4 outlines the empirical results and discussions. Section 5 provides the conclusion.

Literature Review

Davis et al. (2021) accompanied a quantitative study to examine the various factors influencing the adoption of fintech platforms in evolving markets. To analyse user behaviour Technology Acceptance Model (TAM) was employed by considering 500 respondents. The study recognized trust, ease of use, and perceived usefulness as the most important predictors of fintech adoption. These findings highlight the significance of building user confidence and ensuring native platform designs to improve user engagement in emerging markets. To compare user preferences for mobile banking features, Chen and Lee (2019) used Multinomial regression analysis and find that Users generally preferred those platforms which offers personalization, real-time updates, and seamless user interfaces. Smith and Kapoor (2020) on their mixed-methods approach aimed to explore user perceptions of risks associated with blockchain-based financial services. The study applied both quantitative and qualitative methodologies and surveyed 300 blockchain users and 20 in-depth interviews. The key findings revealed that security vulnerabilities, such as hacking and data breaches, and regulatory uncertainty were the primary threats perceived by users and also underscores the critical need for superior security measures and stronger regulatory frameworks to build user trust in blockchain-based platforms. A cross-sectional study was conducted by Kumar et al. (2022) to measure the role of financial literacy in engagement with fintech. By applying Structural equation modeling (SEM) the findings demonstrated that higher levels of financial literacy significantly enriched user engagement and trust in fintech platforms. This study also highlights the importance of promoting financial education that it will increase user confidence and active participation in innovative financial services. A quantitative study conducted by Rahman et al. (2020) to examine the impact of regulatory awareness on fintech adoption, regression analysis is adopted for achieving the objective. The findings direct that regulatory clarity plays a crucial role in nurturing trust, which, in turn, boosts adoption rates. This effect is particularly distinct among risk-averse users, who depend on transparent and well-communicated regulations to alleviate perceived risks. The study by Johnson and Clark (2018) provides valuable understandings into the adoption of peer-to-peer (P2P) lending platforms, highlighting a user-centric perspective. Conducted as a qualitative study, the research utilized grounded theory analysis to explore the motivations of 30 P2P lending users. The findings highlight three primary drivers for participation in these platforms. Firstly, users are attracted by the potential for higher returns. Secondly, the study discloses the appeal of community engagement, where users feel a sense of connection and participation in a collaborative financial ecosystem. Finally, dissatisfaction with conventional banking services, including lack of personalization and perceived inefficiencies, drives individuals toward P2P platforms as an alternative. Ahmed and Zhang (2021) conducted a systematic review of 50 peer-reviewed articles to observe cybersecurity risks associated with digital financial platforms. Their synthesis highlights that identity theft, data breaches and phishing are the most ubiquitous risks threatening the security of these platforms. The study underlines the critical need for strong cybersecurity measures and user awareness to minimize these threats and ensure the safe adoption of digital financial technologies. Brown and Wilson's (2019) quantitative study explores the factors influencing millennials' engagement with digital investment platforms. Employing cluster analysis, the authors identified three key drivers: convenience, cost-effectiveness, and access to real-time analytics. Their findings reveal the importance of user-friendly interfaces, affordable investment options, and advanced technological features in attracting millennials to these tools. Through conjoint analysis of responses from 400 users Gupta and Tan's (2020) quantitative study examines user preferences for features in robo-advisory platforms for wealth management., the study found that the most desired features are transparency, low fees, and real-time portfolio tracking. These findings underscore the importance of building trust, affordability, and user engagement through real-time data, offering valuable guidance for designing user-centric robo-advisory services. Lee and Park's (2018) qualitative study investigates the role of trust in the success of crowdfunding platforms. Through 50 interviews with platform users and thematic analysis, the research highlights that clear communication and verified project information are critical for fostering trust. These findings emphasize the importance of credibility and openness in enhancing user confidence and engagement within crowdfunding ecosystems. Silva and Gomez's (2021) mixed-methods study inspects the challenges hindering the adoption of fintech platforms in rural areas. Portrayal on survey data from 300 respondents and insights from 15 focus groups, the study identifies lack of digital literacy and inadequate infrastructure as the chief barriers. These findings highlight the need for targeted interventions, such as digital education programs and improved technological access, to bridge the gap in fintech adoption within underserved rural communities.

Research Methodology:

This study implements a descriptive research design to explore user perceptions, preferences, and behaviors regarding innovative financial platforms, with a focus on risks, desired features and engagement factors. The scope of the study is limited to students enrolled in government degree colleges in Nagaon town, which contains a total population of approximately 4,500 students. A sample size of 119 students has been selected to ensure the study's findings are representative. Samples are collected using a simple random sampling technique. This approach helps minimize bias and confirms each respondents have an equal chance of being included in the sample.

Data for the study was collected using both primary and secondary sources. Primary data were gathered directly from students through a well-designed questionnaire distributed via Google Forms. The questionnaire is structured to produce quantitative data, ensuring the responses can be systematically analyzed. Secondary data were obtained from relevant journals, reports, and other credible sources to provide context and support for the primary data findings.

To analysing the collected data, the study utilized tables and visual diagrams, including pie charts and bar graphs, to present the findings clearly and effectively. Descriptive statistical methods were employed to summarize and interpret the data, providing insights into the trends, preferences, and risk perceptions of the target group. This approach ensures a comprehensive understanding of the subject while maintaining a systematic and transparent research process.

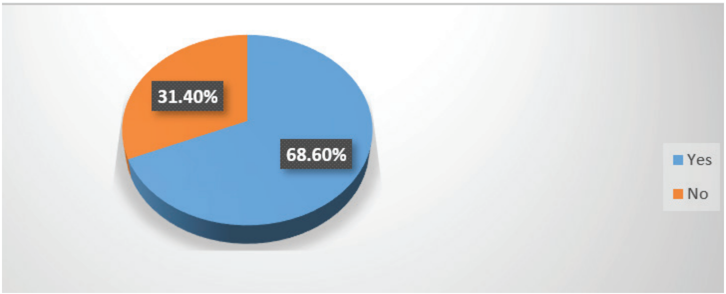
Results and Discussions:

Table 1: Whether the students are aware of risks associated with innovative financial platforms or not.

Responses	Frequency	Percentage
Yes	97	81.5 %
No	22	18.5 %

Source: Compiled by authors

Figure 1. Whether the students are aware of risks associated with innovative financial platforms or not.



Source: Authors own work

The study reveals a high level of awareness among students regarding the risks associated with innovative financial platforms. Out of the 119 respondents, 81.5% (97 students) indicated that they are aware of the risks, while 18.5% (22 students) reported a lack of awareness. This indicates that the majority of students recognize the possible challenges and uncertainties linked to the use of such platforms. However, the existence of minority who are unaware highlights the need for targeted educational initiatives to enhance financial literacy and risk awareness among students.

Table 2. Types of risk which are significant.

Types of risk	Frequency	Percentage
Cybersecurity threats	43	38.4 %
Fraud and scams	81	72.3 %
Volatility of returns	30	26.8 %
Lack of regulation	25	22.3 %
Others	5	4.2 %

Source: Compiled by authors

Figure 2. Types of risk which are significant.

Source: Authors own work

The study identifies fraud and scams as the most significant risk associated with innovative financial platforms, reported by 72.3% of respondents. Cybersecurity threats follow, with 38.4%

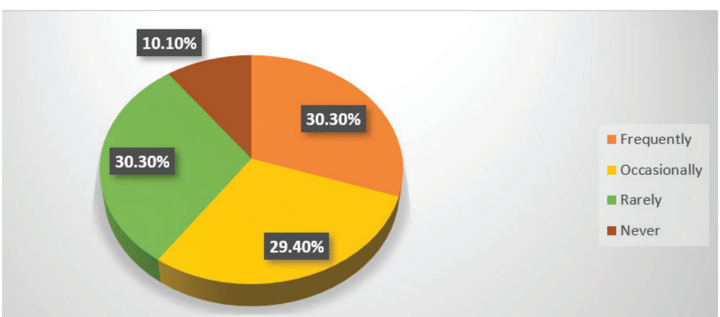
of students expressing concern. Other notable risks include the volatility of returns (26.8%) and lack of regulation (22.3%). A small percentage (4.2%) highlighted other type of risks. These findings indicate that students primarily noticed that fraud and cybersecurity issues as the most pressing concerns, emphasizing the need for robust security measures and regulatory oversight to enhance trust and safety on these platforms.

Table 3. How often students seek information about innovative financial products (e.g., through articles, videos, or workshops).

	Frequency	Percentage
Frequently	36	30.3 %
Occasionally	35	29.4 %
Rarely	36	30.3 %
Never	12	10.1 %

Source: Compiled by authors

Figure 3. How often students seek information about innovative financial products (e.g., through articles, videos, or workshops).



Source: Authors own work

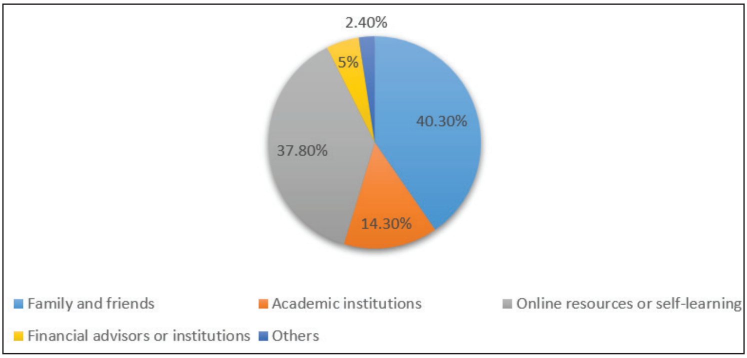
The study reveals diverse patterns in how often students seek information about innovative financial products. A significant proportion of students actively engage with such content, with 30.3% reporting frequent searches and another 29.4% seeking information occasionally. However, an equal percentage (30.3%) indicate they rarely explore such resources, and 10.1% never do so. These findings suggest a mixed level of interest and engagement among students, highlighting the need for accessible and appealing educational resources to encourage more consistent information-seeking behavior and enhance their understanding of innovative financial products.

Table 4. Factors which influences Students' knowledge or use of these platforms the most.

	Frequency	Percentage
Family and friends	48	40.3 %
Academic institutions	17	14.3 %
Online resources or self-learning	45	37.8 %
Financial advisors or institutions	6	5 %
Others	3	2.4 %

Source: Compiled by authors

Figure 4. Factors which influences Students' knowledge or use of these platforms the most.



Source: Authors own work

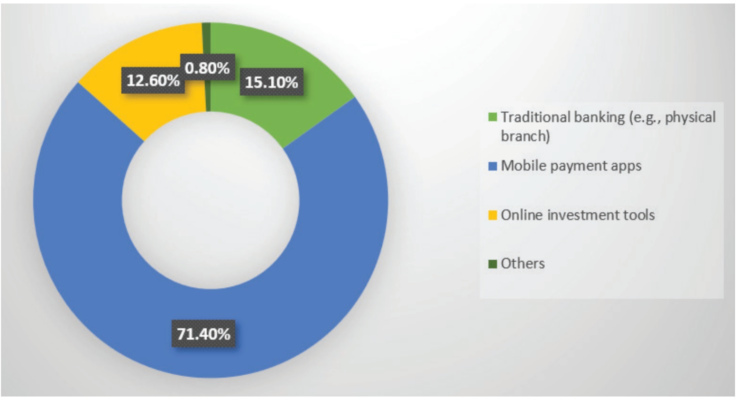
The study highlights the key influences on students' knowledge and use of innovative financial platforms. Family and friends appear as the most significant influence, cited by 40.3% of respondents, followed closely by online resources or self-learning, which influence 37.8% of students. Academic institutions play a smaller role, impacting 14.3% of respondents, while financial advisors or institutions account for only 5%. A minimal 2.4% attribute their knowledge to other sources. These findings emphasize the crucial role of informal networks and self-directed learning in shaping students' familiarity and engagement with these platforms.

Table 5. Type of financial platform students prefer the most.

Financial platforms	Frequency	Percentage
Traditional banking (e.g., physical branch)	18	15.1 %
Mobile payment apps	85	71.4 %
Online investment tools	15	12.6 %
Others	1	0.8 %

Source: Compiled by authors

Figure 5. Type of financial platform students prefer the most.



Source: Authors own work

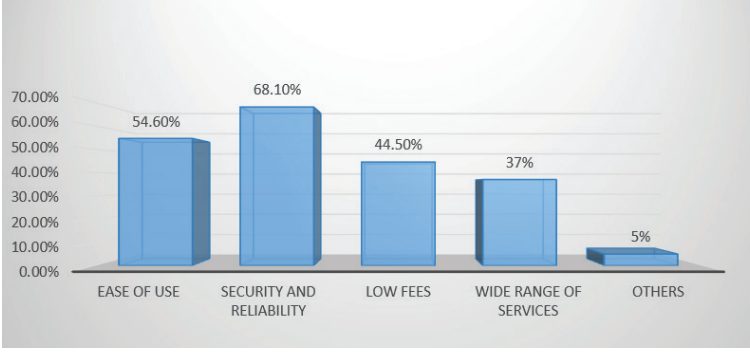
The study reveals that mobile payment apps are the most preferred financial platforms among students, with 71.4% favoring them. Traditional banking, such as physical branch visits, is favored by 15.1% of respondents, while 12.6% opt for online investment tools. A minimal 0.8% shown a preference for other platforms. These findings suggest that convenience, accessibility, and the user-friendly nature of mobile payment apps resound strongly with students, making them the foremost choice. In contrast, traditional banking and investment tools play a relatively smaller role, indicating a shift in preference toward digital and mobile-first financial solutions among the younger generation.

Table 6. Features a student look for in a financial platform.

Types of risk	Frequency	Percentage
Ease of use	65	54.6 %
Security and reliability	81	68.1 %
Low fees	53	44.5 %
Wide range of services	44	37 %
Others	6	5 %

Source: Compiled by authors

Figure 6. Features a student look for in a financial platform.



Source: Authors own work

The study identifies security and reliability as the most required-after feature in a financial platform, with 68.1% of students prioritizing it. Ease of use follows closely, valued by 54.6% of respondents, highlighting the importance of user-friendly interfaces. Low fees are a significant consideration for 44.5% of students, while 37% prefer platforms offering a wide range of services. A small percentage (5%) emphasized other features. These findings indicate that students prioritize safety and simplicity when selecting financial platforms, alongside cost-effectiveness and diverse functionalities, underscoring the need for platforms to balance robust security measures with accessibility and affordability.

Conclusion:

The study provides comprehensive insights into the perceptions, preferences, and behaviors of students regarding innovative financial platforms, offering valuable inferences for both developers and policymakers. The findings disclose that while a majority of students are aware of the risks associated with these platforms, fraud and scams (72.3%) and cybersecurity threats (38.4%) are identified as the most significant deterrents, highlighting the urgent need for robust security measures and clear regulatory frameworks to address these concerns. Despite these risks, mobile payment apps are the most preferred platforms, with 71.4% of respondents favoring them over traditional banking and online investment tools due to their accessibility, affordability, and user-friendly interfaces. The study also underlines the critical role of security and reliability as the most desired features, prioritized by 68.1% of students, followed by ease of use (54.6%) and low fees (44.5%), emphasizing the importance of trust, simplicity, and cost-effectiveness in platform design. Furthermore, the research highlights the influence of informal networks, with family, friends (40.3%), and online resources (37.8%) playing a pivotal role in shaping students' knowledge and use of these platforms, while formal institutions, such as academic programs and financial advisors, exert relatively less influence. A mixed pattern of information-seeking behavior is also obvious, as only 30.3% of students frequently explore resources on financial products, indicating a need for engaging and accessible educational initiatives to enhance financial literacy and informed decision-making. Collectively, these findings highlight the need for fintech solutions to prioritize security, affordability, and ease of use, while also addressing gaps in financial education and infrastructure to promote trust and inclusivity, particularly in emerging markets. By aligning platform features with user preferences and addressing key barriers, stakeholders can create more accessible, reliable, and user-centric financial ecosystems that empower young users and foster financial inclusion.

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