

CHAPTER 2

Ease or Expertise? A Study of Factors Influencing Investor Preference for DIY Investment Platforms

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ABSTRACT

This study examines investor preference for Do-It-Yourself (DIY) investment platforms in comparison to traditional broker-based investment methods, with a specific focus on ease of use versus expertise. The research aims to assess the level of adoption and awareness of DIY investment platforms among individual investors and to identify the key challenges influencing their adoption. Primary data was collected through a structured questionnaire administered to retail investors, while secondary data was obtained from journals, reports, and prior studies. The findings indicate that factors such as ease of use, cost efficiency, technological convenience, and transparency play a significant role in influencing investor preference. However, concerns related to lack of expert guidance, risk perception, and market volatility continue to affect adoption decisions. The study highlights the growing relevance of DIY platforms in the evolving FinTech ecosystem.

Keywords: DIY investment platforms, Investor preference, Financial technology (FinTech), Retail investor behavior, Ease of use and expertise trade-off.

1.0 Introduction

The financial technology industry has registered rapid global growth from 2022 to 2026. The financial services industry has been transformed by mobile investment tools, algorithmic advisory tools, digital payment tools, and online trading tools. According to Arner (2022), the financial technology industry has grown from the innovation stage to the adoption stage. The World Bank (2023) reported that financial inclusion has been achieved in the global financial services industry, driven by digital financial services. According to the Reserve Bank of India (2024), the expansion of smartphones, the Unified Payments Interface, and a favorable regulatory environment have contributed to the digital transformation trajectory in India.

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The primary outcome of this digital transformation has been the creation of do-it-yourself (DIY) investing platforms. The platforms have been created to enable investors to buy and sell financial assets independently, eliminating the need for brokers and their associated commissions. Traditionally, brokers have been responsible for providing advisory services, while the primary focus of DIY brokers has been to emphasize ease of use, transparency, and independence in their business models. According to KPMG (2023), younger generations have been attracted to digital control and lower fees. According to a study conducted by Statista (2025), Millennials and Gen Z investors have a behavioral change when they are comfortable with financial technology tools.

According to research conducted on the Technology Acceptance Model (TAM), which was initiated in 2022, digital technology behavior change depends on the perceived usefulness and ease of use of the technology. According to this study, performance expectancy and effort expectancy have been emphasized in technology utilization studies conducted using the UTAUT2 model.

However, concerns have been raised regarding risks, emotional support, and access to expert advice. While the primary factor for investors has been the ease of use of the technology, they still need knowledge and support in a volatile financial environment. The primary research question has been: Is the primary factor in the decision-making process ease of use, and has knowledge been a factor in the decision-making process?

2.0 Review of Literature

Recent literature on FinTech adoption and digital investing behavior has been extensively discussed by scholars in recent years (2022-2026). Innovation in regulation has been found to be a driver for growth in digital finance (Arner, 2022). Digital trust has emerged as a critical factor for investment platform adoption (Lee & Shin, 2022). A study focusing on Indian retail investors has found that digital trading behavior is strongly influenced by perceived usefulness (Kumar & Sharma, 2022).

In studies on digital trading behavior, Singh (2023) found that ease of use has a positive impact on online trading adoption, which is supported by the Technology Acceptance Model. Gupta (2023) found that effort expectancy and social influence have a significant impact on financial application adoption, supported by UTAUT2 model. Patel (2024) found that user satisfaction is influenced by ease of interface simplicity.

Perception of risk has been a dominant theme in digital finance research. Zhao (2022) found that individuals who perceive financial risk are less likely to adopt online investment platforms. Financial knowledge has been found to be related to digital confidence and reduced fear of digital finance by Nair and Menon (2024). The OECD (2023) has emphasized digital literacy and ethical investing. Trust and transparency have

been frequently emphasized by digital finance scholars. Das (2023) found that loyalty can be increased on digital finance platforms by providing transparent information on fees. Khan (2025) emphasized the importance of awareness on data security. Verma (2024) found that self-directed investors possess a high level of financial knowledge.

Industry outlook by PwC (2024) and Deloitte (2025) indicates that a hybrid model of wealth management involving robo-advisory and access to human advisory services could emerge as a potential model in the future. This study fills in the knowledge gap in that it deals with DIY investment platforms, which have been less researched than FinTech adoption. Past research has primarily concentrated on adoption and to some extent awareness but has failed to adequately research awareness in detail. Moreover, research has primarily concentrated on adoption, awareness, and perceived risks or lack of direction as independent entities with little attention paid to how they are interlinked. The psychological and behavioral aspects have also been less developed in research. Moreover, little research has been conducted using primary data to synthesize adoption, awareness, and associated issues within one framework.

This study has synthesized adoption level, awareness level, and associated issues within one framework with exclusive primary data.

3.0 Research Methodology

The research design employed in the study is an analytical and descriptive research design. All the data employed in the research for the field investigation were primary in nature, as no secondary numerical data were employed in the statistical analysis of the research. The primary data collection method employed in the research was a systematic questionnaire that was sent to the participants through Google Forms. The questions in the questionnaire were of five different types: awareness level, difficulty perception, adoption behavior, satisfaction level, and demographic profile, which were measured using a five-point Likert scale.

The sampling method employed in the research was convenience sampling. The population of the research comprised retail investors who employed do-it-yourself (DIY) platforms for investments and belonged to the age group 18-35 years. The sample size of the research comprised 108 participants.

The statistical analysis employed in the research was regression analysis, correlation, mean score, standard deviation, and percentage analysis, computed through spreadsheet software. The target population of the research comprised young investors, including professional individuals, salaried employees, and students. The limitations of the research were the convenience sampling employed in the research and the geographical limitations of the research participants.

Despite the growing popularity of do-it-yourself investment schemes, investors are still cautious as they see risks, need expert opinions, and feel the emotional rollercoaster of the market. Though past studies have examined the factors that influence investments as well as the risks involved, the balance of ease of use and competence has not been fully examined. It is not yet clear whether ease of use is preferred to professional opinions or both can be preferred. The research will be conducted using primary data.

4.0 Objectives of the Study

This research is conducted on following objectives:

- To assess the level of adoption of DIY investment platforms among individual investors.
- To examine the level of awareness of DIY investment platforms
- To identify and analyze key challenges faced by investors in adopting DIY platforms

5.0 Data Analysis

Table 1: DIY Adoption Composite and Items

Variable	Mean	SD	N
Adoption Composite	4.985	0.095	108

Source: Survey

The mean score of 4.985, which is roughly 4.99/5, as presented in Table 1 above, shows that there is a high level of adoption of the DIY platforms among the respondents. On the other hand, concerning the factors of adoption, such as preference for do-it-yourself projects, enjoyment, and intention to continue, the majority of the respondents selected “Strongly Agree,” as can be seen from the extremely low standard deviation of 0.095. This shows that there is a high level of acceptability of the DIY platforms, coupled with high levels of satisfaction among the users of the platforms.

Table 2: Adoption by Demographics - Age Group

Group Category	Mean Adoption Score	N
18–25	4.979	78
26–35	5.000	30

Source: Survey

Table 2 shows that both groups have extremely high levels of usage of DIY platforms. The mean for the 18–25-year-old investors is 4.979, and the 26–35-year-old

investors attain a perfect mean of 5.000. The small variation implies that older investors in the sample use the DIY platforms at a similar level to the younger investors. In conclusion, there is no significant drop in the level of usage among the investors in the different age groups.

Table 3: Adoption by Demographics - Experience Level

Group Category	Group Name	Mean Adoption Score	N
Advanced	Advanced	4.981	54
Beginner	Beginner	4.971	23
Intermediate	Intermediate	5.000	31

Source: Survey

As can be seen from Table 3, the level of adoption for adoption scores, which range between 4.97 and 5.00, is extremely high for all levels of experience, whether beginners, intermediate, or experts, who have indicated high levels of engagement with DIY sites. This suggests that even less experienced investors are as positive about DIY sites as their more experienced counterparts.

Table 4: Awareness Composite

Variable	Mean	SD
I am aware that DIY platforms have lower fees.	4.824	0.624
I understand the transparency offered by DIY platforms.	4.833	0.663
I am aware of the unbiased investment options available.	4.843	0.614
I understand the data security measures of DIY platforms.	4.870	0.548
Awareness Composite	4.843	0.576

Source: Survey

As shown in Table 4 above, the mean for the respondents in terms of their level of awareness is 4.84 (SD = 0.58). This implies that respondents have a high level of knowledge regarding do-it-yourself (DIY) investment platforms. They are aware of the unbiased investment options available in the market, transparent costs, reduced costs, and data protection. Overall, respondents have a high level of comprehension in relation to security, costs, and transparency associated with DIY investments.

The composite mean of 2.89 (SD = 1.29) indicates a moderate perception of challenges or the need for expertise, as presented in Table No. 5. There is a concurrence among a moderate proportion of respondents that expert advice is essential and that a lack

of such advice can create risk. While a significant proportion believes that human sources offer better emotional support during market instability, trust levels for algorithm-based advice are still low. There is an inconsistent perception of confidence levels regarding one's ability to make autonomous decisions. Customers still rely on these sources heavily despite their perception of risk and limitations of do-it-yourself strategies.

Table 5: Challenges/ Expertise Composite

Variable	Mean	SD
Professional financial advice is important.	2.537	1.704
Lack of expert guidance increases risk in DIY platforms.	2.398	1.685
I trust algorithm-based recommendations.	3.380	1.755
Human advisors provide better emotional support during market volatility.	2.370	1.672
I feel confident making decisions without expert help.	3.778	1.665
Challenge Composite	2.893	1.290

Source: Survey

Table 6: Awareness and Challenges vs Adoption (Correlation)

Variables	Correlation (r)	p-value
Awareness → Adoption	0.10	0.317
Challenges → Adoption	-0.04	0.689

Source: Survey

Awareness regarding the features of DIY platforms, such as fees, transparency, and security, is found to display a small, insignificant positive correlation with adoption, as shown in Table 6, where $r = 0.10$ and $p = 0.32$. This suggests that awareness regarding DIY platforms has no significant impact on raising adoption levels, possibly because adoption is already near universal. It is found that adoption is completely unaffected by perceptions of difficulty or the need for competence, where $r = -0.04$ and $p = 0.69$, and DIY platforms are still being used by people who are aware of the risks or want professional help.

As indicated in Table 7, the R-squared value for the model is 0.014. The level of adoption is not significantly affected by Awareness, since the beta value for Awareness is 0.019, while the probability value is 0.26. The level of adoption is also not significantly affected by Challenge, since the beta value for Challenge is -0.005, while the probability value is 0.50. The model only accounts for 1.4% of the variance, which shows that the level of DIY adoption for this group of users is not significantly affected by the awareness of the features and the challenges associated with the system. In terms of the entire data, the level of adoption.

Table 7: Regression - Predicting Adoption from Awareness and Challenges

Predictor	Beta	SE	p-value
Awareness	0.019	0.017	0.257
Challenge	-0.005	0.007	0.501

Source: Survey

Table 8: Motivation for DIY vs Satisfaction

Motivation Group	Mean Satisfaction	SD	N
Control-driven	5.0	0.0	15
Cost-driven	4.867	0.516	15
Ease-driven	5.0	0.0	40
Learning-driven	4.95	0.224	20
Other	5.0	0.0	18

Source: Survey

As shown in Table 8, all groups of motives show extremely high levels of satisfaction. The control-driven, ease-driven, and “other” groups attain the highest satisfaction level of 5.0, whereas the learning-driven group achieves 4.95, and the cost-driven group achieves 4.867 (SD = 0.516). To conclude, the satisfaction level of consumers in the DIY platform is extremely high.

6.0 Recommendations and Conclusion

It is recommended that the DIY platforms consider the adoption of the hybrid advisory model. Artificial intelligence-based personalized recommendations have the potential for increasing the level of self-confidence of users. Promoting financial literacy initiatives is justified. The adoption of data protection policies is critical. The user interface should not compromise on the level of simplicity. Young Indian investors have shown a markedly high preference for do-it-yourself investment platforms, according to the study’s findings. The key drivers of this preference have been found to be ‘control’ and ‘ease of use.’ However, they have not forgotten the importance of knowledge and emotional reassurance. Hybrid models combining technology and human support could be the way forward for digital investing in India.

7.0 Future Scope of Study

Future studies could utilize various age groups and larger sample sizes. Longitudinal studies could investigate the dynamic nature of behavior change over time. Cross-national studies could provide more complete results. The inclusion of behavioral finance indicators in future research could increase their explanatory power.

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