

ABSTRACT

The financial technology development, resulted in robo-advisor innovation in 2017 as an alternative to digital investment services. This phenomenon is supported by the growth of internet users and the need for practical investment solutions, especially during the pandemic.

Although the current situation shows there is an increase in the number of Assets Under Management (AUM) managed by investment managers in Indonesia, there has been a decline in the growth rate of the AUM managed. This indicates that even if the total asset managed by an investment manager have increased, the growth rate of the total asset managed has decreased. The decrease in the number of AUM might be caused by several factors, one of them is the decline in new investment inflows due to scepticism of the investment advice suggested by robo-advisors.

This research intends to examine the factors that affect users' intention to adopt fintech robo-advisor services in Indonesia, utilizing the Unified Theory of Acceptance and Use of Technology (UTAUT 2) framework.

This study is a quantitative descriptive research, focusing on individuals in Indonesia who have used robo-advisor services via Bibit, Bareksa, or Moduit. The research employs purpose sampling, with a sample size of 150 respondents. Data analysis was conducted using multivariate analysis through Partial Least Squares-Structural Equation Modelling (PLS-SEM) to assess the significance of the effects of several independent variables, such as performance expectancy, effort expectancy, social influence, facilitating conditions, hedonic motivation, price value, and habit, on the dependent variables, behavioural intention and use behaviour. Additionally, age, gender, and experience were considered as moderating variables.

The results of this study reveal that all of the independent variables significantly impact the dependent variables in terms of the adoption of fintech robo-advisors. In addition, age, gender, and experience were identified as positive moderating factors in the relationship between the independent and dependent variables. Among these, the strongest predictors of behavioural intention are performance expectancy, habit, and hedonic motivation, while the key drivers of use behaviour are habit, behavioural intention, and facilitating conditions.

In conclusion, all variables are proven to significantly affect behavioural intention to adopt fintech robo-advisor in Indonesia. Furthermore, moderating factors are found to moderate the influence of several variables on behavioural intention and use behaviour, based on analysis from 150 respondents and 32 statements.

It is recommended that future research incorporate additional variables such as financial literacy, conduct sociodemographic segmentation, and apply a longitudinal approach.

For fintech companies such as Bibit, Bareksa, and Moduit, it is advised to utilize these findings to develop more relevant features, enhance digital financial literacy, design effective communication strategies, and differentiate features to improve competitiveness.

Keywords: *Robo-advisor, Fintech, UTAUT 2, Technology Adoption, PLS-SEM, Behavioural Finance*