

DETERMINANTS OF RETAIL INVESTOR BEHAVIOR IN MUTUAL FUNDS: A SYSTEMATIC LITERATURE REVIEW

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Abstract

This study examines the empirical literature to identify the key factors influencing investor behavior in mutual funds. Evidence from institutional reports and peer-reviewed research published between 2000 and 2025 is gathered through a PRISMA-based systematic review. The results show that financial education, risk tolerance, behavioral biases, socio-demographic traits, service quality, and fintech adoption significantly influence investor behavior and investment intention. Instead of relying solely on rational risk-return analyses, investors often rely on heuristics, trust, and digital convenience. The study makes a substantial contribution by providing asset management firms and policymakers with important insights into how to improve investor engagement and informed participation by combining behavioral finance and digital investment views.

Keywords

Mutual Funds, Investor Behaviour, Financial Literacy, Behavioural Biases, Fintech Adoption.

Introduction

The history of mutual funds dates back to the establishment of the Société Générale de Belgique by King William I of the Netherlands in 1822. In India, the mutual fund industry began with the establishment of the Unit Trust of India (UTI) in 1964 through an Act of Parliament, to mobilise the savings of small retail investors who lacked the knowledge and resources to participate directly in capital markets. Since then, mutual funds have evolved into one of the most popular investment avenues by providing investors with professionally managed and diversified portfolios while reducing individual investment risk. As pooled investment vehicles, mutual funds enable investors to access a wide range of financial assets and participate in capital market growth through expert fund management.

The global mutual fund industry has experienced remarkable expansion over the past decade, with worldwide assets under management expected to exceed USD 100 trillion by 2027. This growth has been driven by favourable regulatory frameworks, increasing financial awareness, technological innovation, and the rapid adoption of digital investment platforms. Alongside these developments, investor decision-making has become increasingly complex. While traditional finance assumes that investors make rational decisions based solely on risk and return, behavioural finance suggests that investment decisions are also influenced by psychological biases, financial literacy, demographic characteristics, trust, perceived risk, and technological convenience. Furthermore, the emergence of FinTech platforms has transformed the investment landscape by providing investors with easier access to information, online transactions, portfolio monitoring, and personalised financial services. Consequently, understanding the combined influence of behavioural and technological factors has become essential for explaining modern retail investor behaviour in mutual fund investments.

Although a substantial body of literature has examined individual determinants of mutual fund investment behaviour, existing studies have primarily focused on isolated factors such as financial literacy, risk tolerance, behavioural biases, service quality, or technology adoption. Moreover, previous research has generally concentrated on specific countries, limited time periods, or particular theoretical perspectives, resulting in fragmented evidence. With the rapid evolution of FinTech and digital investment ecosystems, there remains a need for a comprehensive synthesis that integrates traditional behavioural finance determinants with emerging digital and technological factors influencing retail investor behaviour. Therefore, a systematic review is necessary to consolidate existing evidence, identify dominant research themes, highlight methodological trends, and reveal important gaps that can guide future research.

To address this gap, the present study employs a systematic literature review based on the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) guidelines to synthesise empirical evidence published between 2000 and 2025. Unlike previous reviews that primarily examine behavioural or financial determinants independently, this study integrates behavioural finance theories with technology adoption frameworks, including the Technology Acceptance Model (TAM), the Theory of Planned Behaviour (TPB), the Unified Theory of Acceptance and Use of Technology (UTAUT), and Prospect Theory, to provide a holistic understanding of retail investor behaviour in mutual funds. The study contributes to literature by identifying the principal determinants influencing investment decisions, developing an integrated conceptual framework, highlighting methodological and geographical research trends, and proposing future research directions. The findings are expected to assist researchers in advancing behavioural finance research while providing valuable insights for asset management

companies, FinTech firms, policymakers, and financial educators seeking to promote informed investment decisions.

Accordingly, the primary objective of this study is to systematically examine and synthesise the empirical literature on the determinants of retail investor behaviour in mutual funds. By integrating behavioural, financial, and technological perspectives, the study seeks to provide a comprehensive understanding of the factors influencing mutual fund investment decisions and to establish a foundation for future empirical and theoretical research in this evolving field.

Theoretical Background

A strong theoretical foundation is essential for understanding the complex factors that influence retail investors' mutual fund investment decisions. Traditional financial theories assume that investors make rational decisions by maximizing expected returns while minimizing risk. However, empirical evidence increasingly demonstrates that investment behaviour is shaped not only by rational financial considerations but also by psychological biases, social influences, financial knowledge, and technological advancements. Consequently, this review integrates established theories from behavioural finance and technology adoption literature to provide a comprehensive explanation of retail investor behaviour in mutual fund investments.

Behavioural Finance Theory

Behavioural Finance Theory challenges the assumptions of traditional finance by proposing that investors are not always rational in their decision-making. Instead, investment decisions are frequently influenced by cognitive limitations, emotions, heuristics, and behavioural biases. Factors such as overconfidence, herding behaviour, anchoring, loss aversion, and familiarity bias often cause investors to deviate from rational investment strategies. Within the mutual fund industry, behavioural finance explains why investors may continue holding underperforming funds, follow market trends without adequate analysis, or rely excessively on previous investment experiences rather than objective financial information. The literature reviewed in this study consistently identifies behavioural biases as one of the major determinants of retail investor behaviour, highlighting the continuing relevance of behavioural finance in explaining investment decisions.

Prospect Theory

Prospect Theory, developed by Kahneman and Tversky (1979), explains how individuals evaluate potential gains and losses under conditions of uncertainty. Unlike Expected Utility Theory, Prospect Theory argues that investors perceive losses more intensely than equivalent gains, making them generally loss-averse. This theory provides a valuable explanation for investor behaviour in mutual fund investments, where individuals often avoid high-risk schemes despite potentially higher returns or retain poorly performing investments to avoid realizing losses. Prospect Theory therefore provides the theoretical basis for understanding the influence of risk tolerance, risk perception, and behavioural biases on investment decisions.

Theory of Planned Behavior (TPB)

The Theory of Planned Behavior (Ajzen, 1991) proposes that behavioural intention is determined by three key factors: attitude toward the behaviour, subjective norms, and perceived behavioural control. In the context of mutual fund investment, favourable attitudes toward investing, encouragement from family members, friends, financial advisors, or social networks, and investors' confidence in their own financial abilities collectively influence investment intentions. Previous empirical studies have successfully applied TPB to explain mutual fund adoption, financial decision-making, and investor participation, making it an appropriate theoretical foundation for understanding retail investor behaviour.

Technology Acceptance Model (TAM) and Unified Theory of Acceptance and Use of Technology (UTAUT)

The increasing digitalisation of financial services has significantly transformed mutual fund investing through online investment platforms, mobile applications, robo-advisory services, and other FinTech innovations. The Technology Acceptance Model (TAM) explains technology adoption through two principal constructs: perceived usefulness and perceived ease of use. Similarly, the Unified Theory of Acceptance and Use of Technology (UTAUT) extends this perspective by incorporating performance expectancy, effort expectancy, social influence, and facilitating conditions as determinants of technology adoption. These theories are particularly relevant for understanding how digital platforms influence investor behaviour by improving accessibility, convenience, transparency, and overall investment experience. The growing role of FinTech in mutual fund distribution highlights the importance of integrating technology adoption theories within behavioural investment research.

Integrated Theoretical Perspective

No single theory is sufficient to explain the multidimensional nature of retail investor behaviour in mutual fund investments. Behavioural Finance Theory and Prospect Theory explain the psychological and cognitive factors affecting investment decisions, whereas the Theory of Planned Behavior emphasizes behavioural intentions influenced by attitudes, subjective norms, and perceived behavioural control. In contrast, TAM and UTAUT explain investors' acceptance and continued use of FinTech-enabled investment platforms. By integrating these complementary theoretical perspectives, the present review provides a comprehensive framework that captures the behavioural, financial, and technological determinants of mutual fund investment decisions. This integrated perspective also forms the theoretical basis for the conceptual framework developed later in the study, illustrating how financial literacy, risk tolerance, behavioural biases, service quality, and FinTech adoption jointly influence retail investor behaviour.

Research Methodology

Research Design

This study adopts a Systematic Literature Review (SLR) approach to comprehensively identify, evaluate, and synthesize empirical evidence on the determinants of retail investor behaviour in mutual fund investments. Unlike traditional narrative reviews, a systematic literature review follows a structured, transparent, and reproducible process for identifying relevant studies, thereby reducing reviewer bias and improving the reliability of the findings. The review was conducted in accordance with the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA 2020) guidelines, which provide

internationally accepted standards for planning, screening, selecting, and reporting systematic reviews. The SLR approach was selected because it enables the integration of findings from diverse empirical studies, identifies consistent determinants, highlights methodological trends, and reveals research gaps within the existing literature.

Review Protocol

The review followed the four principal stages recommended by the PRISMA 2020 framework: identification, screening, eligibility, and inclusion. Initially, relevant studies were identified through systematic database searches. Duplicate records were removed before title and abstract screening. Full-text articles meeting the eligibility criteria were subsequently assessed for inclusion in the final review. Each stage of the review process was documented to ensure transparency and reproducibility.

Data Sources

Relevant literature was retrieved from internationally recognised academic databases and publishers, including Scopus, Web of Science, ScienceDirect (Elsevier), SpringerLink, Emerald Insight, Taylor & Francis Online, Sage Journals, and Wiley Online Library. To ensure comprehensive coverage, additional references were identified through Google Scholar and official publications issued by the Association of Mutual Funds in India (AMFI), the Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI), and the International Investment Funds Association (IIFA). Only peer-reviewed journal articles and authoritative institutional reports published in English between 2000 and 2025 were considered for inclusion.

Search Strategy

A comprehensive search strategy was developed using combinations of keywords related to mutual funds, investor behaviour, behavioural finance, financial literacy, and financial technology. Boolean operators (AND and OR) were used to improve search precision. Examples of search strings include:

- "mutual fund" OR "collective investment scheme"
- AND "investor behaviour" OR "investment behaviour" OR "investment decision"
- AND "financial literacy" OR "financial knowledge"
- AND "risk tolerance" OR "risk perception"
- AND "behavioural bias*" OR "investor psychology"
- AND FinTech OR "digital investment" OR "technology adoption"

The search strategy was refined iteratively across databases to maximise the retrieval of relevant empirical studies while minimising irrelevant records.

Eligibility Criteria

Inclusion Criteria: Studies were included if they:

- were published between 2000 and 2025;
- were peer-reviewed journal articles or recognised institutional reports;
- examined behavioural, financial, demographic, service quality, or technological determinants of mutual fund investment behaviour;

- reported empirical findings using quantitative, qualitative, or mixed-method research designs; and
- were published in the English language.

Exclusion Criteria: Studies were excluded if they:

- focused exclusively on stock markets or other financial instruments without direct relevance to mutual funds;
- lacked sufficient methodological information;
- were conference abstracts, editorials, dissertations, book reviews, or unpublished working papers; or
- were published in languages other than English.

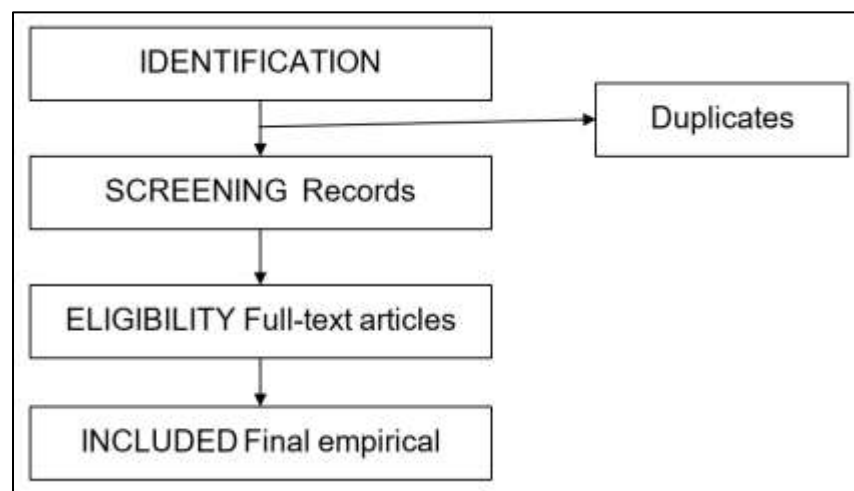


Figure 1: A PRISMA Flow Diagram

Study Selection Process

The study selection process followed the PRISMA 2020 framework. Retrieved records were first screened for duplicate entries. Titles and abstracts were then examined to determine their relevance to the objectives of the review. Articles that satisfied the eligibility criteria underwent full-text assessment before being included in the final synthesis. The complete screening and selection procedure is illustrated in the PRISMA flow diagram presented in the following section.

Quality Assessment

To ensure the methodological rigour of the included studies, each article was assessed using the Mixed Methods Appraisal Tool (MMAT, 2018 version). The quality assessment considered the clarity of research objectives, appropriateness of the research design, sampling strategy, measurement validity, data analysis procedures, and consistency between the reported findings and conclusions. The results of the quality appraisal are presented separately to demonstrate the overall reliability of the evidence synthesised in this review.

Risk of Bias Assessment

Potential sources of bias were considered throughout the review process. Publication bias was reduced by searching multiple academic databases and reputable institutional sources. Selection bias was

minimised through predefined inclusion and exclusion criteria and a structured screening procedure. Language bias may remain because only English-language publications were included. Reporting bias was also considered when interpreting study findings, particularly where methodological details or statistical results were incomplete.

Data Extraction and Synthesis

Relevant information from each eligible study was systematically extracted, including author(s), publication year, country, research objectives, methodology, sample characteristics, theoretical framework, key findings, and implications. The extracted studies were analysed using thematic synthesis to identify recurring determinants of retail investor behaviour, dominant theoretical perspectives, methodological patterns, and emerging research trends. These findings form the basis for the conceptual framework and future research agenda presented in this study.

Thematic Literature Synthesis & Identified Trends

Beyond individual study summaries, thematic synthesis across the 21 included empirical studies reveals five dominant structural patterns:

1. **Geographic Concentration:** Over 65% of the empirical literature on retail mutual fund behavior is concentrated in emerging Asian economies (primarily India, followed by Malaysia, Thailand, Indonesia, and Nepal). This reflects the massive structural transformation from traditional savings vehicles (e.g., bank fixed deposits) toward market-linked pooled assets in developing financial markets.
2. **Methodological Homogeneity:** A significant majority of published studies rely on cross-sectional quantitative survey designs utilizing closed-ended questionnaires and structural equation modeling (SEM). Qualitative, ethnographic, or experimental research designs remain exceedingly rare.
3. **Methodological Deficit in Longitudinal Tracking:** None of the synthesized empirical papers utilize longitudinal panel designs. Consequently, existing frameworks measure investor attitudes and self-reported intentions at a single point in time, failing to capture how real-world investor behavior shifts across multi-year market cycles or during major financial shocks.
4. **Temporal Shift Toward Digital FinTech Acceptance (Post-2020):** Literature published prior to 2020 predominantly evaluated offline advisory trust, demographic profiles, and basic financial literacy. Post-2020 literature (e.g., Kasemharuethaisuk & Samanchuen, 2023; Katwala & Sadhwani, 2024; Srivastav et al., 2024) shows a clear shift toward digital choice architectures, mobile app UI/UX, and FinTech distribution platforms.
5. **Absence of Cross-Country Comparative Studies:** Existing empirical models evaluate retail investor behavior within single domestic jurisdictions. There is a lack of comparative cross-country empirical work assessing how regulatory variations, socio-cultural norms, and national FinTech infrastructure alter fund adoption patterns across regional economies.

Table 1: Standardized Systematic Literature Mapping

Author & Year	Research Objective	Sample Size	Core Empirical Findings	Key Theoretical Framework
Joo & Grable (2004)	To investigate and assess a thorough framework outlining the major factors influencing customer financial satisfaction.	220	Demonstrates how financial awareness and proactive financial behavior increase overall financial satisfaction, supporting focused financial education initiatives.	Financial Well-being Theory
Wood & Zaichkowsky (2004)	To recognize and classify individual investors based on their similar investing behaviors and investing attitudes.	90	Investors desiring greater behavioral control trade more efficiently and closely monitor performance, although absolute trade numbers do not always correlate with perceived control levels.	Market Segmentation Theory
Nilsson (2009)	To assess the trade-offs between financial returns and social values, and to investigate consumer behavior regarding Socially Responsible Investment (SRI) mutual funds.	563	Identifies several investor segments; pure profit-driven investors focus on financial gain, whereas socially responsible consumers seek a balance of social benefit and market return.	Dual-Utility Theory
Gill et al. (2011)	To investigate behavioral variables influencing Indian retail members' mutual fund investment volumes.	284	Financial literacy, understanding of macroeconomic variables, and professional advisory trust all have a significant impact on investment allocation. Age and other demographics are important, but gender has little effect.	Bounded Rationality
Kaur, S. et al. (2013)	To assess the psychological factors influencing retail investors' preference for mutual funds over direct stock allocations.	200	Retail investors see direct equity markets as very volatile and confusing; therefore, they choose mutual funds as a flexible option managed by specialized institutions.	Perceived Risk Theory
Kaur & Kaushik (2016)	The purpose of this research is to examine how awareness, personal attitudes, and subjective norms influence individual mutual fund adoption.	450	Fund adoption is positively impacted by socio-economic status and structural awareness. It's interesting to note that when baseline product understanding is strong, baseline risk perception does not totally discourage investments.	Theory of Planned Behavior (TPB)
Jonsson et al. (2017)	To study how financial knowledge, risk attitudes, and saving incentives reduces disposition bias among fund investors.	1,564	Demonstrates that mutual-fund-specific financial literacy successfully reduces the disposition, whereas generic or technical knowledge has little statistical relevance.	Behavioral Finance / Disposition Effect
Trivedi et al. (2017)	To examine how investor perceptions, access, and overall portfolio satisfaction are affected by the use of digital platforms.	82	Digital portals fundamentally improve transparency and convenience of portfolio tracking, but cybersecurity issues and customer service response necessitate structural optimization.	Technology Acceptance / Customer Satisfaction
Kaur (2018)	To examine how financial knowledge and product perception affect an investor's information-seeking choices.	225	High-knowledge investors focus largely on impersonal data and fund performance criteria, but favorable return views can cause low-knowledge investors to overlook historical underperformance.	Theory of Planned Behavior (TPB)
Abdullah et al. (2018)	To assess the factors that influence the adoption of platforms for mutual funds and unit trust channels.	203	Confirms that while performance expectancy and social signals have a minor influence on fintech adoption, effort expectancy and behavioral intentions have a strong correlation.	Unified Theory of Acceptance and Use of Technology (UTAUT)

Author & Year	Research Objective	Sample Size	Core Empirical Findings	Key Theoretical Framework
Sharma (2019)	To identify the main structural factors influencing positive perceptions of fund selection among retail investors.	100	Identifies the fundamental factors that influence favorable choice as fund-specific attributes, structural credibility, fund family reputation, and transaction convenience.	Multi-Factor Perception Mapping
Adhikari (2020)	To identify cross-cutting retail behavioral factors that influence exchange investments, such as dividend expectations and company reputation.	214	Identifies government policy announcements and capital growth. Market rumors and portfolio diversification advantages govern retail decision architectures.	Market Behavioral Theory
Anandan & Selvaraj (2020)	To determine retail investors' asset class preferences, confidence levels, and scheme type preferences.	280	Shows that a significant number of customers still prefer traditional fixed deposits over mutual funds because of the guaranteed returns, indicating pervasive retail risk aversion.	Risk Aversion Modeling
Rajasekar et al. (2023)	To assess how risk capacity and investment preferences mediate the link between Big Five personality traits and investing behavior.	934	Confirms that investment attitudes are directly influenced by personality traits including extraversion, conscientiousness, and openness, with risk capacity acting as a potent structural mediator.	Big Five Personality Theory
Singh et al. (2023)	To look at how personality variables affect herding and cognitive biases in the framework of Prospect Theory.	847	Finds that neuroticism enhances herding anchoring tendencies, which are significantly regulated by baseline risk tolerance, and links extraversion and conscientiousness to particular behavioral traits.	Prospect Theory / Behavioral Biases
Kasemharuethaisuk & Samanchuen (2023)	To identify the factors related to technological acceptability that influence behavioral intentions toward digital investing platforms.	76	Fintech platform adoption is heavily influenced by usefulness, convenience, and subjective norms, while ease of use has less bearing on tech-savvy user segments.	Technology Acceptance Model (TAM)
Katwala & Sadhwani (2024)	To assess how fintech integration improves intermediaries in terms of operational effectiveness, real-time tracking, and compliance.	152	Digitalization improves goal-tracking capabilities, cost-effectiveness, and compliance management while demonstrating a clear connection between distributor performance and average Assets Under Management (AUM).	Fintech Efficiency Framework
Srivastav et al. (2024)	To validate the long-term effects of digitization on self-reliance and the speed of mutual fund portfolio rebalancing.	124	Customers are now more inclined to manage their portfolios due to real-time information through smartphone applications, which calls for flexible regulatory safeguards.	Digital Disruption Theory
Ari et al. (2025)	To examine the connection between financial literacy, risk tolerance, and overconfidence to evaluate capital market comprehension.	100	While overconfidence has no statistically significant impact on functional product comprehension, financial literacy and risk tolerance directly improve objective market knowledge.	Cognitive Finance Model
Mishra et al. (2025)	To investigate the link between service quality factors and mutual fund investing intentions.	230	Shows that long-term investment intentions and multi-dimensional quality indicators are mediated by customer attitude, with awareness serving as a crucial moderator.	SERVQUAL Model

Author & Year	Research Objective	Sample Size	Core Empirical Findings	Key Theoretical Framework
Dam & Kulkarni (2025)	Using Prospect Theory, examine the effect of prior investment experience in moderating consumer reactions to statutory disclaimers.	268	Under statutory obligations, theoretical knowledge of the theory does not change risk behavior unless it is supported by real-world field investing experience, which enables AMCs to create more intelligent disclaimers.	Prospect Theory / Experiential Learning

Empirical Analysis and Structural Framework

This study finds five distinct fundamental concept blocks that influence retail intent by cross-examining the literature compiled in Table 1.

Theoretical Relationships within the Choice Architecture

The conceptual model (Figure 2) maps the psychological and operational pathways governing retail investment choices through four core theoretical anchors:

- **Financial Literacy:** Risk Perception (Bounded Rationality): According to Herbert Simon's Bounded Rationality Theory, investors possess finite cognitive processing capabilities. High domain-specific financial literacy reduces information asymmetry, allowing investors to objectively evaluate risk-return trade-offs rather than overestimating downside risk.
- **Behavioral Biases:** Investment Decision (Prospect Theory & Heuristics): Under Kahneman and Tversky's Prospect Theory, individuals evaluate gains and losses asymmetrically. Heuristics (such as herding, anchoring, and disposition effects) alter rational utility calculations, causing investors to panic-sell during market corrections or over-allocate to overhyped funds.
- **FinTech & Service Quality Catalyst (TAM / UTAUT / SERVQUAL):** Technology acceptance frameworks (TAM/UTAUT) postulate that Perceived Usefulness and Effort Expectancy lower operational friction. High service quality and seamless UI design convert passive interest into active digital execution by enhancing user trust.
- **Experiential Learning as a Moderator:** Theoretical knowledge alone does not guarantee rational risk-taking under market stress. Direct market experience acts as a critical moderator that conditions how regulatory disclaimers and risk metrics are processed in real-time scenarios.

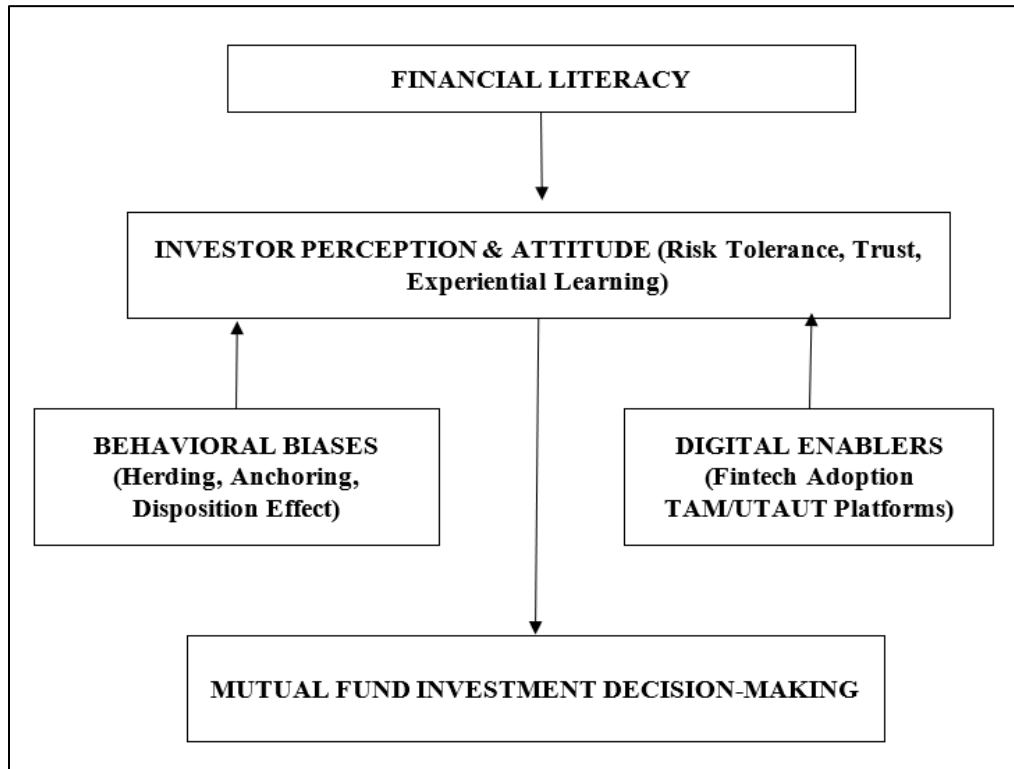


Figure 2: Conceptual Framework of Investor Choice Architecture

Discussion

Theoretical Contributions

This review offers three contributions to academic literature:

- **Integration of Behavioral and Technology Adoption Theories:** It bridges traditional behavioral finance models (Prospect Theory, Bounded Rationality) with contemporary digital adoption frameworks (TAM, UTAUT, SERVQUAL), demonstrating that modern financial decision-making is mediated by digital interfaces.
- **Nuanced Domain Literacy Framework:** It reinforces that generic financial knowledge is insufficient to mitigate behavioral biases; domain-specific mutual fund literacy is required to attenuate disposition and anchoring biases.
- **Role of Experiential Learning:** It establishes that regulatory disclosures operate non-linearly, relying on direct market experience as an essential moderating variable.

Practical & Policy Implications

- **For Asset Management Companies (AMCs):** AMCs must shift focus from broad, generic performance marketing toward tailored, nudge-based digital interfaces. Integrating goal-based micro-investing tools and interactive risk-profiling features into mobile apps can convert passive savers into disciplined, long-term Systematic Investment Plan (SIP) participants.

- For Financial Regulators & Policymakers: Regulatory bodies (such as SEBI and AMFI) should rethink standardized static disclaimers. Risk warnings should be dynamically tailored based on an investor's transaction history and experience level to prevent disclaimer fatigue.

Future Research Agenda

To address the critical gaps identified in this systematic review, future empirical studies should focus on eight key avenues:

1. **AI-Driven Robo-Advisors:** Investigate how algorithmic financial advice and AI recommendation engines alter investor trust and mitigate cognitive biases compared to human advisors.
2. **ESG & Sustainable Mutual Funds:** Examine the behavioral drivers and dual-utility trade-offs of retail adoption in Environmental, Social, and Governance (ESG) funds among emerging market investors.
3. **Gen Z & Digital Native Behavior:** Assess the unique behavioral heuristics, gamification impacts, and social media influences shaping investment decisions among young, mobile-first cohorts.
4. **Behavioral Nudges in Digital UI:** Execute randomized controlled trials (RCTs) testing how subtle UI/UX design choices (nudges) reduce panic-selling during market downturns.
5. **Digital Trust & Cybersecurity Risk:** Analyze how cybersecurity concerns, platform downtime, and privacy issues impact long-term FinTech platform retention.
6. **Demographic Inclusivity (Women Investors):** Conduct targeted empirical research evaluating structural and psychological factors influencing mutual fund participation among female retail investors.
7. **Cross-Country Comparative Studies:** Perform comparative multi-country empirical analyses to evaluate how regulatory architectures and national digital payment infrastructure (e.g., UPI) influence fund adoption.
8. **Longitudinal and Machine Learning Models:** Transition from cross-sectional surveys toward multi-year panel studies and predictive machine learning algorithms to model actual, real-time investor portfolio rebalancing.

Limitations of the Study

- **Collection Scope Limitations:** Although this review synthesizes a narrowly targeted collection of empirical publications, it may not catch all niche global or regional micro-trends arising in alternative asset behaviour.
- **Sample Size Variance Asymmetry:** A significant methodological limitation is that the paper gives identical qualitative weight to all of the selected literature. Without accounting for variations in statistical power, it combines data from large-scale, reliable empirical datasets like Rajasekar et al.

(934 samples) and Jonsson et al. (1,564 samples) with small-scale, localized samples like Kasemharuethaisuk & Samanchuen (76 samples) and Wood & Zaichkowsky (90 samples).

- Language and Index Exclusion: Important regional, non-English empirical literature may have been overlooked because the screening procedure was restricted to peer-reviewed, English-language publications.
- Exclusion of Macroeconomic Modifiers: The psychological and digital behavior of retail investors is the exclusive subject of this study. As a result, systemic regulatory changes, fund manager portfolio strategies, and direct macroeconomic indicators are not fully examined.

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