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Adoption of AI-Powered Financial Advisory Services: Determinants of Investor Trust, Acceptance and Decision Quality

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Abstract

Artificial Intelligence (AI) is revolutionizing the financial services industry by making it possible to offer innovative advisory solutions, which include customized investment guidance, portfolio management, risk analysis, and financial planning. One of the most popular forms of AI financial advisory is robo-advisors or intelligent advisory platforms, which are known for their efficiency, accessibility, and cost-effectiveness. A total of 200 respondents were selected using the convenience sampling technique, which enabled the researcher to gather data efficiently from readily accessible participants. Technological, psychological, organizational and environmental issues are discussed that influence investor attitudes towards the financial applications of AI. The study examined customers' perceptions of AI-powered financial advisory services and analyzed the influence of demographic variables such as age and gender. The findings revealed that there is no significant association between these demographic factors and the level of perception toward AI-driven financial advisory solutions. Most respondents demonstrated moderate to high levels of perception, indicating a generally positive attitude toward the adoption of AI in financial decision-making. These results suggest that AI-powered advisory services are gaining acceptance among diverse customer groups and have the potential to transform the financial services industry. As AI technologies continue to evolve, financial institutions should prioritize trust, transparency, security, and customer-centric innovation to maximize adoption and enhance the overall customer experience. The article concludes by highlighting the importance of transparency, ethical AI usage, investor education, and regulatory assistance to boost confidence and promote wider adoption of AI-driven financial advisory services.

Keywords: Technological factors, psychological, machine learning, predictive analytics, organizational and environmental factors

Introduction

The last 10 years have brought tremendous digital change to the financial services industry. The advent of Artificial Intelligence has brought this transformation in pace with powerful analytical tools that can sift through vast amounts of financial data and provide real-time investment advice. AI-powered financial advisory services utilize machine learning, predictive analytics, natural language processing, and data mining techniques to provide personalized financial advice tailored to investors' risk profiles, goals, and market conditions.

The traditional financial advisory services are time consuming and expensive, and are not accessible to some groups of investors due to the high degree of human interaction. However, AI-driven advisory platforms provide an alternative, providing cost-efficient, scalable, and data-driven investment solutions. These systems can track market trends, study client actions and make appropriate changes to suggestions. Consequently, financial companies are turning to AI tools for wealth management and investment advice more and more.

While the technological aspects of AI-driven financial advice are crucial, investor perception and acceptance play a pivotal role in the success of these services. Investors need to have confidence in the advice provided by

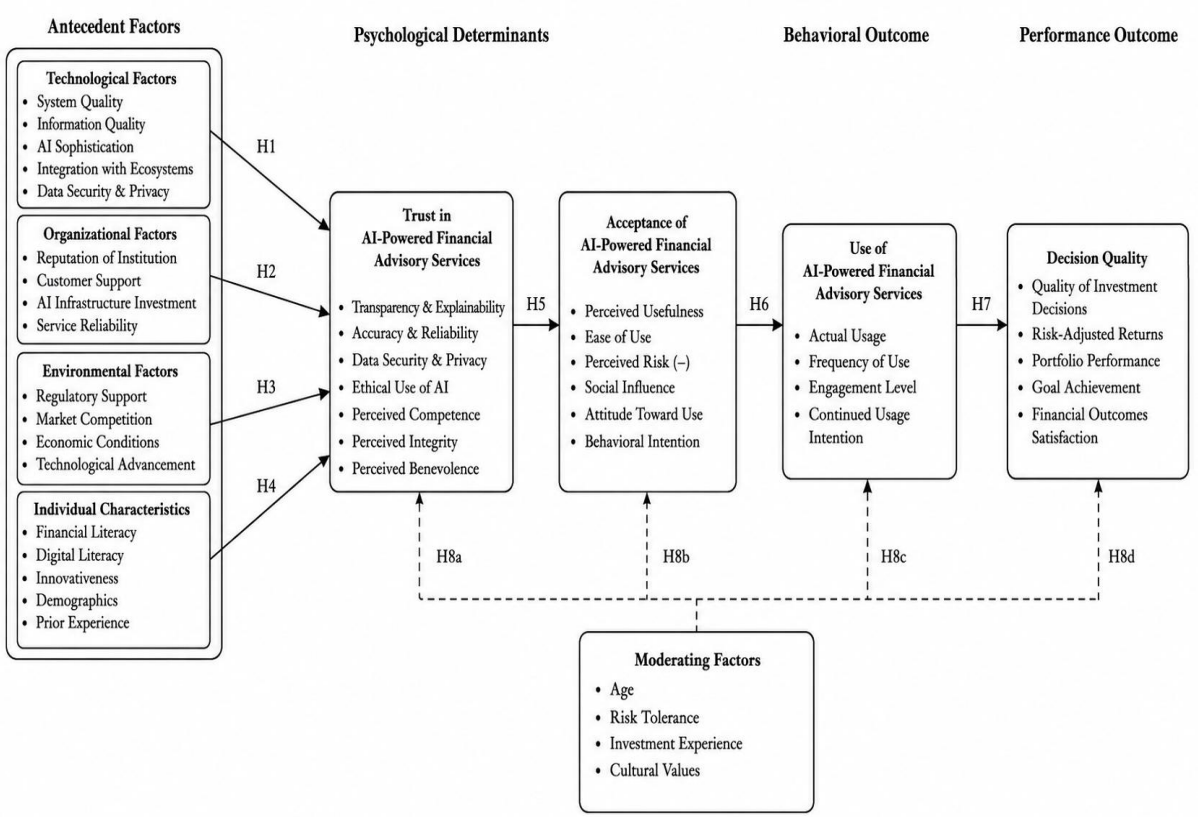
AI-driven systems and that these services can enhance their financial decision-making process. Transparency, reliability, perceived usefulness, digital literacy and regulatory compliance are all significant factors in decisions of adoption. For financial institutions, policymakers, and technology developers aiming to improve the efficacy and adoption of AI-driven advisory tools, comprehending these factors is crucial.

AI-Powered Financial Advisory Services

AI Financial Advisory Services are digital platforms that leverage AI technologies to offer financial advice, portfolio management, retirement planning, and other recommendations. These systems gather and examine data from multiple sources – market trends, economic signs, investor preferences, and historical monetary overall performance. The main goal of AI-driven investment advisory services is to assist investors in making informed decisions, minimize emotional biases, and enhance investment efficiency. Unlike advisory models, AI systems can analyze vast amounts of information quickly and offer personalized advice and recommendations based on objective data.

Diagram: 1

Conceptual Framework



Common features of AI-powered financial advisory services include:

1. Automated Portfolio Construction: One of the key features of the financial advisory services is automated portfolio construction, which is another significant benefit of AI. It is a process of investment portfolio building with the use of AI algorithms for the personalization of investments portfolio to the financial goals, risk tolerance, investment time horizon and income of an investor. It receives a massive amount of data about the market, trend analysis and asset performance, to determine optimal asset lines. Traditional methods for constructing a portfolio rely on instincts and experience of humans, whereas AI-powered systems optimize diversification and risk reduction by using data-driven models. Automated portfolio construction increases the efficiency by not only saving time on creating investment strategies but also consistency in decision making. It can also assist investors avoid emotional pitfalls associated with making investment choices which may have a

negative impact on the investments they achieve. AI algorithms can receive information on market dynamics and investor demographics and modify investment funds to make the most of those shifts, running investment plans more effectively.AI systems can also be analysing market trends and investor preferences to make continuous adjustments to investment strategies to align with evolving financial objectives, maximizing portfolio performance. Thanks to that feature, its investors will be able to reap the rewards of professional wealth management services without having to devote as much effort or cost to them, or convenience as compared with the conventional wealth management approaches.

2. Risk Profiling and Assessment: The assessment of an investor's willingness and capacity to endure financial risks is called risk profiling and risk assessment. AI-Based Financial Advisory Systems tailor advice to individual investors by analysing their answers to a questionnaire and their own responses on reports of their behavior when earning or investing. This data may be inputted in to sophisticated machine computing programs for the development of a comprehensive profile of risk. The system rates investors as conservative, moderate or aggressive and suggest investment strategies based on it. AI algorithms can leverage real-time financial data and patterns subsequently challenging to human advisors to boost the precision of risk assessment. The system could be continuous where the risk profile(s) could be updated as a result of the modification of the investor's financial condition(s). Leveraging these effective risk profiling strategies lets investors make an informed decision about their investments and avoid investments that may be not suited for their financial objectives, thereby helping them achieve their financial objectives. AI's role in advisory services enables a personalized approach in providing investment recommendations, which boosts investor confidence and helps to make informed investment decisions.

3. It's important to note that one of the strengths of AI-assisted financial advice lies in its ability to provide recommendations on investment portfolios. The algorithms can consider a variety of market trends, economic indicators, and investor data to offer recommendations that can help improve the performance of an investment portfolio. The recommendations have been made to achieve the balance between risk and return; and to ensure that the long term financial objectives of the investor are achieved. The allocation suggestions for your portfolio are constantly updated and reviewed in light of the market condition, with the help of AI systems. AI can be used to offer more timely and dynamic asset allocation suggestions as opposed to periodic reviews, reflecting the evolution of economic conditions. One of the key benefits that optimal asset allocation offers is a reduction in the volatility of an investment portfolio as well as diversifying the investment portfolios in order to minimize investments risk. Investors can use data-driven insights to make informed decisions that will help them get the best return on their investment and keep risk to a minimum. In today's investment climate, AI asset allocation recommendations are vital for enhancing investment outcomes and effective portfolio management.

4. Financial Goal Planning: Another crucial AI financial advice service is providing a plan for specific financial goals, whether they're saving for a house or a child's education, planning for building a wealth fund, or setting up an emergency savings account, an AI system can offer you a plan for how to achieve those goals. The AI system collects the data regarding finances, income and expenditure, plans, and interest points of an investor. The system can then be used to develop customized plans using predictions and financial modelling that can count the invest/save plans for achieving these objectives within a certain time frame. AI goal planning gives individual goal suggestions and continuously tracks towards goal targets. The system automatically tweaks strategies as per market condition and the investors' needs, and thus they remain on track. This will bring not only better financial discipline but better investment of resources as well. Having a positive financial goal plan that lays out pathways increases investors feel that they can follow, which boosts investor confidence.

5. Real-Time Market Monitoring: One of the other advantages of AI in financial advisory is its ability to monitor financial markets in real-time, allowing advisors to keep a close watch on market trends and activities. AI systems run all information on the Stock exchanges, economic reports, and news from the financial market and corporate announcements, along with world events continuously to analyse it. With real-time analysis, AI algorithms can quickly identify new opportunities and market trends, with almost instant accuracy. Real-time monitoring means that investors can get timely alerts and recommendations according to the market changes. Unlike the conventional advisory approach which could mean a time lag in the analysis, AI systems can work

continuously and give instant insights. This allows the investor to adapt to market conditions, and minimise potential damage in volatile markets. Additionally, monitoring markets in real-time helps with decision making and ensures investment strategies are on par with market conditions. With an ever-changing and competitive financial world, it is difficult to imagine not having access to data in real time that will help make clever financial investing choices and enhance the performance of financial investment portfolio management.

6. Predictive Investment Analytics: Predictive investment analytics involves leveraging AI and machine learning algorithms to forecast future trends or performances in the market and analyze investment opportunities. Financial advisory platforms powered by AI work by taking into account the historical performance of the market, economic indicators, corporate performance data, and investor behavior patterns to offer predictive insights. These systems can detect relationships and trends that couldn't be noticed with standard analytical techniques. By using predictive analytics, investors can gain insight into potential risks and opportunities before they happen, and make more informed investment decisions. AI can facilitate the forecasting of future asset values and market trends, aiding in optimizing portfolios and planning future investments. In the finance industry, predictive models are used to fine-tune their suggestions and improve investment performance with customers. Such predictions are not a complete elimination of uncertainty, but at least it assists the investor to help manage that uncertainty. Given the complexity and dynamism of the investment environment, modeling investment analytic software can benefit the quality of investment decisions and may help investors make informed decisions thus demystifying the huge amounts of financial data into meaningful results.

7. Automated Rebalancing of Investment Portfolios: One of the useful features of automated asset rebalancing is its capacity to help AI-powered financial consultancy platforms maintain the optimal asset allocation throughout time. As the market changes, different investments go up and down, which means that the portfolio mix will shift away from the desired mix. The AI systems work to ensure the performance of the portfolio is monitored closely, and when there's a divergence, it automatically adjusts investments. This process can include purchasing underweighted assets, and selling overweighted assets to rebalance the desired asset mix. Using automated rebalancing can assist in managing investors' risk and help maintain their portfolio in line with their financial targets. AI-powered rebalancing processes work with set rules and real-time data analysis, resulting in an efficient and consistent rebalancing that eliminates the need for manual efforts and emotional decision-making. Frequent portfolio rebalancing can help dampen volatility's effects and improve your chances of achieving the best possible returns. Automated rebalancing ensures that one's investment portfolio remains stable, well-managed, and balanced, thereby helping to maximize investment success.

Technological Determinants of Adoption

Several technological factors influence the adoption of AI-powered financial advisory services.

1. System Quality: This component is associated with the quality of the entire AI-based financial advice system, such as their performance, reliability, and usability. This includes speed, accurate, availability, responsiveness and ease of use. The high system quality component is correlated with the ability of the system to provide financial advices, information of a financial portfolio for the investors without interruption or delay. It is important that there is consistency and repeatability to develop user trust in the analyses and investment recommendations they are getting. This leads to intuitive user interfaces, rapid response times and navigation and enhances the user experience. The quality of the system affects investors' satisfaction with the service and their willingness to use it, if the service is used using AI. In case the system is not successful, it can cause frustration, loss of trust and less usage. Therefore, the need for financial institutions to continually enhance the quality of their systems to deliver efficient service and encourage customer engagement for the long-term is paramount.

2. Information Quality: Information quality is the accuracy, relevance, completeness, timeliness and clarity of information that AI financial advisers provide. Investors have to have access to good information to make investing decisions and to control financial risk. The AI systems glean a ton of market data and provide suggestions which are readily understood and easy to execute by the users. Precise and trustworthy data boosts

investor trust and confidence in the advisory platform. In the world of finance, where things can take a turn for the worse or the better in a split second, it's especially important to stay updated on the news. Another aspect to information quality is the presentation of information in such a way that it can be readily understood, even by the novice investor. Bad information has a side-effect: misinformation, lost money and mistrust of the services of AI. Thus, it is important for the financial advisory platforms that use AI to have relevant information to ensure their adoption and continued use.

3. Financial Ecosystems: AI-powered financial advisory systems can easily connect with various financial systems and applications. This can consist of banking systems, investment accounts, payment systems, and insurance and wealth management systems. Seamless integration: Investors can easily see the financial information they have in a single place, simplifying and making the process more efficient. Combining data from various sources, AI systems can offer more tailored and precise financial suggestions. Integrated platforms can also facilitate automatic transactions and track your portfolio and financial planning processes. Data synchronization of financial data will help to save human resources and enhance user experience. Making it easy for investors to integrate AI advisory services into their existing financial accounts and services boosts the chances of their adoption.This seamless integration with existing financial accounts and services increases the chances of investors embracing the use of AI financial advisors. Therefore, the user experience will be significantly affected if the user has a positive ecosystem integration, which will shape the decision performance and the customers' satisfaction.

4. Financial Advisory: The sophistication and intelligence of financial advisory systems using AI. Sophisticated AI employs AI technologies like machine learning, predictive analysis, and natural language processing (NLP) and deep learning to decipher complex financial data and deliver correct suggestions. The capabilities of AI can be leveraged to more accurately detect market trends, forecast investment opportunities and tailor financial recommendations to the individual. As AI systems continuously evolve, they grow more accurate with time and can make recommendations based on how the users interact with the system and market trends. The public seems to think that they can get more sophisticated AI to be more useful and capable to the investor. This perception is a positive one for trust, acceptance and adoption. Additionally, AI can help to automate complex analytical tasks, reducing the workload and boosting operational efficiency. As AI technology evolves and develops, it will be crucial for the success of financial advisory services.

Organizational Factors of Adoption

The impact of Reputation of Financial Institutions is crucial in the adoption of AI-driven Financial Advisory Services by investors.Reputation of Financial Institutions plays a significant role in the adoption of AI-driven Financial Advisory Services by investors. Well-known and trusted firms tend to be more trusted and accepted for their usage of AI platforms by investors. Good reputation is synonymous with trustworthiness, dependability, solvency and concern for the customer. This is also because a positive brand image can help to increase trust in financial institutions and AI-powered services that they provide. Conversely, when an organization has poor ratings, it might not be easy for them to win investor trust in the suggestions they can offer by using AI. Other reputational factors are an institution's ethical behaviour, service level and adherence to regulation. The reputation is an intangible asset and in the competitive financial markets, it can reduce the level of risk and uncertainty. So, establishing a robust organization reputation is crucial to promoting investor trust and enabling the acceptance of AI-powered advisory products.

1. Customer Support: This involves the availability of support and guidance to customers who are utilizing AI-driven financial advising solutions. While some of the advisory functions can be executed by AI systems, there are instances when investors might need human intervention in handling intricate financial matters, technical issues, or in clarifying and interpreting recommendations. When a user has any doubts about the website, providing them with good customer support development makes them more confident about the website. Examples of support services include live chat, phone support, email support and financial advisors. Access to resources which provides specialist and responsive assistance can be valuable to enhancing user experiences and satisfaction levels. Investors will be more likely to adopt AI advisory services if they know they are not alone and have someone to help them. Additionally, customer service can fill the gap between automation and

personalized service. Timely and effective interventions can help foster trust and increase engagement from financial institutions, and aid in the creation of longer-term relationships with customers.

2. Investment in AI Infrastructure: This is where financial institutions invest in the development, deployment, and maintenance of advanced AI solutions. This encompasses investments made in hardware, software, cloud, cyber security, data management and people. AI infrastructure is crucial for financial advisory platforms, enabling them to process large volumes of data and provide accurate advice. Sufficient investment is also needed for reliability, scalability and continuous innovation – which are all vital components of system success. Trust in AI powered services will be higher if investors believe that the company has invested heavily in technology and security. Moreover, adequate infrastructure support can be used to facilitate the adoption of new technologies and improvement of services. AI-powered financial companies will have the ability to contend with the competition in the digital financial system and run efficiently. As such, investing in infrastructure will be a key factor in determining how an organization adopts AI.

3. Government & Financial Institution Laws: Consumer protection, transparency and accountability are ensured with respect to responsible use of AI and there are supporting regulations. More specific rules minimize uncertainties for investors and financial institutions on compliance rules and requirements. AI advice services are more likely to be trusted by investors in regulated markets. In regulated markets, people have come to trust AI advisories.AI advisories are more trusted by investors in regulated markets. Regulatory regulation can be used to address other data privacy, algorithmic bias, cybersecurity and ethical use of AI concerns. Additionally, policy can support and influence the introduction of AI innovations, as AI can increase investors' confidence when considering investing in AI solutions. The overall regulatory framework is designed to be fair, encouraging technological innovation and safeguarding investors, thereby paving the way for wider adoption of AI in financial advising.The balanced regulatory framework established by the law helps to foster technological progress and investor confidence, enabling greater integration of AI into financial planning.The balanced regulatory framework provided by the law helps to promote technological innovations and investor confidence, leading to broader use of AI in financial advising.Such regulatory frameworks foster innovation and investor confidence, paving the way for a bright future in the use of AI in wealth management.

4. Market Competition: Competition can spur improved services and innovation, making the adoption of AI-based financial advisory services easier. Financial institutions are also looking to stand out from a crowded market in which they are compelled to attract and keep customers by employing cutting edge technology. With the help of AI, advisory services can be more cost-effective, provide individual recommendations, and create better customer experiences. Then, there's the pressure to invest in the latest AI tools and deliver the best service possible on a consistent basis, as competition is fierce.Competition is rife, and companies are eager to invest in the latest AI tools and ensure they're delivering the best service possible consistently. A variety of choices, enhanced attributes and more effective financial solutions are all rewards to traders. Moreover, competition fosters innovations and awareness of potential users of financial services using AI. In a competitive market, companies which cannot be innovative, and use new technologies will lose market share. Therefore, it is imperative to take competition into account when discussing the adoption of technology and the creation of financial advisory platforms that leverage AI.

5. Economic Conditions: These are the overall economic conditions impacting the investment behaviour of investors and financial institutions. Economic growth, inflation, interest rates, employment and stability of the market have an impact on investor behavior and technology adoption. In times of economic prosperity, investors might be more inclined to consider new financial offerings and put money into AI-powered advisory services. However, a lack of interest in new technology and risk aversion may result due to uncertainty or recession. Economic conditions also influence the economics of institutions with respect to infrastructure and innovation development of AI. Instead, financial markets tend to be more stable in recession periods, and more conducive to technological development in downturns. Plus, in the time of good economic conditions, it can result in increased investments and more demand will be there for effective services of advisors. Economics, then, is an important consideration when making decisions about adoption, as well as the impact of AI-driven economic platforms.

6. Technological Advancement: Technological advancement are the ongoing evolution and enhancement of digital tools and platforms, which are utilized for AI-driven financial counseling. Machine learning, cloud

computing, big data, blockchain and cybersecurity are some of the innovations that enhance the efficiency and security of AI systems. Advanced technologies make it possible to improve the accuracy of financial recommendations, increase system performance and expand the scope of the system. As technology advances, AI systems are becoming more capable of handling intricate financial information and providing tailored advices. They have increasingly become efficient in analysing complex financial data and providing tailored advice with the aid of artificial intelligence systems.The use of advanced technologies has proved effective in deciphering complex financial data and providing tailored advice, making AI systems always effective. Investors are more likely to accept the use of AI-powered services if they can see the positive outcome and benefits that can be gained from their use. Moreover, continuous improvements decrease the operating expenses and increase the usage. Technology can be used for financial institutions to stay competitive and satisfy the demands of new customers. Therefore, it is an important environmental element that impacts the uptake and growth of AI advising services.

Research Gap

Existing studies on AI-powered financial advisory services have primarily focused on technological aspects, algorithm performance, and adoption intentions in developed economies. While research has examined factors such as perceived usefulness, ease of use, and trust in AI systems, limited attention has been given to the combined influence of investor trust, acceptance, and decision quality within a single framework. Furthermore, there is a scarcity of empirical studies investigating how these factors interact to shape investors' experiences with AI-driven financial advisory services, particularly in emerging markets. Many studies also emphasize institutional perspectives rather than individual investor perceptions. Therefore, a significant research gap exists in understanding the determinants that influence investor trust and acceptance of AI-powered financial advisory services and their subsequent impact on decision quality.

Importance of the Study

The rapid integration of artificial intelligence into financial services has transformed the way investors receive financial advice and make investment decisions. Understanding the determinants of investor trust, acceptance, and decision quality is crucial for financial institutions, fintech companies, policymakers, and investors. This study provides valuable insights into the factors that encourage or hinder the adoption of AI-powered financial advisory services. The findings can help organizations design more transparent, reliable, and user-friendly AI systems that enhance investor confidence and satisfaction. Additionally, the study contributes to academic literature by expanding knowledge on AI adoption in financial services. It also supports policymakers in developing regulations that promote responsible AI usage while protecting investor interests and strengthening trust in digital financial ecosystems.

Statement of the Problem

Artificial intelligence has emerged as a powerful tool in financial advisory services, offering personalized investment recommendations, portfolio management, and risk assessment. Despite these advantages, many investors remain hesitant to fully rely on AI-driven financial advisory systems due to concerns regarding trust, transparency, accuracy, data privacy, and accountability. The level of investor acceptance and the perceived quality of decisions generated by AI systems vary considerably among users. A lack of trust may reduce adoption rates and limit the potential benefits of AI-powered advisory services. Therefore, it is essential to identify the determinants that influence investor trust and acceptance and to examine how these factors affect decision quality. Addressing these issues will help enhance the effectiveness and adoption of AI-based financial advisory solutions.

Methodology

The study adopts a descriptive and analytical research design to examine the determinants of investor trust, acceptance, and decision quality in AI-powered financial advisory services. Primary data were collected from investors and users of digital financial services through a structured questionnaire designed to measure perceptions regarding AI-based financial advisory systems. The questionnaire included items related to trust,

acceptance, technological attributes, service quality, and decision quality. A total of 200 respondents were selected using the convenience sampling technique, which enabled the researcher to gather data efficiently from readily accessible participants. The methodology facilitates a comprehensive understanding of the factors influencing investor trust and acceptance of AI-powered financial advisory services and their impact on investment decision quality.

Findings and Results

Age and Level of Perception of AI-Powered Financial Advisory Services

Age is an important demographic factor that influences individuals' perceptions and acceptance of AI-powered financial advisory services. Different age groups may exhibit varying levels of trust, familiarity, and willingness to adopt AI-based financial solutions due to differences in technological exposure, financial experience, and risk preferences. Understanding the relationship between age and perception helps financial institutions design targeted strategies to improve customer engagement and adoption of AI-driven advisory platforms. The present analysis examines the association between respondents' age and their level of perception toward AI-powered financial advisory services using a cross-tabulation and Chi-square test. The findings provide insights into whether age significantly affects how customers perceive and evaluate AI-based financial advisory systems.

Age	**Level of Perception**			**Total**
	Low	Medium	High	
Below 30 Years	4	9	8	21
	19.0%	42.9%	38.1%	100.0%
31-40	6	14	9	29
	20.7%	48.3%	31.0%	100.0%
41-50	23	45	38	106
	21.7%	42.5%	35.8%	100.0%
Above 50	8	13	23	44
	18.2%	29.5%	52.3%	100.0%
Total	41	81	78	200
	20.5%	40.5%	39.0%	100.0%
Chi-Square	4.811	Df-6	.568	

The table reveals that among respondents below 30 years, 42.9% exhibit a medium level of perception, while 38.1% demonstrate a high level of perception toward AI-powered financial advisory services. Similarly, among those aged 31–40 years, 48.3% have a medium perception and 31.0% possess a high perception. In the 41–50 years age group, 42.5% report a medium perception and 35.8% a high perception. Notably, respondents above 50 years show the highest proportion of high perception (52.3%) compared to other age groups. Overall, 40.5% of respondents exhibit a medium level of perception, while 39.0% demonstrate a high level of perception. The Chi-square value of 4.811 with 6 degrees of freedom and a significance value of 0.568 indicates that there is no statistically significant association between age and the level of perception of AI-powered financial advisory services. Therefore, age does not significantly influence respondents' perceptions of AI-powered financial advisory services.

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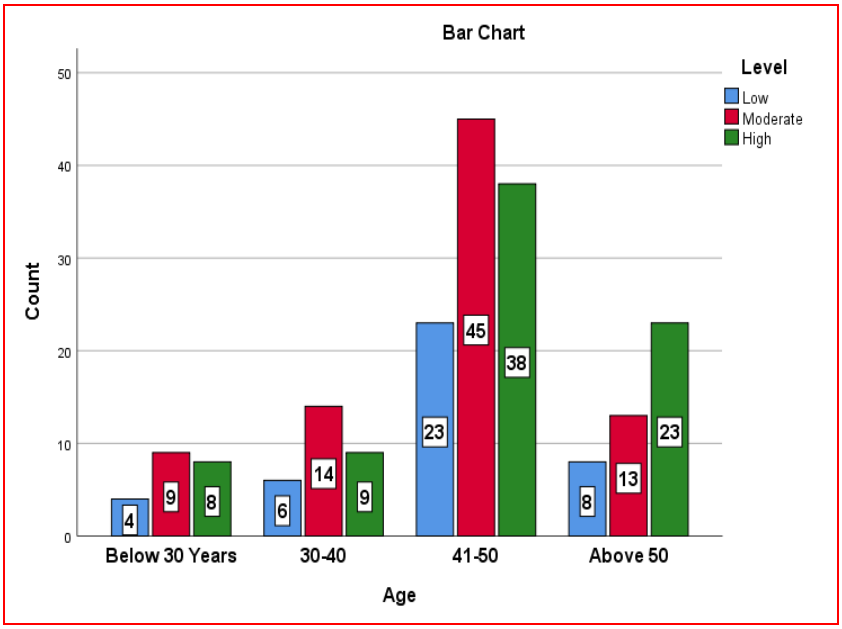
Figure: 1



Gender and Level of Perception

Gender is a significant demographic variable that may influence individuals' perceptions and acceptance of emerging technologies, including AI-powered financial advisory services. Differences in financial decision-making behavior, technology adoption patterns, risk tolerance, and trust in digital systems can shape how males and females perceive AI-based financial solutions. Examining the relationship between gender and perception helps financial institutions understand customer preferences and develop inclusive strategies for promoting AI-driven financial advisory services. The present analysis investigates whether gender has a significant association with the level of perception of AI-powered financial advisory services among respondents through cross-tabulation and Chi-square analysis.

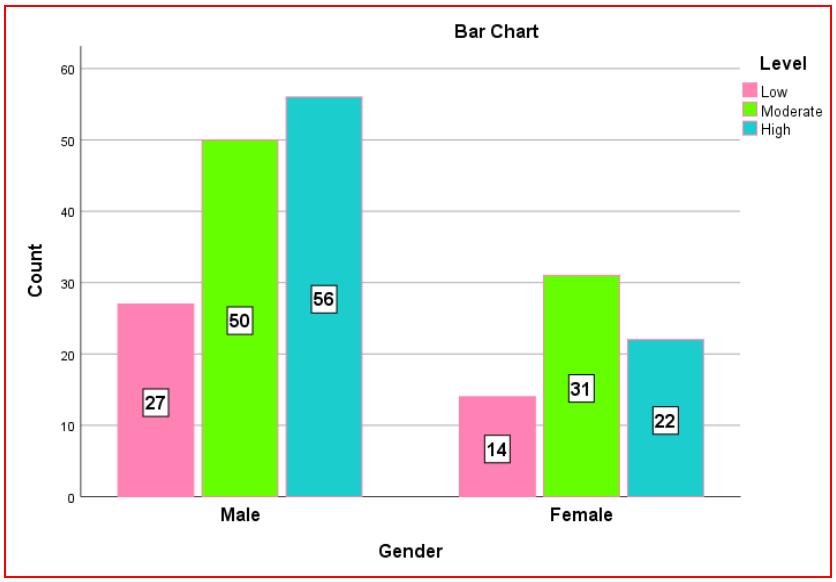
Gender and Level of Perception

Gender	**Level of Perception**			**Total**
	Low	Moderate	High	
Male	27	50	56	133
	20.3%	37.6%	42.1%	100.0%
Female	14	31	22	67
	20.9%	46.3%	32.8%	100.0%
Total	41	81	78	200
	20.5%	40.5%	39.0%	100.0%
Chi-Square	1.871	Difference 2	Sig .4.03	

The table indicates that among male respondents, 42.1% exhibit a high level of perception toward AI-powered financial advisory services, while 37.6% demonstrate a moderate level of perception and 20.3% show a low level of perception. Among female respondents, 46.3% possess a moderate level of perception, 32.8% exhibit a high level of perception, and 20.9% report a low level of perception. Overall, 40.5% of the respondents demonstrate a moderate level of perception, followed by 39.0% with a high level and 20.5% with a low level of perception. The Chi-square value of 1.871 with 2 degrees of freedom and a significance value of 0.403 indicates that the association between gender and the level of perception is not statistically significant, as the p-value is greater than 0.05. Therefore, the null hypothesis is accepted, and it can be concluded that gender does not have a

significant influence on respondents' perceptions of AI-powered financial advisory services. Both male and female respondents exhibit relatively similar perception levels toward AI-driven financial advisory

Figure: 2



Implications for the Study

The findings of the study indicate that demographic factors such as age and gender do not significantly influence customers' perceptions of AI-powered financial advisory services. This suggests that acceptance and perception of AI-based financial solutions are becoming more universal across different demographic groups. The results imply that financial institutions can focus more on improving service quality, system reliability, transparency, personalization, and user experience rather than segmenting customers solely based on age or gender. The study also contributes to the growing body of knowledge on technology adoption in the financial sector by demonstrating that perceptions of AI-driven advisory services are shaped by factors beyond basic demographic characteristics. These insights can support policymakers and financial organizations in designing inclusive AI adoption strategies.

Recommendations and Suggestions

Financial institutions should continue investing in advanced AI technologies that enhance accuracy, security, and personalization in financial advisory services. Organizations should focus on increasing customer trust through transparent AI processes, clear explanations of recommendations, and robust data privacy measures. Educational initiatives and awareness programs can help customers better understand the benefits and limitations of AI-powered financial advisory systems. Banks and fintech companies should also provide responsive customer support that combines human expertise with AI capabilities to improve user confidence. Future researchers are encouraged to examine other determinants such as trust, perceived usefulness, financial literacy, technology readiness, and service quality to gain deeper insights into customer perceptions and adoption behavior regarding AI-powered financial advisory services.

Conclusion

AI financial advisory is a groundbreaking advancement in the finance industry, providing personalized, efficient, and data-driven investment advice. The trust, acceptance and quality of decision making of these services are all crucial to their uptake. Encountering the factors behind investor perception of and attitudes towards AI advisory platforms, such as transparency, reliability, data security and perceived usefulness ease of use, digital literacy and regulatory support, is many and varied. AI can be used for fine-tuning financial decisions, mitigating human behavioral biases, providing customized recommendations, and conducting real-time market analyses—all of which can benefit companies.AI has the potential to improve the financial

decision-making process, reduce behavioral biases, provide personalized recommendations, and perform real-time market analysis. However, to achieve maximum uptake, there must be concerns about trust, cyber security, algorithmic bias and less human interaction addressed. By emphasizing ethical use of AI, educating investors, and ensuring transparency in their processes, financial institutions can help build trust and promote the adoption of AI-based financial advice. The potential of AI in investment management and financial advisory is promising, and the technology is expected to play a more prominent role in the investment management and financial advisory landscape in the future. The study examined customers' perceptions of AI-powered financial advisory services and analyzed the influence of demographic variables such as age and gender. The findings revealed that there is no significant association between these demographic factors and the level of perception toward AI-driven financial advisory solutions. Most respondents demonstrated moderate to high levels of perception, indicating a generally positive attitude toward the adoption of AI in financial decision-making. These results suggest that AI-powered advisory services are gaining acceptance among diverse customer groups and have the potential to transform the financial services industry. As AI technologies continue to evolve, financial institutions should prioritize trust, transparency, security, and customer-centric innovation to maximize adoption and enhance the overall customer experience.

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