

Access to Adoption: Examining Digital Literacy, Trust, and Behavioural Intentions in Rural Financial Inclusion

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ABSTRACT

The rapid expansion of digital financial systems has transformed India's financial landscape, yet benefits remain uneven across rural regions. In the northern districts of Tamil Nadu, technological infrastructure exists, but adoption of digital payment systems remains limited. This study examines factors influencing digital financial inclusion, emphasizing digital literacy as a key determinant of behavioural intention. Drawing on the Theory of Reasoned Action (TRA), Theory of Planned Behavior (TPB), Technology Acceptance Model (TAM), and Unified Theory of Acceptance and Use of Technology (UTAUT), the research analyzes how perceived usefulness, ease of use, trust, perceived risk, social influence, and facilitating conditions shape rural users' adoption decisions. Findings reveal that digital literacy operates not only as an enabling factor but as a driver of financial empowerment. Individuals with higher digital literacy exhibit greater confidence, reduced fear of transaction errors, stronger trust in digital platforms, and greater willingness to transition from cash-based transactions. Despite these advantages, infrastructural gaps, limited localized guidance, and persistent trust concerns continue to restrict widespread adoption. Bridging the rural digital divide, therefore, requires targeted literacy programs, intuitive platform design, reliable connectivity, and community-level digital support systems. By identifying behavioural drivers alongside contextual barriers, this study provides practical insights for policymakers, financial institutions, and FinTech stakeholders seeking to strengthen inclusive digital financial ecosystems in rural Tamil Nadu.

Keywords: Digital Literacy; Financial Inclusion; Rural Tamil Nadu; Digital Payments; Behavioural Intention; Trust; Perceived Risk; FinTech Adoption

