Innovation Resistance Theory Perspective in the Adoption of Robo-Advisors on Investment Platforms in Indonesia: The Role of Trust as a Moderating Variable

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Abstract:

Artificial Intelligence (AI) has become a key component of the financial technology (fintech) sector, particularly in the development of robo-advisors. Despite the benefits offered by these technologies, their adoption in developing countries like Indonesia remains slow, largely due to resistance from potential users. This study integrates Innovation Resistance Theory and Trust Transfer Theory to explore the factors hindering the adoption and continued use of robo-advisors in Indonesia. Innovation Resistance Theory examines how functional barriers, such as usage, value, and risk, affect users' resistance to robo-advisors. Meanwhile, Trust Transfer Theory investigates how trust, transferred from users' previous experiences with conventional financial services, moderates the relationship between these barriers and users' intentions to reuse. The sample consists of 250 users of investment service platforms, with data analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM). The findings indicate that all three barriers—usage, value, and risk—significantly deter users' intention to reuse robo-advisors. However, trust does not moderate these relationships. This research contributes to the literature by offering a framework that integrates innovation resistance barriers, trust, and reuse intention. It also offers managerial implications for fintech investment platforms aiming to enhance user trust and reduce resistance to robo-advisor adoption in Indonesia.

Keywords:

Financial technology (fintech), Robo-advisor, Innovation resistance, Trust, Intention to reuse.