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Banking without borders: What drives neobank use in Peru

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Abstract

Access to financial services in Peru remains limited, with only 55.9% of adults owning a deposit account and just 13.4% holding an active credit card. This situation is potentially exacerbated by an oligopolistic banking sector, where four banks control 80% of the market, alongside insufficient payment infrastructure due to high installation costs and widespread financial illiteracy, as 41% of Peruvians lack basic financial capabilities. These barriers hinder economic growth and perpetuate poverty by restricting access to essential financial tools. Neobanks, which operate through fully digital platforms and mobile technologies, offer a promising alternative by delivering cost-effective, user-friendly services designed to reach underserved populations. However, their adoption in Peru remains underexplored. This study examines the factors that influence the intention to use neobanks in Peru, guided by an adaptation of the Theory of Planned Behavior that incorporates behavioral beliefs and control as predictors of Behavioral Intention. Data from 154 respondents were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM). The results show that Privacy Concerns, User Experience, Expense Control, and Service Quality significantly influence Behavioral Intention, with Privacy Concerns having a surprisingly positive effect.

Keywords: neobanks, theory of planned behavior, technology adoption, behavioral intention

Introduction

Latin America lags behind North America and Europe in financial services access (Demirgüç-Kunt et al., 2022). Credicorp, the largest Peruvian financial holding company, with presence in Colombia, Bolivia, Chile, Panama, and the United States, developed the Financial Inclusion Index (IIF) for eight Latin American countries. In its latest edition, the region scored 45.5 out of 100, indicating a "low-medium" level of inclusion (Credicorp, 2023). Peru ranked sixth, with 43.3 points, below the regional average and only ahead of Mexico (41.7) and Bolivia (40.4). This reflects a concerning outlook, as even the Superintendency of Banking, Insurance, and AFPs (SBS, 2023) acknowledges that access to financial services in Peru remains low, despite recent improvements.

Three primary factors hinder access to financial services in Peru. First, there is limited competition in the banking sector, where four banks control 80% of the market (Juliao et al., 2023; Pastor, 2020). Second, physical payment infrastructure is underdeveloped due to high installation costs (Juliao et al., 2023; Leguia et al., 2015). Third, financial education is insufficient—41% of Peruvians lack financial capabilities (Juliao et al., 2023; SBS, 2023).

Account ownership is a primary indicator of financial inclusion, serving as a gateway to other financial services (Demirgüç-Kunt et al., 2022). While 94% of adults in high-income countries have an account, this figure drops to 63% in developing countries (Demirgüç-Kunt et al., 2018). In Peru, only 55.9% of adults

have a deposit account, 32.3% have credit within the financial system, and just 13.4% use a credit card (SBS, 2023). These figures limit opportunities for poverty reduction and economic growth (Ozili, 2018). FinTech, defined as the innovative delivery of financial services (Ozili, 2018), plays a crucial role in promoting inclusion by expanding access, improving resource allocation, and simplifying account setup and payment systems (Arner et al., 2020). It also reduces operational costs and enhances financial education, addressing two of the key barriers in Latin America and Peru. The FinTech sector is growing rapidly (Statista, 2024), with neobanking as its leading segment (Statista, 2023).

Neobanks, a "Deposit and Lending" FinTech model, are entirely digital banks that operate without physical branches, offering services such as bank accounts and cards through mobile apps (Nagy et al., 2024). They are seen as a means to improve financial inclusion among underserved populations in developing countries (Taneja et al., 2024). Mobile technology holds significant potential in such contexts, especially in Peru, where 91.9% of households have a smartphone (Demir et al., 2022; OSIPTEL, 2023).

Despite this potential, neobanks are still in the early stages of development in Peru (Taneja et al., 2024). Globally, the neobanking market is expected to reach a transactional value of USD 10.44 trillion and more than 386 million users by 2028 (Statista, 2023). While Europe leads in user numbers and the United States in transaction value (Nagy et al., 2024; Statista, 2024), countries like Peru continue to face adoption challenges. In this context, the present study aims to investigate the primary factors influencing the intention to use neobanks in Peru, thereby addressing a critical gap in the literature and contributing to strategies that promote greater financial inclusion in the country.

Literature Review

Prior studies on the adoption of neobanks have primarily relied on four theoretical approaches. The first approach is based on the Unified Theory of Acceptance and Use of Technology (UTAUT). For example, Bhatnagr and Rajesh (2023) applied an extended UTAUT-3 to explore perceived risk, trust, and performance expectancy in Indonesia. Taneja et al. (2024) employed UTAUT-2 and incorporated cultural factors, demonstrating that trust and security have a significant influence on the intention to adopt neobanks. Similarly, Salmasi et al. (2024) examined the adoption of Digital-Only Banking (DOB) in Iran using UTAUT with Hofstede's cultural dimensions, finding that performance expectancy had a strong positive effect, while perceived risk was a deterrent.

The second approach focuses on the Technology Acceptance Model (TAM). Nagy et al. (2024) analyzed neobank adoption in Hungary using TAM extended with trust, finding that trust and perceived usefulness were the most significant predictors. Setiyono et al. (2019) confirmed this using Indonesian banking apps, showing that initial trust, perceived quality, and user satisfaction drive the intention to adopt. Rohles et al. (2022) added customer service and trust-building mechanisms to further explain intention in TAM-based models.

The third group of studies employed hybrid or exploratory models. Windasari et al. (2022) employed an exploratory method that combined various factors, including economic value, ease of use, and rewards, to study neobank adoption in Indonesia. Li et al. (2021) analyzed the adoption of Internet-only banks in China, showing that consumer involvement and performance expectancy mitigate risk aversion. Ahn and Lee (2019) focused on trust-building dimensions in South Korea, finding that convenience, trust, and price sensitivity influence behavior. These studies reflect a growing interest in contextualizing the adoption of fintech across diverse cultural and economic settings.

Finally, a fourth group shifted attention away from intention to use and toward other behaviors such as switching or continued usage. For instance, Bhatnagr et al. (2024) studied continuance intention using the DeLone and McLean IS model. Tanuwijaya and Oktavia (2023) focused on switching behavior from traditional to digital banking, using the Push-Pull-Mooring (PPM) model, which showed that price, convenience, and service availability were key motivators.

To the best of our knowledge, two gaps in the literature provide the basis for the proposed objective. First, many studies were restricted to a specific framework that included defined variables. Hence, the conclusions typically included repeated constructs such as trust, risk, and perceived ease of use, among others. This opens up the opportunity to study different factors that were previously overlooked, including those related to the main obstacles to financial inclusion that must be addressed. Second, most studies have been concentrated in Asia (Ahn & Lee, 2019; Bhatnagr & Rajesh, 2023; Bhatnagr et al., 2024; Lee & Kim, 2020; Li et al., 2021; Salmasi et al., 2024; Setiyono et al., 2019; Taneja et al., 2024; Tanuwijaya & Oktavia, 2023; Windasari et al., 2022) and Europe (Nagy et al., 2024; Kaabachi et al., 2017). Latin America, and particularly Peru, has yet to be thoroughly explored, considering the unique challenges and opportunities that this market presents (Statista, 2024), which can drive various factors studied in the present research.

Theoretical Framework

In the Theory of Planned Behavior (TPB), proposed by Icek Ajzen (1991), behavioral beliefs refer to an individual's perceptions about the likely outcomes of performing a specific behavior and their evaluation of these outcomes (Ajzen, 1991). These beliefs are critical as they shape the attitude toward the behavior. In the Theory of Planned Behavior (TPB) context, if individuals believe that engaging in a particular behavior, such as using a neobank, will lead to positive results, they are more likely to develop a favorable attitude toward that behavior. Conversely, their attitude will likely be unfavorable if they perceive risks or adverse outcomes. Therefore, behavioral beliefs act as cognitive antecedents to an individual's attitude, influencing their behavioral intention (Ajzen, 2002).

Control beliefs involve an individual's perception of the factors that can facilitate or hinder the performance of a behavior. These beliefs are closely related to perceived behavioral control, which reflects the perceived ease or difficulty of performing the behavior (Ajzen, 1991). Control beliefs encompass both internal factors and external factors. The stronger an individual's control beliefs, the more likely they are to feel capable of performing the behavior, thus increasing their behavioral intention (Ajzen, 2002).

Behavioral intention is the immediate antecedent of behavior in the TPB framework. Intentions capture an individual's motivational factors, reflecting how much effort they are willing to put into performing a particular behavior (Ajzen, 1991). According to Ajzen (2002), the stronger the intention to engage in a behavior, the more likely the behavior will be performed, provided that the individual has sufficient control over the behavior (Ajzen, 2002). This concept is crucial in the context of neobanking in Peru, as behavioral intention can be influenced by several psychological drivers, such as the perception of benefits, risks, and self-confidence in using digital financial services.

For this study, the TPB is adapted by focusing only on behavioral and control beliefs and their relationship with behavioral intention, as these constructs are most relevant for understanding consumers' intention to use neobanks in Peru. The emphasis is on how users perceive the benefits and risks associated with neobanks (behavioral beliefs), as well as their perception of ease or difficulty in using these technologies (control beliefs).

Hypotheses and Research Model

Ajzen's (2002) methodological extension of the TPB emphasizes the importance of identifying salient beliefs—the most accessible beliefs in the individual's mind—that play a central role in shaping attitudes. These beliefs are often derived from qualitative research. Paysafe Group (2022) studied consumer attitudes toward traditional banks and neobanks in Peru. The research was conducted with 1,000 respondents and yielded nine powerful insights. Based on these insights and with the advice of professionals in the field, the following variables were developed.

Service quality is one of the efforts a company makes to improve and enhance the quality of its products and services (Tanuwijaya & Oktavia, 2023). Quality improvement is carried out to enable the company to compete by satisfying the needs and desires of users, namely offering good products and services at a price that is fair and suitable. In the neobanking context, it is related to the quality of its virtual service offered. In this sense, Bhatnagr et al. (2024) demonstrated a positive relationship between SQ and the behavioral intention to use neobanks. Hence, it is proposed:

H1: *Service quality has a positive effect on the intention to use neobanks.*

User Experience (UX) is critical in understanding how users interact with products and services, including digital interfaces such as websites, applications, and medical devices (Nirapai & Leelasantitham, 2024). Rohles et al. (2022) state that UX refers to users' subjective perceptions and interactions with various products or services. It encompasses a wide range of factors, including emotions, preferences, effectiveness, ease of use, and communication. UX integrates expertise from multiple disciplines, such as psychology, graphic design, and software engineering, to create products and services that are not only functional but also engaging and satisfying for users (Mardian et al., 2022). Watulingas and Permana (2020) found that UX has a significant positive effect on the intention to purchase in the digital marketing context. Neobanks are fully digital services, so they highly depend on the user experience. Hence, it is proposed:

H2: *User experience has a positive impact on the intention to use neobanks*

Perceived control refers to an individual's evaluation of their capacity to make decisions and exert influence over their circumstances (Bowen & Johnston, 1999). Moreover, Control relates to users' ability to influence and manage their environment, enhancing their experience and outcomes (Klimmt et al., 2007). In the neobanking context, Perceived Expense Control (EXC) refers to the perceived ability of individuals to monitor and regulate their financial expenditures through digital tools provided by neobanks. Libaque-Saenz et al. (2021) found that perceived data control, a variable with control characteristics, has a positive influence on the intention to use mobile apps. Therefore, for this specific case, it is hypothesized:

H3: *Expense control has a positive effect on the intention to use neobanks.*

According to Venkatesh et al. (2021), privacy concerns refer to customers' worries about the potential loss of privacy due to disclosing information to a specific shopping site. Privacy concerns related to information disclosure include the collection of excessive customer information without their knowledge, unauthorized access to customers' information stored on shopping sites, unauthorized secondary use of customer data, such as selling it to third parties, and intentional or accidental errors in the personal data collected (Venkatesh et al., 2021). In the neobanking context, privacy concerns arise due to the fully digital nature of the service offered. Bajunaied et al. (2023) and Huang and Liu (2012) found that privacy concerns do not significantly impact the intention to use fintech and mobile payment, respectively. However, the present study challenges this by hypothesizing:

H4: *Privacy Concerns negatively affect the intention to use neobanks.*

Digital Financial Skills (DFS) refer to an individual's capacity to effectively manage their personal finances using digital tools and platforms. This includes the ability to make secure online transactions, use mobile payment applications, and interact with digital banking systems for informed financial decision-making (Kumar et al., 2023). According to Shehadeh et al. (2024), DFS play a crucial role in facilitating the use of cashless payment systems, especially in contexts with low financial inclusion. In developing countries such as Peru, where access to traditional banking remains limited, DFS empower users to overcome entry barriers into the financial system, thus promoting digital financial inclusion. Prior research has shown that stronger digital skills are associated with more confident and frequent use of financial technologies (Lusardi & Mitchell, 2014). Therefore, it is proposed:

H5: *Digital financial skills positively affect the intention to use neobanks.*

Considering the above-stated hypotheses, Figure 1 presents the proposed research model based on an adaptation of the TPB framework.

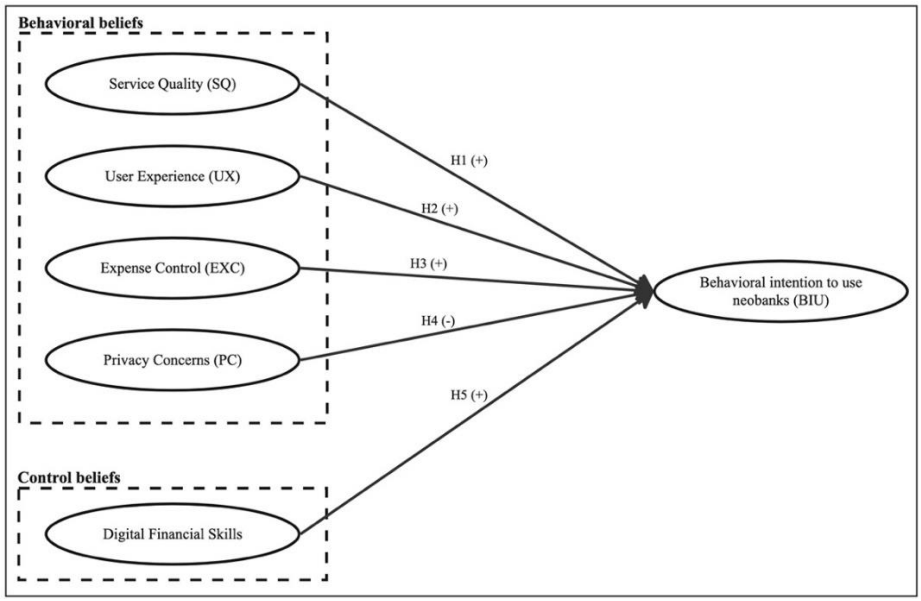

Figure 1. Research Model

Research Methodology

The conceptual model developed for this study comprised six latent constructs, each measured through multiple items derived and adapted from prior validated research to ensure strong content validity (Gefen & Straub, 2004). The variables in the present study are considered latent variables. These variables are defined as those that cannot be observed, implying that their values cannot be seen or measured directly (Bollen, 2002; Kyle et al., 2020). Generally, a latent variable is used when the research focuses on concepts such as attitudes, beliefs, or intentions for which no direct measurement instruments are available (Moustaki, 1996). Consequently, the six variables in the current study are latent as they capture the individuals' salient beliefs and usage intentions.

Considering that a latent variable cannot be directly observed, it must be related to various measurable items to infer the value of the latent variable they represent (Kyle et al., 2020). Therefore, the variables in the present study were measured using items from prior studies. These items were carefully selected and adapted to fit the Peruvian digital financial context accordingly. Table 1 shows that each proposed variable was measured using multiple items on a 5-point Likert scale. Two attention-check questions and two reverse-coded items were strategically placed across the items to detect careless responses and ensure data reliability and participant engagement.

Table 1. Measurement Items

Construct	Items	Likert	Adapted from
Service Quality (SQ)	4	5	Bhatnagr et al. (2024)
User Experience (UX)	4	5	Wulandari et al. (2023)
Expense Control (EXC)	6	5	Libaque-Sáenz et al. (2021)
Privacy Concerns (PC)	3	5	Bajunaied et al. (2023)
Digital Financial Skills (DFS)	5	5	Shehadeh et al. (2024)
Behavioral Intention to Use Neobanks (BIU)	3	5	Bhatnagr et al. (2024)

The target population for this study consists of Peruvians residing in Peru. These participants are 18 years or older, digitally literate, and reside in urban areas with access to smartphones and the Internet. Primary data were gathered through a survey technique using Google Forms. The survey was provided in Spanish and included nine sections. The first section presented the informed consent to ensure that every participant responded under their own free will. The second section measured digital financial skills, while the third provided an introduction to the concept of neobanks to contextualize participants within the topic of study. Sections four to eight measured the remaining variables of the model, each assessed through a specific set of statements. Finally, the ninth section included demographic questions and asked whether the respondent is or has been a user of a neobank. For this survey, the non-probabilistic snowball sampling technique was used. Initially, a small group of individuals fitting the target population criteria was identified through personal networks and invited to participate. Subsequently, the survey was promoted on social media platforms (e.g., Instagram and LinkedIn), encouraging participants to share it with others who met the criteria.

Data were collected from April to May 2025. A total of 199 responses were gathered, of which 45 were excluded based on three filtering criteria. One respondent did not accept the informed consent, four respondents were not residing in Peru, and 40 respondents failed to correctly answer at least one of the two strategically embedded attention-check questions throughout the survey. Thus, 154 responses were retained for further analysis. Regarding the sample size, the present study adhered to the recommendations of Cohen (1992). Since the dependent variable—intention to use neobanks—was influenced by five predictors in the structural model, a minimum of 45 participants was necessary to detect a minimum R^2 of 0.25, assuming a statistical power of 0.8 and a significance level of 0.05 (Hair et al., 2010). Accordingly, the collected sample of 154 valid responses exceeds this threshold and is deemed adequate for the analysis. Nevertheless, it is essential to note that the sample does not aim to be statistically representative of the broader population. The sample is composed of 65% females and 35% males. The age range of 45 to 55 years is the most prominent among the respondents, reaching 37%. It is followed by the range of 36 to 45 years old (23%) and 18 to 25 years old (21%). It is interesting to note that most respondents (79%) have never used a neobank before.

Analysis technique

Structural equation modeling (SEM) was chosen to assess the research model, as it effectively addresses cause-effect relationships between latent variables (Hair et al., 2017). Among SEM techniques, this study employs Partial Least Squares Structural Equation Modeling (PLS-SEM) due to its good performance with smaller sample sizes (Hair et al., 2019). PLS-SEM is particularly advantageous in maximizing the explained variance of dependent variables, aligning correctly with the research's goal of understanding the factors behind the intention to use neobanks in Peru. The collected sample of 154 valid responses is below the threshold of 250 observations, which was found to be the minimum sample size to obtain similar results between PLS and covariance-based SEM (CB-SEM) tools (Hair et al., 2017). Moreover, considering the non-representative nature of the sample, which renders this study exploratory, it reinforces the suitability of PLS-SEM. Unlike CB-SEM, which is ideal for confirmatory studies, PLS-SEM focuses on prediction and exploration, making it the optimal choice in this case (Hair et al., 2019). Finally, the analysis was performed using SmartPLS 3.0 (Ringle et al., 2015).

Results

To ensure the robustness of the measurement model, this research evaluated construct reliability, convergent validity, and discriminant validity. Specifically, the analysis focused on item reliability, internal consistency, and the average variance extracted (AVE) to validate reliability and convergence. Item reliability was assessed by examining the factor loadings of each item on its respective latent construct.

As shown in Table 2, all items surpassed the 0.6 minimum acceptable threshold proposed by Barclay, Higgins, and Thompson (1995). However, the item UX3 was dropped because its loading was below 0.6. Moreover, the two reverse-coded items were not included (SQ4 and EXC6). Internal consistency was verified through composite reliability scores, which ranged between 0.853 and 0.933 (see Table 2), exceeding the minimum acceptable value of 0.7 established by Nunnally (1978). Furthermore, all AVE scores were above the 0.5 benchmark recommended by Hu et al. (2004), confirming strong convergent validity. Collectively, these findings support the internal consistency and reliability of the measurement model.

Table 2. Convergent validity and reliability

Construct	Item	Question	Outer loadings	CR	AVE
Service Quality (SQ)	**SQ1**	How would you expect the overall quality and reliability of customer service to be if you were to use a neobank?	0.820	0.902	0.755
	SQ2	To what extent do you believe a neobank could meet or exceed your expectations in providing prompt and helpful customer support?	0.880		
	SQ3	How satisfied do you think you would be with the responsiveness and availability of customer service if you were to use a neobank?	0.904		
User Experience (UX)	**UX1**	I believe a neobank would allow me to manage my finances digitally, without needing to visit a branch.	0.883	0.859	0.672
	UX2	I would rarely experience errors or system crashes when using a neobank app.	0.697		
	UX4	I think that using a neobank app would allow me to easily perform key actions like checking my balance, making transfers or managing my card.	0.867		

Construct	Item	Question	Outer loadings	CR	AVE
Expense Control (EXC)	**EXC 1**	How much control do you feel you would have over your financial transactions if you were to use a neobank?	0.883	0.933	0.735
	EXC 2	How much control do you feel you would have over your expenses and savings if you were to manage them through a neobank?	0.856		
	EXC 3	Overall, how much control do you feel you would have over tracking and managing your financial activities through a neobank?	0.848		
	EXC 4	How much control do you feel you would have over activating or deactivating features related to your card or financial operations in a neobank?	0.869		
	EXC 5	How much control do you feel you would have over setting spending limits or restrictions when using a neobank?	0.829		
Privacy Concerns (PC)	**PC1**	I would feel comfortable sharing my personal information with a neobank.	0.790	0.853	0.660
	PC2	I would feel comfortable conducting financial transactions through a neobank.	0.868		
	PC3	I believe a neobank would clearly explain how user information is used.	0.776		
Digital Financial Skills (DFS)	**DFS 1**	I understand how to use cashless payment methods, such as mobile apps, digital banking platforms, or wallets like Yape or Plin.	0.620	0.882	0.601
	DFS 2	I understand how to use digital tools to create a budget, track my expenses, and set financial goals.	0.828		
	DFS 3	I understand how to protect myself from security threats when using digital financial services.	0.801		
	DFS 4	I understand how to manage my personal finances using digital tools, including saving, investing and managing debt.	0.826		
	DFS 5	I understand basic financial concepts relevant to digital banking, such as interest rates, inflation and credit scores.	0.781		
Behavioral Intention to use Neobanks (BIU)	**BIU 1**	How likely are you to use neo-banking services as your primary method for managing your financial transactions in the future?	0.905	0.931	0.817

Note: CR means composite reliability

According to Chin (1998), good discriminant validity is demonstrated if the square root of the AVE is greater than the correlation among the variables. Therefore, the criterion is met, so the discriminant validity is adequate. Table 3 shows discriminant validity and the bold numbers show the square root of the AVE.

Table 3. Discriminant validity

Construct	SQ	UX	EXC	PC	DFS	BIU
SQ	**0.869**					
UX	0.491	**0.820**				
EXC	0.457	0.489	**0.857**			
PC	0.549	0.582	0.619	**0.812**		
DFS	0.344	0.405	0.424	0.306	**0.775**	
BIU	0.505	0.522	0.537	0.611	0.302	**0.904**

All these previously mentioned tests indicate that the model has adequate item reliability, convergent reliability, and discriminant validity.

Structural model

The explanatory capacity of the structural model was examined through the analysis of R^2 values for the dependent constructs and the evaluation of the direct relationships among variables (see Figure 2). Following the recommendations of Hair et al. (2017), the significance of each path coefficient was tested using a bootstrapping procedure with 5,000 resamples. The model explains 46.1% of the variance in users' intention to use neobanks, as reflected by the R^2 value. The results of the path analysis indicate that the intention to use neobanks is significantly influenced by privacy concerns (H4, β=0.302, $p<0.001$) positively, challenging the initial hypothesis proposed. Moreover, three other variables that positively influence are expense control (H3, β=0.189, $p<0.040$), user experience (H2, β=0.170, $p<0.004$), and service quality (H1, β=0.168, $p<0.025$). However, the effect of digital financial skills was non-significant, so the hypothesis H5 was rejected.

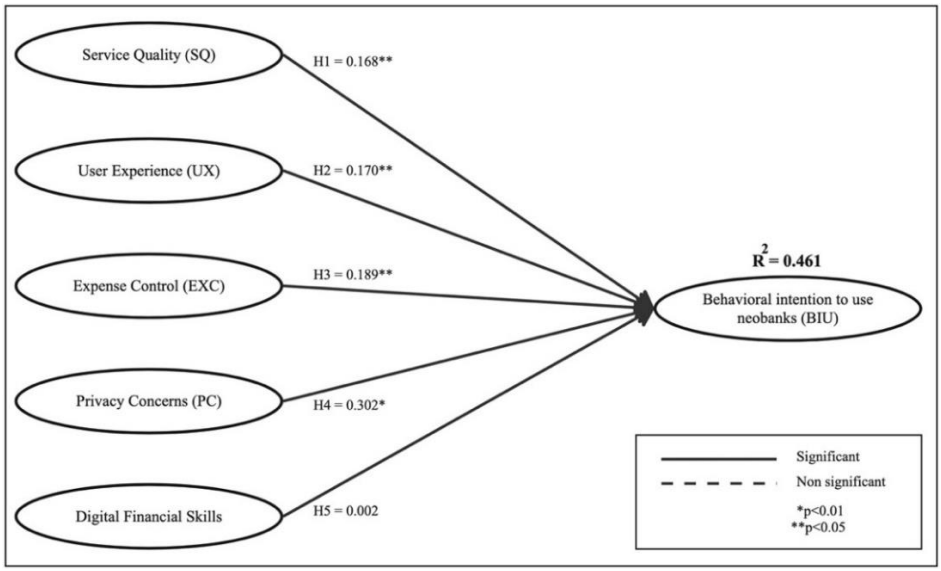

Figure 2. Structural Model Findings

Discussion

This study aimed to identify the factors influencing the intention to use neobanks in Peru, a country characterized by low financial inclusion and a developing digital banking landscape. On one hand, the structural model results indicated that Privacy Concerns, User Experience, Expense Control, and Service Quality significantly and positively influence the intention to use neobanks, accounting for 46.1% of the variance. Surprisingly, the impact of Privacy Concerns was both positive and the strongest among the significant variables, challenging the initial hypothesis proposed (H2) and not aligning with prior findings (Bajunaied et al., 2023; Huang & Liu, 2012). On the other hand, Digital Financial Skills were found to have no significant influence on the intention to use neobanks, leading to the rejection of H5.

Among the most striking findings of this study is the significant and positive relationship between privacy concerns and the intention to use neobanks (β = 0.302). In the context of Peru, this outcome may reflect a nuanced perception of digital privacy, where greater awareness or concern does not deter adoption but

rather correlates with a heightened valuation of platforms perceived as transparent, modern, and independent from traditional banking institutions. Consequently, the role of privacy concerns in neobanking adoption appears to be context-dependent and should be reconsidered in future theoretical and empirical models.

User Experience, Expense Control, and Service Quality also demonstrated significant and positive effects on the intention to use neobanks. The influence of User Experience ($\beta = 0.170$) highlights the importance of intuitive and seamless design in fully digital environments. In the absence of physical branches or face-to-face interaction, users rely entirely on the quality of the digital interface to perform key financial tasks, which positions UX as a critical enabler of adoption. Expense Control ($\beta = 0.189$), introduced in this study as a novel construct, reflects users' value on tools that allow them to monitor, organize, and manage their spending. In contexts of financial vulnerability or limited inclusion, this perceived control over finances may be a psychological driver of adoption. Similarly, the significance of Service Quality ($\beta = 0.168$) underscores that expectations for responsiveness and reliability remain relevant, even in digital-only services, where the absence of physical infrastructure increases the importance of real-time support and personalized assistance.

Unlike the other variables, Digital Financial Skills did not show a statistically significant relationship to use neobanks. This result may be attributed to the characteristics of the sample, which consisted primarily of urban, digitally literate individuals with regular access to smartphones and internet services. Digital financial abilities may already be widely developed within such a population, leaving limited variability to detect their influence on behavioral intention. Another possible explanation is that DFS could play a more indirect role in shaping adoption, for example, by enhancing the perceived ease or effectiveness of other constructs like User Experience or Expense Control. Although not statistically significant in this context, DFS remains a relevant construct for future research, particularly in more diverse or digitally excluded populations where skill gaps may represent a critical barrier to financial inclusion.

Theoretical Implications

This study contributes to the theoretical understanding of intention for neobanking usage by addressing two critical gaps in the existing literature. First, while previous research predominantly focused on recurring factors such as trust, perceived risk, or ease of use (e.g., Salmasi et al., 2024; Nagy et al., 2024), this study introduces variables that are more closely tied to the barriers of financial inclusion in Peru. The significant positive influence of Privacy Concerns challenges prevailing assumptions. It expands the discourse by demonstrating how this variable can play a counterintuitive role in driving usage intention under specific cultural and economic contexts.

Second, this research fills a geographical gap by exploring neobanking usage intention in Latin America, specifically in Peru, where the unique challenges of financial inclusion require a localized approach. The proposed adaptation of TPB, incorporating variables that reflect financial control and privacy concerns, offers a novel framework that can be applied to other developing markets. By highlighting the nuanced interplay between behavioral beliefs and control beliefs, this research provides a foundation for further exploration of technology adoption in regions with similar socioeconomic conditions, such as other Latin American countries.

Practical Implications

For neobank managers, the findings offer a clear roadmap for user-centered product development. The strong influence of Expense Control suggests the importance of providing real-time dashboards, budget tracking, spending categorizations, and customizable financial alerts. These features not only meet functional needs but also promote a sense of financial control, which is particularly important for financially

vulnerable populations. The significance of User Experience reinforces the need for seamless, intuitive interfaces that minimize friction and guide users through key financial tasks—aligning with broader UX trends in fintech and startup culture. Finally, Service Quality remains essential even in digital contexts. This includes ensuring high uptime, responsive customer support, in-app tutorials, and humanized service touchpoints such as personal bank agents. These are some characteristics of exceptional customer service that can reduce resistance to using fully digital banking in this context and serve as a strategy to acquire these customers.

For policy makers and regulators, the positive role of Privacy Concerns underlines the importance of data transparency and digital rights. Clear communication of how user data is collected and protected can foster confidence, even among users who are concerned about privacy. Regulators should continue to strengthen policies that enforce data usage standards and encourage fintech players to adhere to high levels of compliance. While Digital Financial Skills did not emerge as a significant predictor in this sample, it remains a relevant factor at the national level. Public initiatives that promote digital and financial literacy in underserved communities will be critical for expanding adoption beyond early adopters.

Conclusion

This study aimed to investigate the primary factors influencing the intention to use neobanks in Peru, a country with a nascent neobanking landscape and significant barriers to financial inclusion. The results show that Service Quality, User Experience, Expense Control, and Privacy Concerns significantly shape users' behavioral intention, collectively explaining 46.1% of its variance.

These findings highlight that neobanking adoption is driven not only by perceived technological advantages but also by psychological elements, such as control, trust, and usability. By integrating underexplored constructs into a well-established theoretical framework, this research offers a comprehensive understanding of the factors that drive digital financial behavior in an emerging market.

Limitations and Future Research

One limitation of this study is the non-probabilistic sampling method employed, which restricts the generalizability of the findings to the broader Peruvian population. While adequate for statistical analysis the sample primarily comprised younger, digitally literate individuals, potentially overlooking insights from older or less technologically adept demographics. Furthermore, the sample size consisted of only 154 cases and focused exclusively on urban areas, leaving rural perspectives underexplored despite their relevance to the financial inclusion challenges in Peru. Finally, the operationalization of certain variables, such as User Experience, may need to include vital dimensions relevant to neobanking, limiting the scope of the results.

Future research should address these limitations by employing probabilistic sampling techniques to capture a more diverse population, including rural and underserved communities. Expanding the sample size and geographic coverage would enhance the external validity of the findings and provide a more comprehensive understanding of neobanking usage intention.

Additionally, researchers could explore the impact of variables not considered in this study, such as financial literacy or costs, which may provide further insights into the unique barriers and opportunities within the Peruvian context. By addressing these gaps, future studies can deepen the understanding of how neobanks can drive financial inclusion in emerging economies.

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