

ADOPTION OF REWARD-BASED CROWDFUNDING IN THE DIGITAL ERA: EXAMINING THE ROLES OF USER PERCEPTIONS, TECHNOLOGY READINESS, TRUST, AND FINANCIAL LITERACY

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Abstract

This study investigates the adoption of reward-based crowdfunding platforms by examining perceived usefulness and perceived ease of use, while also capturing the moderating effect of financial literacy and the mediating role of trust in crowdfunding. Data were collected from a questionnaires with 330 valid responses from private sector educational institutions. Firstly, Cronbach's alpha and composite reliability tests were employed to assess data reliability, along with the Fornell-Larcker criterion for ensuring discriminant validity. Furthermore, PLS-SEM approach through SmartPLS 4.0 was used to analyze for direct, indirect and moderating effects. In the light of Technology Acceptance Model (TAM), the results reveal that perceived usefulness and perceived ease of use exert the significantly positive influence on reward-based crowdfunding usage. Additionally, smart device usage readiness indirectly affects reward-based crowdfunding through the mediating role of trust in crowdfunding, underscoring that technological readiness must be coupled with user trust to drive engagement. The study also confirms that financial literacy moderates the connection between perceived ease of use and reward-based crowdfunding, suggesting that users with higher financial literacy derive larger benefits from user-friendly platforms. These insights highlight the multi-dimensional nature of crowdfunding adoption, where technological functionality, user trust, and financial competence interact to shape platform engagement. The results offer strategic implications for enhancing participation in crowdfunding, particularly in emerging digital economies.

Keywords:

Reward-based Crowdfunding, Perceived Usefulness, Perceived ease to use, Smart Devices Usage Readiness, Trust, Financial Literacy.

1. Introduction

In digital transformation era, crowdfunding has become an innovative financing method, mainly for entrepreneurial startups and small businesses that face multifaceted challenges in acquiring funds from traditional ways (Syarif & Aysan, 2025). To test and validate the innovative business ideas, entrepreneurs need funds for the execution of their projects. For this, crowdfunding approach enables them to bridge the financial gap that often hinders their development (Tang et al., 2022). Moreover, it promotes community engagement and generates opportunities for public participation in supporting these entrepreneurial ventures (Baber, 2021). In developing countries like Pakistan, the access of credit is a challenge for startups and young entrepreneurs, only 5.8% of SMEs attain finances to their businesses due to lack of financial history required by banks in Pakistan (SBP, 2023). In this situation, digital financing platforms such as crowdfunding is significantly essential for new ventures and entrepreneurial startups but its adoption in Pakistan remains surprisingly low. Despite of low adoption of such fundraising model, it has the potential to provide the capital to entrepreneurs and businesses who are unable to secure financing through traditional moods (Chalmeta et al., 2025).

At present, the main four categories of crowdfunding include equity-based, reward-based, donation-based and loan-based (Hong et al., 2018). The reward-based crowdfunding is more common among all these forms and **it** is a fundraising model where individuals contribute money to a project or venture in exchange for a non-financial reward, such as a product, service, or recognition, rather than equity or repayment (Dinh et al., 2024). This model is more beneficial than other crowdfunding models, as it permits entrepreneurs and businessmen to raise funds without giving up equity or taking on debt (Zhao et al., 2023). It is an ideal model for new ventures and innovative projects acquiring initial funds and exposure.

Technology Acceptance Model suggests that perceived usefulness and ease of use are essential factors of users’ intention to adopt technology. According to Venkatesh & Davis (2000), perceived usefulness reveals that crowdfunding platforms propose efficient and accessible financial opportunities, whereas perceived ease of use relays on user-friendly interfaces and procedures that do not require extensive technical awareness. Additionally, smart device usage readiness is an essential feature of mobile-first digital economy like Pakistan where over 191 million mobile subscriptions and 130 million broadband users were documented as of early 2024 (Pakistan Telecommunication Authority, 2024). The easy access of smartphones increases the users’ ability to utilize crowdfunding platforms.

Trust is a primary factor to acquire funds from any kind of financial model and crowdfunding trusts greatly on user opinions of campaign validity and platform reliability. It plays a pivotal role as mediator in crowdfunding—it defines users’ positive technological insights and how it transforms into actual usage behavior (Mollick & Robb, 2016). Furthermore, financial literacy significantly influences decision-making in digital financial settings. It empowers individuals to take risks, understand reward structures, and estimate the legitimacy of campaigns. On the basis of World Bank report (2022), financial literacy remains below the global average in Pakistan, its role becomes particularly crucial. In this study, financial literacy acts as a moderator, strengthening the association between enabling factors (like ease of use or device readiness) and actual crowdfunding usage.

In Pakistan, access to traditional financial services remains limited for a significant portion of the population, particularly for startups and micro-entrepreneurs. While crowdfunding has emerged globally as a viable alternative for raising funds, its adoption in Pakistan remains relatively low. This underutilization is influenced by several technological and behavioral factors, including perceived usefulness, ease of use, technology readiness, and digital financial service availability. Additionally, users' readiness to adopt smart devices and their trust in crowdfunding platforms play a crucial role in shaping actual usage. Despite growing digital literacy and mobile penetration, gaps in financial literacy and trust continue to hinder crowdfunding growth in Pakistan. Moreover, the lack of targeted awareness, fraud incidents, and platform inefficiencies contribute to user hesitation. Therefore, it is essential to explore the determinants that influence crowdfunding adoption, while also examining the mediating role of trust and the moderating impact of financial literacy to formulate effective strategies for enhancing crowdfunding usage in the country.

This study aims to explore the key determinants influencing reward-based crowdfunding usage in Pakistan, a country where limited access to traditional financing highlights the potential of alternative funding models. Despite the growing availability of digital financial services and increasing smartphone penetration, the adoption of reward-based crowdfunding remains low. By examining factors such as perceived usefulness, ease of use, and smart device readiness, this study seeks to understand their impact on reward-based crowdfunding adoption. Additionally, it investigates the mediating role of trust in crowdfunding and the moderating effect of financial literacy to provide insights that can support the development of effective, reward-based crowdfunding platforms tailored to the Pakistani context.

Objectives of the Study

- To investigate the impact of perceived usefulness on reward-based crowdfunding usage.
- To examine the influence of perceived ease of use on reward-based crowdfunding usage.
- To analyze the impact of smart devices usage readiness on reward-based crowdfunding usage with mediating effect of trust in crowdfunding.
- To determine whether financial literacy moderates the relationship between perceived ease of use and reward-based crowdfunding usage.

The next part of this study consists of literature review, data collection with methodology is available in 3rd part. Results & discussion will be presented in fourth section, and the ending section will conclude the study with policy implications.

2. Literature Review

In the digital landscape, reward-based crowdfunding emerges as a transformative funding model, empowering entrepreneurs to generate funds by providing non-financial rewards to supporters (Belleflamme et al., 2014). For instance digital platforms evolve, the usage of reward-based crowdfunding is gradually influenced by perceived usefulness, ease of use of technology, trust in the platform, and their

financial literacy. Perceived usefulness and ease to use of technology play the central role in shaping users' intentions to contribute (Yang et al., 2022). Similarly, trust on online funding platforms acts as a critical enabler in reducing perceived risk and uncertainty in online transactions, thereby fostering user confidence in crowdfunding ecosystems (Li et al., 2020). Furthermore, financial literacy enhances individuals' ability to evaluate crowdfunding opportunities, make informed decisions, and avoid impulsive or uninformed contributions (Lusardi & Mitchell, 2014). Together, these factors underscore the complexity of user behavior in digital crowdfunding platforms and provide a theoretical basis for examining adoption patterns in the modern era.

2.1 Perceived Usefulness

Perceived usefulness is an important element of individuals' attitudes toward technology and plays pivotal role in understanding engagement with Reward-based crowdfunding platforms. It refers to the degree to which users trust that a system will increase their performance or support them attain definite goals. As TAM proposes, when users recognize a technology as favorable, they are more likely to grow favorable attitudes toward its use (Davis, 1989). In crowdfunding study, perceived usefulness has been regularly connected with users' judgments to adopt platforms for entrepreneurial, charitable, or creative fundraising initiatives (Baber, 2021). As individuals' point of view, a crowdfunding platform is a valuable approach for attaining fundraising goals. Therefore, it nurtures a more positive attitude, enhancing platform engagement and increasing willingness to support campaigns. Based on this discussion, the following hypothesis is proposed:

H1: Perceived usefulness has a significant positive impact on crowdfunding usage.

2.2. Perceived Ease of Use

Perceived ease of use refers to the degree to which an individual believes that operating a system is free of effort, intuitive, and convenient. In the light of reward-based crowdfunding, perceived ease of use pertains to users' perceptions of how straightforward and user-friendly the platform is. If users find the platform easy to navigate—whether in creating campaigns, making donations, or exploring content—they are more likely to develop positive attitudes toward its use. So, TAM posits that ease of use directly affects technology adoption decisions (Davis, 1989). Research in the crowdfunding domain highlights that platforms perceived as easy to use attract more users and foster positive engagement (Islam & Khan, 2021). For this, user-friendly interface improves the user experience, thereby encouraging greater participation and support for campaigns (Okine et al., 2023). Based on the above, the following hypothesis is proposed:

H2: Perceived ease of use has a significant positive impact on crowdfunding usage.

2.3 Trust in crowdfunding & Smart Devices Usage Readiness

The concept of trust is particularly critical in crowdfunding environments compared to traditional offline financial settings. The study of Moysidou & Hausberg (2020) indicated that online businesses demand a greater degree of trust than physical dealings, primarily due to the unreliability and modifiability of online

information sources. In crowdfunding, the need for trust rises not only from the online platforms but also from the lack of proficient investors, inadequate mechanisms for information verification, and the lack of professional financial intermediaries (Behl et al., 2023). Reward-based crowdfunding, while still dependent on trust, usually entails simpler contribution processes and smaller monetary stakes, making the risk perception relatively lower (Ahlers et al., 2015). Nevertheless, even in reward-based models, trust remains indispensable, as backers must believe that project creators will deliver on their promises despite the lack of legal enforcement mechanisms (Vismara, 2018). Therefore, understanding the dynamics of trust in reward-based crowdfunding is essential for enhancing platform credibility and user participation.

Smart devices usage readiness plays a significant role in shaping individuals' engagement with crowdfunding platforms, especially in the context of a digitally connected world. As crowdfunding largely operates through digital interfaces, individuals who are more comfortable and proficient with using smartphones, tablets, and other smart devices are more likely to explore and contribute to crowdfunding campaigns. High readiness in using smart devices enhances accessibility, navigation, and interaction with crowdfunding platforms, thereby reducing technological barriers and increasing user confidence. According to Kim et al. (2021), technological readiness, particularly in terms of mobile device usage, significantly influences users' behavioral intentions to participate in digital financial services, including crowdfunding. This readiness enables users to access real-time updates, evaluate campaigns efficiently, and engage in secure transactions—all critical components for successful participation in crowdfunding ecosystems.

H3: Trust in crowdfunding mediates the relationship between smart devices usage readiness and reward-based crowdfunding usage.

2.4 Financial literacy

Financial literacy serves as a crucial moderating factor that strengthens the relationship between perceived ease of use and crowdfunding usage. While ease of use positively influences individuals' intentions to engage with crowdfunding platforms, its impact is significantly amplified when users possess a sound understanding of financial concepts and decision-making. Financially literate individuals are more capable of assessing platform functionalities, understanding risks, and making informed contributions, thereby enhancing the effect of perceived ease of use on actual platform engagement. According to Lusardi and Mitchell (2014), individuals with higher financial literacy are better equipped to evaluate financial products and digital tools, making them more responsive to user-friendly interfaces. Similarly, Bhatti et al. (2020) found that financial knowledge improves users' confidence in adopting fintech solutions, as it reduces uncertainty and enhances decision quality. Thus, financial literacy not only fosters trust and informed judgment but also strengthens the usability–adoption linkage in the crowdfunding context.

H4: Financial literacy moderates the relationship between perceived ease of use and reward-based crowdfunding usage.

In summary, the existing literature underscores the growing relevance of reward-based crowdfunding as a digitally enabled financial innovation, where user perceptions and technology readiness play pivotal roles in adoption behavior. Constructs such as perceived usefulness, ease of use, and smart device usage

readiness emerge as key drivers in influencing individuals’ willingness to engage with crowdfunding platforms. Moreover, trust acts as a central mediating factor that helps bridge the gap between perceived technological benefits and actual usage, particularly in an environment characterized by information asymmetry and limited regulatory oversight. Additionally, financial literacy strengthens users’ ability to interpret platform features and make confident, informed decisions, thereby enhancing the impact of user perceptions on adoption.

3. Data Collection and Methodology

3.1 Data Collection

In this research, the final-semester students of BSCS and BBA programs from private sector educational institutions were engaged across Lahore (Pakistan) region. For this, data were collected through questionnaire, adopting from different studies. In this questionnaire, the measurement scale for each question was used likert scale from “strongly disagree” to “strongly agree” having 1 to 5 points respectively. The questionnaire was categorized into seven parts: (I) this part consists of demographic information regarding age, gender, university and department. (II) Five questions of perceived usefulness (PU) adapted from Davis (1989) (III) Five questions about perceived ease of use (PEU) taken from the study of Davis (1989) (IV) Five questions related to smart devices usage readiness (SDUR) (Venkatesh et al., 2003). (V) Five questions comprised of trust in crowdfunding (TCF) from Mayer et al. (1995). (VI) Five questions belonged to financial literacy (FL) (Huston, 2010). (VII) Seven questions of reward-based crowdfunding usage (RCU) taken from Mollick, E. (2014). The complete details of this questionnaire was given below in table 1.

Table: 1 Variables Description

Sr. No.	Variable	Item	Type of Variable
1	Perceived Usefulness (PU)	5	Independent
2	Perceived Ease of Use (PEU)	5	Independent
3	Smart Devices Usage Readiness (SDUR)	5	Independent
4	Trust in Crowdfunding (TC)	5	Mediator
5	Financial Literacy (FL)	5	Moderator
6	Reward- based Crowdfunding Usage (RCU)	7	Dependent

For data collection, regular visits were made in different universities of Lahore region for meet-up with deans, HODs and teaching staff to give briefing about this project. In these visits, questionnaires were distributed to the 400 students physically from May 11, 2025 to May 30, 2025.

3.1.1 Data Cleaning

On the basis of this primary data, the process of data cleaning is essential for checking reliability and accuracy of the data. We, thoroughly, overviewed these 400 responses in-depth and the responses details were given in table 2.

Table: 2 Response Review

Response	Student Count
Received	400
Incomplete	65
Double	05
Valid	330

At the end, only 330 responses were valid for analysis and 267 from male and 63 from female responded were completely shown their interest in this study from the private sector institutes.

Theoretical Framework

The theoretical framework was developed in figure 1, demonstrating the structural relationships among perceived usefulness (PU), perceived ease of use (PEU), smart devices usage readiness (SDUR), trust in crowdfunding (TC), financial literacy (FL) and reward-based crowdfunding usage (CU). This model proposes that perceived usefulness (PU), perceived ease of use (PEU) and smart devices usage readiness (SDUR) measured through indicators PU1 to PU5, PEU1 to PEU5 and SDUR1 to SDUR5 respectively as independent variables influence reward-based crowdfunding usage, which is represented by RCU1 to RCU7. Moreover, financial literacy acts as a moderator, captured by indicators FL1 to FL5 and Trust in Crowdfunding (TC) measured as a mediator, captured by indicators TC1 to TC5. The framework demonstrates how perceived usefulness and perceived ease to use can empower students to attract crowdfunding usage, while financial literacy strengthens the relationship of perceived ease to use and crowdfunding usage. But smart devices usage readiness impacts to trust in crowdfunding on reward-based crowdfunding usage.

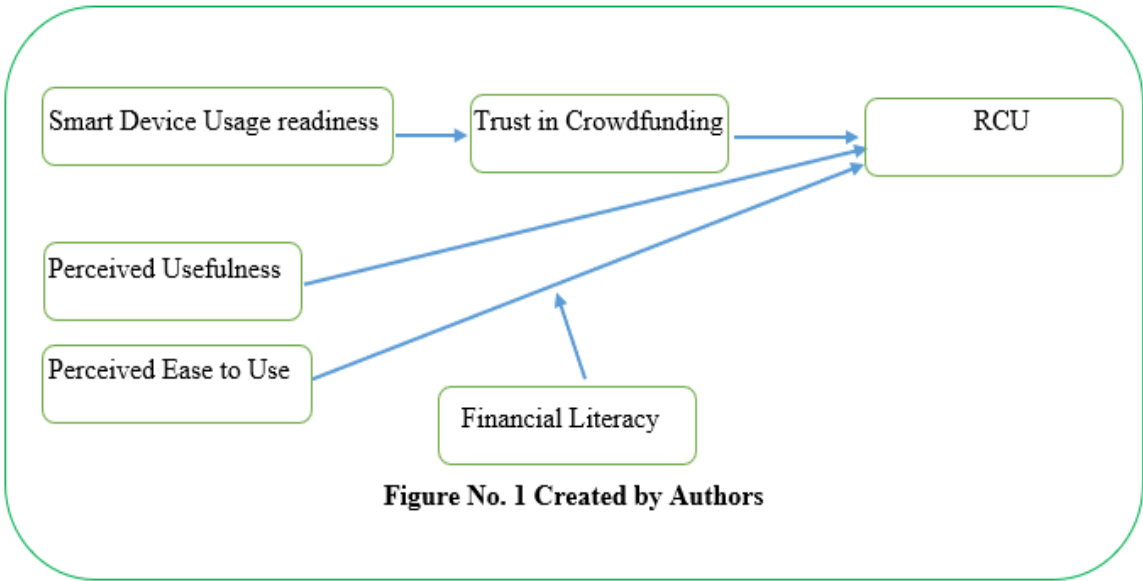


Figure No. 1 Created by Authors

Firstly, we applied reliability and validity tests to ensure the consistency and accuracy in the measurement of the constructs. For this, Cronbach’s alpha and composite reliability tests were employed to check reliability and Fornell- Larker Criteria were used to divergent validity. A Partial Least Square structural equation modelling (PLS-SEM) approach was used to analyze the data, using the SmartPLS 4.0 software. In this approach, direct, indirect and moderation estimation paths were examined.

4. Result and Discussion

In this section, structural equation modelling technique was used through smart PLS 4.0 to check the accuracy and reliability of the model with mediating and moderating variables (Babar, 2020).

4.1 Reliability Analysis

To ensure the consistency and accuracy in the measurement of the constructs, we check the reliability through Cronbach’s alpha and composite reliability tests. To assess the reliability, the values of Cronbach’s alpha and CR should be greater than 0.7 as a rule of thumb (Khan et al., 2025). From table 3, we examined that the values of Cronbach’s alpha and CR of all latent variables were greater than 0.7 which indicates that the model is valid for further proceeding. For the sake of convergent validity, we used the values of average variance extracted (AVE) which should be more than 0.5 as a benchmark for validity (Khan et al., 2025). Moreover, AVE values of all the latent variables were greater than 0.5, mentioning in table 3 that was the confirmation of validity for further estimation.

Table: 3 Summary of Reliability Test

Construct	Cronbach’s Alpha	CR	AVE
PU	0.702	0.805	0.506
PEU	0.767	0.837	0.613
SDUR	0.807	0.823	0.535
TC	0.722	0.817	0.516
FL	0.715	0.803	0.635
RCU	0.767	0.844	0.576

Source: Created by Author from smartPLS 4.0

4.2 Validity Analysis

Through Fornell- Larker Criteria, we accessed to confirm that a construct being measured was actually different from other unrelated constructs. For divergent validity, the square root of AVE values is more than the correlation between constructs which were given in table 4. The bold numbers indicate the square

root of AVE values, whereas the number within ** were the correlations values of all the constructs mentioned in table 4. On the basis of these findings, the data were the valid for the further estimation analysis.

Table: 4 Summary of Divergent Validity Test

Construct	PU	PEU	SDUR	TCF	FL	RCU
PU	0.7113*					
PEU	0.5432	0.7829*				
SDUR	0.4532	0.5320	0.7314*			
TC	0.6786	0.7086	0.6085	0.7183*		
FL	0.5641	0.5901	0.5723	0.6723	0.7969*	
RCU	0.5564	0.6512	0.6743	0.6503	0.6903	0.7589*

Source: Created by Author from smartPLS 4.0

4.3 Estimated Path Analysis

The path coefficient ($\beta = 0.2435$) indicates a moderate positive relationship between perceived usefulness (PU) and reward-based crowdfunding usage (RCU), a high t-value and a highly significant p-value support the hypothesis. This suggests that individuals are more likely to use crowdfunding platforms when they perceive them as useful tools for meeting their funding goals. This is consistent with the Technology Acceptance Model (TAM), where perceived usefulness strongly predicts behavioral intention to use a system (Davis, 1989). Recent studies affirm that perceived usefulness, or the degree to which users believe that crowdfunding platforms can help them achieve their fundraising or investment goals, plays a crucial role in adoption behavior. According to Zhang et al. (2023), users are more likely to engage with digital crowdfunding platforms when they perceive tangible benefits, such as broader outreach and funding success. Similarly, Hossain and Oparaocha (2022) found that the utility of digital platforms, including user-friendly project management tools and donor engagement features, increases users' willingness to adopt them.

The relationship between perceived ease of use (PEU) and RCU is also significant ($\beta = 0.1504$, $t = 4.03$, $p = 0.0102$). Although the strength of the relationship is slightly lower than H1, it still shows that platforms that are easier to navigate encourage more frequent use. This aligns with prior findings that ease of use enhances users' willingness to adopt digital platforms (Venkatesh & Davis, 2000). Likewise, perceived ease of use, which refers to the simplicity and effortlessness associated with using crowdfunding

platforms, emerged as a significant factor in this study. When platforms are intuitively designed and easy to navigate, users feel more confident in engaging with them. This finding is supported by Chua and Banerjee (2023), who reported that a user-friendly interface significantly enhances the crowdfunding experience and encourages continued usage.

In a similar vein, Bouncken et al. (2022) demonstrated that both PU and PEU directly influence user attitudes and behavioral intentions toward reward-based crowdfunding, especially among young entrepreneurs and small-scale innovators. Lastly, Park and Kim (2024) observed that PU and PEU are not only significant in initial adoption but also critical for long-term user retention and loyalty in reward-based crowdfunding contexts. This suggests that platform developers should prioritize both functionality and usability to maximize engagement.

This hypothesis explores the indirect effect of smart device usage readiness on RCU, mediated by trust in crowdfunding. The significant indirect path ($\beta = 0.1609$, $p = 0.0000$) implies that higher readiness to use smart devices increases trust in crowdfunding platforms, which in turn boosts usage. Trust acts as a crucial mediator in online transactions and crowdfunding environments (Zhou, 2011), and technology readiness can strengthen users' confidence and reduce perceived risks (Parasuraman, 2000).

This aligns with Yang et al. (2022), who found that tech-savvy users develop trust more rapidly due to their familiarity with interface standards, digital verification systems, and secure payment gateways. The ease of using mobile apps and responsive websites directly influences users' perceived transparency and reliability of crowdfunding platforms, thereby enhancing trust. Trust, in turn, is a well-documented predictor of crowdfunding participation. As shown by Mollick and Robb (2023), users are more likely to fund projects or seek funding when they believe the platform ensures security, accountability, and campaign authenticity. When users trust the crowdfunding system, the perceived risks associated with online transactions and project failures are significantly reduced, making them more willing to participate.

Furthermore, Gumussoy and Koseoglu (2023) emphasize that mobile device usability and digital literacy increase user empowerment, which builds trust and ultimately influences financial decision-making in online platforms. When users are equipped with smart devices and the skills to use them effectively, their confidence in the system grows—thus translating technological readiness into behavioral engagement through the mechanism of trust. Lastly, Wang and Yu (2024) provide empirical evidence that mobile readiness not only increases users' platform satisfaction but also strengthens emotional and cognitive trust, which directly impacts user loyalty and usage behavior in digital crowdfunding.

The interaction between financial literacy and PEU has a significant effect on RCU ($\beta = 0.1034$, $p = 0.0201$), confirming moderation. This suggests that the positive impact of perceived ease of use on reward-based crowdfunding usage becomes stronger when financial literacy is high. Users with better financial literacy are more capable of assessing and utilizing financial technology tools effectively (Lusardi & Mitchell, 2014), enhancing the influence of ease of use on actual adoption.

The findings of this study indicate that financial literacy significantly strengthens the relationship between perceived ease of use (PEU) and reward-based crowdfunding usage. In essence, individuals with higher financial literacy are more likely to leverage user-friendly platforms effectively, translating ease of use

into actual participation. This moderating effect underscores the vital role of financial knowledge in digital financial behavior.

Financial literacy equips individuals with the competence to evaluate investment opportunities, manage risk, and understand the implications of participating in crowdfunding. According to Lusardi and Mitchell (2023), financially literate individuals are more confident in navigating financial technologies and are less susceptible to uncertainty or perceived risk, enabling them to act more decisively when platforms are easy to use. Similarly, Nguyen et al. (2023) highlight that financial literacy enhances users’ ability to interpret platform information, campaign terms, and transaction procedures—making the perceived ease of use more actionable and impactful. Without such literacy, even a highly intuitive platform may fail to convert users into active participants due to knowledge gaps.

This result also resonates with the work of Li and Zheng (2022), who found that users with limited financial knowledge often require greater hand-holding and guidance, reducing the overall effect of ease of use on their participation. Conversely, when users possess financial competence, the same ease translates into quicker adoption and stronger engagement. Furthermore, Al-Ansari and El-Masri (2024) argue that financial literacy fosters trust in technology-mediated financial services, which, combined with ease of use, leads to greater willingness to contribute to or initiate crowdfunding projects. This shows that financial literacy not only empowers users technically but also psychologically, increasing their confidence and reducing perceived risk. Finally, Rahman et al. (2023) emphasize the role of financial education in driving financial inclusion through digital platforms, especially in the context of fintech adoption. Their findings support the idea that platform usability has a much greater effect when users are equipped with the financial knowledge necessary to make informed decisions.

All hypothesized relationships are statistically significant, confirming the validity of the proposed model. Direct paths highlight the importance of system-related perceptions (usefulness and ease of use) in influencing crowdfunding platform adoption. The mediation effect emphasizes that technological readiness enhances trust, which in turn fosters engagement with crowdfunding. Moderation analysis reveals that financial literacy amplifies the relationship between system ease and user behavior, suggesting a need for financial education alongside platform development.

Table: 5 Summary of Direct and Moderation Path Estimation

Direct Relationship						
Hypothesis	Path	Beta	t-values	p-values	F-values	Remarks
H ₁	PU → RCU	0.2435	5.23	0.0000	0.0708	Supported
H ₂	PEU → RCU	0.1504	4.03	0.0102	0.0601	Supported
Indirect Relationship						
Hypothesis	Path	Beta	t-values	p-values	F-values	
H ₃	SDUR → TC → RCU	0.1609	5.21	0.0000	0.0598	

Moderation Effect					
Hypothesis	Path	Beta	t-values	p-values	Remarks
H ₄	FL x PEU → RCU	0.1034	4.45	0.0201	Supported

Source: Developed by Author after calculating results from SmartPLS 4.0

5. Conclusion

This study aimed to examine the direct, indirect, and moderating influences of key behavioral and technological factors on the usage of reward-based crowdfunding platforms. The empirical findings confirm that perceived usefulness (PU) and perceived ease of use (PEU) are significant predictors of reward-based crowdfunding usage, lending strong support to the Technology Acceptance Model (TAM). Specifically, users are more likely to adopt crowdfunding platforms when they perceive them as useful for achieving their goals and when the platforms are user-friendly. PU showed a stronger influence, indicating that perceived benefits are a primary motivator for user engagement.

In addition to these direct effects, the study identified a significant indirect relationship through the mediating role of Trust in Crowdfunding (TC) between Smart Device Usage Readiness (SDUR) and RCU. This suggests that technological readiness alone is not enough to drive user behavior; rather, it must be complemented by a sense of trust in the platform. Users who are confident in using smart devices are more likely to trust digital platforms, and this trust translates into higher engagement with crowdfunding. This finding reinforces the notion that trust is a foundational component in online financial behavior, particularly when dealing with unfamiliar or decentralized funding models.

Furthermore, the study demonstrated that Financial Literacy (FL) moderates the relationship between PEU and RCU. This indicates that the positive effect of ease of use on platform usage becomes stronger when users possess higher financial literacy. Financially literate individuals are better equipped to evaluate projects, assess risks, and understand the mechanics of crowdfunding, making them more likely to act on their intention to use the platform. This highlights the critical role of financial knowledge in enhancing the effectiveness of digital platform adoption strategies.

In summary, the findings present a comprehensive understanding of the multi-dimensional factors influencing crowdfunding usage. Adoption is not merely a function of technological design but is also deeply affected by users' cognitive capabilities (e.g., financial literacy) and emotional perceptions (e.g., trust). Crowdfunding platforms, therefore, must focus not only on improving their technological features but also on building trust and enhancing users' financial awareness. Doing so will help increase platform participation and unlock the potential of crowdfunding as an inclusive and innovative financial tool, especially in emerging economies.

5.1 Policy Implication

The results of this study yield important policy implications for governments, platform developers, and financial educators aiming to enhance the adoption and effectiveness of crowdfunding platforms. First,

since perceived usefulness and ease of use significantly drive user engagement, policies should support the development of user-centric, intuitive crowdfunding interfaces through design standards and usability guidelines. Second, the mediating role of trust suggests a strong need for regulatory frameworks that ensure transparency, data security, and accountability in crowdfunding operations to build public confidence. Governments should establish clear legal protections for both funders and project creators to mitigate fraud and misuse. Furthermore, the moderating effect of financial literacy underscores the importance of integrating financial education into national curricula and community outreach programs, particularly targeting underserved populations. Financially literate users are better able to navigate platforms and make informed funding decisions, leading to more inclusive participation. Finally, as smart device readiness indirectly influences usage through trust, investment in digital infrastructure and mobile access in remote or underprivileged areas can help bridge the digital divide and encourage broader engagement with crowdfunding initiatives. Together, these policy actions can foster a more secure, accessible, and equitable crowdfunding ecosystem that supports innovation, entrepreneurship, and financial inclusion.

5.2 Future Recommendations

Future research should explore additional factors such as social influence, perceived risk, and cultural differences in crowdfunding adoption. Comparative studies across regions can reveal how local contexts affect user behavior. Longitudinal research is recommended to assess behavioral changes over time. Further studies should also examine the role of emerging technologies like blockchain and AI in enhancing trust and usability. Additionally, integrating diverse user segments and collaborating with platform developers to test educational and design interventions can offer practical insights. These directions will help deepen understanding and improve the effectiveness of crowdfunding as a sustainable financial tool.

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