



Determinants of Cryptocurrency Adoption Intention Among Young Adults: An Examination of Social Influence, FOMO, And Financial Literacy in India

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How to Cite this Article:

Kumar, S. U. (2026). Determinants of Cryptocurrency Adoption Intention Among Young Adults: An Examination of Social Influence, FOMO, And Financial Literacy in India. International Journal of Creative and Open Research in Engineering and Management, 2(10), 1-9.
<https://doi.org/10.55041/ijcope.v2i10.045>

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<https://doi.org/10.55041/ijcope.v2i10.045>

Abstract

The situation of cryptocurrency in India is a paradox because despite being amongst the top players in the grassroots crypto movement with an estimated 119 million users, India doesn't have any specific legislation and has one of the strictest tax frameworks in the world with tax on gains topped at 1 percent, no loss offset and a flat tax on gains. Although existing research on adoption has quite a lot to say about why adoption keeps increasing even with limited regulatory protection the reasons for this can be particularly pronounced among young adults, aged 18-25. In this study these three factors:- social influence (social media and peer and family influence), Fear of Missing Out (FOMO), and financial literacy are examined with financial literacy as a moderator between the relationship of FOMO and peer/family influence.

A quantitative, cross-sectional approach assessed five constructs — Social Media Influence, Peer/Family Influence, Fear of Missing Out, Financial Literacy, and Adoption Intention — via a 5-point Likert questionnaire administered to young adults in India. After removing 15 straight-lined and 16 out-of-range (18–25) responses, 170 usable responses remained. Data were analysed using PLS-SEM in SmartPLS 4, suited to non-normal data. The measurement model was tested for reliability and validity (outer loadings, Cronbach's alpha, composite reliability, AVE, HTMT), followed by structural model testing via bootstrapping (5,000 subsamples).

Results were mixed relative to the hypotheses: peer/family influence significantly and strongly predicted adoption intention ($\beta=0.631$, $p<0.001$), while social media influence was small and only marginally significant ($\beta=0.128$, $p=0.051$). FOMO when tested alone, emerged as the strongest predictor of adoption intention ($\beta=0.660$, $p<0.001$, $f^2=0.773$). Financial literacy did not moderate the FOMO or peer-influence

pathways but showed strong direct effect of its own, indicating it functions as an independent driver of adoption intention rather than a protective buffer against social and emotional pressure. This suggests financial literacy training or social media campaigns alone would be insufficient, policy should instead target interpersonal networks and emotional decision-making cues directly. The cross-sectional design is noted as a limitation, alongside directions for future research.

Keywords: Cryptocurrency Adoption, Social Influence, Fear of Missing Out (FOMO), Financial Literacy, PLS-SEM, Young Adults, India.

1 Introduction

There are three strands of theory underlying this study, and preceding the data, it is important to go through each one of these without them being obviously “financial” in themselves, and without losing sight of how they combine together: the whole research design hangs together. The first is not financial or marketing based, but rather from developmental psychology: The concept of “emerging adulthood” (Arnett, 2000). The period from about 18 to 25 years of age is not a prolonged adolescence, nor is it a mature adulthood, but rather its own unique stage that is marked by identity-exploration, some degree of instability and a tendency towards



self-focused. In other words, people in this age are particularly susceptible to the influence of others and media around them, still figuring out who they are and what they believe, and frequently making big life and financial choices for the first time without knowing how to make them. It is for this reason that they were selected as the population for this study, and not, for example, investors in general or a cross-generational sample.

The second strand is from the research on technology adoption, and here three names are frequently found in the literature. How useful and how easy a technology feels is a surprisingly simple idea, which Davis (1989) found to be a major factor in predicting whether people will use it, and which has had a long life in information systems research. A slightly different approach was taken by Ajzen (1991) who proposed the Theory of Planned Behaviour, which suggests that intention is actually a result of three factors: attitude, subjective norms (what others think) and perceived control (how much control one feels over the behaviour). What is useful here is the middle term, subjective norms, which is essentially a formal statement that opinions and behaviour of others influence our own intentions, which is what this study aims to do here: break down that mechanism into a more fine-grained one. In 2003, Venkatesh et al. consolidated these competing models into UTAUT, and provided social influence a more formal and central role in the model than it had been given as an afterthought tacked onto a more “rational” decision process. The three frameworks put together make this study legitimate to consider something like peer pressure or FOMO as the real, measurable driver of a financial decision, such as purchasing cryptocurrency, instead of an annoyance to a supposedly rational core.

The third and final technical piece is cryptocurrency. The original Bitcoin paper (Nakamoto, 2008) offered a completely novel idea: a digital currency that could be exchanged between people without the assistance of a third party, such as a bank, government or central authority, but instead by means of a distributed, cryptographically secured ledger. The lack of a gatekeeper proves to be significant for this study. It is precisely due to the fact that no institution is guaranteeing cryptocurrency or safeguarding the people who purchase it — there is a lack of deposit insurance, a lack of an ombudsman, a lack of a regulator behind the asset as there is behind a bank account or a listed share — that whatever is driving adoption must come from elsewhere. It must be a result of social and psychological pressures discussed herein and not based on a trust in a regulator, institution or brand.

It is a contradiction that can't be ignored after it's noticed and is good to be completely explicit since it is really the mechanism which propels the entire study. The India 2024–2025 Global Crypto Adoption Index reveals that the grassroots crypto adoption in India is larger than any other country on Earth, with an estimated 119 million people. But the nation still lacks a dedicated cryptocurrency law, and its tax treatment of crypto gains is as adverse as it gets anywhere in the world: every transaction, even if it turns into a loss, is taxed at 1 percent at source, and a loss can be offset by no gain—at least not the way that an equity investor can do this routinely (CoinIndex, 2025). Surprisingly, according to the estimates of the government departments responsible for collecting taxes, only about 39 million people are actually registered investors, a discrepancy of approximately 80 million people between the number who are thought to hold crypto funds and the number who do and can actually be seen, verified, and even protected in case of failure.

If investors are textbook rational actors weighing costs against benefits, all of that doesn't add up. A purely rational, risk-averse investor in a punitive tax regime with no loss offset, no legal protection if an exchange goes under or a scheme is found to be fraudulent would have a second thought, or at least invest carefully and in small quantities. Indians aren't taking pause either — the uptake of adoption continues to rise, regardless of income, education, or even the fact that it's happening in smaller cities, far from the traditional investor metro docket. That is actually where this whole study starts. when regulation and tax policy do not explain the behaviour and a simple cost benefit calculation does not either. Once you start reading around you, the two most blatant ones would be social pressure and the fear of missing out. Financial literacy was included in the



model as a type of counterweight, so the thing you would expect, intuitively, that would make people less prone to these pressures, less inclined to be swept away by hype, more wary.

Looking at it from a broader perspective, cryptocurrency is no longer a tech-driven novelty, but something that has become a popular asset class, as estimated by Chainalysis, the number of cryptocurrency holders across the world is approximately 861 million. But India is perhaps the most pronounced example of the disparity between the growth in adoption and the laxity in regulation; in fact, the regulatory sentiment seems to have hardened, not relaxed, over the years.

The story centers around young adults. They are the ones who will do most of the adoption by most accounts, and by most accounts they're the ones most convinced by what they see on social media and what their friends and family are doing and the feeling that everyone else is deepening their pockets while they sit on the sidelines and watch prices rise. The issue is that most of the research to date groups it all into a single category: "social influence," and there is an absence of consideration of whether the psychological mechanisms affecting a stranger's Instagram post is the same or very different from those of a close friend's advice, or whether social influence works entirely by different mechanisms. Nor does the literature — in any rigorous way — test whether financial literacy actually does so in the case of cryptocurrencies specifically, rather than more standard asset classes where the literature is somewhat more developed.

The two questions that serve as the foundation for this study are related to one another. First, is exposure to social media and peer/family influence the same or different, or even going in different directions? Second, does financial literacy have a direct effect on the reduction of the influence of FOMO and social pressure on the intention to adopt, such as acting as a psychological brake, or does it also work independently of the influence of FOMO and social pressure, and complement the intention to adopt? A key contribution this study seeks to make is to answer these two questions based on real survey data, not assumption and anecdote.

2 Literature Review and Research Gap

This study draws on two groups of literature. The first consists of older, foundational studies that would be easily recognized by anyone in this field of research as they would give their name to technology adoption and behavioral intention studies more generally; none of them was specifically written with cryptocurrency in mind and in most cases the asset class didn't even exist. The second group consists of more recent empirical studies, published between 2023 and 2025, that specifically examine cryptocurrency adoption, while employing and extending the older theoretical frameworks to this specific rapidly changing context.

National Perspective

Specifically Indian research is still relatively sparse, though rapidly growing in both number and quality, as the country continues to soar in the number of those using the technology. The study revealed that among the Indian Gen Z and Millennial cryptocurrency investors, a sense of psychological urgency and social influence were identified as key mediators and moderators between exposure and investment intention, respectively (Prasad et al., 2025).

What is useful about these two studies for the purposes of this study is that they establish the constructs examined here as not only plausible imports borrowed wholesale from other jurisdictions, but also a presence in Indian data as well, in a population of Indians who have to deal with the Indian context of regulatory and cultural circumstances. Concurrently, none of the Indian studies distinguished between social media influence and interpersonal influence from peers and families, an area that, even in the national literature, has yet to be explored and bridged by this study.



International Perspective

The model was developed and tested in the United States by Davis (1989) using two different sets of computer users, and subsequent studies in dozens of other technology contexts have supported this finding that perceived usefulness in particular strongly predicts intended and actual use of the system. In further elaborating the previous attempt based on the Theory of Reasoned Action, Ajzen (1991) introduced perceived behavioural control as a third predictor, alongside attitude and subjective norms. A more recent concept developed by Arnett (2000) identifies emerging adulthood as a new period of development that lies between adolescence and settled adulthood. Venkatesh et al. (2003) integrated several competing acceptance theories — such as TAM and TPB — into UTAUT, which provides a formal place for social influence along with performance expectancy, effort expectancy and facilitating conditions. Of course, that's where cryptocurrency started, as Nakamoto (2008) outlined in a technical paper that described the basics of the architecture that gave birth to most cryptocurrencies that have since emerged.

With Sri Lankan investors, Sachitra and Rajapaksha (2023) discovered that social factors, in combination with the perceived credibility of influencers, have an impactful influence on adoption intention. In a Hungarian study, Recskó and Aranyossy (2024) found that the inclusion of the two additional UTAUT concepts (trust and perceived risk) is significantly helpful in predicting cryptocurrency adoption. To complement studies that use face-to-face or survey-based measures of social influence, Rodpangtiam and her colleagues went to Reddit, where they found that the exposure to social media and the perception of the social influence of a specific coin affect decisions to adopt the coin, among a pool of social media users that were largely anonymous and across the globe. In yet another approach, which was an expert Delphi panel plus social network analysis, Kajol et al. (2025) reached entirely different conclusions as psychological comfort and optimism were identified as the two most important worldwide adoption factors. In the same vein, Ullah (2025) showed that social and psychological factors are not limited to speculative trading but are more akin to a general tendency in the interaction with this asset class when it is being considered for business transactions.

Summary of Literature

Together, this collection of studies provides a more convincing picture of the existence and general recurrency of social influence as a predictor of intention to adopt cryptocurrencies across rather different contexts (Sachitra and Rajapaksha, 2023; Recskó and Aranyossy, 2024; Rodpangtiam, Boonchutima and Mazahir, 2024; Prasad et al., 2025). The newer studies have also begun to incorporate more muted psychological factors — comfort, optimism, general sense of urgency — and to demonstrate that they are not limited to the specific sets of transactional intentions that involve actively trying to invest for financial return (Kajol et al., 2025; Ullah, 2025).

There is no single agreed-upon way to divide up “social influence” into its separate elements in any of the papers reviewed here. Others combine peer influence and media exposure into one index, while some studies stick with just one or the other but don't test it to see if they have different effects if measured independently. This uncertainty is the one this study attempts to fill, in a conscious attempt to define the constructs of both SMI and INF and measure these constructs separately, from the very beginning.

Identification of Research Gap

1. A construct-differentiation gap. Nearly all papers analyzed consider social influence as a single construct or at least divide social influence into categories, but no formal tests have been performed to determine whether the different categories of social influence are different in the structural model. There is no robust theory that suggests that these two things are psychologically equivalent and therefore that they are measured in the same way.



2. A moderation gap. Financial literacy appears in general investment-behaviour literature as a broadly applicable factor, but no paper found in this study tests financial literacy as a factor that impacts FOMO or the pull of social influence on intention to adopt cryptocurrencies, nor for India's 18-25 population.

Research Questions

1. How do social media exposure and peer influence affect cryptocurrency adoption intention among young adults in India?
2. What role does Fear of Missing Out (FOMO) play in shaping cryptocurrency adoption intention among young adults?
3. Does financial literacy moderate the relationship between FOMO/social influence and cryptocurrency adoption intention among young adults in India?

3 Objectives and Hypotheses

Title: “Determinants of Cryptocurrency Adoption Intention Among Young Adults: An Examination of Social Influence, FOMO, and Financial Literacy in India.”

Aim: To examine the influence of social media–driven social influence and Fear of Missing Out (FOMO) on cryptocurrency adoption intention among young adults (18–25) in India, and to assess whether financial literacy moderates this relationship.

1. To analyse the impact of social media exposure and peer influence on cryptocurrency adoption intention among young adults.
2. To explore the role of Fear of Missing Out (FOMO) in shaping cryptocurrency adoption intention among young adults.
3. To determine the moderating role of financial literacy on the relationship between FOMO/social influence and adoption intention.

H1a: Social media influence (SMI) has a significant positive effect on cryptocurrency adoption intention (AI).
H1b: Peer/family influence (INF) has a significant positive effect on cryptocurrency adoption intention (AI).
H2: Fear of Missing Out (FOMO) has a significant positive effect on cryptocurrency adoption intention (AI).
H3a: Financial literacy (FL) significantly moderates the relationship between peer/family influence (INF) and adoption intention (AI). H3b: Financial literacy (FL) significantly moderates the relationship between FOMO and adoption intention (AI).

4 Methodology

The present study is quantitative and cross sectional, which means that the data was collected only once and through a structured and self-administered online questionnaire. This does not allow for a statement of causation (a longitudinal design would allow this to be made), and this is noted as a direction for further research but was not possible within the time frame of the present study.

The analysis used was a Partial Least Squares Structural Equation Modeling (PLS-SEM) which is appropriate for models that are still in exploratory stages and have several latent constructs and the sample is not large. Furthermore, it is applicable to a data set not assuming normal distribution of response patterns in addition to the very limited number of distributional assumptions that PLS-SEM contains (as opposed to covariance-based approaches).



PLS-SEM estimates do not require large sample sizes but they do need to achieve a minimum threshold so that the paths estimated in the model can be believed. The “10-times rule” is a rule of thumb, which states that the number of arrows pointing into a construct in the model should not be more than 10 times the number of arrows pointing out of that construct. In the most complex version of this model (Objective 3 moderation test), there are up to five paths leading into Adoption Intention, indicating a minimum group size of approximately 50. The final cleaned sample in this instance was 170 responses, with the design of the sample being strictly from 18 to 25 years of age, easily passing that hurdle several times over.

The questionnaire had two parts:- The first set gathered the basic demographic and screening information like age, gender, education level, employment, income, marital status, what social media platforms participants used, whether they had previous experience with cryptocurrency, how often they interacted with crypto content, why they were even interested in it in the first place, an approximation of what percentage of their assets they had set aside or intended to set aside, and whether they had any cryptocurrency at all. The core of the survey was the second part which had thirty statements, six for each of the five constructs that is SMI, INF, FOMO, FL and AI. Respondents used a five-point scale from Strongly Disagree to Strongly Agree. The constructs and measurement methods were taken from reviewed literature and reworded so they fit the context of cryptocurrency in India. The general social influence framing came from Venkatesh et al. (2003). Recent studies on cryptocurrency that were reviewed shaped the wording for the FOMO construct and the literacy-specific constructs.

The model this study examines is shown by Figure 1. Separate factors such as Social Media Influence, Peer and Family Influence and Fear of Missing Out are used to show Cryptocurrency Adoption Intention. Financial Literacy is kept separate from these three factors. It is tested as a moderator on the Peer/Family Influence to Adoption Intention path and on the Fear of Missing Out to Adoption Intention path. It is not used as a direct predictor.

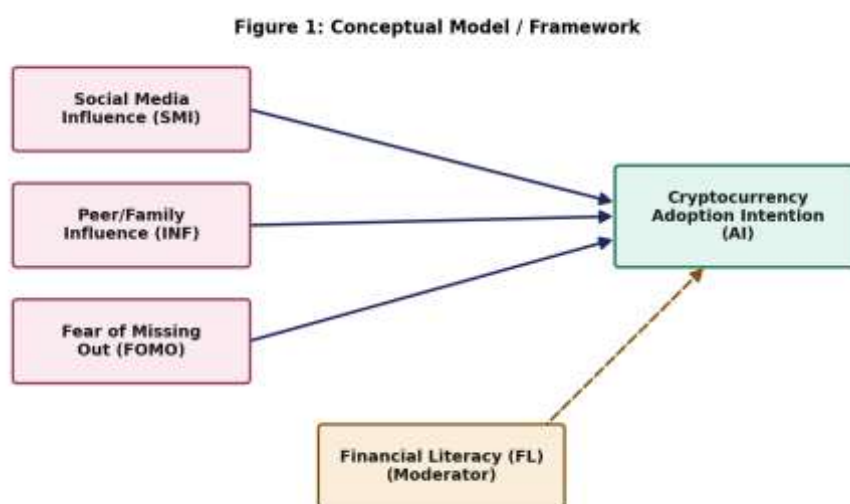


Figure 1: Conceptual Model / Framework

Figure 2 shows the overall research process from initial literature review through to results and conclusions, illustrating the sequencing this study has followed.

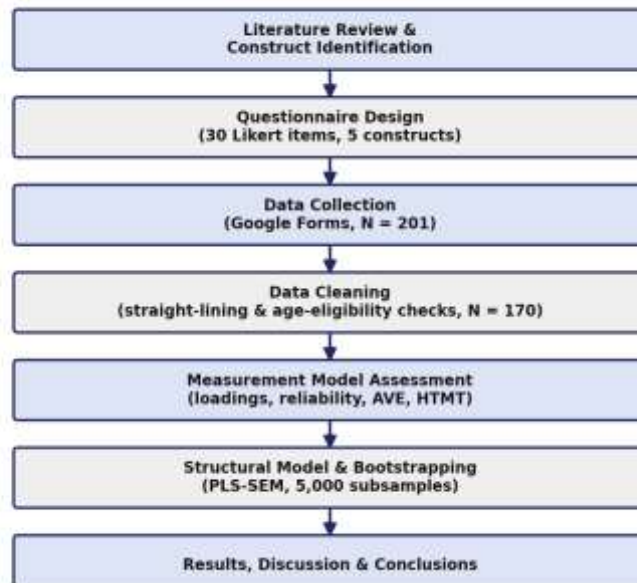


Figure 2: Overall Research Methodology Flow

There were 201 responses to the survey. Out of these, 170 responses were used for analysis, and all of them were within the age range of the study, which was 18 to 25 years old. 15 of these responses were removed after a straight-lining check. This check identified answers where the same choice was picked for every question regardless of what the question asked. This kind of pattern suggests the person was not actually paying attention. This 7.5% to 8% removal rate is common for surveys of this length and type.

There are some patterns that worth illustrating. The sample contains more men than women and this matches the findings of industry surveys of investors in cryptocurrencies in India. The sample also shows education more than seventy-seven percent have a postgraduate degree. This may reflect the profile of the respondents reached rather than the typical educational profile of India's wider crypto-investing community. The story continues with occupation and income. The majority of respondents are students, and a further large group are salaried employees. Income is similar, 45.3 percent of respondents are financially dependent on family rather than earning their own income and nearly half of those who are not in family-dependent income fall in the two lowest income brackets.



Table 1: Demographic Profile of Respondents

Demographic	Category	Frequency	Percentage
Gender	Male	113	66.5%
	Female	57	33.5%
Education	Postgraduate	132	77.6%
	Graduate	22	12.9%
	Undergraduate	8	4.7%
	Others	8	4.7%
Occupation	Student	106	62.4%
	Salaried Employee	60	35.3%
	Self-employed	4	2.4%
Monthly Income	Dependent	77	45.3%
	Less than ₹25,000	37	21.8%
	₹25,001–₹50,000	47	27.6%
	₹50,001–₹1,00,000	8	4.7%
	Above ₹1,00,000	1	0.6%

Figure 3: Demographic Profile of Respondents (N = 170, all aged 18-25)

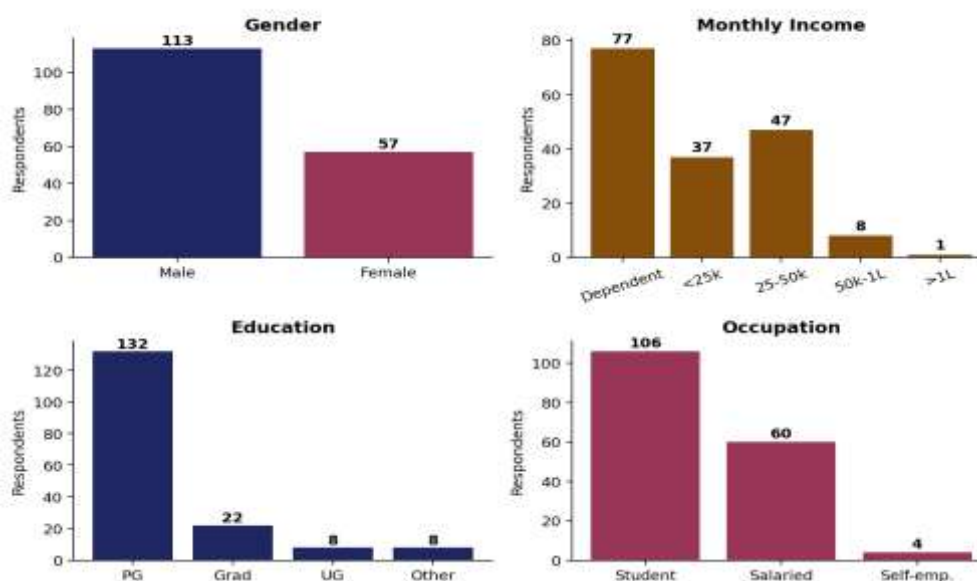


Figure 3: Demographic Profile of Respondents

Before any idea was tested the measurement model had to prove itself. This meant looking at loadings, Cronbach's Alpha, Composite Reliability, and Average Variance Extracted (AVE). The usual limits were used throughout that is 0.70 for reliability and 0.50 for AVE. Discriminant validity was checked using the Heterotrait-Monotrait Ratio (HTMT) with anything under 0.90 seen as okay for constructs that are similar in meaning from the start and under 0.85 better when possible. Only after all of this was confirmed the structural model get tested using bootstrapping with 5,000 samples to create the t-statistics and p-values found in the next section.



Objective 1 – Social Influence. Every outer loading for Social Media Influence, Peer/Family Influence and Adoption Intention was comfortably above or close to the 0.70 benchmark. Two items were at or just below the threshold SMI3 at exactly 0.700 and INF3 at 0.675. One item INF6 fell further below at 0.521. Instead of dropping these automatically the decision was made to see how each construct's overall reliability would change with and without them. Removing them did not alter Composite Reliability or AVE significantly, so all items were kept. Cronbach's Alpha ranged from 0.806 (INF) to 0.838 (SMI), Composite Reliability was between 0.860 and 0.881, and AVE was between 0.510 and 0.553, all above the usual thresholds.

Discriminant validity checked with HTMT was mostly good. SMI–AI was 0.660 and SMI–INF was 0.822, both in range. INF–AI was the exception at 0.858 above the stricter 0.85 cut-off often used but still well below the more lenient 0.90 threshold. This pattern matches an earlier independently collected sample from the research project that is several peer-influence items are quite close to adoption intention conceptually, which likely explains the overlap across samples.

Table 2: Structural Model Results – Objective 1

Hypothesis	Path	β	t-value	p-value	f^2	Decision
H1a	SMI $\rightarrow$ AI	0.128	1.950	0.051	0.018	Not Supported (marginal)
H1b	INF $\rightarrow$ AI	0.631	9.823	0.000	0.450	Supported

Figure 4: Structural Model Results - Objective 1

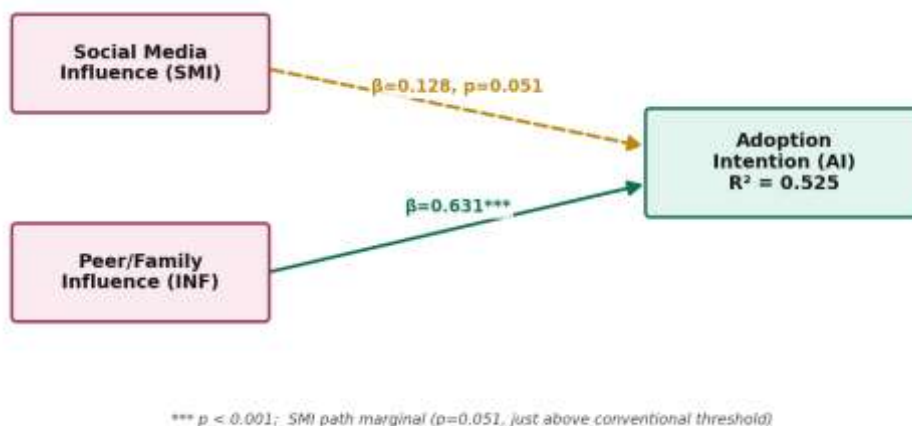


Figure 4: Structural Model Results – Objective 1

Together SMI and INF explain 52.5% of the variance in adoption intention ($R^2 = 0.525$). But the two predictors are not actually pulling their weight equally, and this is really the headline finding of Objective 1. Peer and family influence turns out to be doing almost all of the work, with a path coefficient of 0.631 that comfortably clears the large-effect threshold, while social media influence's effect is small ($f^2 = 0.018$) and its p-value — 0.051 — sits just above the conventional 0.05 threshold for statistical significance. Strictly applying the standard decision rule, H1a remains not supported. But a result this close to the threshold suggests a real but weak effect that this sample was not quite large enough to confirm with full statistical confidence, rather than confident evidence of no effect at all.



Objective 2 – Fear of Missing Out. Every outer loading was within a reasonable range 0.679 to 0.822 for FOMO, 0.689 to 0.766 for AI. Cronbach's Alpha was at 0.826–0.846, Composite Reliability at 0.874–0.886, and AVE at 0.536–0.565, all well past their respective thresholds.

Table 3: Structural Model Results – Objective 2

Hypothesis	Path	β	t-value	p-value	f^2	Decision
H2	FOMO $\rightarrow$ AI	0.660	14.190	0.000	0.773	Supported

Figure 5: Structural Model Results - Objective 2

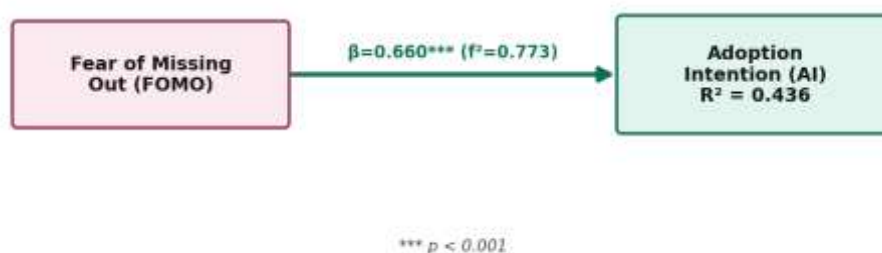


Figure 5: Structural Model Results – Objective 2

FOMO alone explains 43.6% of the variation in adoption intention ($R^2 = 0.436$) when tested alone. The t-value of 14.190 is well over the 1.96 mark that is usually needed to show significance making this the strongest single relationship in the study. The effect size ($f^2 = 0.773$) is more than double the 0.35 level that researchers often use to label an effect as “large” in behavioural studies. The top factors driving people's intention to adopt cryptocurrency here are not about information or media at all. Instead, they are emotional and social. The fear of missing out on a gain, and the influence of friends or family who are already involved.

Objective 3 – Financial Literacy as Moderator. A two-step method was used. First, a basic PLS-SEM model was run on the cleaned sample with FOMO, INF and FL each predicting AI directly. Since the survey was set up to only include people aged 18 to 25 from the start, all three objectives use the same 170 respondents. Then the standardised scores for each construct were multiplied together — $INF \times FL$ and separately $FOMO \times FL$ — to create two interaction terms. These were added back into a second-stage model as predictors of AI, alongside the three main effects.

Table 4: Structural Model Results – Objective 3

Path	β	t-value	p-value	Decision
FL $\rightarrow$ AI (direct effect)	0.388	4.187	0.000	Significant
INF $\rightarrow$ AI (main effect)	0.370	4.113	0.000	Significant
FOMO $\rightarrow$ AI (main effect)	0.085	0.973	0.331	Not Significant
H3a: $INF \times FL \rightarrow AI$	0.054	0.447	0.655	Not Supported
H3b: $FOMO \times FL \rightarrow AI$	-0.132	1.068	0.285	Not Supported



Figure 6: Structural Model Results - Objective 3 (Moderation Test)

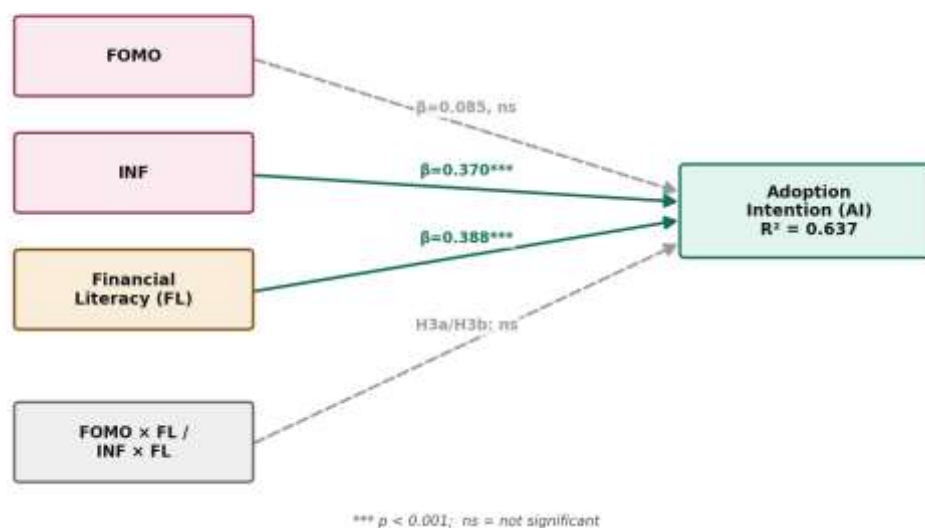


Figure 6: Structural Model Results – Objective 3 (Moderation Test)

This model, taken as a whole, explains 63.7% of the variance in adoption intention ($R^2 = 0.637$), the highest among the three models, though this is partly because it includes more predictors. Neither interaction term reaches significance, with p-values of 0.655 and 0.285 respectively. This means financial literacy does not appear to change how strongly FOMO or peer influence affect the decision to adopt cryptocurrency — it does not weaken these effects, nor does it make them stronger. What financial literacy does do is show an independent and statistically significant relationship with adoption intention ($\beta = 0.388$, $p < 0.001$). In this case, a financially literate young adult is slightly more likely to intend to adopt cryptocurrency, not less.

When looked at in this combined model FOMO's direct effect is much smaller ($\beta = 0.085$, $p = 0.331$) than when it was tested in Objective 2 ($\beta = 0.660$). This is not a contradiction. It simply shows that FOMO and peer/family influence overlap in what they explain about adoption intention. When FOMO is the only predictor, it gets credit for all the variance it explains including the part it shares with peer/family influence. Once peer/family influence is included in the model FOMO's unique contribution drops. This pattern — FOMO strong when alone, peer/family influence and financial literacy strong when together — shows up consistently across two different samples in this research project. That consistency makes it more reasonable to conclude this reflects genuine relationships not just noise from one dataset.

Looking at effect sizes, the pattern becomes even clearer. FOMO has the largest effect ($f^2 = 0.773$), followed by peer/family influence ($f^2 = 0.450$). Social media influence is much weaker ($f^2 = 0.018$) and only just reaches marginal significance ($p = 0.051$). This gives a ranking as: FOMO comes first, interpersonal influence second, and social media exposure a distant barely detectable third. Financial literacy's direct effect ($\beta = 0.388$) is strong, comparable to peer/family influence ($\beta = 0.370$) and much larger than FOMO's remaining effect once peer/family influence is accounted for ($\beta = 0.085$).

All of this together suggests that adoption intention is driven by emotional urgency and close social ties rather than media exposure or financial knowledge. Financial literacy adds its own independent push. It does not act as a force that reduces the pull of FOMO or peer influence — that was an expectation going in but the data do not support it. Instead, financial literacy seems to encourage adoption on its own, rather than serve as a safeguard against it.

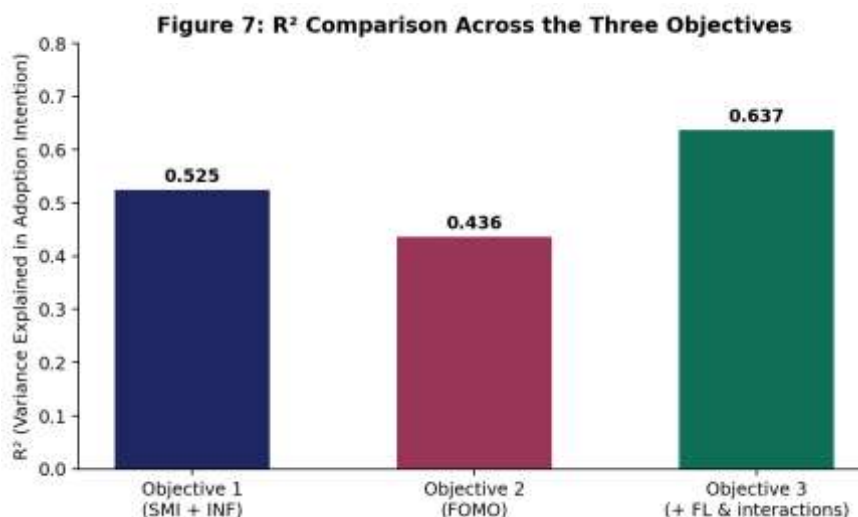


Figure 7: R² Comparison Across the Three Objectives

6 Discussion and Contribution

Peer and family influence is a genuinely strong driver of adoption intention ($\beta = 0.631$, $p < 0.001$), whereas social media influence's effect is small and only marginally significant ($\beta = 0.128$, $p = 0.051$). This directly answers RQ1: social media exposure and peer influence do not affect adoption intention equally, and treating them as a single “social influence” construct, as much of the reviewed literature does, would have obscured this distinction entirely. Fear of Missing Out is, without much competition, the single strongest driver identified anywhere in this study ($f^2 = 0.773$), directly answering RQ2 and reinforcing the FOMO-centred findings already reported for Indian investors by Prasad et al. (2025). Financial literacy does not moderate either FOMO or peer influence, answering RQ3 in the negative for the moderation hypothesis specifically, but it does carry its own significant, independent effect ($\beta = 0.388$, $p < 0.001$).

As far as could be established through the literature search, this is among the first studies to empirically pull apart social media influence and interpersonal peer/family influence as separate constructs within one cryptocurrency-adoption model — and, more importantly, to show that the two behave quite differently once separated. The study also carries Arnett's (2000) Theory of Emerging Adulthood into a domain it is not usually applied to — financial technology adoption — giving the 18–25 age scope a developmental rationale. Perhaps the most useful contribution is the evidence that financial literacy behaves as an independent driver rather than a moderating buffer, which is a genuinely different conclusion from what the broader investment-behaviour literature might have led one to expect.

These results deserve to be set explicitly alongside the studies reviewed earlier. The finding that peer and family influence outweighs social media exposure sits comfortably alongside Sachitra and Rajapaksha's (2023) Sri Lankan result that social factors and influencer credibility shape adoption intention, though this study goes a step further by showing that the two channels behave quite differently once formally separated. The FOMO finding aligns closely with Prasad et al. (2025); this study's contribution is a considerably larger, more precisely estimated effect size than either study reported. The financial literacy result is where this study's findings diverge most clearly from what a reader of the broader investment-behaviour literature might expect going in — none of the papers reviewed test financial literacy as a moderator of FOMO or social-influence effects specifically, so this is less a confirmation or contradiction of existing findings than a genuinely new data point on a question the literature had, until now, largely left untested.

Regulators aiming awareness campaigns broadly at social media may be missing the actual channel through which influence travels, which appears to be interpersonal — friends, family, word of mouth — rather than



platform content itself. Financial literacy programmes on their own are unlikely to blunt FOMO-driven or peer-driven impulsive adoption, since literacy does not seem to work as a protective buffer against either of these pressures. For platforms and fintech firms, knowing that FOMO is the dominant psychological driver could usefully inform product design — cooling-off periods or risk disclosures timed to moments of high social or emotional pressure are likely to do more good than static literacy content presented at onboarding. For parents and educators working with this age group specifically, the finding that peer and family influence outweighs social media exposure suggests that conversations within the household or peer group may be a more effective intervention point than counter-messaging aimed at social media platforms.

7 Conclusion, Limitations, and Future Work

What emerged clearly across all three objectives is that peer influence and family influence not broad social media exposure are doing the heavy lifting. Interpersonal ties matter a great deal more here than scrolling through a feed. A finding that replicated closely across two independently collected samples gathered during this research. FOMO turned out to be the strongest force in the entire study when tested on its own. Financial literacy earned its seat at the table as a significant independent predictor, but it did not turn out to be the protective buffer one might have expected against either FOMO or peer influence, a genuinely counter-intuitive result. All together these findings paint cryptocurrency adoption intention among young Indian adults as something driven substantially more by social and emotional forces than by financial education or generic online exposure.

Limitations

1. The data is cross-sectional and self-reported which means it captures stated intention rather than observed behaviour and cannot support causal claims about what actually drives adoption over time.
2. The sample while adequate for PLS-SEM (170 respondents, all aged 18–25), is weighted heavily towards postgraduate respondents, which limits how confidently the findings can be generalised to India's wider young-adult population.
3. A degree of conceptual overlap surfaced between peer/family influence items and adoption intention items (HTMT = 0.858), noted here as a measurement issue worth addressing in future work. Notably this same overlap was observed in an earlier independently collected sample from this research project suggesting it reflects a genuine measurement characteristic rather than a one-off data artefact.
4. Social media influence's effect on adoption intention (H1a) landed at a marginal $p=0.051$ just above the conventional significance threshold. This result should not be read as strong evidence of no effect a modestly larger sample could plausibly resolve this either toward or away from significance.
5. The gender split in the final sample (66.5 percent male) is notably skewed relative to India's general population, meaning the findings should be read with some caution regarding their applicability to female investors specifically.

Suggestions for Future Work

1. A longitudinal design would help establish whether stated adoption intention actually converts into real investment behaviour over time. Something this cross-sectional study cannot speak to directly.
2. With SMI's effect on adoption intention sitting at a marginal $p=0.051$ a modestly larger sample would help establish with greater confidence whether social media influence has a genuine if small, independent effect.



3. Multi-Group Analysis comparing respondents with high versus low financial literacy could serve as a useful complementary check on the moderation result reported here.
4. The peer-influence items could be refined in a future replication to reduce their conceptual overlap with adoption intention which improves the discriminant validity.
5. It would be worth exploring other candidate moderators or mediators such as risk tolerance and self-control etc. That might explain why financial literacy does not appear to buffer FOMO or peer-influence effects.

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