



FINTECH AND THE CIRCULAR ECONOMY: EMERGING SYNERGIES FOR SCALING SUSTAINABLE IMPACT

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Abstract: *Through a theoretical and exploratory approach based on literature and secondary sources, this paper aims to examine how financial applications influence people's decisions, reduce cognitive errors, and sometimes amplify irrational or impulsive behaviors.*

• Introduction

The rapid digitization of the financial sector has led to major changes in the way people interact with money. Mobile apps for budgeting, investing and saving, as well as algorithm-driven trading platforms and robo-advisors, are examples of technology that have transformed personal finance management into a seamless, easily accessible and at least seemingly quite efficient digital experience. However, this liberalization of access to financial services is having a significant impact on the way people make economic decisions, particularly in terms of consumption and saving.

• Material and method

This paper is based on a theoretical-exploratory research, centered on a literature review in the fields of behavioral finance, financial technology (FinTech) and decision psychology. The methodological aim of the paper is to understand and explain how financial applications influence people's saving and consumption choices.

• Results and discussions

Behavioral mechanisms in financial application design

Behavioral mechanism	Typical applications	Effect on the user
Nudging digital	Qapital, Acorns	Stimulates saving through enabling environments
Defaults	Digit, Revolut	Increases the likelihood of keeping recommended settings
Gamification	Robinhood, Revolut	Can induce impulsivity and risky decisions
Visual & symbolic feedback	Mint, Qapital	Activates motivation and perceived control
Algorithmic personalization	Revolut, Robinhood	Generates persuasive but potentially manipulative experiences

Financial applications and behavioral influence

Application	Main functionality	Behavioral techniques used	Behavioral risk
Revolut	Pay, save, invest	Visual feedback, automatic rounding, defaults	Medium (frequent spending)
Qapital	Automatic saving by rules	Positive gamification, personalized rules, nudging	Low (positive automation)
Mint	Monitor budget & expenses	Alerting, graphical visualization, budgeting anchors	Low (possible over-information)
Robinhood	Investing & share trading	Gamification, confetti, frequent notifications	High (impulsivity & risk)

• Conclusions

Digital financial interfaces are not neutral; they are decision systems that influence the emotions and thoughts of the user. Apps can be beneficial because they promote savings through automated mechanisms, provide positive feedback and reduce the difficulties in decision-making.

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