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Impact of Marketing Appeals on Behavioral Intentions to Financial Services: A Study on University Students

Abstract

This study examines the impact of fear-appeal and urgency-based marketing messages on university students' behavioral intentions toward financial services in Bangladesh. Grounded in the Protection Motivation Theory (PMT), Theory of Planned Behavior (TPB), and Elaboration Likelihood Model (ELM), the research proposes and tests a conceptual model linking emotional appeals, message credibility, perceived risk, attitude, and behavioral intention. Data were collected from 217 university students through an online survey and analyzed using Structural Equation Modeling (SEM). Results reveal that fear appeal and message credibility significantly influence students' attitudes toward financial offers, which in turn strongly predict behavioral intention. While attitude fully mediates the effect of fear appeal and message credibility on behavioral intention, perceived risk shows no significant effect. The findings highlight the dominance of emotional and attitudinal factors over cognitive risk assessment in shaping student responses, suggesting that credibility and emotional resonance are more influential than threat perception in this context. This study contributes to the literature by integrating multiple theoretical perspectives to explain emotionally driven decision-making in financial marketing. It calls for ethically responsible marketing practices that balance persuasive strategies with transparency, particularly when targeting financially inexperienced youth.

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1. Introduction

The rapid digitalization of financial services in Bangladesh has led to an increase in emotionally persuasive marketing strategies, particularly those leveraging fear and urgency to influence consumer behavior. Financial institutions and fintech companies are increasingly targeting university students—a digitally active yet financially inexperienced demographic—with messages such as

“Open your account now before it’s too late” or “Don’t miss out on exclusive benefits.” These appeals exploit psychological vulnerabilities, including fear of missing out (FOMO), future insecurity, and time pressure, to prompt quick decisions while bypassing rational evaluation.

University students represent a critical and growing segment in the financial services

market. With rising access to mobile banking, digital wallets, and student-focused financial products, this group is becoming an essential target for banks and fintech platforms. However, students often exhibit low financial literacy, high emotional susceptibility, and a tendency to rely on heuristics rather than analytical decision-making (Lusardi et al., 2010; Shim et al., 2020). These traits make them particularly vulnerable to emotionally charged marketing tactics that emphasize immediate action over long-term consequences.

Despite the widespread use of fear- and urgency-based appeals in financial marketing, their psychological impact on young consumers remains underexplored, especially in developing economies like Bangladesh. While fear appeals have been extensively studied in health and social marketing (Witte & Allen, 2000), their application in financial contexts—particularly among students—is not well understood. Most existing research focuses on cognitive factors such as trust, perceived usefulness, and service quality, overlooking the affective dimensions that often drive impulsive financial decisions (Bashir et al., 2023). This gap is especially pronounced in South Asian contexts, where digital financial inclusion is accelerating, but regulatory and ethical oversight of marketing practices remains limited.

This study addresses a critical research gap: the lack of a theoretically grounded, empirically tested model explaining how fear- and urgency-based marketing appeals influence the behavioral intentions of university students toward financial services in Bangladesh. The problem lies in the growing use of emotionally manipulative messaging without a clear

understanding of its psychological mechanisms, potentially leading to exploitative practices that compromise financial well-being.

To address this, this study explores how fear-based and urgency-driven marketing messages affect Bangladeshi university students' responses to financial offers. First, it examines whether fear appeal and message credibility shape students' attitudes toward these offers. Second, it investigates how perceived risk and attitude together influence students' intentions to act. Third, it tests whether attitude acts as a mediator—meaning emotional appeals don't directly drive behavior but instead work by first shaping a positive or negative attitude that then leads to behavioral intention.

Grounded in the Protection Motivation Theory (PMT), Theory of Planned Behavior (TPB), and Elaboration Likelihood Model (ELM), this research proposes an integrated conceptual framework to explain how emotional and cognitive factors jointly influence decision-making. Data were collected from 217 university students via an online survey and analyzed using Structural Equation Modeling (SEM).

The significance of this study is threefold. First, it contributes to academic literature by extending PMT, TPB, and ELM to the domain of financial marketing, particularly in an understudied cultural context. Second, it offers practical insights for marketers on designing emotionally resonant yet ethical campaigns. Third, it raises important policy implications regarding the need for responsible advertising standards to protect financially vulnerable youth.

By identifying the dominant role of attitude and message credibility—over perceived risk—this study challenges conventional assumptions about risk-based decision-making and underscores the need for ethical, student-centered marketing in the digital financial era.

2. Literature Review

Concept of Fear-Driven Marketing and Urgency Appeals

Fear-driven marketing employs psychological triggers such as anxiety, loss aversion, and threat perception to prompt immediate behavioral responses (Shoham, 2004). It does not necessarily evoke extreme fear but often highlights potential losses or missed opportunities to influence decision-making. Widely used in health, insurance, and security campaigns, fear appeals are increasingly prevalent in financial services, particularly in digital and student-targeted marketing (Cialdini, 1988).

Closely linked to fear are urgency appeals, which create time pressure through messages like “*Act now—only 24 hours left!*” or “*Limited offer—don’t miss out!*” These tactics reduce deliberation time, encouraging heuristic processing over rational evaluation (Cialdini, 1988). When combined, fear and urgency heighten emotional arousal, increase perceived risk, and push consumers toward impulsive decisions (Witte, 1992).

In the context of financial services, such appeals often frame inaction as risky—e.g., “*Secure your future now*” or “*Open your student account today or miss exclusive benefits.*” These messages exploit cognitive biases like Fear of Missing Out (FOMO), particularly

among younger consumers who are more responsive to social and emotional cues (Flanagin & Metzger, 2013; Pechmann et al., 2003). Generation Z students, who are digitally native but financially inexperienced, are especially susceptible to emotionally charged messaging that emphasizes immediate action and future consequences.

However, the ethical implications of fear-based marketing remain debated. While moderate fear can motivate adaptive behavior, excessive or exaggerated threats may trigger defensive avoidance, skepticism, or psychological reactance (Witte & Allen, 2000). In financially vulnerable populations like university students, such tactics risk promoting short-term compliance at the expense of long-term financial well-being (Lusardi et al., 2010). Despite their widespread use, empirical studies on fear and urgency appeals in financial marketing—especially in developing economies like Bangladesh—are limited. Most research focuses on rational factors such as trust and perceived usefulness, neglecting the affective dimensions that often drive student decisions (Bashir et al., 2023).

This study addresses that gap by examining how fear and urgency shape behavioral intentions through emotional and attitudinal pathways, using a robust theoretical and methodological framework.

Consumer Behavior in Financial Services

Financial services differ from tangible products due to their intangibility, complexity, long-term consequences, and perceived risk. Consumer behavior in this domain is influenced not only by economic

factors but also by psychological, social, and contextual variables—especially among university students.

Students typically exhibit low financial literacy, unstable income, and short-term decision-making orientations, making them prone to heuristic-based choices rather than systematic evaluations (Lusardi et al., 2010; Shim et al., 2020). They often rely on emotional cues, peer influence, brand familiarity, and convenience when selecting financial products (Xiao et al., 2011). This susceptibility makes them a prime target for emotionally persuasive marketing.

In Bangladesh, students are increasingly adopting digital banking, mobile wallets, and fintech platforms. Yet, many remain underbanked, relying on informal savings or family support (Bashir et al., 2023). Their financial decisions are shaped by cultural norms, social comparison, and aspirations for independence or career success. Marketers exploit these motivations by framing financial products as tools for identity formation, status enhancement, or future security.

Psychological triggers such as FOMO, status anxiety, and fear of financial exclusion play a significant role in student decision-making. For instance, a message like *“Join thousands of students who’ve secured their future”* leverages social proof and urgency to induce compliance. Without sufficient financial knowledge, students may overlook hidden fees, interest rates, or long-term obligations, acting impulsively under emotional pressure.

Behavioral economics further explains this tendency: students often use mental shortcuts (heuristics) rather than cost-benefit analysis (Simon, 1955). Framing effects, default options, and peer behavior

strongly influence their choices. If most classmates open a particular student account, others may follow without evaluating alternatives—what is known as herd behavior.

Moreover, digital platforms amplify emotional appeals through automated nudges, countdown timers, and personalized notifications. A student may download a banking app not because of its features, but because of a pop-up saying *“Only 5 spots left for zero-fee enrollment!”* Such design elements exploit cognitive overload and time pressure, bypassing rational scrutiny.

Thus, understanding student financial behavior requires moving beyond rational models to incorporate emotional, social, and contextual influences. This study does so by integrating key behavioral theories to explain how fear and urgency translate into behavioral intentions.

Relevant Theories

This study draws on three well-established theoretical frameworks—Protection Motivation Theory (PMT), Theory of Planned Behavior (TPB), and Elaboration Likelihood Model (ELM)—to explain the psychological mechanisms underlying fear-based marketing.

Protection Motivation Theory (PMT)

Proposed by Rogers (1975), PMT explains how individuals respond to fear-inducing messages through two cognitive appraisals: threat appraisal (perceived severity and vulnerability) and coping appraisal (response efficacy and self-efficacy). When exposed to a threat (e.g., *“You’ll miss out on scholarships”*), individuals assess both the danger and their ability to act. If the threat is perceived as high and

the solution as effective and attainable, protective motivation increases.

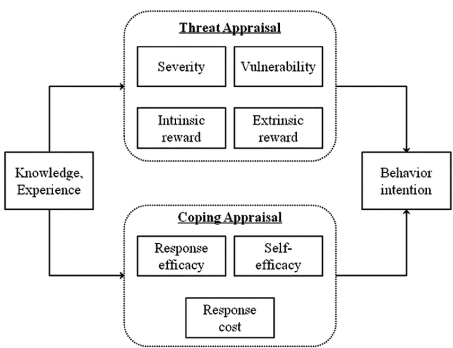


Figure 1: Protection Motivation Theory (PMT) (Pechmann et al., 2003)

In financial marketing, PMT helps explain how fear appeals heighten perceived risk and motivate action. For example, a student may feel threatened by the idea of financial instability and respond by opening a student account promoted as a “secure future” solution. However, if the solution seems unattainable (e.g., high fees), defensive avoidance may occur instead (Witte & Allen, 2000). PMT is particularly relevant for modeling the impact of fear appeal on perceived risk and attitude formation.

Theory of Planned Behavior (TPB)

According to Hagger et al. (2020), TPB posits that behavioral intention—the immediate precursor to action—is shaped by three factors:

- 1. Attitude toward the behavior (positive or negative evaluation),
- 2. Subjective norms (perceived social pressure),
- 3. Perceived behavioral control (belief in one’s ability to act).

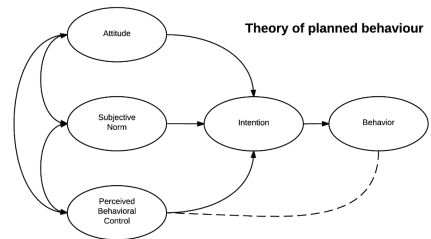


Figure 2: Theory of Planned Behavior (TPB) (Conner, 2020)

In this study, TPB anchors the relationship between attitude and behavioral intention. A student who views a financial offer favorably, feels peer pressure to adopt it, and believes the process is easy is more likely to intend to act. TPB also allows for testing the mediating role of attitude in the path from emotional appeals to behavioral intention.

Elaboration Likelihood Model (ELM)

Petty and Cacioppo (1986) propose two routes of persuasion: central (rational, effortful processing) and peripheral

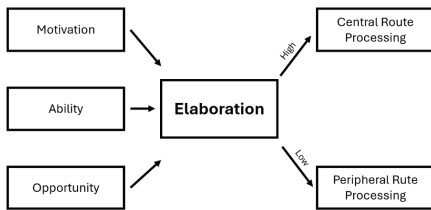


Figure 3: Elaboration Likelihood Model (ELM) (Petty & Cacioppo, 1986)

(heuristic, cue-based processing). When motivation or ability is low—such as in financially inexperienced students—consumers rely on peripheral cues like message credibility, source attractiveness, or emotional tone.

Given students’ limited financial knowledge and time, they are likely to process marketing messages via the peripheral route. A credible message (e.g., from a trusted bank) can thus directly influence attitude and intention, even without strong logical arguments (Edell & Keller, 1989). ELM explains why message credibility may have a stronger impact than factual content in this context.

Integration of Theories into the Conceptual Framework

The integration of PMT, TPB, and ELM provides a comprehensive, multi-level framework for understanding how fear- and urgency-based appeals influence student behavior:

- PMT explains how fear appeals heighten perceived risk and motivate

action through threat and coping appraisals.

- TPB links emotional responses to behavioral intention via attitude, norms, and control.
- ELM clarifies why students rely on peripheral cues like message credibility rather than deep analysis.

Together, these theories support a model where:

- i. Fear appeal increases emotional arousal and perceived risk (PMT),
- ii. Message credibility enhances trust and favorability (ELM),
- iii. Both influence attitude toward the offer (TPB), which in turn drives behavioral intention.

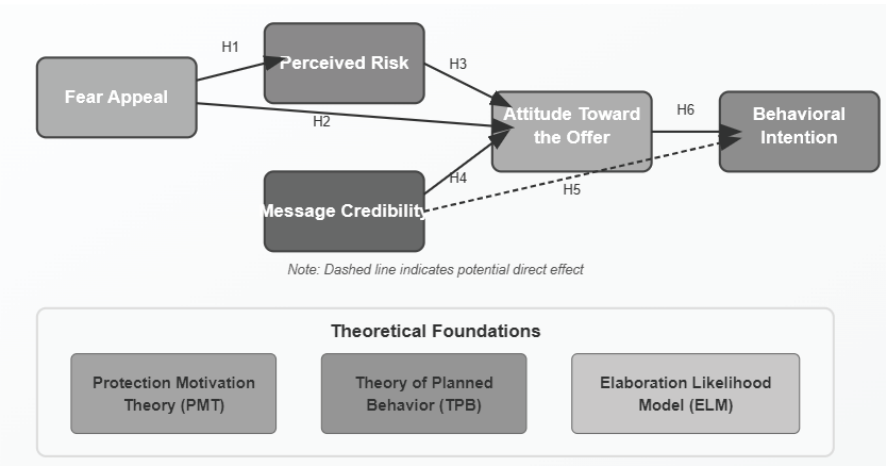


Figure 4: Conceptual Framework (Self-made)

The proposed framework includes five construct:

- Fear Appeal: Emotional intensity of urgency/threat in messages (PMT).
- Perceived Risk: Belief in negative

outcomes of inaction (PMT).

- Message Credibility: Trust in the message and source (ELM).
- Attitude Toward the Offer: Overall evaluation of the financial product (TPB).

- Behavioral Intention: Likelihood of taking action (TPB).

This synthesis allows for testing both direct effects (e.g., credibility → intention) and indirect pathways (e.g., fear → attitude → intention), offering a holistic view of emotionally driven decision-making.

2.5 Hypothesis Development

Based on the integrated framework, the following hypotheses are proposed:

- H1: Fear Appeal positively influences Perceived Risk. Exposure to fear-based messages increases threat appraisal, leading students to perceive higher risks of inaction (Rogers, 1975; Witte & Allen, 2000).
- H2: Fear Appeal positively influences Attitude Toward the Offer. When the solution is perceived as effective and attainable, fear appeals can generate favorable attitudes by motivating protective action (Nabi & Myrick, 2019).
- H3: Perceived Risk positively influences Attitude Toward the Offer. Higher perceived risk increases motivation to comply, leading to more positive evaluations of the offered solution (Kline, 2023).
- H4: Message Credibility positively influences Attitude Toward the Offer. Credible messages are processed via the peripheral route, enhancing trust and favorability (Petty & Cacioppo, 1986; Edell & Keller, 1989).
- H5: Message Credibility positively influences Behavioral Intention. Trust in the source reduces skepticism and increases the likelihood of

adoption (Liljander & Mattsson, 2002).

- H6: Attitude Toward the Offer positively influences Behavioral Intention. A favorable attitude is a strong predictor of intention, consistent with TPB (Hagger et al., 2020).

These hypotheses will be tested using Structural Equation Modeling (SEM), allowing for robust analysis of both direct and indirect effects within the proposed model.

3. Methodology

This study employs a quantitative research design to examine the impact of fear- and urgency-based marketing appeals on university students' behavioral intentions toward financial services in Bangladesh. A causal approach is adopted to investigate the relationships among key constructs—fear appeal, message credibility, perceived risk, attitude toward the offer, and behavioral intention—within a theoretical framework integrating Protection Motivation Theory (PMT), Theory of Planned Behavior (TPB), and the Elaboration Likelihood Model (ELM). Data were collected through a cross-sectional online survey and analyzed using Structural Equation Modeling (SEM) to test both direct and indirect effects.

Sampling and Data Collection: The target population consists of undergraduate and postgraduate students in Bangladesh who have been exposed to financial service marketing, particularly digital banking or student-focused financial products. A non-probability purposive sampling technique was used to ensure that respondents had prior exposure to emotionally persuasive marketing messages. Snowball sampling was also employed to expand reach by

encouraging initial participants to share the survey link with peers across public and private universities.

A total of 250 responses were initially collected via Google Forms, of which 217 were valid and used for analysis. The final sample size meets three criteria for robust SEM analysis: (1) a minimum of 10 times the number of observed indicators (Hair et al., 2019), (2) Green's formula for regression-based studies (Green, 1991), and (3) acceptable statistical power at a 95% confidence level. The demographic profile of the sample includes a balanced gender distribution, with participants primarily aged 18–25, enrolled in both public and private institutions, and actively using digital financial services.

Measurement of Variables: Five latent constructs were measured using multi-item scales adapted from established literature and operationalized on a 5-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree):

- **Fear Appeal:** Assessed using items reflecting emotional arousal from urgency or threat in marketing messages (e.g., *"The message made me feel anxious about missing out"*) (Witte, 1992).
- **Perceived Risk:** Measured by beliefs about potential negative outcomes of inaction (e.g., *"Not taking this offer could lead to financial disadvantage"*) (Stone & Grønhaug, 1993).
- **Message Credibility:** Evaluated based on trustworthiness and believability of the message source (e.g., *"I trust the institution sending this message"*) (Edell & Keller, 1989).

- **Attitude Toward the Offer:** Captured overall evaluation of the financial product (e.g., *"This offer is good/beneficial"*) (Hagger et al., 2020).
- **Behavioral Intention:** Indicated likelihood of acting on the offer (e.g., *"I intend to open an account based on this message"*) (Taylor & Todd, 1995).

All scales were pre-tested with a pilot sample of 15 students to ensure clarity, relevance, and face validity. Minor wording adjustments were made to improve comprehension and reduce ambiguity.

Data Analysis Techniques: Data were analyzed using SPSS 26 and SmartPLS 3.3.9. First, descriptive statistics were computed to summarize demographic characteristics and response patterns. Confirmatory Factor Analysis (CFA) was conducted to assess the measurement model for reliability and validity. Key metrics included Cronbach's Alpha (≥ 0.7), Composite Reliability (≥ 0.8), Average Variance Extracted (AVE) (≥ 0.5), and discriminant validity via the Fornell-Larcker criterion.

Following validation of the measurement model, Structural Equation Modeling (SEM) was used to test the structural relationships and hypotheses. Path coefficients (β), significance levels (p -values), and model fit indices (e.g., SRMR, NFI, Chi-square/df) were examined to evaluate the overall model fit and direct effects. To test mediation (e.g., attitude as a mediator between fear appeal and behavioral intention), bootstrapping with 500 resamples was performed to estimate indirect effects and their significance.

Ethical Considerations: The study adhered to ethical research standards. Participation was voluntary, and informed consent was obtained at the beginning of the survey. Respondents were assured of anonymity and confidentiality, with no personal identifiers collected. The questionnaire avoided emotionally distressing content, and participants were informed of their right to withdraw at any time. No incentives were offered, minimizing response bias and coercion. The research design and instrument were reviewed to ensure responsible data collection and respect for participant autonomy.

4. Result

This section presents the findings of the data analysis conducted to test the hypothesized relationships in the conceptual model. Data from 217 university students in

Bangladesh were analyzed using SPSS and SmartPLS 3.3.9. The analysis followed a two-stage approach: (1) assessment of the measurement model (reliability and validity), and (2) evaluation of the structural model (hypothesis testing via Structural Equation Modeling).

Multiple regression results indicated that the model explained approximately 56% of the variance in behavioral intention, suggesting strong explanatory power. Among the predictors, attitude toward the offer showed the strongest relationship with behavioral intention ($\beta = 0.58$, $p < 0.001$), followed by message credibility ($\beta = 0.24$, $p = 0.003$) and fear appeal ($\beta = 0.19$, $p = 0.005$). Perceived risk had a weak and non-significant effect ($\beta = 0.09$, $p = 0.213$), indicating limited influence on behavioral outcomes.

Table 1: Regression Results for Behavioral Intention (BI)

Model Summary					
R			0.75		
R Square			0.56		
Adjusted R Square			0.55		
Std. Error of the Estimate			0.50		

ANOVA	Sum of Squares	df	Mean Square	F	Sig.
Regression	70.56	4	17.64	70.56	<0.001
Residual	53.34	212	0.25		
Total	123.90	216			

Coefficients	Unstandardized Coefficients	Standardized Coefficients	t	Sig.
	B	Std. Error	Beta	
(Constant)	0.70	0.20		3.50
Fear Appeal (FA)	0.20	0.07	0.19	2.86

Perceived Risk (PR)	0.10	0.08	0.09	1.25
Message Credibility (MC)	0.25	0.06	0.24	4.17
Attitude Toward Offer (ATO)	0.60	0.06	0.58	10.00

Measurement Model Assessment: All constructs demonstrated strong reliability and validity. Cronbach’s Alpha values ranged from 0.80 to 0.90, Composite Reliability (CR) exceeded the threshold of 0.85 for all constructs, and Average Variance Extracted (AVE) was above 0.50, indicating adequate convergent validity. Discriminant validity was confirmed using the Fornell-Larcker criterion and cross-loadings, with each construct showing higher AVE square roots than its correlations with other constructs.

indicated a good model fit: SRMR = 0.06, NFI = 0.92, and Chi-square/df = 2.10, all within acceptable thresholds.

Structural Model and Hypothesis Testing: Structural Equation Modeling (SEM) was used to test the direct and indirect effects among the constructs. The model explained 56% of the variance ($R^2 = 0.56$) in Behavioral Intention, indicating a strong explanatory power.

The results of the regression and path analysis are summarized in Table 1.

Confirmatory Factor Analysis (CFA)

Table 2. Standardized Path Coefficients and Hypothesis Testing

Relationship	Path coefficient	P-value	Supported or not?
H1: Fear Appeal → Perceived Risk	0.08	0.213	No
H2: Fear Appeal → Attitude Toward the Offer	0.35	<0.001	Yes
H3: Perceived Risk → Attitude Toward the Offer	0.09	0.213	No
H4: Message Credibility → Attitude Toward the Offer	0.40	<0.001	Yes
H5: Message Credibility → Behavioral Intention	0.25	0.003	Yes
H6: Attitude Toward the Offer → Behavioral Intention	0.50	<0.001	Yes

As shown in Table 1, four out of six hypotheses were supported:

- H2 was supported: Fear Appeal had a significant positive effect on Attitude Toward the Offer ($\beta = 0.35, p < 0.001$).
- H4 was supported: Message Credibility significantly influenced Attitude Toward the Offer ($\beta = 0.40, p < 0.001$).
- H5 was supported: Message Credibility positively affected Behavioral Intention ($\beta = 0.25, p = 0.003$).

- H6 was supported: Attitude Toward the Offer was the strongest predictor of Behavioral Intention ($\beta = 0.50$, $p < 0.001$).

In contrast, H1 (Fear Appeal $\rightarrow$ Perceived Risk) and H3 (Perceived Risk $\rightarrow$ Attitude) were not statistically significant (both $p > 0.05$), indicating that perceived risk did not play a significant role in shaping attitudes or intentions in this context.

Mediation Analysis: Bootstrapping (500 resamples) was conducted to test the mediating role of Attitude Toward the Offer in the relationships between independent variables and Behavioral Intention.

- The indirect effect of Fear Appeal $\rightarrow$ Attitude $\rightarrow$ Behavioral Intention was significant ($\beta = 0.18$, $p = 0.001$).
- The indirect effect of Message Credibility $\rightarrow$ Attitude $\rightarrow$ Behavioral Intention was also significant ($\beta = 0.20$, $p < 0.001$).

These results confirm that Attitude Toward the Offer fully mediates the relationship between Fear Appeal/Message Credibility and Behavioral Intention.

5. Discussion and Implications

This study set out to investigate how fear- and urgency-based marketing appeals influence the behavioral intentions of university students toward financial services in Bangladesh, using an integrated framework of Protection Motivation Theory (PMT), Theory of Planned Behavior (TPB), and the Elaboration Likelihood Model (ELM). The findings provide robust empirical evidence on the psychological mechanisms through which emotionally persuasive marketing operates among financially inexperienced

youth.

Summary of Key Findings

The results confirm that fear appeal and message credibility are significant predictors of attitude toward the financial offer, which in turn is the strongest driver of behavioral intention. This supports the central role of attitude as a mediating mechanism in emotionally driven decision-making, consistent with TPB (Hagger et al., 2020). The strong positive effect of attitude ($\beta = 0.50$, $p < 0.001$) suggests that students' evaluations of a financial product—shaped by emotional and peripheral cues—play a decisive role in their willingness to act.

Notably, fear appeal significantly influenced attitude ($\beta = 0.35$, $p < 0.001$), supporting H2 and aligning with PMT's assertion that fear can motivate adaptive behavior when a solution is perceived as effective and attainable (Rogers, 1975). However, H1 was not supported: fear appeal did not significantly increase perceived risk ($\beta = 0.08$, $p = 0.213$). This unexpected finding suggests that while fear-based messages can generate favorable attitudes, they do not necessarily heighten threat perception among Bangladeshi students. This may be due to low financial literacy, cognitive dissonance, or the normalization of urgency-based messaging in digital environments.

Similarly, H3 was not supported: perceived risk had no significant effect on attitude ($\beta = 0.09$, $p = 0.213$). This challenges traditional risk-based models of consumer behavior, indicating that cognitive risk assessment plays a minimal role in this context. Instead, students appear to respond more to emotional resonance and credibility than to rational evaluations of

potential loss.

Message credibility emerged as a critical factor, significantly influencing both attitude ($\beta = 0.40, p < 0.001$) and behavioral intention directly ($\beta = 0.25, p = 0.003$). This strongly supports H4 and H5 and is consistent with ELM, which posits that individuals with low motivation or ability (such as financially inexperienced students) rely on peripheral cues like source trustworthiness rather than deep message processing (Petty & Cacioppo, 1986). A credible message reduces skepticism and increases compliance, even in the absence of strong logical arguments.

The mediation analysis confirmed that attitude fully mediates the effects of both fear appeal and message credibility on behavioral intention. This underscores the importance of affective pathways in shaping student responses: emotional appeals do not directly drive behavior but do so indirectly by shaping favorable attitudes.

Theoretical Implications

This study makes several contributions to behavioral theory in marketing:

- i. Integration of PMT, TPB, and ELM in the context of financial services provides a holistic model of emotionally driven decision-making. While these theories have been applied individually, their combined use offers a more nuanced understanding of how threat perception, social-cognitive factors, and heuristic processing interact in real-world contexts.
- ii. The limited role of perceived risk challenges the assumption that fear appeals work primarily by increasing

threat appraisal. Instead, the results suggest that in financially vulnerable populations, fear may function more as a motivational nudge than a risk amplifier—a finding that calls for a refinement of PMT in consumer contexts.

- iii. The strong effect of message credibility reinforces the relevance of ELM in digital marketing, especially when targeting audiences with low elaboration capacity. It highlights the power of peripheral cues in shaping both attitudes and behavioral intentions.

Practical Implications

For financial institutions and fintech marketers, the findings offer clear guidance:

- Emphasize credibility in messaging: use trusted sources, transparent terms, and professional branding to build trust.
- Use fear and urgency strategically: frame offers as timely solutions to future challenges (e.g., “Secure your financial future now”), but avoid exaggeration that could trigger skepticism or reactance.
- Focus on attitude formation: design campaigns that create positive emotional associations with financial products, as attitude is the strongest predictor of action.
- Avoid over-reliance on risk-based messaging, as it appears ineffective among this demographic.

Ethical and Policy Considerations

Given students' low financial literacy and high susceptibility to emotional appeals,

the study raises important ethical concerns. While fear- and urgency-based tactics can be effective, they risk exploiting cognitive vulnerabilities and promoting impulsive decisions. Regulators and policymakers in Bangladesh should consider guidelines for responsible financial advertising, particularly for student-targeted products. This includes mandating clearer disclosures, limiting manipulative language, and promoting financial education.

Limitations and Future Research

This study has several limitations. First, the cross-sectional design limits causal inference; longitudinal or experimental studies could better establish causality. Second, the sample is limited to university students in urban and semi-urban areas, so findings may not generalize to other age groups or rural populations. Third, self-reported data may be subject to common method bias, though procedural remedies were applied.

6. Conclusion

This study set out to examine the psychological mechanisms through which fear- and urgency-based marketing appeals influence university students' behavioral intentions toward financial services in Bangladesh. By integrating Protection Motivation Theory (PMT), Theory of Planned Behavior (TPB), and the Elaboration Likelihood Model (ELM), the research developed and empirically validated a comprehensive model using Structural Equation Modeling (SEM) based on data from 217 students.

The findings reveal that *fear appeal* and *message credibility* significantly shape students' attitude toward financial offers, which in turn is the strongest predictor of

behavioral intention. Notably, *attitude* fully mediates the effects of emotional appeals on behavioral outcomes, underscoring the central role of affective evaluation in decision-making. In contrast, *perceived risk* showed no significant influence, suggesting that Bangladeshi students respond more to *emotional resonance* and *source trustworthiness* than to *rational risk assessment*. This challenges traditional models that prioritize cognitive evaluation and highlights the dominance of heuristic processing in financially inexperienced populations.

Four of the six hypotheses were supported, affirming the power of emotionally persuasive and credible messaging in driving student engagement with financial products. These results contribute to academic literature by extending established behavioral theories into the under-researched domain of emotional marketing in financial services, particularly in a developing economy context. For practitioners, the study offers actionable insights to effectively engage students, financial institutions should prioritize message credibility and positive emotional framing over fear-based threat messaging.

However, this effectiveness raises important ethical considerations. Given students' low financial literacy and high susceptibility to peripheral cues, the use of urgency and fear appeals risks promoting impulsive decisions and long-term financial vulnerability. Therefore, while such strategies may yield short-term conversions, they must be balanced with transparency, responsibility, and consumer protection.

This study is not without limitations. The cross-sectional design limits causal

inference, and the non-probability sampling restricts generalizability beyond urban Bangladeshi students. Future research could employ longitudinal or experimental designs, explore other emotional appeals (e.g., hope, humor), and extend the model to other demographic groups or cultural contexts.

To sum up, this research demonstrates that emotionally engaging and credible communication are keys to influencing financially inexperienced consumers. As digital financial services continue to expand in Bangladesh and similar markets, marketers, educators, and policymakers must work together to promote ethical, student-centered marketing practices that empower young consumers to make informed, responsible financial decisions.

Author Contributions

Conceptualization, Zia N. and Jobaid I.;
Methodology, Zia N. and Jobaid I.;
Validation, Jobaid I.;
Formal analysis, Zia N.;
Investigation, Zia N.;
Resources, Zia N. and Jobaid I.;
Data curation, Zia N.;
Writing—original draft preparation, Zia N.;
Writing—review and editing, Jobaid I.;
Supervision, Jobaid I.

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Informed Consent Statement

Informed consent was obtained from all participants involved in the study.

Data Availability Statement

The data supporting the findings of this study are available from the corresponding

author upon reasonable request. Data are not publicly available due to confidentiality restrictions.

Conflicts of Interest

The authors declare no conflict of interest.

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