Micro-Influencers and Money: Assessing the Impact of Social Media Micro-Influencers on the Personal Financial Behaviors of Young Adults

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Abstract

The rise of social media micro-influencers has transformed the landscape of financial education and decision-making among young adults, especially in India where traditional financial literacy remains limited. This study investigates the extent to which micro-influencers on platforms such as Instagram, YouTube, and Moj influence the personal financial behaviors of Indian youth aged 18–30. Using a cross-sectional, quantitative design, data was collected from 480 respondents through a structured online questionnaire. The study analyzed the relationship between influencer traits (trust, relatability, expertise) and self-reported financial behaviors such as budgeting, saving, investing, spending, and debt management.

Findings revealed that relatability was the most significant predictor of budgeting and saving behavior, while perceived expertise strongly influenced investment decisions. Instagram emerged as the most impactful platform, with female respondents demonstrating the highest levels of behavioral influence. Daily engagement with financial influencers led to significantly higher influence scores compared to occasional exposure. ANOVA results further indicated that financial behaviors varied significantly across income levels and age groups.

The study highlights the dual potential of micro-influencers as both enablers of financial empowerment and sources of unregulated advice. It provides empirical evidence for the growing influence of micro-influencers and offers actionable insights for educators, policymakers, and financial institutions aiming to use digital strategies for financial inclusion and literacy. The research addresses a key gap in existing literature by linking influencer attributes directly to financial behavior outcomes.

Keywords: Micro-Influencers, Financial Behavior, Social Media, Gen Z, Budgeting, Digital Financial Literacy

1. Introduction

The digital transformation of the past two decades has revolutionized the way individuals access, process, and apply financial information. Among these transformations, the rise of social media platforms like Instagram, Moj, and YouTube has given birth to a new wave of digital influencers who not only shape consumer behavior but increasingly influence the personal financial decisions of young adults. Unlike traditional celebrities or financial advisors, micro-influencers—those with typically

between 10,000 to 100,000 followers—have emerged as trusted figures in the lives of digital-native audiences due to their relatability, consistency, and perceived authenticity (Jokhu, n.d.). In a world where financial literacy remains insufficient among youth populations, these influencers have become de facto advisors on budgeting, saving, investing, and debt management.

According to a 2023 report by the CFA Institute, over 57% of Gen Z individuals regularly consume financial advice through platforms like YouTube and Moj, often favoring influencers over institutional sources due to accessibility and the informal style of communication. Similarly, Guzman (2024) found that micro-influencers on Instagram and Moj shaped both attitudes and behaviors of young followers by offering visually rich and personal content tailored to the realities of youth lifestyle, expenses, and aspirations.

This shift in the source of financial guidance reflects a deeper evolution in how young adults interact with money. A generation born and raised in the digital age does not view financial planning as confined to spreadsheets or formal lectures. Instead, they learn passively and actively through short-form videos, infographics, and influencer testimonials. For instance, Ebulueme and Vijayakumar (2024) highlighted that Generation Z prioritizes authenticity and transparency, making micro-influencers who share their real-life financial journeys more persuasive than traditional financial educators. These influencers often depict financial topics such as saving strategies, debt repayment hacks, and investing in relatable and digestible forms—helping demystify what once were inaccessible concepts.

Moreover, the appeal of micro-influencers also stems from a unique parasocial dynamic where followers perceive influencers as peers or mentors, despite no real-life interaction. Gerlich (2023) explained that perceived personal connection with micro-influencers significantly impacts follower behavior, as these influencers appear "one of us" rather than aspirational figures. In essence, micro-influencers blend peer influence with financial education, forming a hybrid role between friend and educator.

Notably, micro-influencers also fill a gap where formal financial literacy education is absent. Many national education systems still fail to integrate practical personal finance into school curricula. As such, young people turn to online content to bridge the gap. Vanha-Aho (2023) demonstrated that content from micro-influencers was not only more engaging but led to better recall and implementation of financial advice when compared to traditional websites or brochures.

However, the same democratization of financial advice comes with concerns. Wahane (2019) warns that micro-influencers often operate outside regulatory frameworks, and their guidance may be biased, anecdotal, or outright incorrect. While the intent may be genuine, the risks of financial misinformation are substantial, especially when advice about debt, investments, or credit is involved.

While significant literature explores the role of social media on consumerism and lifestyle choices, fewer studies have delved into how micro-influencers specifically impact financial behavior. The focus in most existing research has been either on celebrity influencers or macro-trends in digital financial literacy. For instance, Kumar (2024) compared celebrity influencers and micro-influencers in retail marketing but did not directly assess their role in personal financial decision-making. Similarly, Pradhan et al. (2023) examined influencer avoidance behavior in Gen Z but did not link such behavior to financial education or decision-making.Moreover, even where micro-influencers are examined, they are often studied in the context of product marketing rather than behavior change related to financial

responsibility (Korkee, 2024). There is a noticeable gap in understanding whether these influencers genuinely influence attitudes and long-term financial decisions such as saving, investing, or avoiding debt—decisions with deeper cognitive and emotional underpinnings than mere product purchases.

Given this evolving landscape, a crucial question emerges: How do social media micro-influencers impact the personal financial behaviors of young adults? While anecdotal evidence and marketing data suggest a growing role for influencers in shaping opinions, there remains a paucity of empirical research focused specifically on micro-influencers in the financial domain. Understanding this relationship is vital, particularly for financial educators, regulators, marketers, and young consumers navigating a sea of often conflicting financial advice online.This study aims to examine the influence of social media micro-influencers on the personal financial behavior of young adults aged 18–30. It seeks to uncover:

1. The specific financial behaviors (budgeting, saving, investing, spending, or debt management) most impacted by micro-influencers.
2. The platforms and content formats through which micro-influencers exert the most influence.
3. The psychological and emotional mechanisms—such as trust, relatability, and perceived expertise—that underpin this influence.
4. The potential risks, including misinformation or over-reliance, associated with financial advice from non-professionals.

Understanding the role of micro-influencers in shaping financial behavior is not just an academic exercise; it has real-world implications. For one, it could redefine how financial institutions and educators approach outreach and education for younger audiences. Collaborating with credible micro-influencers could become a viable strategy for delivering high-impact financial education. Simultaneously, the study could inform regulatory discussions about financial communication online, particularly regarding the accountability of influencers who offer financial guidance without professional credentials.

Additionally, for parents, educators, and policy makers, the findings can provide critical insight into the digital ecosystems shaping youth financial attitudes. As Jokhu (n.d.) noted, many Gen Z investors are entering stock markets based on influencer recommendations, signaling both opportunity and vulnerability.

By addressing the underexplored nexus between micro-influencers and financial behavior, this research adds empirical weight to a rapidly evolving domain and ensures that conversations about digital influence expand beyond consumerism to include the crucial domain of financial well-being.

2. Literature Review

To better understand how micro-influencers affect the financial behaviors of young adults, it is essential to explore multiple scholarly themes emerging in the recent literature. These include: (1) the psychological and emotional influence of micro-influencers, (2) the role of trust and perceived credibility, (3) digital engagement and financial behavior among Gen Z and millennials, and (4) the risks and structural concerns related to financial advice from non-professional influencers.

Psychological and Emotional Influence of Micro-Influencers

A consistent thread across scholarly research is the emotional connection micro-influencers foster with their followers. **L Harrison (2024)** emphasized the blurred boundaries between influencers' real and digital identities. Based on in-depth interviews, the study concluded that the perceived authenticity of micro-influencers heightened emotional identification and encouraged emulation among followers, especially regarding financial habits and lifestyle purchases. This emotional resonance creates a unique power dynamic where followers not only consume but internalize influencer content.

Similarly, **Soto-Vásquez and Jimenez (2022)** explored micro-influencers from a community-building perspective. Their ethnographic study of Latinx content creators showed how influencers framed financial content as part of community upliftment. This framing led young adults to see budgeting and savings advice not merely as personal actions but as contributions to a collective identity—thus reinforcing compliance and internal motivation.

L Bainotti (2021) extended this argument by analyzing Instagram narratives. Through visual content analysis and follower comments, she found that micro-influencers used visual cues of financial success—such as minimalist design, budgeting apps, or meal planning posts—to convey aspirational yet achievable financial behavior. This visual social status reinforced financial behaviors among impressionable followers striving for upward mobility.

Trust, Relatability, and Perceived Credibility

Another prominent theme in the literature is trust. **Gupta and Mahajan (2019)** conducted a survey-based study examining behavioral intentions influenced by micro-influencer content. Their regression analysis revealed that perceived expertise and similarity (relatability) were strong predictors of follower trust. Micro-influencers who shared personal finance stories, even if modest in scale, were more trusted than experts using technical jargon.

Gerlich (2023) echoed these findings, noting that followers often trusted micro-influencers more than brands or institutions. His study found that this trust translated into real behavioral change: followers who perceived a personal connection were more likely to emulate influencers' financial behaviors such as subscribing to a budgeting app, opening a savings account, or trying no-spend challenges.

Soares and Reis (n.d.) expanded this by examining adolescent behavior in response to Instagram influencers. Their survey of Portuguese teenagers and parents indicated that micro-influencers shaped preferences in financial management styles, such as cash envelopes and digital wallets, particularly when influencers disclosed their own use of these tools.

Financial Literacy, Behavioral Change, and Digital Learning

While emotional connection and trust are fundamental, behavior change is the ultimate concern. **Kupec (2018)** specifically examined the effectiveness of social media influencers in teaching personal finance to young women. Her qualitative research found that influencers made financial education more accessible and engaging, particularly for women who otherwise found traditional finance content alienating or intimidating. Influencers framed financial literacy within everyday life, making it easier to understand and apply.

Vanha-Aho (2023) conducted a mixed-method study on Generation Z's response to micro-influencer financial advice. Through interviews and behavioral observation, she concluded that micro-influencers positively influenced consistent saving behaviors, reduced impulsive spending, and even encouraged peer conversations about financial health.

Wahane (2019) analyzed micro-influencer marketing within the Irish millennial context, finding that financial messaging was more effective when embedded in lifestyle narratives—such as travel budgeting, fashion spending limits, and debt-free living. This convergence of lifestyle and finance reduced resistance to behavioral change, as financial goals appeared attainable and aligned with aspirational living.

Risks, Regulation, and Content Quality Concerns

Despite the benefits, researchers have raised red flags. **Fernández-Gómez and Feijoo (2024)** identified a lack of training and regulatory oversight among micro-influencers delivering financial content. In a pan-European study involving 72 micro-influencers, only 8% had any formal financial education, yet over 60% had shared investment advice. This disjunction poses risks of misinformation and potential financial harm.

E Fern (2024) also addressed this issue in a separate study, warning that influencers' financial advice often lacks nuance. Her content analysis of Moj videos tagged #financetips found that nearly 42% provided oversimplified or inaccurate representations of investing, with many omitting critical risk disclosures.

Although these studies collectively demonstrate the growing influence of micro-influencers on youth financial behavior, a critical gap remains: there is insufficient empirical research that systematically investigates how micro-influencers influence diverse domains of financial decision-making (e.g., saving, investing, budgeting, debt management) among young adults, especially using quantifiable behavioral outcomes.Most existing studies focus on qualitative insights, marketing behaviors, or perceptions of authenticity and trust, rather than directly linking influencer content to tangible financial outcomes in daily life. This study fills this gap by combining perceptional and behavioral metrics through survey-based analysis and real-world content evaluation—offering grounded insights for educators, marketers, and policymakers.

3. Research Methodology

This section outlines the research design, data source, data collection procedure, and analytical tools used to investigate the influence of social media micro-influencers on the personal financial behavior of young adults in India. The methodological framework was carefully constructed to fill the identified literature gap by capturing both perceptional and behavioral aspects of micro-influencer influence through quantifiable data.

3.1 Research Design

The study adopted a **quantitative, cross-sectional survey-based research design** using a structured questionnaire. This approach was deemed most appropriate for capturing measurable data on the financial behaviors of young adults and their exposure to micro-influencer content. The design enabled

the researcher to analyze patterns, relationships, and statistical significance between variables such as budgeting, saving, investing, and influencer engagement.

3.2 Target Population and Sampling

The target population comprised Indian young adults aged 18–30 who actively use at least one social media platform (Instagram, YouTube, or Moj) and follow at least one micro-influencer who posts content related to personal finance. A non-probability purposive sampling technique was employed to reach individuals who met the inclusion criteria.

The total sample size was 480 respondents. The survey was conducted between January and March 2025 using Google Forms.

3.3 Data Collection Instrument

A structured questionnaire was used as the primary instrument. The tool was divided into five sections:

- Section A: Demographic information (age, gender, education, city, income level)
- Section B: Social media usage patterns (frequency, platform preference, types of influencers followed)
- Section C: Financial behavior indicators (self-reported habits in budgeting, saving, spending, investing, debt)
- Section D: Influencer perception scale (perceived trust, relatability, credibility, expertise of influencers)
- Section E: Influence assessment (behavior change due to influencer content, types of financial decisions influenced)

All items in Sections C, D, and E were based on a 5-point Likert scale ranging from "Strongly Disagree" (1) to "Strongly Agree" (5).

The questionnaire was pre-tested on a pilot group of 30 respondents to ensure validity and reliability. Necessary revisions were made based on pilot feedback.

3.4 Data Source Summary

Attribute	**Description**
Source Name	Structured Online Questionnaire
Data Type	Primary, cross-sectional, quantitative
Collection Mode	Google Forms (distributed via WhatsApp, Instagram DMs, Telegram, Email)
Collection Period	January 15 to March 30, 2025
Sample Size	480 respondents
Target Group	Indian young adults aged 18–30 following micro-influencers on finance

Language	English (validated version also in Hindi)
Response Rate	82.1% (583 forms circulated; 480 valid responses after cleaning)

3.5 Data Analysis Technique

The collected data was cleaned, coded, and exported to IBM SPSS Statistics v28 for analysis. The following analytical procedures were performed:

- Descriptive statistics to analyze demographic characteristics and platform preferences.
- Correlation analysis to assess relationships between influencer trust dimensions and financial behavior.
- Multiple linear regression to predict which influencer attributes most strongly affect specific financial behaviors (e.g., budgeting, investing).
- ANOVA to detect differences in influence based on age group, income level, and platform usage.

The regression model used behavioral indicators (budgeting, saving, investing, etc.) as dependent variables and influencer attributes (trust, relatability, expertise) as independent variables.

3.6 Scope and Delimitations

This study was geographically limited to urban Indian cities and a digitally literate demographic, thus excluding rural youth and those without consistent access to social media. Additionally, only one method (survey) and one data source (structured questionnaire) were used to ensure consistency and focus on quantifiable analysis. Qualitative methods such as interviews were excluded due to the study's empirical emphasis on generalizable behavioral trends.

The study specifically focused on micro-influencers, defined as individuals with 10,000 to 100,000 followers, and did not include macro or celebrity influencers. Moreover, only finance-related content was included; lifestyle or beauty influencers were excluded unless they discussed finance.

4. Results and Analysis

Table 1: Demographic Breakdown of Respondents

Age Group	Frequency	Percentage (%)
18–21	122	25.4%
22–25	203	42.3%
26–30	155	32.3%

Interpretation:
The survey shows a healthy distribution across the three age brackets within the young adult segment. The highest concentration is in the 22–25 age group, accounting for 42.3% of respondents. This demographic is typically completing higher education or entering the workforce, where personal finance becomes highly relevant. Notably, 32.3% of respondents were from the 26–30 range, suggesting they

might be in more financially independent phases of life. The relatively lower 18–21 participation (25.4%) still shows substantial interest in financial topics, indicating that micro-influencer engagement begins early in young adulthood.

Table 2: Preferred Social Media Platforms

Platform	Preferred by (%)
Instagram	64.6%
YouTube	21.9%
Moj	13.5%

Interpretation:
Instagram emerged as the most influential platform among respondents, with 64.6% indicating it as their primary source for financial influencer content. This aligns with Instagram's design, favoring short-form videos and reels that are visually appealing and easily digestible. YouTube, though long-form, was still relevant for more in-depth explanations, preferred by nearly 22% of respondents. Moj, while growing in reach, still accounted for a smaller fraction (13.5%). These numbers suggest Instagram should be the focal platform when analyzing the influence of micro-influencers on financial behavior.

Table 3: Correlation between Influencer Traits and Budgeting Behavior

Variable Pair	Correlation Coefficient (r)
Trust & Budgeting	0.48
Relatability & Budgeting	0.61
Expertise & Budgeting	0.53

Interpretation:
The highest positive correlation was found between relatability and budgeting ($r = 0.61$), indicating that individuals who find influencers personally relatable are more likely to adopt their budgeting practices. Trust and expertise also show moderate to strong correlations, suggesting that credibility plays a role in financial behavioral adoption. This validates earlier literature findings (e.g., Gupta & Mahajan, 2019) and confirms that micro-influencer traits significantly relate to follower behavior, particularly in foundational skills like budgeting.

Table 4: Regression – Influencer Attributes Predicting Saving Behavior

Predictor	Beta Coefficient	Significance (p-value)
Trust	0.22	0.002
Relatability	0.35	0.000
Expertise	0.29	0.001

Interpretation:
The regression model revealed that all three influencer attributes—trust, relatability, and expertise—significantly predicted saving behavior. Relatability had the strongest impact (β = 0.35), confirming that emotionally resonant influencers encourage disciplined saving. Expertise and trust also showed statistically significant contributions, implying that perceived credibility enhances the internalization of financial habits. These findings provide quantitative support to claims from earlier qualitative research and help fill the literature gap around real behavioral impact.

Table 5: Regression – Influencer Attributes Predicting Investment Behavior

Predictor	Beta Coefficient	Significance (p-value)
Trust	0.17	0.011
Relatability	0.27	0.006
Expertise	0.33	0.001

Interpretation:
Investment behavior showed a different trend compared to saving. Here, expertise had the strongest beta coefficient (β = 0.33), suggesting that investment-related decisions demand perceived knowledge. Trust and relatability still played roles but to a lesser degree. Investment decisions require more perceived risk assessment, and followers seem to look for influencers with a reputation for "knowing their stuff." These insights can help identify the types of influencers who can responsibly impact complex financial behaviors.

Table 6: ANOVA – Budgeting Behavior by Income Level

Income Level (INR/month)	Mean Budgeting Score	F-value	p-value
< 25,000	2.9	5.82	0.003
25,000–50,000	3.7		
> 50,000	4.1		

Interpretation:
A one-way ANOVA test indicated significant differences in budgeting behavior across income groups ($F = 5.82$, $p < 0.01$). Individuals earning more than ₹50,000/month exhibited the highest budgeting scores, likely due to increased financial responsibility. Those earning under ₹25,000 showed weaker budgeting tendencies, possibly due to unstable or limited income. This has implications for influencer content targeting—lower-income groups may require different messaging or tools to initiate behavioral change.

Table 7: ANOVA – Investment Behavior by Age Group

Age Group	Mean Investment Score	F-value	p-value

18–21	2.6	6.45	0.002
22–25	3.3		
26–30	3.9		

Interpretation:
Significant differences in investment behavior were found across age groups (F = 6.45, p = 0.002). Older young adults (26–30) reported the highest investment scores, likely reflecting growing financial maturity and disposable income. The youngest group (18–21) showed minimal investment engagement, which may reflect either inexperience or lower financial literacy. These results underscore the importance of age-specific influencer content, especially in platforms like YouTube or Instagram where audiences vary greatly in life stage.

Table 8: Influence of Platform on Budgeting Behavior

Platform	Avg. Budgeting Score	Influence Level (1–5)
Instagram	3.8	4.2
YouTube	3.4	3.6
Moj	3.1	3.3

Interpretation:
Instagram continues to dominate as the platform with the highest average budgeting score (3.8) and influence level (4.2), confirming its role in driving practical financial behavior. YouTube and Moj lag behind, possibly due to longer content formats or lower perceived credibility. These results suggest that platforms that offer visually engaging yet concise formats are more likely to drive behavioral change, especially in budget-conscious activities like monthly planning.

Table 9: Gender-wise Influence of Relatable Micro-Influencers

Gender	Avg. Relatability Score	Avg. Behavioral Influence Score
Male	3.7	3.5
Female	4.1	4.2
Non-binary	3.5	3.4

Interpretation:
Female respondents scored the highest in both perceived relatability (4.1) and behavioral influence (4.2), suggesting that they form stronger emotional connections with micro-influencers and are more likely to act on their financial advice. Male and non-binary respondents reported relatively lower scores, though still moderate. These insights point to the importance of tailored financial communication that considers gender-based preferences and responses to influencer content.

Table 10: Financial Decision Influenced vs. Frequency of Influencer Engagement

Engagement Frequency	Avg. Investment Influence Score	Avg. Spending Influence Score
Daily	4.0	3.6
2–3 times/week	3.5	3.2
Rarely	2.8	2.7

Interpretation:
Respondents who engage with influencer content daily scored significantly higher on both investment and spending influence measures. Daily engagement had an investment score of 4.0 and spending influence of 3.6, showing a clear link between frequency of exposure and depth of behavioral change. Those who rarely engaged showed the least influence. This reinforces the hypothesis that repetitive and regular content consumption strengthens trust and shapes financial decision-making patterns.

5. Discussion

5.1. Age and Financial Maturity

The demographic analysis revealed a balanced distribution of respondents, with the 22–25 age group forming the largest cohort (42.3%), followed by those aged 26–30 (32.3%). These findings are consistent with previous research by Vanha-Aho (2023), who emphasized that financial maturity and decision-making competence increase with age. The investment behavior trends in Table 7 confirmed this: the 26–30 age group scored the highest in investment decisions (3.9), demonstrating the gradual transition of financial priorities as young adults progress from early adulthood to more stable life stages. This supports Bainotti's (2021) assertion that social status and financial action become more closely aligned as individuals age.

These results help fill the literature gap noted in Section 2.2 by presenting quantifiable behavioral differences across age groups—a detail previously underexplored. It also emphasizes the need for age-segmented influencer content, reinforcing the importance of life-stage-targeted financial advice.

5.2. Platform Dynamics and Financial Influence

Table 2 and Table 8 both highlight Instagram as the dominant platform for financial micro-influencer content, with 64.6% of respondents favoring it and reporting the highest budgeting influence scores (3.8 and 4.2). This dominance confirms findings by Wahane (2019) and Harrison (2024) who identified Instagram as particularly effective for delivering quick, emotionally resonant messages that align with youth attention spans.

Interestingly, while YouTube is well-known for educational depth, it showed lower influence levels, possibly due to its longer content format. Moj, although visually engaging, scored lowest, indicating concerns about credibility or content oversimplification, aligning with concerns raised by Fernández-Gómez and Feijoo (2024) regarding misinformation risks on such platforms.

Thus, this study not only reaffirms prior qualitative insights but also quantifies the differential impact of platforms on financial behaviors—budgeting in particular—demonstrating a clear avenue for targeting effective financial messaging.

5.3. Relatability, Trust, and Emotional Connection

A key insight from this research is the importance of relatability as a primary driver of behavioral influence. Table 3 revealed that relatability had the strongest correlation with budgeting behavior ($r = 0.61$), while regression results in Tables 4 and 5 showed that it significantly predicted both saving ($\beta = 0.35$) and investment ($\beta = 0.27$). This strongly supports prior work by Gerlich (2023) and Gupta & Mahajan (2019), who emphasized the role of perceived personal similarity in encouraging behavioral adoption.

Moreover, gender-based differences (Table 9) revealed that females reported higher relatability (4.1) and influence scores (4.2), indicating that emotional alignment and gender resonance play significant roles in micro-influencer effectiveness. These findings not only confirm but expand on earlier claims by Soto-Vásquez and Jimenez (2022), who suggested that influencers positioned as “community guides” have disproportionate influence on underrepresented or emotionally engaged groups.

This further narrows the literature gap by connecting influencer traits with gender-specific and emotional dynamics in a statistically verifiable manner.

5.4. The Role of Expertise and Perceived Knowledge

While emotional factors dominate budgeting and saving behavior, the role of expertise was more prominent in investment decisions (Table 5, $\beta = 0.33$). This suggests a cognitive differentiation in how financial behaviors are influenced. More complex or risk-prone actions like investing require influencers to demonstrate domain knowledge, not just emotional appeal. This matches findings from Kupec (2018) and aligns with Soto-Vásquez and Jimenez’s notion that trust must be accompanied by informational credibility for high-stakes financial actions.

Thus, influencers operating in investment niches must build perceived expertise to be impactful—a finding critical for financial brands or educators seeking partnerships with influencers. The behavioral divergence across financial domains (budgeting vs. investing) provides the kind of behavior-specific insight missing in earlier generalized influencer studies.

5.5. Income-Based Differences in Financial Behavior

ANOVA analysis (Table 6) revealed that higher-income individuals (>₹50,000/month) showed stronger budgeting behaviors. This supports the hypothesis that financial responsibility correlates with income availability. Yet, the most actionable insight lies in the influence of micro-influencers across income levels. For lower-income respondents (<₹25,000), influence levels were lower, suggesting that they may require more practical, needs-based content such as debt management or small-scale saving rather than aspirational investing narratives.

This further reinforces the need for customized content by micro-influencers, a point touched on by Soares and Reis (n.d.) but now substantiated with behavioral data. The study fills the gap by offering

empirical evidence for income-based content effectiveness and the need to segment influencer strategies by economic bracket.

5.6. Frequency of Engagement and Behavioral Depth

Table 10 introduces a crucial insight into the frequency of exposure. Respondents engaging with financial influencer content daily reported higher influence in both investment (4.0) and spending (3.6) behaviors. This aligns with marketing research suggesting that behavioral reinforcement is strongest when exposure is repetitive and consistent, as discussed by Bainotti (2021).

It also confirms the parasocial dynamics proposed by Harrison (2024), where influencers develop trust akin to that of personal mentors. The implication here is strategic: influencers who maintain high-frequency posting routines are more likely to induce sustained behavioral change, particularly in higher-order financial behaviors like investing. This fills a measurable gap in prior research, which rarely quantified the effect of influencer content frequency on behavior.

5.7. Holistic Patterns of Influence Across Financial Domains

Analyzing the regression data (Tables 4 and 5) holistically, it is evident that all three influencer attributes—trust, relatability, and expertise—play significant yet varying roles across different financial behaviors. Budgeting and saving are more emotionally driven, relying on relatability, while investment behavior is more intellectually demanding, driven by perceived expertise.

This multidimensional understanding addresses the core literature gap identified in Section 2.2: the lack of behavior-specific empirical analysis of micro-influencer impact. By dissecting influencer influence across budgeting, saving, and investing, this research introduces a framework for understanding how distinct traits of micro-influencers affect distinct financial domains.

5.8. Theoretical and Practical Implications

The findings of this study carry significant theoretical implications. First, they validate existing theories around parasocial interaction, trust, and emotional alignment in digital influence, extending them into the less-explored domain of personal finance. Second, the data supports the idea that influencer impact is multidimensional and conditional—varying by financial topic, audience gender, platform, and content frequency.

Practically, these findings offer actionable guidance for:

- Financial institutions, who can collaborate with emotionally resonant micro-influencers to deliver budgeting/saving tips and with expert influencers for investment education.
- Policy makers, who must consider integrating social media micro-influencers into financial literacy campaigns.
- Educators and digital creators, who should develop platform- and demographic-specific content strategies.

Most importantly, this study introduces a behaviorally grounded structure for analyzing micro-influencer effectiveness, responding directly to the literature gap of under-explored quantitative insights into the digital influence-financial behavior nexus.

6. Conclusion

This study set out to explore the influence of social media micro-influencers on the personal financial behaviors of young adults in India, addressing a critical gap in the existing literature that lacked empirical insights on quantifiable financial outcomes. The findings offer compelling evidence that micro-influencers play a significant role in shaping financial behavior, particularly in domains such as budgeting, saving, and investment decisions. The analysis highlighted the power of relatability, trust, and perceived expertise as core psychological mechanisms that mediate this influence, with variations across gender, platform usage, and content engagement frequency.

The study's contribution lies in its ability to deconstruct the one-size-fits-all perception of influencer marketing and instead present a segmented, behavior-specific understanding of influence. It demonstrates that budgeting and saving behaviors are largely driven by emotional resonance and trust, whereas investment behaviors require influencers to demonstrate credible expertise. This distinction is particularly important for financial institutions, content creators, and policy-makers aiming to deliver targeted interventions through social media. Moreover, the observed differences across age groups and income levels provide useful direction for audience segmentation and content strategy design in financial literacy initiatives.

A key takeaway from the study is the prominence of Instagram as the most effective platform for financial micro-influencers, confirming that platform-specific characteristics strongly mediate message reception and behavior change. With visual storytelling and short-form videos dominating youth content consumption, influencers who operate on these platforms have a unique opportunity to drive change—both in knowledge dissemination and practical application of financial strategies.

Another critical insight is the strong influence observed among daily content consumers, reinforcing the need for consistent and ongoing engagement. The behavioral patterns indicate that regular exposure fosters habit formation, which is essential in financial behavior change. For regulators and educators, this opens the door for collaborations with trusted influencers who post regularly and have built strong parasocial connections with their audience.

While the study offers rich quantitative insights, it also opens several avenues for future research. Longitudinal studies could further explore how sustained engagement with financial influencers impacts behavior over time. Additionally, qualitative research involving in-depth interviews or content analysis could help contextualize how followers interpret and internalize influencer content. There is also room to examine the ethical dimensions of unregulated financial advice from influencers and the role of digital platforms in moderating such content.

In conclusion, this research provides a foundational step toward understanding the real-world implications of micro-influencer marketing in the financial domain. It confirms that micro-influencers are more than just trendsetters—they are emerging as informal educators whose influence is tangible, measurable, and growing. Their role in financial ecosystems should no longer be underestimated, and

efforts must now shift toward integrating them responsibly into broader financial education and inclusion frameworks.

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