

Impact of Social Media Financial Influencers on Investment Awareness and Decision Making Among Young Investors in Bengaluru

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ABSTRACT

The rising number of social media finance influencers is becoming an important information source for young investors who are looking to the Internet for guidance about stocks and other financial instruments. The increasing importance of this source of information raises several research questions about the nature of this information and its impact on young investors. This paper focuses on the impact of the financial influencers on the investment awareness and behavior of young investors. It looks upon how social media financial influencers affect the investment-related choices of young investors in Bengaluru. The paper employs a quantitative research method. The data was collected from 204 respondents, who were young investors aged between 18 and 39 years. The data was collected through a questionnaire, which aimed at ascertaining the differences in the effect of financial influencer content on the choice of the type of investment with respect to age. It also intended to establish the relationship between financial influencer content on the investment behavior of young investors. One way ANOVA and correlation tests were performed on the data. The results of the tests revealed that the influence of financial influencers on investment choices differs among different age groups. The paper also established the relationship between financial influencer content on the investment behavior of young investors. The research findings demonstrate that the impact of influencers on finance-related decisions and behavior is growing significantly. Therefore, the paper concludes that young investors should rely on credible information regarding financial instruments and their selection to realize sustainable investment growth.

Keywords: Social Media Financial Influencers, Young Investors, Investment Awareness, Investment Decision-Making, Investment Behavior, Financial Content,

1. INTRODUCTION

The explosion of social media and technology has changed how people can access media and obtain information, including financial information. Such resources as Instagram, YouTube, LinkedIn, and Facebook have become critical platforms for investment information dissemination, financial knowledge,

and market news. Additionally, social media financial influencers have become popular sources of financial data. They can be considered as a new class of financial communicators who can disseminate investment-related information to the masses in easily digestible and entertaining formats and make financial markets and investment data more accessible to young people.

As a result, young investors can use social media to obtain information about investment opportunities. Financial influencer content can help raise awareness about alternative investments and promote investment-related activities among social media users. However, as more and more people use social media to obtain financial information, questions about the reliability of such information and the accuracy of financial influencers' suggestions emerge. Therefore, it is essential to investigate how young investors can be affected by financial influencer content. Specifically, this paper aims to determine how investment-related social media content can affect investment awareness and decision-making among young investors. It can be argued that the effect of financial influencers' content can vary depending on age. Given that young investors can vary in terms of their financial knowledge, investment experience, income, risk tolerance, and access to financial information sources, such variables can affect how these people can perceive financial influencer content and make investment-related decisions and affect the investment-related activities they choose. Thus, it is essential to assess these age-related differences to identify how social media can shape investment awareness and decisions in various populations.

Furthermore, it is essential to assess how financial influencer content can affect investment behaviors directly. While financial influencers can give valuable information and advice concerning investment activities, young investors can rely on their financial knowledge and other credible sources of information when making investment decisions. In general, the results of this study suggest that financial influencers can affect young investors' awareness and behaviors concerning investments indirectly.

While previous studies have investigated social media's role in investment awareness, financial literacy, and investment decision-making, more research is needed to determine how financial influencer content can affect young investors' awareness and investment behaviors. The current study was conducted against the identified research gap, given that the extant literature lacks studies that explore the relationship between financial influencer content and investment behaviors, as well as analyze age-related differences. In general, prior research has primarily focused on the relationships between social media use, awareness, and decision-making, as well as financial literacy and investment behaviors. However, the connection between social media financial influencers and investment behaviors, as well as age-related differences, has been understudied.

Therefore, this paper aims to investigate how social media financial influencers can affect young investors' investment awareness and decision-making in Bengaluru. The study sample consisted of 204 young investors aged between 18 and 39 years old. The article will specifically assess whether the effect of social media influencers on investment-related content varies between various age groups and determine if there is a correlation between financial influencer content and investment behaviors. To do that, the current study will utilize One Way ANOVA Analysis and Correlation analysis.

By investigating the effect of social media influencers on young investors' awareness and investment decision-making in Bengaluru, this study can make a significant contribution to the field of digital finance

and behavioral finance. The results of the study can help investors, financial coaches, financial institutions, policy makers, and social media influencers understand the importance of responsible financial communication and promote young investors' financial literacy and responsible investment behaviors.

2. REVIEW OF LITERATURE

Social media has become an important source of financial information for young investors. Financial influencers can shape investment awareness, choices, and behavior through their online content. Previous studies highlight the role of age, trust, and financial literacy in influencing investors. The following review summarizes major empirical studies relevant to the present research.

Joseph (2025) The study is about how social media users are more likely to make value based investment decisions. The research revealed that younger investors are more influenced to social media contents about finance. The current study concluded that social media plays an essential role in boosting investment awareness and knowledge. Finally the research discovered that social media has a significant impact on investment decisions.

Singh (2025) The current research discusses the impact of influencers on young Indian investors. The article's findings indicate that the YouTube and Instagram platforms are commonly used by young people to generate awareness about the investing domain. The study discovers that enhancing financial literacy among young investors reduces trust in influencers guidance and improves their ability to make careful decisions. The research concludes that financial education plays a vital role in developing sensible investment decisions.

Mathews (2025) This research paper analyzing the differences in engagement with social media among young and older adults in terms of seeking financial advice is presented. The author also highlights the issue of misinformation and incorrect information in online . The article claims that fear of FOMO is a major source of pressure for young investors to enter the market, and concludes that age is a significant factor in determining investment behaviors.

Singh and Chakraborty (2024) This paper aims to present the results of several studies analyzing the relationship between social media and investment decisions. They found that social media is becoming a important source of information about financial markets for investors. Moreover, the study revealed a correlation between the use of social media and the share of stocks in the portfolio. As the article shows that social media is a powerful force influencing investment behavior.

Subramanian and Prerana (2025) This paper provides insight into the impact of social media on investment decisions made by Indian youths through such platforms as YouTube, Instagram, and Twitter. The research presented in this paper demonstrates that young people rely on social media to gain knowledge about the stock market and its investment opportunities as also gave empirical evidence on the influence of celebrities on investment decisions and concludes that social media as a strong influence on the investment decisions of young Indians.

Gerritsen and de Regt (2025) This paper presents a study analyzing how financial influencers promote stocks and cryptocurrencies on social media platforms so this research offers warnings to new investors

seeking to purchase stocks and cryptocurrencies on the recommendations of influencers and suggests that they need to do a proper research before making any investment decisions.

3. OBJECTIVES OF THE STUDY

The study is undertaken with the following objectives:

1. To examine the difference in the effect of financial influencer content on the type of investment chosen by investors across different age groups.
2. To assess the relationship between financial influencer content and investment behavior among young investors.

4. HYPOTHESES OF THE STUDY

Hypothesis 1 - ANNOVA

H₀₁: There is no significant difference in the effect of financial influencer content on the type of investment chosen by investors across different age groups.

H₁₁: There is a significant difference in the effect of financial influencer content on the type of investment chosen by investors across different age groups.

Hypothesis 2 - Correlation

H₀₂: There is no significant relationship between financial influencer content and investment behavior among young investors.

H₁₂: There is a significant relationship between financial influencer content and investment behavior among young investors.

5. RESEARCH METHODOLOGY

The study will adopt a quantitative research design to establish the influence of social media financial influencers on the investment decision-making process of young investors. The population of the study will be restricted to young investors aged 18-39 years residing in Bengaluru who engage with social media platforms and are exposed to financial influencer content. The target population is young investors in the region who are influenced by social media financial content. Consequently, a convenience sampling technique will be used to select 204 respondents from the target population. This is because the population size is unknown. Data will be collected using a structured questionnaire, and the findings will be analyzed using Excel. One way Anova will be used to compare the effect of social media influencers on the choice of investment of the respondents of different ages. On the other hand, Pearson correlation will be used to analyze the relationship between the influence of financial influencers and the investment decisions of young investors.

6. DATA ANALYSIS

Objective 1: To examine the difference in the effect of financial influencer content on the type of investment chosen by investors across different age groups (One Way ANNOVA)

one-way ANNOVA was performed to test if the influence of Financial influencers' content on the type of

investment chosen differs among age groups. The results of the test indicate a large value of F, equal to 73.5 with a p-value below the critical value of .05 level ($p < 0.05$).

Therefore, since p-value is below the critical value of .05 level, we reject H_{01} and accept H_{11} . It means that the influence of financial influencers' content on the type of investment chosen indeed differs among age groups. In other words, age influences how investors will behave when they are faced with financial influencers' content, thus affecting the decisions that they make in terms of different types of investments.

Objective 2: To assess the relationship between financial influencer content and investment behavior among young investors (Pearson Correlation)

A Pearson's correlation was conducted to determine whether there is a relationship between regularly consuming financial influencer content and using it as a basis for the type of investment, used as a substitute for investment behavior. The results of the test showed that the correlation coefficient (r) between the two variables is 0.29, which suggests a positive correlation between the two variables, and, therefore, a significant relationship between the variables ($p < 0.05$).

Therefore, since the results of the Pearson's correlation test were found to be statistically significant, the alternative hypothesis (H_{12}) was adopted, and the null hypothesis (H_{02}) was rejected. The results suggest that there is a significant, but weak relationship between financial influencer content and investment behavior in young people. Thus, consumption of financial influencer content regularly is positively correlated, but weakly with investment behavior, and, therefore, young people base their decisions not solely on information provided by financial influencers but also take into account other factors.

7. KEY FINDINGS

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8. CONCLUSION

This study aimed to determine the role of financial influencers in the investment decisions of young investors in Bengaluru, Karnataka. Specifically, the paper wanted to establish if the investment decision-making of the young investors is different depending on the age group they belong to and whether there is a dependency on the content of the influencers. The research has revealed that the influence of financial influencers on investment decisions varies depending on age, which indicates that young and old investors

think differently when it comes to the role of social media personalities in their decision-making. According to the results, there is an association between following financial influencers and engaging in investment decisions. However, the relationship is weak, which suggests that while these investors are influenced by the social media personalities, their decisions are not based solely on the information provided by them. The results suggest that financial influencers can only play a supplementary role in investment advice as they serve mostly to increase awareness and self-confidence in young investors, who base their decisions on various factors and consider multiple sources of information before making a decision. For financial institutions and influencers, the results can be used to create recommendations on how to increase the influence on young investors, with the consideration of their age. For young investors, in particular, the study serves as a reminder that they should engage in careful consideration of their options before engaging in any investment decisions since influencers are only one source of information. Future research should build upon the findings in young investors in Bengaluru, Karnataka, by exploring the influence on older investors and those residing in other regions, as well as considering the timing element.

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