

Finance in the Age of Influence: An Analysis of Social Media's Money Mentors



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Abstract

In the age of digital media, social influencers have emerged as key players in disseminating information on a wide range of topics, one of which is finance. This research delves into the role of six financial influencers on YouTube. By analyzing content from leading finance influencers on YouTube, we aim to categorize the types of information disseminated, assess its quality, and evaluate its potential impact on public financial literacy and decision-making. By bridging the domains of digital media studies and economic sociology, this research aims to contribute to our understanding of digital financial culture and the broader implications for financial literacy in the modern age.

Introduction

This research focuses on analyzing financial advice from the social media platform YouTube. Financial influencers have established a strong online presence providing access to millions of people by the click of a button. This project aims to distinguish the various types of information being produced and how it can impact audiences. A recurring theme that came up in the literature review is that financial influencers often gear their content toward younger generations, and there have been both positive and negative opinions made on the use of social media as a financial literacy tool. Proficient financial literacy leads to better financial well-being. Financial well-being can be categorized into two parts: objective and subject. Objective financial well-being “reflects material possessions such as income, savings and so forth, whereas the subjective side is an individual’s self-assessment of financial situation” (Utkarsh et. al, 2020). Both aspects of financial well-being are important to life. Of course individual’s want to be subjectively financially well, but objective financial wellness can actually promote work productivity, lead to life satisfaction, improved academic performance, and psychological well-being (Utkarsh et. al, 2020). Understanding the importance behind what it means to understand finances and how financial wellness can have a positive ripple effect throughout life reveals more about the necessity for financial literacy and why some people may go to social media for easy access to this resource.

References

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Data Sample

Top Financial Influencers on YouTube

Graham Stephan

@GrahamStephan

- 4.65M+ subscribers
- “How To Get Rich in Your 20’s (Realistically)”
- “How To Actually Become a Millionaire”

Jaspreet Singh

@MinorityMindset

- 1.82M+ subscribers
- “This Is Why Most Americans Will Never Get Rich”
- “Americans Are YOLO Spending Like It’s Their Job”

Patricia Bright

@The_Break

- 3.2M+ subscribers
- “7 Steps To Get Your Personal Finances Right”

Bola Sokunbi

@CleverGirlFinance

- 149K+ subscribers
- “14 Really Simple Frugal Living Tips You Can Use Right Now”
- “Key Things To Do With Your Finances If You Are a Single Woman”
- “Starting Over And Improving Your Finances!”

Andre Jikh

@AndreJikh

- 2.33M+ subscribers
- “How I Made My First \$100,000 By Avoiding These 25 Mistakes”
- How To Invest For Teenagers”
- “Why Americans Are Doom Spending”

Tiffany Aliche

@TheBudgetnistaBlog

- 83.3K+ subscribers
- “My Story: From Broken to Whole”
- “The Road to Financial Freedom: Phase 1”
- “Ask The Budgetnista: Budgeting”

Total videos in this study: 14
*This data represents the first round of our qualitative analysis.

Methods

- This project is a qualitative study collaborating economic and digital sociology.
- We began by completing an extensive literature review on the context of financial information on social media.
- We began watching the top financial influencers on YouTube and performed inductive coding on the transcripts of the videos to identify key themes.
- We have completed one round of analysis so far, and the entire project will take many rounds due to the qualitative nature.

Preliminary Findings

What are these influencers telling us?

The creators all convey similar ideas in regard to saving money, investing, budgeting your income, and working toward financial wholeness.

“It is also crucial that you consider earning multiple sources of income” (Stephan). This theme occurs in nearly every video and speaks to the trend that inflation and cost of living have increased to the point that having one job is not enough.

We noticed that the financial background and experiences the creator has endured throughout their lifetime had an impact on how they presented their advice.

Patricia Bright begins her advice video by recognizing that everyone is at a different place, and she claims that having a positive mindset is the first step to financial stability. **“I think a lot of people have negativity and anxiety when it comes to thinking about personal finances or even money in general; a lot of people did not grow up with people who were financially literate in their life” (Bright).**

Graham Stephan, on the other hand, has more of a focus on simply becoming a millionaire and conveyed stronger emphasis on hustle culture.

“Taking on a part-time job is one of the most underutilized income sources that people are not taking advantage of, especially when you consider the people are wasting two and a half hours a day on social media” (Stephan) .

He speaks with a bit of a condescending tone and clickbaits most of his videos with the buzzwords ‘millionaire’ or ‘rich.’

This is a reflection of not only the various personal experiences of the creators but also the different dynamics of each creator’s respective intended audience.

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