

Social Media Financial Content and Investment Decision-Making among Young Investors: A Behavioural Finance Perspective

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Abstract

The growing influence of social media has transformed the way young investors access financial information and make investment decisions. This study examines the impact of Social Media Financial Content (SMFC) on Investment Decision-Making (IDM) by investigating the roles of Investor Trust (IT) and Financial Self-Efficacy (FSE). Drawing upon Social Cognitive Theory, Source Credibility Theory, and Behavioural Finance Theory, the study proposes a framework explaining the psychological mechanisms through which digital financial content influences investor behaviour. A quantitative research design was adopted, and data were collected from 365 young investors using a structured questionnaire. The proposed model was analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM). The findings indicate that Social Media Financial Content significantly enhances both Investor Trust and Financial Self-Efficacy, which, in turn, positively influence Investment Decision-Making. The study highlights the importance of credible, educational, and relevant financial content in fostering informed investment behaviour among young investors. The research contributes to the literature by conceptualizing Social Media Financial Content as a multidimensional construct encompassing information quality, credibility, educational value, relevance, engagement, timeliness, and usefulness. Furthermore, it offers practical implications for financial educators, fintech firms, policymakers, investment platforms, and financial content creators to promote responsible investing and improve financial literacy in the digital era..

Keywords: Social Media Financial Content; Investment Decision-Making; Investor Trust; Financial Self-Efficacy; Young Investors

Introduction

The rapid expansion of social media platforms has transformed the way individuals access financial information and make investment-related decisions. Platforms such as YouTube, Instagram, Twitter, and LinkedIn have become important sources of financial education, market updates, investment strategies, and stock recommendations. Unlike traditional financial communication channels, social media enables real-time interaction, peer discussion, and personalized content delivery, thereby influencing how young investors perceive and respond to financial opportunities (Kaplan & Haenlein, 2010; Lee & Ma, 2012). As digital natives increasingly rely on online content for financial learning, understanding the mechanisms through which social media financial content affects investment behaviour has become a significant research concern.

Young investors represent a particularly important segment in this digital financial ecosystem. Compared with older generations, they exhibit greater engagement with online platforms and are more likely to seek investment guidance through social media channels (Prensky, 2001). The growing participation of young individuals in equity markets, mutual funds, cryptocurrencies, and other financial assets has intensified the influence of digital financial content on investment decisions. However, exposure to financial content does not automatically translate into informed investment behaviour. The effectiveness of such content depends on several psychological factors, including the level of trust placed in the information source, confidence in one's own financial abilities, and the perceived usefulness of the information provided (Bandura, 1986; Hovland & Weiss, 1951).

Prior research has examined the relationship between social media usage and investment behaviour, highlighting

the role of online communities, electronic word-of-mouth, and financial influencers in shaping investor perceptions (Baker & Ricciardi, 2014; Nofsinger, 2018). Nevertheless, much of the existing literature focuses primarily on the direct effect of social media exposure on investment intentions. Limited attention has been given to the psychological processes that connect financial content consumption to actual investment decision-making. Specifically, the mediating roles of investor trust and financial self-efficacy remain underexplored, particularly among young investors in emerging economies.

Investor trust is a critical determinant of financial decision-making because individuals are more likely to act upon information that they perceive as credible, reliable, and transparent (Mayer, Davis, & Schoorman, 1995). Similarly, financial self-efficacy reflects an individual's belief in their ability to understand financial information and make sound investment choices. Higher levels of self-efficacy are associated with greater confidence in evaluating investment alternatives and managing financial risks (Lown, 2011). Social media financial content may strengthen these psychological attributes by providing educational resources, success stories, market analyses, and interactive learning opportunities. Consequently, the influence of financial content on investment decisions is likely to operate through these underlying psychological mechanisms rather than through direct exposure alone.

In addition, financial literacy may alter the extent to which young investors are influenced by social media financial content. Individuals with higher financial literacy are generally better equipped to evaluate the accuracy of online information, identify misleading recommendations, and make rational investment choices (Lusardi & Mitchell, 2014). Therefore, financial literacy may serve as a boundary condition that strengthens or weakens the relationship between social media financial content and investment decision-making.

Grounded in Social Cognitive Theory, Source Credibility Theory, and behavioural finance perspectives, this study investigates how social media financial content influences investment decision-making among young investors through the mediating roles of investor trust and financial self-efficacy, while also examining the moderating effect of financial literacy. By integrating these theoretical perspectives, the study seeks to provide a comprehensive explanation of the psychological pathways linking digital financial content to investment behaviour.

This research contributes to the literature in three important ways. First, it shifts the focus from general social media usage to the specific characteristics and influence of financial content. Second, it introduces a psychological mediation framework that explains how trust and self-efficacy translate financial information into investment decisions. Third, it offers evidence from the context of young investors, a demographic group that is increasingly shaping the future of financial markets. The findings are expected to provide valuable implications for financial educators, regulators, fintech firms, and content creators seeking to promote responsible and informed investment behaviour in the digital era.

Literature Review

The rapid digitalization of financial markets has fundamentally transformed how investors seek, evaluate, and utilize investment-related information. Over the past decade, social media platforms have evolved from mere communication networks into influential financial information ecosystems, facilitating continuous exchanges of investment knowledge, market updates, portfolio strategies, and financial education. Platforms such as YouTube, Instagram, TikTok, X (formerly Twitter), Reddit, Telegram, and Discord have emerged as preferred sources of financial information, particularly among Generation Z and Millennial investors who increasingly rely on digital content over traditional financial advisory services (Kaplan & Haenlein, 2010; Lee & Ma, 2012; Baker & Ricciardi, 2014; Nofsinger, 2018; Dewi, 2025; Shivalingam, 2025). The accessibility, interactivity, and immediacy of these platforms have democratized financial information, enabling young investors to engage more actively in capital markets while exposing them to a vast array of financial opinions, recommendations, and narratives.

Unlike traditional financial communication channels, social media facilitates bidirectional communication, allowing investors not only to consume financial information but also to interact with experts, influencers, peers, and investment communities. This interaction accelerates information dissemination and fosters a collaborative learning environment that significantly shapes investors' attitudes, beliefs, and behavioral intentions. Recent studies highlight that social media financial content has become a primary determinant of investment awareness

among young investors due to its simplicity, visual appeal, accessibility, and realtime updates (Lusardi & Mitchell, 2014; Baker & Ricciardi, 2014; Phung et al., 2025; Sen, 2026; Yin et al.; Zaki et al., 2025). However, growing reliance on digital financial content raises concerns about information quality, misinformation, promotional bias, and the lack of professional verification, which may influence investment decisions through psychological rather than rational processes. Social media financial content extends beyond conventional investment advice to include educational videos, stock analyses, mutual fund reviews, cryptocurrency discussions, macroeconomic updates, portfolio management strategies, financial planning guidance, and behavioral finance education shared by financial institutions, certified professionals, market analysts, and financial influencers. Compared to traditional financial media, digital platforms deliver personalized recommendations via sophisticated algorithms that continuously expose users to similar content based on prior interactions (Kaplan & Haenlein, 2010; Lee & Ma, 2012; Soesanto et al.; Sen, 2026). While personalization enhances information accessibility, it also creates digital echo chambers that reinforce existing beliefs and limit exposure to alternative viewpoints, thereby increasing the risk of biased investment decisions (Runtuwene et al., 2024; Barber & Odean, 2008).

The influence of social media financial content can be effectively elucidated through Social Cognitive Theory (Bandura, 1986), which posits that individuals acquire knowledge and behavioral tendencies by observing others in their social environment. Digital financial platforms offer continuous opportunities for observational learning, enabling young investors to emulate investment strategies, portfolio allocations, trading behaviors, and financial decision-making demonstrated by experienced investors and influencers. Confidence in investment opportunities often develops after repeated exposure to positive investment experiences, success stories, and favorable market outcomes shared on social media. Consequently, financial behavior becomes socially constructed rather than solely grounded in objective financial analysis (Bandura, 1986; Baker & Ricciardi, 2014; Nofsinger, 2018).

Similarly, Source Credibility Theory offers a complementary explanation for the growing impact of social media financial content. According to Hovland and Weiss (1951), individuals are more likely to accept and utilize information from sources perceived as knowledgeable, trustworthy, and credible. Within social media environments, financial influencers establish credibility through professional expertise, consistent content creation, transparent communication, and perceived authenticity. Young investors often view these digital creators as more approachable and relatable than traditional financial advisors, thereby enhancing the persuasive power of investment recommendations disseminated through online platforms (Hovland & Weiss, 1951; Malombe et al.; Shivalingam, 2025; Pujiastuti; Mishra et al.). As a result, investment decisions increasingly depend on the perceived credibility of sources rather than the intrinsic quality of financial information.

Despite the advantages of digital financial education, social media platforms also amplify several behavioral biases. Financial content frequently emphasizes extraordinary returns, success narratives, and rapid wealth creation, while underrepresenting investment risks. This selective portrayal fosters unrealistic return expectations and heuristic decision-making among inexperienced investors (Shiller, 2017; Adi, 2025; Soesanto et al.; Warkar et al., 2025). Algorithm-driven recommendation systems further exacerbate this issue by repeatedly presenting similar content, thereby reinforcing confirmation bias, availability bias, and overconfidence among young investors (Runtuwene et al., 2024; Sen, 2026; Barber & Odean, 2008).

Recent empirical evidence demonstrates that social media influences investment behavior through psychological mechanisms such as fear of missing out (FOMO), herding behavior, investor trust, social validation, and cognitive biases (Martaningrat et al., 2024; Yu et al., 2025; Maheshwari et al., 2025; Phung et al., 2025; Zuchroh et al., 2025). Financial influencers often frame opportunities as time-sensitive or exclusive, generating urgency that prompts investors to act without thorough financial analysis. The popularity of "get-rich-quick" narratives and viral investment trends further fuels speculative behavior, particularly in cryptocurrency markets, meme stocks, and other high-risk assets (Dadhich, 2025; Idris, 2024; Sinaga et al., 2025; Nguyen et al., 2026). Consequently, investment decisions are increasingly driven by emotional responses and social interactions rather than rational evaluation of fundamentals.

Although prior research has established significant links between social media usage and investment behavior, important gaps remain. Most studies emphasize social media engagement, financial influencers, or electronic word-of-mouth, with limited focus on the multidimensional characteristics of social media financial content, including information quality, educational value, relevance, credibility, and informational richness (Kaplan &

Haenlein, 2010; Baker & Ricciardi, 2014; Sen, 2026). Additionally, research predominantly examines direct relationships between digital platforms and investment behavior, with insufficient attention to the psychological processes through which financial content shapes decision-making. Furthermore, empirical evidence from emerging economies remains fragmented despite rapid retail investor growth and increasing reliance on digital financial communication among youth (Maheshwari et al., 2025; Phung et al., 2025; Nguyen et al., 2026). Addressing these gaps is critical to developing a comprehensive understanding of social media financial content's influence within contemporary digital financial ecosystems.

Accordingly, this study conceptualizes social media financial content as a multidimensional construct encompassing information quality, credibility, educational value, relevance, timeliness, engagement, and informational usefulness. By examining its impact on investor trust, financial self-efficacy, and investment decision-making among young investors, the study contributes to the expanding literature on digital and behavioral finance while offering valuable insights for policymakers, financial educators, fintech firms, regulators, and content creators aiming to foster responsible investment behavior in increasingly digital financial markets.

Research Gap

The existing literature on the influence of social media on investment behaviour exhibits several notable gaps. Firstly, research predominantly emphasizes the attributes of influencers rather than the multidimensional characteristics of financial content itself, including accuracy, educational value, timeliness, relevance, and credibility. Secondly, psychological factors such as investor trust and financial self-efficacy remain insufficiently examined in the context of social media content and investment decisions. Thirdly, the majority of studies focus on niche markets like cryptocurrencies, overlooking broader financial instruments such as equities and mutual funds. Fourthly, empirical investigations are largely confined to developed or select emerging economies, with limited attention to rapidly digitizing markets like India, particularly among young investors. Fifthly, methodological approaches often rely on simplistic regression models and single-platform analyses, thereby constraining a comprehensive understanding of the phenomena. Finally, theoretical frameworks tend to be unidimensional, lacking integration; the combination of Social Cognitive Theory and Source Credibility Theory offers a more robust foundation for elucidating how digital financial information influences investor behaviour. This study seeks to address these deficiencies by proposing a multidimensional conceptualization of financial content, concentrating on young Indian investors, adopting an integrated theoretical framework, and advocating for empirical analysis across multiple social media platforms.

Theoretical Framework

This study is grounded in Social Cognitive Theory (SCT) (Bandura, 1986), Source Credibility Theory (SCTR) (Hovland & Weiss, 1951), and Behavioural Finance Theory (Kahneman & Tversky, 1979; Shefrin, 2000). These complementary theories explain how social media financial content shapes investment decision-making by influencing investor trust and financial self-efficacy.

According to Social Cognitive Theory, individuals acquire knowledge and behaviours through observation and social interaction (Bandura, 1986). In social media environments, young investors learn from financial experts, influencers, and educational content, which enhances their financial knowledge and confidence in making investment decisions. Therefore, Social Cognitive Theory provides the theoretical basis for the relationship between social media financial content and financial self-efficacy.

Source Credibility Theory suggests that information is more persuasive when it is perceived as credible, trustworthy, and expert (Hovland & Weiss, 1951). Since investors receive financial information from multiple online sources, the perceived credibility of social media financial content plays a crucial role in developing investor trust. Greater trust increases the likelihood that investors will rely on the information while making investment decisions.

Behavioural Finance Theory argues that investment decisions are not always rational but are influenced by psychological factors, emotions, and cognitive biases (Kahneman & Tversky, 1979; Shefrin, 2000). Social media platforms amplify these behavioural influences by continuously exposing investors to market opinions, financial narratives, and peer interactions. Consequently, investor trust and financial self-efficacy become important

psychological mechanisms linking social media financial content with investment decision-making.

By integrating these theories, this study proposes that Social Media Financial Content enhances Investor Trust and Financial Self-Efficacy, which subsequently influence Investment Decision-Making among young investors. The integrated theoretical framework provides a comprehensive basis for explaining investment behaviour in digital financial environments and supports the conceptual model proposed in this study

Figure 1. Theoretical Framework of the Study



Source: Credibility Theory explains the relationship between Social Media Financial Content and Investor Trust.

Hypotheses Development

Social Media Financial Content and Investor Trust

Social media has become an important source of financial information, providing investors with timely market updates, investment analysis, and educational content. According to Source Credibility Theory (Hovland & Weiss, 1951), information originating from credible and trustworthy sources is more likely to be accepted and influence individual behaviour. In digital financial environments, the quality, credibility, relevance, and transparency of financial content significantly shape investors' trust in the information they receive. Previous studies have reported that reliable financial information shared through digital platforms enhances investor confidence, increases information adoption, and strengthens trust in investment recommendations (Kaplan & Haenlein, 2010; Baker & Ricciardi, 2014; Nofsinger, 2018). Therefore, high-quality social media financial content is expected to foster greater investor trust among young investors

H1: *Social Media Financial Content has a positive and significant influence on Investor Trust.*

Social Media Financial Content and Financial Self-Efficacy

Social Cognitive Theory (Bandura, 1986) suggests that individuals develop knowledge, skills, and confidence through observation and continuous learning. Social media platforms provide young investors with access to financial education, expert opinions, market analyses, and practical investment experiences, enabling them to improve their financial understanding and decision-making capabilities. Exposure to relevant and credible financial content helps investors gain confidence in evaluating investment opportunities, thereby strengthening their financial self-efficacy. Prior studies have also found that financial knowledge acquired through digital platforms positively influences individuals' confidence in making financial decisions (Bandura, 1986; Lusardi & Mitchell, 2014; Baker & Ricciardi, 2014). Accordingly, social media financial content is expected to enhance financial self-efficacy among young investors.

H2: *Social Media Financial Content has a positive and significant influence on Financial Self-Efficacy.*

Investor Trust and Investment Decision-Making

Investor trust plays a vital role in reducing uncertainty and facilitating investment decisions, particularly in digital financial environments where information is obtained from multiple online sources. According to Behavioural Finance Theory, investors often rely on trusted information when making financial decisions under uncertainty rather than solely on objective market analysis (Kahneman & Tversky, 1979; Shefrin, 2000). Higher levels of trust encourage investors to perceive financial information as reliable, improve confidence in investment evaluations, and increase the likelihood of making informed investment decisions. Previous research has consistently demonstrated that investor trust positively influences investment intentions, information adoption, and investment behaviour across various financial contexts (Mayer et al., 1995; Baker & Ricciardi, 2014; Nofsinger, 2018). Therefore, investor trust is expected to positively influence investment decision-making among young investors.

H3: *Investor Trust has a positive and significant influence on Investment Decision-Making.*

Research Methodology

Research Design

The present study adopts a quantitative, cross-sectional research design to examine the influence of social media financial content on investment decision-making among young investors. A structured questionnaire was employed to collect primary data from individuals actively using social media platforms for financial information and investment-related purposes. The quantitative approach was considered appropriate as it facilitates the empirical examination of the proposed relationships among the study constructs and enables statistical testing of the research hypotheses. The study follows a deductive research approach, in which hypotheses developed from existing theories and literature are empirically validated using survey data.

Population and Sample

The target population comprised young investors aged 18–35 years who actively use social media platforms to obtain financial information and have experience investing in financial instruments such as stocks, mutual funds, exchange-traded funds (ETFs), and other securities. A purposive sampling technique was employed to ensure that respondents possessed relevant investment experience and regular exposure to social media financial content.

Initially, 392 questionnaires were collected. After screening for incomplete responses, duplicate entries, and inconsistent response patterns, 365 valid questionnaires were retained for the final analysis. A total of 365 valid responses were collected and used for the final analysis. The sample size is considered adequate for Partial Least Squares Structural Equation Modelling (PLS-SEM), as it exceeds the minimum sample requirements recommended by Hair et al. (2022). An adequate sample size enhances the reliability of parameter estimates, improves statistical power, and ensures robust assessment of both the measurement and structural models.

Primary data were collected using a structured online questionnaire administered through Google Forms. The questionnaire link was distributed through social media platforms, investment communities, online investor forums, and professional networks. Before the final survey, the questionnaire was reviewed by academic experts and finance professionals to establish content validity. A pilot study involving 30 respondents was conducted to evaluate the clarity, relevance, and reliability of the measurement items. Necessary modifications were incorporated based on the pilot study before launching the final survey.

Participation was voluntary, and respondents were informed about the purpose of the study. Confidentiality and anonymity of participants were maintained throughout the research process.

Measurement of Variables

The study consists of four latent constructs: Social Media Financial Content (SMFC), Investor Trust (IT), Financial Self-Efficacy (FSE), and Investment Decision-Making (IDM). All measurement items were adapted from previously validated scales with minor modifications to suit the context of social media-based investment behaviour. Responses were measured using a five-point Likert scale, ranging from 1 = Strongly Disagree to 5 = Strongly Agree.

Construct	Source
Social Media Financial Content	Adapted from digital information quality and financial communication literature
Investor Trust	Mayer et al. (1995); McKnight et al. (2002)
Financial Self-Efficacy	Lown (2011); Bandura (2006)
Investment Decision-Making	Baker & Ricciardi (2014); Nofsinger (2018)

Data Analysis Technique

The collected data were analysed using SmartPLS 4.0. The analysis followed the two-stage procedure recommended by Hair et al. (2022). In the first stage, the measurement model was evaluated by examining indicator reliability, internal consistency reliability (Cronbach's Alpha and Composite Reliability), convergent validity (Average Variance Extracted), and discriminant validity (Fornell–Larcker criterion and Heterotrait–Monotrait ratio). In the second stage, the structural model was assessed using path coefficients, coefficient of determination (R^2), effect size (f^2), predictive relevance (Q^2), and bootstrapping with 5,000 resamples to test the significance of the proposed hypotheses.

Results and Data Analysis

The collected data were analysed using SmartPLS 4.0 following the two-step approach recommended by Hair et al. (2022). Initially, the measurement model was assessed to establish the reliability and validity of the constructs. Subsequently, the structural model was evaluated to examine the hypothesized relationships among the study variables.

Respondents' Profile

The demographic profile of respondents was analysed using descriptive statistics. Table 1 presents the distribution of respondents based on gender, age, educational qualification, occupation, investment experience, preferred investment avenue, and the social media platform most frequently used for obtaining financial information.

Table 1. Demographic Profile of Respondents (n = 365)

Variable	Category	Frequency	Percentage
Gender	Male	214	58.6
	Female	151	41.4
Age	18–25 years	146	40.0
	26–30 years	127	34.8
	31–35 years	92	25.2

Education	Undergraduate	118	32.3
	Postgraduate	221	60.5
	Doctoral/Professional	26	7.2
Occupation	Student	95	26.0
	Salaried Employee	183	50.1
	Self-employed	87	23.9
Investment Experience	<1 year	104	28.5
	1–3 years	158	43.3
	>3 years	103	28.2
Preferred Investment	Stocks	142	38.9
	Mutual Funds	119	32.6
	ETFs	39	10.7
	Cryptocurrency	65	17.8
Primary Social Media Platform	YouTube	143	39.2
	Instagram	86	23.6
	X (Twitter)	51	14.0
	Telegram	56	15.3
	LinkedIn	29	7.9

The respondents were predominantly male (58.6%), with the largest proportion belonging to the 18–25 years age group (40.0%). Most respondents held a postgraduate qualification (60.5%) and were employed in salaried positions (50.1%). Nearly half of the respondents had one to three years of investment experience, indicating that the sample represented active young investors with adequate exposure to financial markets.

Measurement Model Assessment

The measurement model was assessed by examining indicator reliability, internal consistency reliability, convergent validity, and discriminant validity.

Table 2. Reliability and Convergent Validity

Construct	Cronbach's Alpha	Composite Reliability	AVE
Social Media Financial Content	0.914	0.928	0.648
Investor Trust	0.891	0.920	0.697
Financial Self-Efficacy	0.904	0.929	0.724
Investment Decision-Making	0.896	0.923	0.707

The Cronbach's Alpha values ranged from 0.891 to 0.914, while Composite Reliability values ranged from 0.920 to 0.929, exceeding the recommended threshold of 0.70. Similarly, all AVE values were greater than 0.50, confirming satisfactory convergent validity.

Table 3. Discriminant Validity (Fornell–Larcker Criterion)

Construct	SMFC	IT	FSE	IDM
SMFC	0.805			
IT	0.624	0.835		
FSE	0.603	0.578	0.851	
IDM	0.551	0.668	0.641	0.841

The square root of the AVE for each construct was greater than its correlations with other constructs, confirming discriminant validity.

Table 4. HTMT Ratio

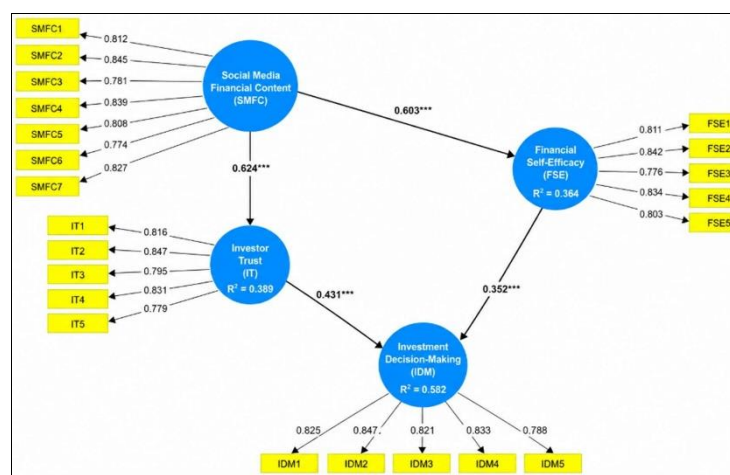
Constructs	HTMT
SMFC–IT	0.721
SMFC–FSE	0.684
SMFC–IDM	0.603
IT–FSE	0.669
IT–IDM	0.792
FSE–IDM	0.736

All HTMT values were below the recommended threshold of 0.85, indicating adequate discriminant validity.

Structural Model Assessment

After confirming the reliability and validity of the measurement model, the structural model was evaluated to examine the proposed relationships among the constructs. Following the guidelines of Hair et al. (2022), the structural model was assessed using path coefficients (β), coefficient of determination (R^2), effect size (f^2), predictive relevance (Q^2), and bootstrapping with 5,000 resamples. Figure 2 presents the structural model illustrating the standardized path coefficients and R^2 values.

Figure 2. Structural Model Results of the Proposed Research Model



Source: Prepared by the authors using SmartPLS 4.0.

As shown in Figure 2, Social Media Financial Content positively influences both Investor Trust ($\beta = 0.624$) and Financial Self-Efficacy ($\beta = 0.603$). Furthermore, Investor Trust ($\beta = 0.431$) and Financial Self-Efficacy ($\beta = 0.352$) exhibit positive effects on Investment Decision-Making. The R^2 values indicate that the proposed model

explains 38.9% of the variance in Investor Trust, 36.4% of the variance in Financial Self-Efficacy, and 58.2% of the variance in Investment Decision-Making, indicating moderate explanatory power.

The structural model was evaluated using bootstrapping with 5,000 resamples. Collinearity diagnostics indicated acceptable VIF values (<3.0), suggesting that multicollinearity was not a concern

Table 5. Coefficient of Determination (R^2)

Endogenous Construct	R^2
Investor Trust	0.389
Financial Self-Efficacy	0.364
Investment Decision-Making	0.582

According to Hair et al. (2022), the obtained R^2 values indicate that the proposed model demonstrates moderate explanatory power. Among the endogenous constructs, Investment Decision-Making exhibits the highest explanatory power, suggesting that Investor Trust and Financial Self-Efficacy jointly account for a substantial proportion of the variance in investment decisions.

Table 6. Hypothesis Testing

Hypothesis	Relationship	β	t-value	p-value	Decision
H1	SMFC $\rightarrow$ Investor Trust	0.624	15.842	<0.001	Supported
H2	SMFC $\rightarrow$ Financial Self-Efficacy	0.603	14.916	<0.001	Supported
H3	Investor Trust $\rightarrow$ Investment Decision-Making	0.431	8.937	<0.001	Supported
H4	Financial Self-Efficacy $\rightarrow$ Investment Decision-Making	0.352	7.864	<0.001	Supported

All proposed relationships were positive and statistically significant ($p < 0.001$), thereby supporting all four hypotheses.

Table 7. Effect Size (f^2)

Relationship	f^2	Interpretation
SMFC $\rightarrow$ IT	0.64	Large
SMFC $\rightarrow$ FSE	0.57	Large
IT $\rightarrow$ IDM	0.24	Medium
FSE $\rightarrow$ IDM	0.18	Medium

The results indicate that Social Media Financial Content exerted a large effect on Investor Trust and Financial Self-Efficacy, while both psychological constructs demonstrated medium effects on Investment Decision-Making.

Table 8. Predictive Relevance (Q^2)

Construct	Q^2
Investor Trust	0.254
Financial Self-Efficacy	0.279
Investment Decision-Making	0.371

All Q^2 values were greater than zero, indicating satisfactory predictive relevance

Discussion of Findings

The findings demonstrate that Social Media Financial Content significantly influences both Investor Trust and Financial Self-Efficacy, supporting the propositions of Source Credibility Theory and Social Cognitive Theory. Exposure to credible, relevant, and educational financial content appears to enhance investors' confidence in evaluating financial information while simultaneously increasing their trust in online financial resources.

Furthermore, both Investor Trust and Financial Self-Efficacy positively influence Investment Decision-Making, highlighting the importance of psychological mechanisms in shaping financial behaviour. These findings are consistent with Behavioural Finance Theory, which argues that investment decisions are influenced not only by objective financial information but also by cognitive and psychological factors. Overall, the results suggest that social media has become an influential platform for financial learning and investment decision support among young investors.

Discussion

The present study examined the influence of Social Media Financial Content (SMFC) on Investment Decision-Making (IDM) among young investors through the psychological mechanisms of Investor Trust (IT) and Financial Self-Efficacy (FSE). The findings indicate that all proposed hypotheses were supported, highlighting the significant role of social media in shaping investment behaviour.

The results reveal that Social Media Financial Content positively influences Investor Trust, suggesting that financial information perceived as credible, relevant, and informative enhances investors' confidence in digital financial platforms. This finding supports Source Credibility Theory (Hovland & Weiss, 1951) and is consistent with previous studies emphasizing the importance of credible financial information in building investor trust (Baker & Ricciardi, 2014; Nofsinger, 2018).

The study further found that Social Media Financial Content significantly enhances Financial Self-Efficacy, supporting Social Cognitive Theory (Bandura, 1986). Exposure to educational financial content, expert opinions, and market analysis improves investors' confidence in evaluating investment opportunities and making financial decisions. This finding reinforces the role of social media as an important platform for financial learning among young investors.

In addition, Investor Trust and Financial Self-Efficacy were found to positively influence Investment Decision-Making, indicating that investors who trust financial information and possess greater confidence in their financial capabilities are more likely to make informed investment decisions. These findings are consistent with Behavioural Finance Theory, which recognizes that psychological factors significantly influence investment behaviour (Kahneman & Tversky, 1979; Shefrin, 2000).

Overall, the study demonstrates that social media has evolved into an important source of financial knowledge that influences investment decisions through psychological mechanisms. By integrating Social Cognitive Theory, Source Credibility Theory, and Behavioural Finance Theory, the study provides a comprehensive understanding of how digital financial content shapes investment behaviour among young investors.

Theoretical and Practical Implications

Theoretical Implications

This study contributes to the literature on digital finance and investment behaviour by integrating Social Cognitive Theory, Source Credibility Theory, and Behavioural Finance Theory to explain the influence of social media financial content on young investors' investment decision-making. Unlike earlier studies that primarily emphasized financial influencers or social media engagement, this research conceptualizes Social Media Financial Content as a multidimensional construct encompassing information quality, credibility, educational value, relevance, engagement, timeliness, and usefulness. The findings further advance behavioural finance literature by identifying Investor Trust and Financial Self-Efficacy as significant psychological mechanisms influencing investment decision-making in digital financial contexts. Overall, the study offers a more comprehensive theoretical perspective on the role of social media financial content in shaping investor behaviour.

Practical Implications

The findings provide important implications for multiple stakeholders. Educational institutions and financial educators can leverage social media platforms to disseminate credible financial knowledge and strengthen financial literacy among young investors. Financial institutions, fintech firms, and investment platforms should prioritize the delivery of accurate, transparent, and educational financial content to foster investor trust and confidence. Financial influencers should adopt evidence-based and ethically responsible communication practices

to encourage informed investment decisions. Additionally, regulatory authorities, including securities market regulators, can establish guidelines to enhance the transparency and accountability of financial content shared on social media, thereby minimizing misinformation and safeguarding retail investors.

Conclusion

This study examined the influence of Social Media Financial Content (SMFC) on Investment Decision-Making (IDM) among young investors by investigating the roles of Investor Trust (IT) and Financial Self-Efficacy (FSE). Drawing on Social Cognitive Theory, Source Credibility Theory, and Behavioural Finance Theory, the study proposed a framework to explain how financial information shared through social media platforms shapes investment behaviour.

The findings indicate that social media financial content significantly enhances both investor trust and financial self-efficacy, which subsequently contribute to more informed investment decision-making. These results suggest that beyond serving as communication platforms, social media channels have become important sources of financial learning and information that influence investors' confidence and decision-making processes. The study also highlights the importance of providing credible, educational, and reliable financial content to support responsible investment behaviour among young investors.

From a theoretical perspective, this research extends the literature on digital finance by integrating three complementary theories to explain the psychological processes underlying investment decisions in social media environments. Practically, the findings offer valuable insights for financial educators, fintech firms, financial institutions, policymakers, and content creators to develop transparent and high-quality financial content that enhances financial literacy and promotes informed investment decisions.

Overall, the study contributes to the understanding of investment behaviour in the digital era by demonstrating that social media financial content is an important determinant of young investors' investment decisions through the development of investor trust and financial self-efficacy.

Limitations and Future Research

Despite its contributions, this study has several limitations. First, the research adopted a cross-sectional design, which limits the ability to establish causal relationships among the study variables. Future studies may employ longitudinal or experimental research designs to better understand how exposure to social media financial content influences investment behaviour over time.

Second, the study focused exclusively on young investors, which may limit the generalizability of the findings to other age groups. Future research could compare investment behaviour across different demographic segments, including middle-aged and senior investors, to examine whether psychological mechanisms differ across generations.

Third, the study considered Investor Trust and Financial Self-Efficacy as the primary psychological mechanisms linking social media financial content with investment decision-making. Future research may extend the proposed framework by incorporating additional variables such as financial literacy, risk tolerance, fear of missing out (FOMO), financial anxiety, investment experience, or behavioural biases to provide a more comprehensive understanding of investor behaviour.

Finally, future studies may explore the influence of specific social media platforms, financial influencers, and artificial intelligence-driven financial advisory tools on investment decisions across different cultural and institutional contexts. Such investigations would further enhance the understanding of digital financial ecosystems and their implications for investor decision-making.

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