Exploring the Influence of Social Media on Financial Literacy among Millennials and Assessing the Gender Gap

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ABSTRACT:

The purpose of this study is to investigate how social media influences financial literacy among millennials, as well as to analyze the gender difference in financial knowledge and behavior within this group. Given the increasing integration of social media into millennials' daily lives, these platforms have the potential to significantly influence their understanding of financial matters. The study will examine how social media content, interactions, and trends influence millennials' financial knowledge, attitudes, and behaviors, particularly in detecting gender differences in financial literacy. Data on millennials' social media usage patterns, financial awareness levels, and attitudes toward money management will be gathered using a combination of quantitative surveys and qualitative interviews. The purpose of this research is to identify links between social media exposure and financial literacy results, as well as disparities in financial behaviors across male and female millennials. Finally, the findings will help to better understand the impact of social media on financial literacy and suggest ways for closing the gender gap in financial awareness and decision-making among millennials.

Keywords: Social Media, Financial literacy, Millennials, Gender gap, Financial Knowledge, Financial Behavior, Social media influence, Financial attitudes, Financial management, Financial decision-making, Social media content
I. INTRODUCTION:

Combining social media and financial skills is an attractive field of research in today's fast-changing financial landscape and rising technology usage. Millennials raised in the digital age frequently struggle to understand complicated financial systems, raising concerns about how social media platforms influence their comprehension, behavior, and financial beliefs. Examining and correcting any gender discrepancies caused by these impacts is also critical.

Social media platforms have altered communication, information sharing, and social interaction, transitioning from simply avenues for self-expression to useful sources of financial data, investment advice, and economic insight. Given their comfort with digital technology, millennials are naturally drawn to social media for financial advice, education, and involvement. However, it is vital to critically evaluate the impact of social and digital media on financial decision-making, taking into account issues such as inaccurate or misleading information, as well as the enormous influence these platforms have on millennials' financial literacy.

Understanding the gender discrepancy in financial literacy provides a more nuanced perspective. Despite the fact that financial literacy is widely regarded as important for achieving financial security and empowerment, a gender disparity in financial confidence and understanding remains. To encourage equal access to financial education and opportunity, it is critical to investigate how social media affects financial literacy results differently for each gender. This thesis seeks to shed light on the complex relationships in the digital realm, providing insights for industry stakeholders, financial educators, and policymakers committed to improving financial literacy initiatives and addressing gender disparities in financial knowledge and decision-making.

II. LITERATURE REVIEW:

Author: Lusardi, Annamaria & Mitchell, Olivia S.
Year: 2007
Title: Baby Boomer Retirement Security: The Role of Planning, Financial Literacy, and Housing Wealth
Objective: The study investigates the relationship between financial literacy and retirement security among Baby Boomers.
Result: Lusardi and Mitchell found that higher levels of financial literacy were associated with better retirement planning and financial security among Baby Boomers.

Author: Chen, Haiyang & Volpe, Ronald P.
Year: 1998
Title: An Analysis of Personal Financial Literacy Among College Students
Objective: This research explores the level of financial literacy among college students and its implications.
Result: Chen and Volpe discovered that college students exhibited low levels of financial literacy, indicating a need for improved financial education programs.

Author: Robb, Cliff A. & Sharpe, Deanna L.
Year: 2009
Title: Effect of Personal Financial Knowledge on College Students' Credit Card Behavior
Objective: The study examines the impact of financial knowledge on college students' credit card usage behavior.
Result: Robb and Sharpe found that higher levels of financial knowledge were associated with more responsible credit card behaviors among college students.

Author: Mandell, Lewis
Year: 2008
Title: The Financial Literacy of Young American Adults
Objective: This study investigates the financial literacy levels of young adults in the United States.
Result: Mandell highlighted low levels of financial literacy among young adults and emphasized the importance of early financial education.

Author: Lusardi, Annamaria
Year: 2020
Title: Financial Literacy: What Works? How Could It Be More Effective?
Objective: The research examines effective strategies for enhancing financial literacy among individuals.
Result: Lusardi discusses various approaches, including educational programs and policy interventions, that have shown promise in improving financial literacy.

Author: Xiao, Jing Jian & O'Neill, Barbara
Year: 2012
Title: Financial Behaviors and Financial Well-Being of College Students: Evidence from a National Survey
Objective: This study explores the financial behaviors and well-being of college students in the United States.
Result: Xiao and O'Neill found that college students who exhibited better financial behaviors tended to have higher levels of financial well-being.
Author: Robb, Cliff A.
Year: 2011
Title: Financial Knowledge and Credit Card Behavior of College Students
Objective: The research investigates the relationship between financial knowledge and credit card behavior among college students.
Result: Robb's study revealed that higher levels of financial knowledge were associated with more responsible credit card usage among college students.

Author: Shim, Soyeon & Xiao, Jing Jian
Year: 2012
Title: Gender Differences in Financial Knowledge and Attitudes
Objective: This study examines gender disparities in financial knowledge and attitudes.
Result: Shim and Xiao found that women tended to have lower levels of financial knowledge and less confidence in financial decision-making compared to men.

Author: Dwyer, Rachel E. & Hodson, Randy
Year: 2001
Title: Gender, Debt, and Dropping Out of College
Objective: The research investigates the relationship between gender, debt, and college dropout rates.
Result: Dwyer and Hodson found that women were more likely to drop out of college due to financial reasons, including higher levels of debt.

Author: Chen, Haiyang & Volpe, Ronald P.
Year: 2002
Title: Gender Differences in Personal Financial Literacy Among College Students
Objective: This study explores gender disparities in personal financial literacy among college students.
Result: Chen and Volpe found that male college students exhibited higher levels of financial literacy compared to their female counterparts.
III. RESEARCH OBJECTIVES:

1. The study's goal is to investigate the impact of social media on financial literacy among millennials and evaluate the potential gender gap in this setting.

2. Background: Social media platforms are becoming popular among younger generations because they provide a wealth of information, including financial advice. However, the impact of social media on financial literacy, particularly among millennials, remains largely unknown.

3. The study aims to investigate how exposure to financial content on social media affects the financial knowledge and behaviors of millennials.

4. Gender Disparities: Existing research shows that women often have lower levels of financial literacy than males.

5. Research Focus: The project will evaluate the connection between social media use, financial literacy, and gender, providing insights into how these factors influence financial literacy results among millennials.

6. Contribution to Literature: The study's complete analysis intends to add to the current literature on financial literacy, social media influence, and gender variations in financial habits.

7. Practical Implications: Given the importance of social media in shaping financial knowledge and decision-making processes, the findings may have practical implications for policymakers, educators, and financial institutions seeking to improve millennial-specific financial education strategies.

8. Addressing Gender Gap: Understanding the possible gender gap in financial literacy among millennials can help plan targeted interventions to reduce inequities and promote financial empowerment across all demographics.

IV. RESEARCH METHODOLOGY:

This study used a mixed-methods approach to extensively analyze the impact of social media on financial literacy among millennials and to assess any gender differences in this area. To provide thorough insights, the study included both quantitative surveys and qualitative interviews, collecting data from a varied sample of millennials.

Initially, a survey was designed to collect demographic information, social media usage patterns, financial literacy levels, and attitudes about personal finance among participants. The study used statistical analysis of this quantitative data to investigate the relationship between social media exposure and financial literacy, taking into account any gender differences.
In addition to the survey, qualitative interviews with chosen participants were undertaken to learn more about their perspectives and experiences with social media's impact on financial literacy. The qualitative data used open-ended questions and probing talks to provide detailed insights into the reasons for reported gender inequalities in financial literacy driven by social media. Furthermore, the study contextualized its findings by referring to relevant theoretical frameworks and current literature, ensuring complete knowledge of the topic within the larger landscape of financial education and digital media effect. The research used a mixed-methods approach to provide comprehensive insights into the complex relationship between social media, financial literacy, and gender disparities among millennials, contributing to the ongoing discussion about financial education and the role of digital media in shaping financial behaviors among young adults.

SCOPE OF THE STUDY:

The purpose of this study is to investigate how social media promotes financial literacy among millennials and to identify any gender inequalities in financial knowledge and behavior. It will concentrate on sites such as Facebook, Twitter, Instagram, and LinkedIn, investigating how they influence millennials’ grasp of finance.

The study will include a comprehensive evaluation of the available literature on financial literacy and social media use among millennials. Surveys, interviews, and focus groups will be undertaken to acquire information about millennials' social media usage, financial awareness, and behaviors.

In addition, the study will look into the differences in financial literacy between male and female millennials, as well as the types of financial information they encounter on social media. This analysis will take into account age, education, income, and social media usage tendencies.

Overall, the purpose of this study is to better understand how social media affects financial literacy among millennials, as well as to discover gender inequalities in financial knowledge and habits within this group.
V. DATA ANALYSIS AND INTERPRETATION:

1. Age

<table>
<thead>
<tr>
<th>Category</th>
<th>Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-30</td>
<td>44</td>
<td>44%</td>
</tr>
<tr>
<td>31-40</td>
<td>23</td>
<td>23%</td>
</tr>
<tr>
<td>41-50</td>
<td>18</td>
<td>18%</td>
</tr>
<tr>
<td>50 above</td>
<td>15</td>
<td>15%</td>
</tr>
</tbody>
</table>

Interpretation

The following table takes into consideration a number of different factors in order to provide an accurate estimate of the subject's age. There were almost half as many responses who were under the age of 30 as there were who were in their twenties, with 23% in their twenties, 18% in their forties, and 15% in their fifties.
2. Gender

<table>
<thead>
<tr>
<th>Category</th>
<th>Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>67</td>
<td>67%</td>
</tr>
<tr>
<td>Female</td>
<td>33</td>
<td>33%</td>
</tr>
</tbody>
</table>

**Interpretation**

You will find a table at the very top of the page that organizes the information according on gender for your own personal convenience. In all, there are 67 males and 33 women.
3. Occupation
   a) Business
   b) Services
   c) Students
   d) Others

<table>
<thead>
<tr>
<th>Category</th>
<th>Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business</td>
<td>12</td>
<td>12%</td>
</tr>
<tr>
<td>Service</td>
<td>28</td>
<td>28%</td>
</tr>
<tr>
<td>Students</td>
<td>47</td>
<td>47%</td>
</tr>
<tr>
<td>Others</td>
<td>13</td>
<td>13%</td>
</tr>
</tbody>
</table>

Interpretation

The following table provides a condensed explanation of the term "Occupation." The one immediately behind it is the next in line after this one. The situation may be broken down as follows: 12% of revenue comes from product sales, 28% from service revenue, 47% from student enrolment, and 13% from other sources.
4. How often do you encounter financial content or advice on social media platforms?

<table>
<thead>
<tr>
<th>Category</th>
<th>Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Always</td>
<td>30</td>
<td>30%</td>
</tr>
<tr>
<td>Often</td>
<td>30</td>
<td>30%</td>
</tr>
<tr>
<td>Occasionally</td>
<td>25</td>
<td>25%</td>
</tr>
<tr>
<td>Rarely</td>
<td>15</td>
<td>15%</td>
</tr>
</tbody>
</table>

Interpretation

The results are shown in the graph below: How often do you encounter financial content or advice on social media platforms? 30% of Always, 30% of Often, 25% of Occasionally, 15% of Rarely.
5. Have you ever used social media to seek financial advice or information?

<table>
<thead>
<tr>
<th>Advertisement you saw</th>
<th>No of Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>20</td>
<td>20%</td>
</tr>
<tr>
<td>No</td>
<td>80</td>
<td>80%</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Interpretation**

The above table and graph Have you ever used social media to seek financial advice or information? represents that 20 percent of the respondents are yes and the remaining 80 percent of the respondents are no.
6. How frequently do you discuss financial topics with your peers on social media?

<table>
<thead>
<tr>
<th>Category</th>
<th>Frequency</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rarely or never</td>
<td>30</td>
<td>30%</td>
</tr>
<tr>
<td>Occasionally</td>
<td>25</td>
<td>25%</td>
</tr>
<tr>
<td>Monthly</td>
<td>20</td>
<td>20%</td>
</tr>
<tr>
<td>Quarterly</td>
<td>15</td>
<td>15%</td>
</tr>
<tr>
<td>Annually</td>
<td>10</td>
<td>10%</td>
</tr>
</tbody>
</table>

Interpretation

The above graph shows How frequently you discuss financial topics with your peers on social media. The item had to get the respondent 30% Rarely or never, 25% Occasionally, 20% Monthly, 15% Quarterly and 10% Annually.
7. How important do you consider social media as a source of financial knowledge?

<table>
<thead>
<tr>
<th>Category</th>
<th>Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely important</td>
<td>14</td>
<td>14%</td>
</tr>
<tr>
<td>Important</td>
<td>58</td>
<td>58%</td>
</tr>
<tr>
<td>Somewhat important</td>
<td>16</td>
<td>16%</td>
</tr>
<tr>
<td>Not important</td>
<td>12</td>
<td>12%</td>
</tr>
</tbody>
</table>

**Interpretation**

The results are shown in the graph. How important do you consider social media as a source of financial knowledge? Extremely important for 14%, important for 58%, Somewhat important for 16%, Not important for 12%.
8. Do you believe that exposure to financial content on social media has influenced your financial decisions?

<table>
<thead>
<tr>
<th>Category</th>
<th>No of Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very likely</td>
<td>25</td>
<td>25%</td>
</tr>
<tr>
<td>Somewhat likely</td>
<td>45</td>
<td>25%</td>
</tr>
<tr>
<td>Unlikely</td>
<td>30</td>
<td>30%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

**Interpretation**

The above table and graph analysis Do you believe that exposure to financial content on social media has influenced your financial decisions? represents that 25 percent of the respondents are Very likely and 45 percent of the respondents are Somewhat likely and 30 percent is Unlikely.
9. How effectively do you think social media platforms disseminate accurate financial information?

<table>
<thead>
<tr>
<th>Category</th>
<th>Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very effectively</td>
<td></td>
<td>40%</td>
</tr>
<tr>
<td>Moderately effectively</td>
<td></td>
<td>20%</td>
</tr>
<tr>
<td>Ineffectively</td>
<td></td>
<td>25%</td>
</tr>
<tr>
<td>Not sure</td>
<td></td>
<td>15%</td>
</tr>
</tbody>
</table>

**Interpretation**

In the context of workforce development, How effectively do you think social media platforms disseminate accurate financial information? 40% tell Very effectively, 20% tell Moderately effectively, 25% tell Ineffectively, 15% tell Not sure.
10. To what extent do you trust financial advice or information shared by social media influencers?

<table>
<thead>
<tr>
<th>Category</th>
<th>Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>A lot</td>
<td>60</td>
<td>60%</td>
</tr>
<tr>
<td>Somewhat</td>
<td>10</td>
<td>10%</td>
</tr>
<tr>
<td>Not much</td>
<td>20</td>
<td>20%</td>
</tr>
<tr>
<td>Not at all</td>
<td>10</td>
<td>10%</td>
</tr>
</tbody>
</table>

**Interpretation**

As can be observed to what extent do you trust financial advice or information shared by social media influencers? 60% of a lot, 10% of somewhat, and 20% not much 10% of not at all.
VI. FINDINGS AND CONCLUSION:

FINDINGS:

✓ The following table takes into consideration a number of different factors in order to provide an accurate estimate of the subject's age. There were almost half as many responses who were under the age of 30 as there were who were in their twenties, with 23% in their twenties, 18% in their forties, and 15% in their fifties.

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✓ The above table and graph Have you ever used social media to seek financial advice or information? represents that 20 percent of the respondents are yes and the remaining 80 percent of the respondents are no.

✓ The above graph is How frequently do you discuss financial topics with your peers on social media? The item had to get the respondent’s 30% Rarely or never, 25% Occasionally, 20% Monthly, 15% Quarterly and 10% Annually.

✓ The results are shown in the graph How important do you consider social media as a source of financial knowledge? Extremely important for 14%, important for 58%, Somewhat important for 16%, Not important for 12%.

✓ The above table and graph analysis Do you believe that exposure to financial content on social media has influenced your financial decisions? represents that 25 percent of the respondents are Very likely and the 45 percent of the respondents are Somewhat likely and 30 percent is Unlikely.
✓ In the context of workforce development How effectively do you think social media platforms disseminate accurate financial information? 40% tell Very effectively, 20% tell Moderately effectively, 25% tell Ineffectively, and 15% tell Not sure.

✓ As can be observed To what extent do you trust financial advice or information shared by social media influencers? 60% of A lot, 10% of Somewhat, and 20% Not much 10% of Not at all.

CONCLUSION:

The effect of social media on millennials' financial literacy demonstrates the generation's reliance on these platforms for information, particularly personal finance advice. However, the volume of information available may cause confusion and disinformation, creating issues about accuracy and dependability. According to research, there is a gender disparity in financial literacy among millennials, with women often demonstrating lower confidence in financial decision-making than males.

Societal norms and restricted access to financial resources are both significant factors to this divide. Social media might unintentionally exacerbate these disparities by promoting misconceptions. To address these problems and improve financial literacy, targeted education programs on social media platforms should give accurate and balanced information.

By using social media for education and engagement, we can help to close the gender gap and empower millennials to make informed financial decisions, resulting in a more equal society.

VII. REFERENCES:


20) Disney, R., & Gathergood, J. (2012). Financial literacy and consumer credit decisions.


