

Influence of Financial Influencers on Gen Z Investment Behaviour in India: Digital Investing, Behavioural Biases, and ESG-SDG Implications

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Abstract

India's retail investment landscape is being reshaped by the interaction of digital finance, creator-led communication, and a new generation of market participants. Gen Z has entered investing through mobile trading apps, short-form video, social media communities, and platform-native financial education rather than through the advisor-led pathways that influenced earlier generations. This paper examines how financial influencers, or finfluencers, shape Gen Z investment behaviour in India and asks whether such digital influence can be aligned with broader ESG and Sustainable Development Goal (SDG) priorities. The paper is review-based and synthesizes twenty recent studies supplied for the assignment together with a limited set of official market and regulatory sources used only to establish the Indian context. The analysis is organized around three objectives: the influence of finfluencers on investment awareness, attitudes, and decision-making; the role of social media platforms and content credibility in shaping investment choices and risk perception; and the impact of finfluencer content on asset preference, investing frequency, and long-term financial planning. The review shows that finfluencers reduce psychological and informational barriers to market participation, but the same features that improve access - relatability, speed, virality, and emotional storytelling - also amplify herding, overconfidence, fear of missing out, and short-termism. Financial literacy and regulatory awareness appear to moderate these effects, while platform design influences how quickly advice is trusted and acted upon. The paper argues that digital influence can support SDG 4, SDG 8, SDG 10, and SDG 13 only when creator activity is embedded in a stronger governance architecture based on disclosure, accountability, literacy, and ethical communication. The study contributes an India-focused synthesis of an emerging literature and proposes a conceptual pathway linking influencer exposure, perceived credibility, behavioural biases, and investment outcomes.

Keywords: Finfluencers, Generation Z, investment behaviour, India, social media, behavioural finance, financial literacy, ESG, SDGs

1. Introduction: Digital Investing and the Rise of Finfluencers in India

The investment landscape of India is seeing a large structural shift due to digitisation, mobile-first finance and rising youth participation. According to Snap and BCG India (2024), the Gen Z population of India will be at 377 million. For this study, both age boundary views have been used, and the population of this cohort was found to be roughly a quarter of India's overall population. Simultaneously, there has been a rapid surge in securities market participation. The NSE (2024) reported in August 2024 that India crossed 10 crore unique registered investors and 19 crore total accounts. Nearly 40 per cent of these investors are below the age of 30. The demat accounts crossed 20 crore by 2025 according to industry reporting, with around three-fourths of new accounts linked to individuals below 30, said the Economic Times. Evidence shows Gen Z is no longer just consuming financial content online, but becoming a key retail investor class in India.

India's digital media is closely tied to this transformation. As per DataReportal an estimation suggested that in early 2025, India has 491 million YouTube users and 414 million Instagram users which highlights the huge platforms through which financial content now flows (DataReportal, 2025). To the young investors, social media is not just an additional information source, but an environment they inhabit every day that brings together financial literacy, peer comparison, and investment persuasion. The act of investing is being normalized as one that can be learned, discussed, and imitated online through reels, YouTube explainers, Telegram groups, and creator commentary. As traditional advisory services remain inaccessible for many, digital content has proven to be a more affordable, relatable and accessible medium for financial learning.

Finfluencers have stepped up – they perform an important intermediary role between the market and new investors. Finfluencer refers to a social media influencer who makes a post on social media platforms including Instagram,

YouTube, LinkedIn, Facebook, and X for information, or apparent advice related to investment in securities and financial products. (SEBI, 2024) What people communicate is important but how they choose to communicate is equally significant. Finfluencer content is typically vernacular, demystified and platform-friendly, making finance less technical and more familiar to people culturally (Espeute & Preece, 2024; Hayes & Ben-Shmuel, 2024). Investors have been able to tackle more options while feeling less intimidated by them.

Information from India indicates that this influence is quite common. According to SEBI's Investor Survey 2025, 56% of investors surveyed relied on finfluencers for information about various securities products, while 34% also turned to online peer groups such as Telegram, WhatsApp, Reddit, and Facebook communities (SEBI, 2026). According to the same survey, 93 percent of investors consider finfluencers somewhat to very credible, and 62 percent report that they apply some of their recommendations while making investments (SEBI, 2026). This creates a double effect: on the one hand, finfluencers can broaden access to financial knowledge and participation but they can also heighten exposure to misinformation, conflicts of interest and advice from unregistered actors. According to existing research, youth investment behaviour is dependent on financial literacy, family, biases, digital access, peers, and social media. But the literature is fragmented. Further, only a few studies focus directly on finfluencer narratives (Sajeev et al., 2021; Dugar & Madhavan, 2023; Nag & Shah, 2022; Preethi, 2025; Rosdiana et al., 2026). It thus links these strands together within a common framework that has clear objectives and an ESG-SDG perspective.



Source: Statista, IDC, "The \$2 Trillion Opportunity: How Gen Z is Making the New India" (2025), GlobalData, Digital 2025: India.

2. Problem Statement and Research Focus

This paper seeks to explore the tension between democratization and misinformation. Access to the market has become more open due to digital finance. However, the routes to investment knowledge accessed by Gen Z often stem from algorithmic visibility rather than professional suitability. With the help of a finfluencer, young people can start saving and investing. They simplify concepts like SIPs, mutual funds, equities, or diversification. Finfluencers can help you build wealth early. On the flip side, they can simplify complicated market choices into emotional yet weak messages. If financial content is made to get attention first and to be suitable second, decision-making quality suffers. As such, this paper analyses finfluencers as a hybrid institution rather than wholly positive or negative institutions, with impact and influence varying with credibility, literacy, regulation, and behavioural context.

How do Indian finfluencers influence the investment behaviour of Gen Z is the first research question. These impacts encompass one's awareness of investment, attitude toward risk and return, formation of trust, selection of products, and speed of resolution. How can digital influence align youth investing-of the traditional stock market with the ESG and SDG goals? The discussion now goes beyond participation to ask whether creator-led financial communication can support better financial literacy and economic inclusion, and promote responsible long-term investment preferences, rather than merely speculative or trend-based behaviour.

The paper is structured around three goals. Firstly, it looks at how far financial influencers are responsible for investment awareness, attitudes and decision-making by Gen Z investors in India. Second, it analyses the role that social media platforms and content credibility plays in Gen Z's investment decisions and risk perception. In addition,

it evaluates the effect of financial influencers on investment behaviour, with respect to asset type, how often they invest and planning for the long term. When we derive our analytical objectives from a general research question, they play an important role in making the topic analytical. In other words, they help in separating platform effects from behavioural effects.

The study holds importance for three reasons. This work is an addition to the expanding academic literature connecting behavioural finance with youth investing using platforms. In practical matters, it enables regulators, educators, fintech firms and financial institutions to understand how digital influence alters investors’ formation at the market entry level. In terms of normative engagement, the project takes SDG 4 on education, SDG 8 on youth economic participation, SDG 10 on reducing financial inequality, and SDG 13 on climate-conscious investing as points of reference. It also invokes the governance dimension of ESG in the ethics of digital financial advice. Gen Z's behavior in following influencers aside, the issue is about what kind of investing culture gets created with financial socialisation happening through creator economies.

Research Questions

1. How do influencers shape Gen Z investment behaviour in India?
2. Can digital influence align youth investing with ESG and SDG goals?

Research Objectives

1. To examine the extent to which financial influencers shape investment awareness, attitudes, and decision-making among Gen Z investors in India.
2. To analyze the role of social media platforms and content credibility in influencing Gen Z's investment choices and risk perception.
3. To assess the impact of financial influencers on investment behaviour in terms of asset preference, frequency of investing, and long-term financial planning.

Finfluencer exposure -> perceived credibility and trust -> investment awareness and attitude -> investment choice, frequency, and planning

Moderators: financial literacy, risk perception, peer and family influence, regulatory awareness, and ESG orientation

Figure 1. Conceptual pathway guiding the paper.

Objective	Analytical indicators	Representative literature anchors
Objective 1	Awareness, attitude, trust, first-time participation, decision-making style	Sajeev et al. (2021); Dugar & Madhavan (2023); Espeute & Preece (2024)
Objective 2	Platform choice, content credibility, perceived expertise, disclosure, risk perception	SEBI (2026); Gerritsen & de Regt (2025); Hasanah et al. (2025)
Objective 3	Asset preference, investing frequency, planning horizon, long-term discipline	Preethi (2025); Warkar & Durai (2025); Kim (2025); Paul et al. (2025)

Table 1. Analytical dimensions used to organize the review.

3. Literature Review and Theoretical Foundations

3.1 Gen Z investment behaviour in India

Recent studies depict Indian Gen Zs as a digitally-connected yet behaviourally-varied class of investors. According to the article’s research, Dugar and Madhavan (2023), found that the Indian Gen Z respondents were gradually shifting towards financial independence. The family experience, however, saving ratios and exposure to investing within the

family were important in shaping preferences. According to the study, the respondents are investing into long term instruments/ assets, equity share, mutual fund, fixed deposit, gold, silver, etc., however, they also exhibit herd behaviour or question – who will take the first step? Furthermore, according to Sajeev et al. (2021), findings revealed that the investment decision-making by Indian Gen Z respondents was pumped up by financial literacy, risk attitude and information search. On the other hand, herding had a weak and negative relationship with investment decision-making. The findings of these studies imply that Gen Z is neither a wholly impulsive nor a wholly rational investor cohort, but one that is still learning how to mix digital access with disciplined judgement.

The most explanatory variable is almost always financial literacy. According to Nag and Shah (2022), insight from Indian Gen Z indicates that possessing financial literacy gives rise to investment intention and impacts attitudes towards investment and perceived behavioural control more than anything else. There is a related stream of work which argues that literacy gaps are behavioural vulnerabilities rather than just knowledge deficits because low literacy interacts with subjective norms, platform dependence, and confidence inflation. The JETIR study on financial literacy and Gen Z investing that digital savviness does not mean sound judgement. Besides, absence of structured financial education can lead to choice based on trends rather than analysis (Podile et al., 2025). Paul et al. (2025) found the strong influence of financial literacy on expenditure, saving, and investment behaviour of Gen Z and millennials while the role of fintech and digital platforms which is meaningful but of a lesser degree.

Simultaneously, the Indian Gen Z is fairly comfortable with the digital investment infrastructure. According to Preethi (2025), Gen Z investors in India prefer to use digital platforms and invest in non-traditional assets while displaying a greater inclination to short-term investing. Furthermore, their investment decisions are influenced by psychographic, demographic, and behavioural bias. Rosdiana et al. (2026) conducted a wider review of the millennial and Gen Z investment literature and identified four factors that recur across contexts – behavioural biases, financial literacy, digital technology-related factors, and sociocultural values – all of which are particularly relevant to India. Nandgopan and Mandal (2026) offer a valuable Indian digital-finance viewpoint by demonstrating that regulatory awareness, economic uncertainty, parental financial socialisation, digital literacy, and trust in platforms interact in a hierarchy that ultimately affects investment behaviour. The combined findings of these studies suggest that Gen Z as an investor group cannot be interpreted based on age alone. Moreover, it is produced at the intersection of literacy, socialization, platform design and behavioural bias.

3.2 Finfluencers as digital financial intermediaries

Finfluencers are increasingly seen as a new type of informal financial intermediary in the literature. Young investors are drawn to the finfluencer content, since it is relatable, more visually appealing, and easier to digest than advisory communication. According to Espeute and Preece (2024). Finfluencers are useful because they translate. They make it feel normal to participate our finances. Hayes and Ben-Shmuel (2024) strengthen this argument by demonstrating that finfluencers do not simply reiterate textbook definitions; they redefine the meanings of finance through the operations of digital storytelling, platform language, hashtags, emoji, humour, and interactions. In that regard, finfluencers influence not just decisions but also how we frame investing culturally in daily life.

Studies on India thus broadly support this view. Umakanth S. According to a study conducted by et al in 2024 it was found that about half of their Indian sample Gen Z regularly relied on financial influencer advice. This suggests that finfluencers have become trusted interpretive agents as opposed to a onetime source of tips. A study by Wanjari et al. (2024) conducted on young investors in Nagpur reported that social media variables have a positive relation with investment decisions and having followed finfluencers, many were able to enhance their understanding of finance. Singh and Sharma (2025) revealed that a young Indian audience is quite aware of finfluencers. It was also found that YouTube and Instagram are the preferred platforms for learning about investing. However, this financial literacy has caused a less blind trust in the influencer's recommendations. This does matter because it implies that the influence of finfluencers could potentially be strongest not where there is no literacy but, having partial literacy – which is sufficiently high to create confidence but not necessarily high enough to critically evaluate quality.

The literature also cautions that finfluencer influence can be opportunistically strategic. Gerritsen and de Regt (2025) studied the recommendations made by Dutch financial influencers and they found out that the influencers tend to recommend previously best-performing assets but post-recommendation return was mostly negative. The study

indicates that social heuristics and momentum narratives can make influencer recommendations compelling just when the upside has already been priced. According to the content analysis of the top influencers across platforms done by Hasanah et al. (2025), there has been a heavy focus on investment-related topics like stocks, crypto, and other financial products. Many of the more visible creators, however, did not have any financial certification to flaunt. Finfluencers emerge as attention allocators who provide recommendations that may be persuasive not because they are analytically superior, but because they appear socially validated.

3.3 Behavioural finance and investment decisions

Behavioural finance explains the theoretical reasons behind the importance of influencer content. Investors use heuristics like 'rule of thumb' rather than being rational. Behavioural models introduced by Dunn James, clients' undermining risk and diversity. Overconfidence and hindsight bias diminish the unforeseen. Malay Exchanges (2012), Google value of non-bank assets. J.K. Liker & Masuda, average bank wealth under or discount. Sajeev and others (2021) show that the behavioural variables are most relevant for Indian Gen Z. Islam et al. (2024) show that prospect, herding, and heuristic dimensions significantly influence financial risk propensity, which in turn influences investment decisions. The risk propensity's relevance is significant as influencer content often alters not just what investors know, but how inclined they feel to act under uncertainty.

The claim is bolstered by evidence of platform-driven bias. Behavioural biases significantly impacted Gen Z investment decisions based on the findings of Warkar and Durai(2025). Furthermore, it was noted that influencers partially mediated this particular relationship. According to Preethi (2025), likewise, Indian Gen Z investors demonstrate strong presence of mental accounting, herd mentality, overconfidence, and loss aversion. According to Kim (2025), social media engagement causes an increase in retail investor short-termism and that this effect is stronger among younger and overconfident investors. Youth participation and social media intensity is quite high in the Indian context. Thus, this is very relevant.

There is another useful source of qualitative work on interaction and sociality. A study conducted in 2024, known as the social ledger, indicates that Indian retail investors and fund managers influenced one another through peer pressure, social norms, information sharing and fear of missing out. Thus, their investment decisions are socially embedded and not purely individual calculations (The social ledger, 2024). A recent study by Kürzinger and Stangor demonstrates that social media posts can change the investment decisions of impressionable youth who are savvy in their use of social media. The results of these studies indicate that the influencer effect goes beyond explicit buy/sell signals. A more indirect mechanism is often social proof: seeing what others are watching, liking, praising, and repeating alters our conception of what is the new normal of risk-taking..

3.4 Platform credibility, trust, and risk perception

A common finding in the literature is that Gen Z frequently assesses financial content based on different credibility cues than those practiced in traditional advisory contexts. Trust doesn't always come from registration, qualifications or a fiduciary relationship with the individual. Trust could come because he seems authentic, consistent, easy to explain, aspirational, or even identitarian. S. Umakanth According to et al., (2024) Gen Z has preferences for their use and content generation patten rather than solely expertise on a topic. Selective trust also plays an important role, as noted by Singh and Sharma (2025): young investors may see influencers as educators but may not trust them properly on high-stakes decisions when they have a higher literacy.

But, credibility in social media contexts is usually performative. Participatory engagement and relatable storytelling create a sense of belonging that can elevate perceived trust (Hayes and Ben-Shmuel, 2024). Hasanah et al. (2025) also shows that packaging, interactivity, and advertising strategy come as part of influencer building their persuade powers Despite the potential benefits, Gerritsen and de Regt (2025) argue that professionals' opinions mislead investors. Their recommendations follow past performance and social heuristics, rather than independent analysis. Hence, the divergence between perceived and substantive credibility takes centre stage in the problem statement of this paper.

We shape our perceptions of risk in the same ecosystem. According to Nag and Shah (2022), a financial literate investor may become more willing to take a measured risk rather than just avoid it altogether as financial literacy affects both one's attitudes and perceived behavioural control. As a result, the problem is not risk but rather its framing. When the downside is not sufficiently discussed, investors get confident faster than they get competent when

risk is reframed as upside. This may help explain why Gen Z simultaneously seems informed, digitally skilled, and behaviourally exposed. In such contexts, credibility is not an inherent trait of the source but instead it is negotiated through visual style, familiarity, platform repetition and community endorsement..

3.5 Sustainable investing, ESG, and youth finance

The India-specific finfluencer writing fails to pay adequate attention to Gen Z investing's sustainability dimension. According to Rosdiana et al. (2026), millennials and Gen Z possess strong environmental and pro-social value orientation but often do not translate these beliefs into consistent ESG or socially responsible investment actions. The review is quite useful because it identifies a persistent intention-behaviour gap whereby despite younger investors endorsing sustainability as a value, they still make actual choices that prioritise convenience, yield expectations, social proof, or speculative digital assets. This observation is relevant for this study as it raises a second-order question: even if finfluencers successfully entice young people to invest, what kind of investing do they normalize?

According to Nandgopan and Mandal (2026), the sustainable digital investment behaviour can largely depend on higher-order enablers such as regulatory awareness, parental financial socialization, perceived uncertainty, and trust in digital systems. Simply put, climate-conscious investing is not separate from the rubric of digital literacy and trust in platforms. Some literature cited in this paper is not ESG-specific. Still, it indicates possible routes through which alignment with sustainability could occur. Using scientifically backed techniques can help those working towards effective behaviour change communication frames. Financial literacy can improve decisions' quality; platform design can direct attention; and social influence can create a positive herd effect, if sustainable products are credibly framed, made to appear mainstream, and personally meaningful.

Consequently, one should see the ESG-SDG component of the issue more as a governance and behavioural question than solely a product question. Just because a young investor social product exists, it doesn't mean he/she always choose climate conscious product. The structure of information about those products must also reward patience, evidence, transparency and trust. This is why the ESG governance pillar is especially relevant to finfluencers. Disclosure standards, conflict-of-interest management, ethical framing, and accuracy of communication determine whether digital advice supports informed inclusion. It ensures that the advice does not merely monetize attention.

4. Research Methodology

The design of this paper is a narrative review. This is not an empirical survey and doesn't bring primary questionnaire data. Rather, it amalgamates twenty assignments' recent studies identified and uses a few current official sources only to establish the context of contemporary Indian markets. This design is suitable as the literature on finfluencers, Gen Z and digital investing in India is still nascent and methodologically diverse. Some research works depend on cross-sectional surveys, structured equation modelling, qualitative interviews, content analysis, and conceptual or review-based synthesis. By adopting a structured narrative review, it becomes possible to compare these strands while also maintaining the analysis related to the objectives.

A set of four criteria were employed to select the source base. The literature analyzed in this report was selected based on two criteria. First, the studies needed to be recent enough to depict platform-era investing. The authors, therefore, limited their inclusion of literature to mainly those from 2021-2026. Second, the studies needed to focus on at least one of the following areas. These include Gen Z investment behaviour, financial literacy, social media or finfluencer effects, behavioural finance, and sustainable and digital investing. One important criterion of selection was that the study should focus on India or be relevant to India. Nevertheless, some selected readings of international work were retained. In some cases, when they offered theoretical insights or a comparative perspective that strengthened the conceptual interpretation, they were retained. The source base incorporates both peer-reviewed work and emerging-access research outlets. The finfluencer field is new and some of the most direct India-facing studies appear in newer journals or institutional repositories rather than in long-established top-tier journals.

To facilitate analysis, the review adopted the three objectives as coding categories. Category one dealt with how finfluencers affect creating investment awareness, perception and decision making. Category two included platform effects, perceived credibility and risk perception. The third category included downstream behavioural outcomes such as asset preference, frequency of investment or trading, and long-term orientation planning. In order to answer the second research question about ESG and SDG alignment, a fourth interpretive layer was added. The literature suggests

pathways for digital influence to enhance financial literacy, bolster economic participation, shrink inequality, and foster climate-friendly investing.

This approach's key strength is that it would allow the paper to link fractured findings into a coherent India-relevant narrative. The primary limitation is that the studies from which the effect sizes are derived exhibit heterogeneity in terms of sample design, geography, platform focus and measurement quality. Multiple studies done in India use convenience sampling, city-based data, and student/youth samples that affect their generalizability. Through various repositories, some of the newer publications also own incomplete or inconsistent metadata. As a result, the paper makes analytical rather than strictly causal claims and interprets the literature to be cautious. Regardless, the recurrence of common themes across separate studies such as literacy, trust, digital convenience, behavioural bias and social proof makes synthesis possible and worthwhile.

Therefore, the study can be described methodologically as a review-based interpretive paper grounded in behavioural finance and digital media analysis. The paper seeks to show how the contemporary literature addresses the objectives of the assignment, where it appears inconclusive, and what this implies for future research and policy in India

5. Analysis and Discussion

5.1 Finfluencers, investment awareness, attitudes, and decision-making

The first objective queries the extent of finfluencers' influence on the awareness, attitude and decision-making of Indian Gen Z investors. The literature strongly suggests that awareness can impact sales. According to Espeute and Preece (2024), young investors are attracted to content that is easy to understand, informal, and incorporated into their regular media consumption. This accessibility is important in India where many first-time investors are meeting the markets through an app rather than an institution. The SEBI 2026 survey result showed that 56 percent of investors use finfluencers as their source of information. This is a clear indication that finfluencers have become mainstream. In this sense, awareness is no longer produced solely by schools, consultants or financial newspapers; it is produced in feeds, reels, threads and group chats. Just because an individual is aware of something, it does not mean they fully understand it. However, awareness does help in forming an attitude. According to Dugar and Madhavan (2023), Gen Z wants to learn, save, and become financially independent over time, but they often engage in herd behavior and act based on their family experiences. Content created by finfluencers occupies this place in attitudes by making market participation look aspirational, timely and endorsed by the social world. Umakanth S According to a study by et al. (2024), most of their Gen Z sample relied on influencer advice regularly. In another study by Singh and Sharma (2025), the influence was moderate but so was their trust as they were selective about it. The findings indicate finfluencers play a role in not only factual knowledge of investment activities but emotional framing: whether it seems urgent, empowering, easy, or cool.

The literature on behavioural finance offers clarity on decision-making effects. Sajeev et al. (2021) found that information search and financial literacy positively impact Gen Z's decision-making, but some herding is still present. Warkar and Durai (2025) elaborate that finfluencers partly mediate behavioural biases. Content does not just supply information. It also activates the psychological proclivities already present in young investors. It means the decision pathway isn't always linear. A Gen Z investor might stumble upon a short video, experience through exposure a reliable presumption feeling, see the comments and what's happening on the platform in the comments a social urgency feeling, and translate that emotional confidence into a decision to invest. Finfluencers create the structure of attention within which decisions are made.

Essentially, it is the finfluencers who lower the entry barriers and modify the emotional and social meaning of investing, thus profoundly influencing early stage investment behaviour in India. They have become very influential tools, particularly as more investors go online and seek information through digital content rather than advisers. They do not replace your agency but rather structure the cues through which your agency is exercised. For the Indian Gen Z, awareness and attitude are not neutral precursors and are already characteristics present in the decision environment.

5.2 Social media platforms, content credibility, and risk perception

Analysing the position of platforms and credibility is the second objective. According to the literature, platforms are chosen for a reason. YouTube encourages longer explainer content and educational branding for repetition; while

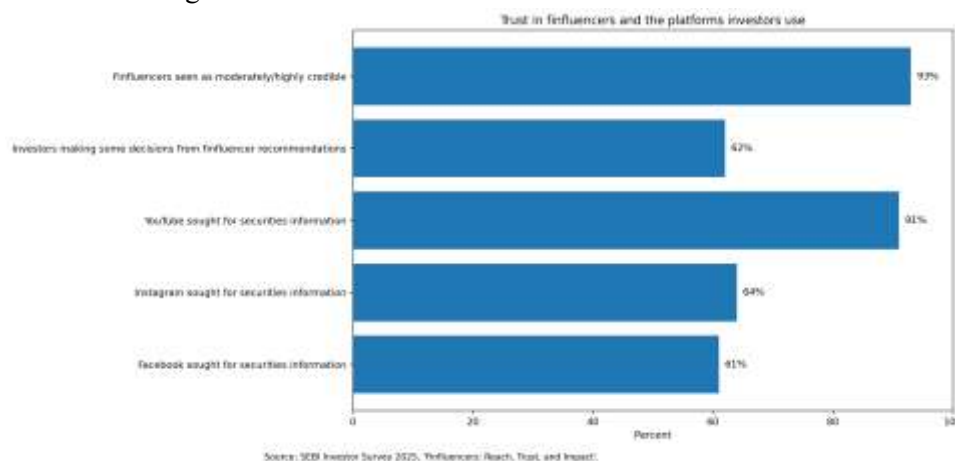
Instagram and short video encourage emotional hooking through easily digestible heuristic; and on Telegram and in peer groups repetition of call to action flows for community conviction. According to a survey conducted by SEBI in the year 2026, it was found that YouTube and Instagram are the dominant platforms for finfluencers. Further, Telegram, WhatsApp, Reddit, and Facebook communities are also being used significantly for information sharing spaces. (SEBI, 2026) The means of communication influences the message. It regulates the speed, depth, social visibility, and repetition with which one encounters advice.

These settings create credibility in a different way than finance. Finfluencers come across as credible due to their frequency, familiarity and legibility. Hayes and Ben-Shmuel (2024) find that storytelling, syntax, symbols, and participatory engagement help creators translate abstract finance into resonant everyday narratives.

Hasanah et al. (2025) also discover that packaging, collaboration and interactivity are important to finfluencer influence. However, these systems can mask the essential quality. Young investors may assert competence from creators absent registration, analytical rigour, or conflict disclosures, if those creators appear consistent, confident, and relatable. Ultimately, this is why SEBI and CFA research repeatedly call for disclosure.

This credibility structure has a strong influence on risk perception. Nag and Shah (2022) show that financial literacy contributes to investment intention through improved attitude and perceived behavioural control. It is an important finding, for risk perception does not just mean becoming more careful. It can also mean become more at ease with considered risk. The issue arises when platform signals boost confidence without enhancing judgment. According to Kim (2025), social media engagement is linked to short-termism, particularly in younger and overconfident investors. Gerritsen and de Regt (2025) also state that finfluencers endorse assets with strong recent performance, while returns post-recommendation tend to be negative. Portraying recent winners as social proof rather than as embedded with risk will decrease perceived risk even though the objective risk remains high or increases.

Conclusion of the literature is that a layered model of credibility. The first layer is surface credibility – presentation, consistency, follower count and engagement. The second layer of credibility is relational, which encompasses relatability, trust, and perceived authenticity. The third layer is substantive credibility: expertise, evidence quality, disclosure and suitability. The members of Generation Z seem quite responsive to the first and second layers while financial literacy as well as regulatory awareness are needed to evaluate. Singh and Sharma (2025) demonstrate here that blind trust is reduced by financial literacy and that is helpful evidence. A clear practical implication from the study is that improving youth investment behaviour in India will require not just increasing the amount of content, but the standards used to distinguish between what constitutes relatable communication and what is reliable financial



guidance.

5.3 Asset preference, investing frequency, and long-term planning

The third goal is about how finfluencers affect behaviour. The examined literature indicate that Gen Z in India has a preference for a diversified investment portfolio comprising of stocks and shares (equities), mutual funds, crypto assets, gold and digital-first investment options.

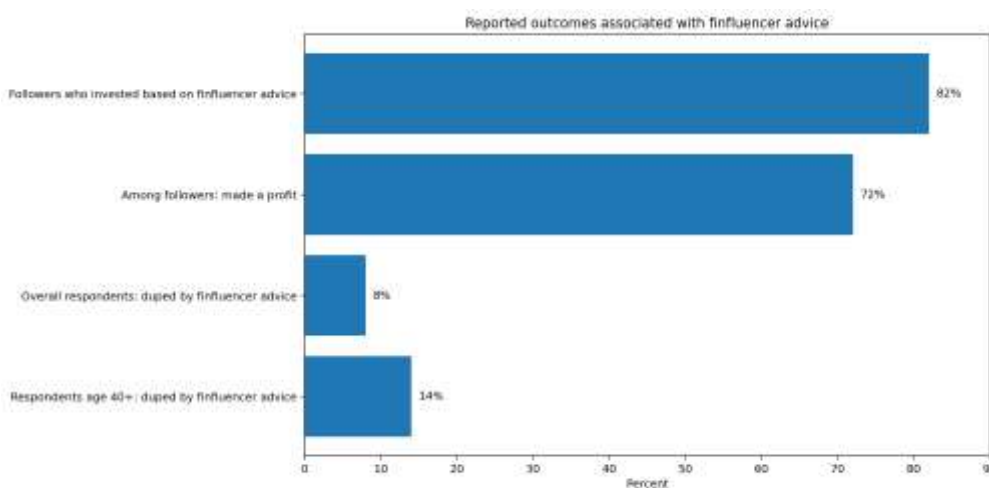
As noted by Dugar and Madhavan (2023), there is a sustained interest in equity shares, mutual funds, fixed deposits and gold or silver. However, there is also an intraday or risky engagement with crypto assets. According to Preethi (2025), Indian Gen Z investors prefer investing in digital investment platforms and non-traditional assets like cryptos.

It indicates that the influence of finfluencers operates within a hybrid market logic: young investors desire growth, convenience, and cultural relevance, and are willing to combine conservative and speculative assets.

Finfluencers alter salience to influence asset preference. When we're exposed to things more often, they become easier for us to remember. Learning about mutual funds, SIPs, ETFs, options trading, and even crypto can be normalization. S. Umakanth According to et al. (2024) and Wanjari et al. (2024), social media has a significant contribution in creating product awareness and understanding. Awareness and preference differ from each other. An accountable influencer may direct audiences toward SIPs, diversification, tax-aware long-term planning, or emergency funds, while a hype-oriented creator may focus on quick gains, concentrated bets, or narrative-driven assets. Studies have shown that the attractiveness of the firm impact the type of creator dominates media consumption of the investor

Digital affordances also influence investing frequency. Notifications from platforms, frequent comments from the market, and high-frequency exposure to commentary can shrink the psychological distance between seeing something and doing something. The 2025 study conducted by Kim on social media and short-termism is very relevant here, because short-termism often looks not like a formal intention to speculate but a by-product of constant action. Because he is always on, the investor feels informed. Still, this connectivity may actually shorten patience and heighten reactivity to noise, serving as yet another form of noise. Kürzinger and Stangor (2024) experimentally reinforce this effect through social posts that affect perceived relevance and investment choice amongst young savvy social media users. In such contexts, investment frequency may increase not due to better fundamentals but faster attention cycles.

Literature shows the biggest deviation in long-term financial planning. Dugar and Madhavan (2023) and Nag and Shah (2022) opine that long-run investment intentions can strengthen by literacy. Paul and colleagues have shown a strong link between better financial behaviour regarding money and better financial literacy among younger people. Rosdiana et al. (2026) states that a longer-term determinant of Gen Z investment behaviour is not only digital comfortable but also sociocultural values and the buffering of biases. On the contrary, studies from platforms suggest a danger wherein incessant consumption of content nudges young investors towards event-driven or socially validated actions. The evidence therefore supports a conditional conclusion. Finfluencers can support long-term planning. But this will only happen if they consistently frame investing as disciplined, diversified, and linked to goals. However, finfluencers undermine long-term planning. Platform incentives reward novelty. Urgency and overstate performance narratives more than prudence.

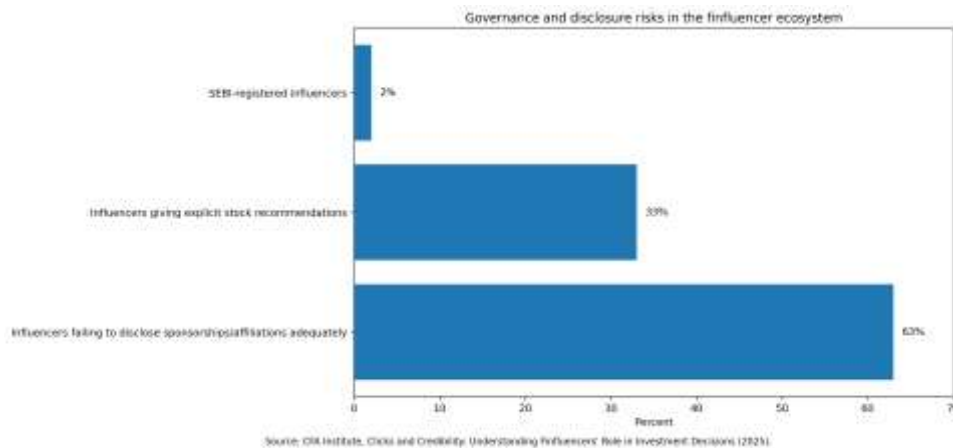


Source: CFA Institute, Clicks and Credibility (2023). Note: the profit metric applies to those who followed advice.

5.4 Democratization versus misinformation: a synthesized reading

Literature in relation to the three objectives returns to a basic duality. Finfluencers do broaden accessibility. They lower fear, eliminate jargon barriers, make investment culturally legible and reach audiences missed by formal financial education. This will support greater youth engagement and may promote earlier involvement in saving and investing. Nevertheless, the same literature shows that access without epistemic safeguards can create a new form of fragility. Familiarity may build trust rather than verification; confidence may grow faster than competence; and digitally visible financial advice may crowd out slow, critical evaluation.

Finfluencers are not necessarily harmful or helpful but serve as high-impact amplifiers, this is the most beneficial way to interpret them. By rewarding explanations, disclosures, and goal-based planning, they encourage good habits to scale. When the ecosystem rewards spectacle, FOMO, and anecdotal certainty, they exaggerate bad habits. Due to its size, digital intensity and still-developing advisory culture, a young investor market like India is especially prone to this amplification. Thus, the answer to the research questions must be conditional: yes, finfluencers shape Gen Z behaviour in India, and yes, that influence can potentially influence ESG-SDG goals- but only under governance, literacy, and design conditions that the present market is still struggling to institutionalize.



Source: OJK InfStats, Clicks and Credibility: Understanding Influencers' Role in Investment Decisions (2021).

6. SDG and ESG Alignment

The second research question focuses on whether the use of digital influence can help achieve youth investing in line with ESG and SDG. According to the literature, this alignment is achievable but not automatic.

The most significant connection is to SDG 4, which is the building of financial literacy as a form of applied, lifelong capability development. Finfluencers have already taken over the educational format of choice for young users: visual, short-form, interactive and accessible. When their content elucidates the concepts of diversification, fraud awareness, compounding, budgeting, SIP discipline or risk-adjusted thinking, they can strengthen the literacy foundation on which informed participation is built (Espeute & Preece, 2024; Nag & Shah, 2022). It must be distinguished from hidden advertising and sponsorship. The contribution of finfluencers to SDG 4 depends on their provide high-quality information, disclosing conflicts, and educating audiences in critical evaluation of claims.

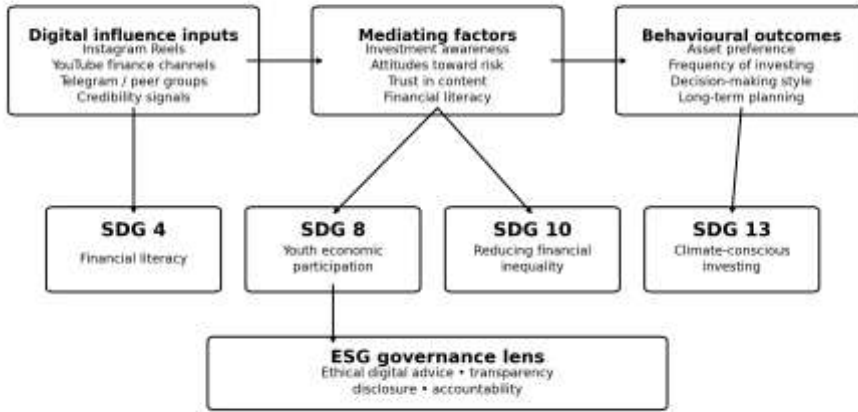
Another link is with SDG 8, especially youth economic participation. Making investments early on can help people grow their wealth and access the formal economy. According to Dugar and Madhavan (2023), Indian Gen Z is already striving for financial independence through the act of saving and investing. It is also evident in the work of Nandgopan and Mandal (2026) who share that the quality of participation depends on digital literacy, regulatory awareness, and socialization. Finfluencers can aid in the realization of SDG 8 by advocating for a disciplined entry to the financial markets and decreasing intimidation for inexperienced participants. When speculative urgent becomes the driving force for participation rather than capability, the developmental gains weaken.

The third connection is with SDG 10 on reduced financial inequality. Digital media can improve the availability of financial information across geography and class, which is handy in India's uneven advisory landscape Content created by everyday individuals may reach first-time investors who wouldn't consult an advisor and read research reports. However, the literature has a contrary implication too: if unverified advice presents a higher risk to lower-literacy users, digital finance could create a new form of unequal access, between those who can accurately assess creator content, and those who cannot. According to Rosdiana et al. (2026) and Paul et al. (2025), the mediators (determinants) of inclusion are literacy and digital capabilities, which means that inclusion without literacy can still reproduce asymmetry.

Lastly, this is linked to SDG 13 and more broadly ESG. According to Rosdiana et al. (2026), despite Gen Z being concerned with environmental and ethical issues, they do not usually exhibit consistent ESG or socially responsible investment behaviour. The obstacle goes beyond product accessibility; it also involves interaction and trustworthiness. In theory, finfluencers could popularize climate-conscious investing by relating ESG labels, green funds, stewardship,

long-term value creation through easy-to-understand language. However, this is where the governance pillar of ESG becomes decisive. Ethical digital advice should always disclose sponsorship and never engage in cloaked persuasion or misleading framing of risk. Transparency social media marketing accepts must be applied in reverse when it comes to responsibility for misleading claims. During the finfluencer age, governance is not only the domain of listed companies and fund houses, but also the communicative architecture that persuades the investors. Due to the fact that the topic is about something ‘very appropriate’, the governance of ESG and analytical digital responsibility ought to be integral rather than external.

Conceptual Framework for the Topic
Influence of Financial Influencers on Gen Z Investment Behaviour in India



Synthesized from the stated objectives and cited literature on Gen Z investing, influencers, SDGs, and ESG governance.

Framework	Interpretive focus	Practical implication for youth investing
SDG 4	Financial literacy	Creator-led explainers can improve basic investing knowledge, scam awareness, and risk comprehension when content quality is high.
SDG 8	Youth economic participation	Digital access can bring young adults into formal saving and investment systems and strengthen long-term asset formation.
SDG 10	Reducing financial inequality	Low-cost digital content can broaden informational access, but weak literacy and poor disclosure can also widen gaps.
SDG 13	Climate-conscious investing	Finfluencers can introduce ESG products and sustainable investing themes, but only if they explain them responsibly.
ESG (G)	Governance and ethical digital advice	Disclosure, registration status, conflict transparency, and suitability framing are central governance requirements.

Table 2. SDG and ESG linkages for the study topic.

7. Policy, Managerial, and Educational Implications

The results of this review has immediate policy impacts. First and foremost, India needs stronger credibility architecture to encourage digital financial communication. SEBI was right to begin taking action to prevent misadventures of regulated entities with unregistered finfluencers. However, literature around regulation design suggests going beyond prohibition and to positive standards. Proposals should include clearer formats for disclosing paid promotions, visibility of registration status, transparency of archival recommendations, and increased and systemic enforcement against misleading return claims (SEBI, 2024; Hasanah et al., 2025; Gerritsen & de Regt, 2025). Governance in the digital advice economy has to become legible to the first-time investor, not just a professional.

In addition, fintech companies and financial institutions should not consider the marketing of financial influencers just as an acquisition strategy. If Gen Z investors are entering capital markets through digital storytelling, then platforms should try to embed education and protection functionalities in the user journey. Guidance on risks and holding

periods; suitability warnings; ESG transparency dashboards; integrated literacy modules can mitigate the "excitement-action" jump. Rosdiana et al. (2026) explicitly suggest that bias-mitigation and sustainability dashboards must be developed for younger investors; Nag and Shah (2022) show that literacy changes intention through attitude and behavioural control. Consequently, it is the job of managers to design systems that restrict impulsive buying without compromising accessibility.

Third, it is essential to broaden the concept of financial literacy relevant to educational institutions and business schools as well as investor-awareness programmes. Standard literacy usually includes budgeting, saving, inflation and product types. A review of the literature reveals that digital investing requires yet another layer: literacy of platforms. A youthful investor should know how algorithms determine visibility, how promotional incentives determine content, how social proof works, and how to differentiate relatable communication from reliable advice. According to the findings of Singh and Sharma (2025) and Warkar and Durai (2025), it is now mainstream investing behaviour to critically evaluate digital content. This is where the contribution of schools, colleges, and public education would matter most.

It is essential to include the finfluencers in a reform agenda. Whether regulators approve of it or not, they are already part of the investor ecosystem, literature shows. Proper behavior ought to be a clear job hope for those involved in developing things. This entails disclosing sponsorships, avoiding cherry-picking performance, not portraying hypothetical returns as actual returns, and distinguishing education from recommendation. If creator-led finance is here for the long haul, we must ask ourselves not whether young investors will be influenced, but whether that influence will be made more transparent, accountable and compatible with long-term investor welfare.

8. Future Research Directions

Existing literature is rich enough to establish that finfluencers matter, but still too thin to answer all policy and all behavioural questions with confidence. Prioritize future research for better causative identification. For the most part, India-facing evidence is cross-sectional and perception-based, meaning that it captures what young investors say they think they trust or follow but may not actually do over time. Subsequent research should therefore integrate survey evidence into brokerage behaviour, simulated portfolio choices, or repeated panel observation such that changes in investing frequency, asset allocation, and holding period can be more precisely linked to exposure to creator content (Sajeev et al. 2021; Kim 2025).

The analysis should be platform-specific. The literature tends to disregard the differences in world views of the various social media platforms... Youtube, Instagram Reels, Telegram groups and Community forums are all very different platforms in terms of the length of the content, frequency of interactions, viral nature of posts and social proof and yet they are grouped together. Studies that isolate these environments can explain whether trust builds more by way of repetition, visual production quality, community feedback, identity-based relatability, or perceived expertise. This is particularly relevant in India where SEBI's investor survey shows significant use of both finfluencers and online investment communities, suggesting that creator-led influence and peer-led influence might operate through partially distinct mechanisms (SEBI, 2026; Gerritsen & de Regt, 2025; Hasanah et al., 2025).

A third direction involves investing sustainably and responsibly. Analyzing the literature has the scope to offer SDG-oriented financial literacy and even climate-conscious investing through digital influence. However, there is limited direct evidence of whether Indian Gen Z actually allocates more towards ESG-related products after consuming educational creator content. This creates a major gap. This is because branding rhetoric often crowds out the ESG conversation rather than measurable behavioural change. Future studies must examine whether reach-outs by creators could move investors beyond generic goodwill toward informed product understanding, discipline for long-term holding, and an examination of fund-level governance claims (Rosdiana et al. 2026; Espeute & Preece 2024).

Above all, there is a need to pay attention to heterogeneity within the Gen Z itself. The category encompasses college students, early salaried workers, gig workers, and first-generation market entrants, who differ importantly in their income stability, financial socialization, urban exposure, and investment motivation. No one finfluencer model likely impacts all finfluencers in the same manner, however. It is suggested that future research should compare subgroups

by gender, geography, income and financial literacy level, while also looking at how parental advice, peer communities and platform design = influence the creator. The goal of this project is to finalize a new conceptual framework that anticipates the risks that technology-enabled finance offers new opportunities to both currently governed (ontological risk) and previously excluded (epistemic risk) populations (Murthy and Ranjan 2025).

One last area of research pertains to the design of disclosures. Both policy debates and industry practice assume that disclaimers, sponsorship labels, and registration identifiers improve investor protection. Yet, there is limited behavioural evidence on which disclosure formats Gen Z actually notices, understands, and uses. Research could focus on comparing ordinary-text disclaimers, standard risk labels, creator registration badges, and conflict-of-interest prompts and finding which combinations prevent impulsive following without harming useful educational content. This will thus be helpful for not just regulators but also bona fide educators and platforms that wish to promote ethical financial communication at scale (SEBI, 2024; Kürzinger & Stangor, 2024).

9. Conclusion

Through review-based analysis matching three objectives and two research questions, the paper examines the impact of financial influencers on Gen Z investment behaviour in India. Studies show that finfluencers are playing a major role in creating investment awareness, attitudes and influencing decisions through making finance digital and accessible and interacting with young investors in their media spaces. The process is altered by behavioural finance influences, such as social proof, fear of missing out, herding, and overconfidence. Thus, it may be easy to access something but it does not necessarily produce easy quality judgments.

The design and credibility of platforms influence Gen Z's investment choices and risk perception according to the review as well. Trust often comes through the comfort of the familiar and the interaction, rather than through qualifications. Financial literacy and regulatory literacy will moderate whether this is trust or participation or action. In relation to behavioural results, finfluencers have an impact on the salience of products, the frequency of investor actions, and the framing of investing as long-term planning or short-term opportunity capture.

The paper responds to the research questions in conditional terms. Digital finance influencers do affect the money choices made by Gen Zs in India. However, a digital nudge can help achieve ESG and SDG only when literacy and disclosure and governance improve together. In the absence of these conditions, digital finance will create inclusion at the account opening level and misinformation at the actual decision one. We recommend future studies to prioritize longitudinal Indian datasets, study platform-specifics, and dive deeper into how engaging and trustworthy sustainability-oriented financial communication can be created for young investors.

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