

The Role of Financial Influencers on Social Media in Shaping People's Financial Literacy

Pipit Buana Sari^{1*}, Handriyani Dwilita²

¹² Management Study Program, Panca Budi Development University, Indonesia

DOI:

<https://doi.org/10.53697/emba.v4i2.2271>

*Correspondence: Pipit Buana Sari

Email:

pipitbuana@dosen.pancabudi.ac.id

Received: 30-10-2024

Accepted: 30-11-2024

Published: 30-12-2024



Copyright: © 2024 by the authors. Submitted for open access publication under the terms and conditions of the Creative Commons Attribution (CC BY) license (<http://creativecommons.org/licenses/by/4.0/>).

Abstract: Financial literacy is important aspect in life that can be improved to having better financial condition. Influencers at social media is people that can make their followers want to follow things that they shared at media social account. Finance influencer is influencer who often discuss about how to manage, organize, and plan finances well so that very useful at life now or in the future. This study is aimed at knowing the role of finance influencer at social media in forming public's financial literacy. This study uses qualitative descriptive technique. Data collected technique was using documentations and data analysis technique used was descriptive. The results of this study show that finance influencer have a role in forming public's financial literacy, one of the roles is giving the financial education at social media with interesting video and posts.

Keywords: Financial Literacy, Role of Finance Influencer

Introduction

Finance is an important aspect of life, with good financial management, the standard of living will also increase. To manage finances well, financial literacy is needed. Public knowledge about financial literacy has become a necessity in daily life so that it has become Life Skill that every individual needs to have in living life in the long term (Ni Luh et al., 2021). An increase in financial knowledge that a person has can have an impact on active participation in finance-related activities, as well as a more positive financial attitude and behavior in an individual (Khairiyati & Krisnawati, 2019). Financial literacy can be improved by diligent individuals to find out information about finance.

Knowledge of financial literacy does not have to master all aspects of finance, having the awareness to organize, regulate, and manage income and expenses in daily life is an example that an individual already has knowledge about financial literacy. Based on the results of the 2024 SNLIK (National Survey of Financial Literacy and Inclusion) survey conducted by the OJK, the National Financial Literacy Index of 65.43% still needs to be improved so that people's financial behavior in Indonesia is even better (de Regt, 2023).

The development and advancement of technology in the current era makes information very easy to access. One of the most popular platforms for accessing

information is social media. Social media at this time has become something important and even a reference for people in Indonesia in finding out many things, especially things that are going viral, such as news, entertainment, knowledge, vacation spots, food, and including finance. There are many types of social media today, such as Instagram, Tiktok, X, Facebook, Youtube, WhatsApp, and others. Reporting from the rri.co.id page, according to databoks.katadata.co.id, the use of social media in Indonesia in 2024 with a total of 191 million users or 73.7% of the population (<https://www.rri.co.id/>). On social media, there are often figures who are used as role models or inspirations for the community, or what is commonly called influencers. Influencers are people who are able to influence many people, usually they give examples in applying something before spreading it on their social media, so that both their followers and the public can trust something they are informed (Hayes, 2024).

Influencers usually have categories that become their brand image, some are in the fields of beauty, health, parenting, and other fields including in the financial sector. Influencers who specialize in finance share information about finance that is usually also suitable for beginners.

Methodology

Research methodology is the method or procedure used by researchers in conducting their research, ranging from data collection techniques to data analysis techniques. This research is a qualitative descriptive research. According to (Nafidah & Anisa, 2017) Qualitative descriptive research is a research procedure that uses descriptive data in the form of written or oral words from other people and observable actors.

The data collection technique in this study is by using documentation, namely collecting references in the form of journals, books, theses, and websites that discuss public financial literacy and the role of influencers on social media. With the collected references, the researcher then uses descriptive analysis techniques, namely by describing or narrating the results obtained from the data that has been collected (Keasey, 2024).

Result and Discussion

Financial literacy is an important thing to improve in the community, it can even be taught from an early age considering that finance is an important aspect in carrying out daily life. To have a stable financial condition, of course, you must have basic knowledge about finance. Financial literacy includes how individuals manage, save, and use money properly and correctly for life now and in the long term (Arora, 2024a). If individuals have high financial literacy, then their financial condition will also be better.

To get information about finances, many things can be done, such as by reading books and news, watching television, and by using social media, such as Instagram, YouTube, Facebook, X, and other social media that are currently very easy to access (Arora, 2024b). Social media can be used for positive things, one of which is by making it a source of reference in increasing knowledge about finance by looking at people who are popular on social media or known as influencers. Influencers usually share things they like and know

on social media and can attract their followers and viewers to do the same. Influencers also discuss their way of managing their finances.

Some of the influencers who often share their knowledge about finance are Raditya Dika, Prita Hapsari Ghosie, Felicia Putri Tjiasaka, Annisa Steviani, and many other influencers who discuss finance that can be searched on social media. Raditya Dika, who is known as a stand-up comedy, turns out to be very financially literate, even he has made plans for a pension fund and an education fund for his children. Through his social media, Raditya Dika often shares his experience in investing, how to manage and make financial plans that can be easily understood for his followers (Symbiosis, 2024). Prita Hapsari Ghosie is also not a strange name for people who have ever found out about managing finances. Prita Ghosie is a financial consultant at Zap Finance, she usually often shares tips on saving, setting aside money to invest, managing expenses with budgeting science, and discussing online loans which are currently rampant in Indonesia. Felicia Putri Tjiasaka is also a well-known financial influencer, Felicia discusses more about investing, how to invest for beginners, how to choose investment products, investment risks, assessing companies to decide to invest, and other financial sciences that are quite easy to understand for those who don't know too much about finance, especially for Gen Z, because it uses plain language. Likewise, Annisa Steviani often discusses financial science for families, the importance of providing education about financial literacy to children, visiting household expenses, vacation budgeting, and others.

With the existence of young influencers who are smart, keep up with the times, and use interesting language and videos, people are more aware of the importance of financial literacy (Handranata, 2022). People can follow financial tips shared by financial influencers. The increasing desire to save before buying the desired items, making spending posts, setting aside income to invest, making future financial plans, avoiding online loans and unnecessary credits, especially for lifestyle are forms of increasing financial literacy in the community, because they have knowledge about managing their finances.

In this case, it means that financial influencers on social media play a very important role in shaping people's financial literacy. The role of financial influencers includes:

1. Providing financial education through social media by creating interesting videos or posts
2. Inviting people to set aside part of their income by saving and sharing good saving tips
3. Providing knowledge about investment, as well as teaching how to invest through investment applications which currently have many types
4. Provides knowledge about making future financial plans, such as pension funds, children's education funds, insurance, etc.
5. Providing budgeting tips, for example to plan vacations, starting from tickets, lodging, meals, and other itineraries
6. Providing an explanation of the importance of good financial management in order to have a better life

Financial influencers are certainly more experienced before sharing their knowledge with their followers, but it is also necessary to look for more than one reference, so that more knowledge is obtained. Thus, we can make decisions to follow the way that we think is easier to implement and apply in our daily lives. Although the results may not be as exemplified by influencers, but we already have more updated and upgraded knowledge about finance so that our financial literacy also increases.

Conclusion

From the results and discussions that have been described, the researcher suggests that readers can use social media not only to see entertainment, but also to use social media as a source of more knowledge, especially knowledge about finance.

For students, financial literacy is very important to have and improve in order to be able to manage their finances properly. Students who are very familiar with technology and often make influencers role models in life, so by following financial influencers, of course, students are able to better understand how to save, invest, maybe even be interested in doing business or maybe become an influencer for their friends.

For the public, the use of social media is also familiar, so researchers suggest watching more positive things such as how to set aside income, manage expenses, and other financial knowledge that can be obtained by looking at financial influencers on social media. For those who already have children, financial literacy is also very important to be taught from an early age, teaching to save, not to be extravagant, not to buy unnecessary goods, and other financial education.

References

- Arora, P. (2024a). Impact of social media influencer credibility on m-banking acceptance: The moderating role of financial literacy. *Revolutionizing Customer-Centric Banking Through ICT*, 146–168. <https://doi.org/10.4018/979-8-3693-2061-7.ch007>
- Arora, P. (2024b). Impact of social media influencer credibility on m-banking acceptance: The moderating role of financial literacy. *Transforming the Financial Landscape With ICTs*, 253–274. <https://doi.org/10.4018/979-8-3693-1503-3.ch012>
- Asrun, N. A., & Gunawan, A. (2024). Pengaruh Gaya Hidup dan Media Sosial terhadap Perilaku Konsumtif Generasi Z di Kota Medan dengan Literasi Keuangan sebagai Media Intervening. *Jurnal Manajemen Bisnis Dan Keuangan*, 5(1), 173–186. <https://doi.org/10.51805/jmbk.v5i1.205>
- Baihaqqi, I. K. (2022). Pengaruh Pengalaman Investasi, Risk Tolerance, dan Influencer Social Media Terhadap Keputusan Investasi Dengan Literasi Keuangan Sebagai Variabel Moderasi. *Universitas Islam Negeri Maulana Malik Ibrahim*, 1–167.
- de Regt, A. (2023). Young People Under 'Finfluencer': The Rise of Financial Influencers on Instagram: An Abstract. *Developments in Marketing Science: Proceedings of the Academy of Marketing Science*, 271–272. https://doi.org/10.1007/978-3-031-24687-6_106
- Handranata, Y. W. (2022). Does stock influencer on social media and financial well-being affect the stock market participation of the young generations during the Covid-19

- pandemic? *Global Business and Finance Review*, 27(5), 115–128. <https://doi.org/10.17549/gbfr.2022.27.5.115>
- Hayes, A. S. (2024). Under the finfluence: Financial influencers, economic meaning-making and the financialization of digital life. *Economy and Society*, 53(3), 478–503. <https://doi.org/10.1080/03085147.2024.2381980>
- Hunaifi, N., Mauliana, P., Firmansyah, R., Komalasari, Y., Sulastriningsih, R. D., & Dewi, S. W. K. (2024). Dampak Media Sosial Terhadap Interaksi Remaja Di Era Digital. *Artikel Faiha, Fikriyyah 2B*-(1), 5(3), 161–174.
- Keasey, K. (2024). The impact of social media influencers on the financial market performance of firms. *European Financial Management*. <https://doi.org/10.1111/eufm.12513>
- Khairiyati, C., & Krisnawati, A. (2019). Analisis Pengaruh Literasi Keuangan Terhadap Keputusan Investasi Pada Masyarakat Kota Bandung. *Junal Manajemen Dan Bisnis*, 3(2), 301–312.
- Lestiana. (2023). Pengaruh pengetahuan investasi, kebijakan modal minimum, literasi keuangan dan social media influencer terhadap minat mahasiswa berinvestasi di pasar modal. *Proceeding of National Conference on Accounting Anf Finance*, 5, 136–149.
- Mahdia, A. (2018). Pengaruh Konten Influencer Di Media Sosial Terhadap Kesejahteraan Psikologis Remaja Akhir. *Jurnal Psikologi*, 11(2), 172–179. <https://doi.org/10.35760/psi.2018.v11i2.2262>
- Nafidah, L. N., & Anisa, N. (2017). Akuntabilitas Pengelolaan Keuangan Desa di Kabupaten Jombang. *Akuntabilitas*, 10(2), 273–288. <https://doi.org/10.15408/akt.v10i2.5936>
- Ni Luh, P. K. D., Agus, W. S. G., & Ni Putu, Y. A. (2021). Pengaruh Literasi Keuangan, Gaya Hidup Hedonisme, Dan Pendapatan Terhadap Pengelolaan Keuangan Mahasiswa UNMAS. *Jurnal Emas*, 2, 74–85.
- Perkasa, D. H., Purwanto, S., Ariani, M., Vitriani, N., & Parashakti, R. D. (2024). Literasi Keuangan Untuk Siswa SMKN 16 Jakarta Pusat. *ABDI MOESTOPO: Jurnal Pengabdian Pada Masyarakat*, 7(1), 109–116. <https://doi.org/10.32509/abdimoestopo.v7i1.3696>
- Rochendi, T., Rita, R., & Dhyanasaridewi, I. D. (2022). Pentingnya Literasi Keuangan Bagi Masyarakat. *Kompleksitas: Jurnal Ilmiah Manajemen, Organisasi Dan Bisnis*, 11(1), 27–35. <https://doi.org/10.56486/kompleksitas.vol11no1.200>
- Sri Darma, G. (2018). Jurnal Manajemen dan Bisnis kuliner menggunakan Influencer melalui media instagram. *Jurnal Manajemen Bisnis*, 15(2), 192–203.
- Sugiharti, H., & Maula, K. A. (2019). Pengaruh Literasi Keuangan Terhadap Perilaku Pengelolaan Keuangan Mahasiswa. *Accountthink: Journal of Accounting and Finance*, 4(2), 804–818. <https://doi.org/10.35706/acc.v4i2.2208>
- Symbiosis, A. R. (2024). Finfluencer: Exploring the Untapped Influence of Financial Influencers. *Proceedings - International Conference on Advanced Computer Information Technologies, ACIT*, 190–196. <https://doi.org/10.1109/ACIT62333.2024.10712618>
- Wijaya, T. (2023). Peran Media Sosial dalam Meningkatkan Kesadaran Finansial. 1–13.