

The Impact of Finfluencers: Redefining Social Finance in the Digital Age

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Abstract

The explosion of social media has created multiple opportunities for influencers, specifically financial influencers (finfluencers) to showcase their knowledge of crucial financial concepts. This literature review aims to evaluate findings across twenty-three articles about finfluencers. Articles were gathered through various credible databases (i.e., Gale Resources) and scholarly journals (i.e., Google Scholar). Priority was given to articles written between 2015 and 2026. An interdisciplinary perspective was used when reviewing the roles of finfluencers and the credibility and regulatory concerns associated with them. Additionally, this study identified gaps in previous studies regarding the long-term effects of information provided by finfluencers. Although finfluencers have been linked to greater financial literacy and created platforms where more people can become involved, several studies pointed out unethical aspects of their roles, including misinformation, untransparent partnerships, and unqualified expertise. Factors that were associated with authenticity, relatability, and engagement of finfluencers have contributed to higher levels of trust from audiences compared to traditional financial experts. Therefore, this review concludes that there is a need for more transparency and consumer protection in this context, as well as admitting the lack of research regarding the long-term impacts on financial literacy and investor behavior in the digital age.

Keywords

Behavioral and Social Finances; Cognitive Psychology; Emotional Psychology; Influencers; Investor Behavior; Financial Decision-Making; Financial Literacy

Introduction

Social media has changed how people learn about money. Today, some young people get their financial advice from finfluencers - social media personalities on TikTok, Instagram, and other platforms who deem themselves as financial experts. Finfluencers democratize access to financial knowledge, but the same qualities that make them attractive and effective information sources, such as relatability, virality, social proof, and algorithmic reach, may introduce audiences to misleading financial advice. The question that is raised is: what conditions through psychological biases and social factors, and credibility or regulatory limitations for influencers affect financial education?

While social finance and behavioral finance topics have been researched extensively, new emotional bias theories regarding finfluencers' credibility in the digital space may need further studying. Prior research has demonstrated that finfluencers increase accessibility to finance and investors' engagement with the topic but remains inconclusive on,¹ whether greater exposure leads to durable financial literacy,² how emotional and social biases affect investors' decision-making,³ the interplay between finfluencers' perceived credibility and actual expertise, and ⁴ regulatory practices in the context of influencers' impact on financial literacy and markets.

To better understand the finfluencers' impact on investors, it is important to review two interconnected topics: social finance and behavioral finance. Social finance emphasizes the role of social connections,

networks, and trust in influencing financial decision-making, as opposed to the traditional finance view that individuals act independently and rationally based on the information at hand.¹ Behavioral finance connects to social finance by explaining how people may be subject to psychological biases that shape their judgment, such as overconfidence, loss aversion, and the bandwagon effect, which may then drive financial decision-making in markets, especially in a social setting. Both these topics help visualize why and how exposure to social media figures transforms the trust relationship that investors build with the traditional financial advisors. In particular, the increasing credibility of finfluencers is based on their ability to leverage social media as a platform to connect and communicate with audiences, thus promoting their social capital and creating an aura of authenticity around their financial advice. This makes social finance relevant to a digital economy where many individuals rely on influencers' guidance rather than consulting financial experts.

A study demonstrates that emotions, overconfidence, and biases significantly influence investors' decision-making and performance.² While the research on individual psychology is informative, the factors that drive people's social biases in the context of modern social media and finfluencers, however, have received less attention.² Several recent studies attempted to address the unique impact of finfluencers on young investors. A literature review found that finfluencers have a positive impact on financial literacy and encourage Gen Z to make more rational financial decisions.³ However, the same review highlighted studies that raise concerns about misleading information and unsubstantiated advice from influencers.³ According to statistical data, only 28% of finfluencers lack competence, 16% have zero skills, and 56% have negative skills.⁴ This review suggests that further research is needed to better understand the credibility of influencers, the long-term impact of increased exposure, and appropriate regulation of financial information in social media.

Elaborating on the psychological theories that explain individuals' attraction to influencers' advice can provide a useful foundation for exploring the mechanisms of how they can affect financial decision-making, including individual and market-level behaviors. Research on behavioral finance aims to understand the cognitive processes that drive individual investors to make irrational financial decisions. An established theory of behavioral finance, prospect theory, proposes that individuals make financial decisions based on perceived gains and losses rather than objective values. A structured literature analysis revealed that behavioral finance is rooted in several cognitive biases, including overconfidence, loss aversion, anchoring, bandwagon effect, and the illusion of control.⁵ In particular, investors may experience the bandwagon effect when following influencers, as social media provide easy access to information on what other people are doing in the markets. For example, Khan mentions that social media ecosystems can affect retail investor behavior through viral content, shared experiences, and online conversations.⁶ In a similar vein, Hull and Qi found that following a finfluencer can make individual investors' trading more similar to those recommended by the influencers, thus affecting their decision-making processes.¹³ These examples demonstrate that individuals may adopt the behaviors they observe in others, including an influencer's trading behaviors and strategies. In this regard, the bandwagon effect may be amplified in social media with the ease of communication and consuming sources of neverending information. As a result, investors' reliance on the social network's opinions may be fitting to the discussion of social finance.

The phenomenon of FOMO also plays a critical role in driving the biases that lead to financial decision-making. In particular, in the context of social media, FOMO may promote a sense of urgency to take action, thus reducing the time that individuals spend on evaluating a financial decision. In this regard, Choudhary and Renuka note that exposure to a finfluencer can lead to FOMO, bandwagon, overconfidence, and anchoring among retail investors, which then shape their decision-making.¹⁴ In behavioral finance, anchoring refers to the tendency of individuals to rely too heavily on a specific piece of

information when making decisions. Anchoring can be particularly strong in social media when users encounter investment advice from influencers whose content resonates with them.

In general, the literature on behavioral finance discusses cognitive biases that may affect individuals' financial decision-making. It is important to recognize that cognitive biases differ from emotional biases, which are driven by emotional responses to stimuli rather than thought processes. Some of the biases identified in the literature on behavioral finance, however, may overlap with the emotional responses that individuals demonstrate in the context of social media and influencers. In particular, the literature review demonstrates that social media can amplify the impact of biases that drive individuals toward an influencer's market positions and recommendations. Therefore, while the current literature provides valuable insights into the mechanisms that drive the financial decision-making of individuals who follow influencers, further research is needed to isolate the direct effect that these individuals may have on investors' behaviors.

In particular, future research should aim to identify the direct impact that exposure to a influencer's content has on individuals' psychological processes and subsequent financial decision-making. In this regard, a quantitative study would be useful in determining the extent to which individuals' biases affect their behaviors after engaging with a influencer's content. Additionally, a longitudinal study could reveal how individuals' exposure to influencers affects their investment strategies, risk-taking behaviors, and ultimately financial performance over time.

Overall, this literature review aimed to demonstrate the impact of influencers on financial markets by examining the relevant scholarly articles and conceptualizing the influencers' impact on financial literacy. The review highlighted three themes related to the influencers' role in markets: ¹ the influence of influencers on financial literacy and education, ² psychological and social mechanisms that affect investor behaviors, and the role of credibility and related regulatory challenges.³ By adding onto the findings from prior papers, this literature review aims to contribute to the understanding of how influencers affect financial literacy and take a role in the finance ecosystem. With this goal in mind, this review analyzed articles on social finance and influencers to identify the financial literacy impact, psychological theories, and regulatory aspects that further research should take into account.

Methodology

This study uses a qualitative approach to study the role of influencers in financial education, investor behavior, and market decision making. This study aims to provide a synthesis of published works on the impact of influencers on financial literacy and investor behavior, analyze credibility and regulatory challenges, and highlight research gaps in the literature. The literature review was conducted between June 2026 and September 2026 to identify relevant and updated works published in the field. This review prioritized articles, reports, and analysis published between 2015 and 2026 to include the most recent and detailed research on social finance, financial education, and investors in financial markets. In addition, this review used databases such as Google Scholar, SSRN, ResearchGate, ScienceDirect, Taylor & Francis Online, and industry magazines, like FINRA, CFA Institute, and World Economic Forum, as well as news reports from FCA and CIRO.

The search strategy was used to identify relevant published works that would correctly respond to the research questions. Specifically, the review investigated these research questions:

RQ1: What role do influencers play in financial literacy and financial markets?

RQ2: How are emotional biases impacting financial decision making?

RQ3: How do credibility and trust justify influencers in the market?

The search strategy included combinations of the keywords: 'finfluencers,' 'social finance,' 'behavioral finance,' 'impact on financial literacy,' 'psychology biases,' 'herd behavior,' 'FOMO behavior,' and 'Gen Z investors' to really target the three research questions. The Boolean operators (AND/OR) were combined with these terms to identify qualitative works published between 2015 and 2026. In particular, the timeline for this literature review was selected to ensure the inclusion of articles published in the past decade, provide the most relevant and recent scholarly contributions, and facilitate a discussion of digital finance topics.

The inclusion criteria for this literature review included works with reliable sources, peer-reviewed articles, and papers authored by credible institutions or published in reputable trade magazines. Additionally, the works included in the review had to explicitly address topics related to social finance and behavioral finance, including individual and market-level behaviors. Some of the works were excluded due to the lack of diverse perspectives, questionable authorship, absence of a connection to the topic, and repetition of findings. In particular, the exclusion criteria included the following: absence of a connection to financial decision-making, lack of reliability or credibility of the source, repetitive information in multiple works, and a focus on social media in general rather than the impact of influencers on it.

The final selection of works for this literature review included articles that addressed the themes of the research questions, provided evidence on the impact of finfluencers on financial education, and discussed the psychological aspects of financial decision making. Initially, the search process identified 32 records across different databases and institutional libraries. After removing five duplicate records, 27 titles and abstracts were screened for relevance. Following that, the full versions of the works were compared with the inclusion and exclusion aspects, removing 4 more records due to the lack of connection to the topic. Ultimately, this literature review includes 23 works identified through various databases, institutional scans, and Google Scholar.

Results & Discussion

The quality of the sources in this research were assessed based on the reliability, transparency, and relevance of findings. This literature review prioritized peer reviewed works published in academic journals, like the Gale Database. While a formal tool to identify the risk of bias was not used, the quality of works were evaluated based on the limitations described. For instance, each work was categorized based on the reliability of sources, validity and level of detail of findings, and potential biases. To add on, the works that showed strong methodologies and directly addressed the research questions were placed as the foundation of this literature review, while other works were used as supplementals.

For each work included in this literature review, the following information was extracted and synthesized in the final review: the author(s), publication details, objectives of the work, methodology employed, key findings, and limitations, if applicable. The current review highlights the key findings related to the financial literacy impact, psychological processes, and credibility of finfluencers, as these aspects directly address the research questions. In particular, the synthesis process involved grouping the reviewed works according to the topics they addressed to ensure that this literature review follows a logical structure rather than presenting the findings in random order. The themes identified in the reviewed works informed the organization of this literature review and served as a basis for discussing the role of finfluencers in financial markets. The review covers the emergence of finfluencers as a key component of financial markets, their impact on financial education, and the credibility of influencers in financial markets. The themes of psychological biases and social biases were integrated into the discussion of the individual-level behaviors and decision-making processes. This approach to synthesizing the findings facilitates further research by providing a comprehensive overview of the topic under investigation.

The evaluation of the works included in this literature review demonstrates that finfluencers have transformed the financial education landscape. In particular, the review identified three key themes that are relevant to the discussion of influencers and financial literacy. First, the reviewed works discuss the impact of finfluencers on financial literacy from both positive and negative perspectives. Second, several

articles and reports provide insight into the psychological and social mechanisms that make influencers attractive to audiences and impactful in regards to financial decision-making. Third, the literature review identified the importance of addressing influencers' credibility and the need for regulatory oversight. In particular, the reviewed works demonstrate that while social finance has increased accessibility to financial information, the literature provides mixed evidence on whether greater exposure translates into higher levels of financial literacy or better financial decisions.

Finfluencers and Financial Literacy

The first body of literature addressed the role of finfluencers in financial literacy in financial markets. In particular, the reviewed works demonstrate that one of the key advantages of influencers is their capacity to contribute to the improvement of financial literacy among social media users. Traditional methods of improving financial literacy typically require individuals to engage in extensive education, including consulting financial experts, enrolling in courses, or reviewing financial literature. Through social media, individuals can benefit from a more accessible and engaging option to learn about financial concepts and participate in financial markets. A study found that social media provides an opportunity to democratize financial education by providing access to a wide range of content and making learning about financial topics more entertaining.⁷ Bhat and Eckrich also note that social media can facilitate financial education by making financial conversations accessible to all types of investors.⁸ In addition, the FINRA Foundation highlights the importance of social media and influencers in educating young investors and reducing the risk of fraud.⁹

One study found that finfluencers can play a critical role in improving financial literacy among young people by providing simplified explanations and encouraging more people to consider the benefits of saving and investing.³ This finding underscores the potential of finfluencers to facilitate financial education and increase individuals' awareness of personal finance matters. Additionally, the use of social media provides users with the capacity to engage with financial content repeatedly and interact with finfluencers in more personalized ways than traditional financial education channels allow.

At the same time, the reviewed literature indicates that the relationship between exposure to influencers' content and financial literacy should not be considered binary. Increased access to financial information does not necessarily translate into greater financial literacy, as individuals need to develop their ability to assess financial information appropriately. The findings of the reviewed works provide mixed evidence on whether increased exposure to social media content correlates with improved financial literacy levels. For example, one report found that individuals who sought financial advice on social media scored significantly lower on financial literacy assessments than those who relied on traditional channels of obtaining financial information.¹⁰ This finding, however, does not demonstrate causality, as the observed discrepancy may be explained by the fact that individuals who turned to social media for financial advice were less financially literate to begin with, which led them to seek advice on social media. Other works note that the level of financial literacy among individuals exposed to influencers' content varies significantly, with some individuals reporting positive outcomes and others demonstrating no improvements.⁴ Additionally, Khan points out that many popular finfluencers studied on TikTok, YouTube, and Instagram lacked formal financial education, which resulted in them providing misleading information and encouraging unsafe investment behaviors.¹¹

This body of literature highlights the dual nature of the impact of finfluencers on financial literacy. On the one hand, the review discusses the benefits of increased access to financial information through social media. On the other hand, multiple works note that the relationship between exposure to financial content and financial literacy is complex and should be considered with caution. In particular, the reviewed works suggest that while there is evidence of enhanced financial awareness and engagement among young people exposed to influencers' content, there is limited data on long-term improvements in financial

literacy or actual financial gains.



Figure 1. People who got financial advice from social media actually knew the least about money.¹⁰

People who sought financial advice from social media had the least knowledge about money.¹⁰ A further study indicated that finfluencers showed large diversity in the financial competence display, with 28% showing positive financial skill, 16% showing zero measurable skill and 56% showing negative skill.⁴ These findings are particularly noteworthy because the number of followers, the engagement or the popularity on the internet cannot reflect the quality of the financial information presented. In this way, audiences may be presented with more financial information yet not have a reliable way to separate out valid advice from false or ill-informed recommendations. Similarly, a group of researchers observed that many of the popular finfluencers they studied on TikTok, YouTube, and Instagram lacked formal financial education or certification, which could lead to misinformation and unsafe investment suggestions.¹¹ The literature reviewed so far reveals a twofold role for finfluencers in financial education. It can reduce entry barriers and make financial concepts more accessible and interesting, particularly among younger audiences. However, access does not equal accuracy and participation is not a sign of learning. The existing research seems to be more in favor of enhanced awareness and participation than sustainable gains in financial literacy or long-term financial outcomes.

Psychological and Social Influences on Financial Decision-Making

The second question of the study was about the role of emotional and psychological biases in financial decision-making in the context of finfluencer content. Behavioral finance is an important framework to understand this relationship, as it casts doubt on the assumption that investors always decide on the basis of pure logical analysis. Frydman and Camerer demonstrated the role of psychological and emotional processes in financial decision-making.² Classical concepts like Prospect Theory explain how people might behave differently towards future gains or losses.¹²

Overconfidence, FOMO, herd behavior, and social influence are mentioned in the literature reviewed as particularly relevant to digital financial contexts. Social media creates an environment in which financial knowledge may spread swiftly, with repetition, peer engagement, commentary, sharing, and algorithmic suggestions. Khan notes that social-media ecosystems might influence retail investor behavior through viral material, peer experiences and online conversations.⁶ More direct evidence comes from Hull and Qi, who found that following a finfluencer could increase similarities between retail investors' portfolios and purchases and those of the finfluencers they follow, providing evidence that finfluencer exposure can shape retail trading behavior.¹³ These traits can influence financial decision-making by amplifying the perceived popularity or urgency of particular investments.

Herd behavior is particularly applicable here as social-media users can see tangible signs of what others seem to be in favor of. Lots of followers, good comments, reposts, and viral investment information may suggest that a financial move is widely approved of. In these cases, investors may rely on social consensus rather than independent financial analysis. This process is in line with social influence viewpoints, emphasizing the significance of people's decisions being influenced by the attitudes and behaviors of people in their social networks.¹ In the digital realm, these networks spill over from family and close friends to include creators, online communities, and other users who an investor might not meet face-to-face.

FOMO can make this process even more intense. Financial news that highlights rapid price increases, short-term opportunities, or the success of other investors may increase pressure to act before an apparent opportunity is missed. This might reduce the amount of time that new investors spend weighing risks or doing their own fact-checking. Choudhary and Renuka also found that exposure to finfluencers was linked to behavioral mechanisms such as FOMO, herding, overconfidence, and anchoring among retail investors, further linking credibility and exposure on social media to investment behavior.¹⁴ In the wider behavioral finance literature, cognitive prejudices are differentiated from emotional biases. Cognitive prejudices stem from ingrained ideas or reasoning, while emotional biases are more directly the result of emotions and impulses when making decisions.¹⁵ But the existing research literature should be approached with caution.

Evidence that psychological biases influence investment decisions does not mean that finfluencers are causing such biases. Some studies examine behavioral finance generally, while others focus more directly on social-media or finfluencer exposure. The strongest conclusion supported by the reviewed literature is thus that digital financial content may provide an environment in which existing emotional and cognitive biases can be activated or amplified, not that finfluencers independently create irrational financial behavior.

This is important for future research. Future research should directly examine the pathway from exposure to finfluencer content to specific psychological mechanisms and then to investment behavior. Longitudinal and experimental research would be particularly valuable in establishing whether repeated exposure affects risk tolerance, diversification, investment persistence, or financial losses.

Credibility, Trust, and the Difference Between Perceived and Demonstrated Expertise

The third research question focuses on the effect of credibility and trust on influencers' effectiveness. According to the literature review, trust is an important element in the relationship between influencers and their followers, but there is a significant difference between perceived credibility and proven financial expertise. Influencers often communicate differently than conventional financial institutions or advisors. They may use conversational language, personal stories, short-form videos, and direct interaction with their audience to make financial information feel more approachable and understandable. Chikhi's research suggests that valuable and trusted content contributes to the development of authenticity between influencers and audiences.¹⁶ Regular interaction and content can therefore strengthen the audience's perception that an influencer is knowledgeable, reliable, and personally invested in the financial interests of followers.

However, the qualities that create perceived authenticity do not necessarily demonstrate professional expertise. Popularity, relatability, verification badges, engagement statistics, or frequent posting may contribute to how credible a creator appears, but they do not provide evidence that the creator's financial recommendations are accurate. This concern is supported by research showing substantial variation in influencer skill and by studies indicating that social-media popularity may be mistaken for financial competence.⁴

Gerritsen and de Regt discovered that influencers were likely to recommend stocks and cryptocurrencies that performed well recently, while the recommended assets generally showed negative returns after the recommendations. This demonstrates why influence or perceived credibility should not be equated with reliable financial expertise.¹⁷

RELAYTO also emphasizes methods for establishing confidence and influencing consumer decisions through influencers, such as authenticity, connection with the audience, and engagement, as contextual evidence from the wider influencer-marketing literature, however this source is not particular to financial advising.¹⁸

This establishes a key conflict in the literature. To build perceived credibility, relatability, consistency, social engagement, authenticity, and social evidence can be used. However, demonstrated credibility is more strongly impacted by things such as financial literacy, transparent qualifications, correctness, disclosure of conflicts of interest, and quality of supporting evidence. These two types of credibility may not always be differentiated by the audiences.

This is important as financial advice can have direct economic implications. Even a suggestion based on minimal study may be convincing to investors if the person giving the advice appears genuine and trustworthy. But when looking at the best financial experts, they may seem less friendly as they tend to communicate in a more technical or institutionalized way. The literature thus implies that the impact of influencers cannot be analyzed by simply assessing the accuracy of the information they provide.

Researchers also need to understand why audiences trust some producers and not others, and how this trust influences their willingness to take financial advice.

The results respond to the third research question and show that trust is important for influencer success; however, trust may be based on different signals than the standard signals for assessing financial knowledge. Thus, future research should explore whether signals of trustworthiness are the most powerful predictors of audience behavior and whether higher financial literacy enables users to differentiate between perceived and demonstrated competence.

Misinformation, Conflicts of Interest, and Regulatory Challenges

The rise of influencers also raises major ethical and regulatory concerns. The ethical difficulties involving

product endorsements, Vivek says, include conflicts of interest, differences in financial-literacy levels, promotional content that may be misleading, and the possibility for influencer followers to be harmed.¹⁹ Borde et al. further claim that the low hurdles to being a finfluencer, along with the different goals of creators and inconsistent regulation, can pose dangers for the protection of investors.²⁰ CIRO warns that sponsored postings, referral fees, undeclared affiliations, unregistered advice, and general recommendations might create a financial risk for investors, particularly if viewers do not investigate a creator's credentials and motives.²¹ Kaul also points to escalating regulatory and reputational issues from misleading financial marketing, lack of disclosure, and ties between influencers and financial institutions.²² Several sources included in the review identify misinformation, undisclosed sponsorships, conflicts of interest, and insufficient consumer protection as important risks associated with online financial content. Unlike regulated financial professionals acting within clearly defined advisory roles, social-media creators operate across a wide range of professional backgrounds and levels of expertise. Their content may also move between general financial education, personal experience, advertising, and direct investment recommendations.

Exhibit 8. Proportion of Content That Contained Disclosures (N = 110)

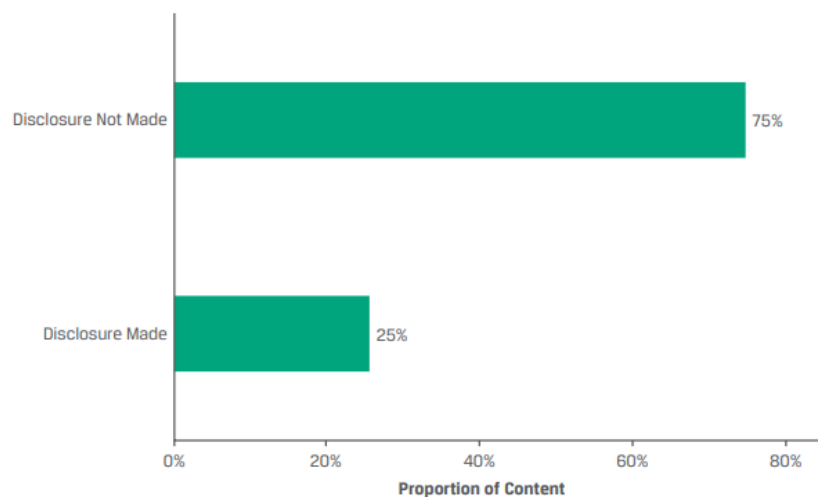


Figure 2. Most influencers' content did not include disclosures, raising concerns about transparency and credibility.²³

The distinction between educational content and promotional content is particularly important. Sponsored financial recommendations may create conflicts of interest when audiences are unaware that creators receive financial compensation for promoting particular products or services. Espeute and Preece reported substantial limitations in disclosure practices among the influencer content they examined.²³ As shown in Figure 2, most of the content included in their analysis did not contain disclosures. This finding is important because audiences who interpret sponsored recommendations as independent financial opinions may assign them greater credibility than they would if the commercial relationship were clearly identified.

Conflicts of interest can also emerge when creators benefit from increased attention toward a particular financial product or investment. Under these circumstances, an influencer's incentive to maximize engagement may not always align with the audience's financial interests. Therefore, as highlighted in the literature reviewed, it is important to have clear sponsorship disclosure, transparency between experience and financial advice, and increased consumer awareness when reading online financial information.

Regulatory centers have started to address these concerns by enforcing more stricter transparency, consumer protection, ethical services and clearer disclosure requirements. Regulatory intervention is really important since financial content can spread between platforms.

However, regulation also faces challenges: social media platforms contain infinite content which can lead to blurring of the line between personal opinion and financial advice. As a result, regulation needs to balance consumer protection by ensuring that valid financial education is not hidden. Rather than enforcing one approach, involving tougher disclosure rules, public financial literacy programs, and cooperation between regulators and influencers may improve authenticity on online platforms.

Future research should examine not only if regulations exist, but also if specific regulatory interventions impact creator behavior or improve consumer outcomes. Cross comparisons would also be valuable, as regulatory standards for financial advice can differ across different areas.

Integrated Discussion and Research Gaps

Overall, the examined literature shows that influencers have reshaped social finance by democratizing financial information and embedding it in an interactive and social way. Whether their influence is good or bad can't be defined as either. Instead, the impacts seem to depend on the quality of the information provided, the financial literacy of the audience, the credibility signals used to evaluate the author, the psychological traits of the investor, and the legal context in which the content is generated.

The most relevant result for the first research question is that influencers have the potential to increase the accessibility and engagement of financial themes, especially for the younger generations. However, the existing literature has not yet shown that more engagement leads to persistent gains in financial literacy or improved long-term financial results.

Regarding the second research issue, the literature suggests that social media environments may influence behavioral mechanisms like FOMO, herd behavior, overconfidence, and social proof. These mechanisms offer a credible rationale for the impact of influencer content on investment decisions, but more convincing causal evidence is required to evaluate the extent and persistence of these effects.

The third research question stressed the importance of trust and credibility in influencer influence. The findings point to a specific gap between perceived trustworthiness and verified financial expertise. These attributes may not prove that the creator's financial expertise is accurate, but relatability, authenticity, engagement, and online popularity may help people believe in credibility.

There are a number of notable gaps in the literature. First, there is surprisingly little information on the long-term impacts of influencer exposure on objective financial literacy and real investment performance. Second, more work across platforms beyond well-studied social-media contexts such as TikTok and Instagram is needed, including Reddit, Discord, and newly emergent digital communities. Third, there is a need for further research that directly compares the benefits of different forms of influencer material (e.g., general financial education, personal financial experience, sponsored promotion, and particular investment suggestions). Fourth, more studies are required to examine the role of age, past financial knowledge, socioeconomic background, and investing experience in exposure to disinformation or behavioral biases. Finally, research should investigate whether legislative interventions, such as obligatory disclosures, result in real improvements in consumer comprehension and financial decision-making.

Overall, the research reveals that the main contribution of influencers to social finance is not merely the transfer of financial information from traditional institutions to social media. Rather, influencers have cultivated a mode of financial communication that brings together education, social engagement, perceived authenticity, psychological influence, economic incentives, and algorithmic distribution. It is important to understand these interacting aspects to know when influencers can help with financial education and when their impact may be more dangerous for inexperienced investors.

Conclusion

This literature review is aimed at answering 3 questions about influencers' role in social finance. Financial literacy has been used to measure the before and after watching influencer content. Based on this, the findings reveal a dual role: influencers maximize access to financial information for Gen Zs,

however, it also contrasts that the benefits of accessibility are inconsistent. Like educating some users while exposing others to misleading financial information. Emotional biases, on the other hand, displayed that platforms may amplify the fear of missing out, herd behavior, and overconfidence, although stronger evidence is still needed. This implies that digital platforms not only provide financial information but also come up with ways consumers understand and respond to it. Finally, about credibility and trust, studies suggest that authenticity, relatability, engagement, and other social factors can improve perceived credibility; even if these signals do not connect with verified financial skill. This implication is challenging since audiences who are seeking financial advice look for consistency, reliability, and detailed financial analysis.

A common idea from all the findings suggest that finfluencers have redefined social finance by transforming financial education from traditional and certified experts to highly interactive and algorithm run platforms. Future research should focus on tracking the before and after of investor results after viewing influencer content, platform comparisons other than TikTok and Instagram, and testing of regulatory rules like mandatory disclosures. This review is limited by the amount of research currently available on finfluencers, which means that some areas have been studied more than others. The algorithm's constant evolution is also an addition to the list of limitations of this review, which makes some of the prior research outdated over time. Despite these limitations, this study highlights the unresolved questions about credibility and regulation, which will only be highlighted more important as social finance continues to redefine how people manage their finances.

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