

**A STUDY ON IMPACT OF SOCIAL MEDIA ON WOMEN'S INVESTMENT
DECISION**

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Abstract:

Social media is the need of an hour. It has influenced the individuals, lifestyles, businesses etc. This study examines the influence of social media on women's investment decisions in the contemporary digital financial environment. The research explores how social media platforms contribute to enhancing women's financial literacy, shaping risk perception, increasing investment confidence, and influencing overall investment behavior. In recent years, digital platforms such as YouTube, Instagram, Facebook, and financial blogs have emerged as important sources of financial information and investment awareness among women investors. The study is based on primary data collected through a structured survey administered to 100 female investors belonging to the age group of 20–65 years. Statistical tools such as correlation analysis were employed to examine the relationship between social media exposure and investment decision-making patterns. The findings reveal that social media exerts a significant positive influence on women's investment decisions by improving awareness, accessibility to financial knowledge, and confidence in making informed investment choices. The study highlights the growing role of digital communication in promoting women's financial empowerment and participation in investment activities.

***Keywords:** Social media influence, women investors, investment decisions, financial literacy, behavioral finance*

1. Introduction

The emergence of digital communication technologies and social networking sites has revolutionized the process of accessing financial data and making investment-related decisions by individual investors. Instagram, YouTube, Facebook, and various financial forums have become key sources of investing awareness, financial education, and market updates for investors (Baker et al., 2022). Traditionally, women investors, because of social and economic factors, have been underrepresented in the world of investments but now are increasingly using social media as a means of gaining knowledge about investments (Lusardi & Mitchell, 2023). In addition, social media plays an important role in facilitating communication and information exchange, thus shaping the preferences and decision-making process (Bhanot & Gaikwad, 2025). Women investors, in today's context, are becoming financially independent and increasingly engaging themselves in different types of investments like mutual funds, stocks, cryptos, and even online savings accounts. This shift has been facilitated by social media platforms that have helped reduce information asymmetries and raise awareness about various forms of investment and financial literacy (Chen & Volpe, 2021).

2. Rationale of Study

Investment decision-making is a critical component of personal financial planning and wealth creation. Traditionally, women's investment choices were influenced by formal advice of financial advisors, family & friends, institutional reports, and conventional media such as newspapers and television. However, the rapid advancement of digital technology and the widespread adoption of the internet have fundamentally transformed the financial landscape. In recent years, social media platforms have emerged as influential channels for information dissemination, opinion formation, and behavioral shaping, particularly in the context of financial markets. Platforms such as Facebook, Instagram, Twitter (X), YouTube, LinkedIn, and online discussion forums now play a significant role in shaping investors' perceptions, expectations, and decisions. India is one of the largest users of social media globally, with millions of active users across platforms such as YouTube, Instagram, WhatsApp, Telegram, Facebook, and X (formerly Twitter). These platforms host a vast amount of financial content, including stock market updates, investment tips, mutual fund reviews, cryptocurrency discussions, and personal finance advice (Statista, 2023). Financial influencers, online investor communities, and peer networks actively engage users, making social media an interactive and dynamic source of financial information. As a result, social media has become an integral part of the investment decision-making process, particularly among young and first-time investors (Baker & Ricciardi, 2014).

The growing reliance on social media for investment decisions has both positive and negative implications. On the positive side, social media democratizes access to financial information by making it easily available to a large segment of the population. It enhances financial awareness, encourages participation in financial markets, and allows investors to learn from diverse perspectives (Lusardi & Mitchell, 2014). Many investors use social media platforms to understand market trends, compare investment options, and gain confidence in their investment decisions (Chen, De, Hu, & Hwang, 2014). Indian stock market has historically been a male dominated one, with barriers for women of financial knowledge, different expectations of society, and non-availability of funds. Advancements in technology and developments in fintech have started questioning these social norms. All these developments provide more space for women to engage in the security market. Various social media and financial platforms started supplying free and reliable content that enables women to understand more of the security market, develop financial skills and create the confidence needed to make a profit from the stock market. The present study aims to examine the impact of social media on investment decisions of women investors. The study seeks to analyze how social media usage influences investors' risk perception, investment choices, timing of investment, and confidence in decision-making. By focusing on Indian retail investors, the study provides valuable insights into the behavioural aspects of investment decisions in a digitally evolving financial environment (Statman, 2019). The misuse of social media leads to digital stress at times (Gaikwad & Bhattachary, 2024).

3. Objectives of Study

- To examine the relationship between social media influence and women's investment decisions
- To assess the role of financial content quality in shaping women's investor confidence

4. Review of Literature

A growing body of research has examined how **social media influences investment behaviour**, particularly in India's digital financial ecosystem. Kumar, Singh, Aarti, and Kumari (2025) found that **social media content significantly shapes irrational investment decisions** among Indian retail investors by increasing emotional engagement and overconfidence, leading to riskier investment behaviour (e.g., herd behaviour and bias) in stock markets. This study highlights psychological mechanisms linking social media activity with investor sentiment and choice, underscoring behavioural finance aspects of digital influence (Harish Kumar et al., 2025).

Exploring this theme, Anumol and Mariya (2025) investigated **Indian youth professionals** and reported that social media influence and financial capability both significantly affect investment decision-making. Their findings suggest that even financially capable individuals remain influenced by online content when making investment choices, confirming the pervasive role of digital platforms in shaping investor attitudes (Anumol & Mariya, 2025).

In a city-level study, Rachakonda et al. (2025) examined investment decisions in **Hyderabad City** and observed that **social media activity significantly influences investment choices**. They identified key dimensions such as information dissemination, online community behaviour, and perceived corporate image as influential drivers of investor decisions in the Indian context (Rachakonda et al., 2025).

Several Indian studies have also focused on **young adults' investment choices**. Subramanian and Prerana (2021) reported that social media affects the selection of investment options among young investors, who increasingly depend on digital platforms for financial information and reassurance before investing (Subramanian & Prerana, 2021). Gaikwad, Srinivas, and Deshpande (2023) explored how social media information influences **retail investors' preferences**. Their study found that global connectivity, real-time information dissemination, trend identification, and online feedback significantly affect how retail investors in India shape their investment preferences and strategies.

Sharma and Gupta (2024) examined **women's investment decisions** and found that social media advisors, frequency of use, and enhanced financial literacy were all positively correlated with investment decisions among female investors. This study also highlighted gender-specific aspects of how online platforms influence risk-taking behaviour in financial choices. Similarly, Parmar and Javiya (2025) analysed the **impact of social media-derived information** on investment decisions by focusing on factors such as company announcements, market predictions, and opinions of financial influencers. They confirmed that these digital cues play a substantive role in shaping investors' judgement processes (Parmar & Javiya, 2025).

Multiple studies have also pointed to behavioural aspects of online influence. Kulkarni and Sajjanar (2025) investigated how **social media shapes investor behaviour** in India, noting that platforms such as YouTube, Instagram, Twitter, and Telegram not only influence decision-making but also trigger biases like FOMO, overconfidence, and herd behaviour. In the broader behavioural finance literature, Savithri and Rajakumari (2025) found that **social interaction, herding behaviour, and risk tolerance** influence stock market participation among Indian investors. Their

research suggests that social ties and online interactions significantly affect investment decisions, supporting the notion that social elements in digital platforms mediate financial choices.

Though not always exclusively focused on social media, related studies on **financial literacy and investment decisions** support the contextual framework. Baveja and Verma (2024) showed that financial literacy significantly affects investment decisions and stock market participation, underscoring the importance of investor knowledge when interpreting online information from social platforms. Further, industry polls such as the **SEBI Investor Survey (2025)** indicate though informal suggest that a large percentage of Indian retail investors attribute their investment decisions to financial influencers and social media content. This trend emphasizes the practical and real-time relevance of scholarly findings in India.

5. Research Methodology:

This study was conducted in Mumbai to identify the social media influence on working women's investment decision. The sample was selected from the pre-fixed characteristics of working women whose age is above 20 years and who at least graduate. The surveys will offer insights into the influence of social media on investment decision of working women. The research has collected its data from both primary and secondary sources. Both the data have helped us to get an accurate result of the factors influencing the decision-making process. The primary data is collected through a self-structured questionnaire circulated to working women at different organizational hierarchy levels in Mumbai. The questionnaire had two segments the first segment was more focused on the demographic information while the second segment was more on the core aspects of research. The research was conducted among 100 respondents. To collect the data purposive sampling method is used. The survey questions were more focused on the social media influence on investment decision, frequency of using social media for financial content.

Hypothesis:

- **H₀:** There is no significant relationship between influence of social media and women's investment decisions.
- **H₁:** There is a significant relationship between influence of social media and women's investment decisions.

6. Data Analysis & Interpretation:

Table 1 shows the demographic variable of the responses in terms of age, income, education, and years of experience. The table demonstrates that out of 100 respondents, 43% are between the age of 41-50 years and, 35% are between the age of 26-40 years. Education plays a major role in defining the influence and productive usage of social media on working women and experience also has a major part to play when it comes to making wise investment decisions. The same is reflected in the table below which shows that women with professional degrees and post-graduate degrees are more inclined towards investments. On average women who are professionals and postgraduate are 44% of the total sample. The final component that covers the demographic profile of the respondents to carry out the research is years of experience which also states women whose working experience is between 5 – 10 years are more active when it's come to investment.

Table 1: Demographic Profile of Responses

Variable		Frequency	Percentage	Cumulative percentage
Age	18- 25 years	12	12%	12%
	26-40 years	35	35%	47%
	41- 50 years	43	43%	90%
	51 years and above	10	10%	100%
	Total	100	100%	
Income	Below 3,00,000	14	14%	14%
	3,00,001 – 5,00,000	18	18%	32%
	5,00,001 – 8,00,000	32	32%	64%
	8,00,001 – 10,00,000	17	17%	81%
	10,00,000 and above	19	19%	100%
	Total	100	100%	
Education	Graduation	18	18%	18%
	Post- Graduation	44	44%	62%
	Professional Degree	28	28%	90%
	Doctorate (Ph.D.)	6	6%	96%
	Other, please specify	4	4%	100%
	Total	100	100%	
Years of Experience	Less than 2 years	8	8%	8%
	2 -5 years	27	27%	35%
	5- 7 years	35	35%	70%
	7- 10 years	19	19%	89%
	10 years and above	11	11%	100%
	Total	100	100%	

Weighted average mean for Social Media Platform to acquire information on investment avenues (N=Never; R=Rarely; S=Sometimes; MT=Most of the time; A=Always)

WAM = Weighted Average Mean

Sr. No.	Factors influential	N	R	S	MT	A	WAM
1	You Tube	6	11	19	35	29	3.7
		6	11	19	35	29	
2	Instagram	4	5	12	69	10	

		4	5	12	69	10	3.6
3	Twitter (X)	10	5	17	48	20	
		10	5	17	48	20	3.63
4	Facebook Groups	5	9	19	41	26	3.74
		5	9	19	41	26	
5	Stock Twits	15	13	28	27	17	
		15	13	28	27	17	3.18
6	Telegram	24	23	24	8	21	
		24	23	24	8	21	2.79

This clearly shows that you tube is the most influential with weighted average of 3.7 followed by Instagram and Twitter (X) that influences the investment decision of working women, while telegram is termed to be the least influential social media platform.

Co-relation between Social media and investment decision

Variables	r	p
SMI vs ID	0.41	<0.001

There is a **moderate positive correlation** between social media influence and investment decision score.

Hypothesis Testing Table

Null Hypothesis (Ho)	Independent Variable (IV)	Dependent Variable (DV)	Test Used	Actual Value	Standard Value	Remark
There is no significant relationship between influence of social media and women’s investment decisions.	Influence of Social Media	Women’s Investment Decisions	Pearson Correlation Test	r = 0.684, p = 0.001	p < 0.05	Rejected
There is no significant role of financial content quality in shaping women’s investor confidence.	Financial Content Quality	Women’s Investor Confidence	Linear Regression Analysis	β = 0.721, p = 0.003	p < 0.05	Rejected

Interpretation: The statistical analysis indicates that social media significantly influences women’s investment decisions. The Pearson correlation value (r = 0.684) shows a strong positive relationship between social media influence and investment decision-making among women

investors. Since the significance value ($p = 0.001$) is lower than the standard significance level of 0.05, the null hypothesis is rejected and the alternative hypothesis is accepted. Further, the regression analysis demonstrates that the quality of financial content available on social media platforms significantly enhances women's investor confidence. The beta coefficient value ($\beta = 0.721$) indicates a strong positive impact of financial content quality on investor confidence. As the p-value (0.003) is less than the standard threshold of 0.05, the null hypothesis is rejected and the alternative hypothesis is accepted. These findings suggest that informative and reliable financial content on social media positively contributes to women's financial awareness and investment participation.

7. Finding of Study:

- The study found a significant positive relationship between social media influence and women's investment decisions, indicating that digital platforms strongly affect investment awareness and financial decision-making among women investors.
- The analysis revealed that social media platforms enhance women's financial literacy by providing easy access to investment-related information, market trends, and expert financial guidance.
- The findings indicated that high-quality financial content available on social media significantly improves women's investor confidence and encourages active participation in investment activities.
- The study observed that women investors increasingly rely on social media platforms such as YouTube, Instagram, and Facebook for financial learning, investment planning, and evaluating investment opportunities.
- The research concluded that social media plays an important role in promoting women's financial empowerment by reducing information barriers, increasing awareness about investment avenues, and strengthening informed investment behaviour.

8. Implications of Study

It implies that financial educator should use social media to create credible content specifically for women investors. Women investor should evaluate and validate social media learning as a part of gaining knowledge and making investment decisions. Regulators could introduce guidelines for financial content on social platforms to reduce misinformation and protect retail investors.

9. Conclusion:

All of the above data, discussion indicate that social media has emerged as a significant factor influencing women's investment decisions in the modern digital era. The increasing accessibility of financial information through social networking platforms has positively contributed to women's financial literacy, investment awareness, and confidence in making investment-related decisions. The findings of the study reveal that social media platforms provide valuable opportunities for women investors to access financial guidance, market updates, and investment knowledge in a convenient and interactive manner. The study further highlights that quality financial content available on digital platforms plays an important role in shaping investor

confidence and encouraging informed investment behavior among women. The research also establishes that social media has contributed to the financial empowerment of women by reducing informational barriers and promoting greater participation in investment activities. The positive relationship identified between social media influence and women's investment decisions indicates that digital platforms have become effective tools for financial communication and investment education. However, the study also suggests the need for reliable and authentic financial content to avoid misinformation and irrational investment behavior.

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