Impact of Finfluencers on Financial Decision-Making: A Behavioral Finance Perspective and Risk Assessment

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***Abstract*—The rapid emergence of financial influencers, commonly known as finfluencers, has significantly transformed the way individuals access financial information and make investment decisions. While social media promotes financial awareness, unverified content may expose investors to misinformation and financial risks. This study examines the influence of finfluencers on financial decision-making, trust, financial scams, perceived risks, and regulatory oversight from a behavioural finance perspective. Primary data were collected through a structured questionnaire from 80 respondents using convenience sampling. The data were analysed using percentage analysis, descriptive statistics, correlation analysis, and the Chi-square test. The findings indicate that trust in finfluencers significantly influences the tendency to follow financial advice without independent research, while frequency of exposure alone does not significantly affect financial decision-making. Respondents also demonstrated moderate scam awareness and perceived financial risks. The study highlights the importance of financial literacy, transparency, effective regulatory supervision, and investor awareness in reducing the risks associated with finfluencer content. The findings may help policymakers, financial institutions, and social media platforms promote responsible financial communication and protect investors.**

***Index Terms*—Finfluencers, Financial Decision-Making, Behavioural Finance, Investor Trust, Financial Scams, Risk Perception, Regulatory.**

I. INTRODUCTION

Over the past decade, digital technology and social media have significantly transformed the financial landscape. The emergence of financial influencers, commonly known as finfluencers, has changed the way individuals access financial information and investment advice. Through platforms such as YouTube, Instagram, and X (Twitter), they share information on savings, investments, and wealth creation. Finfluencers promote financial literacy by simplifying complex financial concepts and encouraging investment participation. However, the reliability of their content and lack of transparency may expose followers to misleading advice and financial scams. Behavioural finance explains their influence through biases such as herding, overconfidence, anchoring, availability bias, and fear of missing out (FOMO). These psychological factors may lead individuals to make impulsive investment decisions without proper verification. The growing popularity of finfluencers highlights the importance of trust, digital literacy, and responsible financial communication. In a digitally active city like Chennai, individuals across different age groups are increasingly exposed to such financial content. Hence, this study examines the influence of finfluencers on financial decision-making, behavioural patterns, risk perception, and investor awareness.

1.1 Background of the study

The rapid growth of social media has led to the emergence of finfluencers who share financial advice on budgeting, saving, and investing through platforms such as YouTube and Instagram. While they improve financial awareness and encourage investment participation, their content may also influence decisions through behavioural biases such as herding, overconfidence, and FOMO. Lack of transparency, unverified advice, and financial scams further increase investor vulnerability. Although regulatory authorities such as SEBI, SEC, and FCA are introducing measures to protect investors, challenges in monitoring digital content remain. Hence, this study examines the impact of finfluencers on financial decision-making, trust,

scam awareness, risk perception, and regulatory oversight, with particular reference to individuals in Chennai.

II. REVIEW OF LITERATURE

The influence of finfluencers on financial decision-making has been studied across multiple geographies, age groups, and asset classes. While the literature demonstrates that influencers significantly shape investor behavior, several gaps remain, particularly in the Indian context.

Chetan and Pandey (2025) conducted a study in India focusing on the shift from professional financial advisors to finfluencers. They found that finfluencers enhance access to financial knowledge, particularly among younger populations, and facilitate engagement with investment opportunities. However, their research also highlighted increased exposure to unverified content and emphasized the need for regulatory oversight. While informative, this study did not extensively examine the behavioral biases that mediate follower decisions or the prevalence of scams associated with influencer content.

Martaningrat and Kurniawan (2024) investigated FOMO-driven behavior among Millennials and Gen Z in Indonesia. They observed that finfluencer content significantly influences investment choices, but that financial literacy can moderate this effect. Their study underscored psychological vulnerability but did not address regulatory awareness or risk mitigation strategies, leaving gaps for application in different cultural or regulatory contexts such as India.A 2025 study on Nordic retail investors analyzed the correlation between influencer activity and portfolio overlaps. The study found that followers tended to mimic influencers who posted frequently or shared cultural similarities. Despite its methodological rigor, the study excluded risk perceptions, scam experiences, and awareness of regulatory mechanisms, which are critical dimensions in emerging markets with high social media adoption.

Bartosiak, Lee, and Loibl (2024) explored parasocial interactions and their role in shaping trust in financial influencers. They concluded that perceived closeness to an influencer increases followers' likelihood of engaging in risky financial behaviors. Although the research reinforces behavioral finance theory, it is limited to Western samples and does not reflect the Indian digital ecosystem, where social media use patterns, financial literacy levels, and regulatory awareness differ.

Gerritsen (2024) analyzed the promotion of crypto and stock products by influencers, highlighting that assets promoted by influencers often underperform due to hidden sponsorships. While this study exposed conflicts of interest and the dangers of unregulated promotion, it did not examine consumer perceptions, the prevalence of scams, or followers' awareness of financial regulations.

Across these studies, several themes emerge: finfluencers have a strong impact on investment decisions, parasocial interactions amplify trust and risk-taking, and content often prioritizes engagement over accuracy. However, the literature shows geographical and demographic gaps, particularly regarding Indian populations, urban centers such as Chennai, and the behavior of older age groups. Moreover, risk assessment, scam awareness, and regulatory perceptions remain underexplored.

2.1 Research Gap

Existing studies on finfluencers mainly focus on Western and Southeast Asian markets, with limited research on urban Indian populations such as Chennai. There is a lack of comprehensive studies examining behavioural biases, trust, scam awareness, risk perception, and regulatory awareness across different age groups. This study aims to bridge these gaps by analyzing the influence of finfluencers on financial decision-making within the Indian context.

2.2 Statement of the problem

The rapid growth of social media has made finfluencers an important source of financial advice, influencing individuals' investment decisions. However, the reliability of their content, behavioural biases, and lack of awareness about financial regulations may expose followers to misinformation, scams, and financial losses. Therefore, this study examines the influence of finfluencers on financial decision-making, trust, scam awareness, risk perception, and regulatory awareness among individuals in Chennai.

2.3 Need and Scope of the Study

This study examines the influence of finfluencers on financial decision-making among individuals aged 18–60 in Chennai. It focuses on trust, behavioural

biases, scam awareness, risk perception, and regulatory awareness. The study aims to identify risks associated with misleading financial advice and promote financial literacy, responsible investment behaviour, and investor protection.

2.4 Objectives of the study

1. To examine the impact of finfluencers on individual financial decision-making and assess the level of trust in their financial content.
2. To identify common financial scams associated with finfluencer content and analyze the potential risks of financial losses due to unverified advice.
3. To study government regulations and regulatory oversight of finfluencers, focusing on monitoring, enforcement, and investor protection.

2.5 Hypothesis of the study

- $H0_1$: Finfluencers do not significantly impact individual financial decision-making. $H1_1$: Finfluencers significantly impact individual financial decision-making.
- $H0_2$: There is no significant level of trust in the financial content shared by finfluencers. $H1_2$: There is a significant level of trust in the financial content shared by finfluencers.
- $H0_3$: There are no common financial scams associated with finfluencer content recognized by individuals.
- $H1_3$: Common financial scams associated with finfluencer content are recognized by individuals.
- $H0_4$: Unverified financial content from finfluencers does not significantly contribute to the risk of financial losses.
- $H1_4$: Unverified financial content from finfluencers significantly contributes to the risk of financial losses.

III. RESEARCH METHODOLOGY

This study adopts a descriptive and analytical research design with a quantitative approach to examine the influence of finfluencers on financial decision-making. Primary data were collected through a structured questionnaire from 80 respondents aged 18–60 residing in Chennai who follow at least one finfluencer. The questionnaire covered demographic details, finfluencer exposure, behavioural biases, trust, risk perception, financial scams, and regulatory awareness. Secondary data were collected from regulatory guidelines, circulars, and reports issued by SEBI, SEC, FCA, MAS, and ASIC. The study uses non-probability convenience sampling, selecting respondents based on their availability and willingness to participate. The questionnaire was distributed online through social media platforms, messaging applications, and personal contacts. The collected data were analysed using statistical tools to identify patterns and relationships influencing financial decision-making.

3.1 Statistical Tools

The study uses percentage analysis to present respondents' opinions and preferences in percentage form for easy comparison and interpretation. The Chi-square test is applied to identify significant associations between categorical variables and test the research hypotheses. Descriptive statistics, including mean, median, frequency, and standard deviation, are used to summarise the collected data. Correlation analysis is employed to measure the strength and direction of relationships between finfluencer exposure, trust, scam awareness, and risk perception.

3.2 Data Analysis

The data collected for this study was initially organized and cleaned using Microsoft Excel, which facilitated sorting, filtering, and calculating descriptive statistics such as frequencies and percentages. Subsequently, Jamovi software was used to conduct statistical analyses, including chi-square tests, correlation analysis, and regression analysis to examine relationships among variables and test the research hypotheses. Tables, charts, and statistical outputs were used to present and interpret the findings effectively. The combination of Excel and Jamovi ensured systematic data analysis and supported the achievement of the study's research objectives.

3.3 Limitations of the study

The study is limited to 80 respondents from Chennai using convenience sampling, which may affect the generalizability of the findings. Data collected through close-ended questionnaires may involve response bias. The cross-sectional design captures opinions at a particular point in time. Further, the study focuses only on finfluencer influence, behavioural biases, scam awareness, and regulatory perceptions. Differences in

digital literacy and self-reported responses may also affect the accuracy of the findings.

IV. ANALYSIS OF DATA USING STATISTICAL TOOLS

A. Correlation between finfluencer frequency, following without research, and herding behavior

To understand the relationship between individuals' engagement with financial influencers (finfluencers) and their financial decision-making behavior, a correlation analysis was conducted using Spearman's rho. This analysis aimed to assess whether frequent exposure to finfluencers influences behavioral patterns such as following financial advice without independent verification and herding behavior.

The hypotheses for this analysis are stated as follows:

- H_{01}: Finfluencers do not significantly impact individual financial decision-making.
- H_{11}: Finfluencers significantly impact individual financial decision-making.

This analysis helps determine whether the level of interaction with finfluencers plays a significant role in shaping individuals' financial decisions, particularly in terms of relying on unverified financial content and engaging in herd-like investment behavior.

Interpretation: The Spearman's rho analysis shows a weak and statistically insignificant relationship between finfluencer usage frequency and following financial advice without research ($r = –0.041$, $p = .721$) and herding behaviour ($r = .099$, $p = .386$). The relationship between following advice without research and herding behaviour was also insignificant ($r = .215$, $p = .057$). Thus, frequent exposure to finfluencer content does not significantly influence risky financial decision-making. Hence, the null hypothesis (H_{01}) is accepted.

B. Correlation between trust in finfluencer content and financial decision-making

To examine whether the level of trust in financial content shared by finfluencers influences individual financial decision-making, a correlation analysis was conducted. This analysis aims to identify if higher trust in finfluencers' content is associated with a greater tendency to rely on or act upon the financial advice they share.

The hypotheses for this analysis are stated as follows:

- $H0_2$: There is no significant level of trust in the financial content shared by finfluencers.
- $H1_2$: There is a significant level of trust in the financial content shared by finfluencers.

This analysis helps determine whether the trust individuals place in finfluencers meaningfully affects their financial choices and behaviors. Understanding this relationship is important to assess whether social media–based financial advice shapes investment confidence, perceived credibility, and overall decision-making patterns among audiences exposed to finfluencer content.

Interpretation: The Spearman's rho partial correlation analysis reveals a significant positive relationship between trust in finfluencers and following financial advice without independent research ($r = 0.264$, $p = .020$), after controlling for age, monthly income, and following frequency. This indicates that individuals who trust finfluencers are more likely to follow their advice without verification. Hence, the null hypothesis (H_{02}) is rejected, and the alternative hypothesis (H_{12}) is accepted.

C. Correlation between frequency of following finfluencers and scams recognized

To investigate whether individuals who more frequently follow finfluencers are better at recognizing financial scams, a partial correlation analysis was carried out. This analysis aims to determine if higher engagement with finfluencer content is associated with increased scam awareness, after controlling for trust in finfluencers and the tendency to follow their advice without independent research.

The hypotheses for this analysis are as follows:

- H_{03}: There is no significant relationship between the frequency of following finfluencers and the number of financial scams recognized.
- H_{13}: There is a significant relationship between the frequency of following finfluencers and the number of financial scams recognized.

Interpretation: The analysis shows a moderate, positive, and statistically significant correlation ($rs = 0.364$, $p = 0.001$) between the frequency of following finfluencers and the ability to recognize financial

scams. This indicates that individuals who engage more frequently with finfluencer content tend to identify scams better, even after controlling for trust in finfluencers and the tendency to follow advice without independent research. Therefore, the null hypothesis (H_{03}), which states that no significant relationship exists, is rejected, and the alternative hypothesis (H_{13}) is accepted. This confirms that higher finfluencer engagement is significantly associated with increased scam awareness.

D. Correlation between unverified financial content and risk of financial losses

To analyze whether unverified financial content shared by finfluencers contributes to the risk of financial losses among individuals, a correlation analysis was conducted. This test helps determine if exposure to misleading or unverified advice from finfluencers influences the likelihood of individuals facing monetary loss due to poor investment or financial decisions.

The hypotheses for this analysis are stated as follows:

- $H0_4$: Unverified financial content from finfluencers does not significantly contribute to the risk of financial losses.
- $H1_4$: Unverified financial content from finfluencers significantly contributes to the risk of financial losses.

This analysis is intended to assess the degree to which unreliable or unregulated financial content impacts individuals' financial well-being. It helps in understanding whether misinformation and lack of content verification in the digital finance space pose a measurable threat to investors, particularly those with lower financial literacy or higher trust in social media advice. (Note: Controlling for Age Group, Monthly income, and Finfluencer Frequency.)

Interpretation: The Spearman's rho partial correlation analysis indicates a weak negative and statistically insignificant relationship between perceived risk in unverified finfluencer content and actual financial loss ($r = –0.159$, $p = .167$), after controlling for age, monthly income, and following frequency. This suggests that perceived risk is not significantly associated with financial losses. Hence, the null hypothesis (H_{04}) is accepted.

E. CHI-SQUARE Test: Relationship Between Frequency of Following Finfluencers and Trust in Their Content

To analyze whether the frequency of following finfluencers is associated with the level of trust respondents place in their content, a Chi-square test of independence was conducted. This test compares the observed distribution across categories of following frequency and trust scores with the distribution that would be expected if no association existed between these two variables.

Hypotheses:

- Null Hypothesis (H_{02}): There is no significant association between the frequency of following finfluencers and the level of trust respondents place in their content
- Alternative Hypothesis (H_{12}): There is a significant association between the frequency of following finfluencers and the level of trust respondents place in their content.

Interpretation:

The Pearson Chi-Square test ($\chi^2 = 10.9$, $df = 8$, $p = .209$) indicates no statistically significant association between finfluencer following frequency and trust in their financial content, as the p-value exceeds 0.05. Hence, the null hypothesis (H_{02}) is accepted. The findings suggest that trust in finfluencers depends on factors such as authenticity, financial literacy, and perceived expertise rather than exposure frequency alone.

F. Descriptive Statistics

Descriptive statistics were computed to summarize participants' responses regarding their exposure to finfluencers, trust in their advice, perceived risk of unverified financial content, and overall financial literacy. This analysis provides an overview of general behavioral trends, awareness levels, and risk perceptions associated with online financial influence. The measures include mean, median, mode, standard deviation, variance, and range for each variable, giving insight into the consistency and variability of participants' attitudes.

Table -1 Descriptive Statistics of Variables Related to Finfluencer Impact and Financial Behavior

Variable	N	Missing	Mean	Std. Error Mean	Median	Mode	Standard Deviation	Variance	Minimum	Maximum
Finfluencer Frequency	80	0	4.05	0.0888	4.00	4.00	0.794	0.630	3	5
Herding Behavior	80	0	1.87	0.0925	2.00	1.00	0.822	0.676	1	3
Trust in Finfluencer s	80	0	2.45	0.128	3.00	3.00	1.150	1.310	1	5
Follow Without Research	80	0	2.40	0.103	2.00	3.00	0.922	0.851	1	5
Scams Recognized	80	0	2.42	0.0954	3.00	3.00	0.854	0.728	1	3
Faced Financial Loss	80	0	1.23	0.0589	1.00	1.00	0.527	0.278	1	1
Risk in Unverified Content	80	0	3.61	0.0898	4.00	3.00	0.803	0.645	1	5
Finfluencer Regulation	80	0	2.45	0.0832	3.00	3.00	0.745	0.554	1	5
Financial Literacy Impact	80	0	3.05	0.0709	3.00	3.00	0.634	0.403	2	4

Interpretation: The descriptive statistics indicate moderate scam awareness (M = 2.42, SD = 0.85) and perceived risk (M = 3.61, SD = 0.80) among respondents. Financial literacy was moderate (M = 3.05, SD = 0.63), while trust in finfluencers and regulatory awareness was relatively low (M = 2.45). Although respondents frequently engaged with finfluencer content (M = 4.05, SD = 0.79), they showed low herding behaviour (M = 1.87, SD = 0.82) and moderate reliance on advice without independent research (M = 2.40, SD = 0.92). Overall, respondents demonstrated cautious engagement with finfluencer content and a degree of independence in financial decision-making.

G. Secondary Data Analysis of Finfluencer Regulatory Frameworks: Scoring Methodology and Descriptive Statistics

This analysis evaluates finfluencer regulatory frameworks across five prominent jurisdictions the Securities and Exchange Board of India (SEBI), U.S. Securities and Exchange Commission (SEC), Financial Conduct Authority (FCA, UK), Monetary Authority of Singapore (MAS), and Australian Securities and Investments Commission (ASIC). Leveraging official regulatory documents, circulars, and enforcement reports, we quantify regulatory rigor on four key dimensions: Licensing and Registration, Disclosure and Transparency, Enforcement and Monitoring and Penalties and Sanctions.

The purpose is to provide an evidence-based, comparative overview of regulatory approaches and real-world enforcement, to better understand global efforts protecting investors from unregulated finfluencer activity.

Table 2. Regulatory Scores by Authority and Dimension

Regulatory Authority	Licensing & Registratio n	Disclosur e & Transpare ncy	Enforcem ent & Monitorin g	Penaltie s & Sanction s	Mean	Median	Mode
SEBI (India)	5	4	4	4	4.25	4	4
SEC (USA)	4	5	5	5	4.75	5	5
FCA (UK)	4	4	4	4	4.00	4	4
MAS (Singapore)	3	3	3	3	3.00	3	3
ASIC (Australia)	4	4	4	4	4.00	4	4

Table 3. Descriptive Statistics by Regulatory Dimension

Regulatory Dimension	SEBI	SEC	FCA	MAS	ASIC	Mean	Median	Mode
Licensing & Registration	5	4	4	3	4	4.00	4.00	4
Disclosure & Transparency	4	5	4	3	4	3.80	4.00	4
Enforcement & Monitoring	4	5	4	3	4	3.80	4.00	4
Penalties & Sanctions	4	5	4	3	4	3.80	4.00	4

V. REGULATORY ENFORCEMENT INITIATIVES AND INTERPRETATION

Interpretation: The findings from Tables 2 and 3 indicate that the SEC (USA) has the highest mean score (4.75), followed by SEBI (India) (4.25), while FCA (UK) and ASIC (Australia) score 4.00 each. MAS (Singapore) records the lowest score (3.00). Among the regulatory dimensions, Licensing and Registration ranks highest (4.00), followed by Disclosure, Enforcement, and Penalties (3.80). Overall, the findings highlight differences in regulatory approaches across countries and indicate a growing emphasis on transparency, accountability, and investor protection in regulating finfluencer activities.

Findings: The present study, "Impact of Finfluencers on Financial Decision-Making: A Behavioral Finance Perspective and Risk Assessment," aimed to explore how finfluencers influence financial behavior, trust formation, scam awareness, and risk perception among individuals. Using descriptive analysis, correlation, chi-square tests and partial correlation, the research examined relationships among key behavioral variables to assess the extent and nature of finfluencers' influence.

Gender-based differences in the frequency of exposure to finfluencer content:
The results show noticeable gender-based differences in the frequency of exposure to finfluencer content. Among female respondents, the majority (19 out of 39) reported that they rarely come across finfluencer content, while only 7 females reported daily exposure. In contrast, a larger proportion of male respondents indicated higher exposure levels, with 20 males viewing finfluencer content daily and 17 occasionally. These findings suggest that male respondents are more frequently exposed to finfluencer content compared to females, who tend to encounter such content less often. This could indicate that males engage more actively with financial platforms or social media spaces where finfluencer content is prevalent.

Finfluencers' Impact on Financial Decision-Making:
The first objective was to examine how finfluencers impact individual financial decisions. Correlation analysis revealed a weak and statistically insignificant relationship between finfluencer exposure and behavioral tendencies such as following advice without verification ($r = –0.041$, $p = .721$) and herding behavior ($r = .099$, $p = .386$). These results suggest that increased interaction with finfluencer content does not directly translate to impulsive or herd-like investment decisions. Participants appeared to consume finfluencer content selectively, maintaining a degree of independence in decision-making. Thus, the null hypothesis (H_{01}) that finfluencers do not significantly impact financial decision-making is accepted.

Trust in Financial Content Shared by Finfluencers:
Partial correlation analysis indicated a moderate and statistically significant relationship between trust in finfluencers and following financial advice without independent research ($r = .264$, $p = .020$), even after controlling for demographic variables. This demonstrates that higher trust in finfluencers significantly increases the likelihood of adopting their advice without verification. Accordingly, the null hypothesis (H_{02}) was rejected, confirming that trust in finfluencers significantly shapes financial decision-making. However, the Chi-square test ($\chi^2(8, N = 80) = 10.9$, $p = .209$) found no significant association, suggesting that trust formation is not merely a function of exposure frequency.

Financial Scam Awareness: Partial correlation analysis revealed a moderate, positive, and statistically significant correlation between finfluencer following frequency and scam recognition ($r = 0.364$, $p = .001$). This implies that individuals who frequently follow finfluencers demonstrate higher awareness of potential scams and can distinguish legitimate financial advice

from deceptive content. Hence, the null hypothesis (H_{03}) was rejected, supporting the conclusion that greater finfluencer engagement enhances scam awareness.

Risk of Financial Losses Due to Unverified Content:
Partial correlation analysis revealed a weak and non-significant negative relationship between perceived risk in unverified content and experienced financial loss ($r = –0.159$, $p = .167$). This indicates that awareness of potential risk does not necessarily translate to the avoidance of financial losses. Thus, the null hypothesis (H_{04}) was accepted, confirming that unverified content awareness alone does not significantly contribute to actual financial losses.

Government Regulation and Oversight of Finfluencers:
Descriptive results showed that participants exhibited moderate awareness regarding the need for finfluencer regulation ($M = 2.45$, $SD = 0.75$). This reflects limited public knowledge of SEBI or similar regulatory initiatives. Participants generally favored the idea that finfluencers should be licensed or supervised to ensure accountability.

Findings from Descriptive Statistics:
The descriptive statistics reveal that respondents have moderate awareness of financial scams ($M = 2.42$, $SD = 0.85$), high perceived risk in unverified content ($M = 3.61$, $SD = 0.80$), and moderate financial literacy ($M = 3.05$, $SD = 0.63$). Although engagement with finfluencer content is frequent ($M = 4.05$, $SD = 0.79$), trust in finfluencers remains low ($M = 2.45$, $SD = 1.15$). Respondents also demonstrate low herding tendencies ($M = 1.87$, $SD = 0.82$) and moderate reliance on financial advice without independent research ($M = 2.40$, $SD = 0.92$). Overall, the findings indicate that respondents actively engage with finfluencer content while maintaining a cautious approach towards financial decision-making.

Findings from Secondary Data Analysis on Finfluencer Regulatory Frameworks:
The secondary data analysis reveals significant differences in the regulatory frameworks governing finfluencers across five jurisdictions: SEBI (India), SEC (USA), FCA (UK), MAS (Singapore), and ASIC (Australia). The SEC secured the highest mean score of 4.75, indicating a strong regulatory framework with effective registration, disclosure, and enforcement mechanisms. SEBI followed with a mean score of 4.25, reflecting its growing efforts to regulate finfluencers through registration requirements, restrictions on unregistered financial promotions, and enforcement measures. Both FCA and ASIC obtained a mean score of 4.00, demonstrating balanced regulatory approaches with an emphasis on transparency, monitoring, and compliance. MAS recorded a comparatively lower mean score of 3.00, reflecting its gradual and innovation-oriented regulatory approach. Among the regulatory dimensions, Licensing and Registration received the highest mean score of 4.00, followed by Disclosure, Enforcement, and Penalties, each with a mean score of 3.80. This highlights the importance of licensing and registration in ensuring the accountability and credibility of financial influencers. The findings further indicate that developed regulatory markets demonstrate stronger enforcement and transparency, while emerging markets such as India are progressively strengthening their regulatory mechanisms. Overall, the analysis suggests a growing trend towards global regulatory cooperation and convergence, with a focus on balancing investor protection, transparency, and innovation in the digital financial ecosystem.

VI. SUGGESTIONS

It is suggested that regulatory authorities such as SEBI strengthen their oversight of finfluencers through proper registration, licensing, and monitoring mechanisms. Financial literacy and digital awareness programmes should be promoted to help investors critically evaluate online financial information and identify misleading advice. Finfluencers should maintain transparency regarding sponsorships, partnerships, and financial affiliations while adhering to ethical standards. Social media platforms should introduce AI-based verification systems to control the spread of misinformation and fraudulent investment schemes. Further, investor awareness programmes should address behavioural biases, investment risks, and online scams. International regulatory cooperation, strict enforcement measures, and innovation-driven policies should also be encouraged to ensure investor protection and responsible financial communication.

VII. CONCLUSION

This study concludes that finfluencers play a moderate role in influencing individuals' financial decision-making, with trust being more significant than mere exposure to their content. Increased engagement with finfluencers improves scam awareness, but exposure to unverified information may create potential risks. The findings also indicate that perceived financial risks do not necessarily result in actual financial losses. Individuals are gradually becoming more cautious and selective in evaluating online financial advice. The study highlights the importance of financial literacy, critical thinking, transparency, and regulatory oversight in the digital financial environment. Ultimately, responsible finfluencer practices and effective investor protection measures can make social media a reliable source of financial education rather than misinformation.

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