

Influence of Social Media on Financial Literacy among Young Adults

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In the contemporary digital environment, social media platforms have emerged as dominant informal sources of financial information, particularly among young adults. This study empirically investigates the relationship between social media engagement and financial literacy among individuals aged 18–30, addressing the growing gap between digital participation and financial knowledge. Using Welch's two-sample t-test on independent indices of social media usage and financial literacy, the findings reveal a statistically significant disparity, with social media engagement substantially exceeding financial literacy levels. While social media democratizes access to financial content, the proliferation of misinformation, unregulated advice, and behavioural biases undermines its effectiveness as a reliable educational medium. The study highlights the need for integrating digital financial literacy frameworks with formal educational curricula and regulatory oversight. Collaborative initiatives involving educators, policymakers, financial institutions, and credible digital content creators are recommended to transform social media into a structured and trustworthy learning ecosystem. This research contributes to the emerging discourse on digital financial education by providing empirical evidence on the limitations and potential of social media as a financial learning tool and offers policy-relevant insights for enhancing financial capability among digitally active youth.

Keywords: Social Media; Financial Literacy; Young Adults; Digital Financial Education; Behavioural Bias

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