



Financial guidance on social media platforms: Quality assessment and individual experiences

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Executive summary

This project investigates the quality of personal finance guidance (“financial guidance”) posted on three major social media platforms (Instagram, TikTok, YouTube), and the experiences of UK adults who engage with this content.

Quality of financial guidance

3,000 social media posts containing financial guidance relevant to the UK were collected (1,000 from each platform). These posts were evaluated according to six criteria: the content creator’s expertise, presence of relevant disclosures and disclaimers, financial and economic credibility of ideas, quality of explanation, discussion of downsides and/or alternatives, and transparency of sources and calculations (where relevant). Based on these criteria, a checklist of positive and negative features was used to assess the posts’ quality.

The quality of financial guidance on social media is generally low: the average social media post contains less than half of the positive features in each criterion. For example, only 8-9% of posts state the author’s relevant expertise (in the post or in their social media profile), and only 12-13% of posts include relevant disclosures or disclaimers. Evaluated against the six criteria, **nearly 9 out of 10 social media posts have more negative features than positive features.**

The quality of financial guidance varies by platform and by the content creator’s characteristics. On average, posts on YouTube contain more positive features than those on Instagram and TikTok. For example, more posts on YouTube state the author’s expertise (19.5%) compared to posts on Instagram (2.2%) or TikTok (3.9%). These results are not solely due to YouTube posts being longer: YouTube Shorts (15-60-second video clips) still contain more positive features than Instagram and TikTok posts despite being similar in format. Posts by content creators with more followers tend to have more positive features.



Experiences of UK adults who use social media for financial guidance

4,200 adults across the UK were surveyed, with a focus on low- and middle-income individuals (60% of the sample). **2 out of 5 respondents use social media as a source of financial guidance.** These respondents chose social media for financial guidance primarily because they believe it provides relatable content, a wide range of information, and is easy to access.

1 out of 3 respondents (31%) tried financial guidance they found on social media (for example, by applying a tip or making a decision) in the last year. Among these respondents, 3% thought they experienced mostly negative outcomes, 27% thought they experienced mixed outcomes (some benefits and some harms), and 70% thought they experienced mostly positive outcomes. These **self-reported outcomes depended on how well the guidance fit each respondent's circumstances and how they applied the guidance.**

Experiences with financial guidance on social media vary across population subgroups. Respondents who identified as female, used social media more frequently, or had higher knowledge of personal finance topics were more likely to report experiencing positive outcomes from following financial guidance.

Most respondents know the limitations of financial guidance on social media. The most common disadvantages they identified were potentially untrustworthy information, the lack of financial qualifications among people that post on social media, and bias. **Almost all respondents (94%) verify the information they see on social media, though many (62%) use fact-checking measures that are not robust (such as reading the post's comments).** Around half of respondents check the organisation or person who made the post (58%) or check if the same information appears in other websites or reputable sources (49%).

Almost all respondents (96%) have encountered low quality or misleading financial guidance on social media, and most (84%) took action, which included blocking the post or reporting it to the social media platform. 9 out of 10 respondents are shown financial guidance on social media when they are not intentionally searching for this content. 2 out of 3 respondents think this "accidental" guidance is mostly or completely irrelevant.

Recommended policy actions

Over half of respondents (55%) were unaware there was a difference between "financial guidance" and "financial advice", particularly in the extent to which they are legally protected.

4 out of 10 respondents were surprised that current regulations and legislation do not cover most types of financial guidance.

Around half of respondents think it is more of the authorities' or the social media platforms' responsibility to monitor and act against misleading financial guidance, rather than it being more of a personal responsibility.

Respondents thought the most effective measures to improve the quality of financial guidance on social media would be to:

1. Require content creators to disclose their qualifications/expertise/conflicts of interest,
2. Require content creators to put disclaimers on their posts,
3. Ask social media sites to put links to official trusted sources on all financial guidance posts.

Table of Contents

1. Introduction	5
2. Project objectives and data collection	6
3. Part 1: Quality of financial guidance on social media	5
3.1 How were social media posts collected?	7
3.2 How was the quality of social media posts assessed?	8
3.3 What characteristics of social media posts are associated with higher-quality guidance?	11
4. Part 2: Experiences with financial guidance on social media	12
4.1 Who was surveyed?	12
4.2 What sources of financial guidance do people use?	13
4.3 How well do people understand the differences between “financial advice” and “financial guidance”?	17
4.4 Why do people use social media for financial guidance?	21
4.5 How do people evaluate the quality of financial guidance on social media?	25
4.6 What happened when people followed guidance on social media?	27
4.7 How often are people accidentally exposed to financial guidance on social media?	31
4.8 How do people identify and act against unsound financial guidance?	31
4.9 What actions do people recommend for policymakers?	35
5. Key findings and recommendations	38
Appendix	40
A1.1 Full list of keywords and hashtags used to search for social media posts	40
A1.2 Summary statistics of social media posts	41
A2.1 Characteristics of respondents in the qualitative study	44
A2.2 Instagram posts shown to qualitative study respondents	45
A2.3 Short examples of positive and negative experiences for selected personal finance topics (quantitative survey)	45
A2.4 Reasons why respondents in the qualitative study supported the pre-specified policies	48

1. Introduction

Many UK adults view and engage with personal finance content on social media. Most of this content counts as **financial guidance** rather than financial advice: financial guidance is general financial information that anyone can provide, and is not regulated by the Financial Conduct Authority (FCA). In contrast, **financial advice** is an FCA-regulated activity provided only by individuals with specific qualifications.

This project investigates two concerns about financial guidance posted on social media. The first concern is quality: financial guidance can be uploaded by anyone on social media, regardless of their financial expertise. The second concern is consumer protection: while social media advertisements (paid endorsements) are regulated by the FCA, the Advertising Standards Authority (ASA), and Committee of Advertising Practice (CAP), general financial guidance such as investment tips or budgeting techniques is not monitored by any authority or covered by consumer protection laws.

Addressing these concerns requires more information about the nature and impacts of financial guidance on social media. The existing academic and grey literature on social media focuses on specific types of financial guidance, such as investment tips, or the extent to which paid endorsements adhere to FCA/ASA/CAP advertising regulations. Policymakers and regulators thus lack broader evidence on:

1. the types and quality of personal financial guidance posted on social media,
2. how individuals (particularly those on low-to-middle-incomes) engage with financial guidance on social media, and
3. the experiences of individuals who follow financial guidance on social media.

This project narrows these information gaps and provides user-generated insights on ways that policymakers or other stakeholders could help these individuals evaluate and navigate financial guidance content on social media.

If you are interested in using data from this report or seeing more detailed results tables, please email e.tipoe@qmul.ac.uk.



2. Project objectives and data collection

This project has two objectives

Objective #1

Assess the types and quality of personal financial guidance posted on three major social media platforms (YouTube, Instagram, TikTok).

To achieve this objective, a sample of 1,000 social media posts from each of these platforms was collected via keyword or hashtag search. Since it is impossible to survey all financial guidance content on social media, the sampling method focused on capturing a diverse range of personal finance topics and content creators, and only focused on content relevant to the UK.

The samples were then analysed according to specific criteria (such as transparency and depth of explanation). Other information about the post's reach and engagement, such as the number of likes, comments, and views, were also collected.

Objective #2

Investigate how individuals (particularly low- and middle-income) engage with financial guidance content on social media, and experiences associated with engaging with this content.

To achieve this objective, an **online survey of 4,200 UK adults** was conducted in May 2025 on Prolific, a reputable survey platform primarily used by academic researchers. This survey collected information about:

- Their understanding of the difference between financial advice and financial guidance,
- The main sources they use for financial advice and financial guidance,
- Their frequency and reasons for using social media for financial guidance,
- How they determine the trustworthiness of information on social media,
- Their awareness of regulations and guidelines on the content of social media posts.

To obtain more detailed data on the motivations and consequences of using social media for financial guidance, volunteers from the online survey participated in a follow-up qualitative study (**focus groups, interviews, and open-text surveys**) in June-August 2025. The qualitative study collected information about:

- Their reasons for using financial guidance (on social media or other sources),
- What kinds of financial guidance they search for on social media,
- Their use of official and trusted sources (such as the Money and Pensions Service (MaPS) and FCA) vs unofficial sources,
- How they determine the trustworthiness of financial guidance on social media,
- Positive and negative experiences with following financial guidance on social media,
- How to improve the quality of financial guidance on social media.

3. Part 1: Quality of financial guidance on social media

3.1 How were social media posts collected?

A list of keywords or their equivalent hashtags were used to search for English-language financial guidance posts (images or videos) that were relevant to the UK.¹ These keywords and hashtags were based on a Google search of popular finance hashtags used on social media to indicate content relevant for savings, investment, debt/credit, and general personal finance tips. Table 1.1 shows some examples (Appendix A1.1, **Table A1.1** shows the full list used).

General	Saving	Debt/Credit	Investment
Personal finance tips	Budgeting tips	Credit score	Investing tips
Financial freedom	Save money	Credit cards	Learn to trade
Financial education	Frugal living	Credit repair	Investing habits
Money matters	Life on a budget	Debt free	Simple investing
Money management	Tax tips UK	Debt payoff tips	Stock market

Table 1.1 Examples of keywords used to search for social media posts.

Using these keywords, 1,000 social media posts were collected from each platform.

- Across all platforms, the **most popular topic was saving** (35.6 - 46.9% of posts), and the least popular topic was either investing (TikTok and YouTube) or debt/credit (Instagram) (**Figure 1.1**).
- Comparing the three platforms, **social media posts on YouTube tend to have the most engagement on average** (views, comments, likes), and YouTube content creators have more followers on average (**Table 1.2**). However, the average of all four engagement measures is **very skewed from a few large outliers** (more summary measures of the distribution are shown in Appendix A1.2, **Table A1.2**).

Categories of social media posts (by platform)

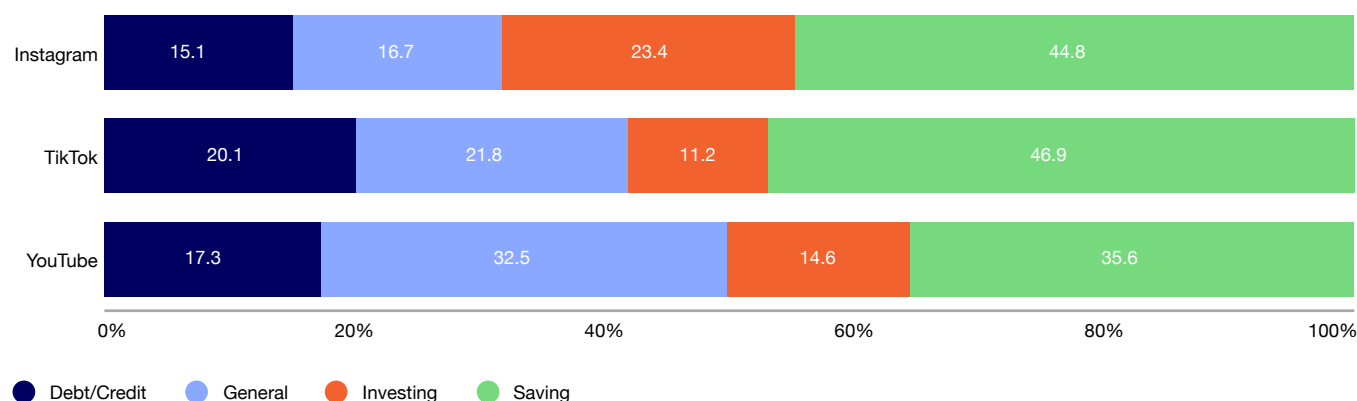


Figure 1.1 Social media posts collected, by category.

¹ Posts that primarily contained guidance that was specific to countries outside the UK were excluded, such as posts that discussed US income tax laws or US workplace pension options. Posts that contained guidance that was not country specific were included. For example, posts that provided general budgeting tips or explained how interest rates affect savings. Posts that were explicitly sponsored advertisements (such as a bank advertising their new savings account) were excluded. Note that almost all of these posts are from independent content creators rather than trusted sources (such as MaPS or the FCA), since the latter tend to have a relatively small social media presence.

	Followers	Views	Comments	Likes
Instagram	56,953	N/A	32	703
TikTok	172,412	1,197	211	15,458
YouTube	733,805	569,917	904	17,005

Note: Instagram does not display the number of views a post received. "Followers" refers to the content creator's follower count rather than followers of the specific post.

Table 1.2 Summary statistics of engagement, by platform.

3.2 How was the quality of social media posts assessed?

Social media posts were assessed according to six criteria:²

1. Reliability of the source
2. Presence of relevant disclosures and disclaimers
3. Financial and economic credibility of ideas
4. Quality of explanation
5. Discussion of downsides and/or alternatives
6. Transparency of sources and calculations (where relevant).

Table 1.3 shows how these criteria form a checklist of positive and negative features that were used to provide an overall assessment of a post's quality.

Positive features	Negative features
1. Reliability of the source	
<input type="checkbox"/> The person has authority or expertise (such as industry experience, an economics/finance degree, or other relevant qualification), which is stated in the post or their profile.	<input type="checkbox"/> The person does not have authority or expertise, falsely claims to have authority (such as saying they are a professional financial advisor but do not appear on the FCA's register), or it is unclear (their authority or expertise cannot be found in the post or their profile).
2. Relevant disclosures and disclaimers	
<input type="checkbox"/> If the post is a sponsored endorsement, it includes an advertising disclosure that follows ASA/CAP guidelines (e.g. in a prominent place on the page).	<input type="checkbox"/> If the post is a sponsored endorsement, it does not follow ASA/CAP guidelines (for example, an ambiguous hashtag like "#spon" is used instead of "#sponsored").
<input type="checkbox"/> If the post is not a sponsored endorsement, it includes a clearly worded general disclaimer (for example, a statement that these recommendations may not be for everyone and encouraging people to consult a regulated financial advisor if they are unsure).	<input type="checkbox"/> If the post is not a sponsored endorsement, there is no disclaimer, or the disclaimer is poorly worded/ambiguous.
3. Financial and economic credibility of ideas	

² These criteria were adapted from the academic literature that studies the quality of finance websites, because there is currently no standard definition or measure for a social media post's quality in the academic or grey literature.

Positive features	Negative features
<input type="checkbox"/> There is a sound evidence base or economic/financial justification that underlies the recommendations, whether the post mentions this evidence or not. For example, at least one credible source (for example, a trusted government-sponsored body like MaPS) provides the same recommendation.	<input type="checkbox"/> The advice contradicts recommendations from credible sources (academic and grey literature, guidance from official or trusted sources).
<input type="checkbox"/> The post cites reliable sources and sound evidence.	<input type="checkbox"/> The post cites unreliable sources or evidence (such as fake news, relying on celebrity status to provide credibility).
4. Quality of explanation	
<input type="checkbox"/> The reasoning behind the recommendations is clearly explained.	<input type="checkbox"/> No reasoning is provided, or a misleading/ambiguous/incorrect explanation is provided.
<input type="checkbox"/> Technical terms (like “APR”) must be explained accurately and in everyday language.	<input type="checkbox"/> Technical terms are not explained in everyday language, explained incorrectly, or not explained at all.
<input type="checkbox"/> Sufficient details are provided to put the recommendations into action (such as what, when, how much/often).	<input type="checkbox"/> Insufficient details are provided, making it unclear how to follow the recommendations (such as broad or vague statements)
5. Discussion of downsides and/or alternatives³ (where relevant)	
<input type="checkbox"/> The post mentions relevant downsides (such as the potential to lose money).	<input type="checkbox"/> The post does not mention relevant downsides (or downplays them).
<input type="checkbox"/> The post mentions sound alternatives to achieve the same goal.	<input type="checkbox"/> The post does not mention sound alternatives to achieve the same goal.
6. Transparency (where relevant)	
<input type="checkbox"/> Any sources mentioned are cited (for example, if the post says “according to the FCA”, a link to the relevant webpage is provided or the specific report/article is cited).	<input type="checkbox"/> Any sources mentioned are not cited.
<input type="checkbox"/> Any calculations mentioned are shown so it is clear how the final number was obtained (such as total savings or interest earned).	<input type="checkbox"/> Any calculations mentioned are not shown so it is unclear how the final numbers stated in the post were obtained.

Table 1.3 Checklist of criteria used to assess social media posts.

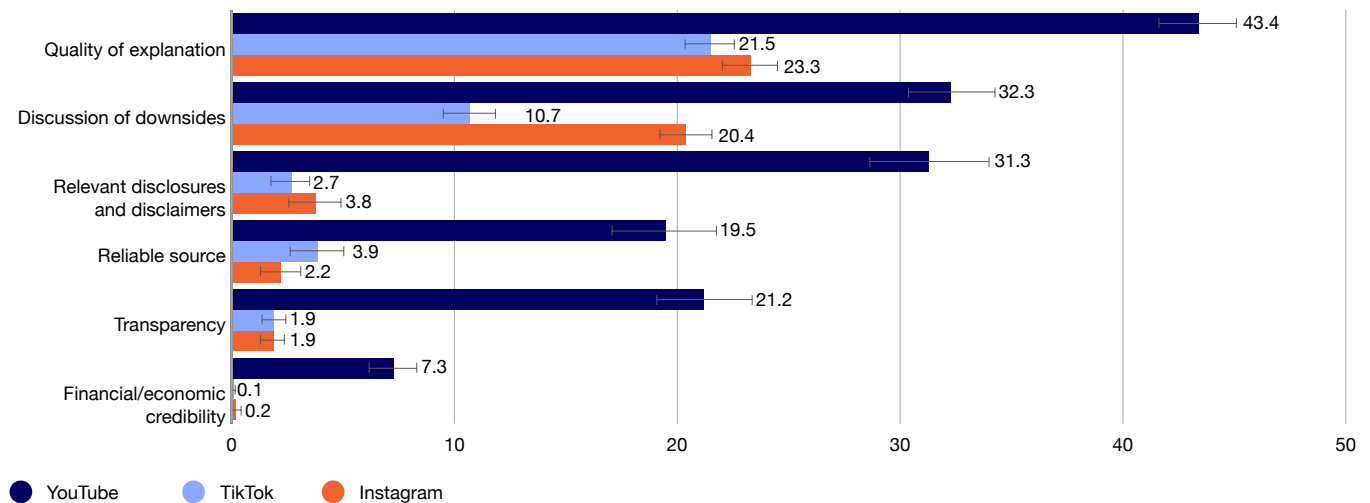
Each positive feature was assigned a “score” of 1 point, while each negative feature was assigned a “score” of -1 point. The **percentage of relevant/applicable positive features present** within each criterion was calculated (0 = none of the relevant checklist features are present; 100 = all relevant checklist features are present). On average:

- Across all platforms, the **quality of explanation** was the best-performing criterion, followed by **discussion of downsides and alternatives (Figure 1.2)**.
- Only **8.5% (+/- 1%) of financial guidance on social media is provided by someone with expertise** (as stated in the post or in their profile). This percentage is much higher for YouTube (19.5%) compared to Instagram (2.2%) or TikTok (3.9%).
- **YouTube posts score significantly higher** than Instagram and TikTok posts across all criteria. This relatively higher score is not entirely due to differences in format: YouTube Shorts (video clips 15-60 seconds long) contain fewer positive features in each criterion than long-form YouTube videos but still contain more positive features in each criterion than Instagram and TikTok posts, except for discussion of downsides.⁴
- For all three platforms, **the average social media post from all three platforms contains less than half of the positive features** in each criterion.
- Considering categories of financial guidance, relevant disclosures and disclaimers are most prevalent in posts on investment, and a larger percentage of posts on debt/credit come from a reliable source (Appendix A1.2, **Figure A1.1**).

³ Example: the viral “cash stuffing” budgeting tip on TikTok involves setting aside money for different categories (such as groceries, utilities, Christmas shopping) as cash in separate envelopes. While this technique can help people become more aware of how they’re spending money (rather than charging everything to a credit card), it can also leave them vulnerable to theft. Good financial guidance would include a warning about keeping large amounts of cash at home (a downside), and mention that banks have electronic “savings pot” accounts that work in a similar way (an alternative).

⁴ Of the 1,000 YouTube videos collected, 286 were YouTube Shorts and 714 were long-form YouTube videos. In the “discussion of downsides” criterion, YouTube Shorts satisfy 17.4% of the positive features on average, compared to 10.7% for TikTok posts and 20.4% for Instagram posts.

Criteria used to evaluate social media posts



Note: Error bars represent 95% confidence intervals. The percentages calculated only include applicable features (for example, if a social media post did not mention any sources but did include calculations, then "Transparency" criteria only had one relevant feature instead of two). Posts for which none of the features apply are excluded from the averages shown.

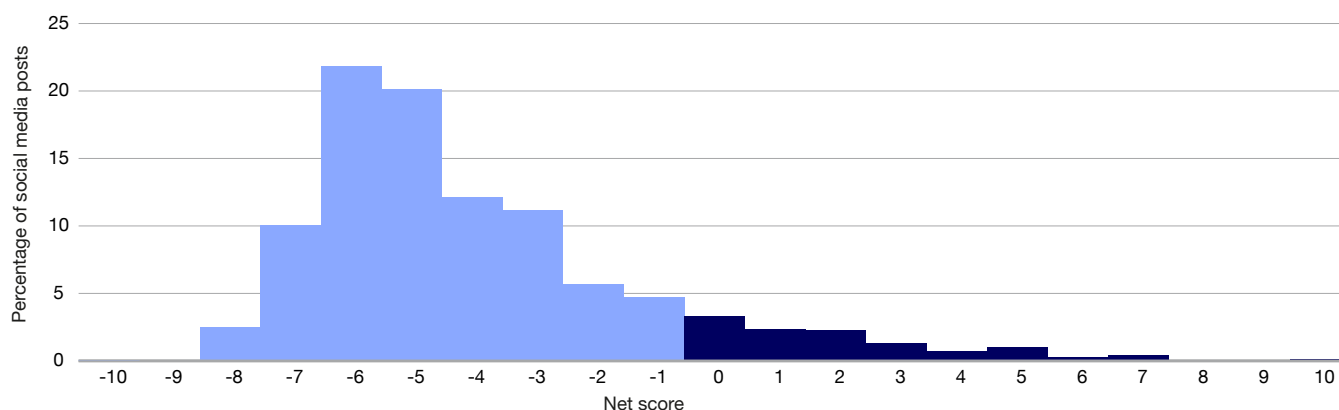
Figure 1.2 Percentage of relevant positive features present in each criterion, by platform.

The positive and negative scores across all categories were added together to calculate the **net score** of each social media post.

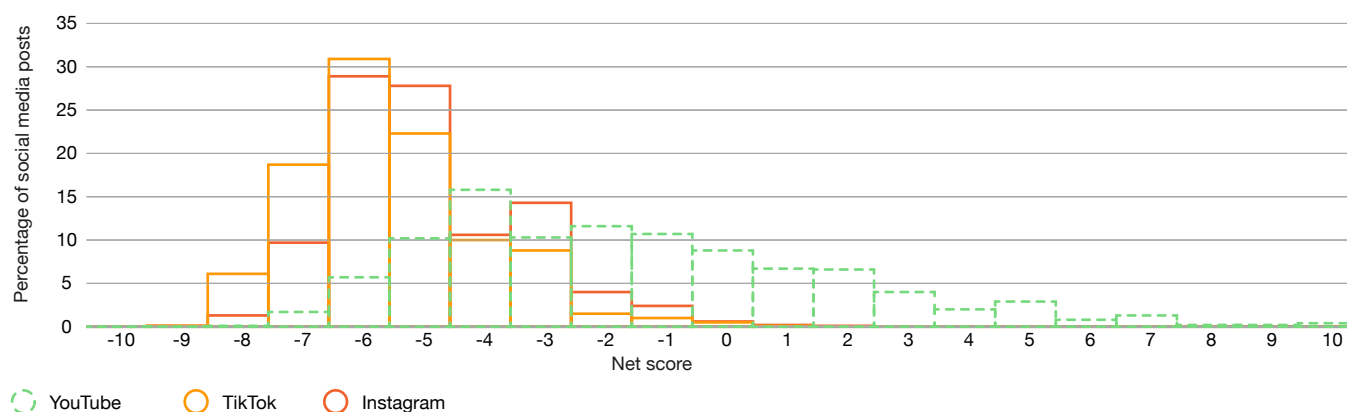
- **88.2% of social media posts have a negative net score**, meaning they have more negative features than positive features (**Figure 1.3**).
- The average net score was negative for all social media platforms, but was the **highest for YouTube (-1.35)**, where 66% of social media posts had a negative net score.⁵ Instagram (-4.79) and TikTok (-5.41) had similar average net scores (Appendix A1.2, **Table A1.3**).
- The average net score was similar across the four broad categories (saving, debt/credit, investing, general), ranging from -4.12 (saving) to -3.51 (general) (Appendix A1.2, **Table A1.3**).

⁵ The relatively higher net scores for YouTube are not entirely due to longer-form videos: the average net score for YouTube Shorts (-3.48) is still higher than the average for Instagram and TikTok posts. The average net score for YouTube long-form videos is -0.49.

Net score (all platforms)



Net score (by platform)



Note: In the top panel, dark blue bars represent positive net scores; light blue bars represent negative net scores. The maximum possible net score is 11; the minimum is -11.

Figure 1.3 Distribution of net scores, overall (top panel) and by platform (bottom panel).

3.3 What characteristics of social media posts are associated with higher-quality guidance?

Regression analysis was conducted to investigate the correlation between characteristics of the posts and their net score (Appendix A1.2, **Table A1.4**). Controlling for all characteristics collected, at the 5% level of statistical significance:

- Compared to posts on general personal finance tips, **posts about debt/credit have a net score that is 0.522 points higher** (on a scale of -11 to 11), while posts on saving and investing have a similar net score to posts on general personal finance.
- Compared to posts on YouTube, posts on Instagram have a net score that is 3.06 points lower, while posts on TikTok have a net score that is 3.70 points lower.
- The **net score increases with the number of followers**. The net score of posts made by the highest-tier influencers (above 1-2.5 million followers, depending on the platform) is 1.85 points higher than those made by the lowest-tier influencers (less than 5,000-50,000 followers, depending on the platform).

4. Part 2: Experiences with financial guidance on social media

This part of the project collected data from the UK public in two ways: a **quantitative survey** and a **qualitative study**.

4.1 Who was surveyed?

The **quantitative survey** was completed by a **diverse sample of 4,200 UK adults**.

- 50% identified as male
- 86% identified as white (5.4% Asian, 4.5% Black/African American, 3% Mixed, 0.8% Other)
- The average age was 45 (range: 19-91)
- 40% had a university (Bachelor's) degree⁶
- 60% reported having an annual before-tax income of less than £30,000 (defined as "below-median" income)
- 46% are in full-time employment; 26% in another form of employment
- All regions of the UK were included (**Figure 2.1**).

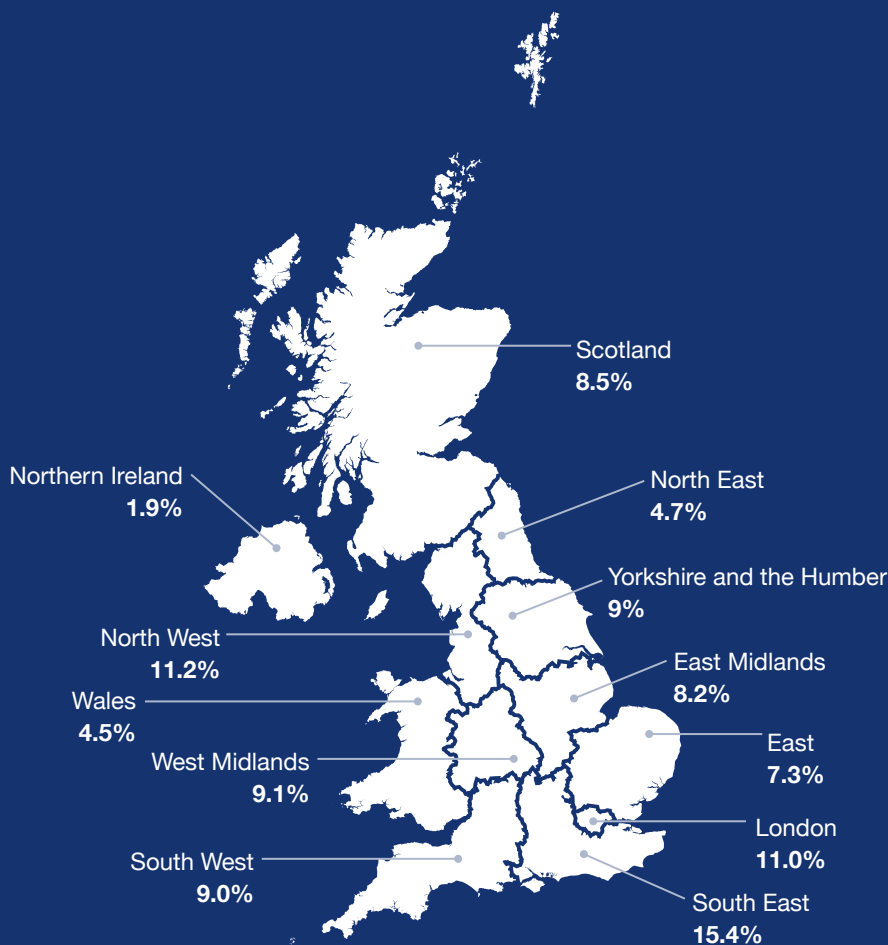


Figure 2.1 Map showing the percentage of quantitative survey respondents from each UK region.

⁶ This percentage is slightly higher than that of the UK population (where 32% have a university degree).

The **qualitative study** was completed by **639 volunteers from the quantitative study**.

130 respondents participated in focus groups and interviews, while 509 respondents completed a follow-up survey with open-text questions.

The group of volunteers were chosen to ensure diversity in social media usage and income level (above-median vs below-median income). **Appendix A2.1** summarises the characteristics of respondents in the qualitative study.

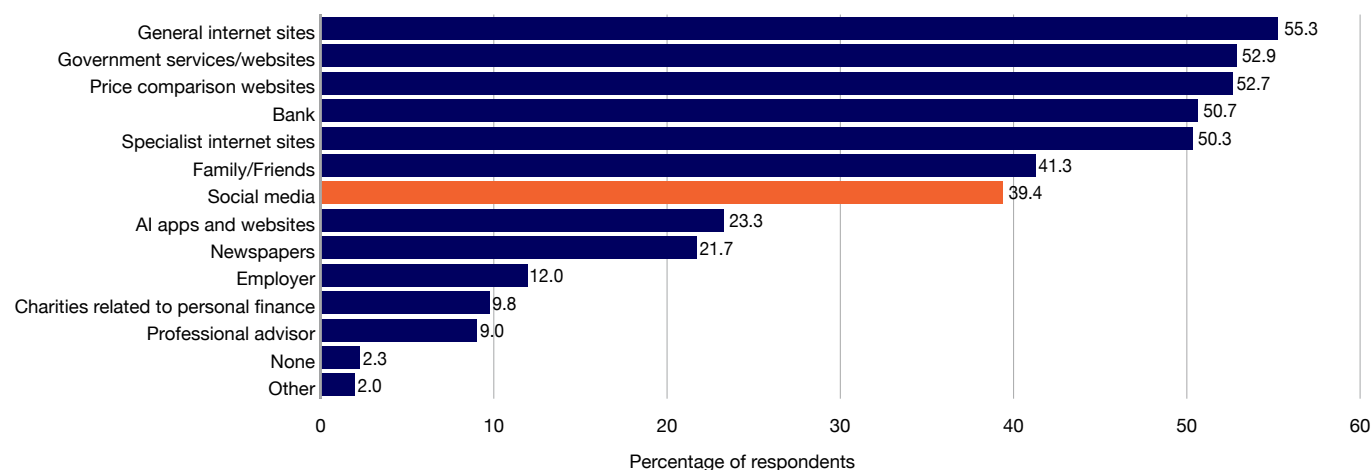
Throughout this report, findings from the qualitative study are shaded in blue.

4.2 What sources of financial guidance do people use?

In the last year, respondents used **4-5 sources** of financial guidance on average. Respondents used a mix of online and off-line sources (listed in **Figure 2.2**).

- **39.4%** of respondents use social media as a source of financial guidance (**Figure 2.2**).
- Respondents who use social media for financial guidance use **1-2 different platforms** on average (**Figure 2.3**). The most popular platforms for financial guidance are TikTok, YouTube, and Instagram.
- Respondents use **2-3 social media platforms** more generally, for activities unrelated to personal finance. (Only 2% of respondents do not use social media at all.) The most popular platforms for general use are Facebook, YouTube, and Instagram.

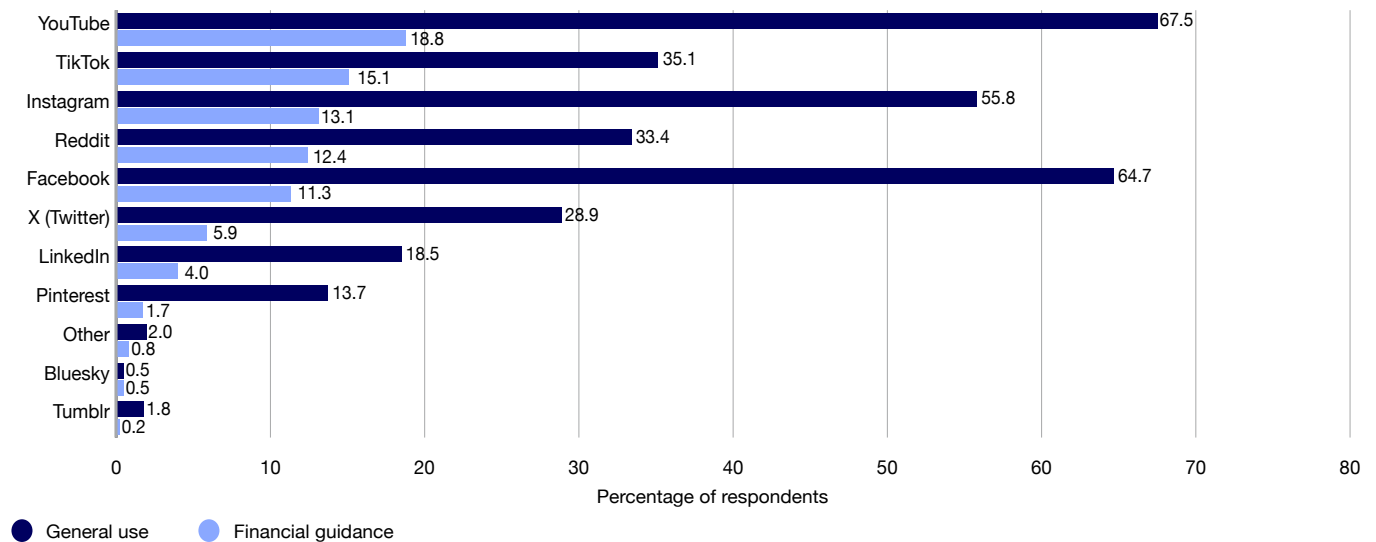
Which of the following sources of information have you used intentionally in the last year to find out about anything related to personal finance?



Note: Percentages are based on all respondents from the quantitative survey (N=4,200).

Figure 2.2 Sources of information used for personal finance.

Which social media platforms do you use for financial guidance, or more generally in everyday life?



Note: Percentages are based on all respondents from the quantitative survey (N = 4,200).

Figure 2.3 Social media platforms used for financial guidance and more generally (activities unrelated to personal finance).

Social media use for financial guidance varies across population subgroups. At a 5% level of statistical significance, these subgroups are more likely to use social media for financial guidance:

- **Respondents who identify as female** (41% vs 38% of respondents who identify as male).
- **Younger** respondents (66% of 18–30-year-olds compared to 14% of ages 60 and older).
- **Above-median income** (43% vs 37% of below-median income respondents).
- Respondents in any form of **employment** (full-time, part-time, self-employed; 44% vs 28% of respondents who are unemployed, students, or not in the labour force).
- Respondents living in **multi-person households** (defined as any respondent who does not live alone; 41% vs 33% of respondents who live alone).
- **Ethnic minorities** (Black/African American 62%; Asian 54%; Mixed 52%; White 37%).

When considering which sources to choose, respondents gave similar importance ratings to all factors listed in the survey (**Figure 2.4**). By a small margin, respondents rated the **quality of information** as the most important factor, followed by **cost** and the **source’s impartiality**.

Thinking about information about personal finance, how important are the following factors when you are deciding which source to use?



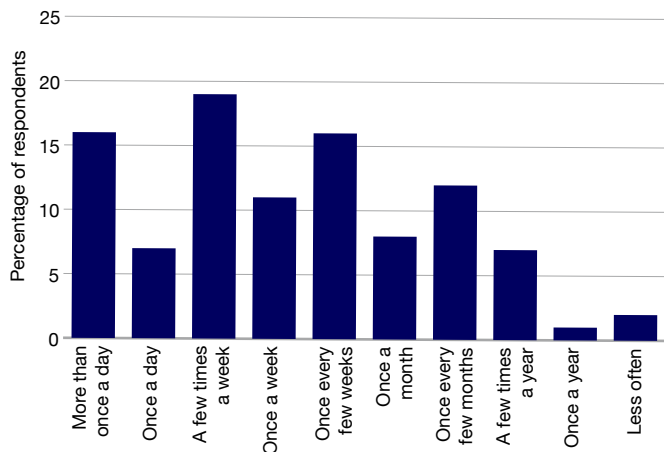
Note: Percentages are based on all respondents from the quantitative survey (N = 4,200).

Figure 2.4 Importance of factors in choosing a source of financial guidance.

4.2.1 How often do people seek financial guidance?

Among the respondents who use social media for financial guidance, 16% of respondents use social media for tips on personal finance more than once a day, while 2% of respondents use social media less than once a year for these tips (Figure 2.5).

How often do you typically use social media to find information or tips about personal finance?



	Most popular frequency
News websites	A few times a week
Social media	A few times a week
Family/Friends	Once every few weeks
General internet sites	Once every few weeks
AI apps	Once every few weeks
Bank	Once every few months
Government services/sites	Once every few months
Specialist internet sites	Once every few months
Price comparison websites	One every few months
Employer	Once every few months
Charities related to personal finance	A few times a year
Professional advisor	A few times a year

Note: The left panel only includes quantitative survey respondents who use social media for financial guidance (39.4% of the survey sample); the right panel includes all quantitative survey respondents (N = 4,200). In the right panel, table rows in grey refer to trusted and/or official sources of financial guidance.

Figure 2.5 Frequency of using social media (left panel) and other sources (right panel) for personal financial guidance.

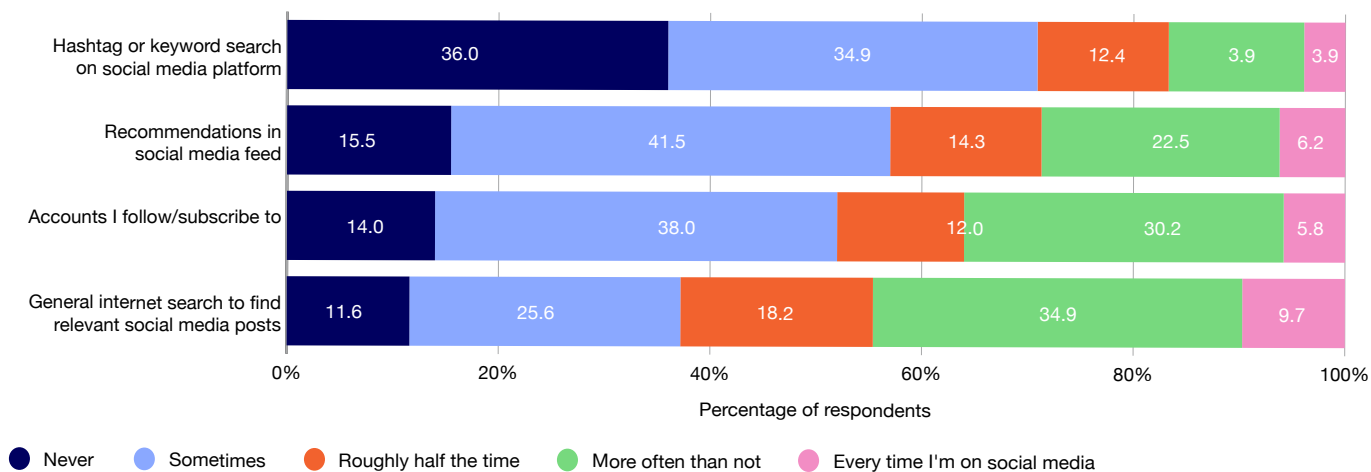
At a 5% level of statistical significance, among respondents who use social media for financial guidance, the subgroups that do so frequently (more than once a week) tend to be:

- Respondents in any form of **employment**
- **Black/African American** respondents
- Respondents who use a **larger number of social media platforms for financial guidance.**

4.2.2 How do people use different sources for financial guidance?

The most common method that respondents use to find financial guidance on social media is a **general internet search for relevant social media posts** (45%), followed by **accounts that respondents subscribe to** (36%) (Figure 2.6).

How do you usually look for financial guidance on social media?

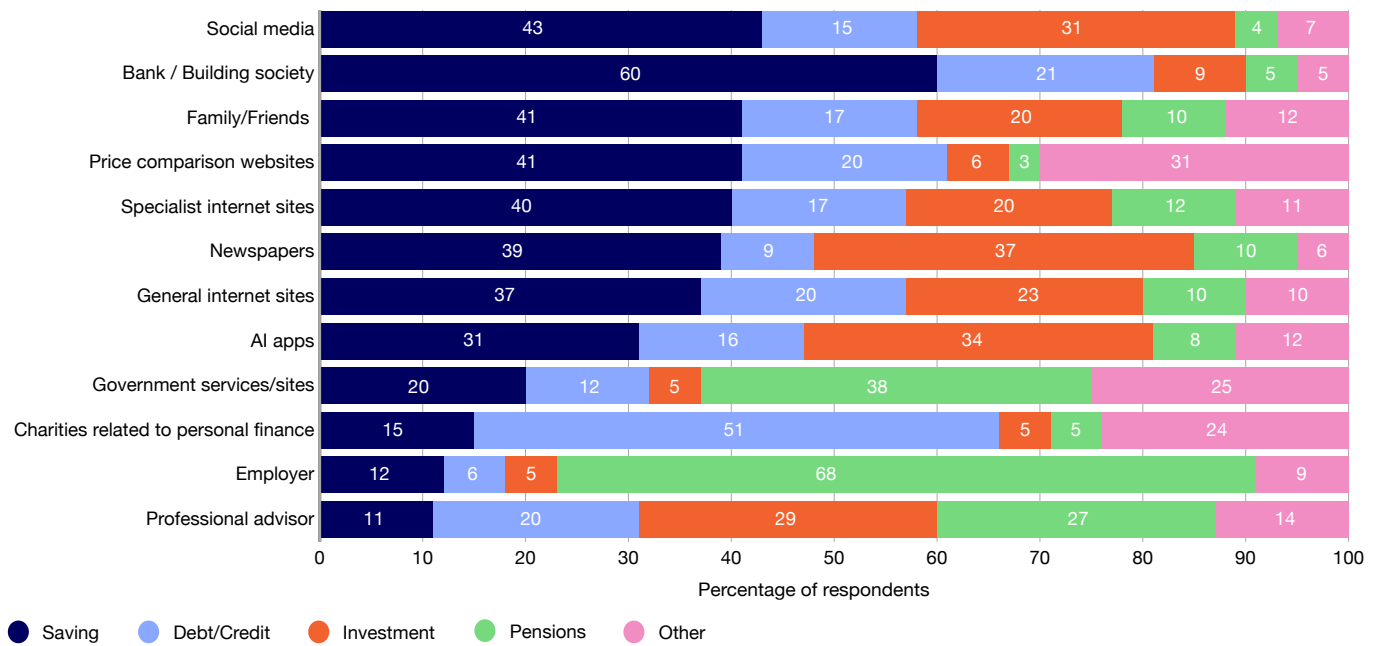


Note: Percentages are based on quantitative survey respondents who use social media for financial guidance (N = 1,656).

Figure 2.6 Frequency and methods that respondents use to find financial guidance on social media.

- Respondents mainly use social media for **help on saving** (43%) and **investment** (31%). In contrast, respondents mainly use government services/websites and their employer for help on pensions (38% and 68%, respectively) and relevant charities for help on debt/credit (51%) (Figure 2.7).
- Respondents mostly use social media to find **general finance-related information** (40%) or to **understand different options** (45%). In contrast, they primarily use government services/websites and professional advisors for specific information that would tell them exactly what to do (54% and 60%, respectively) (Figure 2.8).
- **Nearly half (45%) of respondents receive less help than expected from social media** (compared to 30% for banks/building societies and 34% for government services/websites), while **30% receive more help than expected** (compared to 19% for banks and 18% for government services) (Figure 2.9).

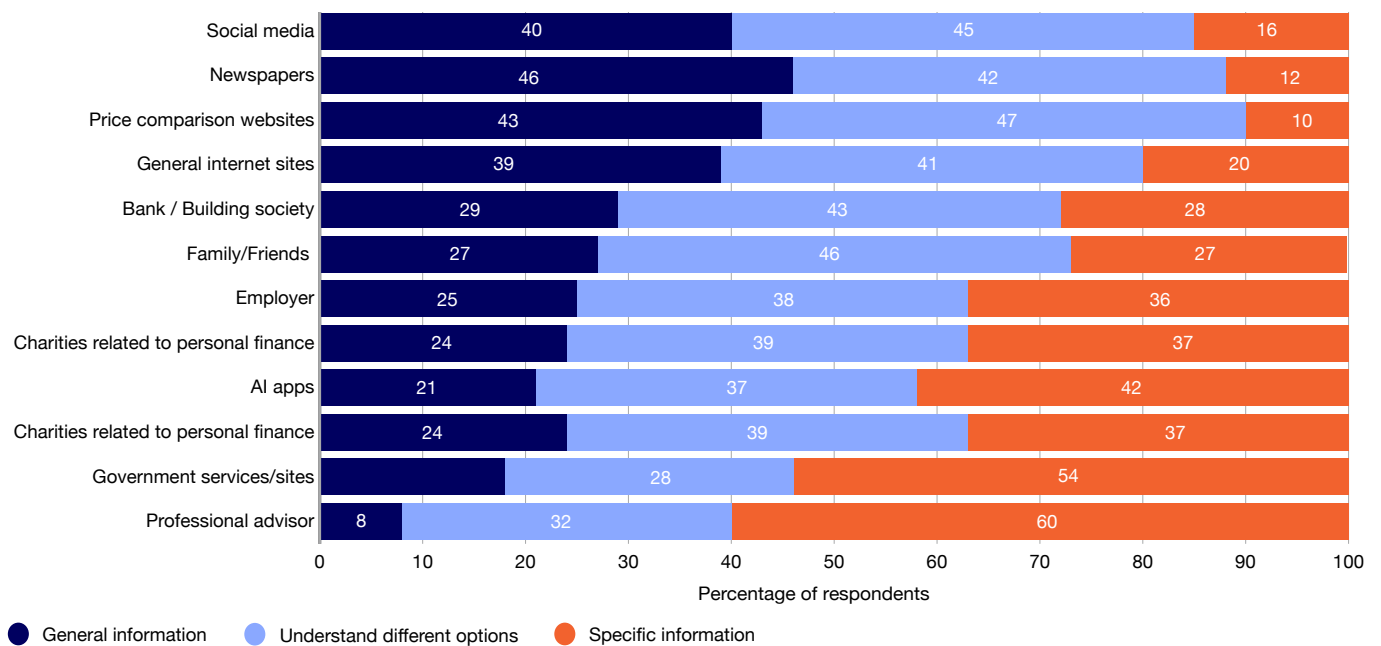
What kind of money-related topics were you looking for?



Note: Percentages are based on all respondents from the quantitative survey (N = 4,200).

Figure 2.7 Types of financial guidance searched for, by source.

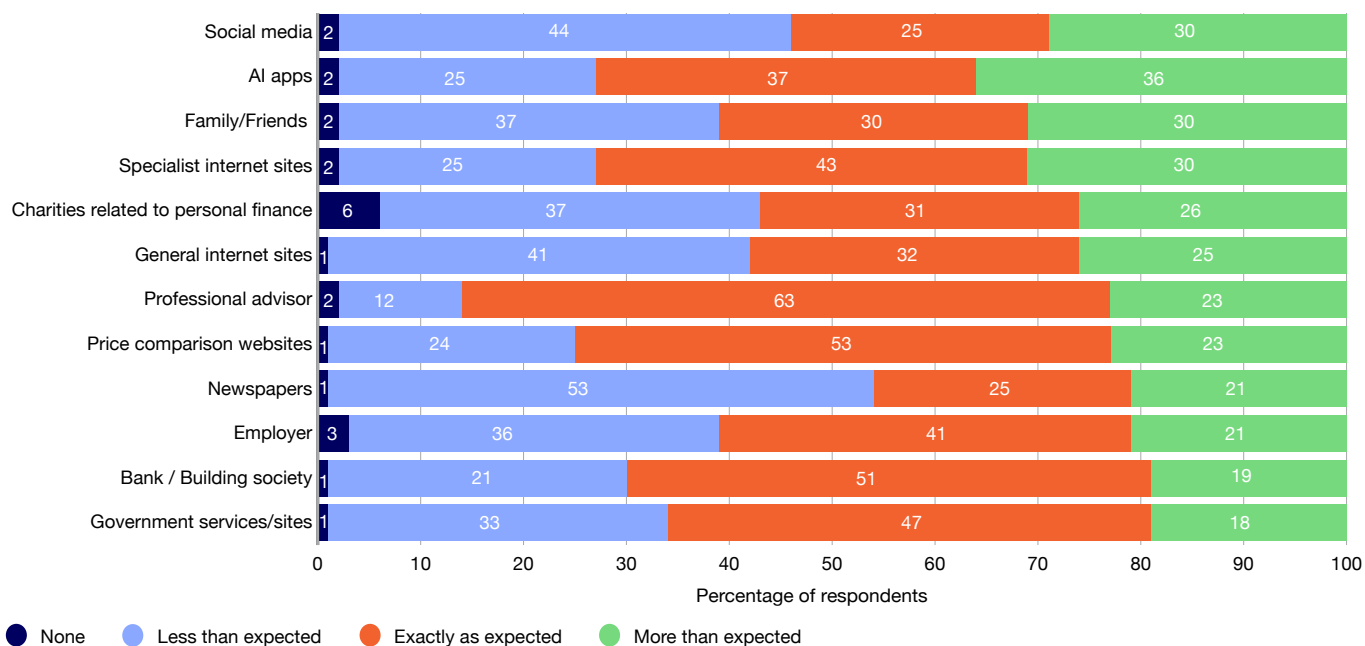
What kind of money-related topics were you looking for?



Note: Percentages are based on all respondents from the quantitative survey (N = 4,200).

Figure 2.8 Types of information searched for, by source.

Did you get the level of financial help/support you were looking for?



Note: Percentages are based on all respondents from the quantitative survey (N = 4,200).

Figure 2.9 Perceived level of financial support received, by source.

4.3 How well do people understand the differences between “financial advice” and “financial guidance”?

Less than half (45%) of respondents thought there was a difference between the concepts of “financial advice” and “financial guidance”.⁷

Respondents were shown a list of statements that either refer to “financial guidance” or “financial advice”, taken from the FCA’s website, and were asked to identify which statements referred to “financial guidance”. The top panel of **Figure 2.10** shows the correct answers (respondents were only shown the statements, not the answers).

- On average, respondents were able to correctly identify 2 (out of 4) statements about financial guidance, but also incorrectly chose 1 statement (out of 5) that was about financial advice.
- The most common incorrect perception of financial guidance was that it is **personalized and specific**. **1 in 4 respondents** think that **providers of financial guidance are liable** for the recommendations they make (**Figure 2.10**, bottom panel).

At a 5% level of statistical significance, the number of correctly identified statements is higher for:

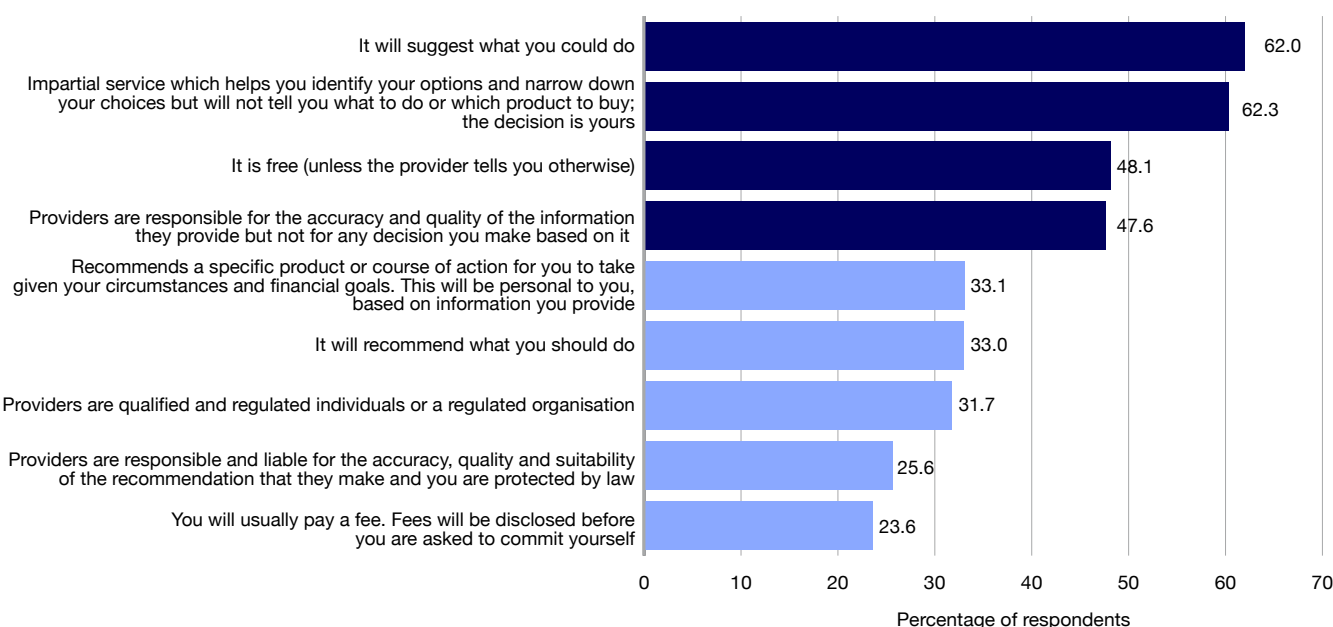
- **Respondents who identify as female**
- **Older** respondents
- Respondents with **above-median income**
- Respondents with **more knowledge of personal finance topics**.⁸

⁷ A “don’t know” option was provided, but only 1.3% of respondents selected it.

⁸ Knowledge of personal finance topics was measured by a standard 3-question financial literacy test (the “Big 3”), which assesses knowledge of interest rates, inflation, and risk diversification.

Financial guidance	Financial advice
Impartial service which helps you identify your options and narrow down your choices but will not tell you what to do or which product to buy ; the decision is yours.	Recommends a specific product or course of action for you to take given your circumstances and financial goals. This will be personal to you , based on information you provide.
Providers are responsible for the accuracy and quality of the information they provide but not for any decision you make based on it .	Providers are qualified and regulated individuals or a regulated organisation.
It is free (unless the provider tells you otherwise).	Providers are responsible and liable for the accuracy, quality and suitability of the recommendation that they make and you are protected by law .
It will suggest what you could do.	You will usually pay a fee . Fees will be disclosed before you are asked to commit yourself.
	It will recommend what you should do.

Which of these statements refers to “financial guidance” (rather than “financial advice”)?



Note: Percentages are based on all respondents in the quantitative survey (N = 4,200). Dark blue bars represent correct statements about financial guidance; light blue bars represent incorrect statements about financial guidance (these statements refer to financial advice). The bars represent the percentage of respondents who thought a particular statement referred to “financial guidance” instead of “financial advice”.

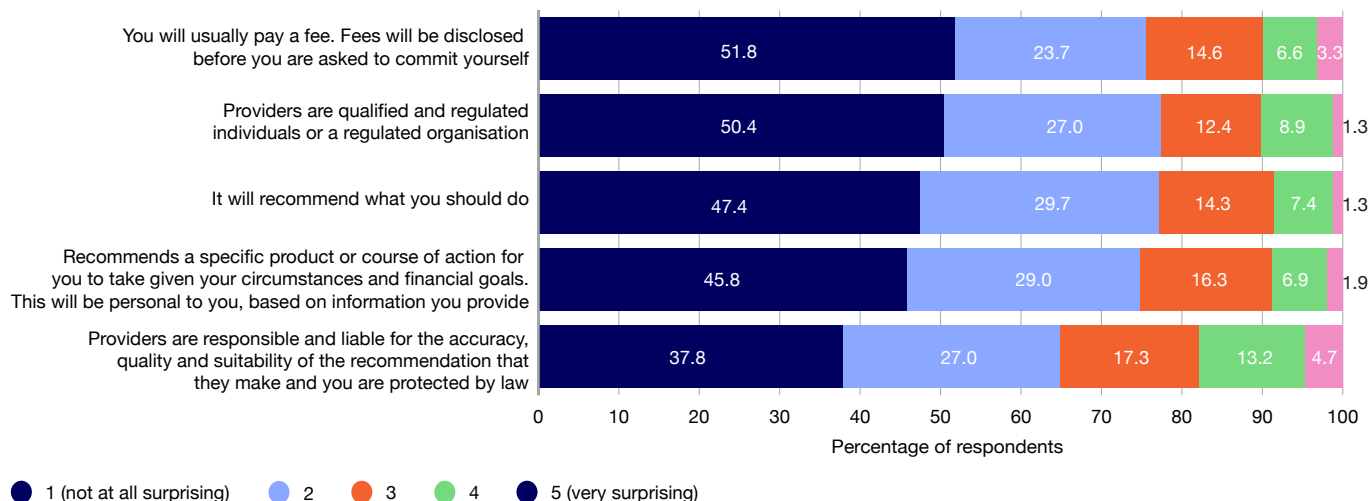
Figure 2.10 Understanding of the distinctions between “financial guidance” and “financial advice”.

In the qualitative study, respondents were given the correct answers and asked which parts of the definitions (financial advice vs financial guidance) they found surprising, and why.

- For financial advice, 35% of respondents were surprised about the **legal protection** and 25% were surprised that the **recommendations were specific** (Figure 2.11).
- For financial guidance, 42% of respondents were surprised that it is **usually free** and 28% of respondents were surprised at the **lack of legal protection** (Figure 2.12).

Table 2.1 includes some quotes from respondents.

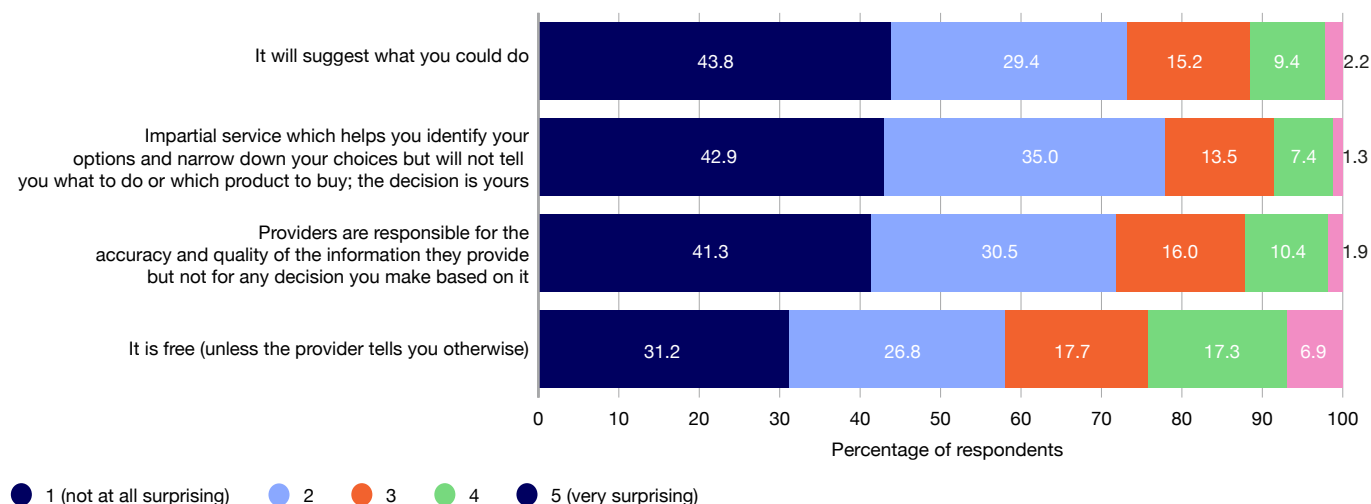
How surprising did you find the following statements about financial advice?



Note: Percentages are based on all respondents in the qualitative study (N = 639).

Figure 2.11 Statements about financial advice that qualitative study respondents found surprising.

How surprising did you find the following statements about financial guidance?



Note: Percentages are based on all respondents in the qualitative study (N = 639).

Figure 2.12 Statements about financial guidance that qualitative study respondents found surprising.

Aspect	What difference(s) between financial advice and financial guidance did you find new or surprising?
Unaware that the two concepts are different	<p>“I didn’t know there was such a clear difference between the two things. I thought of them as being interchangeable.”</p> <p>“There is a difference between the meaning of advice and guidance but it is used interchangeably very often.”</p>
The qualifications required	<p>“Financial advice requires professionals and financial guidance does not necessarily need professionals.”</p> <p>“You don’t necessarily have to be qualified to provide any type of financial guidance.”</p> <p>“Anyone can provide financial guidance as there is no regulation or law that binds any entity that provides financial guidance.”</p>
Legal protection	<p>“I wasn’t certain if you are protected by law if a financial advisor gives you inaccurate information.”</p> <p>“That there is a legal element involved when it comes to financial advice.”</p> <p>“I’ve learned that financial guidance providers cannot be held responsible for any decisions made.”</p> <p>“I was surprised that providers of financial guidance are not liable for any decisions made following their guidance.”</p>
Price	<p>“I didn’t realise that financial advice is usually paid for; this is actually a helpful distinction between guidance and advice.”</p>
Specificity	<p>“I learned that financial advice gives specific recommendations, but financial guidance just gives general information.”</p> <p>“I thought they were the other way around; based on the names, I thought “guidance” was the one where they selected specific products for you.”</p>

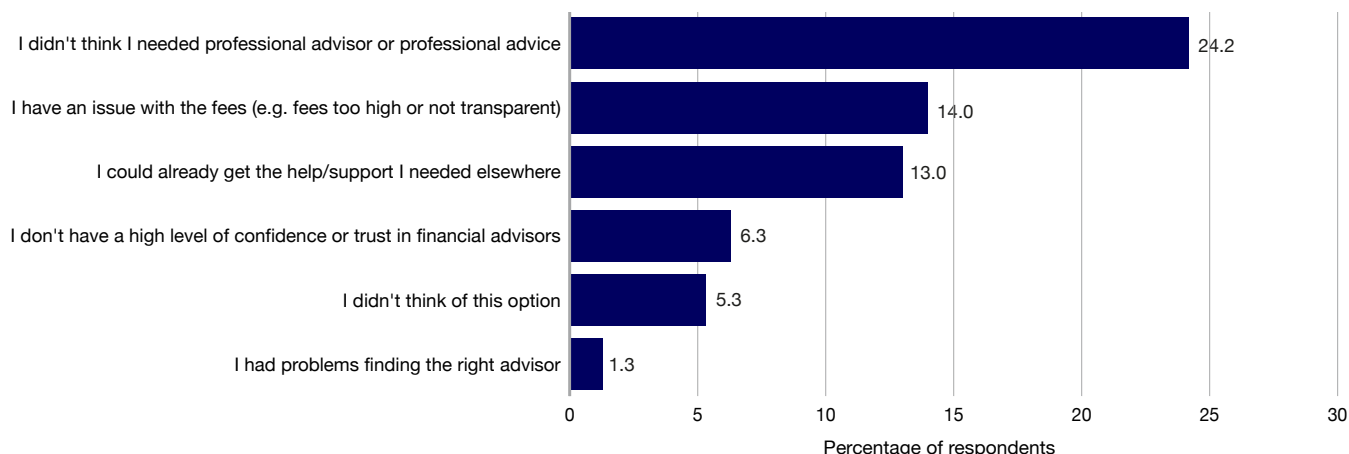
Table 2.1 Examples of differences between financial advice and financial guidance that qualitative study respondents were previously unaware of.

4.3.1 Why do people not seek financial advice?

In the qualitative study, only **23%** of respondents had ever looked for or received financial advice. The most common reasons for not seeking financial advice were (Figure 2.13):

- **Not thinking that it was necessary** (24%): “I don’t have enough savings/investments to justify getting financial advice, and I would generally prefer to do my own research. I would be worried about going with the wrong advisor.”
- **The fees** (14%): “There is a concern that I pay for a service that does not entirely meet my needs, and from what I understand, it isn’t cheap.”
- **Availability of alternative sources** (13%): “I wasn’t prepared to pay for information that I knew would be available for free elsewhere.”

When you wanted information about personal finance, why did you not seek financial advice?



Note: Percentages are based on respondents in the qualitative study who had never sought financial advice (N = 492).

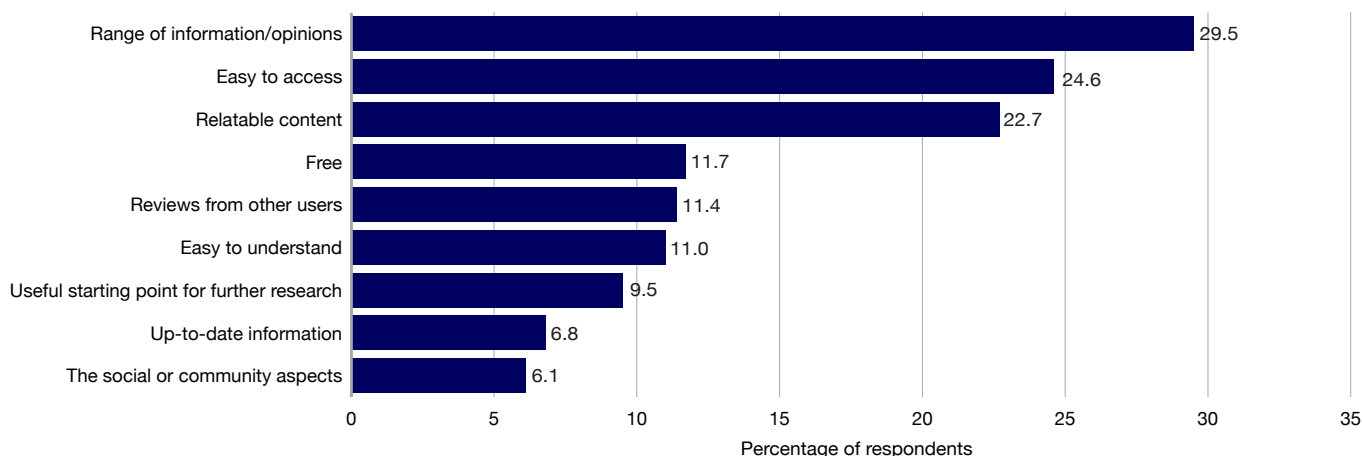
Figure 2.13 Reasons for not seeking financial advice.

In the qualitative study, respondents who used social media were asked what they thought were the advantages and disadvantages of social media as a source of financial guidance.

- The most common advantages were the **range of information and opinions, ease of access, and relatable content** (Figure 2.14; Table 2.2).
- The most common disadvantages were **potentially untrustworthy information, the lack of financial qualifications** among people that post on social media, and bias (both for sponsored and unsponsored content) (Figure 2.15; Table 2.3).

4.4 Why do people use social media for financial guidance?

What are the advantages of using social media for financial guidance?



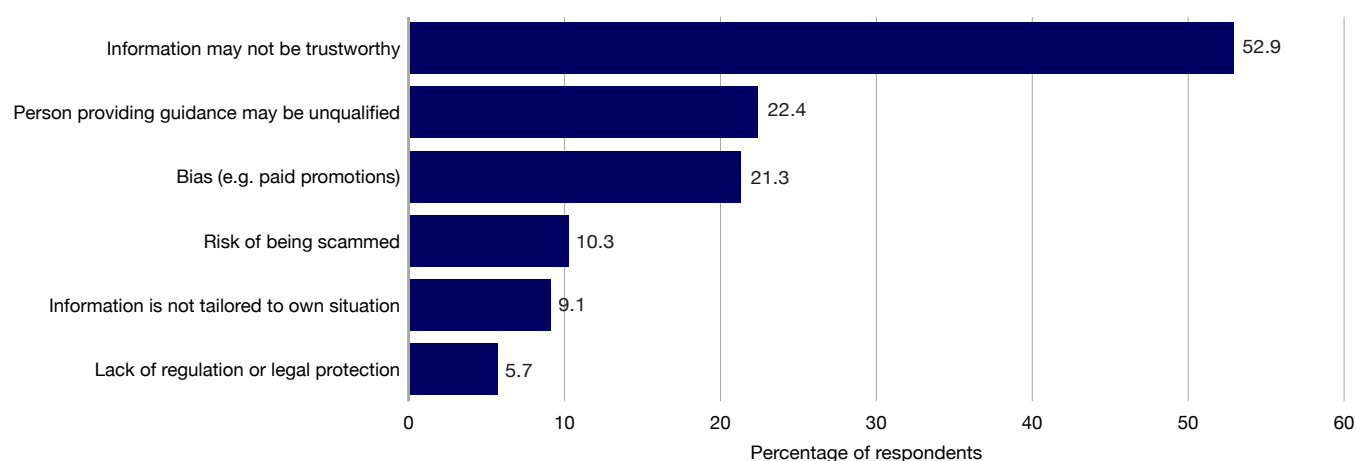
Note: Percentages are based on all respondents in the qualitative study (N = 639). Respondents provided open-ended responses, which were then were classified into the categories shown.

Figure 2.14 Advantages of using social media for financial guidance.

Reason	Quote
Range of information/ opinions	<p>“It provides diverse perspectives from professionals, influencers, and everyday people which helped me find strategies that resonate with my specific needs.”</p> <p>“You get to hear how lots of different people manage their finances to see what could work for you and you can adapt their approaches to suit your own needs.”</p>
Easy to access	“Ease of access with a wide range of results. Within seconds, I can scroll through an endless amount of information relating to my search.”
Relatable content	<p>“People on social media can be in similar situations financially to yours so they are more relatable with their advice.”</p> <p>“It’s normally from an average/normal person so feels more real and relatable.”</p>
Free	“It allows me to learn about budgeting, investing, and saving without paying for traditional financial services.”
Reviews from other users	<p>“The advantages are that you get to read the reviews and opinions of actual people who have been impacted positively or negatively.”</p> <p>“Comments on videos also include additional information and will correct a financial advisor if they’re wrong, helping you know if they’re “legit”.”</p>
Easy to understand	“Bite-size videos to explain. Variety of financial topics in a way that is engaging and easy to understand.”
Useful starting point for further research	<p>“Can be a good starting point for your own investigations, give you ideas you have not thought of.”</p> <p>“An interesting advantage is that by default you don’t really trust any of the information, so you approach it all with scepticism. But it’s still a good place to get pointers and clues to do your own research.”</p>
Up-to-date information	“Social media is very current so will give updates on latest accounts/rates. It will also show you content that’s relevant without having to search for it.”
The “social” or community aspects	“You can connect with people who are in the same situation as you and have real conversations and swap tips.”

Table 2.2 Examples of the advantages of social media for financial guidance.

What are the disadvantages of using social media for financial guidance?



Note: Percentages are based on all respondents in the qualitative study (N = 639). Respondents provided open-ended responses, which were then classified into the categories shown.

Figure 2.15 Disadvantages of using social media for financial guidance.

Reason	Quote
Information may not be trustworthy	<p>“Usually not peer reviewed or fact checked; it can just be anyone saying anything.”</p> <p>“The risk of misinformation, as not all content is created by qualified experts, and some advice may be oversimplified or even harmful.”</p> <p>“Some people may be making untruthful or exaggerated claims so you have to be careful with the information you take on board.”</p>
Person providing guidance may be unqualified	<p>“Anyone can post on social media giving financial guidance without and qualifications. They may sound professional and in-the-know, but many people may be too trusting and make the wrong decisions based on their posts.”</p> <p>“The advice or information given on social media can be provided by anyone therefore you can’t check their credentials and you don’t know the reliability of the information you are being provided with.”</p>
Bias (e.g. paid promotions)	<p>“It may not be obvious when content is sponsored, and therefore trying to encourage you to use a certain product.”</p> <p>“Could be a paid promotion so they are biased with the information and recommendation.”</p>
Risk of being scammed	<p>“There are a lot of scammers and fake pages that offer fake financial guidance.”</p>
Information is not tailored to own situation	<p>“One’s personal experience may not work in your own experience.”</p> <p>“Some advice can be too general to be useful for your own situation.”</p>
Lack of regulation or legal protection	<p>“If you don’t spend the time and effort to understand it all you could make a very costly mistake, and no one but yourself is financially liable for your mistakes.”</p>

Table 2.3 Examples of the disadvantages of social media for financial guidance.

4.4.1 Should trusted sources have a larger social media presence?

In the qualitative study, 46% of respondents use the **social media channels of trusted sources** like Money Saving Expert, the Financial Conduct Authority, or charities related to personal finance.

- Most (**66%**) of these respondents were looking for **tips on saving**. (Common topics included savings accounts/ISAs, budgeting tips, and bank switching deals).
- 24% were looking for tips on debt/credit. (Common topics included credit card comparisons, balance transfer rates, and guidance on how to repay debt).
- 20% were looking for tips on investment. (Common topics included safe investment strategies and cryptocurrency).
- 13% of respondents were searching for other topics. (Common topics included claiming benefits and car insurance).

Over half (52%) of respondents agree that trusted sources should have a larger social media presence, while only 14% of respondents disagreed. Most (86%) of the respondents who disagreed do not use social media for financial guidance.

The most common reasons for agreement were (**Table 2.4**):

- The need to **combat misinformation** on social media
- Improving **visibility and public awareness** of trusted sources
- Promoting **further engagement with trusted sources** or further research
- The **widespread use** of social media.

The most common reasons for disagreement were (**Table 2.5**):

- Social media being an **inappropriate platform** for trusted sources to use
- **Improvements to existing platforms** being a greater priority
- Concerns that **people spreading misinformation could take advantage of trusted sources**.

Reason	Why do you think that trusted sources should have a larger social media presence?
Combating misinformation	<p>"I think that having the trusted sources gives less chance for the unreliable sources to be seen. It also allows the trusted sources to myth bust."</p> <p>"There are so many fake accounts and incorrect information, the better ones having a stronger presence would be a good thing."</p>
Visibility	<p>"The more people that can get financial help the better, this includes being more visible so people notice it."</p> <p>"People may not be aware of trusted sources so it would help build a following of sources that can be trusted."</p> <p>"Would be good for [trusted sources] to be advertised more, otherwise people won't know where to go for information."</p> <p>"It will reach out to more people who may not use traditional means to get financial advice such as websites or TV."</p> <p>"It would make them more accessible and relatable."</p>
Further engagement	<p>"The information on social media would be more accessible to the public and would reach a wider audience. It could be used to prompt people to then look at other sources/information, visit their website, and complete their own research. However, I don't think these sources should become over-reliant on social media and should continue to engage with people via their websites, television, and radio too."</p> <p>"It would be easier to find relevant information for trusted sources. Also coming across posts and information can trigger some people to do further research."</p>
Widespread use of social media	<p>"You need to go to where people are if you have any hope of being effective."</p> <p>"A lot more people are on social media so will more likely see the information."</p> <p>"I think social media is such a big thing in our current world, and it makes sense for trusted financial advisors to get on that trend and make sure misinformation is limited."</p>

Table 2.4 Examples of reasons why trusted sources should have a larger social media presence.

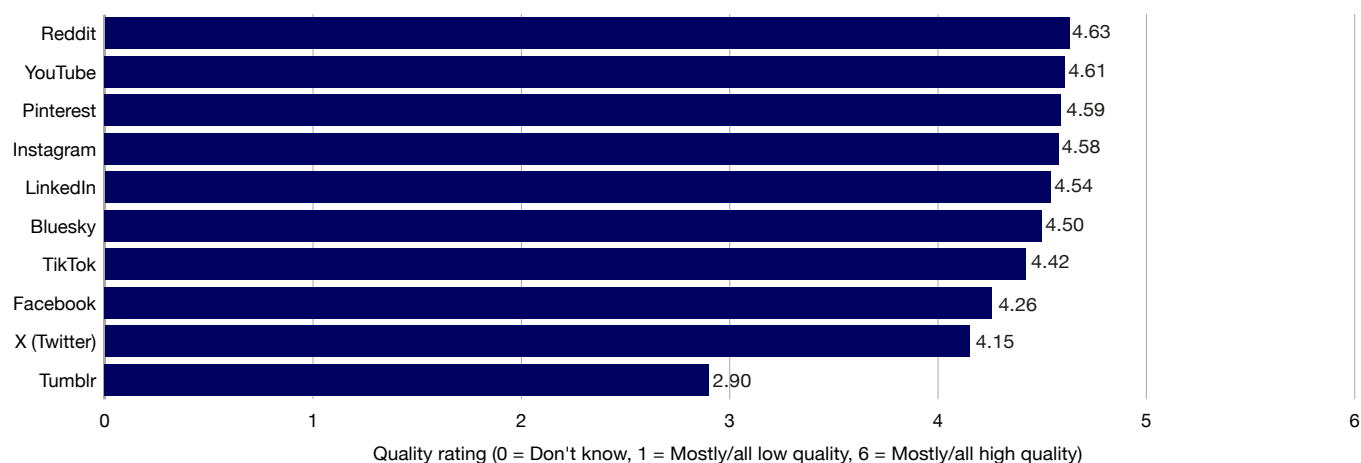
Reason	Why do you think that trusted sources shouldn't have a larger social media presence?
Social media not an appropriate platform	<p>"Too "gimmicky" - it reduces their credibility."</p> <p>"Social media is not somewhere serious investors go to for information. It's used by scammers and for get rich quick schemes etc. and I don't think legitimate businesses should be found in the same space as scammers."</p> <p>"Social media is not a reliable environment where to discuss important topics, companies should stick to more professional communication channels."</p>
Improving existing platforms is a greater priority	<p>"I don't think it's necessary, if they have a platform already they can use that. I don't think expanding content on their social media channels is necessary and they should instead focus on their content on their platform."</p> <p>"I think they should concentrate on improving their websites. They could also work with AI like ChatGPT to improve how they are represented on that -by this, I mean that ChatGPT might link to them at the end of its answers."</p>
Could be taken advantage of	<p>"Too many ways for people to copy the information and sell it as their own or twist the information and benefit from it."</p> <p>"Because social media isn't held to the same standard, and because accounts can be hacked or faked. A fake or hacked account can damage the integrity and reputation of a legitimate source. It would be better to avoid it completely and post the information on reputable sources only."</p> <p>"I still would not trust what they post on social media because of AI. For example, Martin Lewis's face is often on Facebook or other media saying how wonderful investing in cryptocurrency is but it is not really him."</p>

Table 2.5 Examples of reasons why trusted sources should not have a larger social media presence.

4.5 How do people evaluate the quality of financial guidance on social media?

The **overall perceived quality of financial guidance is similar across platforms**, ranging from 4.15-4.61 out of 6 (on a 1-6 scale), except for Tumblr (**Figure 2.16**). By a small margin, respondents rated **YouTube** as the platform with the highest overall quality, followed by **Pinterest**, then **Instagram**.

How would you rate the overall quality of financial guidance that is posted on social media platforms?



Note: Percentages are based on all respondents in the quantitative survey (N = 4,200).

Figure 2.16 Average perceived quality of financial guidance on social media, by platform.

In the qualitative study, respondents explained the features they liked about their preferred social media platforms. These reasons ranged from the platform’s target audience and ways that the platform helps users find reliable content (**Table 2.6**).

Platform	Why do you prefer to use this social media platform for financial guidance?
Tik Tok	<p>“The simplicity of the videos (how quick they are and to the point.)”</p> <p>“Offers short, snappy, and easy to understand financial tips.”</p> <p>“Easy to access, short videos, also easy to search inside the app.”</p>
Instagram	<p>“I watch reposted TikToks on Instagram.”</p> <p>“Easy to find a whole page dedicated to a specific subject.”</p> <p>“Because I find it easy to go back and find the information again and also I find the comments from other users on the posts helpful.”</p>
Reddit	<p>“Having a wide range of people in different professions and different ages (I feel like Reddit doesn’t really have a particular demographic and is open to a lot of different people using it.)”</p> <p>“I can read threads that are about the topic I’m looking for.”</p> <p>“Many opinions on each post, specific sub-Reddits and areas of interest.”</p> <p>“Most trustworthy site out of all social media (despite its issues) as it’s the most like a forum. Incorrect info is often downvoted by other users, and good information can get pushed to the top of a thread.”</p>
Facebook	<p>“Good for specialist feeds.”</p> <p>“It’s supposed to have fake news detection so if a story isn’t real it should alert me.”</p> <p>“Nearly everybody is on Facebook so there are a lot of varied posts regarding finance.”</p>

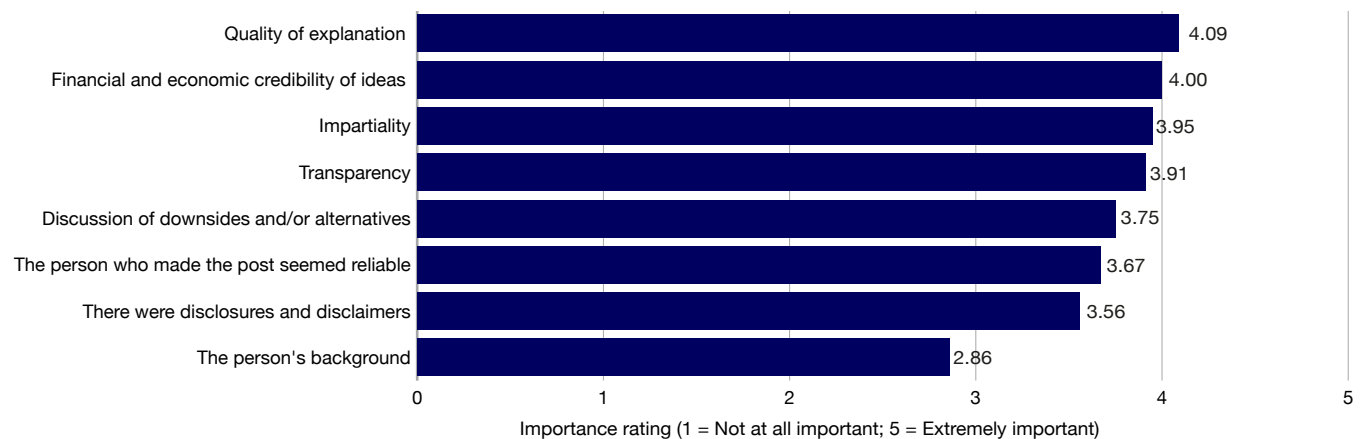
Platform	Why do you prefer to use this social media platform for financial guidance?
X (Twitter)	<p>“Quick answers to questions.”</p> <p>“Because if an information is incorrect, there is a community guideline option where users can refute it.”</p> <p>“Many finance professionals , economists, and fintech providers do posts on X.”</p>
LinkedIn	<p>“There are lots of professionals you can find on LinkedIn.”</p> <p>“I find reliable insights from professionals and financial experts, especially around careers, investing and money management.”</p> <p>“Professionals in similar situations as I am in.”</p>
Pinterest	<p>“Saving challenges.”</p>

Note: There were no qualitative responses for Bluesky or Tumblr.

Table 2.6 Examples of reasons for choosing particular social media platforms for financial guidance.

Based on the quantitative survey, when respondents evaluate the financial guidance given by a social media post, the most important factors (by a small margin) are the **quality of explanation** (the reasoning was explained, technical terms were explained, it was clear how to put the recommendations into action), followed by **financial and economic credibility of ideas** (the person used or mentioned reliable sources of information; the ideas were reasonable and followed common sense), and **impartiality** (the post’s main aim is to give information and not convince you to take certain actions/buy certain products). In contrast, quantitative survey respondents did not consider the **background of the person posting** to be very important (**Figure 2.17**).

How important are the following factors in judging the quality of financial guidance on social media?



Note: Percentages are based on all respondents in the quantitative survey (N = 4,200). “The person’s background” refers to the content creator’s “back story” (who they are and why people should listen to their suggestions or ideas).

Figure 2.17 Factors used to evaluate the quality of financial guidance on social media.

In the qualitative study, respondents were shown three Instagram posts on investing (**Appendix A2.2**). Respondents were asked to rate the quality of each post and explain their rating. Aside from the six criteria used in Part 1 to assess the quality of social media posts; respondents also **used the post’s appearance to evaluate quality** (**Table 2.7**).

Criteria	Low rating (1-3 out of 10)	High rating (8-10 out of 10)
Reliable source	<p>“There is not much information about the actual company.”</p> <p>“In-depth information on investing but sourced from USA by a company I have never heard of.”</p>	Not mentioned by respondents
Relevant disclosures and disclaimers	“There are no disclaimers or reminders about the risks of sticking with a losing strategy.”	“It’s not pushy, shows all the different ways to invest money for capital growth and making money.”
Quality of explanation	<p>“The pictures made it more interesting though there wasn’t enough information to back up the pictures.”</p> <p>“The information in the post given is too vague.”</p>	<p>“Easy to follow and understand”</p> <p>“Detail orientated, explaining why you should invest in certain things.”</p> <p>“Accessible and relatively little jargon. It makes clear, sensible points without overdramatising.”</p>
Discussion of downsides	“It gives an outline without mentioning about risks involved in each step and their impact; also lacking in practical step-by-step guidance or examples to illustrate.”	<p>“Shows clear risk management when it comes to managing finances.”</p> <p>“Sound advice. A balanced view, giving more advice on facing problems.”</p> <p>“I like how it suggests balancing investment with a variety of other “side hustles” as a way to earn income. This gives me confidence that the post isn’t trying to manipulate someone into investing money.”</p>
Financial and economic credibility	“The advice is sound but is not particularly unique and could be found very easily with a quick online search. It is quite generic and very broad ranging.”	<p>“This is information I know and also some of the steps are the same as the money saving expert’s advice.”</p> <p>“This seems to be a set of fairly sensible basic ideas, nothing obviously wrong here.”</p>
Transparency	<p>“It doesn’t provide sources of respected financial sites/companies.”</p> <p>“It doesn’t show any relevant data.”</p>	Not mentioned by respondents
Other criteria: Visual appearance	<p>“Not at all eye-catching.”</p> <p>“The clear typo “captial” makes it appear amateur. If they can’t be trusted to proofread their own document, they can’t be trusted to give financial guidance.”</p>	<p>“I like the professional graphical style of the image.”</p> <p>“I liked the use of a diagram to help explain the text.”</p>

Table 2.7 Examples of reasons for rating social media posts as low quality vs high quality.

4.6 What happened when people followed guidance on social media?

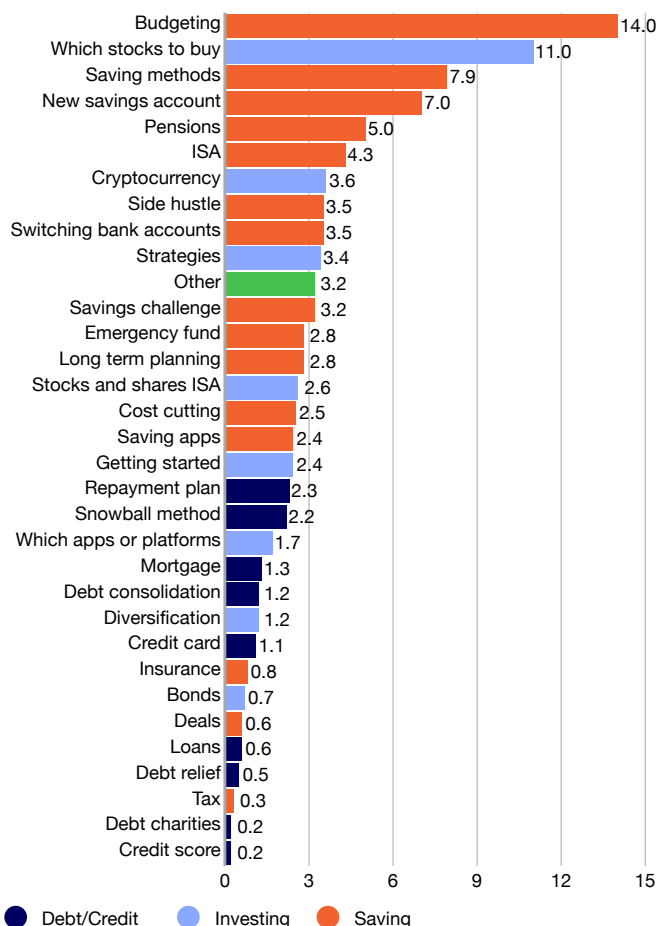
31% of respondents said they had followed financial guidance on social media in the last year. At a 5% level of statistical significance, these subgroups are more likely to follow financial guidance on social media:

- **Respondents who identify as female**
- **Younger** respondents
- Respondents who **use a larger number of social media platforms** for finding financial guidance and for general use
- Respondents who **use social media more frequently**
- Respondents with **more knowledge of personal finance topics**
- Respondents in any form of **employment**.

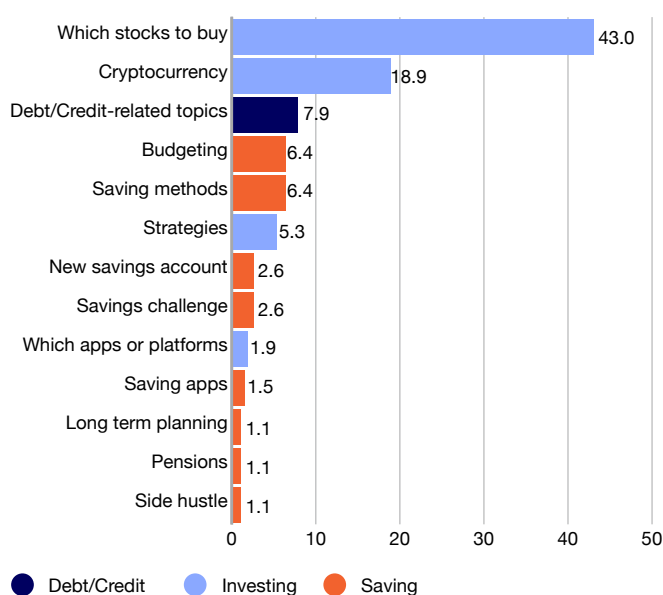
Among these respondents, **3%** reported experiencing mostly negative outcomes from following financial guidance, **27%** reported experiencing mixed outcomes (some benefits and some harms), and **70%** reported experiencing mostly positive outcomes. Note that “positive” and “negative” refer to the respondent’s perception of the outcome rather than an objective assessment of the outcome.

- 1,268 respondents (30%) gave a specific example of an outcome they thought was positive. Examples included saving more money, learning how to budget, and paying off debt (**Figure 2.18**, left panel). Appendix A2.3 (**Table A2.2**) contains short examples of each topic.
- 265 respondents (6%) gave a specific example of an outcome they thought was negative. Examples included losing money from poor investment advice e.g. buying Bitcoin and cryptocurrency (**Figure 2.18**, right panel). Appendix A2.3 (**Table A2.3**) contains short examples of each topic.

Positive experiences with social media



Negative experiences with social media



Notes: (1) Percentages are based on all respondents in the quantitative survey who gave an example of a negative outcome they experienced from following financial guidance (N = 365). (2) Debt/Credit-related topics include loans, debt relief, and how to improve your credit score. (3) 100 other respondents gave a general example of a negative outcome but did not specify what specific guidance they were seeking. These examples included incorrect or hidden information, information being too general, and being overwhelmed by the amount of information available online. (4) “Negative” refers to the respondent’s subjective perception of the outcome rather than an objective metric.

Notes: (1) Percentages are based on quantitative survey respondents who gave an example of a positive outcome they experienced from following financial guidance (1,268 examples). (2) The “Other” category includes general information about personal finance, claiming specific types of government benefits, and other types of claims. (3) “Positive” refers to the respondent’s subjective perception of the outcome rather than an objective metric.

Figure 2.18 Positive experiences (left panel) and negative experiences (right panel) from following financial guidance on social media, by topic.

At a 5% level of statistical significance, these subgroups are more likely to report experiencing **mostly positive outcomes** from following financial guidance on social media:

- **Respondents who identify as female**
- Respondents who are **in any form of employment**
- Respondents with **more knowledge of personal finance topics**
- Respondents who **use fewer social media platforms to find financial guidance**
- Respondents who **use social media more frequently**.

At a 5% level of statistical significance, these subgroups are more likely to report experiencing **mostly negative outcomes** from following financial guidance on social media:

- **Respondents who identify as male**
- **Older** respondents.

A key finding is that since financial guidance is not tailored to an individual's circumstances, **the same guidance resulted in positive outcomes for some respondents and negative outcomes for others, depending on their financial situation and how they applied it.**

Example #1: Savings challenge.

- **(Positive)** "I found a post about saving for 1 whole year by starting with a penny and increasing it by 1p a day and in a year, you'd have about £600. It was a really good idea, I did it for about 6 months and then it got a bit more difficult, but it did save me some money."
- **(Negative)** "Trying to follow the 1p challenge, although it was easy to follow with great guidance, I failed as every time we had money put away, it was needed for emergencies."

Example #2: Budgeting tips.

- **(Positive)** "I tried the 50/30/20 rule after watching a YouTube video on the concept. While it does not always work depending on the situation, I feel that it is a good model to follow."
- **(Negative)** "I tried the 50/30/20 budgeting ratio. Unfortunately, being on a very low income it was almost impossible to adhere to."

In the qualitative study, some respondents explained why they chose to follow a particular financial guidance, and what the outcomes were (**Table 2.8**).

- A common theme underlying the positive experiences was **cross-checking and verification**. Respondents used other sources or conducted a critical examination of the social media post to determine whether the information was likely to be reliable and trustworthy.
- Common reasons why respondents had negative experiences were that **the guidance was outdated or not applicable to their financial situation**, or that they were **misled by unsound guidance that initially appeared convincing**.

Positive experiences

Saving (YouTube)

"I followed a YouTube video that suggested the 30-day rule (waiting 30 days before making non-essential purchases.) The YouTuber explained it in a simple, relatable way and showed real examples of how it worked. It felt realistic and easy to try, so I gave it a shot. It helped me cut impulse spending, and I was able to save over £200 in just two months."

Debt/Credit (Instagram)

"Based off the guidance, I looked for a personal loan with the best interest rate that could be paid off early without any penalties. I used the comparison site advertised by the video on Instagram to do this. The video was by Martin Lewis, who I trust to give accurate information."

Positive experiences

Investment (Reddit and YouTube)

“In December 2023 I looked into investments for both my pension and my ISA. I knew very little at this point, but reading posts on reddit led me to a short video series and a related book, which I read.

It was useful to get a lot of opinions from the Reddit posts. the YouTube series was by a successful ex hedge fund manager, but this did not persuade me much. I found it encouraging when advice was agreed across many unrelated channels, and I found it useful to be able to read the book which explained more fully. The main convincing factor was multiple independent sources aligning with the views I originally read on social media. This information from Reddit, the YouTube video, and the related book, directly influenced my long-term investment decisions. I changed the funds in my pension and started investing in the recommended fund types in my ISA. I am still invested in these. More recently I used the same sources to investigate minor changes (using a different ETF tracking the same index).”

Negative experiences

Saving (TikTok)

“I tried to follow guidance regarding opening a bank account with Monzo for pots, but it didn’t accept my application. I was convinced to follow this guidance because I liked the idea of clear pots which were able to be organised and gain interest. It was just annoying and inconvenient - they should warn you that you may not be accepted.”

Debt/Credit (Facebook)

“I was advised to borrow from a credit broker. I was in urgent need of money, and this was suggested to be an easier way and fast way to get money. However, I became stressed to repay the loan and high interest. To avoid this situation in the future, I developed a positive relationship with my bank to ensure my credit history is good so I can borrow from there. I also set aside an emergency fund to use in cases of urgent need.”

Debt/Credit (TikTok)

“Someone suggested that you could take out a payday loan to help cover some monthly expenses, assuming I could pay it back quickly. What convinced me was the confidence of the person who was giving this guidance. I ended up getting stuck in a payday loan cycle, paying high fees. Now I make sure to take my time when considering guidance and listen to other people’s views on this (in the comments section).”

Investment (YouTube)

“I followed investment tips from social media influencers, promoting high risk penny stocks. The allure of being able to make money fast was what convinced me, even though now I understand that I was just simply gambling. I used the losses to inform my understanding that high risk, single stocks (particularly penny stocks) do not pay off in the long-term, and since this would be a bad habit which would lead to financial ruin, it is enough to deter me.”

Investment (X/Twitter)

“I was one of the unlucky people who got caught up on Twitter after the whole GameStop stock went crazy. I had missed out, and I didn’t like that. I wanted to be part of the next big thing, so when this “financial guru” on Twitter started tweeting about the company WISH, saying it was desperately undervalued, and gaining a mass of attention to the tweets, I figured I had to listen or I’d miss out again. What convinced me to follow this guidance was the fear of missing out. I thought I would be rich. I could see all of the engagement on the Tweets, could see other people were as excited about the stock as I was, and it made me trust the “guru”. I didn’t want to have watched this opportunity go by.

I lost a few hundred pounds - way more than I could afford to lose at the time - but certainly gained a whole wealth of knowledge on trusting people on Twitter who show off their nice watches and cars and claim to be able to spot the “next big thing” a mile off. I do more research now, and just ignore anyone on social media flexing their material items with claims they’re a superstar investor.”

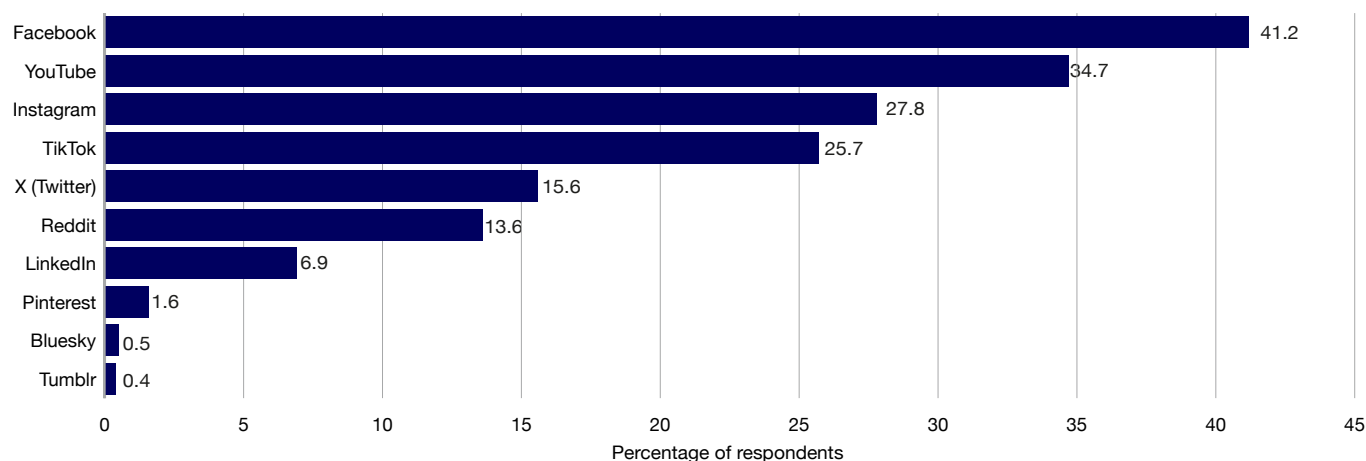
Note: “Positive” and “Negative” refer to the respondent’s subjective evaluation of their experience with following financial guidance, rather than an objective metric.

Table 2.8 Examples of positive and negative experiences from following financial guidance on social media.

4.7 How often are people accidentally exposed to financial guidance on social media?

- **91%** of respondents are shown financial guidance on social media when they are not intentionally searching for this content. For **40%** of respondents, this accidental exposure happens at least half of the time they are on social media (**Figure 2.19**).
- **61%** of respondents unintentionally see financial guidance about investment (compared to 38% for savings, 39% for debt/credit, and 21% for pensions).⁹
- **63%** of respondents think this “accidental” guidance is mostly or completely irrelevant.

On which platforms have you seen posts that offer financial information or tips, even when you aren’t intentionally searching for this content?



Note: Percentages are based on all respondents in the quantitative survey that use social media in everyday life, including for reasons unrelated to personal finance (N = 4,116).

Figure 2.19 Frequency of accidental exposure to financial guidance, by platform.

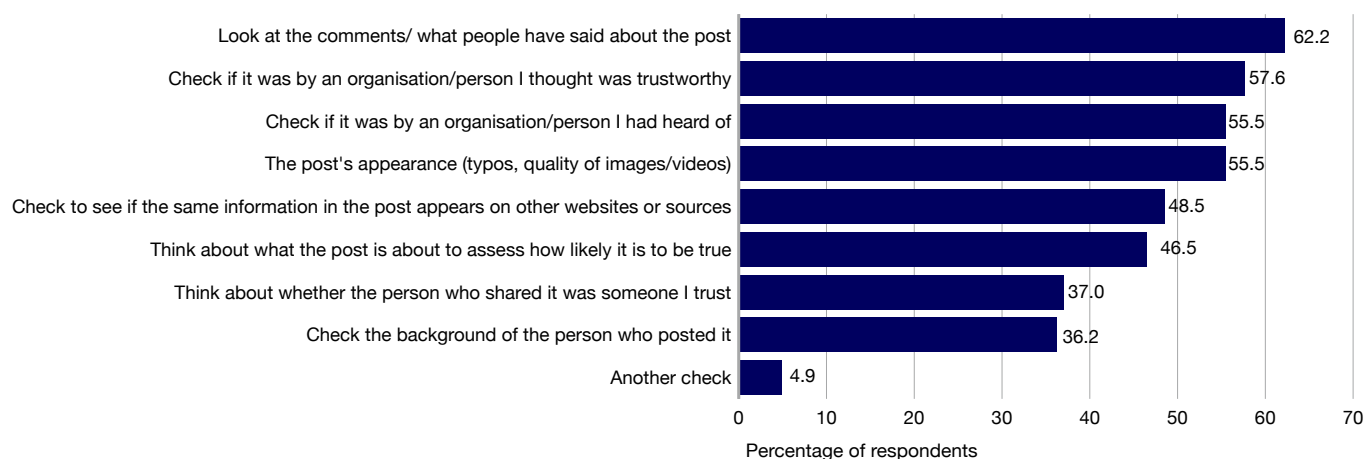
4.8 How do people identify and act against unsound financial guidance?

Among respondents who use social media for financial guidance:

- On average, respondents undertook **4 different ways of fact-checking** the financial guidance they saw on social media. An important point to note is that some ways of fact-checking are more robust than others (for example, verifying the information from trusted sources is more robust than reading the post’s comments), and that multiple checks are usually needed to assess the quality of financial guidance on social media.
- The most popular ways of checking were **reading the post’s comments** (62%) and **assessing the trustworthiness** of the person/organisation who made the post (58%) (**Figure 2.20**).
- **6%** of respondents said they wouldn’t tend to check the information they saw on social media.

⁹ When asked to specify what financial guidance they had seen, respondents gave the following examples (listed in order of frequency): Insurance, Claims/Compensation, Side hustle, General tips about personal finance, Property/Mortgages, Cryptocurrency, Credit card, Apps related to personal finance, Banking services, Saving tips, Bank switching deals, Trading, Funeral/Will, Loans, and Scams (unspecified).

When you read or see anything related to personal finance on social media sites or apps, which of these things have you ever done to check the information was true?



Note: Percentages are based on all respondents in the quantitative survey that use social media in everyday life, including for reasons unrelated to personal finance (N = 4,116).

Figure 2.20 Fact-checking actions undertaken on financial guidance from social media.

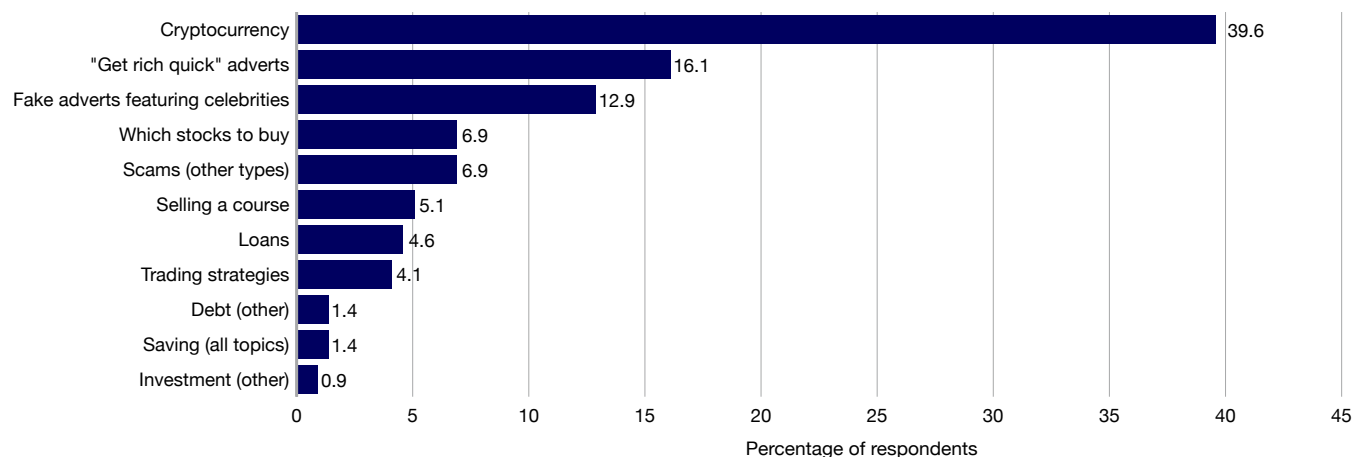
Fact-checking behaviour varies across population subgroups:

- Respondents who conduct at least one fact check on social media are more likely to identify as **male** and **use a larger number of social media platforms in everyday life**.
- The number of different fact checks conducted is higher for respondents who identify as male and increases with **the number of social media platforms used** in everyday life.

96% of respondents have encountered low quality or misleading financial guidance on social media.

- The most common type of misleading guidance was **cryptocurrency investments**, followed by “get rich quick” adverts and fake adverts that used well-known people (without their consent) to promote certain products (**Figure 2.21**).

What specific examples of misleading financial guidance have you seen on social media?



Note: Percentages are based on the number of quantitative survey respondents who provided a specific example of misleading financial guidance (N = 217). Respondents provided open-ended answers, which were classified into categories.

Figure 2.21 Examples of misleading financial guidance encountered on social media.

In the qualitative study, respondents gave specific examples of misleading financial guidance they encountered (Table 2.9).

Category	Specific example of misleading financial guidance
Cryptocurrency	<p>“An influencer or anonymous accounts often post flashy videos claiming they made thousands of dollars overnight by investing in a new, obscure crypto token. They might say things like, “I turned \$500 into \$50,000 in 2 weeks here’s how you can too!” without offering any transparency about the risks, the actual timeline, or whether they were paid to promote the coin.”</p> <p>“It [the social media post] was promoting crypto in a way that made it seem like it was a sure fire win with no risk.”</p>
“Get rich quick” adverts	<p>“I see ads of how to make millions within a month or how to go from nothing to loads of money within a short span of time, none of these ads ever explain the full story of how the money is obtained”</p> <p>“I have seen ads on YouTube showing how you can make thousands of pounds per week using AI, all the ads are structured the same and are clearly fake.”</p>
Fake adverts featuring celebrities	<p>“I often see posts that have the photo of someone you would trust (e.g. Martin Lewis) and pretend that they endorse an investment or strategy.”</p> <p>“Usage of a well-known person to encourage people to join crypto sites or pyramid schemes.”</p>
Which stocks to buy	<p>“Have seen sponsored videos appear in my YouTube feed that were clearly rubbish e.g. investing in these stocks to make X returns.”</p> <p>“Instagram posts that promises good returns on a stock, which tends to be a scam or to get you to join a Telegram group.”</p>
Scams (other types)	<p>“There is some guy on TikTok who claims to get refunds on direct debits if you give him your account details.”</p>
Selling a course	<p>“Posts talking about investing in crypto to earn thousands a month but in order to learn how to do this the user has to buy a course.”</p>
Loans	<p>“Advertising “great deals” or no credit checks on really high interest loans.”</p>
Trading strategies	<p>“I often see heavily simplified “save £1m by age X by investing just Y amount” type posts. They’re often wrong, and posted in bad faith by people trying to sell questionable “courses”, mostly to vulnerable groups in society.”</p>
Debt/Credit (other)	<p>“A tip that you should only pay the minimum payment on your credit card.”</p>
Saving (all topics)	<p>“A money app that helps you cut your subscriptions but you have to pay them monthly.”</p>
Investment (other topics)	<p>“Property agents pretend to sell high-return estates on ads.”</p>

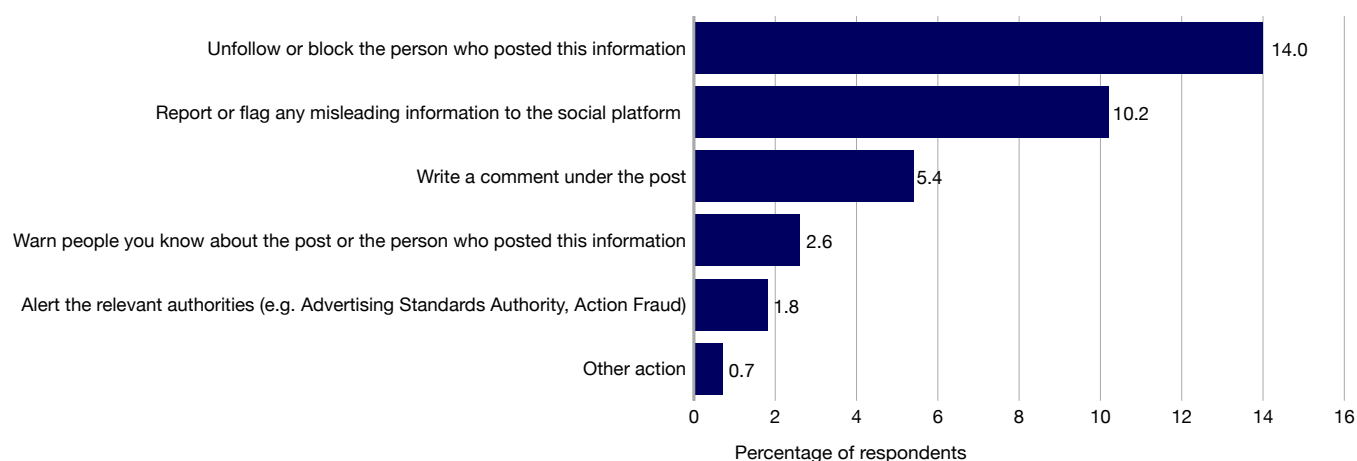
Table 2.9 Examples of misleading financial guidance encountered on social media, by topic.

When faced with misleading financial guidance, **16%** of respondents did not take any action.

- The most popular actions taken were to **unfollow or block the person** who made the misleading post (14%), **report/flag the post** to the platform (13%), and **write a comment** under the post (5%).¹⁰ Only 2% of respondents **contacted the relevant authorities** (Figure 2.22).

¹⁰ Examples of “other actions” include attempting to adjust their social media settings or “teach the algorithm” to stop showing them such posts.

What actions (if any) have you taken when you encountered low quality or misleading financial guidance on social media?



Note: Percentages are based on all respondents in the quantitative survey that use social media in everyday life, including for reasons unrelated to personal finance (N = 4,116).

Figure 2.22 Actions taken when encountering misleading financial guidance on social media.

The likelihood of **taking at least one action** and **the number of different actions taken** against misleading financial guidance varies across population subgroups; on average, it is higher for:

- **Respondents who identify as male**
- **Older** respondents
- Respondents who **use a larger number of social media platforms** for financial guidance
- Respondents who **use social media more frequently**.

In the qualitative study, **52%** of social media users thought it was difficult to avoid this content or stop it appearing in their social media feed, due to features of the platforms:

- “The more you view it, the more it gets recommended to you through the algorithms.”
- “If it’s an advert you have no choice apart to pay to remove ads.”
- “I can block certain accounts however they do still pop up from time to time.”

48% of social media users thought it was easy to avoid this content because they knew what specific actions to take:

- “I use an “ad blocking software” that blocks adverts on X.”
- “It’s easy to block certain posters or report misleading content.”
- “You can unsubscribe to these sorts of ads, but they are easy to spot, and I just scroll past them.”

Only **18%** of respondents were confident in spotting social media posts that are considered as misleading or hidden advertising.¹¹ Only **11%** of respondents were familiar with how to report these types of posts to the FCA/ASA (and **53%** of respondents were completely unfamiliar).

¹¹ The question asked was: “The Advertising Standard Authority sets guidelines on how promotions should be conducted on social media, to make sure that advertisements are truthful (not misleading) and transparent. How confident are you in spotting social media posts that aren’t following these rules?”

In the qualitative study, social media users who thought it was easy to identify sponsored content gave the following reasons:

1. Checking for **specific features**:

- “I normally read all of the hashtags.”
- “I typically look for any automatic tags related to commission, paid partnerships, ad etc. I’ll also assess whether it’s content typical of that person’s platform on that account to see if it fits with their typical content or not. If not, and it’s purely positive recommendations of something I generally assume it’s an undisclosed ad.”

2. Following a particular **format or style**:

- “I feel like sponsored videos usually have a certain format or are marked as sponsored. They also seem to be biased.”
- “They all follow the same format... the tone in which some people are talking sometimes gives it away or if they seem like they are reading a script.”

3. Easy to conduct **additional research** to check:

- “By viewing the content, I would research the options myself. If they seemed favorable to an option that wasn’t the best choice, I would assume that they were sponsored.”

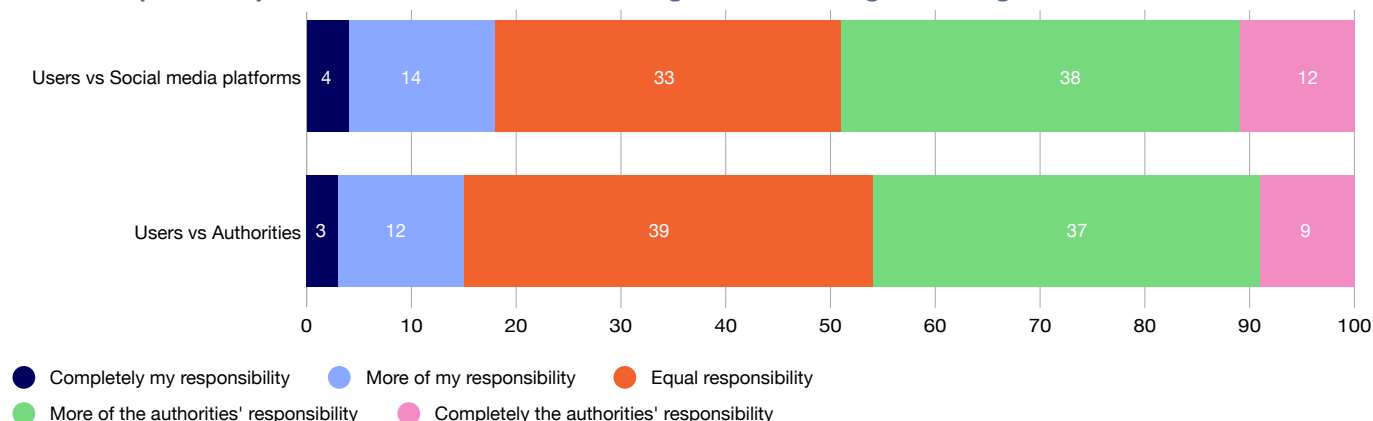
For social media users who thought it was difficult to identify sponsored content, the **lack of signposting** was the main reason:

- “It can be tricky because some creators mix ads so smoothly into their own content that can easily pass as a personal recommendation.”
- “It’s difficult to identify sponsored content because it often looks like regular posts. Some creators don’t clearly label ads, and the advice can seem personal or genuine, even when it’s promoting a product or service.”
- “Sometimes they will have “AD” written in the description but other times content creators won’t do this so this makes it difficult.”

4.9 What actions do people recommend for policymakers?

- **46% of respondents think it is more of the authorities’ responsibility** to monitor and act against misleading financial guidance, compared to 15% who think it is more of a personal responsibility.
- Similarly, **50% of respondents think it is more of the social media platforms’ responsibility** to monitor and act against misleading financial guidance, compared to 18% who think it is more of a personal responsibility (**Figure 2.23**).

Whose responsibility is it to monitor and take action against misleading financial guidance?



Note: Percentages are based on all respondents in the quantitative survey (N = 4,200).

Figure 2.23 Perceived responsibility for monitoring misleading financial guidance.

Quantitative survey respondents were asked to choose three actions (from a list of seven, shown in **Table 2.10**) that they thought would be the most helpful for social media users.

- The three most popular actions were requiring content creators to **disclose their qualifications/expertise/conflicts of interest** (52%), requiring content creators to **put disclaimers on their posts** (52%), and ask social media sites to **put links to official trusted sources** on all financial guidance posts (51%).
- The least popular actions were **providing guidelines for social media users** on how to spot misleading/hidden advertising on social media (39%) or how to spot high-quality and low-quality financial content (30%).

Policy action	% of respondents
Require financial influencers and content creators to disclose their qualifications , expertise, and any conflicts of interest. This information should be in their account profile or in any relevant social media posts.	52.2
Require financial influencers and content creators to put a disclaimer on their financial guidance posts, to clarify that their suggestions may not be personalized or suitable for everyone.	51.8
Asking social media sites to put links to official trusted sources on all financial guidance posts.	50.7
Partner with social media companies to improve ways to flag misleading financial content .	44.2
Run public campaigns to raise people’s awareness of the dangers of following unverified financial guidance online and encourage people to think critically about what they see on social media.	41.3
Provide guidelines for social media users on how to spot misleading or hidden advertising on social media.	39.4
Provide guidelines for social media users on how to spot high-quality and low-quality financial content .	29.5

Note: Percentages are based on all respondents in the quantitative survey (N = 4,200).

Table 2.10 Support for different policies related to financial guidance on social media.

In the qualitative study, respondents explained why they thought these policy actions would be helpful. Common reasons included:

- **Improved transparency** over the content and intention of the posts: “This places responsibility on the influencers to be open and transparent, and failures to do this could then be picked up by social media companies using AI.”
- **Holding social media influencers to similar standards** as other paid professions: “Other professions have to disclose qualifications. This is no different.”
- Ensuring that **misleading content is swiftly identified**: “This [checks using AI] would be a fast way to deal with all the new misleading content.”
- Providing social media users with **ways to easily check the information posted**: “Offering alternatives means it’s easier to cross reference.”
- Encouraging social media users to **think critically**: “This gives users some basic tools that they can use to check against content they are unsure of.”

Appendix A2.4 (**Table A2.4**) contains further quotes about each policy.

Respondents in the qualitative study also suggested how two of the policies (disclosure of qualifications and improved ways to flag misleading financial content) should be implemented.

Policy #1: Require financial influencers and content creators to **disclose their qualifications, expertise, and any conflicts of interest:**

- **Legal measures for offenders:** “Heavy fines for people with no recognised financial background who claim to be “experts” or claim to be able to make millions easily.”
- **Methods for certification or verification on social media:** “Perhaps trusted and reliable sources could have a tick mark next to them - similar to accounts that are verified.” “It would be great if on a financial guidance post there were coloured boxes like a traffic light set up, and similar to what is put on food cartons. A green box would indicate the guidance has come from a source that can be trusted, and they have qualifications. An amber box could indicate that the information is possibly good but the post comes from someone who does not hold any formal qualifications.”
- **Clear guidelines to ensure transparency:** “Put the level of expertise or qualification at the very beginning of the post, not at the end.”

Policy #2: Partner with social media companies to improve ways to flag misleading financial content:

- **Use AI:** “Having AI check content would be good as it could be done very quickly. It would undoubtedly miss many posts it should block, but this paired with user reporting should make a big difference.”
- **Improved monitoring:** “Run checks on social media adverts before they go live on their sites.” “Social media needs to monitor bots in the comment section falsely agreeing with any fake posts.”
- **Social media platforms taking swift and decisive action on reported posts:** “Often if things are reported, the social media sites have automatic responses and they are not flagged as breaking any rules, even if they are.”
- **Legal measures on social media companies:** “Social media companies should face large fines or restrictions on their sites for allowing misleading or low quality guidance.”
- **Social media platforms enforcing bans:** “Anything purposely misleading or fake should be banned for a long time or life. The effects of fake information can be devastating.”
- **Streamline the reporting process:** “Partnering with apps to include a direct link on posts themselves to streamline the process to report them to the FCA. I believe many people can recognise misinformation, but may defer to reporting the post to the platform which may or may not take action. It would cut out the middle man of externally searching for the FCA which I am not confident a chunk of social media users would necessarily know to do.”

Respondents in the qualitative survey proposed two alternative policy actions:

1. Partnerships between social media companies and certified experts

- “Encourage collaborations with accredited financial professionals to share tips, ensuring credibility while making guidance more engaging.”
- “Partnering with official trusted source/professionally qualified influencers will help weed out lower quality financial content.”

2. Added features on social media sites to help users filter content

- “Allow users to block certain words or topics completely from suggestions feeds.”
- “Allow even free accounts to block unhelpful financial related adverts. For example, I seem to get the same adverts with dodgy financial advice/schemes again and again on YouTube (some adverts multiple times daily). I would like to be able to remove this noise chipping away at me without having to pay for a subscription. Being able to toggle on and off the types of adverts I receive would be good and such a feature would be of benefit to people assisting vulnerable people, e.g. toggling off finance stuff on their behalf, to protect them from scammers.”
- “Make platforms highlight what country any financial guidance is targeted at. On the internet, there’s a lot of “US defaultism”, where everyone is assumed to be in America.”

5. Key findings and recommendations

This report concludes by summarizing the key findings and their implications for policymakers and regulators.

Finding #1: Low but varied quality of financial guidance on social media

Across the three platforms and 3,000 social media posts analysed, **the quality of financial guidance on social media is generally low**: when evaluated across six criteria, the average social media post contains less than half of the positive features in each criterion. **Nearly 9 out of 10 social media posts have more negative features than positive features.**

The short-form nature of social media may partly contribute to lower quality financial guidance: a single infographic or 30-second video will necessarily sacrifice some details or nuances. However, social media posts still perform poorly on criteria that are less limited by the short-form format. For example, only 8.5% (+/- 1%) of financial guidance on social media is provided by someone with expertise that is stated in the post or in their profile, and only 12-13% of posts include relevant disclosures or disclaimers.

The quality of financial guidance varies by platform and by characteristics of the post and content creator. On average, posts on YouTube contain more positive features than those on Instagram and TikTok, and the percentage of posts provided by someone with stated expertise is much higher for YouTube (19.5%) compared to Instagram (2.2%) or TikTok (3.9%). Posts about debt/credit and posts by content creators with more followers tend to contain more positive features.

Finding #2: Fact-checking behaviours help limit negative outcomes from following financial guidance

In a survey of 4,200 adults across the UK, **2 out of 5 respondents use social media as a source of financial guidance**, and **1 out of 3 respondents have followed financial guidance they found on social media**. Among the respondents who followed financial guidance, 3% reported experiencing mostly negative outcomes, 27% reported experiencing mixed outcomes (some benefits and some harms), and 70% reporting experiencing mostly positive outcomes.

While this result may seem surprising given Finding #1, it is important to note that “positive” and “negative” are self-reported evaluations and refer to respondents’ perceptions of their outcomes, rather than an objective assessment of the outcome. The relatively lower self-reports of negative outcomes could partly be due to general awareness that financial guidance on social media has limitations and that this guidance needs to be fact-checked: **almost all respondents (94%) conduct at least one check to evaluate what they see**. For example, around half of respondents check the organisation or person who made the post (58%) or check if the same information appears in other websites or reputable sources (49%). However, **some less-robust fact-checking methods (such as checking the post’s comments) are frequently used (62%)**.

Experiences with financial guidance on social media vary across population subgroups. Respondents who identify as female, used social media more frequently, or had higher knowledge of personal finance topics were more likely to have mostly positive outcomes from following financial guidance.

Finding #3: Social media users think authorities and social media companies should take stronger measures to improve the quality of financial guidance

Almost all respondents (96%) have encountered low quality or misleading financial guidance on social media, and most (84%) took action against it, which included blocking the post or reporting it to the social media platform. Despite taking personal measures to limit exposure to this content, **8 out of 10 respondents think that authorities and social media platforms should take equal or more responsibility to monitor and act against misleading financial guidance** (rather than it being more of a personal responsibility).

Over half of respondents (55%) were unaware there was a difference between “financial guidance” and “financial advice”, particularly in the extent to which they are legally protected. 4 out of 10 respondents were surprised that current regulations and legislation do not cover most types of financial guidance. This grey area needs greater consideration by regulators, as social media formats make it easy for content creators to intentionally or unintentionally blur the lines between guidance and advice (such as unregulated individuals posing as qualified experts and/or giving recommendations that border on advice), or personal (non-paid) and paid endorsements (such as hidden advertising). Social media users thus find it difficult to make these distinctions and draw correct inferences about quality.

To improve the quality of financial guidance on social media, respondents thought the following measures would be the most effective:

- 1. Requiring content creators to disclose their qualifications, expertise, and conflicts of interest either in the post or the account’s profile.** For example, a system similar to the “tick mark” used for verified accounts, and clear guidelines for how content creators should disclose this information.
- 2. Requiring content creators to put disclaimers on financial guidance posts.** For example, a standard sentence saying that the content creator is not a qualified expert and recommending social media users to consult a professional before taking any action.
- 3. Ask social media sites to put links to official trusted sources on all financial guidance posts.** For example, on some financial guidance posts, TikTok provides a link to a webpage warning against financial scams, but this link is not present on all financial guidance posts.



Appendix

A1.1 Full list of keywords and hashtags used to search for social media posts

General	Saving	Debt/Credit	Investment
#abundancemindsetuk	#moneymilestones	#budgetbetter	crypto education uk
#businesstipsuk	#moneymindsetcoach	#budgetfriendly	day trading strategy uk
#everydayfinance	#moneymindsetmatters	#budgeting	how to invest UK
#financebasics	#moneymindsetshifts	#budgetingtipsuk	pension investment tips uk
#financeblogger	#moneymindsettips	#budgetplannerlife	#investinghabits
#financebloggeruk	#moneyroutine	#budgetplanneruk	#investinginyourfuture
#financebooks	#moneysavvy	#budgetstrategy	#investingt看tips
#financeclarity	#moneyskills	#emergencyfund	#investingt看tipsuk
#financeexplained	#moneytalk	#freelancingtipsforbeginners	#learntotrade
#financeforbeginners	#moneytips	#frugalfinancetips	#longterminvestinguk
#financetips	#moneytipsforteens	#frugallivinguk	#passiveincome
#financetipsforwomen	#moneytipsuk	#howtobudget	#passiveincomedaily
#financialeducation	#moneywins	#isaaccount	#propertytipsuk
#financialeducationuk	#personalfinancetips	#isaexplaineduk	#propertyinvestmentuk
#financialfitness	#personalfinancetipsuk	#learntobudget	#safeinvesting
#financialfreedom	#practicalfinance	#lifeonabudget	#simpleinvesting
#financialgrowthmindset	#richmindset	#moneycontrolooktips	#smartinvestingmoves
#financialgrowthtips	#simplefinancetips	#moneydiscipline	#stockmarkettips
#financialindependence	#smartmoneyhabits	#moneysavingexpert	#stockmarketuk
#financialindependenceuk	#teenfinance	#moneysavingexpertuk	#ukinvestingt看tips
#financiallearning	#thinkrich	#moneysavingtips	#ukinvestortips
#financialliteracy	#ukfinance	#payyourselffirst	
#financialliteracyuk	#ukfinancialfreedom	#savemoney	
#financiallysmart	#ukfinancialindependence	#savemoneyfast	
#financialmistakestoavoid	#ukmoney	#savemoneyuk	
#financialreset	#ukmoneybloggers	#savetoinvest	
#financialsecurity	#ukmoneymatters	#savings看tipsuk	
#healthymoneyhabits	#ukmoneytips	#sidehustlelife	
#insurancetips	#understandingfinance	#sidehustleuk	
#longtermwealth	#wealthbuilding101	#smartbudgeting	

General		Saving	Debt/Credit	Investment
#money101	#wealthbuildinguk	#smartsavingtips		
#moneygoals	#wealthcreationhabits	#smartspending		
#moneyhacks	#wealthmanagement	#smartspendinghabits		
#moneymanagement	#wealthmindset	#spendingplan		
#moneymanagementskills	#wealthplanning	#taxtipsuk		
#moneymanagementuk		#trackyourexponses		
#moneymatters		#weeklybudgettips		
#moneymattersuk				

Table A1.1 List of personal finance keywords and hashtags used, by category.

A1.2 Summary statistics of social media posts

Followers					
	25th	50th	75th	Max	
Instagram	817	3,345	29,900	748,500	
TikTok	5,641	27,500	105,300	7,900,000	
YouTube		2,690	39,200	306,500	7,320,000
Views					
	25th	50th	75th	Max	
Instagram	N/A	N/A	N/A	N/A	
TikTok	8	47	319	93,300	
YouTube	2,000	27,000	240,500	3,200,000	
Comments					
	25th	50th	75th	Max	
Instagram	0	2	12	6,900	
TikTok	7	39	130	7,570	
YouTube	3	55	310	413,000	
Likes					
	25th	50th	75th	Max	
Instagram	5	22	201	62,463	
TikTok	130	703	4,479	1,800,000	
YouTube	39	658	5,750	727,000	

Note: Instagram does not display the number of views a post received. "25th" refers to the 25th percentile of the distribution (bottom quartile). "Max" refers to the largest value in the sample.

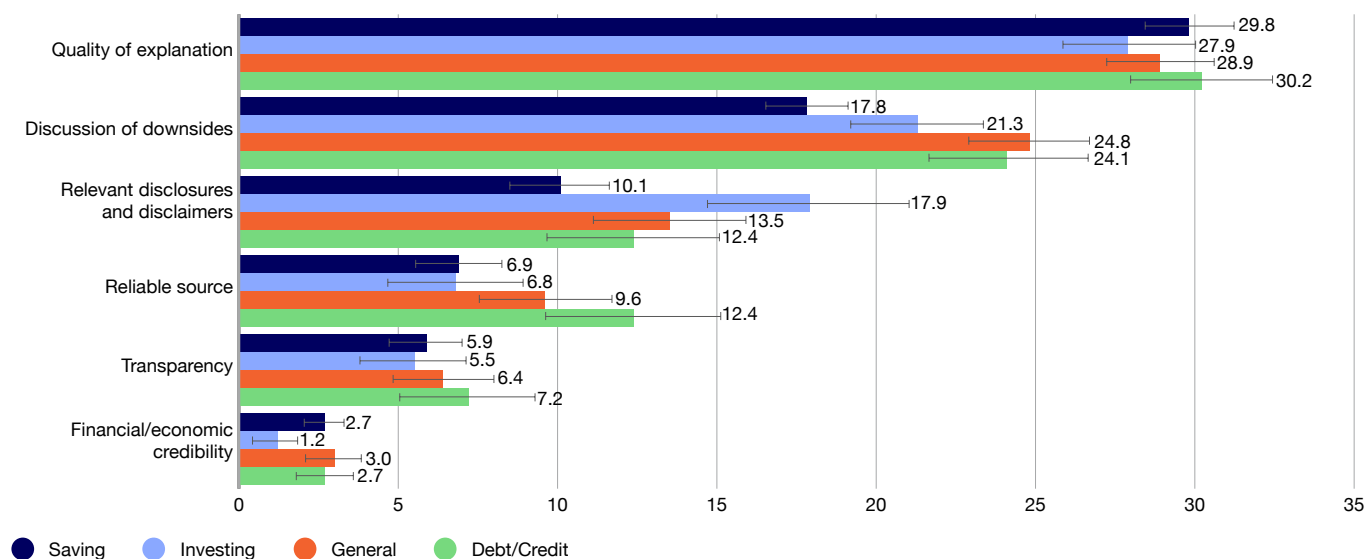
Table A1.2 Percentiles of followers, views, comments, and likes (by platform).

Platform	Positive		Negative		Net score	
	Mean	SD	Mean	SD	Mean	SD
Instagram	1.19	0.83	5.98	0.82	-4.79	1.58
TikTok	0.96	0.80	6.37	0.85	-5.41	1.54
YouTube	2.84	1.98	4.19	1.50	-1.35	3.27
Category						
Debt/ Credit	1.80	1.71	5.43	1.62	-3.62	3.23
General	1.79	1.67	5.30	1.43	-3.51	2.98
Investing	1.65	1.48	5.51	1.34	-3.86	2.71
Saving	1.54	1.46	5.66	1.41	-4.12	2.74

Note: "Positive" and "Negative" refer to the number of positive/negative features (for a maximum of 11). Net score is the number of positive features minus the number of negative features, and can range between -11 and 11.

Table A1.3 Mean and standard deviation (SD) of social media post quality, by platform and personal finance category.

Criteria used to evaluate social media posts



Note: Error bars represent 95% confidence intervals. The percentages calculated only include applicable features (for example, if a social media post did not mention any sources but did include calculations, then "Transparency" criteria only had one relevant feature instead of two). Posts for which none of the features apply are excluded from the averages shown.

Figure A1.1 Percentage of relevant positive features present in each criterion, by category.

	Coefficient	Standard error	P-value
Post about Saving	0.151	0.111	0.173
Post about Debt/Credit	0.522	0.142	< 0.001
Post about Investing	0.185	0.134	0.169
Post on Instagram	-3.062	0.121	< 0.001
Post on TikTok	-3.700	0.120	< 0.001
Follower tier (Micro)	0.343	0.097	< 0.001
Follower tier (Mid)	0.793	0.129	< 0.001
Follower tier (Macro)	0.776	0.226	0.001
Follower tier (Mega)	1.852	0.331	< 0.001
Number of comments (1000s)	-0.00216	0.00087	0.013
Number of likes (1000s)	-0.00274	0.00146	0.061

Note: The dependent variable is net score (the sum of a post's positive features minus the sum of its negative features), which ranges from -11 to 11. Aside from number of comments (1000s) and likes (1000s), all independent variables are indicators that equal 1 if the condition is satisfied and 0 otherwise. There are five follower tiers (coefficients are measured relative to the lowest tier, nano). Follower tiers depend on the number of followers; cutoffs vary by social media platform. This analysis uses cutoffs from <https://armfulmedia.com/different-tiers-of-influencers/>, which are defined in **Table A1.5**.

Table A1.4 Linear regression coefficients: Net score.

Number of followers required for each tier					
Platform	Nano	Micro	Mid	Macro	Mega
Instagram	1 - 10,000	10,000 - 100,000	100,000 - 500,000	500,000 - 2,500,000	2,500,000+
TikTok	1 - 50,000	50,000 - 150,000	150,000 - 750,000	750,000 - 2,500,000	2,500,000+
YouTube	1 - 5,000	5,000 - 25,000	25,000 - 250,000	250,000 - 1,000,000	1,000,000+

Table A1.5 Follower tiers used to classify content creators on different social media platforms.

A2.1 Characteristics of respondents in the qualitative study

Since social media users and below-median-income individuals were a particular interest group for this project, the qualitative study sample was chosen to ensure over-representation of these groups compared to the quantitative survey sample (Table A2.1).

	Below-median income	Above-median income
Not a social media user	257 (40.2%)	123 (19.2%)
Social media user	150 (23.5%)	109 (17.1%)

Note: “Social media user” refers to individuals who (in the quantitative survey) reported using social media for financial guidance at least once. “Below-median-income” refers to individuals with an annual before-tax income of less than £30,000.

Table A2.1 Qualitative survey respondents, by social media usage and income category.

Aside from social media usage and income level, the 639 qualitative study respondents have broadly similar demographics to those in the quantitative survey:

- 50% identified as male
- 86% identified as white (5.2% Asian, 4.7% Black/African American, 2.8% Mixed, 0.9% Other)
- Average age was 45 (range: 19-81)
- 42% had a university (Bachelor’s) degree
- 64% reported having an annual before-tax income of less than £30,000 (defined as having “below-median income”)
- 48% are in full-time employment (75% in any form of employment)
- All regions of the UK were included (Figure A2.1).

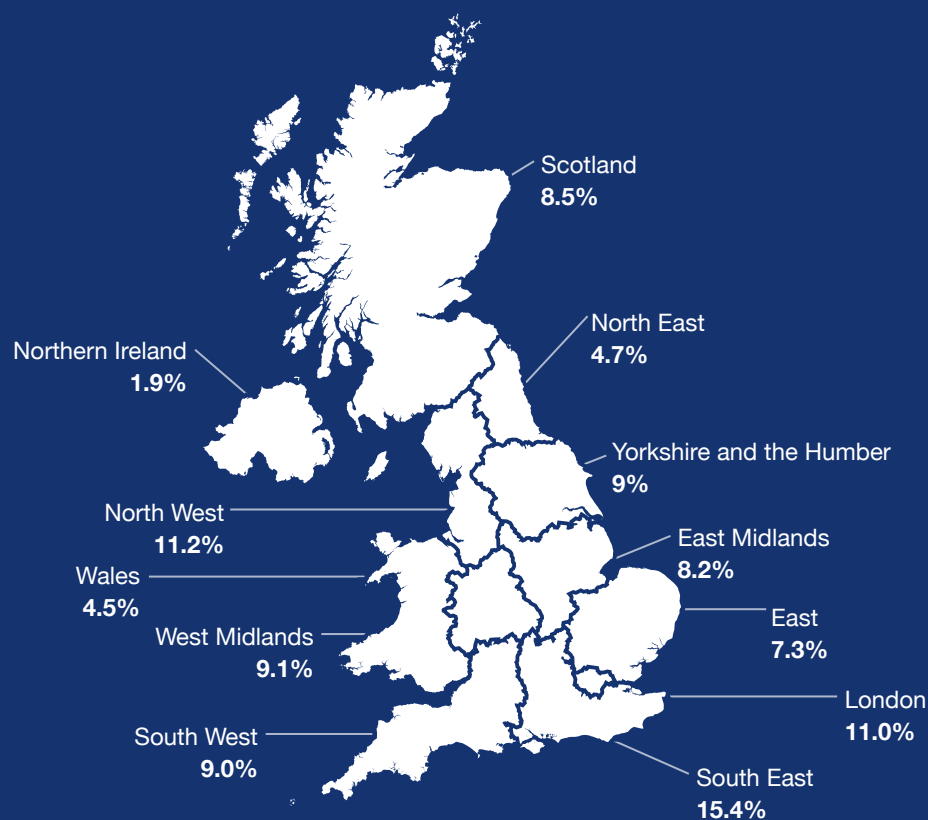


Figure A2.1 Map showing the percentage of qualitative survey respondents from each UK region.

A2.2 Instagram posts shown to qualitative study respondents

Methodological note: Three Instagram posts were randomly selected from the scoping exercise (Section 3). To maximise the authenticity of the evaluation exercise, during the qualitative study, respondents were given a link to the original post so they could view the engagement metrics (likes and comments) and the content creator’s profile. The posts shown here have been anonymised.



Figure A2.2 Instagram posts used in the qualitative study.

A2.3 Short examples of positive and negative experiences for selected personal finance topics (quantitative survey)

Give an example of a positive experience you had from following financial guidance on social media.

Category	Topic	Example
Debt/ Credit	Credit card	“I was looking to get my first credit card and I found out which one would suit me the best and how to use it cleverly.”
	Debt consolidation	“I saw a post about consolidating all my debts into one monthly payment and I actioned it straight away. It gave me the drive to start paying off my debts as I was ignoring them before due to there being so many individual ones. I now only make one payment per month to pay off my debts.”
	Mortgage	“Learned about overpaying on my mortgage and have managed to bring my mortgage balance down more than I would have otherwise, I know this will save me in the long run.”
	Repayment plan	“I wanted ideas for how best to clear a car loan. I put it into practice and within 11 months the car loan was paid off.”
	Snowball method	“I followed the snowball method for paying off debts. I haven’t been able to do it as much as I’d like or was shown but I have started slowly and I’ve also moved some debts to interest free payments with the help of some guidance.”
Investing	Cryptocurrency	“I wanted to learn to trade crypto and have used a company that advertised on Instagram to get training and become more educated about the topic.”
	Diversification	“I used YouTube where I follow several financial experts and I implements some mix of the principles learned to diversify my investment portfolio.”
	Getting started	“I followed some advice for investing for beginners, and while I didn’t make massive gains, it showed promise and gave me a positive introduction to investing, and I felt encouraged to take steps towards bigger pursuits.”

Category	Topic	Example
	Stocks and shares ISA	"I was looking for new investment opportunities for my stock and shares ISA. Using YouTube I found some interesting options that helped me find the right products to invest in."
	Strategies	"One piece of advice I got on social media that turned out positive is the cost dollar average for investing. It's been a fundamental part of my investment strategy, and it has yielded considerable positive returns."
	Which apps or platforms	"Recommended an app for investing. No fees and good choices."
	Which stocks to buy	"I invested some funds into a money market fund that I saw on social media and it turned out well as I got a profit from the investment."
Saving	Budgeting	"I tried the 50/30/20 rule after watching a YouTube video on the concept. While it does not always work depending on the situation, I feel that it is a good model to follow."
	Cost cutting	"Ideas about thrifty living and saving such as buying second hand. This has meant that I have purchased some quality second hand clothes and saved money."
	Emergency fund	"Saving 10% of my monthly salary for emergency. For example, if there are any urgent medical costs I can use this pot to cover my expenses. The outcome was positive as I have collected a substantial amount of money in case of urgency."
	ISA	"I found a flowchart on the FIRE subreddit and decided to start aiming to fill my ISA allowance each year as a priority."
	Long term planning	"I built a financial model for my entire life. Positive outcome is trying what they suggest and seeing instantly how it could affect my net worth at age X under different market conditions."
	New savings account	"I came across a post on Reddit outlining the benefits of opening a savings account as it's not something I thought was necessary but since opening it, I feel better at saving money."
	Pensions	"I have calculated how much I should put into a pension by my age and started doing this, which means I have some pension now."
	Saving apps	"I looked for saving advice and besides the saving accounts I found content related with saving through coupons and apps. The positive side is that yes, there is space for saving, even though not a lot, it always helps."
	Saving methods	"I tried the 'save the change' options in bank accounts, those pennies save without me noticing it."
	Savings challenge	"I found a post about saving for 1 whole year by starting with a penny and increasing it by 1p a day and in a year you'd have about £600. It was a really good idea, I did it for about 6 months and then it got a bit more difficult but it did save me some money."
	Side hustle	"I learned of avenues to increase my income through side hustles. I signed up to a couple of the recommended websites (market research and surveys etc) and I've made a few hundred pounds quite easily since then."
	Switching bank accounts	"I came across a post that was talking about banks offering switching fees. I ended up switching banks and getting a £175 bonus."

Note: Topics with less than ten responses are not included in this table.

Table A2.2 Examples of positive experiences from following financial guidance on social media.

Give an example of a negative experience you had from following financial guidance on social media.

Category	Topic	Example
Debt/ Credit	Debt-related topics	“Using “Buy Now Pay Later” apps such as Klarna as it was getting frequently advertised, I found that it made me quite financially irresponsible and I had to pay off late fees.”
	Investing	Cryptocurrency
	Strategies	“Tried trading using a fool proof “works every day” approach that appeared multiple times from different sources. All I did was lose money.”
	Which apps or platforms	“I once saw a Facebook post that convinced me to save money in a platform and get a 30% interest after a month. I invested and later on found the money deposited could not be withdrawn and neither could the interest.”
	Which stocks to buy	“I tried a social media tip that recommended high-risk investments for quick gains. I invested a significant amount without proper research, leading to a loss of nearly 30% of my funds. This experience taught me the importance of thorough research and caution, rather than following trends blindly.”
Saving	Budgeting	“It was the 50/30/20 budgeting ratio. Unfortunately, being on a very low income it was almost impossible to adhere to.”
	Long term planning	“[The guidance] simply didn’t fit my lifestyle.”
	New savings account	“[Savings] accounts being advertised then to find out there’s a monthly fee.”
	Pensions	“I was advised to switch one of my pensions to a different fund, to spread risk. So far there is a 12% difference against me, than if I had left it.”
	Saving apps	“The pressure to get the same results of the financial influencers made me use so many apps that I end up losing control of where the saving was, getting expired offers, or not able to take the money back.”
	Saving methods	“It didn’t account for personal experiences and whilst I tried hard to save it, my lifestyle is different from the person probably paid to give that information out.”
	Savings challenge	“Trying to follow the 1p challenge, although it was easy to follow with great guidance, I failed as every time we had money put away, it was needed for emergencies.”
	Side hustle	“I was asked if I wanted to make extra money online by selling knives and sharpening blades online, then they told me I would have to buy stock costing £1500.”

Note: Topics with less than five responses are not included in this table.

Table A2.3 Examples of negative experiences from following financial guidance on social media.

A2.4 Reasons why respondents in the qualitative study supported the pre-specified policies

Policy action	Why do you think this policy will be helpful?
Require disclosure of qualifications, expertise, and any conflicts of interest.	<ul style="list-style-type: none"> • “This places responsibility on the influencers to be open and transparent, and failures to do this could then be picked up by social media companies using AI.” • “Other professions have to disclose qualifications. This is no different.” • “I think warnings/disclosure directly next to the financial guidance are the most likely to be noticed.” • “This is a good idea as people are unlikely to be giving their whole attention when scrolling, so some sort of visible banner would be good.”
Require a disclaimer that the suggestions may not be personalized or suitable for everyone.	<ul style="list-style-type: none"> • “This would emphasise that they offer guidance which is generalised and not specific to you and therefore requires user to do their own research.” • “This would help social media users in making financial decisions, and begins to standardise final guidance posts on social media.” • “It is important that this is highlighted, even good advice may not be suitable for a particular person. There should be guidelines on size and where it is placed, too.”
Links to official trusted sources on all financial guidance posts	<ul style="list-style-type: none"> • “This is a useful safeguard for users to check information is genuine before making any decisions.” • “Offering alternatives means it’s easier to cross reference.” • “Many people do not know what official sources are available for advice and so adding links to such sources would give social media users easy access to these official sources of advice and hopefully show them that it isn’t a good idea to just go by information they see in posts on social media.”
Improve ways to flag misleading financial content	<ul style="list-style-type: none"> • “This is best because it removes the posts before the user even sees them.” • “This would likely shut down scammers more effectively.” • “This [AI] would be a fast way to deal with all the new misleading content.”
Public campaigns	<ul style="list-style-type: none"> • “Basically build up critical thinking skills in finance. Encourage people to do research.” • “There should be more campaigns ON social media, because that’s so often where the blindly trusting take information from. Encouragement of critical thinking and independent verification is important.” • “I think basic information is really valuable. Regardless of actions authorities put in place, scammers will always scam. It’s better to educate people so they can look out for themselves.” • “Well-run public campaigns impinge on people’s consciousness, possibly multiple times, and may reach people who are less savvy about social media as well as those who are confident users. Generally, more encouragement to view social media content critically can only be a good thing.” • “This is important as far too often it appears extremely difficult to contact social media companies.”
Guidelines on misleading or hidden advertising	<ul style="list-style-type: none"> • “People need to be reminded that misinformation can lead to bad choices.” • “This would improve awareness of users to potential threats.” • “It’s getting harder to identify bogus ads on social media as the level of sophistication of scammers grows.”
Guidelines on high-quality and low-quality financial content	<ul style="list-style-type: none"> • “This gives users some basic tools that they can use to check against content they are unsure of.” • “This should be standard when using social media. Especially for new users.” • “I think teaching people how to spot this type of quality is important so they aren’t entirely reliant on content already being flagged.”

Table A2.4 Examples of reasons why respondents support specific policies that aim to improve the quality of financial guidance on social media.

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