



## **Opportunities, Challenges, and Capital Market Education Strategies through Social Media**

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### **Abstract**

Social media is becoming a popular channel for influencers to share information and recommendations about investment decisions in the capital market. However, this also creates a risk of misleading advice and investment scams for investors who need more financial literacy. The Indonesia Stock Exchange, social media users, and influencers should collaborate to prevent capital market crime and promote investment education. This study explores the challenges and opportunities of using social media as an alternative to capital market education programs. It also aims to formulate appropriate capital market educational strategies and identify the characteristics of capital market-qualified influencers on social media. This research used a qualitative approach with a content analysis method and semi-structured interviews. The research subjects are influencers on social media selected using a purposive sampling method. We propose a strategic management process tailored for effective capital market education through social media based on the research findings. The results of this study provide recommendations for investors to refer to information from qualified influencers and regulators.

### **Abstrak**

Media sosial saat ini semakin menjadi saluran populer bagi para influencer untuk berbagi informasi dan rekomendasi tentang keputusan investasi di pasar modal. Namun, hal ini juga menciptakan risiko atas nasihat yang menyesatkan dan penipuan investasi bagi investor yang membutuhkan literasi keuangan lebih lanjut. Bursa Efek Indonesia, pengguna media sosial, dan para influencer seharusnya berkolaborasi untuk mencegah kejahatan pasar modal dan mempromosikan edukasi investasi. Studi ini mengeksplorasi tantangan dan peluang penggunaan media sosial sebagai alternatif untuk program edukasi pasar modal. Tujuannya juga untuk merumuskan strategi edukasi pasar modal yang sesuai dan mengidentifikasi karakteristik dari influencer yang berkualifikasi di media sosial. Kami menggunakan pendekatan kualitatif dengan metode analisis konten dan wawancara semi-struktur. Subjek penelitian adalah influencer di media sosial, yang dipilih menggunakan metode purposive sampling. Kami mengusulkan proses manajemen strategis yang disesuaikan untuk edukasi pasar modal yang efektif melalui media sosial berdasarkan temuan penelitian. Hasil dari studi ini diharapkan dapat memberikan rekomendasi bagi investor untuk merujuk informasi dari influencer yang berkualifikasi dan regulator.

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## INTRODUCTION

Investment activities in the capital market increased significantly during the COVID-19 pandemic. Technological advancements in the financial and investment sectors drove this growth, making online financial transactions accessible anywhere and anytime. The Indonesia Stock Exchange (IDX) reported that by December 30, 2021, the number of Single Investor Identification (SID) accounts in Indonesia reached 7,489,337, equivalent to 2.73% of the country's total population (The Indonesia Central Securities Depository, 2021). However, the number of investors in the Indonesian capital market still needs to increase due to the low financial literacy of the general public regarding investment and capital markets (Merawati & Putra, 2016). Tito Sulistio, former President Director of IDX from 2015 to 2018, emphasised the public's limited interest in investing, attributing it to their inadequate knowledge and experience in capital market investments (Pangestika & Rusliati, 2019). These observations underscore Indonesians' low financial literacy regarding investment and capital markets.

The National Financial Literacy and Inclusion Survey (SNLIK) conducted by the Financial Services Authority (FSA) of Indonesia in 2019 found that the literacy rate in Indonesia is relatively low, estimated at 4.92% (Pratama, 2021). Capital market literacy, as defined by the FSA of Indonesia (2020), encompasses the knowledge, skills, and beliefs that shape attitudes and behaviours crucial for informed decision-making in capital market activities aimed at achieving financial prosperity. Unexpectedly, social media has recently emerged as the predominant platform for accessing information on investments and capital markets. Many capital market influencers utilise platforms like Instagram, YouTube, or TikTok to provide investment recommendations. However, many of these influencers offer suggestions on investment instruments, particularly stocks, without incorporating direct or indirect educational components. As a result, this scenario leaves investors vulnerable and opens up fraudulent or illicit investment schemes, leading to potential economic repercussions. Investors who rely solely on influencers' recommendations may face risks of financial loss due to insufficient knowledge about the associated investment risks.

For example, in 2021, a notable incident occurred when a company enlisted influencers to promote its shares through their social media accounts. This endorsement tactic persisted, culminating in a fraud case in 2022 involving the binary options investment scheme. Affiliates and influencers partnered with illicit brokers to exploit members' losses for substantial profits. The emergence of aggrieved parties seeking accountability from these affiliates, particularly those endorsing binary options platforms as legitimate investment avenues, underscored the severity of the situation. In response to the negative influence and inherent biases of investment influencers on social media, IDX has undertaken various initiatives, innovations, and programs as a self-regulatory organisation (SRO) to enhance public financial literacy. These initiatives include establishing Investment Galleries in tertiary institutions, launching the "*Yuk Nabung Saham*" campaign, and collaborating with reputable influencers on social media platforms. Despite these efforts, the proliferation of misleading elements on social media remains unchecked.

Previous studies have shown that the phenomena of social media platforms and influencers in promoting investment activities. For instance, Veirman et al. (2017) conducted a comparative analysis of promotional outcomes facilitated by two Instagram influencers, one with a low follower count of 2,100 and the other with a high count of 21,200. Their findings revealed that promotional posts from influencers with larger follower counts were more favoured and trusted by the audience. Similarly, Lee and Kim (2020) investigated the impact of influencer endorsements on consumer behaviour, indicating that products endorsed by influencers through their posts were perceived positively and prompted swift purchasing decisions. Recent research by Fauzianti and Retnosari (2022) corroborated these findings, demonstrating the positive influence of social media influencers on the investment interests of university students.

Moreover, Ladamay et al. (2021) delved into the influence of social media, financial literacy, return-risk dynamics, and religiosity on the investment interests of Generation Z in Jakarta. Their study underscored that Generation Z individuals in Jakarta utilise social media extensively to seek information, significantly shaping their investment interests. Additionally, Isticharoh and Kardoyo

(2020) established a significant association between social media technology and the investment interests among university students. Indeed, Luthfiyah et al. (2021) highlighted that a substantial portion (70%) of respondents from Muhammadiyah University Riau acknowledged the influence of social media on the investment interests of millennials in the capital market. The aforementioned studies consistently underscore the positive impact of social media on investment interest.

The surges in investment activities on social media platforms has brought opportunities and challenges to the Indonesian capital market landscape. Social media influencers drive investment decisions substantially, significantly shaping investor behaviours and perceptions. However, the prevalent focus on investment recommendations without sufficient educational content poses inherent risks, potentially exposing investors to financial losses and fraudulent schemes. Social media still has a double-edged sword effect that makes it accessible to everybody, but it requires user discretion to filter information on social media. Given the recent occurrences in the capital market, low levels of Indonesian financial literacy make them prone to being trapped in investment scams on social media.

Despite the significant role of investment influencers on social media in enhancing financial and investment literacy, there is a compelling need to investigate the opportunities, challenges, and effective strategies for capital market education via social media in the contemporary technological landscape. It is urgent to address these critical issues by exploring effective strategies for capital market education through social media. These imperatives drive researchers to examine the pivotal role of social media influencers as educational agents in augmenting Indonesia's capital market literacy. More research needs to be performed on strategies to optimise social media platforms for investment education. At the same time, the existing studies have predominantly focused on the influence of social media influencers on investment interest or the level of capital market literacy.

This study expands prior research that has yet to explore capital market education strategies on social media from the influencers' perspective in the Indonesian context. Hence, this study aims to bridge a significant gap in the literature by exploring social media optimisation for capital market education. While previous studies have primarily focused on the impact of social media influencers on investment interest and capital market literacy, more attention should be paid to developing and evaluating educational strategies explicitly tailored to social media platforms. By examining the opportunities, challenges, and effective strategies for capital market education through social media, this research seeks to fill this void and provide valuable insights into leveraging social media to promote financial literacy and responsible investment practices.

Building on the Theory of Planned Behaviour (TPB), this study examined the phenomenon of social media influencers in providing investment education and advice. They have their own goals and strategies for conducting capital market education. TPB provides insights into factors influencing human behaviour and decision-making processes (Ajzen, 1991). TPB serves as the foundational framework for this study due to its relevance in understanding human behaviour and decision-making processes, particularly in the context of capital market education through social media influencers. TPB posits that attitudes, subjective norms, and perceived behavioural control influence individuals' intentions to engage in a particular behaviour. In investment education via social media, individuals may exhibit varying attitudes towards participating in educational activities, influenced by perceived risks, benefits, and societal norms.

Moreover, subjective norms, shaped by social influences and perceived expectations from others, are pivotal in shaping individuals' intentions to engage with capital market education content disseminated by influencers. Additionally, perceived behavioural control, encompassing individuals' perceived ability to perform the behaviour and the perceived ease or difficulty of doing so, further influences their intentions to participate in educational initiatives. By employing TPB, this study investigates the intricate interplay between these factors and how they impact individuals' attitudes and intentions towards engaging with capital market education content on social media. Through this lens, the study seeks to unravel the underlying motivations and barriers that shape individuals' behaviours in investment education, thereby contributing to a nuanced understanding of effective strategies for enhancing financial literacy and promoting informed investment decision-making in the digital age.

In addition, to achieve a particular desire, someone needs a strategy. David (2009) argued that strategy is a unique way to achieve long-term goals. For example, if people are interested in investing and educating to obtain future profits and increase capital market literacy, they will develop strategies to achieve their goals. Educating comes from education, which means efforts are planned to influence other parties, either individuals, groups, or communities, so they do what educators expect (Notoatmodjo, 2003). In this study, researchers observed that most Indonesians still need relevant education to enhance financial literacy and participate in the capital market. Financial literacy refers to the knowledge, skills, and beliefs that can affect the quality of financial decisions to achieve public welfare (Financial Services Authority, 2020).

By employing the semi-structured interview method, the researcher anticipates introducing novelty to the capital market literature, particularly in capital market education strategies via social media. This research aims to provide a nuanced understanding of influencers' motivations, behaviours, and strategies in facilitating capital market education. Furthermore, by identifying opportunities, challenges, and best practices, this study explores practical strategies for capital market education through social media in the current technological era, which is beneficial to provide recommendations in developing targeted interventions and regulatory frameworks to enhance financial literacy and promote responsible investment practices. Specifically, based on the research findings, this study proposes a strategic management process tailored for effective capital market education through social media. The outcomes of this research are poised to contribute to fostering a more informed, empowered, and resilient investor community in Indonesia, thereby facilitating sustainable growth and development in the capital market sector.

The findings of this research are expected to yield theoretical and practical implications for various stakeholders in the capital market sector, including investors, social media influencers, and regulators. Through this detailed exploration, the research endeavours to advance knowledge in capital market education and guide the development of evidence-based interventions to address the prevailing challenges in the Indonesian capital market landscape. These implications will aid in formulating capital market educational strategies and identifying desirable qualifications for capital market influencers on social media platforms.

## METHOD

This research used a qualitative research design model developed by Myers (2013), which has five steps: (1) philosophical assumptions about the nature of the world and obtaining the knowledge/information; (2) research method to find empirical data; (3) data collection technique that researchers going to use; (4) data analysis approach and data processing plan; and (5) written record, such as thesis, book, or academic paper. The detailed research process is provided in Figure 1.

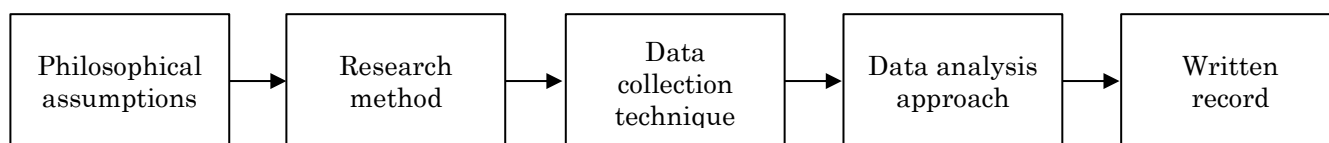


Figure 1. Research process diagram

A qualitative methodology was employed to gather primary and secondary data. Primary data were acquired from interviewing social media influencers in the capital market and investment sectors. Secondary data consisted of relevant information collected by researchers to augment problem-solving endeavours.

To gather data, this study involved semi-structured, in-depth interviews, wherein researchers posed open-ended questions to elicit informants' opinions and ideas. The interviews allowed for flexibility, with researchers introducing new questions as needed to gain a comprehensive understanding of the issue (Sugiyono, 2017). Due to the pandemic context, all interviews were conducted using online meeting platforms. Before each interview, researchers elucidated the research objectives and procedures, and all sessions were recorded with informants'



consent. Additionally, researchers employed observational methods to analyse the perspectives of individual influencers or teams.

The research focused on Instagram influencers who consistently share content related to the capital market or investment. Informants were selected using purposive sampling and were required to meet specific criteria, such as being an Instagram capital market educator who has been providing educational content for at least a year since 2020 and has a minimum of 20,000 followers. This criterion aimed to ensure that informants had sufficient experience in delivering educational content to their audiences, especially during 2020, a period characterised by fraudulent phenomena on Instagram (see Table 1). Influencers active in education during this time were considered attentive to such phenomena and regularly provided educational content through various formats, including images, videos, webinars, or paid classes, thereby demonstrating a strategic approach to education.

Table 1. Research informant's data

Informant	Gender	Education background	Start education program	Number of followers per 02/08/22	Individual / Team
LL	Female	Bachelor	2012	29k	Individual
FS	Male	Master (Ongoing)	2020	477k	Team
FD	Female	Bachelor	2017	1.3m	Team
PM	Female	Bachelor	2016	22.2k	Team
DP	Male	Doctoral	2019	24.8k	Individual

Researchers interviewed informants who met the criteria to address the research problem formulation. All informants in this research are social media influencers who actively provide education through Instagram and possess diverse educational backgrounds ranging from bachelor's to doctoral degrees. Moreover, all informants were also active investors in the Indonesian capital market, further enhancing their credibility. These influencers engaged in educational activities on social media individually or as a team.

The informants in this study were meticulously chosen to ensure congruence in terms of their expertise, experience, and credibility within the realm of capital market education. Despite their diverse educational backgrounds, all informants exhibited a profound grasp of capital market concepts and investment strategies, as evidenced by their consistent delivery of educational content on Instagram. Furthermore, their active participation as investors in the Indonesian capital market bolstered their credibility and pertinence to the research topic. Whether operating individually or collaboratively, each informant offered unique perspectives and insights, enriching the study's comprehensiveness and data quality. In sum, the informants' alignment ensured the robustness and validity of the research findings.

In this study, all interview recordings were transcribed. Then, researchers employed the content analysis method. Payne and Payne (2004) elucidated that content analysis aims to explain the meaning of written or visual sources by systematically categorising content into predetermined detailed categories. The researchers examined the frequency of specific keywords and their frequency trends over time. Initially, to process information from key informants, researchers developed interview guidelines and transcribed the interviews. Subsequently, the researchers engaged in three coding stages, as Myers (2013) outlined: open coding, axial/selective coding, and theoretical coding.

During the open coding phase, the researcher systematically assigned specific codes to the transcripts of field interview data. This analytical process entails identifying and organising concepts based on their characteristics and occurrences. The fundamental procedure in open coding involves querying the data and comparing similarities and differences among incidents, events, and other phenomena. The axial/selective coding stage involves categorising the results of open coding into groups with similar characteristics. While akin to open coding, axial/selective coding focuses

more on uncovering and establishing connections between categories based on the paradigm model. This categorisation pertains to interrelated concepts aligned with the research questions, such as opportunities for social media education, challenges encountered, and suitable strategies for capital market education through social media.

Finally, the theoretical coding phase entails formulating a theory to make inferential or predictive statements about the phenomenon. This process establishes explicit causal-effect or correlational relationships among individual interpretation constructs or concepts. These concepts are more abstract and concise, enabling the researcher to develop a conceptual framework.

## RESULTS AND DISCUSSION

This study explores the perspectives of social media influencers operating in the financial and investment sectors. Following interviews with five influencers, we organised our findings into several themes, encompassing opportunities and challenges arising from internal and external factors in leveraging social media for capital market education. In addition, we outlined effective strategies for capital market education via social media and identified the essential attributes of reputable social media influencers worth engaging with.

### Social Media Opportunities as an Educational Platform

Researchers categorised the opportunities of social media for capital market education into two main themes: perception of functionality and various alternatives for optimising social media.

#### *Perception of functionality*

Informants argued that social media is not only the best way to reach a larger audience because of its vast number of users but also the most effective way to shape people's perceptions. They also acknowledged that social media is easily accessible to anyone who wishes to take advantage of their free time and engage in more productive activities, such as learning about investment through social media. Furthermore, they also emphasised that social media has a significant impact because it enables users to construct expected images and information to be seen by their audiences, including their abilities, personalities, values, and opinions.

*"... the only way to reach out to larger community and public, the biggest change is through social media. Then, it (opportunity) is also the only easy way to build perceptions". (PM)*

The informants claimed that social media is influential in reaching a wider audience and shaping perceptions is convincing. Social media platforms enable individuals to connect with an extensive community and the public, making it a robust and influential tool. Moreover, the accessibility of social media allows people to engage in educational activities during their free time, such as learning about investment opportunities. This democratisation of information empowers users to improve their financial literacy and make informed decisions.

However, it is essential to critically examine the idea that social media provides an ideal platform for constructing desired images and information for public consumption. While influencers may shape perceptions through their curated content, this raises concerns about authenticity and credibility. The possibility of misinformation or biased representation on social media highlights the importance of discernment among users. Therefore, although social media presents significant opportunities for capital market education, it is essential to disseminate information transparently and with integrity to build trust and credibility among the audience.

Then, the informants used social media to share their experiences, knowledge, and information by creating educative, informative, and exciting content. In the capital market education context, social media is a supporting tool to facilitate learning, share information and experiences, and grow awareness and investment interest in social media users. Additionally, managing and activating social media is relatively cheaper than conventional media.

*"I think (using) social media has a huge impact. Good content has a big impact. (However), Bad content will also have a big impact. So, it (social media) is powerful. Such a superpower, it is so cool". (LL)*

*"The cost (on social media) is cheaper. Advertisements on TV are so expensive, tens of millions in a few seconds slot". (DP)*

Using social media as a platform for informants to share educational content highlights its potential as a versatile tool for facilitating learning and fostering awareness. Influencers can effectively convey complex financial concepts to their audience by creating a comprehensive and engaging context, thereby contributing to the growth of financial literacy and investment interest among social media users. Moreover, social media is a cost-effective alternative to traditional media channels, such as television advertisements, underscoring it as an accessible and affordable option for disseminating educational content.

However, it is crucial to recognise the inherent challenges associated with content quality and credibility when using social media. As informant LL noted, the impact of social media content can be substantial, highlighting the platform's influential reach. Therefore, ensuring the accuracy and reliability of information shared on social media is crucial to mitigate the potential risks of misinformation or misleading advice. Additionally, while social media may be a cost-effective way to share educational content, it is essential to prioritise the integrity and authenticity of that content to uphold ethical standards and build trust among audiences.

#### *Various alternatives for optimising social media*

All the informants agreed on the importance of using various strategies to take advantage of social media opportunities. Consistency was identified as a critical approach, with influencers highlighting the need to invest significant time and effort into regularly creating and sharing educational content. One key informant, PM, stressed the importance of consistency, stating that budding influencers must devote ample time to content creation to build loyal followers. This commitment is vital for navigating the dynamic landscape of social media algorithms, which play a pivotal role in increasing content visibility and engagement.

However, while consistency is the key to succeeding on social media platforms, it is essential to balance quantity and quality. Frequent posting can improve visibility and algorithmic favourability, but it is equally important to prioritise content relevance, accuracy, and engagement. Focusing too much on quantity at the expense of content quality could compromise the credibility and effectiveness of educational initiatives, potentially reducing their impact on audience perception and behaviour. As a result, influencers must take a holistic approach that includes consistency and content excellence to maximise their educational outreach efforts on social media platforms.

*"The first is influencers should be consistent. They may spend as much time as possible to create social media content. If they want to be an influencer, they must dedicate at least 80% of their time". (PM)*

Meanwhile, influencers with teams believe that being adaptable and creative is crucial to maximising opportunities. They emphasise the importance of being flexible and innovative in engaging with their audience and remaining relevant to social media platforms, which are constantly changing. Personal influencers also consider it essential to be responsive to the needs of social media users and followers to optimise opportunities. They suggest active interaction through comment sections, direct messages, or live broadcasts on platforms like Instagram. This level of engagement not only fosters a sense of community but also enhances visibility and credibility, ultimately contributing to the success of their social media endeavours.

*"For us to optimise (the social media usage), we should be sensitive (and adaptable) to changes. We should be able to capture what the market wants and likes. The main point in social media is creativity". (FS)*

## **Challenges in Using Social Media as an Educational Platform**

Researchers categorised the challenges associated with using social media for capital market educational purposes into two main groups: internal and external challenges.

### *Internal barriers*

Social media influencers face internal barriers that arise from personal and social sources. At the individual level, many influencers find it challenging to generate fresh and innovative ideas for content creation. Creating educational content for social media is often not their primary occupation, and they must balance this responsibility with their other professional duties. Consequently, they must manage their time effectively and prioritise their tasks to consistently produce educational content for their social media platforms while fulfilling their professional responsibilities. This dual commitment demands adequate attention and effort, and they must find a delicate balance to ensure their professional lives are fulfilling and productive.

*"There is a feeling of laziness if it is personal. Sometimes, I need to be more active in making/finding ideas because I am busy as a housewife, taking care of all kinds of things. So that was a big challenge for me. " (FD)*

Meanwhile, influencers and their teams have admitted that adapting to the constantly changing landscape of social media platforms is a significant challenge. The fast pace of algorithm changes, features, and trends means that they must remain flexible and responsive to maintain engagement with their audience and stay relevant. Furthermore, individual influencers have reported experiencing burnout and exhaustion due to the demanding creative process. Juggling multiple activities simultaneously and the high expectations of maintaining their social media accounts exacerbate these feelings of fatigue. The pressure to consistently produce fresh and engaging content while managing other professional and personal responsibilities can negatively impact their mental and emotional well-being. Therefore, finding a balance between creativity and sustainability is crucial for influencers seeking long-term success in social media's dynamic world.

*"The internal (challenge) is usually burnout. Feel tired. The reason is when we already have certain expectations for our channel". (DP)*

Furthermore, informants faced social barriers in determining the most effective methods to reach their target audience. As the number of investors and literacy levels in the Indonesian capital market continues to grow, influencers need help to educate current and potential investors. This responsibility arises from protecting individuals from fraudulent investment schemes posing as legitimate opportunities. In an environment where misinformation and misleading promotions are rampant, influencers must navigate ethical considerations while striving to provide accurate and beneficial investment advice. Therefore, the challenge lies in effectively engaging with their audience while ensuring their content promotes financial literacy and safeguards against deceptive practices for the greater good.

*"(Social media) content and cybercrime are increasing dramatically. Then, all those contents are easily watched by the target audience". (DP)*

*"The more people who invest in the capital market, the more challenging it becomes for us how to educate them. Many people suddenly jump into crypto because they think it will generate wealth quickly. That is a challenge for us as we need to educate them further". (FS)*



### *External barriers*

On the other hand, external challenges for influencers also arise from social attitudes. Many influencers have had their identity stolen and misused by unscrupulous individuals. They also receive negative feedback regarding their educational initiatives on social media platforms. Despite these challenges, all five informants agreed to avoid adverse reactions and instead focus on the positive feedback they receive from users on social media. This strategic approach allows them to focus on disseminating valuable investment knowledge and fostering financial literacy among their audience despite facing obstacles and criticism. Influencers can navigate external challenges more effectively by prioritising positive engagement and constructive interactions while remaining committed to educating and empowering their followers.

*"In social media, we deal with millions of followers whose is not easy to handle because there must be positive and negative criticisms". (FD)*

In addition, team-based social media influencers have identified effective educational strategies to combat fraudulent investments frequently featured on their platforms. These influencers can proactively take preventive measures by offering educational content on the legal aspects of the investment sector. They highlight the types of illegal investment practices flagged by regulatory bodies such as the Financial Services Authority and provide strategies for mitigating the proliferation of fraudulent schemes. However, they also encounter content plagiarism and copyright infringement challenges as some individuals exploit their educational materials for personal gain. Despite these obstacles, influencers remain steadfast in providing accurate and informative content to protect their audience from falling victim to fraudulent investment schemes. By addressing these challenges head-on and implementing robust educational initiatives, social media influencers play a crucial role in safeguarding investors and promoting financial literacy in the digital age.

*"... the number of competitors has increased in the capital market or the financial world. Until now, every day (data) continues to grow. Fraud-related fraud is also increasing, as are fraudulent investments and so on. We have (educating) challenges on us [their Instagram account name], such as competitors plagiarising our content. Therefore, we must create our originality and clear value proposition compared to competitors". (FS)*

### **Effective Capital Market Educational Strategy through Social Media**

Researchers classify research findings on the effective educational capital market strategy through social media by considering language use, topics, and visuals.

#### *Language use*

Influencers have emphasised the importance of using simple and easy-to-understand language in their educational social media strategies. They suggest breaking down complex concepts into simpler terms to ensure their audience can access and engage with their content. Moreover, influencers have highlighted the need for fostering an interactive approach where followers can engage in two-way conversations. It can encourage the exchange of diverse perspectives and ideas, enriching the educational experience for everyone involved. By facilitating these active discussions, influencers can learn from their followers and gain insights and information they may not have previously encountered. In addition, influencers have suggested implementing communication strategies tailored to specific audience segments. They understand that different demographics may have varying familiarity and interest in investment topics. Therefore, they aim to adapt their communication styles and content to resonate with each target group effectively. Through these nuanced approaches to communication and engagement, influencers strive to maximise the impact of their educational efforts and foster a more informed and empowered investor community.

*"As much as possible, use down-to-earth language, use grounded cases, so there is no such thing as creating a gap. We usually take cases from the experience of our community and bring them up into content, then let the discussion flow in the comment column. It increases our social media engagement". (FD)*

### *Topic*

Informants in this study agreed that addressing trending topics in their educational content is essential to stimulate engagement and foster discussions among social media users. Influencers can leverage their audience's inherent interest and curiosity by tapping into ongoing conversations and popular discussions in cyberspace, leading to increased interaction and broader perspectives. They emphasised the need to avoid monotonous or purely descriptive content, which may require help to attract attention and engagement. Instead, by addressing timely and relevant issues, influencers can effectively capture their audience's interest and encourage active participation. Additionally, the key informants stressed the significance of ensuring the topics discussed are relevant to the current conditions. Influencers can deliver informative and impactful content by addressing issues and challenges that resonate with their audience's experiences and interests, thereby maximising the effectiveness of their educational efforts on social media.

*"... raise the latest news, popular issues, and hot topics. We have to update the news on our various media channels. Those can make a lot of discussion on our social media". (FD)*

On the other hand, team-based influencers have emphasised that providing educational content with a unique and compelling perspective is crucial. They argue that presenting factual information may not captivate the audience's interest and encourage active engagement. Instead, influencers aim to offer distinct viewpoints and insights on the topics they discuss, adding depth and richness to the educational experience. By infusing their content with personal perspectives, influencers can create a more immersive and thought-provoking learning environment for their audience. This approach enhances the content's appeal and encourages critical thinking and exploration among social media users. Presenting diverse viewpoints allows influencers to cater to broader audiences' preferences and interests, fostering greater resonance and relevance with their followers. Therefore, team-based influencers consider incorporating a strong and differentiated point of view into educational content as essential for maximising its effectiveness on social media platforms.

*"If we are too exposed to review and create content on social media, thus our brain will easily be drained. It is hard to select good and interesting content to produce. Our biggest task is to find the best standpoint to grab people's attention. .... So we have to provide a correct point of view that is understandable for the public". (PM)*

### *Visual*

Influencers have emphasised the importance of high-quality and visually appealing design for creating effective educational content on social media platforms. They believe attractive visuals are crucial to capturing the audience's attention and enhancing engagement. By incorporating visually impressive elements such as eye-catching graphics, videos, and aesthetically pleasing layouts, influencers can create a more engaging and memorable experience for their followers. In addition to making educational content more enjoyable, captivating visual design also increases the chances of social media users noticing and retaining the conveyed information. Attractive visual content, in turn, can lead to a more significant impact on the educational message and a higher retention rate. Furthermore, an engaging visual presentation can attract new followers to the influencers' social media accounts and encourage existing followers to participate actively in discussions and interactions. Therefore, influencers prioritise high-quality and attractive visual design to maximise the effectiveness and appeal of educational content on social media platforms.

*"The most effective (way) is using appealing visuals". (LL)*

## **Qualifications of Social Media Influencers**

The researcher groups the research findings on social media influencer qualifications in the capital market sector into three themes: competence, creative skills, and supporting characteristics.

### *Competency*

All informants unanimously agreed on the necessity of certifications or licenses for social media influencers in the capital market sphere. They emphasised that obtaining certifications is vital to validating influencers' capital market competencies. Certifications such as Certified Securities Analyst (CSA), Certified Financial Analyst (CFA), or Certified Financial Planner (CFP), among others, are particularly valued. Although having a certificate of competence is not mandatory, having one is viewed as a favourable indication of an influencer's credibility and expertise. Certification is tangible evidence that influencers have undergone rigorous training and evaluation processes, earning recognition for their proficiency from accredited institutions. As a result, influencers who possess such certifications are perceived as trustworthy sources of education within the capital market landscape. Having certification instils confidence among their followers and reinforces the influencers' commitment to delivering accurate and reliable information, enhancing their credibility and influence in social media.

*"... it could happen when they get the certification to become (financial) content creators. I do not think it is mandatory. However, when they have a CFP / CFA title, they are obviously known to have the competence". (DP)*

Influencers are responsible for ensuring that the information they share is not misleading. They should understand stock-related concepts such as analysis techniques, investment, and trading strategies. Those competencies will help them provide informative and accurate content. In addition, influencers should have practical investment experience to complement their theoretical knowledge. By combining these two areas of expertise, influencers can create diverse and insightful content that draws from real-world investment scenarios. Each expertise allows them to offer their audience a well-rounded perspective on capital market dynamics, which can help foster a deeper understanding and appreciation of investment principles and strategies.

*"Of course, if they share educational content, they must have knowledge or the source they want to share must be true, academic, and not misleading". (LL)*

### *Creative skill*

Individuals need solid creative ability and expertise in optimising social media platforms to succeed as social media influencers. The creativity includes using various tools and techniques to enhance their online presence and engage with a broader audience. Creating and editing high-quality content is also crucial for influencer success, as it helps to build a solid following and establish credibility. By developing their creative skills, influencers can create compelling content that resonates with their audience and fosters deeper connections, ultimately in the digital landscape.

*"... since we regularly post social media content, we must learn how the social media algorithms work. ... the way we design it with specific titles and thumbnails. With the editing process with a soft touch, the animation becomes a little more interesting, as well as the audio quality, camera, and so forth. We need to improve everything". (DP)*

### *Supporting characteristics*

Moreover, social media influencers are expected to have specific traits to navigate the dynamic landscape of digital content creation and dissemination. These characteristics include demonstrating consistent behaviour and attitude in sharing content while continually striving for self-improvement. Influencers must also show adaptability to external changes, enabling them to stay up-to-date with evolving trends and technological advancements within the social media sphere. Additionally, a spirit of exploration and curiosity is essential for influencers to delve into their identity and continually refine their content production techniques. Furthermore, influencers must possess genuine intentions and goals to educate their audience and add value as investors and influencers. This sincerity fosters trust and credibility among followers, enhancing the influencer's impact and resonance within the online community.

The Theory of Planned Behaviour (TPB) provides a valuable framework for understanding the behaviours and attitudes of social media influencers towards capital market education. According to TPB, individuals' intentions to perform a behaviour are influenced by three main factors: attitude towards the behaviour, subjective norms, and perceived behavioural control (Ajzen, 1991). In this study, social media influencers' attitudes towards providing capital market education through their platforms significantly shape their intentions and behaviours. The findings indicate that influencers recognise the importance and value of using social media as an educational platform for disseminating investment knowledge. Their positive attitudes towards this behaviour stem from the perceived benefits of reaching a wider audience, shaping perceptions, and facilitating learning opportunities. Moreover, influencers' attitudes are influenced by their belief in the effectiveness of social media as a tool for promoting financial literacy and empowering investors.

Then, subjective norms, referring to the perceived social pressure to engage in a behaviour, also play a crucial role in influencing influencers' intentions and actions. The study reveals that influencers perceive a societal expectation to provide accurate and valuable investment education to their followers, driven by the growing demand for financial literacy and awareness in the digital age. This perceived normative pressure encourages influencers to prioritise educational content creation on social media platforms despite internal and external challenges. Additionally, influencers may feel a sense of responsibility to counteract misinformation and fraudulent practices in the capital market, further reinforcing their commitment to educational initiatives.

Furthermore, perceived behavioural control, which reflects individuals' beliefs about their ability to perform a behaviour, influences influencers' confidence in their capacity to deliver capital market education through social media effectively. The study findings suggest that influencers' confidence in their competence, creative skills, and supporting characteristics is pivotal in shaping their intentions and behaviours. Influencers enhance their perceived control over their educational endeavours on social media by acquiring relevant certifications, honing creative abilities, and cultivating supportive traits such as consistency and adaptability. This perceived control empowers influencers to overcome internal barriers, navigate external challenges, and proactively engage with their audience to achieve their academic objectives. Thus, integrating TPB with the study findings illuminates the underlying psychological mechanisms driving social media influencers' actions. It underscores the importance of attitudes, subjective norms, and perceived behavioural control in shaping their educational practices in the capital market domain.

Derived from the research findings, we propose a strategic management process for effective capital market education through social media. The strategic management process outlined by Schermerhorn (2015) comprises three main sections: strategic analysis, formulation, and implementation (see Figure 2). The first section, strategic analysis, involves identifying and analysing influencers in the capital market and assessing social media as a platform for conducting educational activities. This stage includes evaluating vision, mission, motivations, influencer values, competencies, creative skills, and supporting characteristics. Additionally, environmental research is conducted to identify opportunities and challenges of using social media for educational purposes. These insights inform the focus of influencers' content on social media.

Subsequently, the second section, strategy formulation, involves developing capital market education strategies based on existing approaches or creating new ones. Considerations include



language usage, topic selection, and visual presentation to engage the audience effectively. The final section, strategy implementation, entails utilising social media features such as single images, carousels, long videos, stories, or short videos to disseminate educational content. Furthermore, influencers should evaluate the educational process using social media insights such as likes, comments, interactions, engagement, impressions, reach, and discovery. Continuous improvement of the strategic management process is crucial based on these evaluations.

The outcomes of this study provide practical implications and recommendations for the Indonesia Stock Exchange (IDX) to enhance the quality and effectiveness of IDX education programs on social media. IDX's current social media education program is perceived as normative, less appealing, and predominantly passive/one-way. Moreover, this research provides insights for individuals aspiring to become social media influencers in the capital market. It offers guidance on starting, managing, maintaining, and growing a social media presence. This study provides practical implications for potential and active investors in identifying the ideal qualifications for competent social media influencers in the capital market. These characteristics serve as benchmarks to safeguard investors against false recommendations or scams perpetrated by unscrupulous influencers.

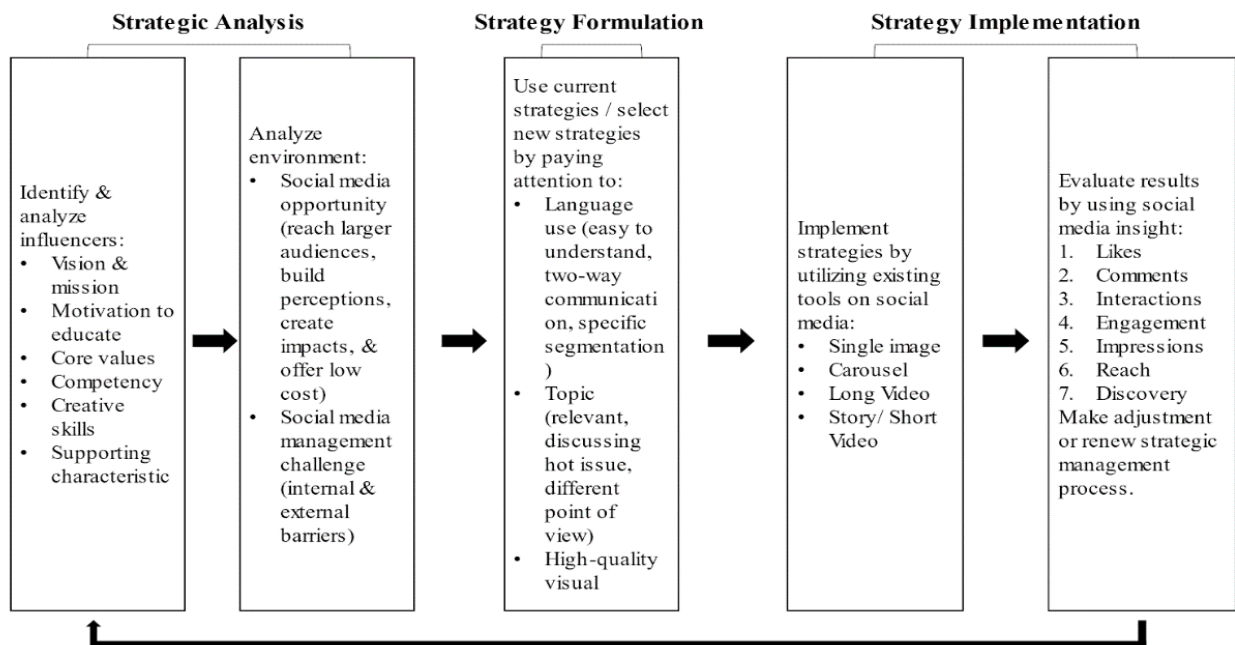


Figure 2. Strategic management process for effective capital market education through social media

## CONCLUSIONS AND SUGGESTION

Based on the findings and discussions outlined above, this study concludes that social media influencers consider social media a significant opportunity for the future. It provides an expansive platform to reach diverse audiences and shape perceptions relatively cheaply. All stakeholders should leverage the opportunities inherent in social media. Then, social media influencers face both internal and external challenges. Internal challenges include the ideation process for generating content ideas, adaptation, addressing burnout, and reaching target audiences. External challenges encompass identity theft, negative feedback, the proliferation of fraudulent schemes, and issues related to content plagiarism.

The attitudes and behaviours exhibited by social media influencers in their decision to educate the capital market align with the Theory of Planned Behaviour (TPB). They proactively prepare themselves to overcome various challenges to achieve their desired outcomes. The most effective educational strategy on social media entails carefully considering language usage, topics

covered, and visual presentation. Influencers within the capital market sector must possess specific qualifications, including competence, creative skills, and supportive attributes to engage with their audience and deliver meaningful educational content effectively. This study elucidates influencers' attitudes and strategies toward educating the public about the capital market through social media platforms by aligning with TPB. In this study, influencers' decisions to engage in capital market education activities on social media are influenced by their perceptions of opportunities and challenges, as well as their beliefs regarding the effectiveness of their efforts in shaping investor behaviour and enhancing financial literacy. Furthermore, the study found the impact of social media algorithms, audience engagement, and content authenticity on influencers' strategies and outcomes, contributing to a deeper understanding of digital influence dynamics within financial education contexts.

This study has practical implications for investors, influencers, and regulators, particularly the Indonesia Stock Exchange (IDX). Investors can use the findings to identify trustworthy social media influencers in the capital market sector based on the qualifications and criteria outlined in this research. Aspiring influencers in the capital market can also benefit from the strategies proposed for initiating, managing, maintaining, and expanding their social media presence. Additionally, IDX can improve the quality and effectiveness of its social media-based capital market educational programs by implementing the Strategic Management Process outlined in the study.

Although this study provides valuable insights into capital market education through social media influencers, it has some limitations that must be considered. Firstly, this research only investigated social media influencers' perspectives. Thus, future scholars should have extensively explored the regulatory landscape governing social media influencer activities in the investment and capital market sectors. This expansion would provide valuable insights into the ethical considerations and constraints influencing influencer behaviour and content dissemination practices. Secondly, the study's focus on influencers who manage their social media accounts independently or within teams overlooks essential demographic characteristics that could influence their effectiveness and audience engagement.

Factors like gender, educational background, and socioeconomic status may impact how influencers are perceived and how their educational content resonates with different audience segments. Researchers should broaden the scope of informant selection to encompass a diverse range of influencers with varied demographic characteristics. This research would offer a more comprehensive understanding of how these factors shape audience engagement and educational impact. Lastly, this study involved a narrow sampling scope, limited to informants from major cities in Indonesia, restricting the exploration of opportunities and challenges faced by influencers operating in diverse geographic locations or international contexts.

This geographic bias undermines the study's ability to comprehensively understand the dynamics surrounding social media influencer activities in capital market education. Expanding the geographic scope of the study to include influencers from diverse international contexts would enable researchers to uncover cross-cultural nuances and universalities in social media influencer dynamics. Further research would enrich the insights and generalisability of the study findings. By addressing these avenues for future research, scholars can contribute to advancing knowledge and informing evidence-based strategies for optimising capital market education through social media influencers on a global scale.

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