

TITLE

The Interests of Finfluencers on Social Media: An Analysis of Their Activity on Platform X

INTRODUCTION

Finfluencers, or financial influencers, are professionals who are not necessarily certified by capital market institutions and use social media (SM) extensively creating and sharing content about financial topics and products, with a strong focus on financial education, personal finance, and how to operate in financial markets (BRASIL, 2023). The Brazilian Stock Exchange (Brasil Bolsa Balcão - B3) estimates that 73% of people report learning to invest through SM and influencers (BRASIL, 2020), and according to the CVM, the number of CPFs (Individual Taxpayer Registry Numbers) on the B3 increased from about 700,000 unique CPFs to around 4.6 million CPFs since 2019 (BRASIL, 2023). Although their social and economic impacts are significant, especially considering Brazil is the third-largest global consumer of SM (PACETE, 2023; AMARO, 2022), the regulation of influencer activity is still recent and just in November 2023, the Brazilian Securities and Exchange Commission (CVM) together with the Brazilian Financial and Capital Markets Association (ANBIMA) implemented rules to avoid conflicts of interest, fraud, and transparency issues, particularly concerning sponsored content. This study addresses this gap by analyzing 9,088 posts from August 2023 to February 2024 related to the ten leading Brazilian finfluencers on X (formerly Twitter) concerning the first seven ANBIMA reports. Using netnography and content analysis based on the behavioral typologies of Heavey et al. (2024), we identify patterns of different positioning profiles that alternate between extremes of focus on financial education and self-interested practices connected to commercial strategies. Our results contribute to the literature on new media and business strategy and offer practical insights for regulators, financial education, and the sustainable development of capital markets.

RESEARCH PROBLEM AND OBJECTIVES

The activities of finfluencers can either reflect personal opinions or be the result of sponsorships (albeit undisclosed) from entities regulated by the CVM, creating situations that can generate conflicts of interest. On the other hand, their potential reach can lead to herding behavior and create artificial price fluctuations, which increases risks for novice investors and the market in general. Although they have been operating for decades, regulations addressing influencer practices were recently introduced by the CVM and ANBIMA in 2023. Meanwhile, academic research on the profiles and motivations of these social actors remains scarce. In this context, this study aims to identify the main activity patterns of Brazilian finfluencers on social media, examine how these patterns relate to recent regulations, and provide empirical evidence on their positions.

THEORETICAL FOUNDATION

Given that the profile of finfluencers remains understudied in academic literature, approximately 54 studies were found by the end of 2024 that generally address the relationship between finfluencers and their target audiences, whether in investment decisions, content accessibility, and SM consumption from generational (Generations X, Y, and Z) or gender perspectives, whether in economic phenomena such as "pump-and-dump" (Guan, 2024) and FOMO economy (Fear of Missing Out) (Venkataraman, 2024), or the impact and legislation on technologies applied to the capital markets (predictive technology and the use of chatbots for engagement) (Cherdack, 2023). Despite this initial literature review, there is a

lack of studies that explore the profile of influencers from a business strategy perspective, regarding their operating methods and potential interests. Based on this context, we define a triad of theoretical approaches and perspectives that, together, justify their validity in informing the thematic domains through which the actions of these social actors permeate.

Stakeholder Theory | A stakeholder, as defined by Freeman (2004), is "any group or individual that can affect or is affected by the achievement of a corporation's purpose" (Freeman, 2004). The diverse roles and influence of stakeholders in corporate decisions, attributes of power, legitimacy, and urgency (Mitchell et al., 1997) determine their relevance, while media perceptions reinforce legitimacy as well as can shape market behaviour (Pollock & Rindova, 2003) and affect company responses, priorities, and stakeholder engagement. These stakeholders can be considered "defined" or "known and identifiable" (when there are institutional or corporate ties) or "undefined" or "dispersed, diverse and pseudonymous crowd" (when there is no formal relationship), even if they mention companies positively or negatively, which makes an important distinction for the SM context, as their actions, over time, fragment companies' response processes and, in the long term, divert priorities (Karunakaran et al., 2022).

Media and New Media | The media, in the broad sense of communication channels, is widely studied as an intermediary that disseminates information to diverse audiences, shaping agendas and public opinion (McCombs & Shaw, 1972), promoting social mobilization or reinforcing legitimacy (Pollock & Rindova, 2003), influencing through the investigation of new information (Aguilera et al, 2015), or monitoring (Miller, 2006). Media works as a source of information for stakeholders, reducing information asymmetry as well as works as company's evaluation, in helping stakeholders distinguish "good" from "ruined" companies (Dorobantu et al., 2024). With social media, new aspects emerge, composing and repositioning social relationships and impacting strategic decisions. Also the architecture of SM enables and encourages the pursuit of larger audiences (a main success' measure) through incentive mechanisms (e.g. monetization). "Information goods," therefore, come to be considered tangible resources, a "social capital" which is a scarce and significant on SM (Lubin et al., 2024), worth by companies because it increases engagement and bring insights about the company's decisions (Dorobantu et al., 2024) directly managing communication with stakeholders (Kim & Youm, 2017).

Position | There are numerous direct and indirect effects, interactions, and mutual benefits (and harms) in the network platform ecosystem (McIntyre & Srinivasan, 2017), which encompasses relationships between firms and stakeholders. The CEO's role as a strategic leader and its relationship with SM appear in the corporate strategy literature, whether in investor reaction (Elliot et al., 2018), general public trust (Men & Tsai, 2016), or increased perceived power (Porter et al., 2014). Analysing engagement as a "set of behaviors" through which leaders interact strategically with stakeholders, Heavey et al. (2020) summarize six key concepts of leader behavior based on why, how, and with what objectives they act: (1) Transmitting, (2) Evangelize, (3) Dialogue, (4) Mobilize and (6) Celebrate. The CEOs, as a social actor, appear at this boundary between the internal and external domains of the company (permeating personal and professional life), operating under a diverse set of behaviors and ways of using SM (Matthews et al., 2022; Kyprianou, 2024). We propose an

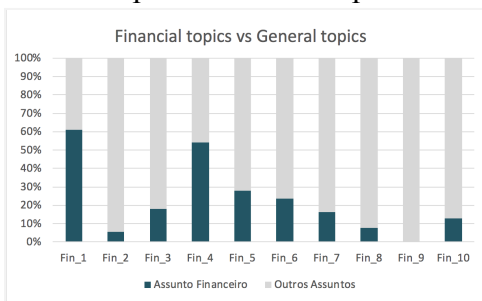
analysis of the profiles of influencers, also considered stakeholders, who produce and distribute content on SM, establishing direct and indirect links with individuals, companies, and regulatory agencies.

METHODOLOGY

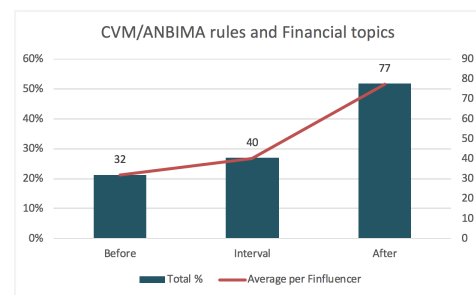
Adapted from ethnographic techniques to an online context, netnography uses publicly available information to understand interests, demands, and influences among individuals and between individuals and institutions, interactions that serve as the basis for creating corporate strategies (Kozinets, 2002). With increasing internet access and technological advances (mainly in data processing), much of social, political, and even commercial relations take place online (Morais et al., 2020), making this method increasingly relevant for academic research. The profiles analyzed in this study were selected based on the names of influencers that occupied the general rankings of the seven ANBIMA reports published until December 2024, excluding repetitions, outsiders and non-public profiles, obtaining a final sample of 10 distinct names and 9,088 posts collected manually and partially analysed with Atlas TI.

DISCUSSION

From the 9,088 posts collected, only 16% (1,496) contained financial topics, although there are significant differences between influencers (graph 1): some having all of their posts during the period focused on non-financial topics. On average, posts increased by 15% between the period *before* and *interval* period of the CVM's rules, and between the *interval* and *after* came into effect. However, the increase was more pronounced when posts on financial topics, with a 6pp (percentage point) increase between the *before* and *interval* periods and a 25pp increase between the *interval* and *after* periods (graph 2). Although it is not possible to establish a causal relationship between the implementation of the rule and financial topics increase.



(Graph_1)

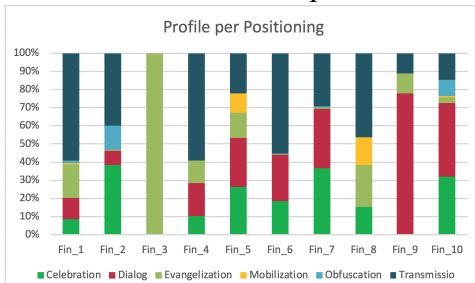


(Graph_2)

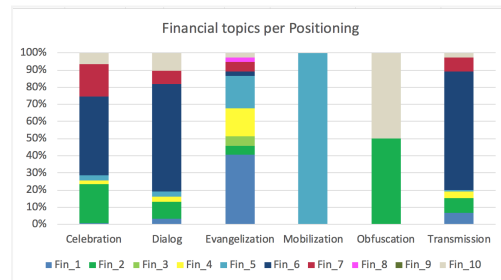
Other new situations emerge when we observe the evolution of each influencer between periods. We highlight that while some influencers reduce the production of content in general, both *financial* and *general topics* (Fin.5 and Fin.10), others, despite decreasing the total volume of publications, become more focused on *financial topics* (Fin.6 and Fin.8). Again, it is only possible to establish correlations with such data, such as the increase in publications of financial topics and the rules established by CVM. The increase could be associated with the diversification of financial guidelines (seeking greater visibility and engagement), the mobilization of influencers themselves as participatory stakeholders around financial education, such as the roundtables and discussion forums on the regulation itself (ANBIMA, 2024), or even the visibility brought by ANBIMA's own reports, which corroborates the fact that some influencers use the "Top 10 ANBIMA" status as profile description (at the "bio," as they often indicate). Regarding the decline in posts on *financial topics*, could be associated with redirection to other platforms (X being used for greater visibility), or that some uncertified influencers

adhere to CVM's guidelines, avoiding discussing topics for which they are not certified.

Applying the six typologies model | Using the six positioning typologies adapted from Heavey et al. (2020), significant differences were observed in finfluencer posts. Non-financial topics represented 84% of the content (entertainment, celebrities, sports, politics, etc.), which may indicate the massive use of topics to merely attract audiences. Even among financial topics, 29% are the sum of Evangelization (selectively transmitting information to influence perceptions and behaviors) and Obfuscation (can present misleading inferences or false cause-and-effect relationships, supporting information asymmetry) (Heavey et al., 2020). This is crucial for companies that consider finfluencers as stakeholders, as reputational effects can be easily transferred. Transmission (44%) and Celebration (28%) are the most frequent types, but analyzing the results of the positioning profiles by finfluencer, the data indicates a tendency toward composition, although one or the other is dominant, as well as clear differences between finfluencers regarding the dominant positioning profile (graph 3). When analyzing specific financial topics (graph 4), the predominance of finfluencers in some positions is more evident, such as Fin.5, which represents 100% of "Mobilization" posts, and Fin.2 and Fin.10, which equally divide all "Obfuscation" posts.



(Graph_3)



(Graph_4)

Given that many influencers have products and services they promote on their networks (advisory services, books, e-books, etc.), it's important to take a closer look at the content of the posts in the Celebration and Transmission positions. The word "advertising" (in whole or in part, such as "publi") appears only 6 times in the collected posts, 5 of which indicate that it is not the result of an advertising link, and only 1 mentions the name of a company. The term "partnership" (plural and singular) appears 18 times in our database, with 5 times mentioning partnerships with the government or companies to promote courses, services, or events. However, this does not always follow ANBIMA's guides of including # or @ (to mark) the partner company (ANBIMA, 2023). No other keywords or significant mentions were found that indicated advertising partnerships. Some possible correlations could be the concentration or redirection of advertising to other channels, given that monetization on platform X only began in July 2023, or non-compliance with ANBIMA rules, given that a large number of company names are mentioned, including those recommending financial products with discounts or no initial cost. Furthermore, mentions with commercial terms such as "flash offer," "discount," "coupon," among others, appear in 10.2% of the base, reinforcing the trend toward positioning focused on personal marketing.

CONCLUSION

We have seen that there are some studies in the academic literature on the impacts of influencers on the behavior and investment decisions of public followers, but studies on the behavior and performance profiles of influencers themselves are still incipient. To this end, we

chose a set of theoretical bases and perspectives that could support our arguments: studies on stakeholders, communications, and new communications and positioning to (a) bridge the gap observed regarding the use of communications from a strategic perspective; (b) provide an empirical example for the theoretical framework of Heavey et al. (2020), adapting the author's typology of CEO behavior; and present the profile of finfluencers as (c) a (new) source of information for stakeholders about the capital market and companies, impacting the company-stakeholder relationship, which depends on their interests and relationships with companies and can both reduce and increase information asymmetry.

Analyzing finfluencer posts, we saw that the volume of financial topics is still low compared to other topics, and that the tendency toward celebratory positions is high, indicating both commercial and attentional interest. This deviates from the profiles' initially stated purpose and identified by CVM/ANBIMA as an important social value, in the sense of financial education. However, we also saw in the analyses that there are different profiles, some of which act to impart lessons about the capital markets and personal finances, in the sense of financial education itself. The practical implications here, therefore, are to (d) consider positioning as an additional aspect/variable for refining the metrics previously used to determine the potential influence of influencer profiles (such as those used in ANBIMA's monitoring), whether for regulatory agencies or for companies that may have an interest in establishing ties with finfluencers (which could impact the company's reputation, either positively or negatively). We present new perspectives that also align with sustainable development, such as how the contribution of financial education impacts economic development, social emancipation, or even the strengthening of institutions and we also suggest some possibilities for future studies that could delve deeper into the aspects briefly discussed here.

Notes: Graph 1: Volume of Financial Topics *versus* General Topics by Finfluencer. Legend: For each influencer, the volume of financial investments and volume of general topics were calculated, adding up the total of 100% of posts made on X during the analyzed period. **Graph 2:** CVM/ANBIMA Rules and Financial topics posts. Legend: Total percentage of posts by the 10 finfluencers analyzed, grouped into the periods Before the publication of the CVM/ANBIMA rules, in the interval between their publication and the rules' effectiveness, and After the rules' effectiveness. The red line superimposed on the graph indicates the media coverage (in absolute numbers) of financial-themed posts by period (Before, Interval, After), among all 10 finfluencers involved. **Graph 3:** Profiles by Positioning. Legend: Breakdown of positioning types by finfluencer considering the classification of total verified posts. **Graph 4 -** Financial Topics per Positioning. Legend: Based solely on posts about financial topics, the bars show the distribution of finfluencers within each type of positioning. All graphs' source: survey data.

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