

Tik Tok, Fin Tech, and Personal Finance

Presented by

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Disclaimer

All information provided in this session is for educational purposes only and is not intended in any way to be interpreted as financial advice.

Part 1: Objectives

Students will be able to:

- Recognize how social media can be used to influence their investment decisions
- Be on the lookout for scams and schemes
- Identify legitimate online investment applications
- Compare and contrast the pros and cons of selected investment apps.

National Standards

Standard 4 Financial Investing, Grade 12, Benchmark 9 – Common behavioral biases can result in investors making decisions that adversely affect their investment incomes.

Standard 4 Financial Investing, Grade 12, Benchmark 10 – Financial technology can counterbalance negative behavioral factors when making investment decisions.

Standard 4 Financial Investing, Grade 12, Benchmark 11 – Discount brokerage firms can provide inexpensive investment services and advice using financial technology.

Standard 4 Financial Investing, Grade 12, Benchmark 14 – Criteria for selecting financial professionals include licensing, certifications, education, experience, and cost.

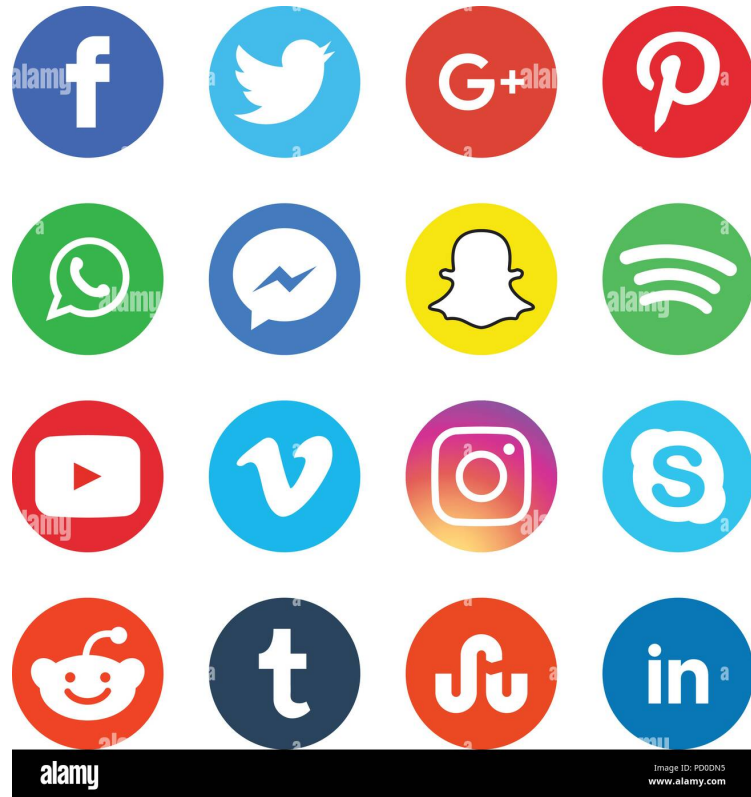
Social Media



80. Million active users in U.S.

60% female

60% between ages of 16-24

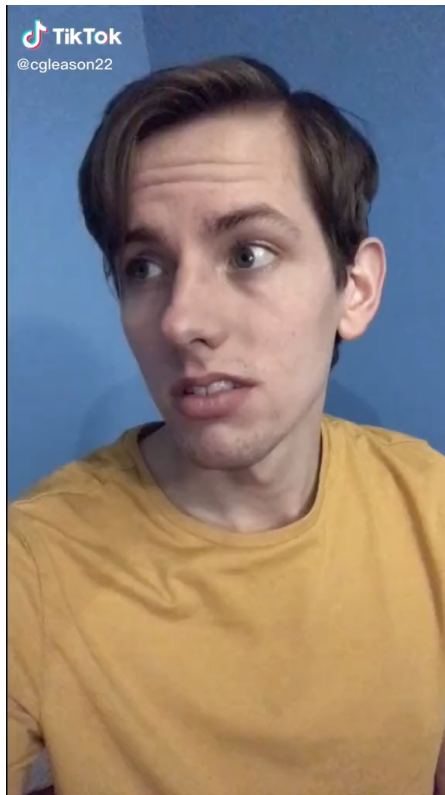


Most Popular Apps (2021)

App	Downloads 2021
TikTok	656 million
Instagram	545 million
Facebook	416 million
WhatsApp	395 million
Telegram	329 million
Snapchat	327 million
Zoom	300 million
Facebook Messenger	268 million
CapCut	255 million
Spotify	203 million

Source: [Apptopia](#)

Chris Gleason



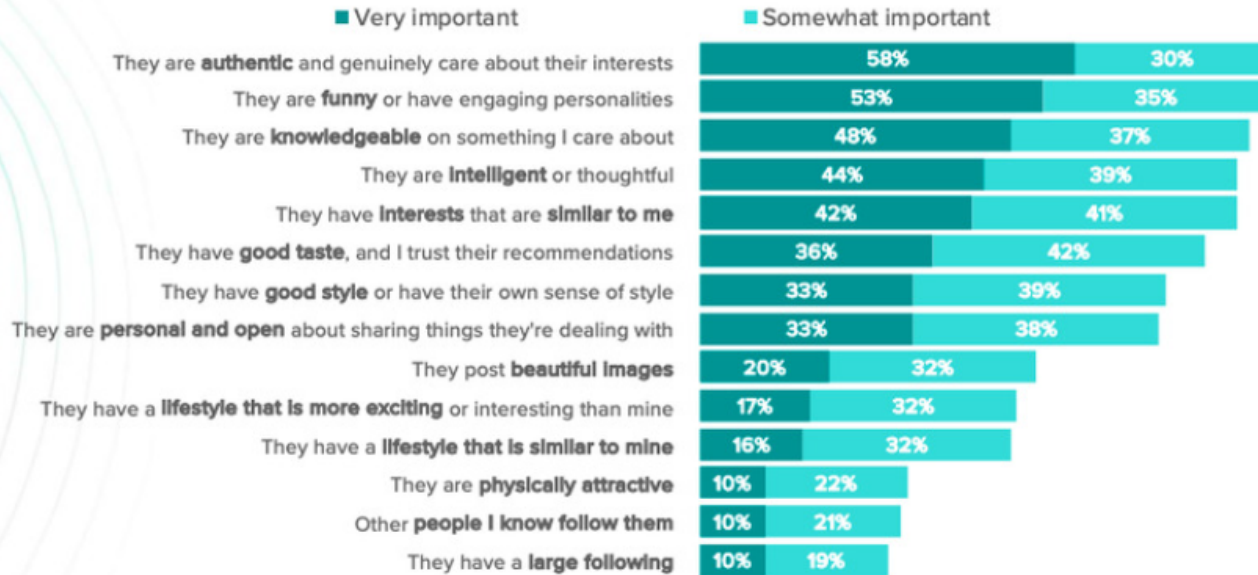
- “Nobody’s gonna know. They’re gonna know.”
- > 14 million views
- The sound is more famous than the video
- The era of the audio meme.

THE INFLUENCER MARKET



Authenticity is the most important trait for influencers while 'having a large following' is less so

When deciding whether to follow an influencer on social media, how important are the following?



Tik Tok's Popularity



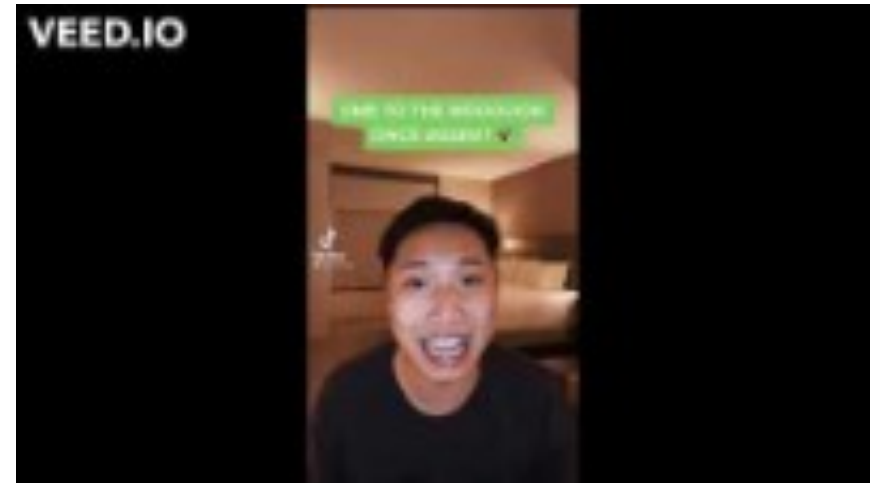
[Tik Tok is the Place to Go!](#)

Why the Worry?

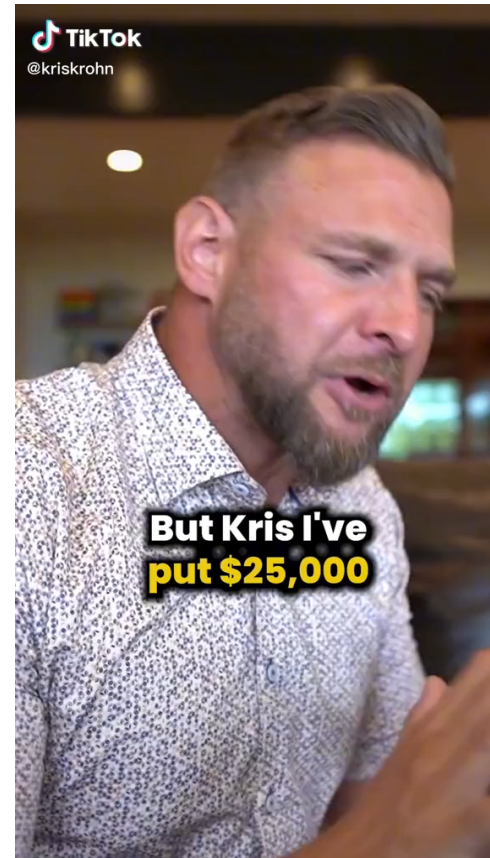
- 56% of Gen Z and millennials use social media for financial advice
- 52% of Gen Z go to Tik Tok for the advice
- 51% of Gen Z admit to taking advice from someone they didn't know online

Source: Qualtrics Survey, June 2021

Tik Tok's Latest Trend: Financial Advice



Get Rich Quick!



Watch Out for Misinformation!

- #finance has over 1.3 billion views
- Videos can encourage risky, over-simplified, and impulsive financial decisions
- 14% of TikTok finance videos don't carry disclaimers
- 1 in 10 financial influencers aren't transparent about their qualifications

Source: [Influence Investors](#)

PLANET MONEY



Helping Students Spot Bad Advice

- Does the TikToker have credentials?
- Is the TikToker pitching/trying to sell me something?
- Do I have to act on the advice quickly?
- Do they promise results that are too good to be true?
- Can I verify what they are advising/pitching?

Source: [Lifehacker](#)

Edpuzzles

[Vicious or Viral](#) – Social media influencers and financial advice

[Fooled by the Hype](#) – Celebrity endorsements

[Five Biggest Financial Scams](#) – How to recognize and avoid being scammed

[I Want I Bonds](#) – Americans are turning to bonds as a hedge against inflation






[Playing with F.I.R.E](#) – learn about the community known as Financially Independent, Retire Early

Source: Next Gen Personal Finance

What is Financial Technology?



Growth of Fintech

Fintech Category	2015	2017	2019
 Money transfer and payments	18%	50%	75%
 Savings and investments	17%	20%	34%
 Budgeting and financial planning	8%	10%	29%
 Insurance	8%	24%	48%
 Borrowing	6%	10%	27%

Source: EY Global Fintech Adoption Index 2019

[Visualizing the Current Landscape of Fintech](#)

Startups are creating new financial business lines and disrupting old ones



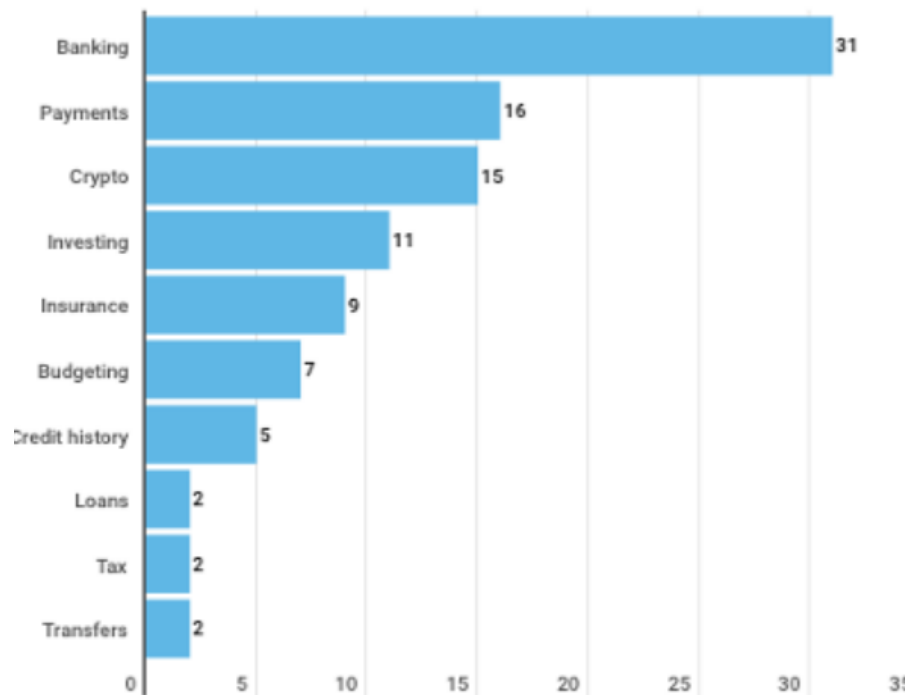
Financial Technology

1,913 companies across 16 categories from 58 countries with \$53.3B in funding

Top 15 Fintech Apps

App rank	Top 50 iOS apps	Top 50 Android apps
1	Cash App	Google Pay
2	Venmo	Cash App
3	PayPal	PayPal
4	Zelle	Venmo
5	Capital One Mobile	Crypto.com
6	Chase Mobile	Zelle
7	Crypto.com	Credit Karma
8	Robinhood	Capital One Mobile
9	Credit Karma	Chime
10	Bank of America Mobile Banking	Coinbase
11	Coinbase	Robinhood
12	Chime	Stash
13	Wells Fargo Mobile	Webull
14	Experian Credit Report	Experian Credit Report
15	GEICO Mobile – Car Insurance	Fresh EBT

Top 100 Fintech Apps by Category



Why do consumers like Fintech?

- Attractive rates and fees (27%)
- Easy access and account setup (20%)
- Variety of innovative products and services (18%)
- Better service quality and product features (12%)

Peer-to-Peer Payments

[What Are Peer-to-Peer Payments?](#)

[Pros and Cons of Peer-to-Peer Payments](#)



Types of Investing Apps

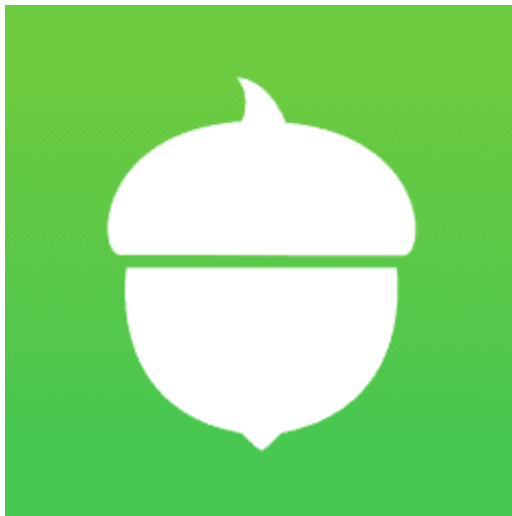
- **Stock Trading-** buy and sell securities through your smartphone (Robinhood, Webull, Public, M1 Finance)
- **Micro-investing-** allow people to purchase fractional shares (Acorn, Stash, Robinhood, Public, M1 Finance)
- **Robo Advisors-** guided advice through algorithms (Betterment, Wealthfront, M1 Finance)
- **Discount Online Brokerages-** make trades with reduced commissions (Schwab, E-Trade, Ally Invest)

Choosing the Right Finance App

1. Start with a goal
2. Understand the features
3. Research the reputation of the app and its provider
4. Consider the cost and time commitment
5. Keep your personal information safe

Source: [Discover: Banking 101](#)

Compare Investing Apps





Student Resources

[Research: Person-to-Person Payments \(NGPF\)](#)

[Research: Online Tools and Apps \(NGPF\)](#)

[Comparing Investment Apps Answer Key](#)





Conclusion



Technology is changing rapidly, so teachers need to provide our students with the understanding, skills, and tools to make well-informed financial decisions.



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