



DIY Investing:

New investors and the role of social media

Qualitative Research Report

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Background and Methodology

Research Objective and Participant Profile

- This report outlines the qualitative findings from a series of in-depth one-on-one interviews conducted by Innovative Research Group (INNOVATIVE) for the Canadian Investment Regulatory Organization (CIRO).
- A total of 45 interviews were conducted with new DIY investors (15), DIY investors who are frequent social media users for investing information (25), and financial influencers on social media (5).
- The interviews were conducted between December 2nd, 2024, and March 7th, 2025.

A note on reading this report:

Qualitative research does not hold the statistical reliability or representativeness of quantitative research. It is an exploratory research technique that should be used for strategic direction only. Verbatim remarks from participants are represented in *italics*. Throughout the report, the names of specific financial institutions or trading platforms are redacted from quotes. This is indicated by the use of curly braces, e.g. "{trading platform A}".

A note on interpreting findings: In exploratory research, the value of the findings lies in the depth and range of information provided by the participants, rather than in the number of individuals holding each view. References in this report such as "most" or "some" participants cannot be projected to the full population of DIY investors.

DIY Investors

- 40 interviews were conducted with Canadian DIY investors – 32 in English and 8 French, with a mix of age, gender, and region.

Finfluencers

- 5 Interviews were conducted with Canadian financial influencers – 4 in English and 1 in French.

| New DIY Investors (n=15) | |
|---|----|
| Advised + DIY | 5 |
| DIY only | 10 |
| DIY investors who are Social Media Users (n=25) | |
| High | 12 |
| Moderate | 13 |
| Finfluencers (n=5) | |
| Social media financial influencers | 5 |

Research Questions

This report addresses a series of research questions, organized into the following sections:

- **Getting started with DIY**
 - *Getting started:* How do DIY investors get started?
 - *Why DIY:* Why do these new investors choose DIY investing specifically?
- **DIY investing experience**
 - *Comparison with advisors:* How do DIY investors compare DIY investing to working with an advisor?
 - *Process of investing:* How do DIY investors search for information and make investment decisions?
 - *Investing platforms and additional tools:* What do DIY investors look for from their trading platforms and what additional tools would they like to see (if any)?
- **The role of social media**
 - *Purchasing decisions:* How do DIY investors utilize information from social media to inform their investment decisions?
 - *Social media platforms:* How are different social media platforms used or perceived by DIY investors?
 - *Trust:* What factors influence DIY investors' trust in social media content?
 - *Finfluencers (investors):* How do DIY investors perceive the role of finfluencers, the reasons they follow them, the factors that influence their trust, and their opinions on regulating content creators in the finance space?
 - *Finfluencers (creators):* What is the perspective of financial content creators on what investors are looking for, what their role is, and where they fit in the broader investing information eco-system?
 - **Social trading (i.e. platforms that enable users to interact with each other and/or copy trade):** What is the awareness, interest, use, and experiences of investors on social trading platforms?

Review of Existing Research

In recent years, several surveys have been conducted exploring Canadian DIY investors and the role of social media in investing. One objective of this qualitative study was to build on the insights already gained from these previous studies. Throughout the report we have identified relevant results from this existing research to provide additional context for these interview findings.

The previous surveys cited are:

| Study | Cited as: |
|---|--------------|
| <i>DIY Investing National Survey Report</i> , BC Securities Commission, 2024 | (BCSC, 2024) |
| <i>Investor Survey</i> , Canadian Investment Regulatory Organization, 2024 | (CIRO, 2024) |
| <i>2024 CSA Investor Index</i> , Canadian Securities Administrators, 2024 | (CSA, 2024) |
| <i>Understanding DIY Account Holders</i> , Canadian Foundation for the Advancement of Investor Rights, 2024 | (FAIR, 2024) |
| <i>Evolving Investors: BC Emerging Adults and Investing</i> , BC Securities Commission, 2022 | (BCSC, 2022) |
| <i>Self-Directed Investors: Insights and Experiences</i> , Ontario Securities Commission, 2021 | (OSC, 2021) |

Executive Summary

New DIY: Getting Started

- **Role of friends/family:** Several interviewees described the importance of family, friends, or colleagues in starting to DIY invest, with some receiving recommendations on which platform to use or which investments to start with.
- **Reasons:** Aside from family/friends, many new DIY investors cited major life events such as graduating and starting a career; and the role of the COVID-19 pandemic in their decision to get started.
- **Learning curve:** Many interviewees mentioned a steep learning curve when getting started, with some turning to social media for educational content or learning by trial and error with small investments or a practice account.
- **Challenges in French:** Several French interviewees, and a French-language content creator, mentioned the lack of French-language resources or online discussions. Some felt that it would be very difficult to DIY invest if they were not comfortable in English.
- **Which platform:** Most interviewees said they used the first trading platform they considered, often based on recommendations from people they knew or a promotional offer.

“I started through a friend. My friend has probably been investing a few more years than I have. So then we chatted, and he basically showed me the ropes, how {trading platform B} worked, how to deposit money, how to make transactions.”

– Man, 25-34, BC, New DIY

“The stars all lined up right about three years ago and I thought, okay, I’ll take this amount, which isn’t a big amount, it was a tax refund, and I will start with that and see what happens.”

– Woman, 55-64, AB, New DIY

“It’s more difficult in French to get a good result or to find what you’re looking for [than] in English. Also, the fact that more people speak English makes it much easier to find information, explanatory videos.”

– Man, 35-44, QC, Moderate SM
(translated from French)

New DIY: Reasons for DIY Investing

- **Three types of reasons:** When discussing why they preferred DIY investing, the reasons given by interviewees fit into one of three buckets:
 - **Financial:** Some interviewees said they were drawn to DIY investing for higher returns, lower fees, and access to specific investments not always available through advisors.
 - **Instrumental:** Several interviewees said they value the learning experience; flexibility and convenience; as well as the social and community aspects of investing themselves.
 - **Identity:** Many interviewees described DIY investing as a way to feel independent, in control, and responsible for their financial future.
- **Not just financial:** For most interviewees, the instrumental and identity reasons were at least as important, if not more, than the financial ones.
- **Control:** Overall, the preference for direct control and independence was usually the first or most important reason given by interviewees.

"I feel like there is a greater potential or a greater possibility for return, because on an individual level I'm obviously more free or open to take those risks."

– Man, 35-44, BC, Moderate SM

"I think it's also fun just doing the doing it myself, and learning about new ETFs or stocks and, you know, sort of figuring out how much I want to allocate into different types of holdings. So I think part of it is fun and curiosity driven."

– Woman, 25-34, BC, New DIY

"Because I want to be independent generally, within one's life, an individual would want to be independent."

– 18-24, ON, Moderate SM

Additional Trading Platform Features

- **Overall satisfaction:** Most DIY investors were pleased with the features available on their trading platforms. Many interviewees relied on the investment information provided within the app, ranging from specific data (like historical performance) to broader market trends and news articles.
- **Openness to advice tools:** While most were content with existing features, many were open to tools that could offer additional advice or education. However, they emphasized the importance of maintaining full control over their accounts and decision-making.
- **Advanced tools for insight and learning:** When probed on features, interviewees mentioned interest in more informative or customizable visualizations, integrated research, in-app tutorials, or an integrated AI chatbot.
- **Social trading capabilities:** Some interviewees also mentioned social trading features, i.e. the ability to learn directly from or interact with other traders.
- **Mixed Views on Risk, Allocation & Rebalancing Tools:** These tools weren't top of mind for most interviewees, but when asked, some, especially beginners, saw potential value. Most viewed their investments as individual products rather than part of an overall portfolio and many were unfamiliar with the concept of allocation/re-balancing. A smaller number who do re-balance regularly appreciated the idea of doing so directly within their platform.

"I hate the fact that I can't visualize my portfolio [...] like finance sector, energy sector. That would be so nice because I'm a visual person."

– 18-24, ON, High SM

"They need that social element and that community element. I think they're so passé on that, and they're gonna get squashed [...] if they don't add that."

– Woman, 25-34, ON, High SM

"It's more of a nice to have [...] I have a good feeling of my asset allocation and I do have also my own spreadsheets that I use to track myself [...] so I don't particularly need them to have it."

– Man, 25-34, BC, New DIY

Use of Social Media: Learning and Research

- **Common platforms:** Interviewees used a range of social media sites, but YouTube, Reddit, and Instagram stood out as the most common.
- **Education:** Several interviewees said they started by watching YouTube videos to learn basic concepts, such as how to open an account, types of products, or how registered accounts work.
- **News:** Some interviewees used social media to stay updated on financial news, market trends, and economic developments, sometimes as a replacement for traditional news sources.
- **Community:** Most interviewees said they also valued social media for the **sense of community**, and some described it as a source of **motivation** or **inspiration** in their financial journey.
- **Advertisements:** Most interviewees also said they frequently encounter investment related advertisements on social media, most frequently for trading platforms.
- **Caution:** A number of interviewees expressed caution, saying they do not automatically trust much of the content they see and often seek to validate information through multiple sources.

Interviewees viewed different platforms differently when it came to what information they looked for:

- **YouTube:** most often mentioned for long-form educational content, including how-to guides, market analysis, and expert interviews.
- **Reddit and Discord:** seen as a source of real-time discussion and research, with some saying they use these platforms to find new investments.
- **TikTok and Instagram:** used for quick news updates or short-form investing content. Most see these as primarily featuring influencers, with more sponsored content than other platforms.
- **X (Twitter):** cited by a few interviewees as a source of real-time market reactions and opinions from finance professionals, though some expressed distrust.

“[YouTubers] gave me those initial, foundational lingo to learn, so I could go and find information that actually appealed to...and then I could learn on my own time. And of course, I still go to YouTube videos, but I’m looking for very specific knowledge now.”

– Woman, 65-74, AB, High SM

Use of Social Media: Investment Decisions

- **Impulse purchases:** A few interviewees admitted to making impulsive investment decisions based solely on social media recommendations, but this was the exception rather than the norm.
- **Source and validator:** Interviewees described using social media both as a source of potential investment ideas and also to research or validate information before purchasing an investment.
 - **Double-checking:** Many interviewees described using multiple social media sources to cross-check investment information, often mixing different platforms to get a broader perspective.
 - **Cross-validation:** Many also used social media to research or validate investment opportunities they heard about elsewhere, e.g. from friends or in the news.
- **Trust:** A few interviewees said they follow specific influencers or communities that they trust more than general social media trends.
- **Live and learn:** Several interviewees said they have changed their approach over time, becoming more cautious and conducting additional research before making decisions.

"Sometimes I don't [research], I just go straight into it because I'm moved by what the people are saying when I read comments like, 'This is a very good potential stock.' And I just, okay, let me just invest in it."

– Man, 35-44, MB, Moderate SM

"I mainly [use] YouTube for the initial like, you know, to give me ideas, I guess, on like, which ticker symbols to pay attention to and then I would do subsequent research by myself on Reddit, [...] YouTube, and then blogs to see what people say."

– Man, 65-74 , BC, Moderate SM

"Yeah, [I've made investments based on an influencers recommendation] a few times. [...] I've lost a lot of money [...] It's a lot of emotion, you don't look deeply enough and then you invest anyway. You know it's a risk. [...] It's part of the game."

– Man, 35-44, QC, High SM (translated from French)

Use of Social Media: Finfluencers

Investor Perspective

- When initially prompted most interviewees have a negative association with the term “finfluencer”, but many also described closely following one or more investing-focused content creators.
- Influencers are often a source of basic education and how-to, some look to them for product recommendations, and many also feel the content is motivating or inspiring.
- Interviewees described trusting influencers based on their qualifications (e.g., education or certifications), track record, engagement, and the style of their content. Most were skeptical of finfluencer content when it appeared to be mainly promotional or making overly aggressive claims.
- A few interviewees described situations where they followed an influencer’s advice and later regretted it, leading them to approach social media advice more cautiously in the future.

Finfluencer Perspective

- Nearly all the finfluencers interviewed described a key part of their role (or the role of influencers more broadly) as helping DIY investors navigate or learn about the investing world, particularly beginners.
- Many described that they had started with the goal of catering to a particular community they felt was underserved by existing financial content. These included women, young people, new Canadians, and Francophones.
- All of the influencers made at least some money from their content, describing the four main income sources as sponsorships, affiliate links, ad revenue, and products.
- The finfluencers interviewed acknowledged concerns about misinformation from others in the space and felt there should be more oversight of influencers who are breaking the rules.

Use of Social Media: Social Trading Platforms

- **Awareness:** Awareness of social trading platforms was mixed. Some interviewees were aware, others knew some platforms by name but were unfamiliar with the broader category, and many were completely unfamiliar.
- **Skepticism:** Among those familiar with social trading platforms, there was often skepticism. Some simply disliked the idea of copying someone else's trades on principle. Others felt the platforms themselves lacked transparency or did not seem legitimate.
- **Trial:** Several users had tried out one or more social trading platforms, almost always to take advantage of a promotion. Most had not become regular users, with many describing negative experiences with unexpected or hidden fees.
- **Users:** Among the small number of interviewees who were regular users, the main advantages were being able to verify other user's (or influencer's) claims about their portfolios, and the more niche discussions about particular investments than they could find elsewhere on the internet.

"I've seen a lot of ads for {social trading platform A}, I got some sign up offers, etc. And my understanding [it's] very much the gamification of trading, social, etc. and I chose not to engage in that, but I am familiar with it. [...] I don't need a social [platform] to watch someone, [...] to me that would just be a distraction."

– Man, 25-34, BC, High SM

"I just wanted to try out their promotions, because there's a lot of ads about {social trading platform A}. So I just wanted to see like, 'oh, 300 Canadian dollars, is it too good to be true?' So I just got it to try it out."

– Man, 18-24, BC, New DIY

"The market trends and understanding the hype about something [is the most helpful]. So for example, if there is a hype about Tesla, and if you go on {social trading platform C}, I mean, you can find it on Reddit as well, but {social trading platform C} is more easy to use and it's just focused towards investing and buying stocks and selling stocks."

– Man, 25-34, ON, New DIY

Overall Themes: Social connections and community

Across several topics, the importance of social connections and community to DIY investors was a recurring theme:

- Many interviewees described their early investing experiences as being shaped by family, friends, or colleagues who encouraged them, recommended platforms, or provided guidance.
- Several interviewees said that even as they became more experienced, they continued to discuss investing with peers, either in-person or through online communities.
- Many interviewees described social media as an important tool for connecting with other investors, whether by exchanging ideas, validating decisions, or simply feeling like part of an investing community. Finfluencer interviewees also stressed the importance of building a community in their relationship with their audience.
- Several interviewees said they enjoy the social aspects of investing as much as the financial aspects, making it a key motivator for staying engaged.

"I have a community of friends that would talk about investment, and I got interested. I thought I should try my hands on a few stocks. And that's how I started."

– Man, 35-44, MB, Moderate SM

"I will share with my friends [...] most of them are also on the online [chat] groups, too. So you're kind of, you're all online, and then some of you are also chatting in real life."

– Man, 24-34, QC, Moderate SM

"I feel like a community when I participate in social media discussions about investing. We are learning together, investing together, and it's fun."

– Woman, 65-74, AB, High SM

Overall Themes: The pros and cons of social media

When it comes to social media's role in their investing life, interviewees were generally clear that there were both positives and negatives to consider.

- Overall, interviewees were positive about social media as a source of financial education, real-time information, community, and motivation.
- However, a number of interviewees expressed skepticism about social media content, saying they have learned to be cautious and verify information before making decisions.
- Some interviewees described situations where they or others they knew had made poor investment decisions based on social media hype or an influencer's recommendation.
- The finfluencers interviewed also acknowledged the risk of misinformation and said they encourage their followers to be critical of financial content.

"I like TikTok for the news. Definitely that's problematic if I'm only using that for the news, so I know it's bad. But it definitely keeps [me informed] having good TikTokers who talk about the news."

–18-24, ON, Moderate SM

"I like Instagram because you can see the comments and whether people think something is a scam. Reddit also has good discussions, but you see a lot of the same copy-pasted answers, which makes me suspicious."

– Woman, 35-44, AB, New DIY

"I'm on a couple of Facebook groups too. I talk to some people to get advice, but I've noticed there's a lot of scammers on there. So, it's very misleading."

– Woman, 35-44, AB, New DIY

"You have to be careful because a lot of influencers are just promoting things they're paid to promote."

– Man, 45-54, QC, Moderate SM

Overall Themes: Trust is selective

Investors and influencers stressed the selective nature of trust on social media.

- Interviewees described in detail that what they trust on social media varies by the platform, the source, and the style of the content.
- While some interviewees said they regularly follow financial influencers, others said they had become more selective over time, only trusting a few specific sources.
- Several interviewees described ways they validate social media information, such as checking multiple sources or discussing investments with friends or family they trust.
- Most interviewees said they appreciate influencers who are transparent about their personal investing experiences and focus on more educational content.
- Finfluencers strongly emphasized the importance of maintaining their audience's trust by being transparent about sponsorships and careful about the information they share.

"TikTok is okay for surface-level information, but I wouldn't make an investment just from watching a TikTok."

– Man, 18-24, BC, New DIY

"I find that a lot of people on Reddit talk about their investments openly. I use it to see what people are saying, but I always double-check the information before making a decision."

– Man, 35-44, AB, High SM

"I think influencers can be helpful if they provide solid analysis rather than just promoting trends. Some YouTubers actually do deep dives into company fundamentals, which I find useful."

– Man, 25-34, BC, High SM

"That is my biggest fear, losing the trust with my audience, because it's so important as a creator."

– Finfluencer

Emerging Trends

The interviews also revealed some emerging trends, including:

- **Role of AI:** Both investors and finfluencers were excited about the potential of AI, and some interviewees in both groups described how it had become an important part of their research process.
- **Social trading:** Although the use of social trading platforms was still rare, several investors and finfluencers described their increasing presence in the investing landscape, with many platforms aggressively advertising to potential new users.
- **Private messaging apps:** While many use traditional social media first and foremost, several interviewees – especially younger investors – described the key role of private messaging platforms like WhatsApp and Discord in their investing life.
- **Crypto-currency:** Although most interviewees also had traditional securities, crypto-currency was also a major part of many investor's portfolios. For some it had been their introduction to investing.

"I've been using it [ChatGPT] for cryptocurrency as well. I can ask him that [...] gives me a breakdown of this coin. Tell me the background. What are the projects are they working on? What are they intending to solve? This coin just came out, what is the target?"

– Man, 35-44, ON, High SM

"You know, there's so many new [platforms] popping up in Canada, like {social trading platform B} or some crap like that."

– Finfluencer

"There are 50 plus [product recommendations] in my WhatsApp groups. I always keep an eye on them, because I know these people are doing their research. And plus, I do my research too."

– Man, 25-34, QC, Moderate SM

Getting Started with DIY Investing

Getting Started with DIY Investing

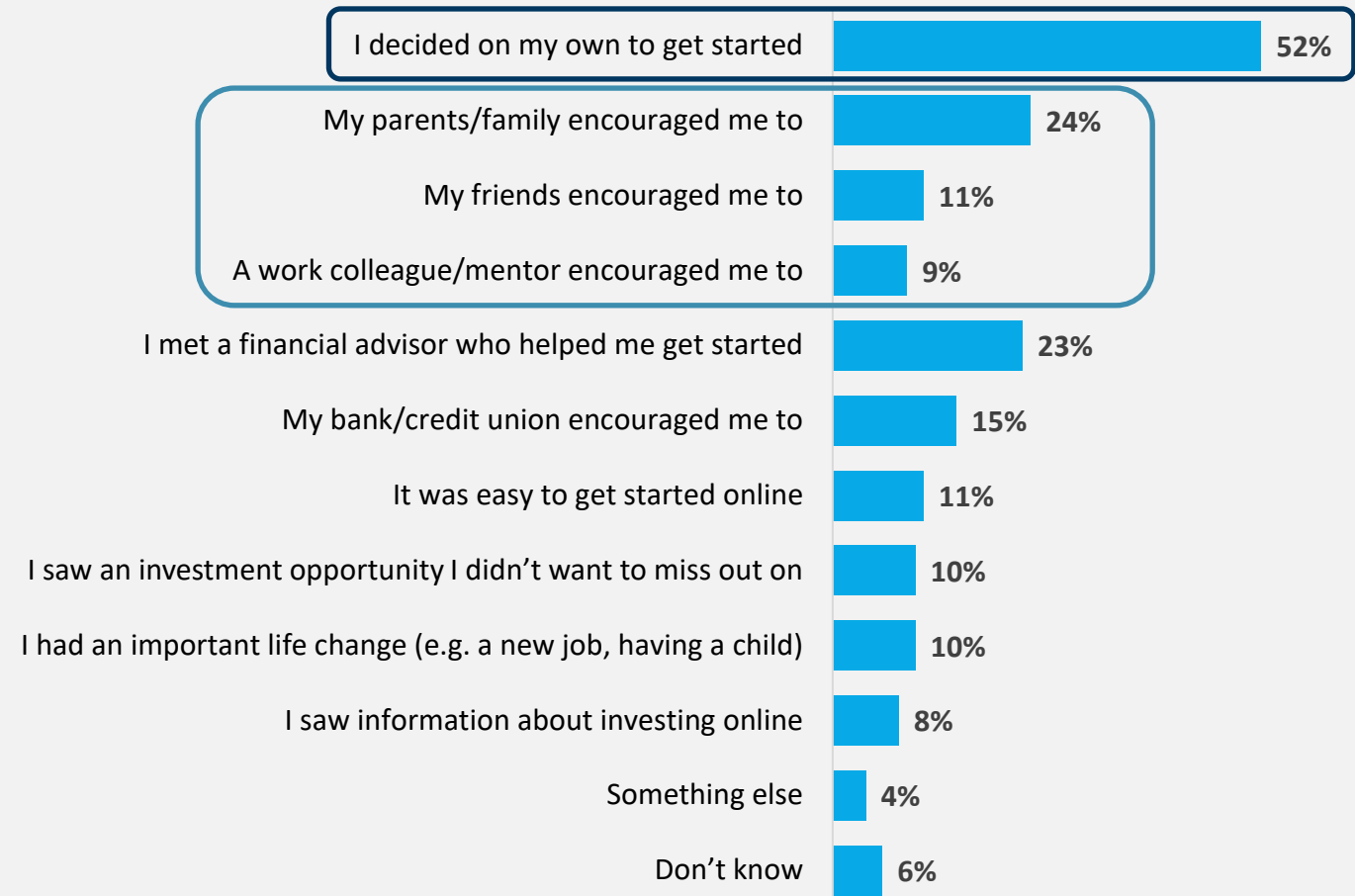
Process of Starting

Getting started with DIY: Past research

In the review of past research, we found that:

- Catalyst:** Investors are typically self-motivated to start investing, but external parties, like family, friends, and colleagues can also be influential (BCSC, 2022).
 - In particular, investors who get started because a friend or colleague encouraged it or through online information are more likely to be DIY investors (BCSC, 2022).
- New DIY Investors:** 4-in-10 DIY investors opened their DIY investment account within the past 3 years. The majority of these DIYers are between 18-34 years old (61%) and have less than \$10,000 in investable assets (70%) (CIRO,2024).

Key Factors Influencing the Decision to Start Investing (all investors)



Which of the following factors were the MOST important in leading you to first start investing? *Please select up to 3.*
[multiple mention; n=1,590]

BCSC, *Evolving Investors (2022)*

The role of family and friends

For most interviewees, family and friends played a very important role in encouraging or helping them get started with DIY investing.

- Although most of the investors we spoke with valued independence, many got started with the help of a trusted and experienced member of their social circle.
- These people included parents, siblings, friends, and colleagues.
- They were often recommended an app to use, shown how to use it, and sometimes were even advised to make specific investments.

"I started through a friend. My friend has probably been investing a few more years than I have. So then we chatted, and he basically showed me the ropes, how {trading platform B} worked, how to deposit money, how to make transactions."

– Man, 25-34, BC, New DIY

"One of my friend recommended me one of the stocks, I don't remember the name, but he recommended me, and he told me that I can buy it through {trading platform A}. And that was the first time I opened an account with {trading platform A}."

– Man, 25-34, ON, New DIY

"I'm not doing a finance degree, I don't know that much about finances, but I was lucky enough to have my dad who taught himself how to invest once he immigrated here to Canada, and that's something he's tried to instill in me and my sister. [...] My dad [helps] in terms of what you want to look for when you're selecting an ETF, for example."

– Woman, 25-34, SK, High SM

"It started [when] my husband came home with a hot tip [from his colleague]. So we looked at an advisor, and back then it was a complicated process to get into. So we just went with {trading platform C}, which wasn't called {trading platform C} then, and we opened our own investment, and took it from there. So that's how it started."

– Woman, 55-64, ON, Moderate SM

Life events as a catalyst for new DIYers

For new DIY interviewees, life events were another common trigger for starting to DIY invest – often in conjunction with advice from family, friends or coworkers.

- Some New DIY interviewees cited the time at home during **covid-related lockdowns** as their chance to learn and get started with DIY investing.
- A few interviewees were **recent graduates**, who came into more disposable income as they **entered the job market** and sought out information on how to invest. DIY investing was particularly appealing for this group due to peer influence, social media, and low fees.
- Other major life events, including **turning 18, divorce, or having children**; influenced certain interviewees to start investing.

"I started having more cash, that was around when I graduated university. So prior to that, in my life, I didn't have enough or a substantial enough money because when you're in school, you don't have that much extra money that you're earning, [...] it's after I started having a job. And I guess COVID also kind of jump started that. We were all home [...] so then figured I'd do something productive."

– Man, 25-34, BC, New DIY

"[I was working with a woman] who had worked at the {bank B} all her life. We chatted all day and she said to me, 'Oh my god, you just had a child and you don't have an RESP', she told me 'you don't have a will.' [...] that's when I realized, oh god, what do I have to do? [...] I got myself an independent advisor. However, when I saw that banks take a percentage, I told myself [...] I will play around with {trading platform A}."

– Woman, 35-44, QC, New DIY
(translated from French)

"We were in lock-down [...] And it became a little bit more like, 'Okay, what am I going to do now?' So I started the investing [...] The first thing that I found was this good dollar thing that was, you know, you get the crypto without having to buy it, right? So I said, well, let me try this. Let's see if this thing grow. [...] That's where I started with the crypto."

– Man, 55-64, ON, New DIY

"It must have been six years, yeah, after my separation [...] I told myself ok I'm going to work harder, I'm going to do 60 hours a week [...] But taking a step back I realized that I'm working my ass off for a return that wasn't that high. There was something wrong with the mechanics, I was going to have to get my hands dirty."

– Man, 35-44, QC, New DIY
(translated from French)

Online sources provide the 'How-To'

Many interviewees identified the steep learning curve as the biggest challenge when getting started. Aside from other DIY investors in their life, they used a diverse range of online sources to learn about how to invest.

- Social media played an important role in learning about investment for many interviewees, especially YouTube where they use tutorial-style videos and investment-related content on topics ranging from basic investment principles to specific products.
- Blogs were another commonly mentioned source of basic how-to type information.
- A few interviewees also used the in-app features from their investment platform, such as educational content, robo-advisory services, and paper trading (simulated trading), to ease into investing.
- Some thought the best way to get started was by simply jumping straight into investing with a small amount of money. They learned as they went, slowly adding more funds as they got more confident.

"I have a community of friends that would talk about investment, and I got interested. I thought I should try my hands on a few stocks. And that's how I started. Did some YouTube learning, did some personal research myself, and sometimes I tuned into Bloomberg on TV."

– Man, 35-44, MB, Moderate SM

"[Bank C] is the bank that I'm doing the investing with, so [...] they have a practice account, right? And I started with [it] and then I developed it into a real account."

– Man, 55-64, ON, New DIY

"The stars all lined up right about three years ago and I thought, okay, I'll take this amount, which isn't a big amount, it was a tax refund, and I will start with that and see what happens."

– Woman, 55-64, AB, New DIY

Finfluencer Perspective: Helping investors get started

The financial influencers we spoke with highlighted that they serve as an entry point for DIY investors to get started or learn the fundamentals of investing. 

- The finfluencers recognized that they were an entry point for investors. People use their content to learn how to start, where to invest, what platform to use, learn about registered accounts (e.g., what's an RRSP, TFSA?), how to pay less in taxes.
- Most of the content creators catered even more to beginners when they first started but described how their content has grown and evolved along with their audience.

"I would say that content creators play a very large role [...] especially for younger people."

– Finfluencer

"And I was like, man, nobody knows how to do this stuff. Nobody knows what a TFSA is, or how to build a budget properly, or, you know, what is the best credit card for students? Like, just simple, basic questions. And nobody knew. And so I was like, Man, why don't I just combine my two interests here, finance and content creation and start making some videos."

– Finfluencer

"It was predominantly like beginners, young beginners, especially in my 20s, because that's kind of they were kind of my peers. So I want to be able to be that kind of expert for people who were in my kind of age bracket. Now, because my demo is a little bit older still, I would say some of them are beginners, but I wouldn't say that's who I [still] cater to."

– Finfluencer

Cryptocurrency as an entry point

For some interviewees, crypto served as their entry into DIY investing. Many were drawn by the perception of high potential returns, opting to buy low-cost or well-known coins. One mentioned that online casino games introduced them to crypto. Several who started with crypto later explored other investments, though one found the transition challenging.

- Some interviewees began their crypto journeys by investing in low-cost coins they believed had strong growth potential, while others opted to start with Bitcoin, viewing it as the most established and widely recognized cryptocurrency. Many were motivated by the potential for large returns from cryptocurrencies when they first began.
- One interviewee shared that they were first introduced to cryptocurrency through online casino games, which required crypto for participation. This led them to create a crypto wallet and begin purchasing Bitcoin and Ethereum.
- Many who started with crypto later moved into stocks, though one interviewee found the shift difficult due to differences in how much information was available.

“After my research I saw that [cryptocurrency] could be an interesting investment and that’s when I said to myself that I was going to open an account to try it myself.”

– Man, 25-34, QC, New DIY (translated from French)

“I do a little bit of gambling as well. So online casinos and stuff. But, that’s how I got into crypto currency actually.”

– Man, 25-34, AB, New DIY

“I also did dabble in crypto currencies [...] and then I’ve been looking into more direct investing, like, through {trading platform A} [...] where I can actually go into the weeds. But there’s a lot of weeds! And it’s very daunting, so I haven’t got into that part yet, but it’s something I’ve been looking into [...] It’s mostly you get into that information barrier.”

– Man, 35-44, AB, High SM

Learning curve can be challenging for Francophones

Most francophone interviewees noted that self-directed education could be especially challenging for them when most content is only available in English.

- Most francophone interviewees remarked on the lack of sufficient French-language information. They noted that it would be very difficult to start DIY investing if you only understood French.
- Some suggested that if someone were to rely solely on this type of information, and *only* understood French, they should take a more conservative approach to DIY investing.
- As a result, the francophone interviewees we spoke with who *were* comfortable in English consumed nearly all of their investing content in English.

“Speaking English [...] to someone on the side of the road is not the same as talking about a very specific subject like money. [...] There is specialized vocabulary, and you are playing with money, if you don't understand what you are doing, and what you are ready to do, it can be dangerous. So, if in French already you don't understand the concept and then you go through the platform in English, it gets complicated.”

– Woman, 35-44, QC, New DIY (translated from French)

“It's more difficult in French to get a good result or to find what you're looking for in English. Also, the fact that more people speak English makes it much easier to find information, explanatory videos, and such [in English].”

– Man, 35-44, QC, Moderate SM (translated from French)

The French finfluencer we spoke with found it very challenging to find quality content in French about DIY investing. They noted that bank information and even Canadian company websites were often unavailable in French or released much later than their English counterparts.



“I'd say that there isn't enough information for investors in French. [...] There's not all the information that should be available. Even when banks make videos, most of the time they don't do them in French. [...] [or] the French comes much later. [...] Even for Canadian companies [...] some don't even have sites in French even though it should be compulsory.”

– Finfluencer (translated from French)

Most selected the first platform they considered

Interviewees chose their platform based on a recommendation from their investing peers or because the application offered a sign-up bonus, was beginner-friendly, or specialized in specific investments. Regardless of reason, most interviewees went with the first platform they considered.

- Many interviewees were recommended a platform to use by their friends or family.
- Nearly all chose the first platform they considered, doing little or no research into alternatives. They accepted a peer's suggestion, joined through a promotion or with a sign-up bonus, or simply opted for what they thought of as the most popular or most reputable choice.
- Some selected their platform with a specific investment in mind (e.g., a specific stock or the ability to trade crypto).
- Most interviewees saw newer platforms as very user friendly. Some, especially the bank affiliated ones, were seen as more complex or dated.

"After my friends told me, and then I research it in Google, then I realized that it is legit, and that's the time that I started putting money on it. [...] if it's not for them, I [wouldn't] know about this app."

– Man, 25-34, AB, High SM

"If you open an account, made a deposit and bought a share, they'll sort of gift you a random share or something. And I think they said could be up to, like, a share of like Google or Amazon. So it was like, it was enticing. [...] you know, hey, like, low risk, you know, try \$20 see how it went."


– Man, 35-44, ON, New DIY

"One of my friend recommended one of the stocks ... and he told me that I can buy it through {trading platform A}. And that was the first time I opened an account with {trading platform A}. I do watch a lot of YouTube videos where they promote different platforms [...] but I haven't really explored [alternatives]."

– Woman, 25-34, ON, New DIY

"I've tried the traditional bank one {bank A} [...] but then at the end I settle back on {trading platform A} because fee wise, they have the lowest fee. [...] Their app is [also] very hard to use on my phone. It's more technologically outdated."

– Man, 25-34, BC, High SM

 According to research conducted by CSA (2024) New DIY investors (less than 2 years) are less likely to know the registration status of their trading platform (51% vs. 60% of those investing for 3-10 years & 71% of those investing for more than 10 years).

Getting Started with DIY Investing

Why Are DIYers Starting?

Why DIY: Past research

In the review of past research, we found that:

- **Primary motive:** Across a number of studies, the primary motivations for investors to start DIY investing was consistently more control, with lower fees being a common second consideration (CIRO, 2024; BCSC, 2024; FAIR, 2024).
- **Risk appetite:** Generally, self-directed investors are interested in taking on more risk than other types of investors (CIRO, 2024). This is especially the case for hybrid investors compared to DIY-only, as they are more willing to take on a 'great deal' or 'quite a lot' of risk when investing (29% vs. 23%; FAIR, 2024). Those who DIY invest with their secondary accounts see this form of investing as something to be enjoyed and as an opportunity to make riskier investments (OSC, 2021).

What we know about why investors chose DIY (cont.)

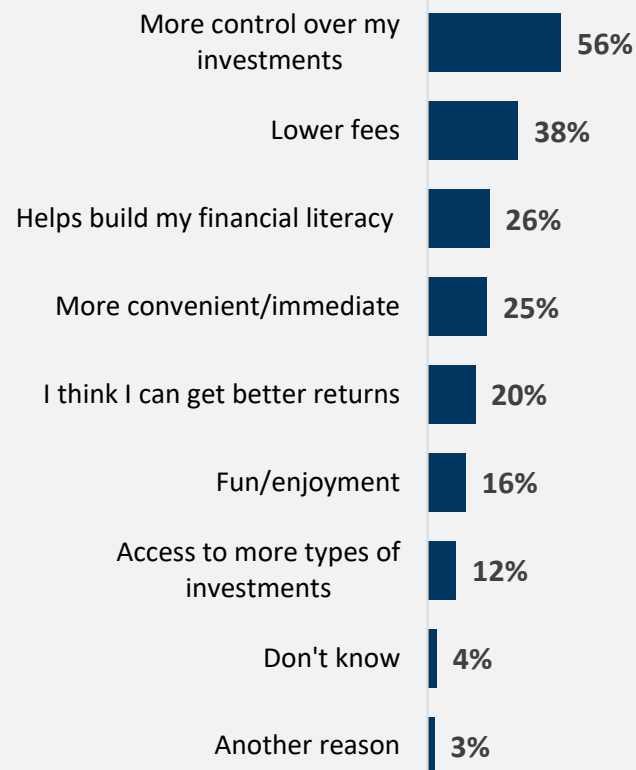
Top Motivations for Opening a DIY Investing Account



What are the main reasons you chose to open a DIY investing account?
[Asked of all DIY investors, multiple mention; n=768]

CIRO, 2024 Investor Survey (2024)

Top Motivations for Choosing to DIY Invest Rather than use an Advisor



Which of the following is the [most + second most] important reason that you choose to manage some or all of your investments yourself instead of working with an advisor? [multiple mention; n=1,500]

BCSC, DIY Investing National Survey Report (2024)

Top Motivations for Choosing to DIY Invest Rather than use an Advisor



Why do you not invest through an advisor?
[Those who don't use an advisor, multiple mention; n=1,513]

OSC, Self-Directed Investors: Insights and Experiences (2021)

Personal control as a primary driver

Consistent with existing survey research, personal control was the most frequently mentioned motivation among interviewees for choosing DIY investing.

- Most interviewees felt that taking control of their own investments left them feeling more independent and in charge of their own investing decisions, without having to rely on someone else.
- Control means different things to different people. For a few it means they believe they can achieve better **financial** returns by doing it themselves, but for more interviewees it is about their **identity** as someone who is independent and not reliant on help from others.

"[I am DIY investing] because I want to be independent generally. Within one's life, an individual would want to be independent. [...] [and] feelings of control and security because you can purchase it yourself."

– 18-24, ON, Moderate SM

"I think it's mainly the fact that I can do whatever I want with [DIY investing] that's really so appealing to me."

– Man, 18-24, BC, New DIY

"I have complete control over my financial future and I love that."

– Man, 45-54, QC, Moderate SM
(translated from French)

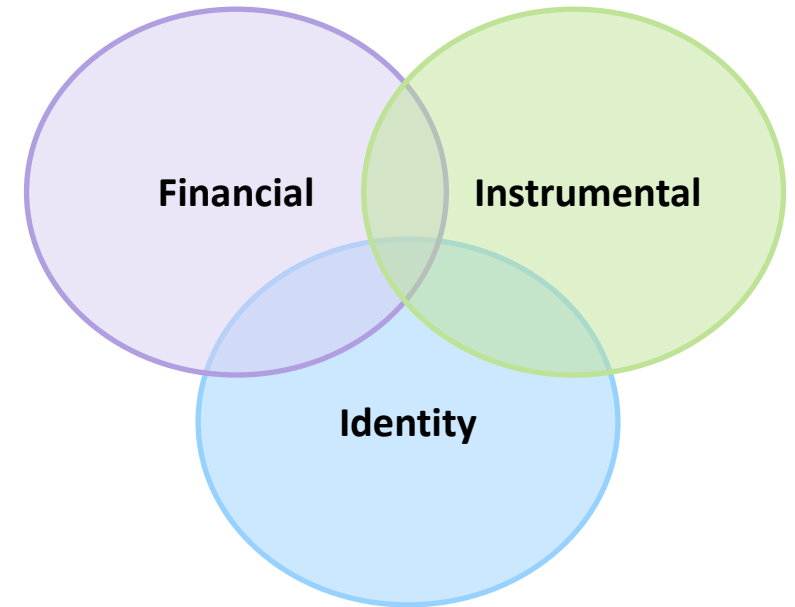
"I feel like I have to be responsible or accountable for my own money rather than blaming someone else."

– Woman, 25-34, ON, Moderate SM

Key motivations for DIY investing

Based on interview findings, motivations for DIY investing tended to fall into one of three interconnected buckets: financial, instrumental, or identity.

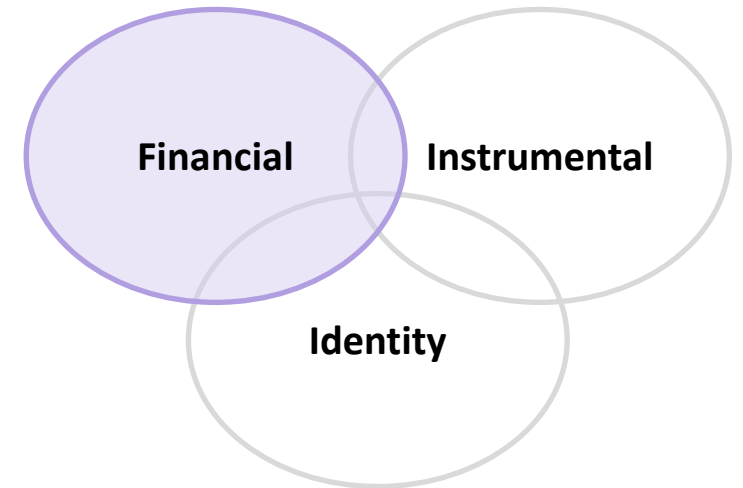
- **Financial:** Many interviewees believe that by DIY investing they can achieve higher returns than they would with an advisor, pay lower fees, or purchase specific investment products they are interested in that are not available from an advisor.
- **Instrumental:** Many interviewees identified several non-financial benefits of DIY investing, such as building financial literacy, convenience and ease of use, connection with friends/family, and having fun.
- **Identity:** Nearly all interviewees want to feel like someone who takes personal responsibility for their finances, is independent, and/or can feel fully responsible for their successes and failures.



Financial motivations

Many interviewees believe that by DIY investing they can achieve similar or higher returns than they would with an advisor – at a lower cost.

- Some interviewees believed that DIY investing on their own could yield higher returns or allows them to take bigger risks than working with an advisor who may be more conservative.
- Low fees were rarely the primary reason an interviewee cited, but were still mentioned frequently – especially by interviewees with smaller portfolios.
- Some interviewees also felt that they had access to more financial products on DIY platforms such as options trading, crypto trading, specific stocks, and the ability to access fractional shares.
- A few interviewees also liked that DIY investing provides instant access to their funds in cases of emergency, rather than waiting on their advisor.



“I think the biggest appeal is probably the lowest fees I can get. Especially because the advisor would take an annual fee regardless of how the portfolio does. So that never really appealed to me much. I’m okay with market returns.”

– Man, 25-34, BC, New DIY

“With the DIY investments, I feel like there is a greater potential or a greater possibility for return, because on an individual level, I’m obviously more free or open to take those risks, whereas maybe an advisor might be a little more cautious about the investment.”

– Man, 35-44, BC, Moderate SM

“I found that when you’re working with financial advisors, they tend to sell only products that in [are in] their domain. For example, if you work with {bank A} advisor, he will recommend mostly {bank A} mutual funds. But whereas when you do it yourself and on a platform that is more open, you can easily diversify to other companies and other ETFs or other mutual funds.”

– Man, 35-44, ON, High SM

Instrumental motivations

In addition to financial motivations, interviewees also saw non-financial benefits to DIY investing.

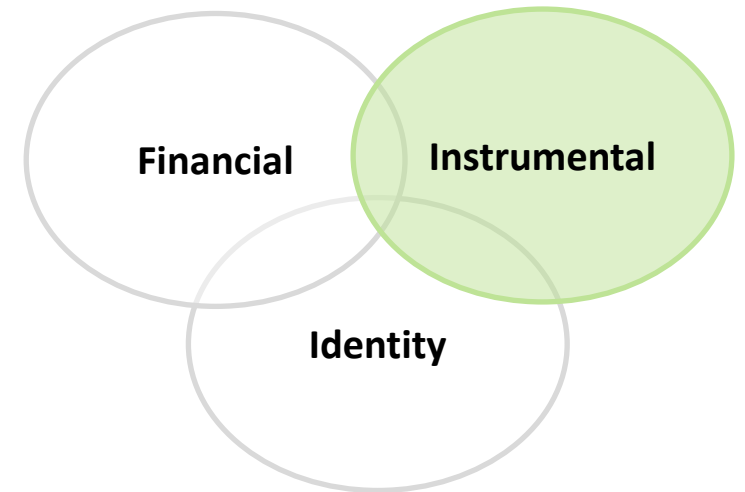
- A large motivation for many interviewees was the pursuit of knowledge and continuous learning which kept them motivated to continue investing on their own. Many also enjoyed investing and found the process itself fun.
- Several interviewees enjoy the flexibility of DIY investing. A few mentioned they like to quickly respond to market activity or online information, buying or selling immediately.
- Several interviewees also liked the social aspect of DIY investing, they enjoyed discussing their investments with their peers online and offline.
- For some, DIY investing also gave them more direct insight into the investing process and they liked that they could see the impact of their decisions on their portfolio at any time, whereas these interviewees perceived a lack of transparency with advisors.

"I think it's also fun just doing it myself, and learning about new ETFs or stocks and, you know, sort of figuring out how much I want to allocate into different types of holdings. So I think part of it is fun and curiosity driven."

– Woman, 25-34, BC, New DIY

"I think the level of detail [available when DIY investing] is a lot more than a managed one. So that's why I appreciate it more, because [there's] a lot more details and transparency of what's going on from beginning to end."

– Woman, 25-34, ON, Moderate SM



"It's interesting for the fact that it is me learning about it. One thing is going to a financial advisor and they're telling you to do this and that. Another thing is exploring by yourself and learning. I find that more fulfilling because I am learning about it, I am not just listening. [...] So, it's the learning phase in itself that helps me to continue by myself."

– Man, 55-64, ON, New DIY

Identity as a motivation

Being an investor is an identity in and of itself, it gives the interviewees a strong sense of confidence and personal satisfaction. They want to feel like someone who takes responsibility for their investments and DIY investing allows them to do so.

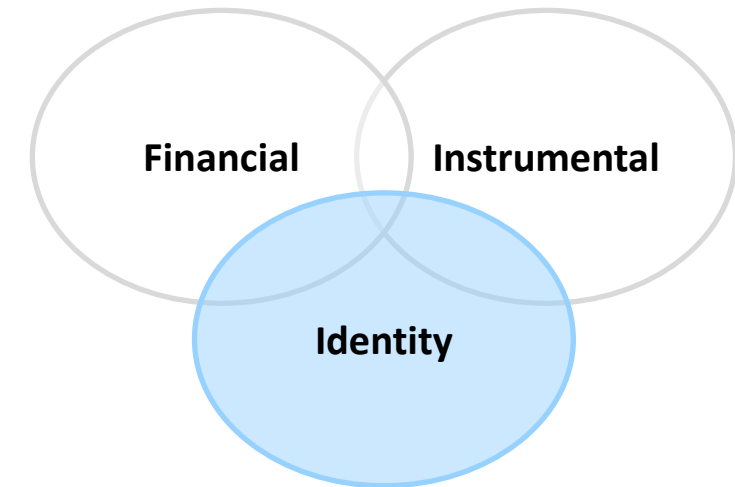
- Many interviewees found that DIY investing gave them confidence and a sense of financial independence; they see themselves as someone who doesn't have to rely on an advisor or financial institution.
- Some interviewees also liked that they could take responsibility for the success and failure of their investments. There was satisfaction in doing well and they felt a greater sense of control over failures as they felt it was something that can be overcome with more education.

"I think it's less anxiety provoking, because you have a better education around it. So I would just say there's a number of benefits, mainly because I just feel like I'm more in control of my money because I know what I'm investing in. I'm the one making decisions."

– Woman, 25-34, SK, High SM

"What interests me [is] self-management. [...] I am learning and evolving with my investments, which means that if it increases or decreases, it is based on my knowledge. I am not putting the role on only one person."

– Man, 35-44, QC, High SM (translated from French)



"Because I want to be independent generally, within one's life, an individual would want to be independent."

– 18-24, ON, Moderate SM

DIY investing experience

DIY investing experience

How Does it Compare with Advisors?

Advised vs. DIY investing: Past research

In the review of past research:

- **Hybrid investors:** Studies show that many DIY investors also work with an advisor. In one study, 54% of DIY investors were classified as hybrid investors (FAIR, 2024). In the Investor Survey by the Canadian Investment Regulatory Organization (2024) of the 54% of participants identified as investors 13% were both advised and DIY investors.
- **Primary account:** According to the Self-directed Investor Survey (2021) by OSC, the majority of DIY investors (74%) say that their “primary account” is self-directed, while 1-in-4 say it is a secondary account.
- **Advisor value:** Among DIY investors that work with advisors, one important value of the advisor is the additional advice they provide. Among investors with an advisor nearly 3-in-4 (73%) have received advice on non-investment financial matters such as financial planning and taxes (CIRO, 2024).
- **Criticism of advisors:** On the other hand, investors without advisors tend to be more critical of the value of advice advisors can offer, especially when factoring in the cost (BCSC, 2024; FAIR, 2024).

The advantages of an advisor

For some DIY investors who also have an advisor, the advisor is an expert in investing and is perceived as more knowledgeable than themselves.

- Some interviewees value the expertise and knowledge of their advisor and acknowledge that it comes at a steeper cost. For these investors, it is worth maintaining a mix of DIY and advised management for their investments.
- One investor mentioned that they do not seek advice from their advisor for their DIY account as they are embarrassed about their performance in the market compared to their advisor.

"I'll leave the bulk of [my money] with them, just because I'm very impressed with how they've managed it, and I don't think I would ever match them, because they have a team at a broker like doing this stuff for me."

– Man, 25-34, AB, New DIY

"I built an emergency fund and then [my advisor] wanted to increase it. She advised me to merge it with a TFSA that I had that I was putting aside for something else. It wasn't stupid. [She also] talked to me about my taxes. She is more knowledgeable about saving and [how to have] a bigger return on my taxes. She actually suggested that I put money from my TFSA into my RRSP."

– Woman, 35-44, QC, New DIY (translated from French)

The advantage of advisors (cont.)

Advisors are also seen by some interviewees as someone who provides safe and reliable growth for their investments.

- Some even viewed advisor-managed accounts as their ‘safety nets’. By DIY investing and having advised managed accounts, they spread their risk and may make riskier investments with their DIY accounts.
- This perception of safety, security and steady reliable growth is also why a few interviewees said they plan to transition to an advisor once they have more funds. In the meantime, they felt the cost is too high and is a barrier for those with smaller portfolios.
- Those who discussed working with an advisor once their funds grew larger expressed a preference for keeping a portion of their investments self-directed in order to maintain control.
- Many interviewees use advisors for specific accounts for example some keep their TFSA and non-registered accounts self-directed, but RRSPs with an advisor.



31% of DIY-Only investors would like access to an investment advisor, this is especially the case among younger investors (56%), 18-34 year-olds (FAIR, 2024).

“When it's a small amount of money, it's fine, you can do it yourself. But when it grows, or when you have more money, you need a person who has the expertise to guide you where you can put [it] so that you really get a bang for your buck. I am lately thinking to connect with a financial advisor to understand how I can grow my money or where should I put my money so that I am able to achieve my goals, long term and short term.”

– Man, 25-34, ON, New DIY

“To me, it feels less risky giving it to an advisor, because I know that they have the long track record. And given the evidence I see what they've done with the money, I know that this is a sure fire thing. This will grow in the long term. Whereas, if I do DIY investing, especially if you're brand new, you don't have that tracker. [...] You don't have that finance degree to know what decisions to make, and you do have that risk to lose all the money that you put in.”

– Man, 25-34, AB, New DIY

“I hold TFSA self-directed [...] also a non-registered account. All are self-directed, but I also hold some that are managed by a bank as well [...] I currently hold TFSA and RRSP with an advisor. “

– Woman, 25-34, ON, SM Moderate

The downsides of an advisor

For other interviewees, working with an advisor was not worth the extra expense due to a perceived lack of specialized knowledge, limited product availability, or lack of responsiveness.

- Some interviewees had an advisor but transitioned to DIY investing exclusively. They found that the fees were too high, and they could get the same products at a much lower cost if they did it on their own.
- Many complained about the lag time for seeing and getting responses from their advisor. They could respond much quicker to market fluctuations and new products by DIY investing. They also liked that they could explore a larger variety of investment products and opportunities, that an advisor might not necessarily recommend.
- A few were also skeptical of an advisor's motives. They believed that advisors have other interests in mind, like the bank's or their own, rather than working for the investor.

"[My bank] did communicate if I want to go in and talk [to an advisor]. But see that's the whole thing, it's one thing if it's me reaching out. When they start reaching out, I'm scared. They want to sell you this now."

– Man, 55-64, ON, New DIY

"I like the freedom to make decisions very rapidly. I don't like how if I had an advisor, I need to phone them up, and sometimes they may not be available to complete a trade for me."

– Man, 25-34, BC, New DIY

! 56% of DIY-only investors feel that investment advisors are not focused on their client's interests and are more focused on their own, especially among men (FAIR, 2024).

"If you look at the money that big banks make off of charging for a checking account or for their mutual funds, etc., versus understanding that if I [took] their mutual funds and place them up against like a Vanguard ETF that's charging .07 basis points or something like that, they're identical. [...] It's almost insulting to think to do it another way."

– Man, 25-34, BC, High SM

"If I want to change my investment or put my cryptocurrencies in rather risky stocks, [DIY investing] will allow me to do so without having to ask someone to do it."

– Man, 25-34, QC, New DIY
(translated from French)

DIY investing experience

Process of Investing

Process of investing: Past research

In the review of past research:

- **Products:** The most common investment products among DIY investors tend to be publicly traded stocks, mutual funds, and ETFs (CIRO, 2024; FAIR, 2024; OSC, 2021), however, cryptocurrency is more common among those with less than \$10,000 in investable assets (CIRO, 2024) and more common among younger investors (FAIR, 2024).
- **Account types:** Like other investors, DIY investors are most likely to have TFSAs and RRSPs and are less likely to have non-registered investments. However, compared to investors with advisors, DIY-only investors are less likely to have RRSPs (46%, compared to over 60% in other groups; including hybrid DIY and advised investors; CIRO, 2024).
- **Placing trades:** Most DIY trades are placed on a website (44%) or using a mobile application (42%), with younger people more likely to use a mobile application, and older, websites (CIRO, 2024).
- **Decision making:** When making investment decisions, DIY investors say they look most often at current price and past performance to inform their investment decision (CIRO, 2024).
- **Information sources:** While banks, advisors, and social media are key sources of financial information for DIY investors, DIY-only investors (with no advisor) are much less likely to mention information from banks and advisors (CIRO, 2024; BCSC, 2024) and more likely to rely on online media reports/stories or corporate financial reports (FAIR, 2024).

Process of investing: Past research (cont.)

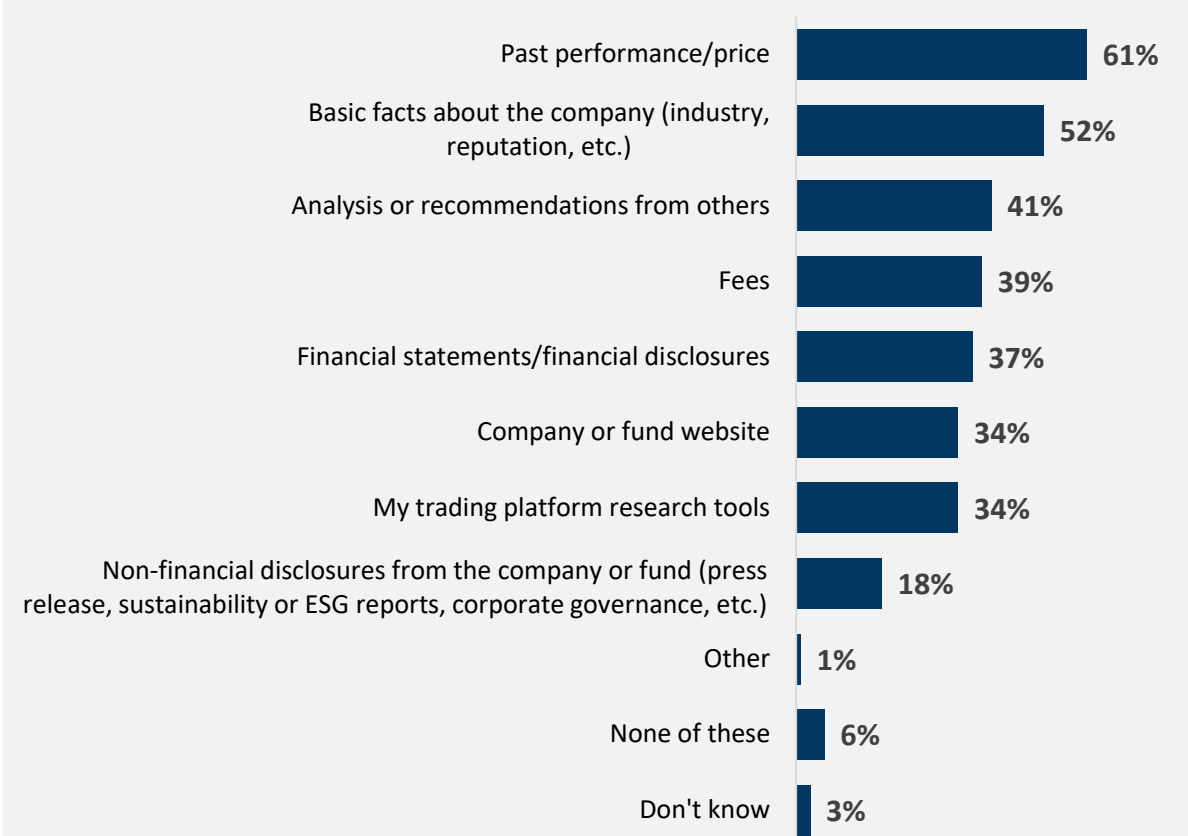
Types of Information that Inform Investment Decisions



What information do you usually review or consider when making an investment decision?
[Asked of all DIY investors, multiple mention; n=768]

CIRO, 2024 Investor Survey (2024)

Types of Information that Inform Investment Decisions



Typically, when you are researching an investment opportunity, do you use any of the following to help you make your decision? Please select all that apply. [Asked of all DIY investors, multiple mention; n=1,500]

BCSC, DIY Investing National Survey Report (2024)

What DIYers buy and their investment 'strategy'

Consistent with past research, most interviewees were investing in registered accounts (i.e., TFSA, RRSP) and were investing in publicly traded stocks or ETFs, aiming for long-term growth.

- The most common investments were ETFs and publicly traded stocks. There were also several interviewees who bought and sold cryptocurrency.
- Most of the interviewees we spoke with did not appear to have overall investment strategies. Instead, they focused on the perceived value of each individual investment. Most planned to hold their investments long-term.
- Most interviewees were buying and making contributions as funds became available, rather than making set contributions on a regular basis.
- About half of the interviewees also had investments with an advisor, and several felt that their advised accounts were performing better than their DIY investments.
- A small number of interviewees were more active traders, holding short-term positions, day trading, options trading, or engaging in speculative crypto-currency investments.

! DIY-only investors (52%) are more likely to buy and hold compared to 39% of hybrid investors (FAIR, 2024).

"I will say the advisor is doing far better than the [investments] I'm doing on my own. [...] They know what's out there because that's their job. They're going to latch on to things I don't even know exist. [...] I have to do it all myself."

– Woman, 55-64, ON, Moderate SM

"It's quite a hands-off portfolio. So most of the stuff I buy, I just buy, and I never really sell or check up on too often."

– Man, 25-34, BC, New DIY

"I don't hold stocks for long term. I do it in short periods. I'm not a long runner. I just wait for like a week or maximum one month."

– Man, 25-34, QC, Moderate SM

Most DIY investors dedicate a substantial amount of time

Many interviewees spent several hours per week researching and absorbing investment information, sometimes actively and other times passively, as it comes across their social feeds.


- Most interviewees were not making trades regularly, but did consume information on a daily basis.
- Interviewees identified that they receive substantial amounts of investing information passively on their social media feeds or in the news.
- Many also spend time actively researching new investments and seeking out financial content, videos, or educational materials.

“When it comes to research, I put at least one to two hours a week. When it comes to watching YouTube videos, I can say I watch at least 10 hours a week.”

– Man, 35-44, ON, High SM

“Sometimes when you open up your web browser, you'll have suggested news articles or suggested links, and you know, I might see something about a company that catches my eye.”

– Man, 35-44, BC, Moderate SM

 73% review their investments at least once a month or more, while DIY-only is more likely to look daily (FAIR, 2024).

“[I dedicate a lot of time to my investments], even while at work. But I give it my full concentration on the weekends. I literally read the stock market charts.”

– Man, 45-54, MB, Moderate SM

“I'll put money into the account, and that's probably five minutes, and then purchasing it, I usually choose the same [investment]. So that's probably 10 minutes, and that's two times per month. [...] I would say, the rest of the time [I am] just reading about it, or just looking at my investments casually, on a daily basis, or weekly. [...] to just see what I should go with or looking at different funds that I can look at. But I'm pretty set on the funds that I've chosen.”

– Woman, 25-34, ON, Moderate SM



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The information DIY investors are looking for

Interviewees looked for a wide range of information, from general investment advice to product specific details like past performance.

- When consuming financial or investing information, interviewees mentioned a wide variety of types of information they were looking for:
 - General investment advice, information on how to get started or learn more about investing, investment products, investment strategies, financial and economic news.
 - Information about specific products, recommendations, discussion threads, reports, or analysis.
 - Some interviewees also enjoyed watching content about investors like themselves, which was relatable and motivating.
- Generally, new investors looked for more general investment advice while more experienced or confident interviewees sought out product specific information.

“If it's a mutual fund, I need to look at the track record, the composition to see how much of it is bond or high risk so that you cater to the market. And then, of course, with stocks, you need to look at how is the company doing in the broader sense, so that you can get in at the right opportunity or sell at the right opportunity. So, you definitely need to pay more attention to the context and the environment.”

– Man, 35-44, ON, New DIY

“I think it's a mix like I think 60% research, 40% are other people's opinion. You know news. Sometimes we talk about these new company up and coming and all that [...] mostly news. There are few, like financial kind of, like the investment influencer that I follow.”

– Man, 25-34, BC, High SM

“Usually the blogs on the Motley Fool or the Yahoo Finance so they do have some insights about what is happening in the market. And should you buy? Should you not? And then, apart from that, the financials of the companies. I initially I didn't understand them, but then I started reading about them, what kind of dividends they are paying, what kind of like, what are their earnings?”

– Woman, 25-34, ON, New DIY

Online sources are essential for investment decisions

DIY investors relied on a large variety of online sources to inform their investment decisions.

- The most common sources were online financial news and analysis (e.g., Yahoo Finance, Globe and Mail) and social media (e.g., YouTube, Reddit).
- Other online sources mentioned by a few interviewees include:
 - Information on their trading platform
 - Podcasts
 - Corporate financial reports
 - AI tools like ChatGPT
- Most interviewees said they do not rely on a single source but typically validate new information by looking at multiple sources.

"It's just about using social media as an upfront [source of information], taking it and doing your own research behind it, not just relying on that as absolute fact."

– Man, 35-44, NB, Moderate SM



Compared to hybrid investors, DIY-only investors (48% vs. 40%) are more likely to do a lot of research before making an investment (FAIR, 2024).

"I actually look it up online. Like, for example, if I saw an a stock that I would like to buy, I would look at online why they're increasing. [...] Like in Google, like they have the stock market or in the stock market news, and with regards to that stocks, what would be their investment, or why is it going up?"

– Man, 25-34, AB, High SM

"I've been using it [ChatGPT] for cryptocurrency as well. I can ask him that [...] gives me a breakdown of this coin. Tell me the background. What are the projects are they working on? What are they intending to solve? This coin just came out, what is the target? And then they will give me some information, I'll read about it, and then I make my decision."

– Man, 35-44, ON, High SM

Strong social group impact on investing decisions

For nearly all interviewees, social connection and discussion is an important part of their investing life, whether online or in-person.

- Many interviewees enjoy discussing their investments in person or online with friends and family. Some have a particular friend who they discuss investing with, while others are part of a small social circle who discuss together.
- Many are also active in online discussion groups on platforms like WhatsApp, Discord, Telegram with people who they do not know offline.
- Others turn to online communities like Facebook and Reddit to read or participate in discussions about investing.

"I will share with my friends [...] most of them are also on the online [chat] groups, too. So you're kind of, you're all online, and then some of you are also chatting in real life."

– Man, 24-34, QC, Moderate SM

"I love the information that comes from people. But the thing is that I have to go back and do my own research about the information."

– Man, 35-44, AB, New DIY

! New DIYers, those investing for less than 2 years, are more likely to look to friends/family for investing information (CSA, 2024).

"[When looking for stocks] first off, I start off with friends, because like I said, I have friends that would talk about investments, and everyone has where they get information from. So what I do [is] talk to friends and also go online."

– Man, 55-64, MB, New DIY

"There's the Yahoo articles, and then there is social media and friends. I would say that the three of them combined, if there's something that overlaps, then that's definitely a good sign."

– Man, 35-44, ON, New DIY

Investing decisions are not always financially motivated

Although investors in previous survey research and among our interviewees claimed that price and past performance were most important, many interviewees cited brand familiarity, preference for a certain industry, or ethical considerations when prompted during the interview.

- For some investors, especially those getting started, interest and preference for investments are driven by familiarity and personal affinity for a sector or product.
- Many interviewees mentioned that they had invested in industries and companies they used and understood such as Amazon, McDonald's, Dollarama or the technology sector. They believed that widespread use of these products and services signaled that it was a good financial investment.
- A few interviewees also took into consideration environmental, social and governance issues. Investors were investing or expressed future interest in products that align with their values and ethics and avoided or even sold those that went against them.

"So, I started with Air Canada, Apple, because I use their products, I'm familiar with the company, I know what they do. That was how I started investing and even until now, I still lean on the sector that I understand better."

– Man, 25-34, BC, High SM

"[I am investing in] a company that is developing a new type of medication for mental health. I have a lot of people around me who have suffered from depression, so it especially affects me."

– Man, 45-54, QC, Moderate SM (translated from French)

"I owned a Tesla stock at one time, and when he started talking about a lot of the anti-trans rhetoric, I said, 'It doesn't matter that I'm gonna lose all this money. I don't care. I don't want to be platforming this individual who is actively lobbying for my existence [to] be gone.'"

– 18-24, ON, Moderate SM

Crypto: Perceptions about risk

Most interviewees saw crypto as risky. Some avoided it altogether, others limited it to a small portion of their portfolio, while some thought it was worthwhile in spite of the risk.

- Most interviewees treated cryptocurrency with some amount of caution and viewed it high-risk or volatile.
- For interviewees who held crypto but also viewed it as risky, it was typically only a small part of their portfolio, though others simply felt the risk was worth the potential upside.
- A few interviewees focused exclusively on crypto. While they spoke about trying to make significant profits, their approach tended to focus on trial and error.
- Some interviewees felt that the abundance of online and in-person information made crypto accessible and helped them feel confident in making informed decisions.

"[I invest in] just stocks. I tried a little crypto and I was not happy. Tough lately bitcoin really soared. It was my son that talked me out of it because he said it is not a stable product."

– Man, 55-64, ON, New DIY

"It's not like I need to make sure I could pay my bills with this money. It's one of those things that you hope for the best, but expect the worst, and with crypto, it's always that's the worst, so you might get lucky, and most of my stuff has been not great, but there's always Bitcoin."

– Man, 35-44, AB, High SM

"I would want to have a couple of investments that are more volatile [...] I want to have some more volatile [coins] and just try a bunch of different options."

– Man, 18-24, QC, High SM

"Everyone and their mom loves to brag about the cryptos that they have, and what's working, and what is it? So people online tend to be very open about that. And I find like, like online communities like Reddit or message boards and all that people like, 'Hey, this is the crypto that I'm into.' And then, of course, you do the leg work."

– Man, 35-44, AB, High SM

Crypto: Information and due diligence

A few interviewees who actively trade crypto emphasized the importance of thoroughly researching a coin's reputation, including its background and the credibility of its founders.

- A few interviewees said they only invest in cryptocurrencies they view as reputable and well-established.
- Others talked about their process of conducting due diligence on each coin before investing, leaning on analysis from social media content or websites that provide data on each project.
- One crypto-focused interviewee described the space as “pretty much unregulated,” calling it both a blessing—offering freedom and opportunity—and a curse, as scams often go unpunished and anyone can launch and abandon a coin without consequences.

“I used to get Crypto when I was really young, I think I was 15-16 when I first started [...] didn't go so well[...] I matured a little bit more and have a little bit more knowledge about that[...] [Now I choose] more reputable, rather than random coins.”

– Man, 18-24, BC, New DIY

“I'll find a bunch of coins, and then I'll do some research into that. Like, on Reddit or like, just Google searches and stuff like that, to see if it's up and coming, if it's on its way out, and then pretty much make the decision that way. It's just mostly: take the snapshot of the overall market, cut out the outliers on both sides, and then focus on the middle, and then find something that I sort of jive with.”

– Man, 35-44, AB, High SM

“For crypto, it's pretty much unregulated. It's both a blessing and a curse. It's a blessing from the perspective that you know there is more appreciation. But a curse if, you know, the project is a scam, there is not going to be consequences, really.”

– Man, 18-24, QC, High SM

“They {Youtubers} do investigations on companies that people either believe in a lot or they have suspicions about. So they are very good at tracking transactions over the blockchain. They're very good at tracking the owners behind projects. [...] You can sort of trust them. In particular, they never have launched anything by themselves. They never promote anything. So they do seem like very not biased.”

– Man, 18-24, QC, High SM

DIY investing experience

Trading platform features & Tools

Trading platforms: Past research

In the review of past research:

- **Platform satisfaction:** Satisfaction with their DIY platform is high (92%) with only 7% expressing dissatisfaction, men and younger investors (18-24 year-olds) are more likely to be 'very' satisfied (FAIR, 2024).
- **Tool usage:** There is a range of investment related tools offered on DIY platforms (see next slide for types of tools) and among those who have reported being offered access to the tools, usage is high (77%). Among those who use the tools, 57% report that they have bought or sold a specific investment after using a tool (FAIR, 2024).
- **Tool interest:** Between 23% and 34% of DIY investors expressed willingness to use each tool from a list of different trading platform tools, with a total of 40% saying they would *either* use a tool offering advice on asset allocation or to help build a portfolio. (CIRO, 2024).

What we know about investors' DIY platforms (II)

Interest in DIY Platform Tools or Features



Some DIY trading platforms offer additional tools or features to help you manage your investments or finances. Would you use any of the following tools or features if they were available to you?

[Asked of all DIY investors, multiple mention; n=768]

CIRO, 2024 Investor Survey (2024)

DIY Application Tools Used



Have you made use of any of the tools you have become aware of on the online trading platform(s) you use? (Please select all that you have used) [Were offered tools on their DIY account, multiple mention; n=774]

FAIR, Understanding Do-It-Yourself (DIY) Account Holders (2024)

Most DIY investors were happy with current features

Most interviewees were satisfied with their trading platforms and the features that they had. However, when probed there was willingness to consider additional tools that would provide more advice-type services.

- Interviewees enjoyed using their platform and liked the built-in functionalities.
- Many investors used the investment information in the app itself, sometimes they were looking for investment specific information (e.g., historical data) and other times more general (e.g., analysis, articles, market trends).
- When prompted, most interviewees were open to considering additional features that provided more advice in the platform, but most were clear that they would want to maintain full control over their account and any investment decisions.

"On {trading platform A} I've set up notifications for 52-week highs. Lately, I've been getting a lot of notifications for the S&P 500."

– 18-24, ON, Moderate SM

"Thanks to the tools, some of these platforms which I use have a lot of advanced research tools. [...] So I don't think there's need for financial advisors anymore."

– Man, 45-54, MB, Moderate SM

"Yes [the tools] interest me [...] but for me I would say what matters the most is the power of choice. Either I can use it or [not]."

– Man, 35-44, QC, High SM (translated from French)

"The charts are very important [...] one good thing I love about this platform is that they are all data driven, so my decisions as well are data driven."

– Man, 45-54, MB, Moderate SM

Potential new features

When probed, interviewees suggested a range of possible features to be added to their platforms:

- ✓ **Advanced visualization tools:** A visualization of the market trends against their holdings and portfolio growth charts
- ✓ **Enhanced research capabilities:** Integrate news, company information, and financial data to facilitate more informed decision-making
- ✓ **Educational resources:** In-app tutorials, guides, and explanations of financial jargon to help investors make informed decisions
- ✓ **Social trading capabilities:** Features that allow investors to learn from and interact with other members
- ✓ **AI Chatbot:** Similar to Gemini or ChatGPT, a chatbot that could answer specific investment related queries
- ✓ **Enhanced notification systems:** Customizable alerts for market events, price changes, and investment opportunities; a pop-up that encourages investors to double-check their decisions before executing a trade

"I plot graphs and I follow the stocks. The {trading platform A} app only shows 1 stock at a time. I [have to] plot all my stocks and ETFs and see how they are performing in relation to each other."

– Man, 55-64, ON, New DIY

"So one thing I'll probably look out for is being able to compare markets. I don't know if they have it. [...] being able to plot your positions and projects. [Also,] I don't think it's in there, [but being able to say], 'this is my investment goal, what would you suggest?' like an AI bot embedded into their site."

– Man, 35-44, MB, Moderate SM

"Not many of the big Canadian banks actually have educational content within their DIY Investing platforms. [...] I think it would be beneficial to have either how-to videos to more in-depth workshops or courses or videos or whatever you want to call those that encompass all levels, whether you're like beginner, amateur, expert."

– Woman, 25-34, SK, High SM

Mixed response to additional tools

When asked about specific tools to help assess risk tolerance, asset allocation, or monitoring and rebalancing, interviewees had mixed reactions.

No interviewee mentioned a need for these types of tools unprompted, however, when asked explicitly, there was mixed interest. Some interviewees preferred to do all the work themselves and had no interest in this, while others thought it would be helpful.

- **Risk tolerance:** Interviewees thought that this could be useful, especially for beginners. However, one interviewee mentioned that they have tried similar tools, but they didn't drill down to their specific needs.
- **Determine asset allocation:** Interest was low, but many interviewees would try it if offered. The very few interviewees who already had target asset allocations felt a tool would not have been necessary for them.
- **Monitor and rebalance asset allocation:**
 - Most interviewees seemed to think of their investments more in terms of individual products and were unfamiliar with the concept of rebalancing. They weren't sure if they would use a tool like this but expressed a willingness to try it.
 - Among the very small number who did regularly re-balance, some appreciated the idea of being able to do it inside their platform.
- A few interviewees noted that they already had access to these types of tools in their apps.

"I have seen [tools that help you better understand your risk tolerance]. I've clicked on them. I don't take a lot of credence in them. It's very generic, and so it doesn't really drill down to what would be really applicable to me. I've done them. I already know my tolerances [...] in my case it's not something I'm rushing out to get or look at."

– Woman, 55-64, ON, Moderate SM

"That would be great because right now we just use Excel. It would be nice to be able to [monitor and rebalance in the application]."

– Woman, 25-34, SK, High SM

The Role of Social Media

The Role of Social Media

Use of Social Media

Use of social media: Past research

In the review of past research, we found that:

- **Sources of Investment Information:** DIY investors are most likely to use social media, forums and finfluencers as a source of information and financial advice compared to other investors (42% advised + DIY, and 44% DIY Only)(CIRO, 2024).
- **Value of social media advice:** Among those who rely on these sources, 44% believe the advice they receive is just as valuable as that from a traditional advisor, while 12% consider it more valuable. Only 17% feel it is less valuable (CIRO, 2024).
- **Demographics:** 22% of DIY investors use social media for financial decision-making. This rises to 41% among men aged between 18-34 (BCSC, 2024).
- **DIY-Only Investors' High Social Media Use:** DIY investors were more than twice as likely as other investors to rely on sources such as online discussion boards and online creators/influencers when making financial decisions (BCSC, 2024). Similarly, a study conducted by FAIR reported that 17% of investors used social media for investment decisions, with a slightly higher rate (19%) among hybrid investors (FAIR, 2024).

Source types (grouped) by investor segments

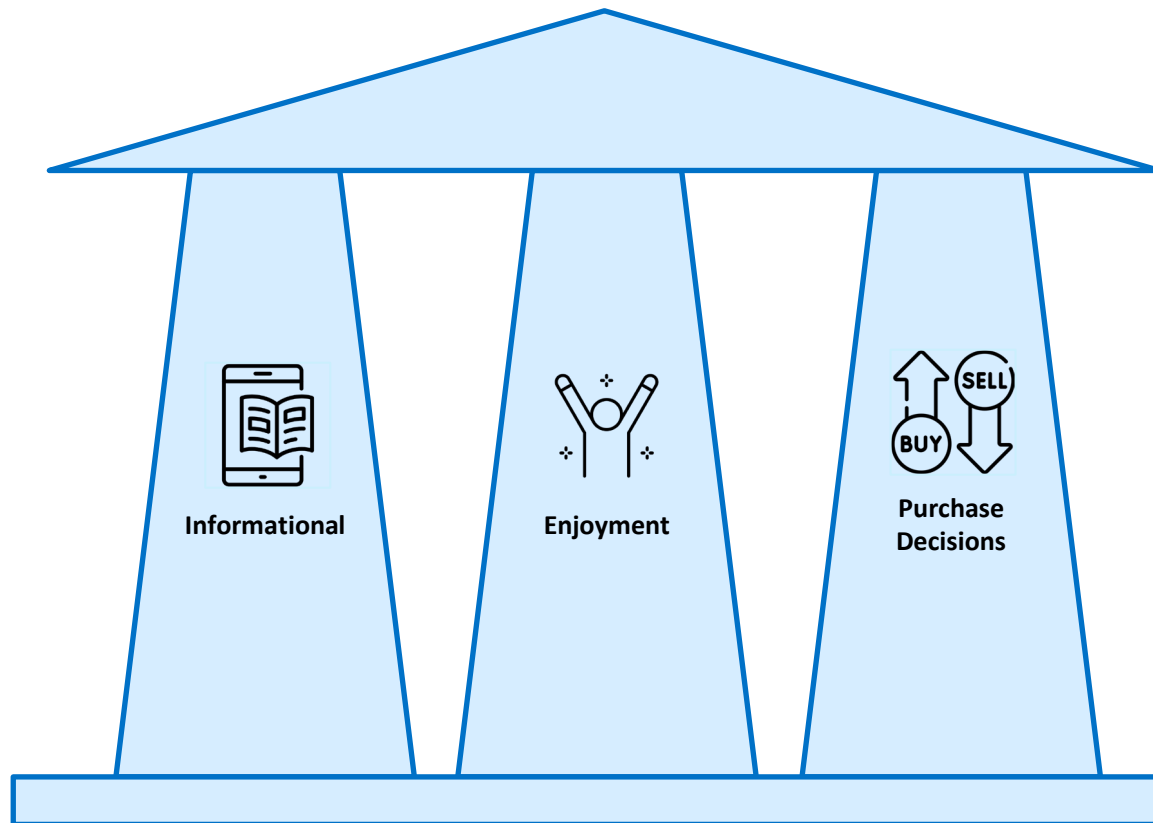
| | TOTAL | Non-Investor | Inactive Investor | TD/GIC Only | Advised Only | Advised + DIY | DIY Only |
|-----------------------------------|-------|--------------|-------------------|-------------|--------------|---------------|----------|
| Banks/Advisors | 64% | 57% | 70% | 76% | 87% | 80% | 40% |
| Social media/Forums/Finfluencers | 22% | 16% | 18% | 16% | 18% | 42% | 44% |
| News (Print/Online/TV) | 17% | 9% | 16% | 21% | 20% | 42% | 30% |
| Investing sites/blogs/newsletters | 19% | 9% | 16% | 20% | 19% | 48% | 39% |
| Investment Apps | 8% | 3% | 5% | 5% | 7% | 24% | 22% |
| Friends and Family | 38% | 45% | 36% | 32% | 33% | 31% | 30% |

When it comes to making decisions about money, where do you go for information and advice?
[Asked of all respondents, multiple mention*, n=3,000]

CIRO, 2024 Investor Survey (2024)

Use of social media

Based on DIY investor interviewees' use of social media for investing, we categorized social media usage into three main areas: **informational, enjoyment, and purchase decisions**.



- 1. Informational:** Learning about the basics of investing or consuming “how-to” content and following financial news and current events.
- 2. Enjoyment:** Consuming financial social media content that either makes them feel like part of a community or keeps them “motivated”.
- 3. Purchase decisions:** Learning about potential new investments or doing research about potential investment decisions.

Informational



Interviewees report using social media for investing primarily to seek personal finance and investment knowledge, learn investing strategies, and track financial trends, while occasionally coming across ads for investment platforms.

- **Building Personal Finance and Investing Knowledge:** Most interviewees used social media to learn about money management, budgeting, debt reduction, and investing tips.
- **News and Financial Trends:** Some interviewees followed social media accounts that track and provide analysis of stock prices, market movements, and economic news to make quick and informed decisions.
- **Learning Investing Strategies:** Many interviewees used social media to improve their investment performance or find ways to grow their investment portfolios.
- **Advertisements:** Many interviewees have encountered ads on social media. The most common ads for investment platforms are those that highlight promotional offers or new features.

"[YouTubers] gave me those initial, foundational lingo to learn, so I could go and find information that actually appealed to [...] and then I could learn on my own time. And of course, I still go to YouTube videos, but I'm looking for very specific knowledge now."

– Woman, 65-74, AB, High SM

"I like TikTok for the news. Definitely, that's problematic if I'm only using that for the news, so I know it's bad. But it definitely keeps [me informed] having good TikTokers who talk about the news."

– 18-24, ON, Moderate SM

"Mostly individual stock and like, like the strategy, the ones that I follow would be mostly those."

– Man, 25-34, BC, High SM

"I see {trading platform A} [ads] quite a bit. On Facebook [...] they would push their robo-advisor or advertise that you can win one Bitcoin. And on YouTube, I had a {trading platform B} commercial play."

– Man, 25-34, BC, New DIY

Enjoyment



Many interviewees mentioned that they enjoy using social media in their investing journey. This includes connecting with other investors, engaging in valuable discussions and lighthearted banter, and staying motivated to continue investing.

- **Social Community:** Most interviewees enjoyed using social media to connect with other investors, share experiences, and engage in informal discussions.
- **Motivation:** Some interviewees mentioned that social media acts as a source of motivation by showcasing the success stories of investors and highlighting the potential for achieving financial freedom.

"I feel like a community when I participate in social media discussions about investing. We are learning together, investing together, and it's fun."

– Woman, 65-74, AB, High SM

"I think I get drawn [to] investment posts that talk about real people and their struggles. Like, when someone talks about how they started from nothing and built wealth, that really motivates me because I want to do the same."

– Woman, 35-44, AB, New DIY

"There's a lot of like, good investor we really need to follow, yeah, right? [...] and they are so good, and they can just, there's a lot [that is] inspiring in there, you know, they are so inspiring and telling you, you know, you can do whatever you can do."

– Woman, 65-74, AB, High SM

"I follow financial influencers because they offer credible advice, not just on stock investment, but also on money management and financial management in general [...] At the end of the day, my goal is to be financially smart."

– Man, 35-44, MB, Moderate SM

Purchase decisions



Many interviewees use social media to learn about new products they could potentially invest in or to do more research, or validate what they have heard about products they learned about somewhere else.

- **Source:** Many interviewees used social media to discover new investment products for purchase consideration.
- **Validation:** Many interviewees used social media to double check information about a product they were considering, do further research into it, or seek a second opinion about it.
- **Monitoring:** Many interviewees also used social media to monitor news, analysis, or activity on investments they own.

"I already follow the companies I'm invested in. I follow them on their various social media platforms. For sure there are some that are more, let's say, disorganized in that regard or not as communicative. But it can help to gauge where the company is heading depending on whether they post a lot of news or if they are more silent about what they're doing. It can give an idea of the company's health."

– Man, 35-44, QC, High SM (translated from French)

"I don't literally just go by the comments and just blindly invest [...] I bounce it off my friends. [...] And I go on Reddit, I read it, and I read the news."

– Woman, 55-64, AB, New DIY

"I follow financial influencers on social media, and they often talk about ETFs and other investments that I look into further before making decisions."

– Woman, 35-44, QC, New DIY

"[For investing information] I am more on the discord side of things. [...] [I've purchased products from a Discord recommendation] but it wasn't just from one person. It was multiple people being like 'buy this, buy this, buy this'. So, it had to be multiple people in my decision-making process saying yes this is good to buy."

– Woman, 25-34, ON, Moderate SM

'Why' investors prefer social media for investing information

Some interviewees prefer social media over other information sources because they feel it provides real-time information and up-to-date analysis, often ahead of non-social media channels. Many also appreciate engaging with the investment community, exploring diverse perspectives, and accessing content directly from perceived experts.

- **Real-time updates:** Some interviewees found that social media provides real-time market updates and analysis, enabling them to stay on top of market trends.
- **Community insights:** Many interviewees preferred social media because it offers access to a wide range of perspectives. By following fellow investors and perceived experts, they felt that they gained valuable insights that are often unavailable through other channels.

"Well [I use social media for] day to day information, like, what's going on in the world."

– Man, 35-44, NB, Moderate SM

"I like Instagram because you can see the comments and whether people think something is a scam. Reddit also has good discussions, but you see a lot of the same copy-pasted answers, which makes me suspicious."

– Woman, 35-44, AB, New DIY

Downsides of social media investing information

Many interviewees also highlight the downsides of social media for investing information, particularly the prevalence of scams and misinformation. Additionally, some are concerned about the nature of sponsored content from influencers, believing it can be poorly researched or primarily benefits the influencer themselves.

- **Scams and misinformation:** Many interviewees were skeptical of the content shared on social media, with most stressing the importance of double checking or verifying any information they encounter.
- **Distrust of sponsored content:** A few interviewees expressed distrust in influencer content due to sponsored content and the perception that influencers promote content for personal gain.
- **Finfluencer Qualifications/Regulations:** Some were concerned that financial social media influencers lack the proper qualifications to provide personal finance and investment-related advice.

"I started like learning that there's YouTube gurus. It just felt like they're trying to [...] market you on some other product, and that's how they make their money."

– Man, 25-34, AB, New DIY

"I want to believe there should be some kind of regulations around...what you can and what you cannot post on social media when it comes to finances [...] This is my opinion, people get to believe what they see on social media compared to what someone from a regulated financial institution will tell them."

– Man, 35-44, MB, Moderate SM

"I'm on a couple of Facebook groups too. I talk to some people to get advice, but I've noticed there's a lot of scammers on there. So, it's very misleading."

– Woman, 35-44, AB, New DIY

"You have to be careful because a lot of influencers are just promoting things they're paid to promote."

– Man, 45-54, QC, Moderate SM

"But seeing the proliferation of social media that we've had for the past two years [...] they're launching everywhere [...] it's too easy to claim to be a financial advisor and then give advice to people [...] it doesn't scare me because I'm independent, but finding the right people through that I find dangerous."

– Man, 35-44, QC, New DIY (translated from French)

What to trust on social media?

While most interviewees approach social media content with some skepticism, many exhibit signs of biases when deciding what to trust. Many interviewees often rely on whether the information aligns with their existing knowledge, if a content creator seems like an expert, if the content relates to a similar situation they've experienced, or a gut feeling about the content.

Most interviewees said they view content on social media with some skepticism. When asked how they decided what *is* trustworthy, many provided reasons that may still leave them vulnerable to trusting misleading or incorrect information:

- **Confirmation bias:** Some interviewees suggested they are more likely to trust information that aligns with their existing beliefs.
- **Relatability:** Some interviewees said they are more inclined to trust content that triggers a strong emotional reaction and relates to their individual circumstances.
- **Gut Feeling:** Instinctively, many interviewees trusted content on social media, particularly product recommendations, based on their "gut feeling".



When deciding whether or not to purchase a new investment, 52% always or usually rely on the opinions of sources they trust, 37% sometimes rely on them and 7% rarely rely on them (BCSC, 2024).

Similarly, when deciding whether or not to purchase a new investment, 49% always or usually trust their gut about the investment, 35% sometimes do, and 12% rarely do (BCSC, 2024).

"Honestly, it's more about the content itself. Even if something is on a sketchy site, if it checks out with what I've seen before, I'll believe it."

– Man, 35-44, AB, High SM

"I'm young. I'm a woman. I don't resonate with Dave Ramsey [...] I don't like the shame-based finance approach. I like younger creators who do not use a shame-based approach but instead use more of a values-based funding model. I find it to be a lot more relatable because they consider systemic issues like racism, the gender wage gap, ableism, things like that."

– Woman, 25-34, SK, High SM

"Oh, gosh, I you know that gut feeling you get sometimes. Trust that, because when I don't, I always regret it, usually [use] my gut feelings."

– Woman, 35-44, AB, New DIY

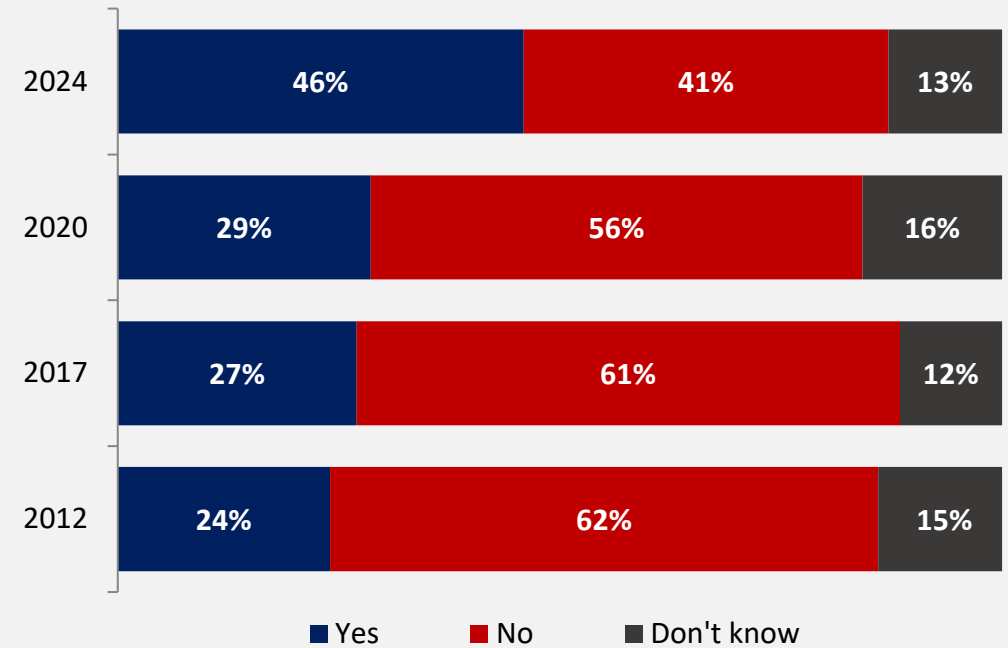
The Role of Social Media

Social Media & Purchase Decisions

Purchasing and social media: Past Research

In the review of past research, we found that:

- **Purchased via Social Media:** In 2024, 24% DIYers have purchased an investment that they first learned about on social media within the past year, while 35% had purchased investments in the last year that they had first learned about online* (BCSC, 2024).
- **Growth in Investment Opportunities:** 46% report encountering investment opportunities on social media, marking an increase from 24% in 2012 (CSA, 2024).



Have you ever seen information on investment opportunities advertised on social media?
[asked of all respondents; n=5,000]

CSA, 2024 Investor Index (2024)

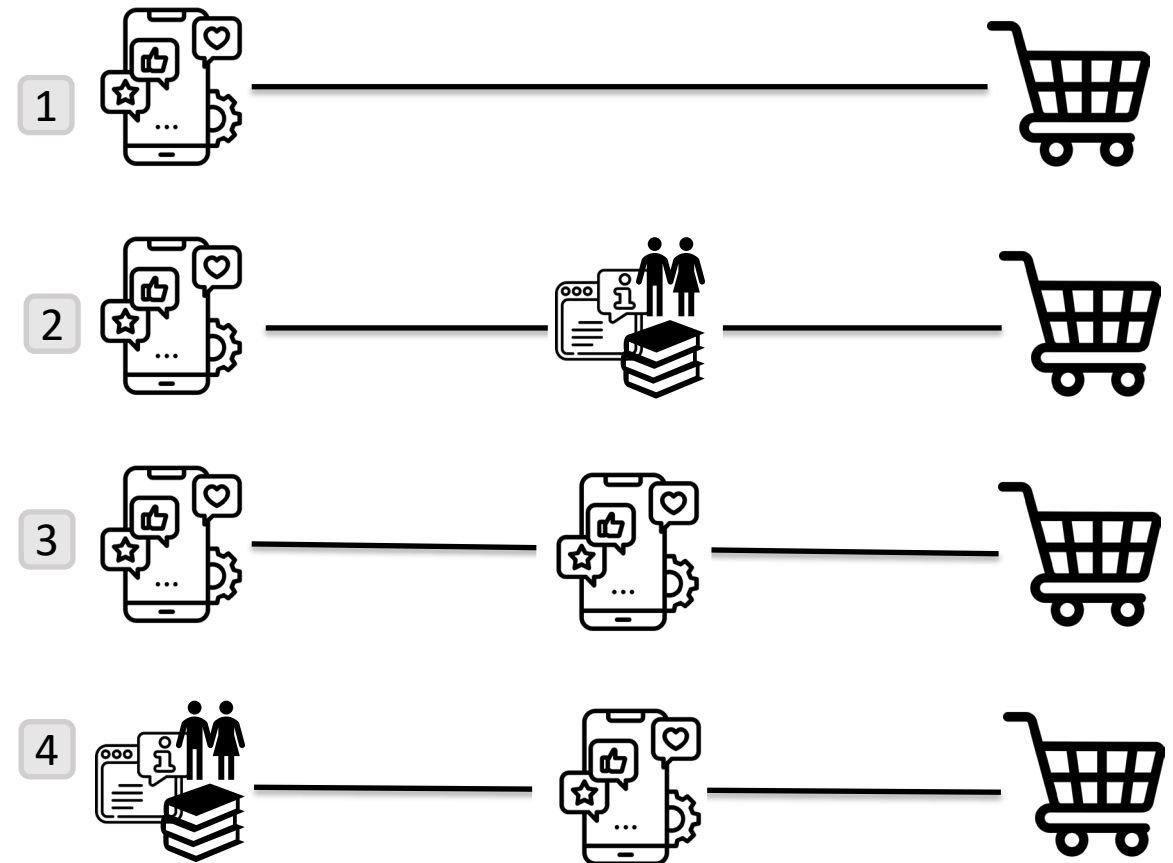
Purchasing decisions: source and validator pathways

When researching new investment opportunities, interviewees used social in two distinct ways:

- **Source:** To learn about new investment opportunities
- **Validator:** To verify and deepen their understanding of investments already knew about or learned about somewhere else

In the interviews, four different pathways involving social media as either the source, validator, or both emerged:

1. **Impulse purchase:** Social media as the *source* with no additional research or validation (Less common)
2. **Double checking:** Social media as the *source*, with non-social media resources used for validation (More common)
3. **Cross-validation:** Social media as both a source and validator of information (More common)
4. **Social media validation:** Non-social media resources as the source, with social media used only for validation (Somewhat common)



Impulse purchasing:

A social media source as the sole driver of purchasing decisions

Although moving directly from hearing about something on social media to purchasing it was more rare than other pathways, a few interviewees had purchased products directly on the recommendation of a single social media source; whether an influencer, chat group, or a Reddit discussion.

- Overall, few interviewees reported purchasing products they heard about on social media without also conducting additional research.
- Two interviewees described experiences where they did not do any research and simply relied on a recommendation on social media or from an influencer. However, both noted that these stocks had not performed well, leading them to be more cautious and do more research in the future.
- One interviewee mentioned that all of their purchases based on the advice of a specific Reddit commenter had been successful, and so they no longer engage in follow-up research and have come to trust the commenter's recommendations.

"Yeah, [I've made investments based on an influencers recommendation] a few times. [...] I've lost a lot of money [...] sometimes you get tricked. It's a lot of emotion, you don't look deeply enough and then you invest anyway. You know it's a risk. [...] It's part of the game. It's happened to me, there have been winning shots and losing shots."

– Man, 35-44, QC, High SM (translated from French)

"Sometimes I don't [research], I just go straight into it because I'm moved by what the people are saying when I read comments like, 'This is a very good potential stock.' And I just, okay, let me just invest in it."

– Man, 35-44, MB, Moderate SM

"So, I did [research] in the beginning, and then once I got familiar with people and their buying habits [on Reddit and Discord], and I saw the results, I was like, okay, just go for it."

– Woman, 25-34, ON, Moderate SM

"I fell into a trap a few times where influencers talked up a company, I invested, and then it crashed. Now, if I hear someone boosting a stock, I do a lot more research before acting on it."

– Man, 35-44, BC, Moderate SM

Double checking:

Use of social media as source, non-social media as validator

Many interviewees used social media to find new investment opportunities, but then validate those recommendations using research from other, non-social media, sources.

- Many interviewees described coming across investment opportunities on social media but validating the information from non-social-media sources.
- Common sources that interviewees mentioned they use for additional research included:
 - ✓ Friends and family
 - ✓ Google
 - ✓ Online news/articles
 - ✓ Information/analysis inside their trading platform
 - ✓ AI Chatbots
 - ✓ Information from the company/issuer

"Grok [...] accessed via Twitter. It gives me background, along with the good things and bad things, and allows me to cross-check what people say on YouTube or Reddit."

– Man, 35-44, QC, High SM (Translated from French)

"I try to look at the company website and reports instead of just relying on opinion pieces from news sites."

– Woman, 55-65, ON, Moderate SM

"I have a friend who is very knowledgeable in terms of financial advice [and] stocks, so I bounce it [investing ideas] off him. 'This is what I came across. And what do you think about this?'"

– Man, 35-44, MB, Moderate SM

"I don't really trust influencers [...] when I see something interesting, I ask my friends in our group chat. We verify things together before acting on it."

– Woman, 25-34, SK, High SM

Cross-validation:

Use of social media as a source and validator

Many interviewees use social media to find new investment opportunities and then cross-check that information elsewhere in their social media ecosystem. Most interviewees have specific preferences for particular platforms, discussion groups, or influencers that they prefer to use for one purpose or the other.

- When interviewees came across a product recommendation on social media that interested them, many of them then validated the information or did additional research using *different* social media sources.
- Interviewees mixed and matched different sources, usually aiming to get more diverse opinions about the information by combining different types of social media platforms. Many implied that seeing consistent information across different sources increases their confidence in the recommendation.
- Most often interviewees had specific platforms or content creators that they preferred for one purpose or the other.
 - Although this varied by interviewee, more often short-form content or chat groups were the source, while long-form content (e.g. YouTube videos) or discussion forums were used more often for validation.

"It was from YouTube and Twitter because it was more recent. So there are articles on Twitter [...] then I would watch some videos on YouTube. Then I will check the Reddit. [...] So it's mostly through social media. In particular, I follow [an influencer]."

– Man, 18-24, QC, High SM

"[I] mainly [use] YouTube for the initial like, you know, to give me ideas, I guess, on like, which ticker symbols to pay attention to and then I would do subsequent research by myself on Reddit.. I don't use Instagram [...] just Reddit, YouTube and then blogs to see what people say."

– Man, 65-74 , BC, Moderate SM

"I'm also in Discord groups. So when I see things that people are posting, I tend to do my own research first before I invest in any of those things."

– Man, 35-44 , ON, High SM

Social media validation:

Non-social media source, social media validation

Many interviewees also used social media as a source to research or validate investments they learned about somewhere else. Common sources included trading platforms, Google, news articles, and friends/family.

- Many got their inspiration on what to invest in by searching the available products on their trading platforms, using Google, following the news, or friends and family they discuss investments with.
- Many then searched for the product on social media to assess its popularity, how it is being discussed, or to read analyses of it.
- When using social media as a validator, many individuals focused on specific sources they trust. Commonly a particular YouTuber or specific Reddit forums.

"I don't use Reddit as a main source, but like, I always have to complement sometimes [...] I go down to like two or three communities just to look and see what's happening."

– Man, 18-24, BC, New DIY

"I check financial reports and analyst for opinions, but I also look at Reddit discussions to see different perspectives. Sometimes you find things there that you wouldn't get from traditional sources."

– Man, 35-44, QC, High SM

"Most times is recommended [investment products] by friends [and then] I just go watch this guy and see what it's saying. If it makes sense, yep."

– Woman, 55-64, AB, New DIY

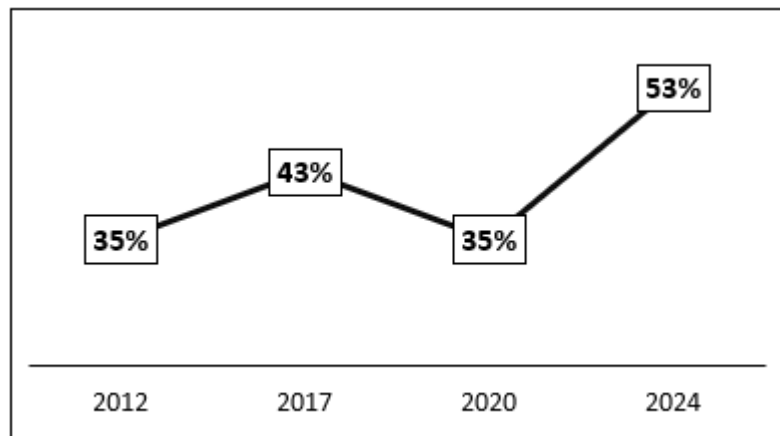
The Role of Social Media

Social Media Platforms

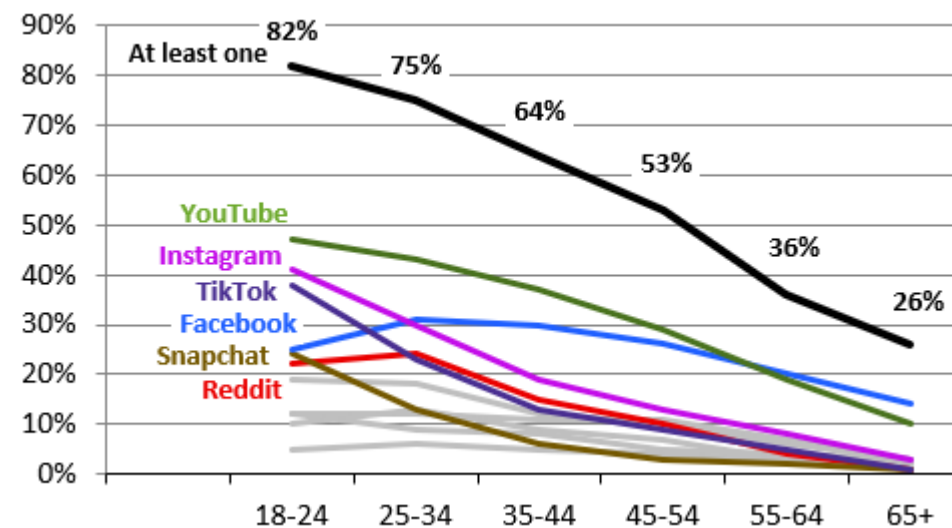
Social media platforms: Past research

In the review of past research, we found that:

- **Common platforms:** YouTube consistently stands out as the most widely used social media platform for financial information (CIRO, 2024 ; BCSC, 2024 ; BCSC, 2022). According to focus groups conducted for BCSC, most DIY investors use social media in some capacity, and primarily use platforms like Reddit, YouTube, and Facebook groups. However, the majority emphasized that they do not treat all information on social media equally or trust it completely (BCSC, 2024).
- **Rising social media usage:** Between 2012 and 2024, the percentage of individuals using social media for investment info grew from 35% to 53%, an 18% increase since 2020 (CSA, 2024). Social media use for investing declines from 82% among 18-24-year-olds to 26% among those over 65. YouTube is the most popular platform for all age groups except those over 65, where Facebook is more common.



% Using at least one social media site for investing information (CSA, 2024)



Do you use any of the following social media websites or services as sources of information about investing? Please select all that apply. by key segments [asked of all respondents, multiple mention; n=5,000]

(CSA, 2024)

Types of content

Interviewees report meaningful differences in how they use, what they trust, and what they look for in different types of social media content.

- **Short-Form Content:** Instagram, TikTok, X (Twitter)
Many interviewees consumed short-form content to see a variety of opinions and fast, real-time discussions on market events.
- **Long-Form Content:** YouTube, Podcasts, Blogs
Most interviewees often turned to long-form content for basic educational/how-to content, in-depth advice, detailed analysis, and thorough discussions on their preferred investing topics from content creators or experts. This was the most commonly used type of content across all interviewees.
- **Forum-Based Platforms:** Reddit, Facebook Groups, Forums
Some interviewees favoured forum-based discussions to gain insights into other investors' opinions, product analyses, recommendations, and general discussions. Many enjoyed these platforms for the social and community aspects of investing.
- **Messaging-Based Platforms:** WhatsApp, Discord, Telegram, WeChat
A few interviewees used private messaging platforms, which offer some similarities to both forums and to short-form content. People are often part of several ongoing discussion groups, where discussions tend to focus on specific product recommendations or trades.

Short-form content

Among interviewees, Instagram is the most commonly used platform for short-form content and serves various purposes. However, many interviewees are skeptical of the content. In contrast, X is used by fewer interviewees, with many following specific accounts they trust.

| Platform | Insights | Quotes |
|--|---|--|
| <p>Instagram and TikTok*</p> <p>*Comments from the interviewees were more focused on Instagram, with occasional references to TikTok.</p> | <ul style="list-style-type: none"> Instagram is commonly used among interviewees for investing knowledge, strategies, product recommendations, and motivation. It is primarily dominated by influencer content. Many users are skeptical of misinformation and the influence of paid sponsorships on influencer content. | <p><i>"TikTok is okay for surface-level information, but I wouldn't make an investment just from watching a TikTok."</i> – Man, 18-24, BC, New DIY</p> <p><i>"Instagram is good because you can see the whole picture and everything. And Facebook [shorts], you can have a lot of your families, you know, connect to each other. Just it saves a lot of time."</i> – Woman, 65-74, AB, High SM</p> <p><i>"I follow influencers on Instagram, so whenever they're posting, I see it. I use it regularly, but I use it more for discussion. Like when the GameStop thing happened, I talked about it with my partner and friends."</i> – Woman, 25-34, SK, High SM</p> |
| <p>X</p> <p>(Formerly known as Twitter)</p> | <ul style="list-style-type: none"> X features a mix of influencers and other users sharing knowledge. A few interviewees follow finance related celebrities for insights. | <p><i>"Like I said with Twitter, it's just mostly my recommendations and purpose, but like, an hour a day on Twitter maybe. So yeah, it definitely takes some of my time, and then I would watch YouTube videos like, not that often."</i> – Man, 18-24, QC, High SM</p> <p><i>"I find that Twitter is very reliable."</i> – Man, 45-54, MB, Moderate SM</p> |

Long-form content

YouTube was the most widely used platform for investing information among interviewees and is often not considered the same as other social media platforms. A few consume podcast content, and trust in the information is generally very high.

| Platform | Insights | Quotes |
|----------|--|--|
| YouTube | <ul style="list-style-type: none"> • YouTube was the most frequently mentioned source of personal finance and investing information among interviewees — even among those who tend to avoid other social media platforms — largely due to the perceived depth and trustworthiness of its content. • It is primarily dominated by influencer content. | <p><i>"I lean towards YouTube a lot. There have been a lot of investors on YouTube, and I've actually learned a lot like analyzing charts and looking at signals."</i> – Man, 35-44, BC, Moderate SM</p> <p><i>"YouTube is my go-to for financial education because if I search for information on Google, I get textbooks that are paywalled. With YouTube, someone explains the information, and then I can find related discussions on forums."</i> – Man, 25-34, AB, New DIY</p> |
| Podcasts | <ul style="list-style-type: none"> • Podcasts were consumed by fewer interviewees. • All interviewees who consume podcasts have high trust in the content due to its detailed nature and the perception that finance experts are sharing valuable knowledge. | <p><i>"I started with YouTube, but then I moved on to more targeted learning through books and podcasts. At this point, I don't rely on YouTube as much because I already have a system down."</i> – Man, 25-34, AB, New DIY</p> <p><i>"I compare multiple sources and there are some podcasts I listen to as well."</i> – Man, 25-34, AB, New DIY</p> |

Forums and messaging platforms

Reddit is a popular source of information for many interviewees, though not all participate in the discussion forums. WhatsApp and Discord, on the other hand, typically involves known individuals, and investors who use it tend to trust the information shared.

| Platform | Insights | Quotes |
|--|---|--|
| <p>Forums: Reddit*</p> <p>*Although other forums, such as Facebook groups, were mentioned, Reddit was by far the most common.</p> | <ul style="list-style-type: none"> • Many used Reddit to gauge other investors opinions' or engage in discussions themselves. Many enjoy the community feeling of the discussions. • Many interviewees are only observers, reading and liking comments without contributing. • Some are skeptical of the information shared on Reddit. | <p><i>"I find that a lot of people on Reddit talk about their investments openly. I use it to see what people are saying, but I always double-check the information before making a decision."</i> – Man, 35-44, AB, High SM</p> <p><i>"Well, mostly if I have something to say that's actually helpful. Sometimes it's not great to post on Reddit because most people, not most people, but a lot of people are just haters, you know, and when you speak truth, that puts a target on you."</i>– 18-24, ON, Moderate SM</p> |
| <p>Messaging apps: WhatsApp and Discord*</p> <p>*The interviewees' comments mainly centered around WhatsApp, with some references to Discord.</p> | <ul style="list-style-type: none"> • Some investors are members of WhatsApp and Discord groups, where the community consists of both known individuals and strangers. • Discussions primarily revolve around receiving product recommendations and updates on price changes. | <p><i>"There are 50 plus [product recommendations] in my WhatsApp groups. I always keep an eye on them, because I know these people are doing their research. And plus, I do my research too."</i> – Man, 25-34, QC, Moderate SM</p> <p><i>"I'm also in some Discord groups. So, when I see things that people are posting, I tend to do my own research first before I invest in those things."</i> – Man, 35-44, ON, High SM</p> |

The Role of Social Media

Finfluencers (Investor perspectives)

Finfluencers: Past research

In the review of past research, we found that:

- **Advice:** 16% of Canadian DIY investors review or consider recommendations from newsletters, blogs, or influencers when evaluating information for investment decisions (CIRO, 2024).
- **New Investment Opportunities:** When finding new investment opportunities, 36% follow specific content creators or influencers who recommend investments (BCSC, 2024).
- **Key Source:** Among DIY investors, 'influencers/social media' (16% of all sources) were more frequently mentioned by younger DIYers as their primary source of information for managing self-directed investments (CSA, 2024).

Role of finfluencers

Many interviewees consume finfluencer content on social media platforms, though they often confuse the term "finfluencer" with celebrities in the finance space rather than content creators. Some view finfluencers negatively, but those who do follow them tend to have a small number of specific finfluencers they trust and regularly follow.

- When interviewees were asked about finfluencers, they often associated the term with celebrities like Dave Ramsey and Elon Musk, while thinking of creators on platforms like YouTube as being something distinct.
- When probed further, nearly all interviewees said they had relied on content from finfluencers or content creators at some point during their investing journey.
- While most interviewees have encountered finfluencer content on social media, only some say they still regularly follow their advice.
- Some interviewees expressed a general skepticism towards Finfluencers, but many have *particular* content creators they follow regularly and place a high amount of trust in.

"Now it's not very predominant, but I do follow a few investors on Instagram. I just say it's not that predominant because I only follow maybe two or three [finfluencers]."

– Man, 35-44, BC, Moderate SM

"I listen to influencers for crypto, but I check multiple sources because some just push whatever will make them money."

– Man, 25-34, ON, Moderate SM

"The main YouTubers that I follow closely is {YouTuber name} [...] I watched him back when he was a smaller channel as well, when I just started. So I think he's been the main channel I've been following during my investing journey."

– Man, 25-34, ON, Moderate SM

"I don't really follow influencers. I think they're kind of sketchy. I think a lot of them are paid to promote certain things."

– Man, 25-34, ON, Moderate SM

Why do interviewees follow finfluencers?

Among those who do follow finfluencers, interviewees were looking for personal finance and investing advice, news and trends, investment ideas, platform recommendations, and personal stories.

- **Personal finance advice and budgeting tips, especially when first getting started with investing:** Many interviewees new to investing turned to influencers for beginner-friendly tips and advice on how to start investing. Even among more experienced investors, content creators were cited by many as a valuable source of basic, how-to information.
- **Market trends and news:** For some, finfluencers were a useful source of up-to-date analysis on market movements and how that could impact their investments.
- **Investment ideas:** Some interviewees relied on specific finfluencers to learn about investment products and stocks, especially among those more interested in crypto-currency.
- **Platform and tool recommendations:** Investors often turned to influencers for reviews on platforms, tools, or other resources to help manage their investments.
- **Personal stories:** Many interviewees followed finfluencers to hear about their own investing journeys, their portfolios, or their experiences in overcoming financial challenges. Many saw it as a source of motivation or inspiration.

"They also do quite a bit of, how would I say, like, experiment that they're like, 'Well, this is our strategy.' And then, like, they kind of like post every month about the strategy that they're doing and tell you, like, this is what has been going on."

– Man, 25-34, BC, High SM

"Sometimes I look at social media and financial influencers to get ideas. I find it helpful to stay updated."

– Woman, 65-74, AB, SM High

"I follow a few influencers for stock and crypto insights. Sometimes they introduce me to new platforms or products I wouldn't have found on my own."

– Man, 35-44, ON, High SM

"I watch YouTube videos [and] when I see that somebody has done the research and they are talking about it on their platform, I take notes generally."

– Man, 35-44, ON, High SM

When to trust influencers?

Interviewees assess trust in influencers in various ways, with most placing at least some importance on credentials. Many also consider factors like engagement and content detail. Some base their trust on the type of content created.

- Many interviewees stated that they evaluate a influencer's credibility based on their education and certifications. Others emphasized that education isn't a priority, as long as the influencer can demonstrate tangible results from their investment track record.
- Many interviewees considered engagement metrics such as comments, likes, shares, and follower counts as key indicators of an influencer's reliability.
- Many interviewees also stressed a preference for more in-depth or detailed analysis as a sign the influencer was worth listening too.
- Some interviewees noted differences in trust based on the type of content shared:
 - **Personal Finance and Investing Knowledge:** Many participants expressed a preference for influencers who provide general financial education over those who focus on specific product recommendations. One interviewee mentioned that they view influencers promoting products with skepticism, suspecting many influencers may be driven by personal gain and trying to sway large groups of people to influence the market.
 - **Product Recommendations:** Some interviewees stated they tend to trust product recommendations from influencers who disclose their portfolios, as this transparency allows followers to see the exact stocks, assets, or investment strategies being used.

"I think influencers can be helpful if they provide solid analysis rather than just promoting trends. Some YouTubers actually do deep dives into company fundamentals, which I find useful."

– Man, 25-34, BC, High SM

"The number of subscribers or followers is also another sign of whether you know someone is credible or not, because there are so many of them these days."

– Man, 35-44, BC, Moderate SM

"I'm looking at the education that they're providing [...] I'm also looking at results, like when people share testimonials and their own results, the trust goes through the roof [...] their own educational background [...] I don't necessarily care."

– Woman, 25-34, ON, Moderate SM

"If they have a third-party verified confirmation of their earnings, I'd pay attention. Or if they live-stream their trades so you can see them in action, that would make them more reliable."

– Man, 25-34, AB, New DIY

Rules and regulations

Many interviewees expressed support for more rules for finfluencers, including certification requirements or the disclosure of sources when sharing information. However, some participants believed that additional rules would not be effective. Some emphasized that regulations should focus more on social trading platforms rather than social media content.

- Many interviewees expressed a desire for more regulations to monitor the content being shared and to prevent misinformation from spreading. Some suggested that regulations should include **certification requirements**.
- However, a small number of interviewees raised **concerns about excessive policing of content**. They believed that additional regulations would not lead to significant changes in the financial content being shared and felt that the responsibility should lie with investors to verify the validity of information and the credibility of finfluencers.
- A few interviewees suggested that **regulatory efforts should prioritize social trading platforms** over social media content. They emphasized the need for clear, explicit regulations for these platforms to better protect young investors, especially as they believe social trading platforms are becoming increasingly gamified.

"I think most of them all state, 'This is not financial advice,' right? That's their disclaimer. But a lot of them probably don't have that background or that education or certification. Yeah, they should probably state that."

– Man, 35-44, ON, Moderate SM

"Canada has so many rules. I'm getting annoyed and tired. If they're presenting themselves as part of an institution, yes [there should be rules] [...] If not, who cares."

– Woman, 25-34, ON, Moderate SM


"I think what's probably more concerning to me [...] is like the gamification of trading [...] I think that's like an easier place for us to regulate rather than what people post online. I'd be open to improving that, but I don't think that's the main problem. I think, like, advice is just advice until someone can action on it. And I think giving, you know, young people essentially a loaded gun to [...] blow their life savings is super concerning."

– Man, 25-34, BC, High SM

The Role of Social Media

Finfluencers (Creator perspectives) 

Getting started as a finfluencer to help others

The finfluencers we spoke with said they started creating content in part to help their peers learn the basics of personal finance and investing. 

- Many of the finfluencers we spoke with started by creating content about what they were learning as they were learning. They found the material challenging and that others in their circumstances (i.e., newcomers to Canada, young investors) must also be struggling.
- A few finfluencers we interviewed also felt that there was a lack of representation in the investing influencer space (i.e., women in investing, new Canadians, French language speakers) and wanted to fill that market for others like themselves.
- A number of finfluencers also started during COVID, when they had more time to do research and produce content.

“With content creation, the reason why I did that was because, as I was going through this DIY investing journey, it was really hard to find a Canadian and a female who was doing this.”

– Influencer

“And then I started a podcast. [...] There really weren't that many at the time, and there certainly weren't many in Canada. [...] and there certainly weren't many by women. And so, I started mine, because there was a big gap in the market.”

– Influencer

“In terms of COVID, I had a lot of time this month. I did a lot of research and discovered a lot of things, and I said to myself, I have to share this with the French people who are coming to immigrate to Canada, and also with all French-speaking Canadians. [...] There really isn't much in French.”

– Influencer (translated from French)

How do they see their role?

Most finfluencers we interviewed see their role as guiding new investors, making finance content easy to understand, and breaking down complex, dry information. Some were focused on helping groups that are not perceived as typical investors gain confidence in investing and creating a community.

- Many interviewees viewed their role as guiding beginners and new investors in taking their first steps. While financial information is widely available, these influencers believe their true value lies in providing motivation and fostering a sense of community. They emphasized that many people know the basics but struggle to follow through, making motivation essential for building financial habits.
- Two interviewees described their role as making finance less intimidating, especially for women, by building confidence in understanding complex financial topics.
- One finfluencer mentioned that finance content is often dry. They see their role as making it digestible and easy to understand. The interviewee also noted that most content is targeted at the very wealthy, and they want to create something accessible for everyone.
- Some interviewees emphasized the importance of community and engagement. They valued the comment section as a space for learning, feedback, and debate, while others tailored their content based on audience questions.

"I think people like a bit of hand-holding. They like the community and motivation [...] Some people who are really intent on growing their finances, they need to hear that every day or as much as possible, so they stay motivated."

– Finfluencer

"Me talking about investing gives people, especially women, but also younger people, like, 'Oh, okay, she explained it in terms that don't make me feel like a dummy. So maybe this isn't that hard.'"

– Finfluencer

"The books were really dry. Courses really dry. And anything that targeted Canadians was for super wealthy people, right? Who had just excess money. So then that's where I was, like, I just want to share my story."

– Finfluencer

"I find the comment section really, really interesting. It can be very productive, where actually, when you have the community, people help each other out. Someone asks a question, and someone else answers it, so I don't even need to jump in."

– Finfluencer

What kind of content do they create?

All influencers we spoke with create content aimed at helping beginners. Some tailor their content for specific groups. While most prefer long-form over short-form content, platform and style preferences vary. One interviewee discusses diversifying content by introducing digital products.

- Interviewees focused on clear, jargon-free financial advice for beginners. Some created content for specific groups, such as French speakers and women, due to limited targeted investment resources.
- As audiences gained knowledge, finfluencers shifted from basic topics to advanced subjects.
- One interviewee mentioned expanding into digital products, such as financial planners and budgeting templates, to supplement their content.
- Interviewees have different preferences for video formats, influencing their platform choices. Most finfluencers we spoke to favour long-form content on YouTube for its ability to support in-depth financial discussions, while another balances deep-dive podcasts with instructional YouTube videos. One finfluencer, however, focuses on short-form content on TikTok and Instagram due to its ease of production.

"As I was going through my DIY investing journey, it was really hard to find a Canadian and a female who was doing this. Everything I learned came from men, or from women who weren't in my situation."

– Finfluencer

"[My content] was predominantly [for] beginners at first. But now, I don't cater as much to that. You won't really find me making content like 'Here's how to budget' because I've said it all before. Now, I cover more advanced topics."

– Finfluencer

"The main two are TikTok and Instagram [...] long-form YouTube videos take too much time. I haven't completely figured out the editing for it, so it's mainly TikTok and Instagram."

– Finfluencer

"I don't like short-form content, and I think it may attract the wrong type of people. If you're willing to put in the work, you probably go to YouTube, it is like a free university."

– Finfluencer

Four main sources of revenue for finfluencers: 1 of 4

All of the finfluencers we interviewed made at least some money from their content, and for most, but not all, it was their primary source of income. The creators described four main income sources from financial content.



| Finfluencer Revenue | Details | Quotes |
|---------------------------|---|---|
| Brand Deals & Sponsorship | <ul style="list-style-type: none"> Brand deals and sponsorships were seen as a main source of income, and all the influencers have had at least one sponsorship. These almost always involve fixed payments for specific pieces of content. Finfluencers noted that this type of deal is a customizable collaboration for the company, but that means it is more time intensive as you must ensure that the company or brand is happy. One finfluencer described negotiating their brand deals into longer term partnerships by asking for equity as part of their compensation. Finfluencers described sponsorships with trading platforms, including social trading platforms; ETF issuers; banks; and also FinTech companies focused on products like mortgages, wills, or small business ownership. A few finfluencers mentioned receiving sponsorship offers from credit card or short-term lending companies, but one stressed that they avoid promoting debt products as a matter of principle. | <p><i>"Then there's also sponsorships, like more customized collaboration where I'm paid a flat fee - sometimes plus an affiliate link. But I do not like those too much because they're very time intensive, like you have to really make sure the client gets what they want."</i></p> <p><i>"I make more money with my sponsorships than with YouTube [ads]."</i></p> <p>(translated from French)</p> <p><i>"One of them [sponsorships] is for Willful the will kit, because I like them, and I actually have a will through them. And one of them is through Ownr [...] have just a few videos in my YouTube channel about setting up a small business, because I run my own small business, and so that just helps you set that up."</i></p> <p><i>"I never work with any kind of lender company, so anything to do with, let lending or debt, even credit, I don't really work with credit card companies either [...] I'm very anti debt [...] most people don't use debt in a way that's helping them, it's actually harming them."</i></p> |


Four main sources of revenue for finfluencers: 2 of 4

All of the finfluencers we interviewed made at least some money from their content, and for most, but not all, it was their primary source of income. The creators described four main income sources from financial content.



| Finfluencer Revenue | Details | Quotes |
|---------------------------------------|---|--|
| Affiliated Marketing & Referral Links | <ul style="list-style-type: none"> Affiliate and referral links were used by every interviewee, and are viewed as easy, passive income. Affiliate links from larger companies were seen as an easy way to start earning income for new influencers as they were readily available with no vetting or minimum audience size. Other companies only make affiliate links available to select influencers as part of an agreed upon partnership. Some finfluencers were less keen on affiliate links as it is not a guaranteed source of income (compared to sponsorships) and hinges on someone making a purchase. Affiliate and referral programs are common for trading platforms. | <p><i>"They'll look at affiliate partnerships, because that's more passive."</i></p> <p><i>"I've always felt very conflicted [...] why am I selling your product and I'm not going to get guaranteed pay. [...] [Also], with an affiliate, you kind of have to say 'You need to get this', because you have the incentive of someone buying it [so you can] make some money."</i></p> <p><i>"{Trading platform A} has a referral program, you get 25 bucks every time someone signs up."</i></p> |

Four main sources of revenue for influencers: 4 of 4

All of the influencers we interviewed made at least some money from their content, and for most, but not all, it was their primary source of income. The creators described four main income sources from financial content. 

| Influencer Revenue | Details | Quotes |
|---------------------|---|---|
| Ad Revenue | <ul style="list-style-type: none"> • Among YouTubers, ad revenue was a common source of revenue for influencers with a large following. • However, influencers with a smaller following did not earn enough from ads to support their channel. | <p><i>"AdSense, Google AdSense, that's a basic staple income portion."</i></p> <p><i>"I earn almost nothing with YouTube [...] it doesn't even pay for all the hours of work I put into a video."</i></p> <p>(translated from French)</p> |
| Products & Services | <ul style="list-style-type: none"> • Most influencers also described the income potential from services or products that their audiences can buy, like budgeting templates, PDF summaries, courses, or one-on-one coaching. • Many described this as an important revenue source to branch into if you are trying to turn content creation into a sustainable career. | <p><i>"I deliver courses as well, they're online courses. I could launch that, but it still takes energy and so I haven't done it [recently]. But there's definitely no end of revenue if a content creator wants to do this full time."</i></p> <p><i>"I'm branching out to digital products, but I haven't launched that yet, that will come up this year."</i></p> |

Note: While some influencers were aware of others receiving shares as a form of compensation for a sponsorship or brand deal, others had not heard of it or received such an offer. Only one influencer said they had made such a deal and explained that they had requested it rather than the company offering it.

Finfluencers are selective about brand partnerships

The finfluencers we spoke with were fairly discerning when it came to accepting sponsorships and sharing affiliate links. 

- Most of the finfluencers we interviewed tended to avoid sponsorships they felt were risky, like penny stocks and crypto, or went against their investing philosophy, like credit cards, following self-imposed standards for their platform. A few were concerned that the wrong sponsorship or failing to be transparent would negatively affect the trust they've earned from their audience.
- One influencer also noted that short-form creators might be more willing to take riskier sponsorships than long-form creators, as it is harder on those types of platforms (i.e., TikTok, Instagram) to check their history and search their content.

"I think a lot of short-form content creators are much more comfortable with [receiving stock as compensation], because people can't search your content. [...] Algorithmic, it pops up, it disappears like Snapchat, it just disappears into the ether. So the short-form creators are much more willing to take that risk. The long-form content creators are unwilling."

– Finfluencer


"It always aligns with what would I be comfortable telling a friend or a family member to do or not do? And so I never work with any kind of lender company, so anything to do with lending or debt, even credit. [...] Same when it comes to the investment, I definitely don't talk about any kind of crypto currency."

– Finfluencer

"A couple days ago, I posted a video about {trading platform B} and their new offerings, and immediately the first comment I got was, 'Is this sponsored?' And so I had to go into my comments and immediately put this video is not sponsored, because, again, I didn't want people thinking that I was promoting a brokerage and all their great benefits and whatnot, and not disclosing it. Because that is my biggest fear, losing the trust with my audience, because it's so important as a creator."

– Finfluencer

Awareness around official rules and regulations is low

All but one of the finfluencers we spoke with were not aware of any specific rules or regulations that they had to follow, except for declaring sponsored content. Their compliance mostly stemmed from self-regulation. 

- All the finfluencers were aware that they needed to provide a disclosure for any form of sponsorship on their content, and described that platforms – especially YouTube – were very strict about this as a matter of policy.
- Most finfluencers believed it was a best-practice to say that their content was not intended as financial advice, but were not sure on what basis.
- Some thought it was a rule from the platform or sponsor, another assumed it was a liability issue, and only one thought it was a regulatory requirement.
- The finfluencers we interviewed felt that the requirement against giving advice was often ignored, and most were generally supportive of more oversight on the advice finfluencers provide.

"[Providing a disclaimer] it's more of a best practice, and I'm not aware that it is required by the law at all. I don't think it's required, but it's more for liability purposes and to protect yourself."

– Finfluencer

"As a content creator, no, there's literally no rules besides disclose [if it is sponsored]."

– Finfluencer

"You can't outright tell someone to buy something. And again, there's a lot of creators that break all of these rules. [...] You can't give any sort of financial advice. [...] [there's] very important wording to be aware of in the captions or in the comments or description of your video [...] to put a little disclaimer at the bottom that says this is not financial advice, just to be careful."

– Finfluencer

"I think what should be mandatory is that every influencer should specify at the beginning or end of their video that they are not a financial advisor and that people should do their homework before investing [...] it should be mandatory, but it's not. [...] On all my videos I make it clear that this video is for entertainment purposes and that I'm not an advisor."

– Finfluencer(translated from French)

Social Trading

Social trading platforms have social features that allow users to do things like:

- Connect with others to share information, strategies, and insights;
- See other traders' history or portfolio;
- Copy other investors' trades or portfolios;
- Access news, polls and forums inside the trading platform.

Awareness and usage is low for Social Trading platforms

DIY Investors

Familiar with ST Platforms

Investigated ST Platform

Tried ST Platform

Active User

Awareness of social trading platforms was generally low, and most interviewees who were familiar with them didn't feel the need to use them.

- Generally, most interviewees were not aware of social trading platforms, some even mistook them for traditional trading platforms or investing forums.
- Interviewees were more likely to be familiar with specific social trading platforms by name than they were with the general concept of a social trading platform.
- Some interviewees had heard of the platforms, usually from ads, but the majority chose not to use them citing a lack of necessity, disinterest in paid features, and skepticism of their legitimacy.

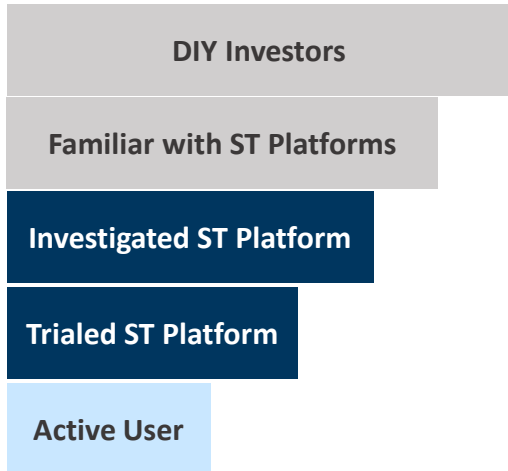
"I've seen a lot of ads for {social trading platform A}, I got some sign up offers, etc. And my understanding [it's] very much the gamification of trading, social, etc. and I chose not to engage in that, but I am familiar with it. [...] I don't need a social [platform] to watch someone, [...] to me that would just be a distraction."

– Man, 25-34, BC, High SM

"I haven't used them, they are paid services. [...] If I was more involved in trading, for example, if I traded every day [...] I would definitely subscribe to these services. [...] When you are more active, it is worth paying for it."

– Man, 35-44, QC, High SM (translated from French)

Trial of the app platforms are often the result of a promotion



Some interviewees took advantage of the social trading platform promotions, but did not continue using it beyond the trial period.

- Many interviewees who trialed a social trading platform signed-up through a promotion, but did not use it actively after that.
- Typically, they made one trade and stopped because they didn't have a need for it, were skeptical of the legitimacy, discovered hidden fees or found that the advertised low fees were incorrect.

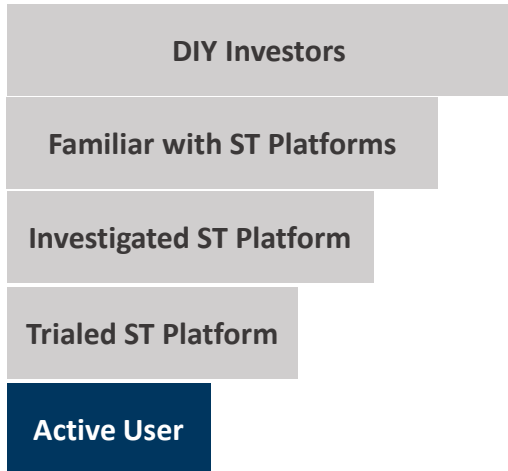
"I did try to use {social trading platform A}. I just wanted to try out their promotions, because there's a lot of ads about {social trading platform A}. So I just wanted to see like, 'oh, 300 Canadian dollars, is it too good to be true?' So I just got it to try it out. [...] I think there was an objective though, in-app they would give you a reward for using the feature for a little bit. So I tried to use it, tried to get into it, I just couldn't."

– Man, 18-24, BC, New DIY

"{Social trading platform B} has quite a bit of hidden fees that they didn't explain. [...] I looked into their forum, I think they call it comments or something like that. It's just some guy who is the same as you, so I don't trust it. [...] I would say their app is really easy to use, you can get quite a lot of information on the app. Just whether it's trustworthy or not, that's like the concern."

– Man, 25-34, BC, High SM

Active users use it as a key source of information and form of social media



Only a small number of interviewees were actively using a social trading platform, and they mostly used them as a source of investing information; akin to forums.

- The active users primarily used the platform as a specialized investment forum. It simplifies information searches and was seen as a much more specialized source as it is exclusively for investing.
- Interviewees also used it for real-time validation of influencers' investment recommendations. For them, the platform offered a way to verify the validity of an influencers' recommendation and kept them accountable, as you could see whether they were making the trades they recommended.
- A few people would also check the trades of other users, looking to validate their own purchases by confirming that other users were also buying the same product.

"I have {social trading platform A}, I look at the information on companies. I can't do trading or anything [as] there is no interface with my broker, but I find it to be a good tool. I like the forum function that they have on each of the stocks where everyone can come and give their opinion and where news is shared. [...] I like the {social trading platform A} interface."

– Man, 35-44, QC, High SM
(translated from French)

"The market trends and understand the hype about something [is the most helpful]. So for example, if there is a hype about Tesla, and if you go on {social trading platform C}, I mean, you can find it on Reddit as well, but {social trading platform C} is more easy to use and it's just focused towards investing and buying stocks and selling stocks."

– Man, 25-34, ON, New DIY

"I feel validated or vindicated sometimes with my decisions, but I don't know if it will help, because, again, I don't want to be influenced if I don't know their qualifications. [...] more than anything, I use as like, 'I'm on the right path'. [...] so I kind of use it as a gauge."

– Woman, 25-34, ON, Moderate SM



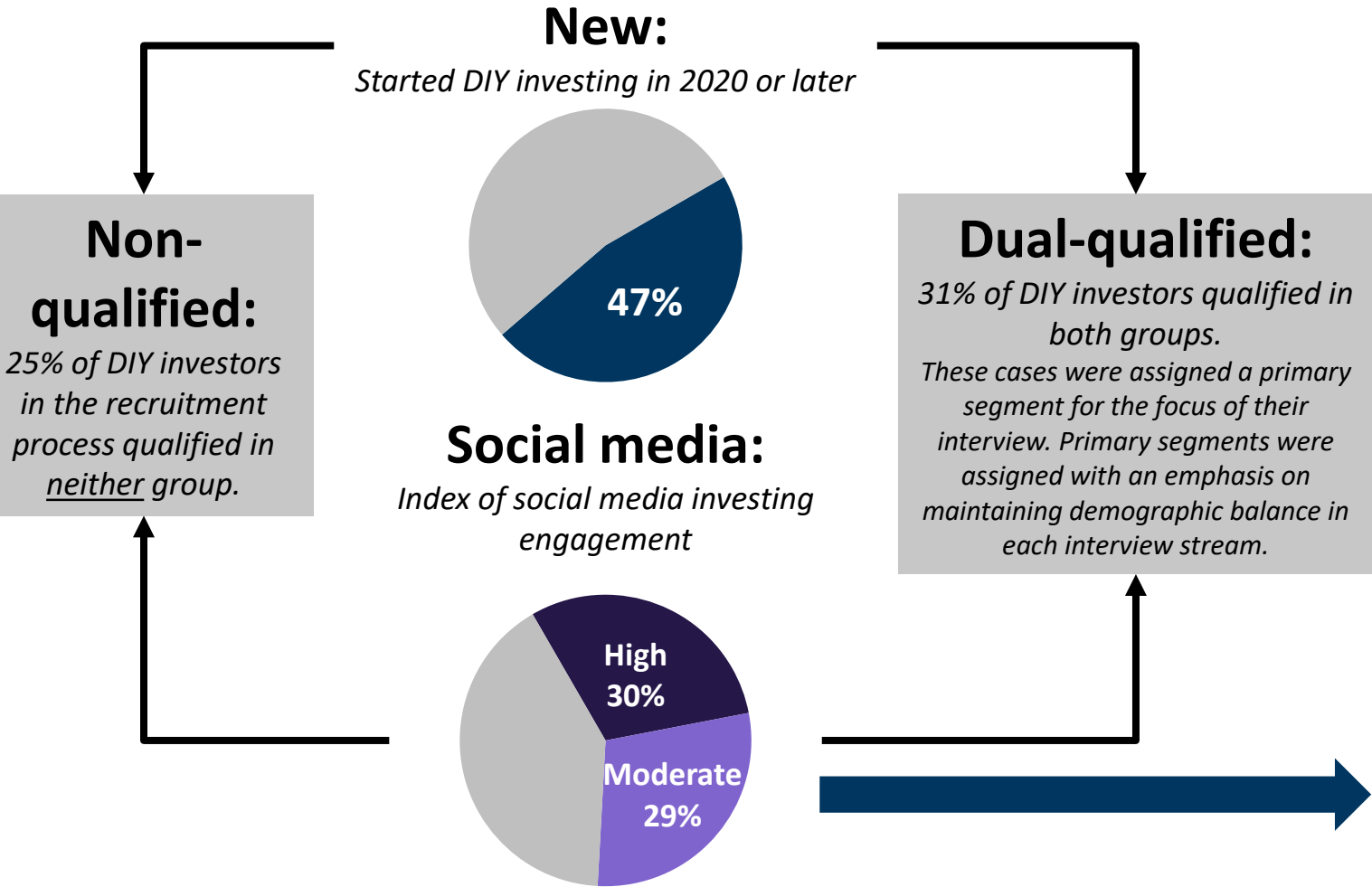
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Appendix: Detailed Interviewee Profile

Investor Interview Recruitment

Interviewees were recruited who were DIY investors *and* either were new to DIY investing or were frequent social media users when it came to DIY investing.



Social Media High:

Frequent, active use of social media across multiple investment-related activities.

Social Media Moderate:

Consistent use of social media with engagement in at least some investment related activities.

How frequently do you spend time on social media reading, seeking information, or engaging in discussions about investing?

| SM Investment behaviours* | Daily/Weekly | Monthly or less | Never |
|---------------------------|--------------|-----------------|-------|
| | 0 | NONE | NONE |
| 1-2 | LIGHT | LIGHT | NONE |
| 3 | MODERATE | LIGHT | NONE |
| 4 | MODERATE | MODERATE | NONE |
| 5-6 | HIGH | MODERATE | NONE |

*SM Investment behaviours refers to actions taken on social media, including:

- Searched for information about investments on social media.
- Shared investment information on social media with others.
- Actively engaged in online discussions about investing.
- Considered or purchased an investment that I first learned about on social media. [asked separately]
- Followed social media influencers who discuss personal finance or investing.

Final interviewee profile

| Final interviewee profile | New | SM Users |
|--------------------------------|-----------|-----------|
| Overall | 15 | 25 |
| Age | | |
| 18-44 | 11 | 19 |
| 45+ | 4 | 6 |
| Gender | | |
| Women | 5 | 5 |
| Men | 10 | 19 |
| Non-binary | -- | 1 |
| Region | | |
| British Columbia | 2 | 4 |
| Alberta | 5 | 4 |
| Prairies | 1 | 3 |
| Ontario | 4 | 6 |
| Quebec | 3 | 7 |
| Atlantic | -- | 1 |
| Social trading | | |
| Used a social trading platform | 2 | 6 |



Building Understanding.

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