



The Australian Finance Podcast Episode Transcript

Episode: Finfluencers & social investing with Dr Natalie Hendry

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Speakers: Kate Campbell, Owen Rask & Natalie Hendry

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Episode transcript:

Kate:

Natalie, thank you so much for joining me on the Australian Finance Podcast today.

Natalie:

Thanks so much, Kate. Really great to be here to chat with you about something I'm almost obsessed with at the moment.

Kate:

Yeah, it's a big topic, and it has been hitting the AFR and all of the news sites for the last two years, really. I think COVID's really been the... I don't know if you have an opinion, but the whole fin-fluencer world and getting digital advice online, not necessarily from financial advisors. It's just boomed over the last two years.

Natalie:

And in some of the research that I'm doing, some of the people who have started investing were definitely motivated by the pandemic. But there were lots of things happening just before the pandemic. At least in Australia, that might have been following, say, the UK, in terms of brokerage platforms, social media talking about finance, the relationship between finance and wellbeing. There's a lot, and it's not just about COVID, and it's not just about people having

extra money from government payments and things like that too. Lots to talk about. But hopefully you can steer me in a really good direction.

Kate:

You were involved over the last 12 months in a really interesting research study looking at how young people up to the age of 30, I think, were involved in managing their finances online, and where they got the information from, and just the proliferation of YouTubers and podcasters and fin-fluencers on Instagram and TikTok, and how that was interacting with the way we manage our finances. I was wondering if you could provide listeners with a really high level overview of what your research project was all about, and maybe any really interesting findings you had after that.

Natalie:

Yeah, thanks. I'm a social researcher so the way that I do research might be through interviews, focus groups, what we call digital ethnography. Basically spending a lot of time online, hanging out, collecting insights as to what's happening, and mapping those, and trying to make sense of some of what we might call the social patterns as to what's happening and why people are doing things. How they relates to their identity. Most of my work has been in mental health and wellbeing, particularly how that proliferates online, how people talk about it, and their frustrations with health and wellbeing online. A few years prior people were starting to talk about financial wellbeing, so we know that people were creating businesses to build passive income to sell different kinds of health products. But this idea about finance as being the thing that you focus on to build your wellbeing has been really interesting.

Natalie:

This happened around the same time that a lot of the digital brokers started to grow in Australia. We had things like Acorn originally, which then became Raiz. Other platforms started to come onto the market too, and people were starting to share them as opportunities be able to, as retail investors, build your wealth. With my colleagues, Dr Ben Henkle, who's in the Institute of Culture and Society at Western Sydney, and Angel Jung, who's in The School of Economics, Finance and Marketing at RMIT, we did some focus groups with young people, 19 to 30, who were either recent, new, fresh retail investors. Or maybe had just over five years, a little bit longer experience. Some of them worked or studied in the financial field, others were in art school and were self employed photographers, so there was a real range of different people. Some had grown up in Australia, some hadn't. Some were invited into the world of investing through their parents.

Natalie:

The things that we found were that the idea that we can put financial and advices, and what we might call the formal financial industry against fin-fluencers doesn't make sense because often they overlap. We'll have people who are talking about buying something or not in a Facebook group related to a podcast. Those people might actually be working to guide people in their own finances. Another thing that we found is that people had really interesting and often complicated ways to tease out what was risky or not about their own investing. Though had ambivalent ideas

about whether or not it was gambling, and most said, "Well actually, I have long term goals. I invest in ETFs, I'm interested in ethical investing. These are not things I associate my mates." Putting a bet on for the footy, and hoping that whatever gets up. The other thing that we found, and this is interesting to me because I've always been fascinated by how people learn, is that people were learning about investing almost as if it was a hobby.

Natalie:

It was almost like the way we were looking at fandoms a few years ago. Or for me looking at young people under 18 in regards to their mental health. It was just woven into their every day lives. They'd get up in the morning, they're flicking through Facebook, they're flicking through Twitter. Things about investing were just coming through. Sometimes they would read them, sometimes they wouldn't. Sometimes they'd put them on an app to read later. They would be talking about it with friends. It was almost like learning to invest was in their every day life just in the background. They'd pop a podcast on. They would be learning about things by reading a little bit here and there. Then they also started to talk with other people about it. It wasn't that they had this discreet time that was just set. "An hour a week I'm going to do my investing research." Or, "Once every six months I'm going to visit my financial advisor and we'll have everything all sorted, put it into action and then I'll see you again at tax time."

Natalie:

It was this way of doing finance, I guess, that really helped them feel connected with all these other retail investors. That's something I think is often missing in these big discussions about fin-fluencers and social media. That this isn't just, you get this one bit of information from this one person's Instagram account, then you go and put it into action. But there's lots of pieces. It's almost like, I'm sure you're the same, having multiple tabs open. That's how you might do research.

Kate:

Yeah, and I think that's definitely missing from that discussion, that sense of community, and it's not just going to a financial advisor once or twice a year, and not ever getting to talk to anyone else about their finances, and seeing how other people are managing it. You don't get all of those things from a financial advisor. They do have a really important role. But it doesn't provide everything that I think a lot of young people really need when they're learning about investing. I think that ties into some of the conversations we're having previously when you mentioned the studies originally. It was about what does it actually mean to be an investor. You had some really interesting thoughts on how young people are starting to change that conversation, and use different tools to help them learn and develop a mindset as such.

Natalie:

What's interesting through all of this is that people spoke about having an identity as an investor. That doesn't mean it's a badge that they're going to wear. They're not going to buy the T-shirt. Maybe someone will start selling that. But it's a sense of being with other people who get it. It's a sense that, "I invest." Or, "I'd like to invest so I'm on these Facebook groups." Often they're lurking or they're just watching, or they're following things. They'll see something, they'll open up

another tab, they'll Google that. They will listen to this podcast. They'll have a chat with their one friend who's interested in it. Maybe some others are starting to get pulled into it too. When we talk about this mindset or identity of being an investor, it's something that's really social. It's about being with other people. It might be different to, say, maybe someone's sexual identity or their religious identity. But it might be what we call a cultural identity.

Natalie:

We can think about this, that if you're interested in Harry Styles, for example. All of the different kinds of social media you're engaging with help you get a sense about a Harry Styles fan. Similar to investing, and often the research about social media and learning, focuses on young people. So children, adolescents, youth, and dismisses the way that adults are doing very similar things, but about things that might be seen as serious. Or adult-like. Things about health, things about getting your mortgage sorted. Things about deciding which loan to take out, and investing as well. We have these ideas about who we are, and that they're shaped by the other people around us. One thing that I know you and I have talked about a lot is this misperception that investing is really, really difficult. Or that there's some magic, or you need to have studied. You need to be, as some people in the study said, an old white man in a grey suit who can be part of this in group. I'm not saying that investing is something that everyone should do. That's not my role or place.

Natalie:

Nor is it something that I think is necessarily great all the time if we're thinking about the role of investing in the world. But in terms of us breaking down the things that are often barriers, talking about these misperceptions is really important. Instead of listening to me, let me share some quotes. Some people were really almost frustrated or surprised when they found that investing isn't this crazy chaos of a stock market room. Okay, yes, in the trading. Yes, maybe it is for some people. But you can go in, it can be quite mundane. Get your bank accounts all sorted, you decide what to buy. This person is a 28 year old woman who was studying medicine at the time, and she didn't really have a sense of what investing was about. To quote her, "I didn't really have any advice. I think that this is something that is not necessarily advice, but I think I saw a lot of men around me investing, and for some reason I thought it was really complicated. I don't have a degree in finance, I never been interested in money or economics or anything.

Natalie:

I just thought I'd never understand it." This is someone that obviously is highly skilled in learning and they're studying medicine, complex ideas. But it's almost like with this popular... I don't know, almost like I just think of a curtain, and you can just see through it. Some people can see through it. Often that's related to who's in your family, what are you studying, what are the other people around you. Do people in your family invest, is it something that's part of your everyday life. If we can tease apart, well actually most people in Australia are investing through their superannuation. "Oh, that's investing. We do that." We have an assumption that our super will go up, especially if we try and pull all our bits together from multiple jobs. That's going to be really important, particularly for things related to accessibility.

Natalie:

Another quote, this is from another young woman who is 26. She's self employed in the music industry. She said that she hesitated to talk about investing with her friends because she went to art school. Talking about capitalism, in her words, is not something that you do. She was really interested in investing in green energy and really aligning her values with her investments, and talking about GameStop, she quite like that this space used to be traditionally old men in suits at Wall Street. She liked that you reclaim a little bit of power that you didn't think you had. Being able to have a say, even if it's only \$100 worth of a say where you might want to put your money. It's still capitalism, but you do have a bit of an input. Which just mentally makes her feel a bit more less of a victim of circumstance or something. For her to be able to slowly talk about investing with a partner, to slowly find out which friends were interested, it helped her tease out some of the tension she had between her feelings about capitalism.

Natalie:

Her desire to live in a better world, to address climate change, that was really important to her. Again, it's that idea that having other people around you, or someone you can relate to really helps tease apart those misperceptions about the stock market equities and so on.

Kate:

Investing really is a social experience. Ever since I've started I've found people around me and worked in fields where I can just have conversations over a cup of tea over a company or a concept or an idea that I'm learning about, and it's completely normal. I think that's been really beneficial along my journey, and I think if we don't have those people in our lives, that's one of the places where the social platforms, and the fin-fluencers, as the media loves to call them, do play a role in our finance and investing journey. I'd be keen to hear your thoughts and from what you've learned in the study about what gap these fin-fluencers do play in people's investing journeys. What the value is in learning from other experiences, rather than just getting told, "Here's your plan and here's how to action it." And potentially just looking at what other people are doing without necessarily copying them. Which I think the media seems to think that we're just going to look at one person's portfolio and completely replicate it.

Natalie:

Yeah. It's really complicated talking about social trading because we know lots of platforms have those explicit tools that help you with a click of a button. Copy, literally, somebody's portfolio. No participant said they did that. They said they often look for ideas and inspiration. Even in the bad tips, on some forums that they saw were a little more... I don't know if I should swear, but a bit more rubbish. They saw them as even if it's a bad tip, it might give them a good idea. Or lead them off in another direction for research. I didn't grow up with that, I guess, social community around me, to have a cup of tea to talk about money or finances. I just really liked doing my tax returns and setting up my super. I've always been on top of it but in a way to think about, "Okay, what might make my financial future be a little more secure. Does investing play a role in that?" I think that's, as you're saying, where those fin-fluencers, where the people on social media talking about investing and finance fit in.

Natalie:

I think if we can talk broadly about it, because I don't know any fin-fluencers who are really excited to call themselves a fin-fluencer. The other thing is that sometimes it's just Facebook groups with lots of different people talking, and none of those people will be fin-fluencers, but they're all people that are having this conversation about finance. These gaps that they fill, five things. One is that they talk about lifestyle. Who do you want to be, what do you want to do? "This is me, this is how I pack my lunch. This is me with my job. I don't want to buy a house, I want to do this." I don't know how many financial advisors are going to sit down and talk about that. It's not that people are going, "Ah, I'm going to buy your exact lunch." Or, "I'm going to become a primary school teacher." But it's just seeing how other people arrange their lives. Even the percentages of how much you save, how much you put towards your food and your groceries. That leads into the second thing, which is relatability.

Natalie:

That's central to all of this, seeing other people that you can relate to. Often it's just a section of relatability. That if everybody else in that Facebook group or the comments on Instagram are talking about after pay and whether it's peak or not, you feel a sense of connection and you can ask questions. You can lurk. There is some value there. The communication for the third gap is really accessible. It's broken down into small things. There's a great TikToker who will just say if you save this amount of money per month starting at this age, on average where would it be at 8%. Take into account inflation, da, da, da. That's all that he is. It's literally this person making videos about something we could sit there with a calculator and do. Not that I'm doing to do that. But people who are like, "Can you please do 32 and this age." I don't love that engagement. It's this little reminder. What some people said, it's just this little pieces that remind them, "Oh, yeah, I'm interested in this."

Natalie:

Or, "Actually no, I do need to look into this." Or, "Actually I'm getting a bit bored with investing. I might just leave it for the moment. Put it a bit on autopilot. Check if it's diversified and then move on." Fourth gap is this idea of dialogue, and that was really, really central for people who wanted to see how other people were making decisions. The types of communication that helped them get a sense of what other people were doing. Things like podcasts, that didn't tell you do X or Z. But are people talking through the pros and cons. The comments off Instagram, Facebook posts, the comments to articles in news media. That was fascinating for them because they got a sense of what other people were thinking. We might use that sort of investing language as sentiment about a company. But really it's to be part of that conversation. This isn't new. People have always had conversations in the copy shop about investing. When I worked in the city in that area of town I would hear it all the time, but I just didn't quite understand it. Whereas here it's a bit more accessible.

Natalie:

And the last point, which is something I've threaded through all of this is that these fin-fluencers provide a way to informally learn without having to step out of your life. You don't have to make an appointment, it's just in the background. It's, again, how you learn about hobbies or how you

do interest led learning. Which is about finding spaces that you can connect to, that you can read things. This was similar even for people who worked in the industry. They would have their newspapers that they would check, their websites that they would check. They might follow particular fund managers on Twitter just to get a sense of what's happening. That was just part of their everyday lives. In some ways, though, those gaps make it really difficult for people who just want to quickly jump in, get a sense of what's happening and go. Because you have to invest a bit of time and energy into it. You have to be interested enough to work out, I'm going to follow this person, this person's relatable, this person's not.

Natalie:

In some ways it does put people who kind of want to get a sense of what's happening at a bit of a disadvantage. There's some people in the study that recommended there are some great books that can give you that basic understanding of how the stock market works in Australia. But then you can move on to other kinds of resources. Those five things, I think, are really important and often what's missing. Lifestyle, relatability, that accessible communication, that dialogue. Even just lurking the dialogue, even if you don't want to be a part of it. And opportunities for informal learning.

Kate:

I think that's so interesting. It's like bringing it into your daily life. Yes, you might interact one day and you might not interact the other day. But it means you're actually getting involved on a regular basis and prioritising it. Rather than just yearly check in when you might just and forget and not think about your finances or your budget for the rest of the year. I think we spoke about this before but it's interesting that it kind of self regulates. Sometimes you're going to get really bad people spooking weird products or bad advice on Facebook groups, and TikTok and Instagram. But I think a lot of people can call that out. Or at least see it for what it is. Often the people with larger followings, the larger podcast or the larger Facebook groups, you'll start to see common threads appear. Or they'll grow because they're sharing good information. It's not always going to be the best information, or the information a financial advisor would have given you.

Kate:

But you do get experience on either side. But you get a lot of good middle ground information that I think that's one of the things that does get misrepresented in the media. There's actually a lot of good solid advice on how to budget, how to invest in ETFs. Most of it isn't insane stock picking in really small companies, is it?

Natalie:

To be honest, a lot of that's quite boring information. I think it's just something that some participants picked up on. There's a point for some of them who'd been getting the books, have been following different Instagrams from people talking about investing, that were in the Facebook groups, that were reading Reddit, that after a while you just hear the same stuff again. ETFs is this, think about inflation. "Did you know that if you sell your shares before 12 months is up then you will pay more tax? If you wait 12 months you'll pay less tax." Obviously

that will depend on people's tax situations and I am not in any way, shape or form a financial advisor, so definitely go and talk to someone about tax. But even the bad advice, people saw it as inspiration. The tricky bit is that you can quickly jump into something. Quickly check a Reddit forum, read through that and quickly put something into action.

Natalie:

Those people might never follow anyone else, never go into the discussions, never lurk a Facebook group. Another part of this research that'd be great to expand on is what happens with the people that are the one timers. I can't even think of the right word here. But the people that dabble and disappear. But then again, how much money they invest in too. How do they perceive what they're doing? Are they seeing it as this is a quick gamble and then I'll disappear? Or put some money in ETF, forget about it for five years. Not put anymore money in. Break my phone or be under access rays or something like that. It'd be interesting to tease apart what those people are doing. But for the people dabble in it, just start following, they're a bit curious, they might download an app. Most people in our study had more than one platform. They didn't necessarily exclude the banks when it came to choosing a platform.

Natalie:

They might have platforms that you might say would overlap, so three different one would offer US trades. Or one would offer this information or this information. They're really trying to get a sense of, "Oh, what does this one offer, what does this one offer? How much is at cost here? Are the fees different here? Should I invest on here?" Really, for those people, it's that sense of even with all the maybe less than helpful information, they're getting a sense of playing with it. The result takes experimenting, I guess.

Kate:

Based on that, do you think that the media and the finance industry is really not giving consumers enough credit to actually evaluate this information on their own, because there's just so much bad press about the fin-fluencers, and that it should be regulated on, they shouldn't be allowed to do X, Y, and they're taking business away from financial advisors. Do you think some of that's a bit blown out of proportion?

Natalie:

It's really difficult because the Royal Commission brought up so many really important things to really regulate what's happening and what advice is being given out. But at the same time in some ways this is a new market. These are a group of people who have only just started investing. We can see that from other research, we can see that from the ASX research. These are people who are not going to pay 500 plus to go and see a financial advisor. They've always had a sense of seeing themselves as people who left time learners. That's something that has come through in this neoliberal age where you take responsibility for your wellbeing, for what happens in your life. As we start to strip away different kinds of welfare support, people then have to come in and fill that gap themselves, so education is really important. They see themselves jumping between different kinds of careers.

Natalie:

Obviously a lot of this is for people that have those resources. To say to those people don't look at this, just look at this one website. Or just go and talk to one person, it doesn't make sense because they haven't done that for other ways of learning. They've done their own research. They've gone out, they've talked to different people. They may have made a decision and still gone and asked for 20 different opinions, listened to two podcasts, read six think pieces, looked and analysed a report, and then made the decision too. It's a different way of thinking about learning, and I think that's the missing piece. It's the way that these younger people are learning as part of their everyday lives, to all pulling apart these pieces. The multiple tabs as a metaphor, but also a literal practise, is very different to what might be pushed by people promoting very formal approaches to financial learning. There's that tension there, and it's not saying that we need to get rid of one. Or financial advisors now need to be making TikToks. Although there are financial that do things.

Natalie:

But it's about finding a way that these things can interact in an ecosystem that's well supported. Things that I would love to see would be some really simple things actually. I don't know if this is my ex teacher in me speaking, but almost like a checklist. So if you're going to make the trade, or you're going to buy something, there's some basic things you might need to know. If you sell or buy this within 12 months, does this impact your tax? Is this a US equity? What does that mean? Do people know some basic things about diversification? They don't need to know all the pieces, it's just a quick checklist because these are some things that people have said that they've missed. Have they thought about their super and where that fits into it? And of course, someone who has a better understanding of financial literacies might have other pieces to it. But I don't think it's about making another general neutral website that doesn't feel relatable, that doesn't tell the stories. Just a quick checklist. "Okay, I'm on top of those things."

Natalie:

Or you've been investing for three years, here's your checklist. Diversification, whatever else. For anyone listening, don't listen to what those explicit things are, because obviously that's what somebody who works in that space would better understand. But in terms of learning and where you are on that, it's just those little check ins. It's the same way that we might study in health. Do you understand these things? Great, okay. Two years' time obviously your understanding will increase. Your experience will have changed. What else can we add to that mix? That's a really simple basic thing, but that's just fact checking, and that would be a great thing for financial services to offer at a reasonable cost that makes sense to people, for platforms to add, for websites to add in as well. In some ways it's curating the information that's out there for a checklist that makes sense for a person who has a particular kind of life. It may not be age related, it may not be how much money they have in their portfolio.

Natalie:

It may be, okay you're this person, you're self employed, you don't have kids, you don't want to have kids. You're not really thinking about a mortgage. You're thinking about working around the world, this is what you might need to keep in mind. First is, okay you have a solid job. You're

thinking about a mortgage, you're thinking about your kids. Those kinds of investing decisions would be quite different. Again, that's why people like hearing about people's lives, because those decisions about your money relate to your life in general. So if you could have a checklist for different types of people and different types of journeys, that would be fabulous. Anyone can take that idea, by the way.

Kate:

No, it's a good idea because there is so much information out there. Especially now, there's just so many sources you could possibly get information from. If you're just getting started with your personal finance and investing journey, you often don't know what you don't know, and you don't know what you need to know. It's not until you fully... You can't just drop into that ecosystem and then jump out again. You need to immerse yourself. Then you start to go, "Oh, they're talking about compound interest. Okay, I want to learn about that." You slowly dip your fingers in and get to know all the different areas. But yeah, a checklist for your own life circumstances sounds like a good idea.

Natalie:

Yeah, I'd love checklists for everything. I would love a checklist for... I guess it's like a health checklists. You see those articles often in women's magazines. "At 20, what are the things you need to have talked about with your GP. At 30, what do you need to talk about? At 40, to get your hormones checked. At 50, go and check cancer or these things." If I said to someone, what would you have at different stages, they'd kind of have an idea about health check ups. But in terms of finance, it's about also acknowledging that a lot of people lead lives that are not stable. The job market for them is not stable or secure. We know that casualization is on the rise. Those kinds of financial situations are very different to people who have been in families that have always invested, that might have family trusts, that have gone to an industry that familiar to them and their social circle and so on. Again, it's mapping it out according to what's happening in people's lives. Less about just how much money is in your portfolio. What age you are.

Kate:

Yeah, and I think the other thing that's been quite beneficial by the rise of fin-fluencers and all the other ways you can learn online, which I don't know if was there before, is that people are very willing to share the mistakes they make along the way, when they fail, when they lose money. When they got scammed, even, which is not always the most pleasant thing to talk about online. How have you seen, in study, anecdotally, that learning from failure has played a role in people's journeys? Do you think that's something that we should keep sharing online, and keep looking at?

Natalie:

Yeah. I don't know if I was surprised but I loved hearing people start to tell us in the focus groups about their losses. To quote one person who was 30, "Everyone has a loss or two. That's something you learn from." Loss was often, you didn't make as much money as you thought you would from something you had bought. Or actually investing money and really losing a lot of money through it. People saw that this idea about getting burnt was really important early on,

and it's better to do it early. They said that maybe 30 seemed to be this golden age where you needed to get serious about your life. As someone who's well over 30, I didn't do that. Okay. But the sense that if you're 22, getting burnt will help you learn a different technique or strategy. In some ways social media supported that because we have these ideas and what we would call discourses in social research, about entrepreneurship, startups, competition, where failure is almost perceived as this important thing for success.

Natalie:

Some people even said that they would find someone more relatable or trustworthy on a podcast if they had failed, than if they had always been great and made great decisions as a retail investor. Or for their clients as a financial advisor. It's interesting that that vulnerability or making mistakes is something that people see as really valuable, it builds trust, it builds relatability. It builds a sense of authenticity. For people to share those experience on a forum or in a discussion, to see them as an education in itself is fascinating. It's maybe something that we perhaps don't hear a lot about in other kinds of areas like health. People are not really talking about their mistakes in that way, and especially not so quickly. It's not, "Oh, I lost this amount of money yesterday. I'm going to change this." Or, "I really need to fix up major." Or, "I need to rebalance what my portfolio looks like."

Natalie:

This seems different to gambling, where talking about loss needs to be seen as, "Oh, LOL, I made a mistake. I was so drunk I put this bet on." It fits that event narrative of, "I got a bit crazy on the weekend. Oops, there goes 500." Whereas investing it's like, "Oh, I thought I did this but I didn't do this. I should have checked their reports. I should have done this." There's always another stage of learning, and that was seen as essential. For the people in our study, at least.

Kate:

Yeah, and I think even reading about someone's mistake may get you interested in a completely different area that you hadn't thought of before because people seem to think everything that possibly be done and made a mistake of, someone has done. I think that's one of the things I've really liked about reading, especially in the financial independence community, people are very open. Even if they're anonymous about mistakes they've made along the way. I found that very beneficial. Even individually reading that and going, "Okay, maybe that strategy didn't quite work for them. If I'm doing this, have I thought about this when I'm making my financial plan?" Things like that. Even just making sure you've considered all your options when you read other people's stories.

Natalie:

I think some people say, "I've made this decision, can you give me some feedback on it?" Because they are seeking just to check all their boxes, I guess, in regards to that. Talking about all this, I just think about how much work and investment you need to do to invest in some ways. Which works for some people that have the time, they might have jobs in front of computers, or that are allowed to listen to a podcast while they're doing something that might be more hands on. I think that's the piece to this. As a social research, I'm interested in who is this accessible

for, and how is this inaccessible for. Who does this still exclude? But talking to some people who never thought that they would be investors, that had always been interested in, say, social justice or environmental ethics, trying to find spaces to talk about investing, and to see both what's problematic and what's great about it.

Natalie:

It's been really fascinating for me, but also starts to tease apart how we can make it more accessible for the people that do want to get involved too. Especially through the pandemic where we know people, young adults, people under 30, some of them had to use up all their savings. They had to go eat into their super to be able to pay their daily expenses. While some of the people in the study included had extra money. They could come ahead with 20, 30, \$40,000 that they would otherwise not have because they would otherwise be going out, or getting transport to work. Or paying for living costs too. It's going to be really interesting to follow this generation of investors, and what's happened with people through the pandemic, and how we can support the people who's financial situation is less well resourced in the next years too.

Kate:

Hopefully there's more research to come from you in this area. There's so much to dive into to help consumers better, and to better understand this new world of investors that are quite different to your parents' and your grandparents' generation.

Natalie:

Yeah, definitely. I guess the sense of finding other people to talk about it are going to help anyone that starting out. Especially for people who feel it's like speaking another language. Or having that curtain down. Or that they're feeling discomfort about what they're doing. Finding other people in their social circles, whether that be online, whether that be in their own communities. Whether that be at the pub. Now that we can go back to the pub, which is very exciting. To find spaces to talk about it because when you start to talk about investing, actually start to talk about what do I need in my life to live? Okay, I need to sort out my super. Can I get access to those kind of supports if I lose my job? Can I look after my kids in the way that I want to? Can I have this kind of job? Maybe I might want to think about maybe environmental impact of investing, and how I can invest in a way, or not, that supports that. Or can I reshape my super in a way that's going to support that or not?

Natalie:

If I was a financial advisor I'd be saying talk to lots of people, and that they will also find resources that make sense for you, that are accessible, that communicate really well, communicate really clearly about the kinds of personal challenges you might face as investor.

Kate:

Yeah, there's definitely a lot of benefit to fully immersing yourself in the ecosystem, using different resources on different platforms, and actually staying there for more than a day or two, so you get a really wide variety of information. You've covered a lot in your research paper that I'd recommend listeners if they want to learn a bit more about other people's perspectives to

have a look at, and in today's episode. But if we can tie everything up in a nice bow, and if you had some main takeaways for listeners after today's conversation?

Natalie:

Yeah. I think it'd be paying attention to how you learn, which I know a lot of social research we see that as something that's a responsibility that's pushed onto us, given the social context that we're in. But to pay attention to it so that when we're supporting other people to better understand their money, whatever that looks like, includes investing or not, that we have a bit of empathy for how they learn, because we are learning through these multiple tabs, as a metaphor. I think that's the key there. I think maybe I'm really speaking, Kate, to the people talking about this issue and just focusing on fin-fluencers, but forgetting this whole ecosystem, like you said, that's out there. I don't know if that ties it in a bow so well. This is what you get from speaking with social researchers that complicate things. But paying attention to how we're learning, and supporting different people to learn through this. What I would the social learning way. That there's lots of different pieces to it as well.

Kate:

Yeah, and I think that's even if you want to start talking to a friend about money, working out, do they prefer podcasts, do they like Facebook groups? Do they just want to read the entire Money Smart website start to finish, and sending them resources that they'll connect with rather than just maybe giving them what you think you like best. Just because there's so many people out there, and you can connect more with one particular podcast or book than you might with another. It's about figuring out what works for you, and using that as a springboard for your own research journey.

Natalie:

I guess respecting that people like to engage with things that make sense to them, that do feel relatable. Yes, that does come with challenges too, when people are selling a course that's going to change your mindset for three grand, and teach you the magic of compound interest. Okay, but when you can just get that from a TikTok, or the Money Smart website, or just any book. But again, respecting that different people will need different ways to learn about these things. And again, maybe tap more into the misperceptions, that lack of confidence, that curtain that's down. That other sort of, how do you speak this language of finance that's not part of their everyday life too. It sounds weird, but more people talking about these things in different ways that aren't necessarily neutral ways, I think will be better support for the whole ecosystem. Particularly when it comes to accessibility.

Kate:

Absolutely. Natalie, I'll put your research report in the show notes. But if there's any other resources you wanted to share with our listeners, did you want to share them now?

Natalie:

We're working on some research papers, so journal articles from this project, and thinking up where to next. Obviously people are very concerned about regulation and that is important. But

again, I think there's some missing pieces there for us to think about how people are learning, or how people are engaging in these spaces. I will share some other links that are on the APO site, that's the Analysis and Policy Observatory.

Kate:

Sounds exciting.

Natalie:

Lots of academic research from there. Ah, do you want to know some people's thoughts about the Hilda study? It's on there. But if you just want to dabble and see what academics are saying about the space, and people that work in that world, lots of free resources to have a look at there. It would be really inappropriate for me to share my favourite website or podcasters, or TikTokers because I don't have a financial background. Any of these things, again, are really directed towards what's the social research saying, what can we learn about how people are learning or making sense of this social media investing world.

Kate:

Wonderful. I think there's been a lot of interesting takeaways for listeners, and even just to get you thinking more about how you manage your finances, and how you interact with this digital ecosystem. I think there's a lot of interesting reflection points on today's episode. Natalie, thank you so much for joining me on the Australian Finance Podcast today.

Natalie:

Thanks, Kate, and thanks for letting me use the word discourse at least once in there. I appreciate it.

Kate:

You snuck it in somewhere. I didn't notice.

Natalie:

Thanks, Kate.

Kate:

Wonderful.