

Google Is My Advisor! Information Sources and Influencing Factors in the Investment Decisions of Hungarian Youth

Investing in the stock market is no longer a privilege of a particular social group; more and more young people are becoming small investors to establish their financial future. However, finding the most suitable investment assets for them is not simple. Previously, only a few sources of information were available to investors, but now, thanks to the spread of the internet and social media, numerous sources provide investment information and advice from online media and communities. Instead of investing experts, the roles of online forums, blogs, self-proclaimed financial gurus, and comment sections have been elevated as sources of investment ideas, advice, and analyses. Financial influencers have also emerged. The roles of family and friends, along with online sources, are notably important in the investment decisions of the younger generation. They tend to rely more on relatives, friends, and easily accessible information sources on the internet.

In my research, I seek to find answers to which sources young Hungarian small investors primarily use for their investment decisions and which influencing groups have the greatest impact on the types of investment assets they choose. I conducted my empirical research using a questionnaire survey, targeting young people aged 18 to 30, with 256 participants. Through my research, I gained insights into the attitudes of young people with financial investments and those not currently investing, comparing the two groups.

My results confirmed that a significant portion of young investors gather information about investment opportunities from the internet and collect data from there. Currently, Hungarian government bonds are the most popular investment tool among them, with the parental investment background being the most significant influencing factor for the types of chosen assets. They consider expert opinions important, but few seek their advice for investment decisions. Financial influencers' opinions are not considered important for their investment decisions; however, a weak correlation was found between the following influencers and the type of investment tools they hold. I suggest further research into this contradiction, as well as further analysis of the factor analysis results regarding young people's investment tool selection criteria.

My research contributes to the literature on the investment attitudes of young Hungarians and supports the development of financial knowledge among young people, thereby promoting the growth of financial awareness among the Hungarian population.