

## ONLINE TALK ABOUT MONEY: AN INVESTIGATION OF INTERACTIONS AROUND PERSONAL FINANCE IN SOCIAL MEDIA

By Wendy L. Way, Nancy Wong, and Damiana Gibbons

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Because close associates are important sources of financial information, and because social media are being embraced most rapidly among financially vulnerable populations, social media are increasingly important for individuals interested in building financial capacity. However, little is known about specifically how individuals use social media to communicate about personal finance matters. This study examines interactions focused on personal finance that took place on a sample of blogs and Internet discussion forums. Findings suggest that, in online interactions, individuals address topics that personal finance professionals consider central to building financial capacity. The ways in which financial matters are discussed, however, frequently contradict the dominant cultural models used to think about personal financial matters.

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During the last decade, the number of Americans who use the Internet increased from approximately half of the population (52% in 2000) to a large majority (77%) (Pew Research Center 2011). The use of social media has also grown exponentially among all ages and groups. Social media include online spaces such as blogs; Internet forums; and social networking sites such as Facebook, Twitter, and YouTube. These trends are significant for those interested in expanding efforts to build financial capacity because researchers have found that close associates are an important source of financial information (Hilgert, Hobarth, and Beverly 2003) and likely serve as key sources of informal learning (Merriam, Caffarella, and Baumgartner 2007). The nature of online personal-finance-related communication is a timely topic given that the use of social media will likely continue to expand among all groups, and is being embraced most rapidly among financially vulnerable populations, such as racial minorities and those with limited incomes (Smith 2010a, 2010b). Further, social media

have a number of characteristics that may make them useful tools for nurturing financial literacy.

The characteristics of adult learning—its tendency to be informal or self-directed, r continuous over time, and fostered by social support—suggest that social media may offer opportunities for individuals, particularly members of vulnerable groups, to gain financial knowledge. In this study we use discourse analysis to examine a sample of exchanges on four sites that vary by audience, form (blogs versus forums), and sponsorship (commercial versus individual).

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Dailyworth.com is a site specifically for women to discuss financial issues. HealthBoards.com features message boards for various diseases and other health topics.

MyKmart.com, sponsored by the Kmart corporation; is a site for customers to share ideas, primarily about shopping. Wisebread.com is a collection of blog posts containing advice on financial matters; the site also includes discussion forums.

The study found evidence of competing and contradictory discourses about financial matters. In particular, the ways in which individuals discussed money online frequently ran counter to the dominant discourses in financial education. For example, the Financial Literacy and Education Commission core concepts emphasize living within one's means and beginning to save early in life—techniques predicated on the belief that financial control is within the power of the individual (Department of the Treasury 2010). While the comments of some participants in online discussions reflected this discourse, many found financial control elusive because of persistent conditions they could not change, such as unemployment or long-term disability.

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In addition, many respondents expressed that financial control was complicated by the financial pressures that accompany both social relationships and social positions in certain communities (for example, discussants mentioned wishes of spouses and children and expectations of their church). Numerous exchanges revolved around the idea that spending is intimately

tied to fulfilling the expectations that come with particular relationships.

Another dominant discourse in financial education is that financial well-being is a matter of having sufficient knowledge. However, many discussants in the online communities studied lamented the fact that much financial information was not practical enough to use in daily life, applied only to those who already had ample financial resources, or was too generic to apply to their unique circumstances. These complaints were especially common on the sites that catered to vulnerable groups.

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For many participants, online spaces met financial education needs more effectively than other sources. Discussants on Dailyworth.com, for example, expressed gratitude that the site offered knowledge for people of all economic backgrounds and information uniquely suited to women. One member commented, "I am learning a lot from the commenters here....And I don't feel so alone after reading these comments!" Rather than focusing on general information, participants on HealthBoards.com shared information specific to the financial implications of their medical conditions, such as the process of applying for Social Security Disability Insurance (SSDI).

These online spaces also provided important opportunities for the exchange of social support related to financial matters. The most frequently observed type of support was informational support, followed by the exchange of constructive feedback, and expressions of empathy.

Our findings reveal that people use a variety of cultural models, or beliefs about the way things are or should be, to think about money and its role in their lives.

Therefore, if personal finance education practices reflect only dominant cultural models, educators may miss opportunities to craft interventions that better serve those in financially vulnerable positions. Worse, educators may unwittingly perpetuate economic vulnerabilities, or further marginalize financially vulnerable groups.

Personal finance practitioners should seek ways to capitalize on the opportunities afforded by social media, and should take into account the variety of cultural models people use to think about financial issues—particularly models that are not consistent with dominant patterns of thinking in areas such as knowledge about and control over money.

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Both educators and learners need to be aware of taken-for-granted assumptions about personal finance that may privilege or marginalize individuals in vulnerable populations.

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The Financial Literacy Research Consortium (FLRC) consists of three multidisciplinary research centers nationally supported by the Social Security Administration. The goal of this research is to develop innovative programs to help Americans plan for a secure retirement. The Center for Financial Security is one of three FLRC centers and focused on saving and credit management strategies at all stages of the life cycle, especially helping low and moderate income populations successfully plan and save for retirement and other life events, including the use of Social Security's programs.

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The Center for Financial Security at the University of Wisconsin-Madison conducts applied research, develops programs and evaluates strategies that help policymakers and practitioners to engage vulnerable populations in efforts which build financial capacity. The CFS engages researchers and graduate students through inter-disciplinary partnerships with the goal of identifying the role of products, policies, advice and information on overcoming personal financial challenges.

### **For More Information:**

Center for Financial Security  
University of Wisconsin-Madison  
Sterling Hall Mailroom B605  
475 N Charter St.  
Madison, WI 53706  
(608) 262-6766  
<http://www.cfs.wisc.edu/>



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