The Journal of Asia Entrepreneurship and Sustainability RESEARCH ARTICLE

Social Media, Peer Influence, and Sustainable Entrepreneurial Decision-Making among Gen Z in India

[1*]Dr. Rimi Moitra, [2]Harsheen Kaur, [3]Shreya Bajpeyee, [4]Ashmi Jain, [5]Preesha Chudasama

[1*]Associate Professor Asmsoc, Nmims Rimi.Moitra@Nmims.Edu
[2]bba Asmsoc, Nmims Harsheenkaur2805@Gmail.Com
[3]bba Asmsoc, Nmims Shreya.Bajpeyee@Gmail.Com
[4]bba Asmsoc, Nmims Ashmi.Jain25@Gmail.Com
[5]bba Asmsoc, Nmims Chudasamapreesha@Gmail.Com

Abstract
The paper focuses on the impact of social media and peer effects in defining sustainable entrepreneurship and innovation-driven decision-making among the Generation Z entrepreneurs and early-stage innovation participants in India. The study design is a mixed-method research design to integrate both quantitative survey data (N = 50) and qualitative data to determine the behavioural patterns and perception drivers that determine entrepreneurial financing and sustainability-focused decisions. The findings reveal that younger Gen Z participants are significantly more susceptible to externally influenced decision-making, as evidenced by strong association between demographic factors and unsustainable entrepreneurial decision outcomes ($\chi^2 = 16.55$, $p < 0.001$). A substantial proportion of respondents reported experiencing unsustainable entrepreneurial decision outcomes (64%) and modifying their entrepreneurial financing and sustainability-oriented decisions (66%) due to social media discussions and peer influence. Fear of Missing Out (FOMO) emerged as a critical psychological driver, increasing reliance on digital financial, entrepreneurial influencers, trend-based decision-making, and social media engagement. High-FOMO individuals were significantly more likely to follow influencer advice ($F = 14.49$, $p < 0.001$) and prioritise trending investments. Comparative analysis further indicates that participants relying on fundamental analysis exhibit greater behavioural stability than socially influenced participants, despite similar financial outcomes. The time spent on social media showed no significant relationship with investment intensity, suggesting that exposure does not directly translate into financial action. The study highlights behavioural vulnerabilities among digitally native Gen Z entrepreneurs and underscores the need for targeted financial literacy initiatives, regulatory oversight of finfluencer content, and responsible digital investment practices.

Keywords: social media influence, peer effects, Fear of Missing Out (FOMO), Gen Z entrepreneurial, decision behaviour, behavioural finance, financial literacy

1. INTRODUCTION

The sheer growth of digital technologies has completely changed the character of financial decision-making and meant that Gen Z entrepreneurs and early-stage innovation participants can access, interpret and act on information differently. Formal advisory mechanisms, institutional research, and individual financial analysis were traditionally used as the guidelines of entrepreneurial financing and sustainability-oriented decisions. Instead, the present Gen Z entrepreneurs and those who are early adopters of innovation are becoming more reliant on social networks and peer networks, where financial views, trends and stories circulate in real time. This is an accelerated change in younger Gen Z entrepreneurs and those in the early stages of innovation specifically Generation Z and Millennials who have been accustomed to a hyper-connected digital environment with ongoing information flow, algorithmic content, and real-time social interaction. Social media websites like YouTube, Twitter (X), Instagram, Reddit, and Tik Tok have become major platforms of financial discussion and massively influence the sentiment and behaviour of investors (Chettri, 2022; Hasselgren et al., 2022).

Social media has opportunities and threats in the democratisation of financial information. On the one hand, online platforms promote financial inclusion by reducing information barriers, raising participation, and allowing access to a wide range of views that were once limited to institutional Gen Z entrepreneurs and early-stage innovation participants (Chen & Ma, 2017). Conversely, they contribute to the rapid dissemination of fake news, unsounded information, and emotional stories that can lead to poor decisions being made. According to empirical data, a high percentage of young Gen Z entrepreneurs and first-time participants in the field of innovations rely on social media to inform their investment choices even though most of them have low levels of formal financial knowledge, which makes them more susceptible to behavioural biases associated with Fear of Missing Out (FOMO), herding, and overconfidence (Olajide et al., 2024). These

trends are further supported by the social proof mechanisms such as likes, shares, number of followers and retweets that serve as credibility signals and tend to affect investor judgement more than the quality of the information itself (Snow and Rasso, 2025; Espeute and Preece, 2024).

According to previous studies, it is always emphasized that social media sentiment and peer influence play a crucial role in entrepreneurial and sustainable decision behaviour. Sentiment analysis studies indicate that the collective investor sentiment obtained via sites like Twitter can forecast short-term market fluctuations and earnings surprises, yet the indicators work best when used together with the conventional financial analysis (Hasselgren et al., 2022; Chen et al., 2014). Other studies on peer effects also reveal that people will imitate the entrepreneurial and sustainable decision behaviour of peers, especially in socially interactive settings like workplaces and online communities, and this has resulted in correlated risk-taking and possible market inefficiencies (Ouimet and Tate, 2020; Merriman, 2020). The increasing popularity of digital financial and entrepreneurial influencers, or finfluencers, has further changed the behaviour of investors by combining financial content with personal stories, visual content, and persuasive communication patterns (Chen and Ma, 2017; Kipp et al., 2019). Although finfluencers encourage financial awareness and participation, their high level of unregulation is a cause of concern when it comes to credibility, conflict of interest, and investor protection (Vasquez, 2023; Bartov et al., 2018).

The psychological processes behind digitally mediated entrepreneurial financing and sustainability-oriented choices are also highlighted in the literature of behavioural finance. FOMO has become a key factor of impulsive and speculative entrepreneurial and sustainable decision behaviour, especially in trend-following assets like cryptocurrencies (Kaur et al., 2024; Gaikwad et al., 2023). Empirical and survey-based data shows that intensified FOMO is a key factor that enhances the tendency of Gen Z entrepreneurs and early-stage innovation participants to follow trends, use influencers, and focus on short-term opportunities instead of fundamental analysis (Friederich et al., 2024 Keasey et al., 2025). Also, the modality and emotional tone of information presented in the form of videos, bright images, or personal testimonials can have a significant impact on risk perception and credibility ratings and can often bypass analytical analysis (Merriman, 2020; Espeute & Preece, 2024).

These are of particular importance in the Indian context. The growing population of young, urban and digitally connected Gen Z entrepreneurs and participants of early-stage innovation in India has been accompanied by the exposure to the global financial narratives, influencer-driven content and real-time discussions about the market (Subramanian, 2021; Olajide et al., 2024). Although social media has helped to increase the level of participation and awareness in investments, it has also increased behavioural vulnerabilities due to a lack of financial literacy, information overload, and overdependence on peer validation (Symbiosis & Gandhi, 2024). There is evidence that social media often influences the preferences of investments and behavioural reaction, although it does not have a substantial impact on the amount of income invested (Maniy et al., 2023; Sharma and Gupta, 2024).

Even though the literature is increasing, there are still gaps. The available literature tends to analyze the impact of social media, peer effects, and psychological biases separately, without much of a combination of demographic variables, including age, occupation, and investment experience. Besides, there are conflicting empirical results on whether social media use directly causes unsustainable entrepreneurial decision making or mainly changes behavioural patterns but does not influence outcomes (Teplova et al., 2022; Cade, 2018). Mixed-methods research that would capture both statistical correlations and perceptual aspects of investor behaviour in emerging markets is also lacking.

The proposed study will fill these gaps by focusing on how social media and peer-based factors affect sustainable entrepreneurial and innovation-driven decision-making among young Indian Gen Z entrepreneurs and early-stage innovation participants using a mixed-methodology approach. The study aims at enhancing knowledge on the interaction of behavioural biases, social validation, and demographic factors in influencing contemporary entrepreneurial and sustainable decision behaviour by combining quantitative analysis of surveys with qualitative insights.

Research Objectives

i. To identify the demographic groups most susceptible to social media and peer influence in entrepreneurial financing and sustainability-oriented decisions.

ii. To understand and evaluate Gen Z entrepreneurs and early-stage innovation participants' perceptions of social media and peer influence in their decision-making through surveys.

iii. To compare entrepreneurial financing and sustainability-oriented decisions made under social media and peer influence with those made based on fundamental analysis.

iv. To assess how Fear of Missing Out (FOMO) and exposure to social media investment trends influence behaviour and portfolio diversification among Gen Z Gen Z entrepreneurs and early-stage innovation participants.

v. To analyse the correlation between time spent on social media investment discussions and frequency

of entrepreneurial financing and sustainability-oriented decisions.

Hypotheses

i. Hypothesis (H0): To understand the significant association between investor demographics and unsustainable entrepreneurial decision outcomes due to social media.

ii. Hypothesis (H0): Social media and peer influence have no significant impact on Gen Z entrepreneurs and early-stage innovation participants' decision-making processes.

iii. Hypothesis (H0): Entrepreneurial financing and sustainability-oriented decisions made under social media/peer influence and those made through fundamental analysis do not differ.

iv. Hypothesis (H0): Investor behavior remains unaffected due to FOMO and relevant financial trends.

v. Hypothesis (H0): There is no significant association between time spent on social media by Gen Z entrepreneurs and early-stage innovation participants and entrepreneurial financing and sustainability-oriented decisions (% of income) made.

2. RESEARCH METHODOLOGY

2.1 Primary Data

Primary data for the study were collected using a structured online questionnaire administered through Google Forms, an approach well suited for reaching a digitally active and geographically diverse sample, particularly Gen Z Gen Z entrepreneurs and early-stage innovation participants. The online format has also made collection of data, organization and quantitative analysis to be effective. The questionnaire was designed based on the most significant aspects of investor behaviour and contained a number of sections that encompassed demographic characteristics, investment behaviour and the influence of social media and peer networks on financial decision-making. Age, occupation and investment experience were demographic factors that could be compared and segmented. Other regions examined the areas of investment that they preferred such as mutual funds, direct equity and real estate, frequency of entrepreneurial financing and sustainability-oriented decision-making.

The behavioural and psychological factors of the survey were important, as they included the impact of peer recommendation, online financial and entrepreneurial influencers, social media trends, and Fear of Missing Out (FOMO). The questionnaire also determined whether the respondents would check the investment advice they receive using social media or peer-to-peer communication before taking any action. The survey was comprised of 16 Likert-scale, multiple-choice, and binary closed-ended questions, which allowed to systematically measure the perceptions, influences, and outcomes, including unsustainable entrepreneurial decision outcomes and decision changes. The convenience sampling technique was used to gather data during three weeks, and the participants were recruited via LinkedIn and WhatsApp groups. Response bias was minimised by ensuring anonymity to encourage candid participation.

2.2 Secondary Data

By the late 2000s, social media changed the nature of communications in firms by introducing new internet-based communication tools such as Twitter, YouTube, and LinkedIn which promote user-generated content. Not only did these platforms provide alternative means of communication between firms, but they also altered the dynamics of information dissemination, presentation, and interaction with Gen Z entrepreneurs and participants of early-stage innovation. A more relaxed, informal and multimedia-enhanced style of communication is achievable through social media, which is in contrast to the traditional, controlled media like press releases or earnings calls.

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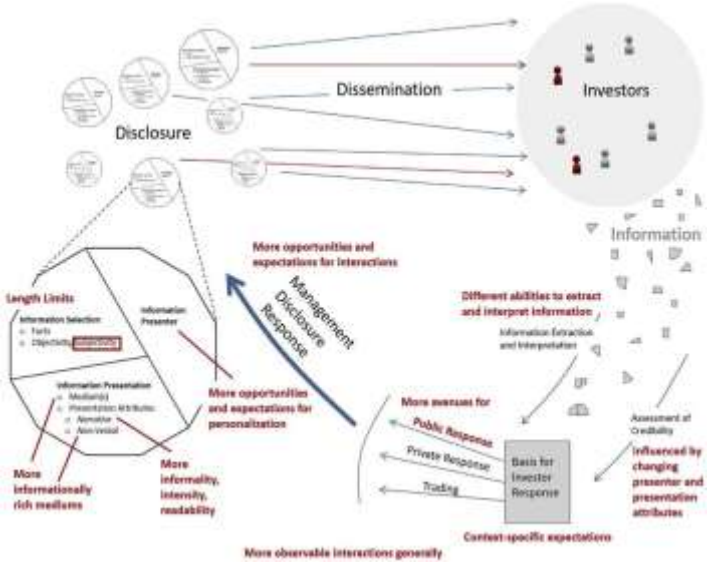

Figure 1: Social Media (in red) in the Framework of Financial Communication and Investor Response

Social media transforms the disclosures of firms by affecting the information disclosed, the manner of presentation and the discloser. On these platforms, firms convey shorter, more personalized, and audience-specific messages and connect with Gen Z entrepreneurs and early-stage participants of innovation (Figure 1). Social media expands and speeds up the process of dissemination and investor involvement but also disconnects the boundaries between marketing and financial communication, exposing risks of misinterpretation. Multimedia content, informal tone and interactivity can be used to build trust and social cues like likes and retweets are credibility signals. Nevertheless, companies have to strike a balance between real-time interaction and emotional contagion and loss of credibility (Teplova et al., 2022).

Cade, 2018, states that peer validation, i.e., the number of retweets, and the management strategy of responding to the criticism on social media are the strongest influencing factors on the investor reactions. The worst investor responses are generated by silence whereas redirection provides some mitigation and direct and transparent responses are the most effective. The effectiveness of these strategies will depend on the tone, credibility, and perceived intent, which is why additional studies are necessary on the effects of these strategies in the long term and emotionally (Table 1).

Hypothesis	Relationship Tested	Path coefficient (β)	P - value	Statistical significance
H1	IFL→FDR	0.752	0.002	Significant
H2	FOI→FDR	0.643	<0.001	Significant
H3	IRR→FDR	0.819	<0.001	Strongest effect

Table 1: Hypothesis Testing

The article by Symbiosis & Gandhi, (2024) focuses on the effects of digital financial and entrepreneurial influencers on consumer financial decision-making through PLS-SEM based on the results of 377 respondents. The findings indicate that influencer financial literacy (β = 0.752), financial orientation (β = 0.643), and recommendation reliability (β = 0.819) all have a significant positive impact on financial decision propensity. Reliability of recommendations became the most influential factor, which explains why trust and transparency are important. Overall, the study demonstrates that believable, informed, and morally minded influencers can play an important role in the entrepreneurial financing and sustainability-focused decision-making of followers.

Fear of Missing Out (FOMO) and sustainable entrepreneurial and innovation-driven decision-making were analyzed with the help of a linear regression analysis on the secondary data provided by Kaur et al. (2024). The sample size was 50 observations, and the mean score of FOMO and decision-making was 5.51 and 5.28, respectively, which showed moderate variability. Findings showed that there was a moderate positive

relationship between FOMO and decision-making (R = 0.566) and that FOMO has a 32.1% variance (R^2 = 0.321). The model was statistically significant ($p < 0.001$), and the regression coefficient ($\beta = 0.471$) indicated that higher FOMO levels significantly increase investment decision intensity. Such results imply that FOMO has a significant role in defining the entrepreneurial and sustainable decision behaviour, but other factors also affect the results of the decision (Olajide et al., 2024).

3. Analysis and Discussion

3.1 Demographic Susceptibility to social media and Peer Influence in Entrepreneurial financing and sustainability-oriented decisions

The analysis for Objective 1 examines demographic vulnerability to social media and peer influence in sustainable entrepreneurial and innovation-oriented decision-making. The sample was mostly consisting of younger people (mean age = 2.26 on a 1 4 scale), students, and early-career professionals (mean occupation = 1.6). The descriptive statistics show moderate impact of both peers (mean = 2.08/5) and social media (mean = 1.92/5), with the influence of peers being slightly higher. The majority of the respondents subscribe to one to two digital financial and entrepreneurial influencers and showed a reserved approach to influencer recommendations. Although the time spent on financial social media content was limited, a high percentage of them indicated unsustainable entrepreneurial decision outcomes and decision changes under the influence of external factors, which reflect real behavioural implications.

Demographic susceptibility is also drawn out in the inferential analysis. Chi-square results reveal a strong association between age and unsustainable entrepreneurial decision outcomes resulting from socially influenced decisions ($\chi^2 = 16.55$, $p < 0.001$), with younger Gen Z entrepreneurs and early-stage innovation participants being more vulnerable. Occupation also shows a significant relationship ($\chi^2 = 10.68$, $p = 0.014$), suggesting that students and early-career individuals are disproportionately affected. Nevertheless, there was no significant correlation between susceptibility to influence and decision changes and age or occupation. The findings of ANOVA prove that younger respondents are much more likely to be guided by digital financial and entrepreneurial influencers ($F = 14.49$, $p < 0.001$). In general, the results show that Gen Z Gen Z entrepreneurs and early-stage innovation participants have increased behavioural risks in digitally-driven investment settings, which highlights the necessity of specific financial literacy programs and responsible content management.

3.2 Gen Z entrepreneurs and early-stage innovation participants' Perceptions of Social Media Credibility and Decision Change Behaviour

This section will discuss Objective 2, which will investigate the perceptions of Gen Z entrepreneurs and early-stage participants of innovation regarding the role of social media and peer influence in entrepreneurial financing and sustainability-focused decisions, combining both statistical and qualitative data. Quantitative data show that there is a weak negative relationship between the perceived significance of social media in sustainable entrepreneurial and innovation-oriented decision-making (Q12c) and the probability of post-social media discussions change of decisions (Q16) ($r = -0.275$). The chi-square test further confirms the absence of a statistically significant association between these variables ($\chi^2 = 0.0858 < \chi^2$ critical = 9.4877), leading to acceptance of the null hypothesis (see Table 2 and Table 3). Interestingly, those respondents who rated social media as less significant tended to report a change in decision more often, which may indicate that they are vulnerable to occasional persuasive information as opposed to regular use of social media.

Q12c on Q16: Impact of social media on Investment Decision Making			
Observed Frequency Values			
Importance of Social Media	Change in Decision Based on Social Media		
	Yes	No	Total
1 (least important)	4	17	21
2	6	10	16
3	6	4	10
4	0	2	2
5 (most important)	1	0	1

Total	17	33	**50**

Table 2: Observed Frequency Values

Expected Frequency Values		
Importance of Social Media	Change in Decision Based on Social Media	
	Yes	No
1 (least important)	7.14	13.86
2	5.44	10.56
3	3.40	6.60
4	0.68	1.32
5 (most important)	0.34	0.66

Table 3: Expected Frequency Values

The qualitative analysis gives a more in-depth understanding of these findings. The responses to Q9 are distributed as follows: the majority of Gen Z entrepreneurs and early-stage innovation participants have a low to moderate probability of taking influencer advice (see Figure 2), and data-backed analysis and positive reviews and personal experience are the leading trust factors in influencing credibility (see Figure 3). Comparative analysis of Q9 and Q13 shows that Gen Z entrepreneurs and early-stage innovation participants with low likelihood ratings are more focused on analytical rigor, and higher likelihood rating participants are affected by social proof and emotional stories. In general, the results show that social media is more of a supplemental input than a determiner and credibility is determined through a mixture of analytical evidence and socially sanctioned signals.

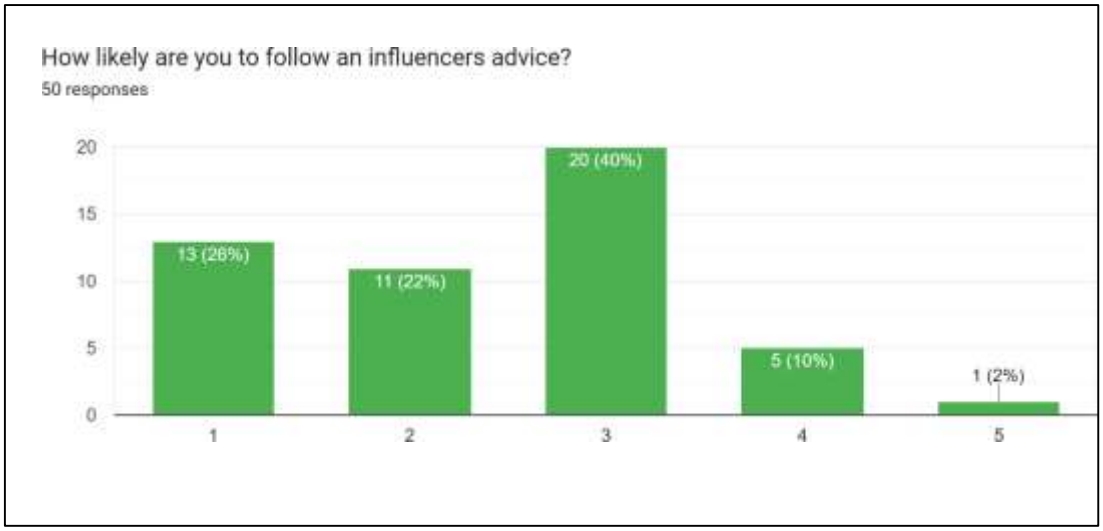

Figure 2: Bar Chart showing Responses' Distribution to Question 9

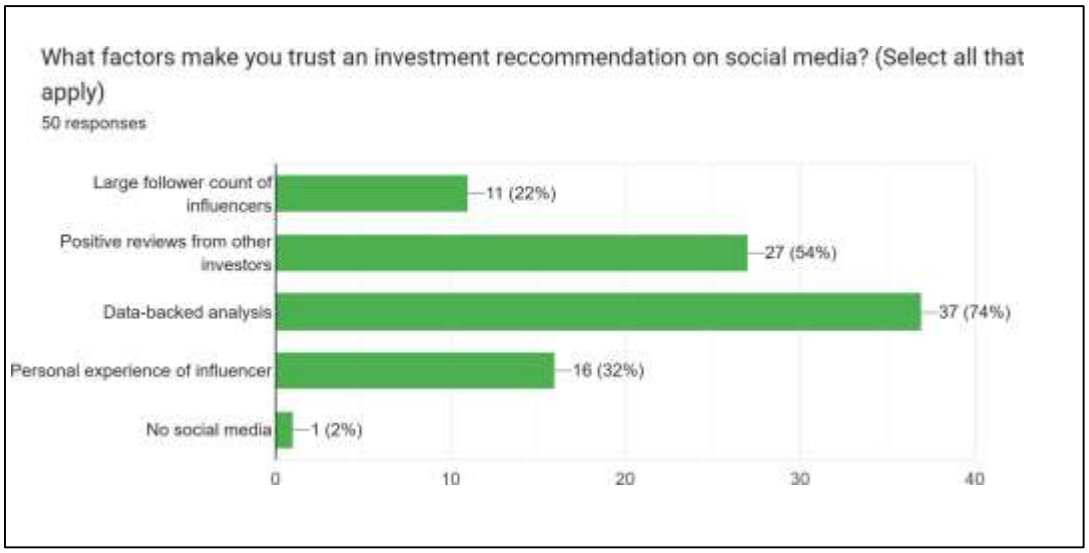

Figure 3: Bar Chart showing Responses' Distribution to Question 13

3.3 Comparative Analysis of Social Media–Influenced and Fundamental Entrepreneurial and sustainable decision behaviour

This section will deal with Objective 3 comparing behavioural patterns of Gen Z entrepreneurs and early-stage participants in innovation based on fundamental analysis and social media influence. The analysis is made on a sub-sample of 31 respondents, 25 fundamental Gen Z entrepreneurs and early-stage innovation participants and 6 social media-influenced Gen Z entrepreneurs and early-stage innovation participants. Verification habits (Q11) reveal that fundamental Gen Z entrepreneurs and early-stage innovation participants are more likely to consistently verify external information; however, the chi-square test indicates that this difference is not statistically significant (χ^2 = 4.39, p = 0.111), likely due to the limited sample size (see Table 4 and Table 5).

Group	Always	Rarely	Sometimes	Total
Fundamental Group	16	2	7	25
Social Media Group	1	1	4	6
Total	17	3	11	31

Table 4: Observed Frequency Values

Group	Always	Rarely	Sometimes
Fundamental Group	13.70967742	2.419354839	8.870967742
Social Media Group	3.290322581	0.580645161	2.129032258

Table 5: Expected Frequency Values

Similarly, analysis of unsustainable entrepreneurial decision outcomes (Q14) shows no statistically significant difference between the two groups (χ^2 = 1.59, p = 0.208), suggesting that both groups face comparable loss outcomes when influenced (see Table 6 and Table 7). Conversely, a large behavioural deviation arises in the change of decisions that are motivated by social media discussions (Q16). The chi-square result indicates a statistically significant difference (χ^2 = 8.88, p = 0.0029), with social media–influenced Gen Z entrepreneurs and early-stage innovation participants far more likely to alter decisions based on online discussions than fundamental Gen Z entrepreneurs and early-stage innovation participants (see Table 8 and Table 9).

Group	No Loss	Yes (Loss)	Total
Fundamental Group	19	6	25

Social Media Group	3	3	6
Total	22	9	31

Table 6: Observed Frequency Values

Group	No Loss	Yes (Loss)
Fundamental Group	17.74193548	7.258064516
Social Media Group	4.258064516	1.741935484

Table 7: Expected Frequency Values

Group	No Change	Yes (Changed)	Row Total
Fundamental Group	20	5	25
Social Media Group	1	5	6
Column Total	21	10	31

Table 8: Observed Frequency Values

Group	No Change	Yes (Changed)
Fundamental Group	16.93548387	8.064516129
Social Media Group	4.064516129	1.935483871

Table 9: Expected Frequency Values

This observation indicates a reactive decision-making disposition of socially influenced Gen Z entrepreneurs and early-stage innovation participants, but fundamental Gen Z entrepreneurs and early-stage innovation participants are more stable in their behaviour. Overall, while financial outcomes remain similar, behavioural consistency clearly distinguishes the two groups, reinforcing the relative robustness of fundamental analysis–based investment approaches.

3.4 Influence of Fear of Missing Out (FOMO) on Entrepreneurial and sustainable decision behaviour and Decision Patterns

This section addresses Objective 4 by analysing the role of Fear of Missing Out (FOMO) in shaping entrepreneurial and sustainable decision behaviour among Gen Z Gen Z entrepreneurs and early-stage innovation participants. A composite FOMO score was constructed using responses from five behaviourally relevant questions (see Table 10), capturing exposure to trends, influencer reliance, social media engagement, and verification habits.

Question	Why it indicates FOMO
How important is FOMO in your entrepreneurial financing and sustainability-oriented decisions?	Direct FOMO measurement
How important are trends while making decisions?	FOMO is often driven by trends
How likely are you to follow an influencer's advice?	Indicates peer pressure via influencers
How much time do you spend on social media for financial advice?	High time = higher exposure to FOMO
How often do you verify investment opinions?	Reverse scored – less verifying = more impulsive

Table 10: Relevant Questions

The FOMO score is a composite index (i.e., a single number) that represents how susceptible an individual is to FOMO- related entrepreneurial and sustainable decision behaviour. To standardise this and make it comparable across participants, we calculated a FOMO percentage for each respondent using the formula:

$$\text{FOMO } \% = \frac{\text{Individual's FOMO Score} - \text{Minimum Possible FOMO Score}}{\text{Maximum Possible FOMO Score}} \times 100$$

Individual FOMO percentages were calculated and categorised into low, moderate, and high FOMO

groups based on observed score distributions (see Table 11), enabling comparative behavioural analysis across intensity levels.

Category	FOMO % Range
Low FOMO	18% – 36%
Moderate FOMO	37% – 45%
High FOMO	46% – 68%

Table 11: FOMO Score Distribution

One-way ANOVA results indicate a significant increase in the likelihood of following influencer advice with rising FOMO levels ($F = 14.49$, $p < 0.001$; see Table 12 and Table 13), as well as significantly greater time spent seeking financial advice on social media among high-FOMO individuals ($F = 7.49$, $p = 0.0016$; see Table 14 and Table 15). In contrast, verification behaviour did not differ significantly across groups ($p = 0.135$; see Table 16 and Table 17), suggesting that impulsivity may be moderated by other cognitive or contextual factors

For the "Q9 How likely are you to follow an influencers advice?": A one-way ANOVA was conducted to examine whether the likelihood of following an influencer's investment advice differs based on an individual's level of FOMO. The analysis showed a statistically significant difference between the FOMO groups.

Groups	Count	Sum	Average	Variance
1	15	23	1.53333333	0.55238095
3	14	34	2.42857143	0.87912088
3	18	56	3.11111111	0.69281046

Table 12: Summary

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	20.3794664	2	10.1897332	14.4910427	1.40E-05	3.20927802
Within Groups	30.9396825	44	0.7031746			
Total	51.3191489	46				

Table 13: Anova

$F(2, 44) = 14.49$, $p < 0.001$

For the "Q10 On an average, how much time do you spend looking for financial advice on social media per day?": One-way ANOVA was done to establish whether the mean time spent on the financial advice on social media per day varies depending on the FOMO level of individuals. The comparison showed that there was a statistically significant group difference.

Groups	Count	Sum	Average	Variance
1	15	15	1	0
1	14	14	1	0
2	18	26	1.44444444	0.37908497

Table 14: Summary

Source of Variation	SS	df	MS	F	P-value	F crit

Between Groups	2.19385343	2	1.09692671	7.4893617	0.00158731	3.20927802
Within Groups	6.44444444	44	0.14646465			
Total	8.63829787	46				

Table 15: Anova

For "Q11 How often do you verify investment opinions of outside sources?": The one-way ANOVA was used to test the hypothesis that there is a difference in the frequency of individuals checking investment opinion by external sources between groups. The comparison did not show any statistically significant difference between the groups.

Groups	Count	Sum	Average	Variance
1	15	21	1.4	0.54285714
3	14	23	1.64285714	0.4010989
3	18	34	1.88888889	0.45751634

Table 16: Summary

Source of Variation	SS	df	MS	F	P-value
Between Groups	1.961128	2	0.980564	2.09521576	0.13515152
Within Groups	20.5920635	44	0.46800144		
Total	22.5531915	46			

Table 17: Anova

The perceived significance of trends was significantly different between high-FOMO Gen Z entrepreneurs and early-stage innovation participants ($F = 14.39$, $p < 0.001$; see Table 18 and Table 19), as high-FOMO individuals were more sensitive to trends. However, no statistically significant association was found between FOMO levels and unsustainable entrepreneurial decision outcomes ($\chi^2 = 3.03$, $p = 0.219$; see Table 20 and Table 21), nor were decision changes significantly different across groups in the t-test analysis (see Table 22)

For "Q12 How important are the following factors while making entrepreneurial financing and sustainability-oriented decisions? [Trends]": A one-way ANOVA was conducted to examine whether the importance of trends in making entrepreneurial financing and sustainability-oriented decisions differs across groups. The analysis revealed a statistically significant difference between the groups:

Groups	Count	Sum	Average	Variance
1	15	27	1.8	0.88571429
1	14	39	2.78571429	0.33516484
2	18	65	3.61111111	1.42810458

Table 18: Summary

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	26.8374198	2	13.4187099	14.3883119	1.5565E-05	3.20927802

Within Groups	41.0349206	44	0.93261183			
Total	67.8723404	46				

Table 19: Anova

The results suggest that participants in the groups differ significantly in how important they consider trends when making entrepreneurial financing and sustainability-oriented decisions. Group 1 (average score = 1.8) places the least importance on trends, while Group 3 (average score = 3.61) considers trends to be much more important. It means that trends are important in the entrepreneurial financing and sustainability-oriented decisions of individuals in Group 3, which may be more inclined to the market trends or respond to the social media discussions, whereas Group 1 might be more concerned with other aspects like fundamentals or risk. The implication of these findings is that the role of trends in entrepreneurial financing and sustainability oriented decisions differs significantly among the individuals with some giving a lot of weight on market trends and others seeming less affected by trends.

For "Q14 Have you faced unsustainable entrepreneurial decision outcomes due to externally influenced entrepreneurial financing and sustainability-oriented decisions?": The chi-square test was used to determine the relationship between the level of FOMO and having unsustainable entrepreneurial decision outcomes because of externally-influenced entrepreneurial financing and sustainability-oriented decisions. The test did not reveal a statistically significant relationship.

Observed Frequency Values			
FOMO Level	Experiencing Financial Loss due to Externally Influenced Entrepreneurial financing and sustainability-oriented decisions		
	Yes	No	Total
Low FOMO	8	8	16
Moderate FOMO	3	12	15
High FOMO	7	12	19
Total	18	32	**50**

Table 20: Observed Frequency Values

Expected Frequency Values		
FOMO Level	Experiencing Financial Loss due to Externally Influenced Entrepreneurial financing and sustainability-oriented decisions	
	Yes	No
Low FOMO	5..76	10.24
Moderate FOMO	5.40	9.60
High FOMO	6.84	12.16

Table 21: Expected Frequency Values

For "Q16 Have you ever changed an investment decision after seeing a social media discussion?":
Null Hypothesis (H0): No meaningful difference between the two groups regarding the change of an investment decision on seeing a social media discussion exists. ($\mu_1 = \mu_2$)
Alternative Hypothesis (H1): There is a significant difference between the two groups in terms of changing an investment decision after seeing a social media discussion. ($\mu_1 \neq \mu_2$)

An independent samples t-test (unequal variances) was performed to find out whether the difference between two groups regarding the change in entrepreneurial financing and sustainability-oriented decisions in the post-viewing social media discussions is significant.

	Variable 1	Variable 2
Mean	10.5882353	9.51515152
Variance	5.38235294	8.82007576
Observations	17	33

Hypothesized Mean Difference	0	
df	40	
t Stat	1.40433376	
P(T<=t) one-tail	0.08396854	
t Critical one-tail	1.68385101	
P(T<=t) two-tail	0.16793709	
t Critical two-tail	2.02107539	

Table 22: t-Test Two-Sample Assuming Unequal Variances

The results prove that even though FOMO has a significant effect on the patterns of engagement and the vulnerability to social media stimuli, its direct effect on financial performance is inconclusive and requires additional research with more participants. The t-test outcome was not significant, t (40) = 1.40, p = 0.168 (two-tailed) and, therefore, the null hypothesis was accepted, and the tendency to assume that both groups were similar, irrespective of their background or grouping. This observation goes against the previous studies, including the one by Garg et al. (2025) in the Global Business and Economics Review. Their research had established that social media sentiments are a major factor that affects the decisions made in the financing of entrepreneurship and decisions that are sustainability-related, especially when the user has a high degree of trust in the information they are exposed to. They revealed a moderated mediation framework in which trust in social media feeling resulted in significant shifts in entrepreneurial and sustainable decision behaviour. The difference between these results and the current research might be explained by the variation in sample size, demographic features, or the extent of the involvement of the participants in the investment-related content on the social media.

This paper shows that FOMO has a strong influence on entrepreneurial and sustainable decision behaviour, and high-FOMO individuals are more likely to follow the advice of influencers ($F=14.49$, $p<0.001$), spend more time on social media seeking financial advice ($F=7.49$, $p=0.002$), and focus on trends in decision-making ($F=14.39$, $p<0.001$). While no direct link to unsustainable entrepreneurial decision outcomes was found ($\chi^2=3.03$, $p=0.219$), the moderate positive correlation between FOMO and decision-making ($r=0.566$, $R^2=0.321$) highlights its influential role. Such results highlight the importance of better financial literacy courses and responsible social media use in reducing impulsive investing due to FOMO, especially in younger Gen Z entrepreneurs and people at the initial stages of innovation. The findings highlight that although FOMO influences the patterns of engagement, the association between it and real financial performance needs to be investigated further using larger samples.

3.5 Relationship Between Social Media Engagement and Investment Intensity

This sub-objective covers Objective 5 by discussing the relationship between the amount of time spent on social media in search of financial advice and the percentage of income invested by the respondents. The relationship between these two categorical variables was tested using a chi-square hypothesis test. The null hypothesis (H0) was that there was no significant association and the alternative hypothesis (H1) was that there is a significant relationship. Observed frequencies were derived using the COUNTIFS function in MS Excel and are presented in Table 23, while expected frequencies, calculated using the standard row-total and column-total method, are shown in Table 24. The chi-square statistic was computed using the CHISQ.TEST function, yielding a calculated value of 0.9808. This value is substantially lower than the critical chi-square value of 16.918 at 9 degrees of freedom, with the corresponding p-value exceeding the 0.05 significance threshold.

Observed Frequency Values					
Time Spent	Percentage (%) of Income				
	Up to 20%	20-40%	40-60%	More than 60%	Total
0-1 hours	27	11	2	2	42
1-2 hours	3	2	0	0	5
2-3 hours	2	1	0	0	3
More than 3 hours	0	0	0	0	0

Total	32	14	2	2	**50**

Table 23: Observed Frequency Values

The expected frequencies were calculated using the formula = Row Total x Colum Total / Grand Total

Expected Frequency Values				
Time Spent	Percentage (%) of Income			
	Up to 20%	20-40%	40-60%	More than 60%
0-1 hours	26.88	11.76	1.68	1.68
1-2 hours	3.2	1.4	0.2	0.2
2-3 hours	1.92	0.84	0.12	0.12
More than 3 hours	0	0	0	0

Table 24: Expected Frequency Values Then, used these table arrays to find the "Chi Square" value.

The theoretical formula used to find Chi Square (X2) = $\sum [(O-E)^2 / E]$

As the analysis was carried out in excel, the formula we used was, "CHISQ.TEST." Feeding in the table array values we calculated the chi square value which was 0.9808. This was the chi square calculated value. To find the critical value, we used the "CHISQ.INV.RT" formula. As the critical value (16.918) is greater than the calculated chi square value, we understand that there is no significant association between the 2 variables. Also, the derived value (P calculated) is greater than 0.05. Hence, we conclude that there is no significant association between the 2 variables. Therefore, we accept H0 and reject H1 (Blankespoor, 2018).

The null hypothesis was accepted, indicating no statistically significant association between time spent on social media investment discussions and the percentage of income invested. These results indicate that although social media can be used to change the preference or behavioural patterns of investments, it does not have a direct impact on the financial strength of entrepreneurial financing and sustainability-driven decisions. This supports the opinion that other elements like financial ability, risk-taking, and individual economic limitations might have a greater impact on the level of investment than social media use.

3.6 Correlational Analysis

A correlation analysis was also conducted to examine the relationship between the two variables. The hypothesis testing analysis provided primary evidence to the results produced by the correlational analysis. We assigned codes to the data we received and used the "CORREL" function of excel to derive a value that determined the relationship between the variables. The calculated value was approximately -0.063. This shows a negative correlation between the 2 variables. Although, as the value is very small, it is considered almost negligible i.e. 0. Thus, we inferred that; "The correlation analysis suggested a very weak negative and almost zero correlation. This essentially means that there is no significant association between the 2 variables."

Therefore, both the hypothesis test and the correlational analysis produced the same result; the two variables i.e. time spent on social media seeking financial advice and percentage of income invested (investment made) do not have a direct or significant relationship (Sathya & Prabhavathi, 2024).

3.7 Potential reasons for "no significant relationship" between the variables

1. Information Overload: Gen Z entrepreneurs and early-stage innovation participants may experience information overload on various social media platforms, thus leading to passive consumption of content without translating into actionable entrepreneurial financing and sustainability-oriented decisions.

"Social media has become a part of daily life, which has the potential to influence investor behaviour by creating a digitalized trading environment (Sharma & Gupta, 2024)."

2. Lack of trust in online sources: Despite exposure to financial advice on social media, individuals may not find it credible or trustworthy enough to influence their entrepreneurial financing and sustainability-oriented decisions. This data from the survey further verifies the little trust our respondents (Gen Z entrepreneurs and early-stage innovation participants) have in social media advice.
3. Financial constraints: Whilst individuals are influenced by social media, they may not have sufficient disposable income to act on investment advice. This poses as another reason or limitation to the analysis.
4. Influence of social media on investment types rather than amount: Social media may impact the types of investments individuals choose rather than the proportion of income they invest (Kuerzinger & Stangor (2024).

"Social media sentiment has a significant impact on

investor attention and stock returns, suggesting that social media can be used as a tool to predict market movements (Maniy et al., 2023)."

5. External factors: Entrepreneurial financing and sustainability-oriented decisions are complex and often shaped by factors like job stability, risk tolerance and financial literacy than by social media influence. These factors have a more direct influence on how much a person chooses to invest. Hence, social media influence may be present but overshadowed by more foundational personal and economic considerations.

The Chi Square analysis used showed that there is no significant association between the two variables i.e., time spent on social media investment discussions and entrepreneurial financing and sustainability-oriented decisions made. As the critical value is greater than the calculated chi square value, we understand that there is no significant association between the 2 variables. Also, the derived value (P calculated) is greater than 0.05. Hence, we conclude that there is no significant association between the 2 variables. Therefore, we accept H0 (Null Hypothesis) and reject H1 (Alternative Hypothesis). A correlation analysis was also conducted to examine the relationship between the two variables. The correlation analysis suggested a very weak negative and almost zero correlation. This essentially means that there is no significant association between the 2 variables.

4. CONCLUSION

This paper presents in-depth empirical data on the increasing role of social media and peer pressure on sustainable entrepreneurial and innovation-driven decision-making among young Gen Z entrepreneurs and early-stage innovation actors and, specifically, Generation Z. The results show that younger, early-career people are much more vulnerable to externally-influenced investment considerations, and the statistical correlation shows a significant exposure to unsustainable entrepreneurial decision outcomes and decision shifts under the influence of social media and peer pressure. Even though peer influence has a smaller effect than social media influence, both have significant behavioural impacts, which highlights the susceptibility of digitally native Gen Z entrepreneurs and early-stage innovation participants who work within highly interactive information settings.

The paper also underscores the subtle impact of social proof, credibility of the influencers, and personal stories in investor perception. Although data-supported analysis is one of the core trust factors, socially supported cues like positive reviews, the number of followers, and relatable experiences increase the influence among less sceptical Gen Z entrepreneurs and early-stage innovation participants. Comparative analysis shows that Gen Z entrepreneurs and early-stage innovation participants who depend on fundamental analysis show a higher level of behavioural stability, although the financial results of groups are not different, which supports the stability of analytical investment strategies over time.

Fear of Missing Out (FOMO) becomes one of the most significant psychological motivators, which contributes to the significant growth of dependency on influencers, trend-following behaviour, and social media use. Nevertheless, its immediate correlation with unsustainable entrepreneurial decision-making outcomes is inconclusive and indicates that behavioural vulnerability is not necessarily associated with negative financial results. Also, the fact that there is no strong correlation between time spent on social media and investment intensity implies that more profound cognitive, financial, and contextual determinants take the lead in investment magnitude decisions.

With age, the results highlight the necessity of specific financial literacy education, regulatory control of online financial information, and responsible use of platforms to reduce the risk of behaviour in an even more social media-based investment environment. Further studies are necessary to investigate the financial consequences of investing due to FOMO on a larger and more diverse sample in the future.

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