

ALABAMA SECURITIES COMMISSION

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As a New School Year Begins, ASC Warns Students to Be Cautious of Social Media Finfluencers.

Montgomery, AL (August 14, 2025) — As students across the country prepare to return to school, the Alabama Securities Commission (ASC) urges families to not only stock up on school supplies but also to invest in their financial futures by developing skills for smart, safe, and informed financial decisions. According to the 2024 Consumer Sentinel Network Data Book, the Federal Trade Commission revealed that younger people reported losing money to fraud more often than older people. Losses were reported at 44% for the age range 20-29, compared to 24% for ages 70-79. These losses coincide with the meteoric rise in online activity and social media use, especially among the “digital natives”, Generation Z.

“Back-to-school season is a great opportunity for families to talk about budgeting, saving, and making informed decisions about money,” said ASC Director Amanda Senn. “We want to empower students to be financially savvy, especially when online. Parents can help students attain financial literacy by talking about finances, including how to spot the difference between sound advice and scams.”

In the digital era, students and young adults are increasingly turning to social media for advice on everything, including financial and investment advice. So-called “Finfluencers” (financial influencers) are building audiences by offering investment tips, promoting courses, and even encouraging participation in trendy financial schemes. While some Finfluencers provide insights into the industry, most lack proper credentials and push high-risk or fraudulent investments to their followers. In some cases, they promote expensive courses or “get-rich-quick” strategies that benefit the influencer and not the consumer. Students and young adults should be encouraged to develop financial intelligence, in order to make sound financial decisions. The ASC offers the following advice to build a solid foundation for financial education. Additional information about Finfluencers is available [here](#).

- **Do your research:** Check whether an individual offering investment advice is licensed by calling the ASC at 1-800-222-1253. The imposter scam is the most commonly reported type of fraud. If an unlicensed person charges you for financial advice, there is a significant chance that they may be an imposter.
- **Understand financial basics early:** It is never too early to learn about topics such as budgeting, saving, and investing. Knowledge is power, and young people can help secure their financial future when they understand and implement these strategies.
- **Avoid impulse investments:** Take time and exercise caution when putting money into an investment. If you are being pressured, resist the urge to be quick to invest and speak with someone you trust. Always verify that the investments offered are registered.

“A popular social media site with a large following does not guarantee sound advice and principals,” said Senn. “We want to encourage young people to be financially savvy but exercise a degree of skepticism. Before acting on any financial recommendations, especially those promoted on social media, verify, research and ask questions-money lost to online fraud is very rarely recovered,” said Senn.

The Education and Public Affairs team developed a video to depict how students and young adults can be easily manipulated by these finfluencers. [CLICK HERE](#) to watch the video.

The ASC offers a variety of free educational tools and workshops tailored to students, parents, and teachers. These resources are designed to teach financial literacy, investment basics, and how to recognize fraud. To access these materials or schedule a presentation, visit www.asc.alabama.gov.