



# Should Asset Managers Partner with Finfluencers? A Strategic Assessment

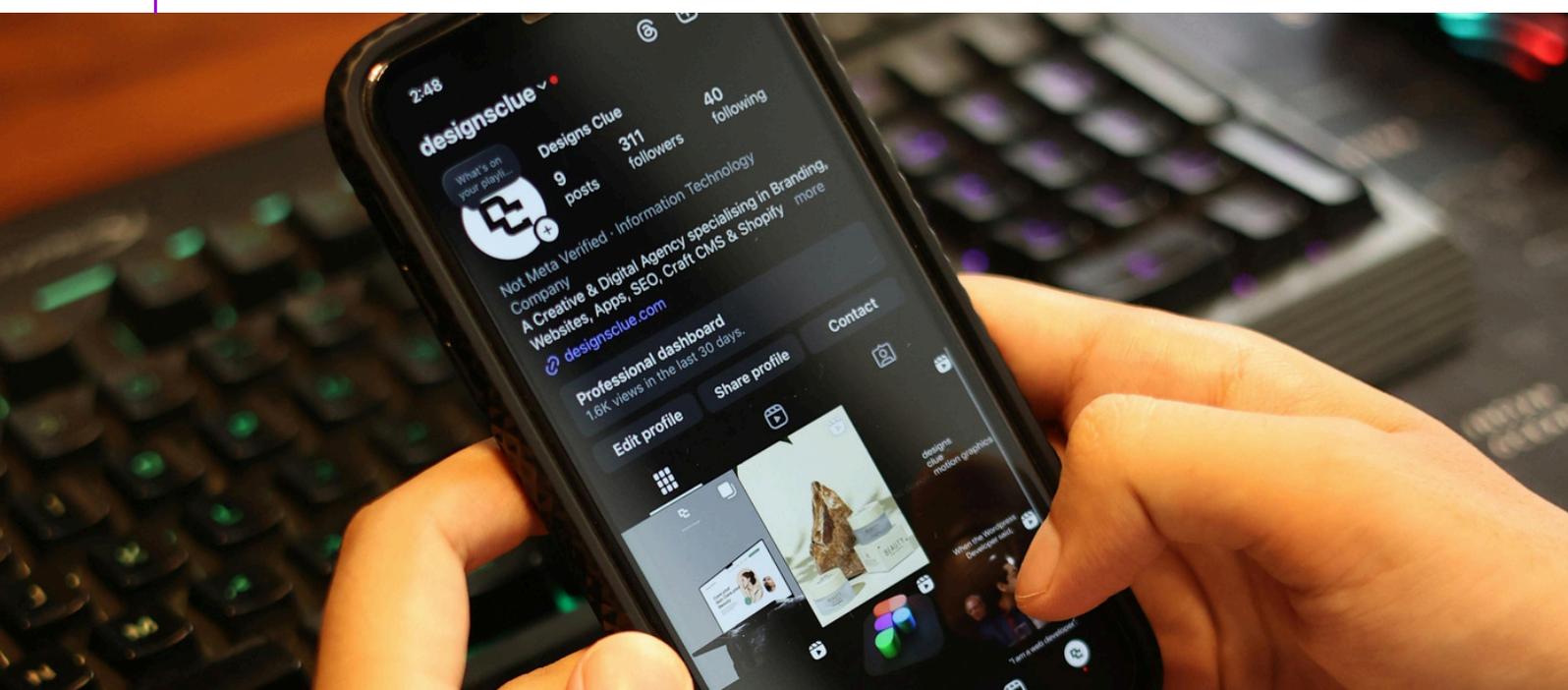
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# Overview

It's no secret that asset managers have traditionally built their businesses through intermediated distribution—banks, advisers, and institutional platforms. Retail, particularly younger investors, has always been a more distant relationship, mediated through layers of advice and infrastructure. But the digital world doesn't work like that. And increasingly, neither do retail investors.

As social media becomes a core channel for financial content, a new type of influencer has emerged: the finfluencer—content creators who use platforms like TikTok, Instagram, and YouTube to educate, entertain, and yes, sell. The question many asset managers now face is: should we partner with them?



# Motivations: Why Consider Finfluencers at All?

The asset management industry has long struggled with direct-to-consumer engagement. Most firms, outside a few global giants, lack significant brand recognition with retail investors. According to the **CFA Institute**, this absence of direct brand equity is a core reason asset managers are increasingly exploring partnerships with finfluencers.

Retail investing is undergoing a generational shift. Younger investors, especially Gen Z—aren't reading fund factsheets or attending adviser meetings. They're watching TikToks, scrolling Instagram, and digesting investment ideas via short-form content.

**In fact, 38% of Gen-Z investors in the UK and 37% in the US now cite social media influencers as a *primary factor* in their investment decision-making.**

This aligns with broader demographic and behavioural trends in the UK market. According to **BlackRock and YouGov**, over 3.5 million new investors entered the UK market between 2022 and 2024—a **21% increase**, driven largely by women and 25–34-year-olds. Investment product ownership is also shifting: **ETF usage rose 57%** across all adults and **95% among 18–34s** during the same period.

# Motivations: Why Consider Finfluencers at All? II

Yet this surge in participation doesn't translate to confidence or capability. Only **41% of UK savers feel confident** about the standard of living they'll have in retirement, and less than half feel confident in their ability to save and invest for it.

**Notably, one-fifth say they lack sufficient investing knowledge, and 15% fear investment risks.**

This creates a unique gap, and opportunity. Finfluencers are filling an educational and motivational void. They present accessible, relatable financial content that resonates where traditional financial institutions often fail to connect.



**Key Takeaway:** *For asset managers, engaging with finfluencers is not just about visibility. It's a chance to leapfrog years of brand-building, access a hard-to-reach demographic, and reframe financial literacy in a digital-first language. The numbers are clear: if you want to be part of Gen Z's investment journey, you need to show up where they're already learning.*

# Benefits: Reach, Relevance, and Relatability

There's no denying the upside. Done right, a partnership with a credible finfluencer can deliver:



**Access to underserved audiences:** Finfluencers are reaching young, first-time investors who may never speak to a traditional adviser



**Trust by proxy:** Influencers often enjoy a kind of parasocial trust that even the most reputable fund houses can't manufacture



**Content that actually gets consumed:** The best influencers simplify complex topics and deliver them in a voice that feels authentic

In short, they're giving asset managers a route to influence retail decision-making in a way few other channels can match.

# Risks: Reputational and Regulatory

But—and this is a big “but”—there are risks. Major ones.

**Regulatory Exposure:** While influencers can boost visibility, they also raise serious regulatory questions. A 2024 CFA Institute study found that only 20% of influencer content that included investment recommendations disclosed compensation or regulatory status. This lack of transparency creates legal exposure—not just for the content creators but also for the asset managers who collaborate with them.

Global regulators are paying attention. IOSCO’s 2024 consultation report warns that many influencers operate outside of financial regulatory frameworks, often unknowingly. Some jurisdictions have already issued cease-and-desist orders and fines against both influencers and the firms that engaged them.

**Reputation Management:** The brand risk is real. Misaligned partnerships—especially with creators promoting high-risk or fringe products can tarnish a firm’s credibility. According to the DIRK study on influencer relations, maintaining ethical standards and clear communication guidelines is vital, particularly in a space where content is informal and fast-paced.

Asset managers operate in a trust-based industry. Associating with an unvetted or controversial voice can undermine years of careful brand-building and put client relationships at risk.

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The CFA Institute recommends proactive education and disclosure frameworks to mitigate these issues—but the challenge remains: how do you maintain oversight in a decentralized, creator-driven environment?

# Solutions: How to Engage Without Losing Sleep

So how can asset managers leverage this trend while protecting themselves?

1	<b>Build an in-house playbook</b> — Create clear frameworks for evaluating, onboarding, and monitoring finfluencers. This should cover everything from mandatory disclosures and compliance sign-off to training on what they can and can't say.
2	<b>Co-create educational content</b> — Instead of pushing product, partner with influencers on financial literacy campaigns. This positions the firm as a trusted source without tripping regulatory wires.
3	<b>Start with micro-influencers</b> — You don't need to work with the biggest names. Smaller finfluencers often have more niche, engaged audiences and are more open to collaborative oversight.
4	<b>Use platforms strategically</b> — Focus on channels where long-form or semi-scripted content is more accepted (e.g., YouTube or podcasts) to give your brand room for nuance and compliance.
5	<b>Prioritise transparency</b> — Insist on full disclosure of sponsorships and align content guidelines with the highest common regulatory denominator across jurisdictions.

# Final Word: An Opportunity Worth Exploring—Cautiously

Finfluencers are here to stay. They are not a fad; they are a new distribution channel. Just like ETFs shook up product structures, finfluencers are shaking up distribution and investor communication.

For asset managers, ignoring them means potentially missing out on an entire generation of investors. But jumping in blindly could mean reputational and regulatory pain.

This isn't about whether asset managers should use finfluencers. It's about how they do it, with eyes wide open, guardrails in place, and a clear strategy that balances innovation with oversight.

The old B2B model still has a place. But the firms that win in the retail space over the next decade will be those that embrace new ways to connect—authentically, responsibly, and at scale.





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