

What is the Impact of Social Media Advertising Content on Alpha Generation's Financial Understanding?

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ABSTRACT

Generation Alpha (2011-2025) is known as the generation that is very close to digital technology and is considered the most intelligent generation compared to previous generations. Every week around 2.5 million children of this generation are born worldwide. They are growing up as the most internet- connected generation in history. According to McCrindle, Generation Alpha is highly gadget-dependent, less social, less creative and more individualistic. They want everything fast and instant, and have little respect for process. Their interest in gadgets leads to social alienation. This study examines the impact, experiences and perceptions of the alpha generation on advertising content on social media on teenagers in Nyamat Village by linking knowledge about financial literacy. Social media advertising has a growing influence on the Alpha Generation. Ads targeted at them often employ strategies that capitalize on current trends, digital celebrities and short-form attention-grabbing content. However, how Generation Alpha responds to and perceives this advertising content is still a relevant question to research, especially in rural areas such as Nyamat Village. Data from interviews conducted in Nyamat Village with 12 informant using the narrative descriptive analysis method. The results showed that almost all of these alpha gen teenagers use tiktok and instagram social media which they often see every day and they are interested in buying it so they have to save up first and will eventually ask their parents for money

Keywords: gen alpha, sosial media, financial literacy

INTRODUCTION

The development of digital technology in recent decades has brought significant changes to the way humans communicate and access information. Generation Alpha, born between 2010 onwards, is known as the first generation to truly grow up in the digital age. (Perry, 2022). They have been accustomed to the use of technology from an early age, making social media an integral part of their daily lives (Kim, 2020). Social media such as Instagram, TikTok, and YouTube are not only platforms for social interaction, but also the main channels for accessing entertainment and information, including advertising content. A survey conducted by the National Cyber and Crypto Agency (BSSN) involving 220 students in Lampung comprising 58 participants aged 10–15 years and 162 participants aged 16–20 years found that the average daily duration of social media use among youth aged 10–20 years was between 2 to 4 hours. A total of 47 students (21.36%) spent 5-8 hours on social media, and

furthermore, 35 students (15.91%) used social media for more than 8 hours per day (*Diskominfotik.Lampungprov.Go.Id.*, 2024).

Social media is not only a means of entertainment, but also a platform that shapes worldviews, including financial understanding. A report by Common Sense Media (2022) indicates that children aged 8 to 12 spend an average of nearly five hours per day engaging with digital media, which often includes content featuring advertisements for financial products and consumptive lifestyles (Rideout, 2016). Often these ads feature luxury lifestyles and consumerism as well to appeal to Generation Alpha using strategies that utilize the latest trends, internet celebrities, and eye-catching visuals (Deloitte, 2022). However, Generation Alpha's perceptions and experiences of this content remains an under-explored topic, especially in the context of teenage children living in rural areas such as Nyamat Village.

Nyamat is a village located in Tenganan District, Semarang Regency, Central Java, Indonesia. This village is a small village on the outskirts of Salatiga City and is surrounded by larger villages such as Ujung-Ujung, Barukan, and Sumber. Nyamat Village consists of six hamlets, namely Kerajan, Kemetiran, Kalisari, Pandansari, Kerancah, and Walen. Nyamat Village, located in an area with developing technology access, offers a unique environment to understand how Generation Alpha teenagers receive and perceive advertising on social media. Access to technology in rural areas such as Nyamat is generally still lagging behind compared to urban areas. This includes limitations in internet speed, the availability of adequate digital devices, and digital literacy that still varies among the community. In cities, technology tends to be more accessible and used intensively in everyday life, while in villages, the use of technology is often functional and limited to basic needs such as communication and entertainment. These differences may influence how often and in what forms children in villages like Nyamat are exposed to advertising on social media, as well as how they respond to messages delivered through digital platforms (Mark Warschauer, 2003).

Gen Alpha is the latest generation that will determine the success of society in Indonesia. Generation Alpha/Alfa/Gen are those born from 2011 to 2025. This is as stated by Santos and Yamaguchi (2015) "the alpha generation belongs to the group born after 2010". Although this generation is new to technology use, research facilitation and content, they have critical thinking. Due to the appreciation of technological tools and the benefits of facilitated communication. In the future physical contact will be valued more because it is so rare. One thing that has happened today, this generation has made their own mark in terms of commercialization with the help of technology (Gomes et al., 2018).

Generation Alpha is the generation group born after Generation Z, ranging from around 2010 to 2025. They are the first generation to fully grow up in a digital environment from birth, with extensive access to technology such as smartphones, tablets, and the internet.

Social media refers to internet-based platforms or applications that allow users to create, share, and interact with content or information in the form of text, images, videos, and other forms of multimedia. Social media also allows users to communicate and build social networks with other people around the world (Qualman, 2020).

Financial literacy refers to managing an individual's finances to achieve maximum well-being. Everyone needs to have this skill to avoid financial problems. According to Huston (2010) in Sustiyo (2020) defines it as a person's ability to understand and manage their personal finances based on the information they have, besides that financial literacy is a

combination of knowledge, skills, and behavior in financial management used to make decisions to achieve financial well-being.

For Generation Alpha, who are highly exposed to advertising content on social media, financial literacy also plays an important role. Although they have grown up with extensive access to technology and information, their ability to understand the value of money and how to manage it is still influenced by the ads they see. They are often enticed to buy things after seeing ads on platforms such as TikTok and Instagram. However, due to limited access to income, they tend to save up first or ask for money from their parents to buy these items. This shows that although Generation Alpha has access to a wide range of information their understanding and application of financial literacy is still evolving, especially in terms of making more mature financial decisions.

Facing this challenge, many financial education experts suggest that children should be taught about financial literacy from an early age, either through formal education at school or through supervision and direction from parents. "A report published by the Global Financial Literacy Excellence Center in 2021 highlights the importance of emphasizes that financial education that starts in childhood will help future generations to make better and wiser financial decisions, especially in an ever- evolving digital environment.

Previous research suggests that the experience and perception of advertising can be strongly influenced by the social and economic environment in which a person lives (Livingstone, 2014). Rijalul et al. (2024), Safitri et al. (2022) showed the results that financial literacy affects the financial management of generation Z and the use of social media instagram affects the financial management of generation Z. Other research results Asrun & Gunawan (2024) also show the same thing. Therefore, it is important to further examine how teenagers in Nyamat Village, who are part of Generation Alpha, interact with advertising content on social media so that it influences them in their purchasing decisions / affects their financial literacy.

By understanding their experiences and perceptions, this research is expected to provide deeper insights into the impact of advertising on young people in rural areas, as well as provide a basis for developing marketing strategies that are more suited to their needs and characteristics so as to answer the formulation of the problem How does Generation Alpha experience interacting with advertising content on social media

METHODS

Research uses qualitative methods, which is a research approach used to understand social phenomena in depth and holistically from the perspective of research participants. This method focuses on meanings, experiences, and processes that cannot be measured quantitatively. Qualitative research involves descriptive data collection and analysis that focuses on patterns and themes, as well as understanding the context and meaning behind the data collected (Sugiyono, 2020).

This approach is combined with descriptive qualitative analysis that aims to describe and interpret social phenomena that occur in the field by conducting interviews with 12 respondents from the Generation Alpha youth population in Nyamat Village. The selection of Nyamat Village as a research location is based on an interesting phenomenon related to the development of digital technology in rural areas that are undergoing transformation. Although access to the internet and digital de

vices is increasing, its use still varies greatly among adolescents, depending on the economic conditions of the family, parental support, and available infrastructure. Nyamat Village reflects a peripheral area that is at the crossroads between traditional culture and modern digital influences, making it a relevant location to observe how Generation Alpha responds to the existence of social media and digital advertising content. This phenomenon is important to examine in order to further understand the extent to which differences in geographic context influence adolescents' digital perceptions and behaviors, especially in terms of exposure to and response to advertising on social media.

RESULT AND DISCUSSION

The results of this study show that the research conducted in Nyamat Village on Gen Alpha children with 12 children respondents provides results that the experience of consuming advertising content on social media most Gen Alpha children report that they often see advertisements when using social media, especially on platforms such as Instagram, TikTok, and YouTube. They feel that these advertisements are part of their daily online experience. Based on the results of interviews with 12 informants of Generation Alpha teenagers in Nyamat Village, most of them admitted to often seeing advertisements when using social media such as YouTube, TikTok, and Instagram. The advertisements that appear are generally related to snack products, online games, clothing, and entertainment applications. Several informants stated that they felt tempted to try the advertised products, especially if they were delivered by influencers they knew or idolized. Meanwhile, several others felt that advertisements often appeared too often and interfered with their watching or playing activities. However, almost all informants considered the existence of advertisements as something normal and familiar, because it had become part of their interactions with social media every day. This finding shows that despite coming from rural areas, teenagers in Nyamat Village are quite accustomed to the existence of digital advertisements and have varying perceptions of advertising content depending on the context, form of presentation, and relevance to their personal interests.

In addition, regarding perceptions of ad content, many of them felt that some ads were interesting and relevant to their interests, while others were perceived as annoying. They are more interested in ads that use humorous visuals (Larson, 2021).

The frequency of exposure and platforms most frequently used Gen Alpha children are exposed to advertisements several times a day when using social media, with platforms such as TikTok and Instagram being the ones they use the most (Mahardhika et al., 2021).

Influence on preferences and consumption decisions They admit that advertisements often influence their desire to buy certain products, especially if the advertisement is related to trends or recommended by figures they admire by asking their parents or saving first from the remaining pocket money. The products that attract their attention most are generally contemporary snack products such as spicy ciki, fruit-flavored packaged drinks, and viral snacks that often appear in food review content.

The type of ad content that attracts ads featuring humor, catchy music, or viral challenges may catch their attention more. They also tend to be more interested in ads that involve interactivity or rewards.

These answers provide a snapshot of how Gen Alpha children in Nyamat Village respond to their experiences and perceptions of advertising content on social media. They tend to be highly connected to technology, easily influenced by advertisements, but also have varying levels of awareness of how these advertisements affect them.

CONCLUSION

This study concludes that from this research, it can be concluded that the high exposure to advertisements on social media for Alpha Generation children in Nyamat Village has a significant effect, especially tiktok and instagram. Advertising is an integral part of their experience in the digital world. Perceptions of advertising content vary. Some children find ads entertaining and interesting, especially if they use creative visuals or involve influencers they like. However, there are also those who feel annoyed by the number of advertisements that appear and advertisements on social media have a strong influence on consumption preferences and decisions, thus affecting the financial literacy of gen alpha. They tend to be attracted to products that are frequently advertised or that are related to the latest trends. Brands that appear frequently on social media become more recognizable and desirable.

This study recommends several things, among others: future research can be expanded by conducting comparative studies in various regions or countries to see if there are significant differences in Generation Alpha's experiences and perceptions of advertisements on social media and with their financial literacy. Based on geographical, cultural, or technology access factors. Conducting more in-depth segmentation by age and gender amongst Generation Alpha may provide more specific insights into how different groups respond to advertising content.

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