IMPACT OF SOCIAL MEDIA ON FINANCIAL SATISFACTION IN LOWER-MIDDLE-INCOME COUNTRIES

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ABSTRACT
This study empirically examines the impact of social media usage on the financial satisfaction of individuals in lower-middle-income economies. It also explores the demographic variations in this impact through heterogeneity analysis. For the empirical analysis, the study focuses on 18 countries classified as lower-middle-income by the World Bank, using data from the 7th wave of the World Values Survey. The Ordinary Least Squares (OLS) estimates reveal that social media users report lower financial satisfaction compared to non-users. Gender-wise, the effect is insignificant for females but significantly negative for males, indicating that men's financial satisfaction is more adversely affected by social media use. Regionally, the relationship is insignificant in urban areas but significantly negative in rural areas, highlighting potential disparities in access or content relevance. Notably, the impact of social media is more pronounced among male users compared to rural users. This research offers critical insights for policymakers to devise evidence-based strategies, including regulations, digital literacy programs, and mental health interventions tailored to these populations.
Keywords: Social Media, Financial Satisfaction, Subjective wellbeing, World Values Survey.

INTRODUCTION

Social media has had a profound impact on every facet of individuals existence, including people's financial management and fashion sense. And, while it may be easy to focus on the negatives that come with social media and personal finance. The use of social media can be harmful to users, especially over long time, according to reports on the subject. For example, individuals with poor self-esteem might find Facebook useful for expressing oneself, but others may react negatively to their low optimism or excessive negativity (Forest & Wood, 2012). According to Festinger (1954) social comparison theory, people evaluate their financial status in relation to their comparison groups. Because of this, individuals may start to question their own value and skills, which might lower the way they feel about themselves. The importance of comparison effects

highlighted by Kahneman and Tversky (1979), who claimed that decisions has influenced by changes from a basis for comparison. Comparing an individual's achievement, appearance, and mode of life with the standards other people display on social media can make one feel inadequate or inferior.

Rather than the absolute amount of wealth, social comparisons in intake are determined by an individual's position in relation to others. People with higher incomes tend to have higher relative incomes, which is a sign of status in society. In the past, several economists have observed that people compare their financial status to that of other people in their lives, which lowers individuals' satisfaction. When people experience highly compare their-self to others it will raise their determination to reach at that level and raising the level of determination will lower the current satisfaction but boost-up the living standards (Keller, 2019). It is important to remember that there are often challenges in the relationship between financial stability and wellbeing. While financial status might give people access to opportunities and resources that can improve their general level of happiness. Furthermore, pursuing riches and material possessions can occasionally result in tension, anxiety, and unhappiness, especially if people are continuously comparing their financial situation to that of others or are falling short of their own desires.

Additionally, Easterlin Paradox is another important theory that investigates the correlation among satisfaction and money, specifically if an increase in income results in improved financial satisfaction (Easterlin, 1974). In developed nations, people's happiness does not rise with financial stability. The intricate connection between happiness and income has highlighted by this conundrum. Another factor that may influence financial pleasure is the availability of financial services like banking, credit, and insurance. Without access to these services, economic stability and satisfaction may suffer in many low-income nations. The level of financial satisfaction among people throughout a country can be influenced by its overall economic stability. Due to uncertainty and a lack of economic prospects, financial satisfaction is typically lower in nations with unstable economies.

The disparity in the financial satisfaction is apparent across the global economies. The map illustrates in figure 1, global variations in financial satisfaction, measured on a scale from 1 (minimum) to 10 (maximum). Countries with higher financial satisfaction are represented by darker purple shades, with values closer to the maximum score of 10, notably seen in North America, Oceania (e.g., Australia), and parts of Western Europe. Moderate levels of satisfaction, represented by lighter purple and orange shades, are observed in regions such as South America and parts of Asia. Conversely, lower financial satisfaction levels, closer to the minimum score of 1, are indicated by yellow and light orange shades, predominantly seen in parts of Africa and Central Asia. Gray-shaded areas indicate countries with missing data. The map highlights significant global disparities in financial satisfaction, reflecting variations in economic conditions, access to resources, and perceptions of financial well-being across regions.
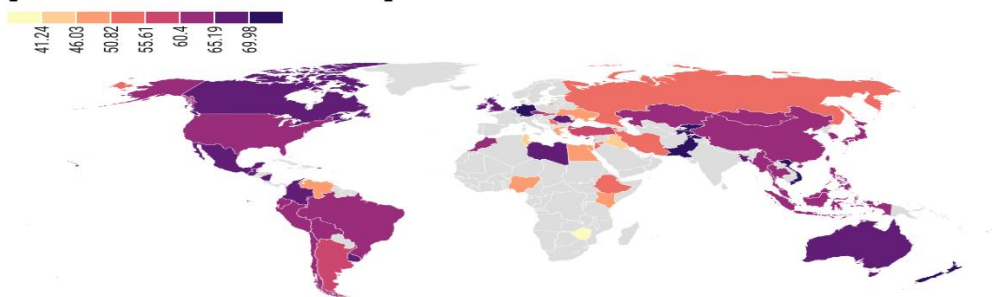

Figure 1. Spatial distribution of financial satisfaction

The study by Fan and Babiarz, (2019) examined factors influencing financial satisfaction, including gender and marital status, using a National Financial Capability Study question.

Results showed that widower males were generally better off than married men, while divorcees and unmarried women reported lower financial happiness. The study also found that divorce negatively impacted financial contentment ratings. The effect of social media on users' interpersonal connections and emotional health has investigated by Christensen, (2018) study. Social media use has found to have more drawbacks than advantages, resulting in bad behaviors and psychological anguish. People should think about if they use social media excessively or if it has turned into an addiction, according to the report.

Diener et al (2013) discovered a strong correlation between changes in standards of living over time and changes in household incomes. To affect the standards of living, increasing income must result in increased optimism, financial contentment, and material affluence for the household. In contrast, Olajide, Pandey & Pandey in 2024, investigated YouTubers report-out low satisfaction, the study shows that using social media for investment advice has a positive impact on financial satisfaction across over time. The most popular websites are Instagram, TikTok, and Twitter, which emphasize the importance for touched strategies. It implies that personal financial stability can be enhanced by lowering external control, raising self-efficacy and literacy, and making appropriate use of social media (Shair et al., 2022a; 2022b; 2023a; 2023b; Faturohman et al., 2024). Similarly, Utz, & Maaß, (2018) study looks at how Facebook use affects the wellbeing of those who have gone through a stressful life event or financial difficulty. According to the study, Facebook users' satisfaction increased during the adaption phase but decreased throughout the reaction period.

The rapid growth of social media in lower-middle-income economies necessitates a focused investigation into its impact on financial satisfaction. Social media serves as a vital source of information and connection but poses risks such as misinformation, overuse, and unrealistic comparisons, potentially influencing individuals' financial well-being. The socioeconomic and cultural diversity in these countries adds complexity to these effects, with variations across demographics and contexts. This study aims to empirically analyze the impact of social media usage on the financial satisfaction of individuals in lower-middle-income economies and explore demographic differences through heterogeneity analysis. By uncovering these dynamics, the research provides critical insights for policymakers to design evidence-based strategies, including regulations, digital literacy programs, and mental health initiatives, to mitigate negative impacts and promote sustainable social media practices tailored to the needs of these populations.

2. Methodology

The objective of the study is to estimate the impact of social media usage on the financial satisfaction of individuals in lower-middle-income countries. For empirical analysis, this study applied simple OLS method as directed by (Bruni & Stanca, 2006; 2008; Lohmann, 2015; Schalembier et al., 2020). This simple OLS estimation technique uses to evaluate the impact of social media usage and other covariates on financial satisfaction. Following the Bruni and Stanca (2006), the econometric model used to measure SWB for this study is:

$$FS_i = \alpha_0 + \alpha_1 social\_media_i + \alpha_2 Female_i + \alpha_3 Age\_categories_i + \alpha_4 Urban_i + \alpha_5 Married_i + \alpha_6 Education_i + \alpha_7 Income_i + \alpha_8 Unemployed_i + \alpha_9 Health_i + \alpha_{10} Family_i + \alpha_{11} Friend_i + \alpha_{12} Leisure_i + \alpha_{13} Work_i + \alpha_{14} Religion_i + \varepsilon_i \quad (1)$$

In the above financial satisfaction is dependent variable. While key variable is social media usage. The other covariates are demographics, and socioeconomic variables. The definition of the variables used in the study is presented in Table 1.

Table 1. Definition of variables

Variables	Definition
Dependent variable:	
Financial satisfaction	An ordinal variable spans a scale from 1 to 10, where 1 signifies the lowest level of life satisfaction and 10 represents the highest level of life satisfaction
Key variable:	
Social media	Binary variable coded as 1 if the individual indicated using social media, and 0 if not.
Covariates	
Female	Binary variable where 1 indicates a male respondent and 0 indicates otherwise.
Age	Age is an ordinal categorical variable which follow: 16-29 years (base), 30-49 years, 50 and more years
Urban	Binary variable set to 1 if the respondent is from an urban area, and 0 if not.
Married	Binary variable assigned a value of 1 for respondents who are married and 0 for those who are not.
Education	An ordinal categorical variable that is categorized into primary, middle, and higher education levels.
Income	An ordinal variable ranging from 1 to 10, with 1 being the lowest level and 10 the highest.
Unemployed	Binary variable assigned a value of 1 for respondents who are unemployed and 0 for those who are not.
Health	An ordinal variable representing an individual's health status, categorized as follows: 1 for very poor, 2 for poor, 3 for fair, 4 for good, and 5 for very.
Other covariates	The covariates like: importance of family, friends, leisure, work, and religion covariates is measured using an ordinal Likert scale, where 1 indicates 'not at all important,' 2 indicates 'not very important,' 3 indicates 'rather important,' and 4 indicates 'very important.'

3. Data and Descriptive analysis

3.1 Data Source

This research utilizes data from the seventh wave of the World Value Survey, which is accessible for distribution on the WVS website, including all related survey documentation. The current wave encompasses 66 countries. For the purpose of examining the effects of social media on the financial satisfaction of individuals in lower-middle-income economies, the study focuses on 18 countries classified as lower-middle-income by the World Bank, a classification also used by the WVS. Table 2 provides a list of the countries included in this analysis.

Table 2. List of lower-middle-income countries

Country name	Freq.	Percent	Cum.
Bangladesh	1,200	4.91	4.91
Bolivia	2,067	8.45	13.36
Myanmar	1,200	4.91	18.26
India	1,692	6.92	25.18
Kenya	1,266	5.18	30.36
Kyrgyzstan	1,200	4.91	35.27
Mongolia	1,638	6.70	41.96
Morocco	1,200	4.91	46.87
Nicaragua	1,200	4.91	51.78
Nigeria	1,237	5.06	56.83
Pakistan	1,995	8.16	64.99

Philippines	1,200	4.91	69.90
Vietnam	1,200	4.91	74.80
Zimbabwe	1,215	4.97	79.77
Tunisia	1,208	4.94	84.71
Ukraine	1,289	5.27	89.98
Egypt	1,200	4.91	94.89
Uzbekistan	1,250	5.11	100.00
Total	24,457	100.00	

3.2 Descriptive statistics

The descriptive statistics for variables used in the study is presented in Table 3. Financial satisfaction, rated on a scale from 1 to 10, has an average score of 6.059 with a standard deviation of 2.660, indicating a significant spread around the mean. Social media usage is indicated by a mean of 0.607 on a 0 to 1 scale, suggesting that approximately 61% of respondents use social media, with the standard deviation of 0.488 pointing to a near-even split between users and non-users. The variable for gender shows that about 51% of respondents are female, with a nearly equal gender distribution reflected in a standard deviation of 0.5.

For the age groups, the percentages of individuals are as follows: about 33.7% of the sample falls within the 16-29 years age bracket, 43.0% are between 30-49 years, and 23.3% are 50 years and older. The urban variable shows that 50.5% of the 24,457 individuals sampled reside in urban areas. For education levels, the data indicates that 39.5% of the 24,340 individuals sampled have achieved primary education, 34.4% have middle education, and 26.1% have attained higher education.

The mean income level of the population is 4.86673 on a scale from 1 to 10. This indicates that, on average, individuals report an income level around the mid-point of the scale. The mean of 0.1065544 suggests that approximately 10.65% of the sample reports being unemployed, with this variable being either 0 (employed) or 1 (unemployed). The average health rating is 3.743285 on a scale from 1 to 5. This is closer to 4, suggesting that the average individual rates their health slightly above the mid-point, leaning towards 'good' health. The mean value here is 3.902078 on a scale from 1 to 4. This higher average suggests that most individuals feel relatively positive about their family relationships. With a mean of 3.179904, this suggests that importance of friends in life are generally rated positively, though there is some variability as indicated by the standard deviation. The average leisure importance rating is 3.032143, indicating a neutral to slightly positive satisfaction with leisure time. The mean work importance in life level is 3.625708, showing that on average, people tend to rate their work situation positively. With an average of 3.485687, this shows a moderately importance of religious in life. The value of variables family, friend, leisure, work and religion is above 3 indicating the higher frequent respond to 'rather important' than 'very important.'

Table 3. Descriptive statistics

Variable	Obs	Mean	Std. dev.	Min	Max
Financial satisfaction	24,359	6.059321	2.660137	1	10
Social media	24,457	.6073108	.4883586	0	1
Female	24,457	.5092612	.4999244	0	1
Age:					
16-29 years	24,433	.3368804	.4726533	0	1
30-49 years	24,433	.4302787	.4951252	0	1
50 and more years	24,433	.2328408	.4226503	0	1
Urban	24,457	.5052541	.4999826	0	1
Primary education	24,340	.3953985	.4889462	0	1
Middle education	24,340	.3439606	.4750379	0	1
Higher education	24,340	.2606409	.4389933	0	1
Income	24,049	4.86673	2.133575	1	10

Unemployed	24,457	.1065544	.3085521	0	1
Health	24,424	3.743285	.9143924	1	5
Family	24,448	3.902078	.3380394	1	4
Friend	24,413	3.179904	.8039377	1	4
Leisure	24,360	3.032143	.8859563	1	4
Work	24,374	3.625708	.6868516	1	4
Religion	24,314	3.485687	.847028	1	4

3.3   Bivariate analysis

The bivariate analysis of the key variable and dependent variable is presented in Figure 2. It displays the proportion of individuals who use social media versus those who do not, in relation to their levels of financial satisfaction, which is rated from 1 to 10. Both groups, users and non-users of social media, are represented at each level of financial satisfaction from 1 to 10. For most levels of financial satisfaction, the proportion of users of social media appears slightly higher than that of non-users. This is particularly noticeable at the higher satisfaction levels (5 to 10), where the blue bars (users of social media) are consistently taller than the red bars (non-users). Both groups show a general increase in proportion at the higher satisfaction levels, especially noticeable at level 10. This could imply that a significant number of individuals, regardless of their social media usage, perceive themselves as having high financial satisfaction.

The data could suggest that social media users might be slightly more likely to report higher financial satisfaction. This could be due to various factors, including demographic differences, psychological effects of social media usage, or social media's role in providing financial opportunities or positive economic outlooks. The consistent increase in proportions at higher satisfaction levels might indicate a general trend in the survey population toward positive financial self-assessment, or it might reflect an aspect of the survey design or sampling.
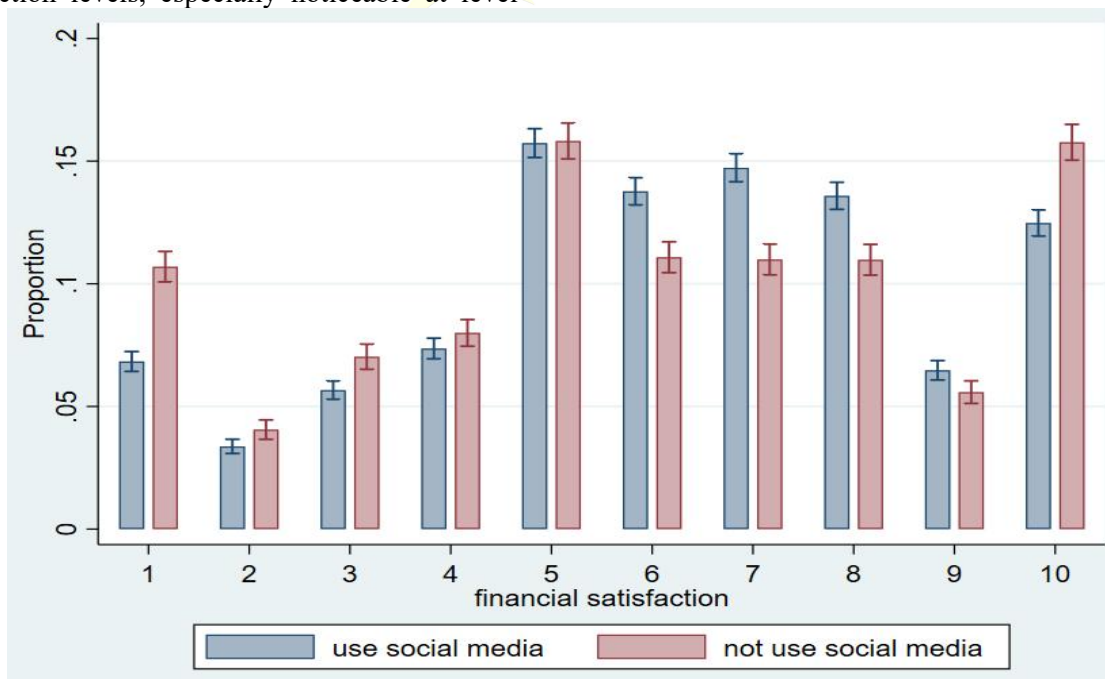

Figure 2. Financial Satisfaction: Comparing Users and Non-Users of Social Media

4. Results and Discussion

4.1 Social media and financial satisfaction

The coefficients of the OLS regression model is presented in Table 4. The results from the OLS

regression model indicate that the variable 'Social Media' is statistically significant in predicting financial satisfaction, which is an ordinal dependent variable ranging from 1 (not at all satisfied) to 10 (fully satisfied). The coefficient for social media usage is -0.0805364. This implies that using social media is associated with a decrease in financial satisfaction. Specifically, the average financial satisfaction score for social media users is estimated to be 0.0805364 points lower than for non-users, holding other factors constant. The standard error of the coefficient is 0.0380562, which measures the average amount that the coefficient estimate varies from the actual average value of the dependent variable. The t-statistic of -2.12 indicates the number of standard deviations the coefficient is away from 0. In this context, since the t-value is beyond +/- 1.96 (a common critical value for a 95% confidence level), it suggests that the coefficient is statistically significant. The p-value of 0.034 is less than the conventional threshold of 0.05, suggesting that there is a statistically significant relationship between social media usage and financial satisfaction at the 5% significance level. The confidence interval ranges from -0.155129 to -0.0059439. This interval does not include zero, which supports the conclusion that the effect of social media on financial satisfaction is statistically significant and negative. The interval suggests that the true effect, with 95% confidence, will fall within this range.

The regression analysis indicating that social media users report lower financial satisfaction compared to non-users. Social comparison emerges as a significant driver; users frequently measure their own financial success against the often idealized lives presented by others on social media platforms, potentially fostering feelings of inadequacy (Throuvala et al., 2019; Kumar & Kumar, 2024). Moreover, the omnipresence of targeted advertising on these platforms may encourage spending beyond one's means, aspiring to lifestyles that are not financially sustainable, which in turn can lead to financial stress and dissatisfaction (Olajide et al., 2024; Nam & Seong, 2021). Additionally, social media may divert time away from activities that could enhance financial stability, such as career advancement or personal financial management, exacerbating feelings of economic insecurity (Khan et al., 2017).

Further complicating this relationship are factors including economic anxiety amplified by social media, distractions from financial goals, and the mental health impacts associated with heavy social media use, such as anxiety and depression (Morganstein & Ursano, 2020). These factors may cloud one's overall life outlook, including financial perceptions. Social media also sets a high bar for what individuals consider normal or attainable, leading to a disconnect between expectations and reality that can diminish financial satisfaction (Lamberton & Stephen, 2016). Acknowledging these multifaceted influences is crucial for understanding the broader implications of social media usage on financial well-being.
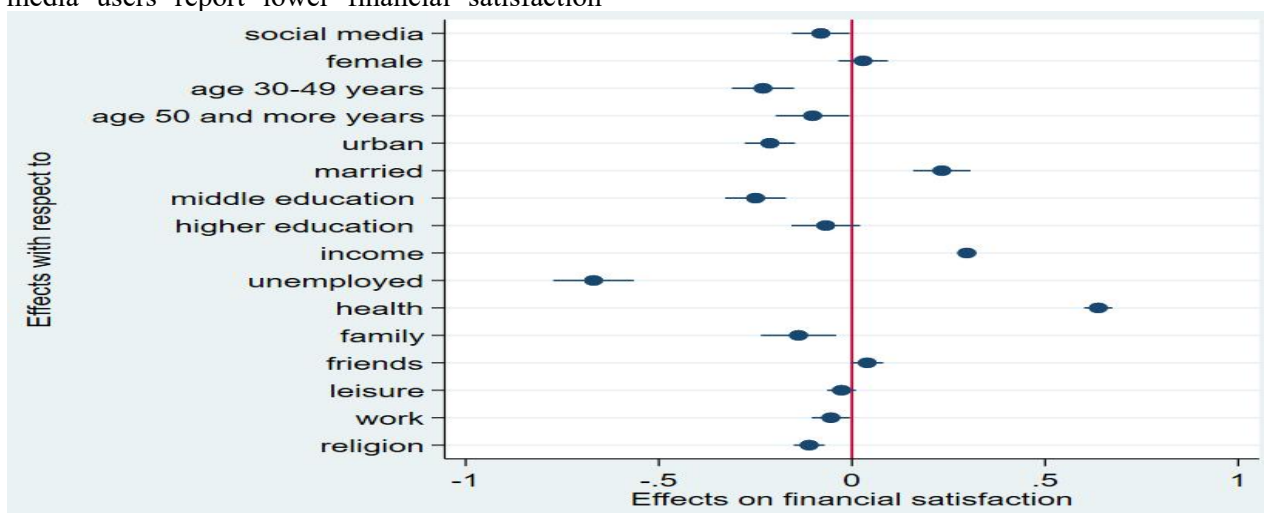

Figure 3. Coefficients plot of the whole sample

The estimates for the covariates impact on financial satisfaction suggest that being female is associated with a 0.02897 increase in financial satisfaction compared to being male, but this effect is not statistically significant (t=0.89). For the variable age, the reference group is 16-29 years. Coefficient for 30-49 years is -0.23040, which suggest that individuals aged 30-49 report, on average, 0.23040 lower financial satisfaction than those aged 16-29 (t=−5.62, highly significant). Coefficient for 50+ years is -0.10201, depicting individuals aged 50+ report 0.10201 lower financial satisfaction than those aged 16-29 (t=−2.09, significant). Living in an urban area is associated with a 0.21235 decrease in financial satisfaction compared to living in a rural area (t=−6.39, highly significant). Being married is associated with a 0.23274 increase in financial satisfaction compared to being unmarried (t=6.14, highly significant).

For the variable education, reference group is primary education. Coefficient for Middle education is -0.24959, it depicts that Individuals with middle-level education report 0.24959 lower financial satisfaction than those with primary education (t=−6.22, highly significant). Coefficient for Higher education: -0.06779, it suggest that individuals with higher education report 0.06779 lower financial satisfaction than those with primary education, but this effect is not statistically significant (t=−1.49). Each unit increase in income is associated with a 0.29743 increase in financial satisfaction (t=37.65, extremely significant). Being unemployed is associated with a 0.66902 decrease in financial satisfaction compared to being employed (t=−12.57, highly significant).

Health shows the strongest positive association with financial satisfaction (coefficient: 0.6377, t = 34.33), indicating that better health significantly enhances satisfaction levels. In contrast, importance of family in life is (coefficient:-0.1384, t = -2.79), importance of work (coefficient:-0.0546, t = -2.17), and importance of religion (coefficient:-0.1107, t = -5.42) exhibit significant negative effects, suggesting that obligations or dissatisfaction in these domains might slightly detract from financial satisfaction. On contrary, importance of friends in life has a weak but positive impact (0.0395, t = 1.86), while leisure activities do not show a statistically significant relationship (-0.0270, t = -1.43). These findings imply that health is the most influential factor in determining financial satisfaction, whereas other variables such as importance of family and religion may introduce competing priorities that reduce satisfaction.

Table 3. Social media and financial satisfaction

Variables	Coefficient	Std. err.	t	P>t	[95% conf. interval]	
Social media	-.0805364	.0380562	-2.12	0.034	-.155129	-.0059439
Female	.0289675	.0326802	0.89	0.375	-.0350879	.0930228
Age:						
16-29 years (base)						
30-49 years	-.2303963	.0410139	-5.62	0.000	-.3107863	-.1500063
50 and more years	-.1020108	.0487904	-2.09	0.037	-.1976432	-.0063784
Urban	-.2123523	.0332151	-6.39	0.000	-.277456	-.1472486
Married	.2327404	.0379292	6.14	0.000	.1583966	.3070841
Education:						
Primary (base)						
Middle	-.2495911	.0401377	-6.22	0.000	-.3282636	-.1709187
Higher	-.067794	.0453829	-1.49	0.135	-.1567474	.0211595
Income	.2974251	.0078987	37.65	0.000	.2819431	.3129071
Unemployed	-.6690172	.0532387	-12.57	0.000	-.7733685	-.5646658
Health	.6376557	.0185752	34.33	0.000	.6012472	.6740643
Family	-.1383651	.0496558	-2.79	0.005	-.2356938	-.0410365
Friends	.0394943	.0211782	1.86	0.062	-.0020163	.0810049
Leisure	-.0269628	.0189058	-1.43	0.154	-.0640194	.0100938

Work	-.0546389	.0251622	-2.17	0.030	-.1039585	-.0053193
Religion	-.1106901	.0204126	-5.42	0.000	-.1507001	-.0706801
_cons	3.590455	.2198887	16.33	0.000	3.159458	4.021451
Number of obs.	23,530					
R-squared	0.1376					
F(16, 23513)	234.51					
Prob > F	0.0000					

4.2 Heterogeneity Analysis

The heterogeneity analysis presented in the Table 4, and its coefficient plot also presented in Figure 4a and 4b. The analysis carried out to examine the consistency of the coefficient across the sub-sample male and female, and urban and rural. Overall, social media use is significantly associated with a small decrease in financial satisfaction across the whole sample (-0.081, p<0.05). Gender-wise, the effect is insignificant for females but strongly negative for males (-0.206, p<0.01), indicating that men's financial satisfaction may be more affected by social media use. Regionally, the relationship is insignificant in urban areas but significantly negative in rural areas (-0.139, p<0.05), suggesting rural social media users experience lower financial satisfaction, possibly due to disparities in access or content relevance.
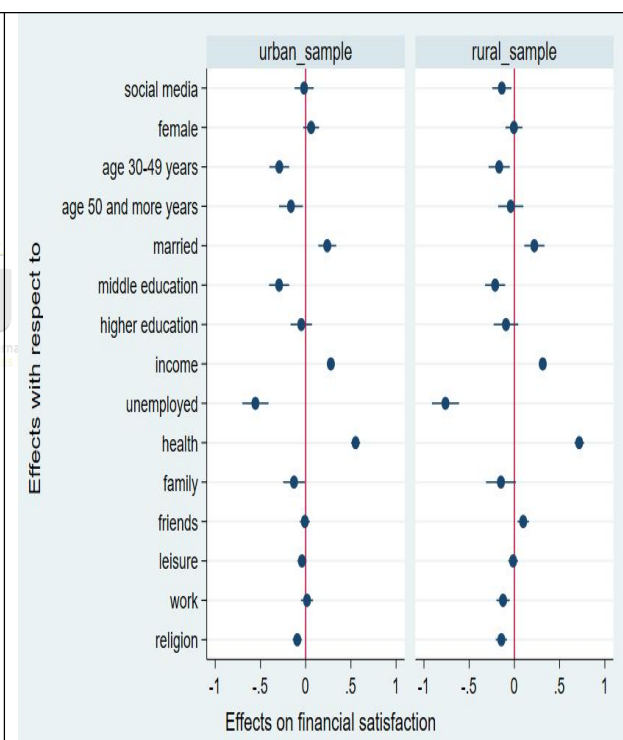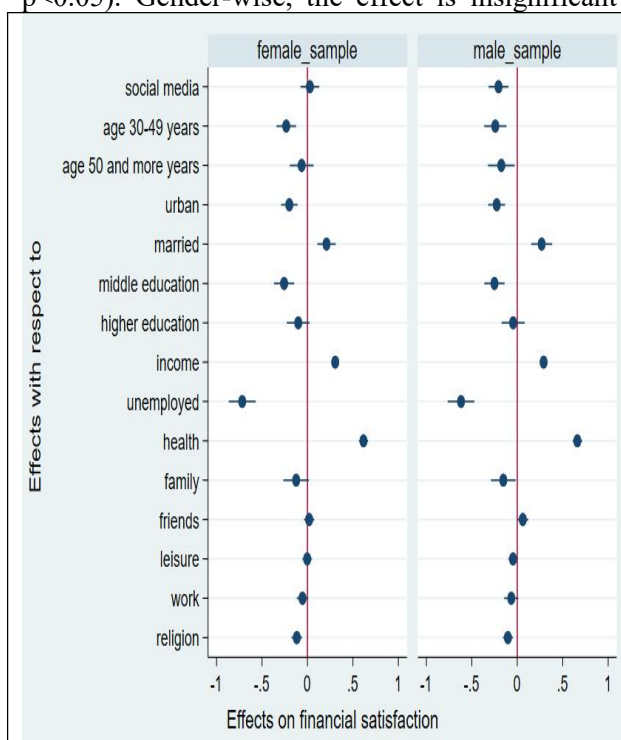

Figure 4a. social media and financial satisfaction across male and female sample

Figure 4b. social media and financial satisfaction across urban and rural sample

The analysis identifies several variables that consistently exhibit significant effects with stable signs across all models. Individuals aged 30-49 years consistently report lower financial satisfaction compared to the base category (16-29 years), with significant negative coefficients. Being married is associated with higher financial satisfaction, showing consistently positive and significant coefficients. Middle-level education has a consistently negative impact on financial satisfaction compared to primary education. Higher income strongly increases financial satisfaction, while unemployment significantly decreases it, both maintaining consistent significance and direction across models. Health consistently shows a strong positive association with financial satisfaction, highlighting its importance. In contrast, religion exhibits a

consistently negative and significant impact on financial satisfaction. These variables—age (30-49 years), marital status, middle-level education, income, unemployment, health, and religion—are robust predictors, maintaining consistent sign and significance across all subsamples.

Table 4. Heterogeneity analysis of social media usage and financial satisfaction

VARIABLES	(1) whole sample	(2) female sample	(3) male sample	(4) urban sample	(5) rural sample
Social media	-0.0805**	0.0268	-0.206***	-0.0173	-0.139**
	(0.0381)	(0.0526)	(0.0554)	(0.0539)	(0.0541)
Female	0.0290			0.0603	-0.00537
	(0.0327)			(0.0447)	(0.0477)
Age:					
16-29 years (base)					
30-49 years	-0.230***	-0.233***	-0.241***	-0.291***	-0.168***
	(0.0410)	(0.0552)	(0.0625)	(0.0560)	(0.0599)
50 and more years	-0.102**	-0.0640	-0.176**	-0.163**	-0.0407
	(0.0488)	(0.0668)	(0.0748)	(0.0673)	(0.0708)
Urban	-0.212***	-0.200***	-0.226***		
	(0.0332)	(0.0466)	(0.0474)		
Married	0.233***	0.210***	0.268***	0.239***	0.221***
	(0.0379)	(0.0515)	(0.0589)	(0.0505)	(0.0570)
Education					
Primary (base)					
Middle	-0.250***	-0.257***	-0.251***	-0.294***	-0.213***
	(0.0401)	(0.0568)	(0.0569)	(0.0569)	(0.0568)
Higher	-0.0678	-0.101	-0.0452	-0.0484	-0.0931
	(0.0454)	(0.0639)	(0.0645)	(0.0604)	(0.0695)
Income	0.297***	0.305***	0.290***	0.279***	0.314***
	(0.00790)	(0.0111)	(0.0112)	(0.0112)	(0.0111)
Unemployed	-0.669***	-0.718***	-0.619***	-0.556***	-0.762***
	(0.0532)	(0.0755)	(0.0753)	(0.0741)	(0.0765)
Health	0.638***	0.616***	0.661***	0.552***	0.717***
	(0.0186)	(0.0260)	(0.0266)	(0.0257)	(0.0268)
Family	-0.138***	-0.125*	-0.153**	-0.129**	-0.149*
	(0.0497)	(0.0717)	(0.0692)	(0.0611)	(0.0840)
Friend	0.0395*	0.0186	0.0608*	-0.00896	0.0976***
	(0.0212)	(0.0290)	(0.0310)	(0.0280)	(0.0322)
Leisure	-0.0270	-0.00299	-0.0466*	-0.0414	-0.0142
	(0.0189)	(0.0271)	(0.0264)	(0.0260)	(0.0274)
Work	-0.0546**	-0.0546*	-0.0659	0.0152	-0.125***
	(0.0252)	(0.0324)	(0.0401)	(0.0341)	(0.0371)
Religion	-0.111***	-0.117***	-0.103***	-0.0928***	-0.144***
	(0.0204)	(0.0296)	(0.0283)	(0.0263)	(0.0320)
Constant	3.590***	3.579***	3.679***	3.609***	3.426***
	(0.220)	(0.318)	(0.304)	(0.275)	(0.362)
Observations	23,530	11,947	11,583	11,882	11,648
R-squared	0.138	0.141	0.136	0.117	0.159

Standard errors in parentheses, *** p<0.01, ** p<0.05, * p<0.1

6. Conclusion

The objective of this study is to examine the impact of social media usage on financial satisfaction of individuals of lower-middle-income economies. The study also examine the impact of social media on financial satisfaction across demographics of individuals by conducting heterogeneity analysis. The regression analysis depicts that social media users report lower financial satisfaction compared to non-users. Gender-wise, the effect is insignificant for females but strongly negative for males, indicating that men's financial satisfaction may be more affected by social media use. Regionally, the relationship is insignificant in urban areas but significantly negative in rural areas, suggesting rural social media users experience lower financial satisfaction, possibly due to disparities in access or content relevance. It implies that social media fosters social comparison, encouraging users to aspire to unsustainable lifestyles, leading to financial stress and dissatisfaction. It also diverts time from activities that enhance financial stability, exacerbating economic insecurity.

To address the negative impact of social media on financial satisfaction in lower-middle-income economies, policymakers can implement several targeted measures. Gender- and region-specific interventions, such as financial mentoring for rural communities and tailored messaging for male users, can further mitigate the adverse effects of social media on financial well-being. Promoting digital literacy is crucial to educate individuals about healthy social media use and the risks of social comparison that contribute to financial dissatisfaction. Financial education programs and community workshops, can equip individuals with the tools to manage their finances effectively, with a particular focus on rural areas. Collaborating with social media platforms to regulate misleading or aspirational content promoting unsustainable lifestyles can help reduce financial stress.

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