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## Mapping amateur investors' social networks. A case study in the field of online stock trading in Italy

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This research focuses on remote investment in financial assets (online trading) in Italy, one of the most rising sectors in the Fintech industry. According to recent studies, Italian individual investors are approximately 250.000, while the global population is estimated at around 15 million. Online trading is becoming increasingly popular mostly because of the rapid growth of digital financial services, which has triggered a constant reduction of entry barriers from the demand-side: in fact, to enter the world of online trading no particular requirements are needed, neither in terms of financial capabilities nor in terms of technological skills. At the same time, it is worth noting that online trading is an extremely risky activity, so much that, according with the literature, about 90% of amateur investors lose money consistently. The main objective of this study is to understand how and why ordinary persons enter into the world of “do-it-yourself” finance, investing their personal savings and exposing themselves to a considerable risk of financial failure. To this end, we developed a survey-based analysis (n=540) by which we investigated individual investors' motivations, operational profiles, attitudes and socio-economic backgrounds. Our survey also included a position-generator questionnaire, which allowed us to map traders' personal networks and their social capital endowments. In line with the existing literature, preliminary results show that a considerable part of the amateur investors trade because they need additional resources to address family needs. Moreover, most of them perceive online stock trading as a sort of “social lift” that might compensate lacks in their personal networks (which in Italy are paramount for entering the labour market), providing them a concrete - but risky - opportunity of a quick advancement in their socio-economic status.

### Keywords

social capital, sociology of finance, Fintech industry

### Topics

- Applications of network analysis in multidisciplinary fields

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