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# Investment Behaviour Trends among GenZ and Millennials

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## INTRODUCTION

- **Background of the study**

In recent years, the way people invest their money has been changing rapidly. Among all consumer groups, Generation Z and millennials have shown the most noticeable shift in investment behaviour. Unlike previous generations who relied heavily on traditional investment methods such as fixed deposits, savings accounts, and long-term insurance, these younger investors are exploring newer, technology-driven, and more dynamic options. This change is being influenced by multiple factors, including easy access to digital tools, financial information available on social media, and a growing desire for financial independence at an early age.

One of the most important features of this new-age investment behaviour is the increasing use of online and mobile investment platforms. Apps for stock trading, cryptocurrencies, mutual funds, and peer-to-peer lending have become daily tools for young investors. The simplicity and convenience of these platforms allow them to make quick decisions, track their investments in real time, and learn through experience. Social media influencers, financial content creators, and online communities also play a crucial role in guiding or sometimes even shaping investment choices. Information, opinions, and trends spread quickly on platforms like YouTube, Instagram, and X (formerly Twitter), influencing what and how young people invest in.

Another remarkable shift is the attitude of Gen Z and millennials toward risk. While older generations often preferred stability, younger investors tend to be more open to experimenting with high-risk, high-return options. Cryptocurrency trading, investing in start-ups, and following global stock markets have become common interests. This does not necessarily mean that they ignore traditional investments, but they tend to look for a balance between security and growth. Diversification is a key theme in their approach, often combining assets like real estate, stocks, mutual funds, and digital assets.

## OBJECTIVE

To study how Gen Z and Millennials differ in investment behaviour based on various factors:
To fully address the key aim, the research is organized with the four supporting sub-aims ~

1. **To assess whether generation influences the relationship between financial literacy and investment amount.**
   This will reveal if the impact of financial knowledge on investing varies between Gen Z and Millennials.

2. **To examine the difference in risk tolerance levels between Gen Z and Millennial investors.**
   This aims to understand which generation is more willing to take financial risks while investing.

3. **To analyze how education level affects preference for investment apps and digital platforms.**
   This will show whether more educated individuals are more inclined to use online or app-based investment tools.

4. **To examine the difference in the influence of social media on financial decision-making between Gen Z and Millennials.**
   This aims to explore how exposure to finance-related content on social media shapes the financial choices of these two generations.

## HYPOTHESIS

4 Hypothesis relevant to our objectives ~

1. **Moderation**
   $H_0$: Generation does not affect the relationship between financial literacy and investment amount.
   $H_1$: Generation affects the relationship between financial literacy and investment amount.

2. **Risk tolerance**
   $H_0$: Gen Z and Millennials have the same average risk-tolerance score.
   $H_1$: Gen Z and Millennials have different average risk-tolerance scores.

3. **Platform preference across education levels**
   $H_0$: Preference for the use of investment apps is the same across all education levels.
   $H_1$: Preference for the use of investment apps differs across education levels.

4. **Social media influence**
   $H_0$: There is no difference between Gen Z and Millennials in the level of influence social media has on their financial decisions.
   $H_1$: Gen Z and Millennials differ in the level of influence social media has on their financial decisions.

## SIGNIFICANCE OF THE STUDY

Understanding the new-age trends in investment behaviour among Generation Z and millennial consumers holds great importance in today's dynamic financial environment. This study is significant because it sheds light on how younger generations are reshaping the traditional investment landscape with their values, preferences, and use of technology. As these groups become key participants in the global economy, their approach to saving, spending, and investing has a direct impact on financial markets, institutions, and policy-making.

This research contributes to a deeper understanding of the mindset driving young investors. It helps identify the major factors influencing their financial decisions, such as digital accessibility, peer influence, online information, and changing attitudes toward risk. By analyzing these aspects, the study provides valuable insights into how investment behaviour has evolved from conventional, advisor-driven choices to individual, self-managed, and tech-supported decisions. Such knowledge is useful not only for academics and policymakers but also for financial institutions, fintech platforms, and investment advisors who seek to connect more effectively with younger audiences.

For businesses and financial service providers, the findings of this study can serve as a guide to designing more user-friendly and personalized investment products. With Gen Z and millennials favoring transparency, mobility, and social responsibility, companies can use this research to align their strategies with these expectations. Understanding what motivates young investors and what challenges they face can help the industry develop tools that encourage informed and sustainable financial participation.

In summary, the significance of this study lies in its potential to enhance understanding, inform future financial strategies, and contribute to a more inclusive and sustainable investment ecosystem shaped by the priorities of Generation Z and millennial consumers.

## SCOPE AND LIMITATIONS

The scope of this study covers the changing trends in investment behaviour among Generation Z and millennial consumers, focusing on how technology, social media, financial awareness, and personal values influence their decisions. The research aims to analyze both qualitative and quantitative aspects of their behaviour, including their attitudes toward risk, preference for digital platforms, and interest in ethical or sustainable investments. It seeks to understand the motivations behind their choices and the factors that distinguish them from older generations of investors. The study also explores the role of external elements such as economic conditions, peer influence, and the availability of online financial information.

Geographically, the study may be limited to a specific region or country, depending on data availability and accessibility. However, the trends and insights discussed can have broader relevance, as digital transformation and global connectivity have made investment patterns across regions more similar than before. The analysis primarily focuses on individuals within the age range that defines millennials and Generation Z, generally covering those born between the mid-1980s and early 2010s.

Despite its wide scope, the study encounters certain limitations. Additionally, differences in access to financial resources and education among participants may affect the generalizability of the results.The study also acknowledges that investment behaviour is shaped by cultural, psychological, and economic factors that may vary across regions. As a result, some findings may not apply equally in all contexts. Moreover, since the research concentrates primarily on digital and modern forms of investing, traditional investment perspectives of younger consumers might not receive in-depth coverage.

Despite these limitations, the study provides valuable insights into the financial mindset of new-age investors. It offers a foundation for future research and helps expand understanding of how young consumers interact with modern investment opportunities in an ever-evolving financial landscape.

## LITERATURE REVIEW

Financial literacy has a strong influence on how individuals make investment decisions. Lusardi (2019) emphasizes that financial knowledge plays a key role in shaping saving and investment habits, improving long-term financial well-being. Rai (2024) adds that higher financial awareness significantly impacts the attitudes of Gen Z investors, who are more confident but sometimes overly optimistic. Deloitte (2024) supports this view, reporting that exposure to digital financial content at a young age encourages Gen Z to start investing earlier than Millennials, although knowledge gaps still persist among both groups.

Generational background and social conditions explain part of the difference in investment behavior. Rosdiana (2020) finds that Millennials, who began investing in the early 2000s, generally prefer traditional instruments such as mutual funds, recurring deposits, and real estate. In contrast, Gen Z tends to choose stocks, exchange-traded funds (ETFs), and even digital assets like cryptocurrency. The CFA Institute (2024) confirms this generational shift, stating that Gen Z investors are entering capital markets faster and with smaller investment amounts, aided by mobile trading apps and zero-commission platforms.

Behavioral finance studies also reveal that risk perception varies across generations. Altaf (2023) notes that Millennials' investment approach was shaped by the 2008 Global Financial Crisis, making them cautious and inclined toward long-term security. Meanwhile, Gen Z grew up in a time of low interest rates and digital convenience, resulting in higher short-term risk tolerance. This difference influences portfolio composition, where Gen Z leans toward high-volatility assets, while Millennials prioritize diversification and stability.

Technology remains a defining factor for both groups. Marjerison (2025) highlights that fintech platforms and robo-advisors have democratized investing by allowing micro-investments and algorithm-based advice. Gen Z's comfort with mobile interfaces enables easier portfolio tracking and frequent rebalancing. Millennials also use fintech, but they typically integrate it with professional financial advice. The technological divide illustrates how digital tools have lowered entry barriers but also introduced impulsive trading behavior among younger users.
The role of social media in investment decisions has gained increasing academic attention. Juwita et al. (2022) observe that many Gen Z investors rely on social media influencers, YouTube channels, and Reddit forums for financial insights instead of consulting certified advisors. Several recent studies (ResearchGate, 2024–2025) show that online communities foster "herd behavior," where individuals follow trending opinions without verifying facts. This dependence on peer content can lead to speculative investments, reflecting the emotional and social nature of Gen Z's financial learning.

Economic context also shapes generational differences. Spohn (2024) finds that Gen Z's lower average income, coupled with higher living costs, restricts long-term investments, pushing them toward short-term, liquid options. Deloitte (2024) further notes that many Gen Z individuals prioritize emergency savings and flexible funds before venturing into high-risk assets. Conversely, Millennials, who are generally in mid-career stages, focus on balanced portfolios that include retirement savings, equity exposure, and family planning funds.

Investment outcomes between generations remain mixed. A report by the Financial Times (2024) indicates that Gen Z investors trade more frequently than Millennials, aiming for short-term gains. However, higher turnover often reduces returns over time. Lusardi (2019) warns that financial literacy must grow alongside market participation to prevent poor investment decisions. This reinforces the importance of structured education and responsible use of digital financial platforms.

Overall, literature suggests that while both generations are increasingly engaged in financial markets, their motivations and patterns differ substantially. Gen Z values flexibility, speed, and social validation, while Millennials prioritize security and diversification. Rai (2024) and the CFA Institute (2024) recommend enhancing financial education and regulating digital finance content to promote informed decision-making. Policymakers and educators must therefore design inclusive financial programs that address generational needs and encourage sustainable investment practices.

## RESEARCH METHODOLOGY

This chapter details the framework and procedures used to execute this study, ensuring the findings on investment trends among Gen Z and Millennials are robust and directly address the research objectives.

- Research Design : The Study Blueprint

The blueprint chosen for this research project was Descriptive and Comparative, utilizing a Quantitative approach.

- Descriptive: The primary aim was to gather comprehensive and factual data on current investment behavior (like platform use, influence sources, and investment amount) to establish a clear profile of the participants' habits.
- Comparative: The secondary goal was to directly test for differences between the two generational groups (Gen Z and Millennials) across all four core hypotheses (e.g., risk tolerance vs. generation, platform choice vs. occupation).
- Quantitative Approach: The study focused exclusively on numerical data, gathered through standardized survey questions. This approach allowed for the use of statistical tests (Chi-square) to draw objective conclusions based on the collected numbers.

- Data Collection:

**Data Type**

This study relied on Primary Data, meaning the information was collected directly from the participants specifically for this research, rather than using existing public data or reports.

**Data Collection Tool**

The data was collected using a structured questionnaire. This tool featured closed-ended questions (multiple-choice or rating scales) to ensure consistency and ease of analysis across all 107 responses. The questionnaire was administered using an online survey platform.

**Sampling Method**

The data was gathered using Convenience Sampling. The survey was distributed through online channels (like social media or email lists), collecting responses from easily accessible individuals within the target population who willingly chose to participate. The total final sample size was 107 valid responses.

**Data Preparation**

Prior to statistical testing, the data required three crucial steps:

1. Categorization: Respondents were assigned to the two defined groups: Gen Z (18–29 years) and Millennials (30 years and above).
2. Scoring: Textual responses for ordinal scales (like investment amount, financial literacy, and influence level) were converted into sequential numerical scores (e.g., $0, 1, 2, 3...$) for statistical calculation.

**Data Analysis**

The primary statistical method used was the Chi-Square Test of Independence ($\chi^2$).

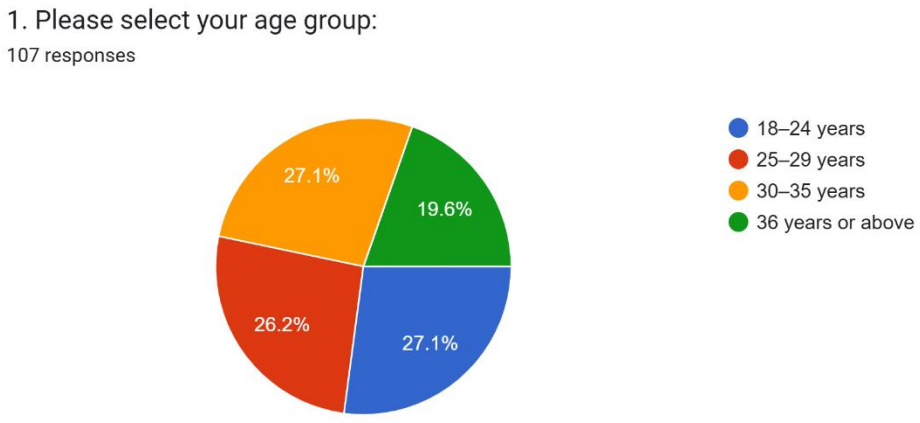
- Purpose: This test was applied to all four hypotheses to mathematically determine if a relationship exists between two variables (e.g., Is "Occupation Status" independent of "Platform Preference"?).
- Software Used: The calculations were executed using Python (a specialized programming language for data analysis), utilizing its statistical libraries, SciPy and Pandas.

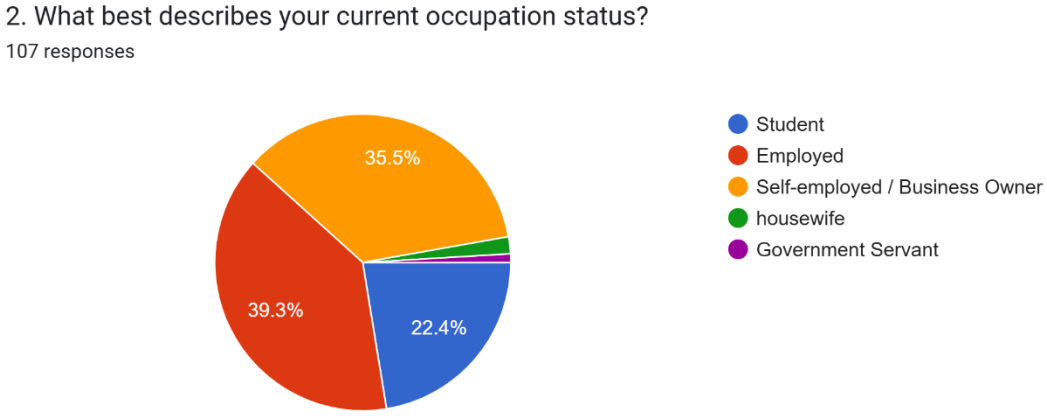
**Hypothesis Testing Logic**

The decision to accept or reject the null hypothesis (H0) was based on the P-Value, using the conventional statistical threshold of 0.05:

- P-Value < 0.05: The null hypothesis (H0) is rejected, meaning the observed difference or relationship is statistically significant.
- P-Value > 0.05: The null hypothesis (H0) is accepted, meaning the observed difference or relationship is likely due to chance and is not statistically significant.

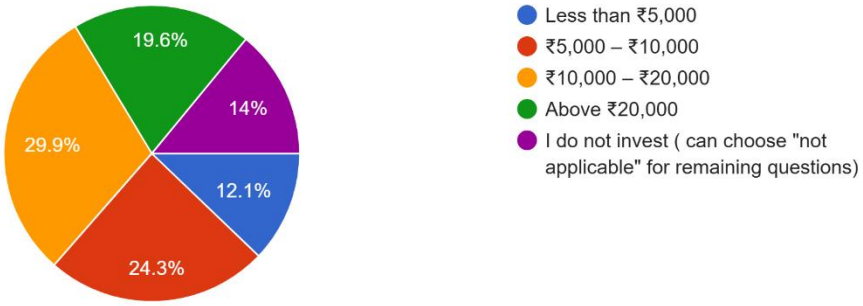
## DATA ANALYSIS & INTERPRETATION



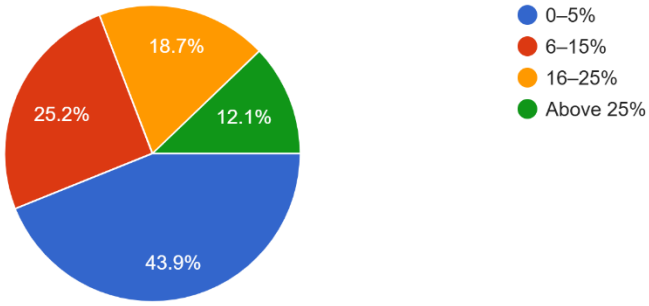
3. On average, how much do you invest per month?

107 responses




4. What percentage of your monthly income does your investments take?

107 responses

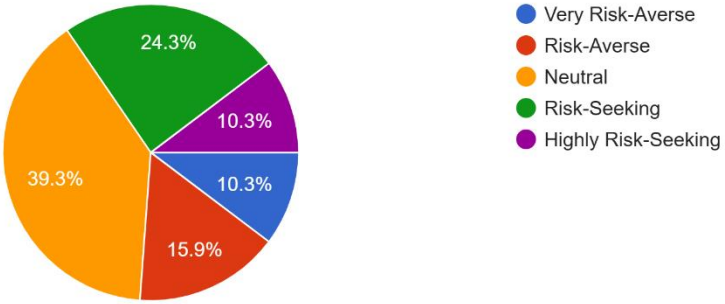



5. What is your primary reason for investing?

107 responses

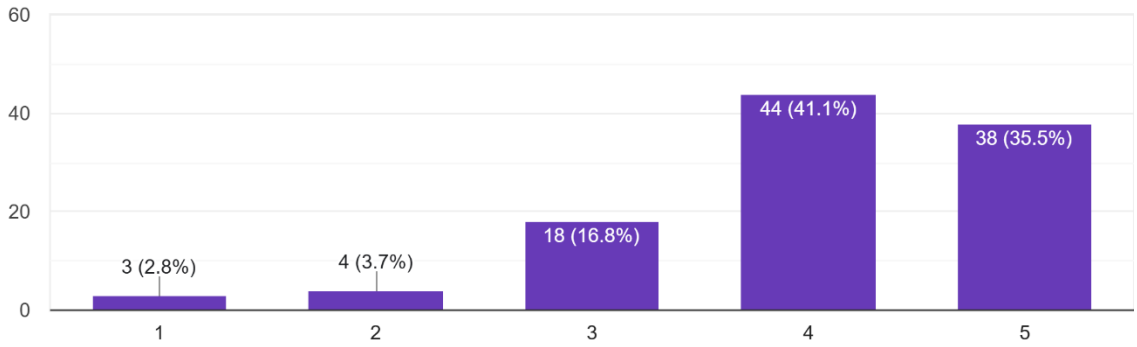

6. How would you describe your risk-taking behavior when investing?

107 responses



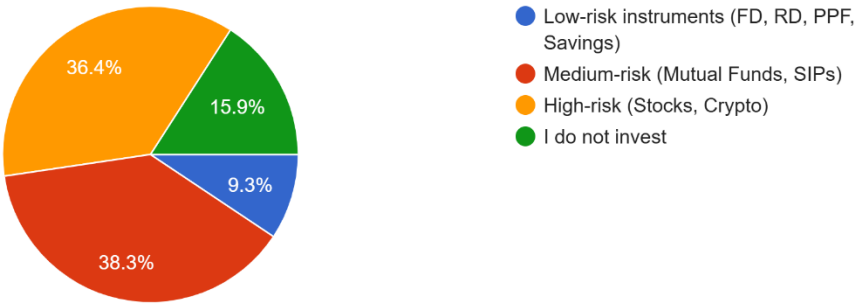
7. How important is capital safety in your investment decisions?

107 responses




8. What type of investment products do you invest in the most?

107 responses

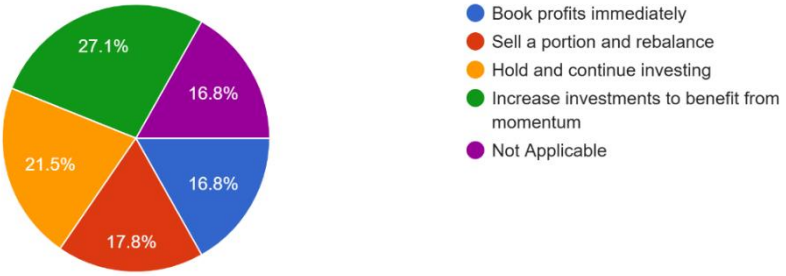



9. Which platform do you prefer for investments?

107 responses

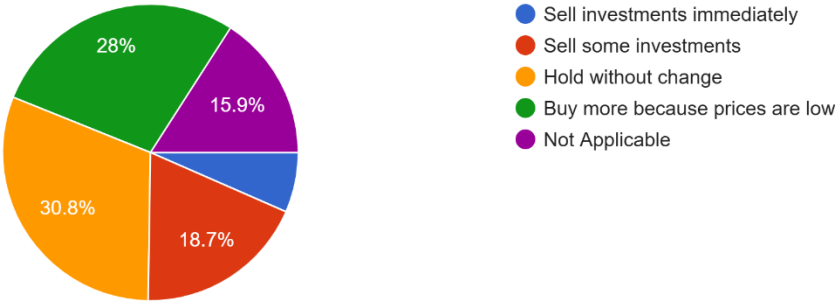

10. If the market rises sharply and your portfolio gains 15%, what would you do?

107 responses



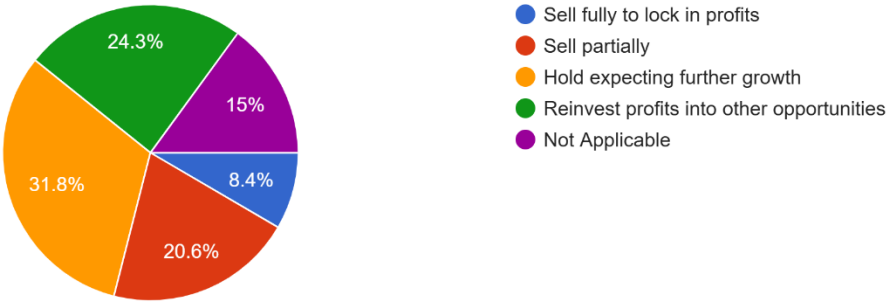
11. If the market drops 20% suddenly, what would you most likely do?

107 responses



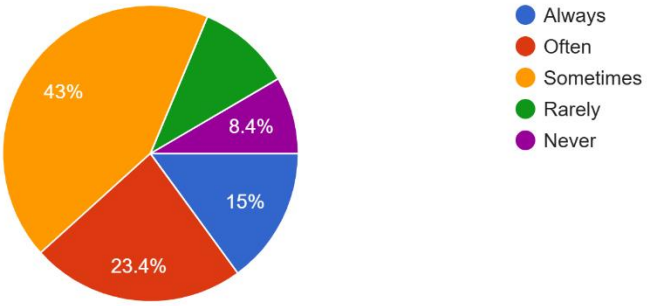

12. If a stock in your portfolio rises significantly above your purchase price, your likely response would be:

107 responses



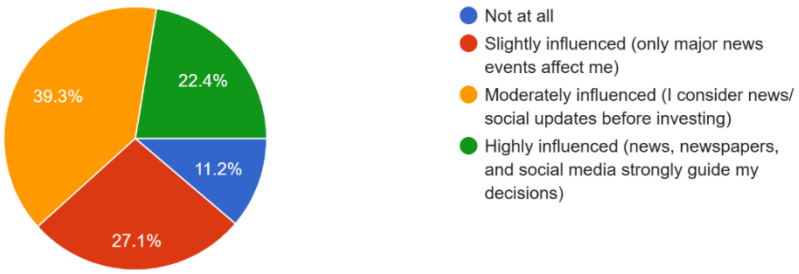

13. How often do you consume finance-related content on social media?

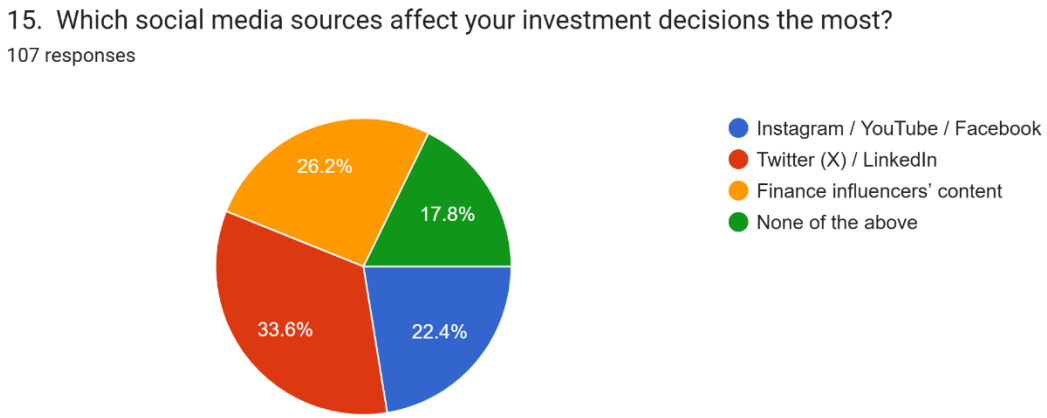
107 responses




14. How much do news and social information sources influence your investment decisions?

107 responses






- Step-by-Step Application for Each Hypothesis

For each hypothesis (H1, H2, H3, H4), the following detailed steps were applied. The calculations below utilize illustrative data to demonstrate the process.

**Hypothesis 1 : Moderation**

$H_0$: Generation does not affect the relationship between financial literacy and investment amount.

$H_1$: Generation affects the relationship between financial literacy and investment amount.

1. **Contingency Table (Observed Frequencies):** Based on illustrative data from 107 respondents:

| Data Set | 0 | 1 | 2 | 3 | 4 |
|---|---|---|---|---|---|
| Fin. Lit. Score (Gen Z) | Inv. Amt. Score | Inv. Amt. Score | Inv. Amt. Score | Inv. Amt. Score | Inv. Amt. Score |
| 0 | 4 | 0 | 0 | 2 | 0 |
| 1 | 0 | 1 | 2 | 1 | 0 |
| 2 | 7 | 5 | 7 | 4 | 3 |
| 3 | 1 | 3 | 6 | 2 | 1 |
| 4 | 0 | 2 | 2 | 2 | 2 |

2. **Calculation of Expected Frequencies:** The expected count for each cell is calculated using the formula: (Row Total * Column Total) / Grand Total.

1A. Example for Gen Z

Let's calculate the expected frequency for Gen Z respondents who have a Financial Literacy Score of 2 (Sometimes consume content) and an Investment Amount Score of 3 (Invest ₹10,000 – ₹20,000).

| **Grouping** | **Row Total** | **Column Total** | **Grand Total** |
|---|---|---|---|
| **Gen Z (Fin. Lit. Score 2)** | 26 | 11 | 57 |
| **Inv. Amt. Score 3** | | | |

Expected Frequency (E) = {Fin. Lit. Score 2 Total * Inv. Amt. Score 3 Total} / {Grand Total}

E = {26 * 11} / {57} = 5.018

**Interpretation:** If there were no relationship between financial literacy and investment amount for Gen Z, we would expect to see about **5.02** people in this category, rather than the Observed O=4, we actually found.

1B. Example for Millennials

Let's calculate the expected frequency for Millennial respondents who have a Financial Literacy Score of 3 (Often consume content) and an Investment Amount Score of 2 (Invest ₹5,000 – ₹10,000).

| **Grouping** | **Row Total** | **Column Total** | **Grand Total** |
|---|---|---|---|
| **Millennials (Fin. Lit. Score 3)** | 12 | 9 | 50 |
| **Inv. Amt. Score 2** | | | |

Expected Frequency (E) = {Fin. Lit. Score 3 * Inv. Amt. Score 2 Total} / {Grand Total}

E = {12 * 9} / {50} = 2.160

**Interpretation:** If financial literacy and investment amount were unrelated for Millennials, we would expect to see about **2.16** people in this cell, which is lower than the Observed O=3, we actually found.

**Expected frequencies table –**

| 0 | 1 | 2 | 3 | 4 |
|---|---|---|---|---|
| 1.263 | 1.158 | 1.789 | 1.158 | 0.632 |
| 0.842 | 0.772 | 1.193 | 0.772 | 0.421 |
| 5.474 | 5.018 | 7.754 | 5.018 | 2.737 |
| 2.737 | 2.509 | 3.877 | 2.509 | 1.368 |
| 1.684 | 1.544 | 2.386 | 1.544 | 0.842 |

**Chi-square table for Gen-Z –**

| $(O - E)^2 / E$ | 0 | 1 | 2 | 3 | 4 |
|---|---|---|---|---|---|
| 0 | 5.930 | 1.158 | 1.789 | 0.612 | 0.632 |
| 1 | 0.842 | 0.067 | 0.546 | 0.067 | 0.421 |
| 2 | 0.426 | 0.000 | 0.073 | 0.206 | 0.025 |
| 3 | 1.102 | 0.096 | 1.162 | 0.103 | 0.099 |
| 4 | 1.684 | 0.135 | 0.062 | 0.135 | 1.592 |

Chi-square result = 18.9671

Degrees of freedom = 16

p-value = 0.2704

**Chi-square table for Millennials –**

| 3. Chi-Square Contribution | $(O - E)^2 / E$ | 0 | 1 | 2 | 3 | 4 |
|---|---|---|---|---|---|---|
| | 0 (Never) | 18.402 | 0.120 | 0.540 | 1.260 | 0.011 |
| | 1 (Rarely) | 0.801 | 1.851 | 0.054 | 0.301 | 0.005 |
| | 2 (Sometimes) | 1.200 | 0.050 | 0.100 | 0.805 | 0.167 |
| | 3 (Often) | 0.720 | 0.480 | 0.327 | 0.183 | 0.100 |
| | 4 (Always) | 0.480 | 0.320 | 0.218 | 0.550 | 1.067 |

Chi-square result = 30.1105

Degrees of freedom = 16

p-value = 0.0174

Overall Interpretation:

The test required separate analysis for each group, and the results differed significantly: the relationship between consuming financial content (literacy

proxy) and investment amount was not significant for Gen Z (p=0.2704), but it was significant for Millennials (p=0.0174). This split suggests that financial awareness is strongly linked to how much Millennials invest, but for Gen Z, that relationship is not yet established, perhaps due to lower disposable income or a shorter investing history. Since the effect of financial literacy is different across the two generations, Generation acts as a moderator.
**Decision: Accept H1** (Generation affects the relationship).

**Hypothesis 2 : Risk Tolerance**
$H_0$: Gen Z and Millennials have the same average risk-tolerance score.
$H_1$: Gen Z and Millennials have different average risk-tolerance scores.

1. **Contingency Table**

| Data Set | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Generation vs Capital Safety Score | Score 1 | Score 2 | Score 3 | Score 4 | Score 5 |
| Gen Z | 3 | 2 | 8 | 26 | 18 |
| Millennials | 0 | 2 | 10 | 18 | 20 |

2. **Expected Frequency Table**

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Gen Z | 1.598 | 2.131 | 9.589 | 23.439 | 20.243 |
| Millennials | 1.402 | 1.869 | 8.411 | 20.561 | 17.757 |

3. **Chi-Square Table**

| $(O - E)^2 / E$ | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Gen Z | 1.230 | 0.008 | 0.263 | 0.280 | 0.249 |
| Millennials | 1.402 | 0.009 | 0.300 | 0.319 | 0.283 |

Chi-square result = 4.3427
Degrees of freedom = 4
p-value = 0.3616
Overall Interpretation:
The Chi-square test comparing the distribution of capital safety scores between Gen Z and Millennials resulted in a high P-value (p=0.3616), which is far above the 0.05 threshold. This indicates that the observed small differences in risk scores are likely due to random sampling variations and are not statistically meaningful. Consequently, we must conclude that, for this sample, both generations exhibit a statistically similar degree of risk aversion, with most respondents ranking capital safety as highly important (Score 4 or 5).
**Decision: Accept H0** (Gen Z and Millennials have the same average risk-tolerance score).

**Hypothesis 3 : Platform preference across education levels**
$H_0$: Preference for the use of investment apps is the same across all education levels.
$H_1$: Preference for the use of investment apps differs across education levels.

1. **Contingency Table**

| Data Set | Discount Brokers | Investment Apps | Mutual Fund Platform | Not Investing | Other | Traditional Brokers /Banks |
|---|---|---|---|---|---|---|
| Employed | 12 | 13 | 9 | 2 | 0 | 6 |
| Govt Servant | 0 | 0 | 1 | 0 | 0 | 0 |
| Self-employed | 11 | 15 | 5 | 1 | 0 | 6 |
| Student | 7 | 0 | 3 | 6 | 2 | 6 |
| housewife | 0 | 0 | 0 | 1 | 0 | 1 |

2. **Expected Frequency Table**

| Data Set | Discount Brokers | Investment Apps | Mutual Fund Platform | Not Investing | Other | Traditional Brokers/ Banks |
|---|---|---|---|---|---|---|
| Employed | 11.776 | 10.991 | 7.065 | 3.925 | 0.785 | 7.458 |
| Govt Servant | 0.280 | 0.262 | 0.168 | 0.093 | 0.019 | 0.178 |
| Self-employed | 10.654 | 9.944 | 6.393 | 3.551 | 0.710 | 6.748 |
| Student | 6.729 | 6.280 | 4.037 | 2.243 | 0.449 | 4.262 |
| housewife | 0.561 | 0.523 | 0.336 | 0.187 | 0.037 | 0.355 |

3. **Chi-Square Table**

| | | | | | | |
|---|---|---|---|---|---|---|
| Employed | 0.004 | 0.367 | 0.530 | 0.944 | 0.785 | 0.285 |
| Govt Servant | 0.280 | 0.262 | 4.113 | 0.093 | 0.019 | 0.178 |
| Self-employed | 0.011 | 2.571 | 0.303 | 1.833 | 0.710 | 0.083 |
| Student | 0.011 | 6.280 | 0.267 | 6.293 | 5.365 | 0.709 |
| housewife | 0.561 | 0.523 | 0.336 | 3.537 | 0.037 | 1.171 |

Chi-square result = 38.4625
Degrees of freedom =20
p-value = 0.0078

Overall Interpretation:
The test comparing Occupation Status (our proxy for education/career stage) against Platform Preference yielded a very low P-value (p=0.0078), which is highly significant. This strong result allows us to confidently reject the null hypothesis. The observed frequencies clearly show a non-random association: for instance, employed and self-employed individuals heavily gravitate toward apps and discount brokers, while students show a higher rate of not investing or using traditional methods. The preference for investment apps is heavily influenced by one's stage in life.
**Decision: Reject H0** (Preference for investment apps differs across education/occupation levels).

**Hypothesis 4 : Social Media Influence**
$H_0$: There is no difference between Gen Z and Millennials in the level of influence social media has on their financial decisions.
$H_1$: Gen Z and Millennials differ in the level of influence social media has on their financial decisions.

1. **Contingency Table**

| Generation vs Social Media Influence Score | Score 0 | Score 1 | Score 2 | Score 3 |
|---|---|---|---|---|
| Gen Z | 9 | 17 | 21 | 10 |
| Millennials | 3 | 12 | 21 | 14 |

2. **Expected Frequency Table**

| | | | | |
|---|---|---|---|---|
| Gen Z | 6.393 | 15.449 | 22.374 | 12.785 |
| Millennials | 5.607 | 13.551 | 19.626 | 11.215 |

3. **Chi-Square Table**

| $(O - E)^2 / E$ | 0 | 1 | 2 | 3 |
|---|---|---|---|---|
| Gen Z | 1.064 | 0.156 | 0.084 | 0.607 |
| Millennials | 1.212 | 0.178 | 0.096 | 0.692 |

Chi-square result = 4.0883
Degrees of freedom = 3
p-value = 0.2521

Overall Interpretation:
The Chi-square test examining the level of social media influence on financial decisions between the two generations resulted in a high P-value (p=0.2521). This finding shows that despite common assumptions, the two generations do not exhibit a statistically different reliance on social media or news sources for investment guidance. While a high number of individuals in both groups are moderately influenced, the slight variation in the observed counts is not strong enough to establish that Gen Z is significantly more influenced than Millennials.
**Decision: Accept H0** (There is no difference in the level of influence social media has on their financial decisions).

## COMPARATIVE ANALYSIS

A crucial finding in this study is the statistical parity observed in two core areas: Risk Tolerance (H2) and Social Media Influence (H4). Contrary to the narrative suggesting Gen Z is inherently more volatile or easily swayed by online trends, the Chi-square analysis found no significant difference in how the two generations view capital safety (p=0.3616) or the degree to which they are influenced by news and social media in their investment decisions (p=0.2521). This suggests that a shared environment of market volatility and economic uncertainty has instilled a common, risk-averse, and pragmatic approach across both cohorts, with both groups generally prioritizing capital safety.
However, significant differences emerged when examining the underlying drivers of their investment behavior. The most telling finding is the moderation effect in Hypothesis 1, where the relationship between financial literacy and the investment amount was found to be statistically different between the groups. For Millennials, higher financial knowledge translated directly into higher amounts invested (p=0.0174), demonstrating a healthy knowledge-to-action link. For Gen Z, this link was non-significant (p=0.2704), implying that while they consume content and possess knowledge, their investment volume is constrained by factors other than literacy, likely lower disposable income or a shorter time in the workforce. This illustrates a "maturation gap"

where the economic structure of the two generations is the primary source of divergence.

Furthermore, Hypothesis 3 confirmed that platform preference is not random but is significantly tied to occupation status (p=0.0078). This structural finding demonstrates that the access and suitability of investment tools are dictated by one's life stage; employed individuals actively utilize modern apps and brokers, while students often rely on traditional banking methods or avoid investing altogether. Ultimately, the comparative analysis concludes that the psychological profiles of Gen Z and Millennial investors are largely aligned, but their realized investment activity and choices are determined by their differing economic resources and life stages.

## DISCUSSION OF FINDINGS

The results offer important insights that both support and challenge popular narratives about young investors:

**1. Risk and Stability (H2 & H4)**

The finding that both generations share a similar risk profile (accepting H0 for H2) and a similar degree of media influence (accepting H0 for H4) suggests that market volatility and economic uncertainty have instilled a shared pragmatism across both cohorts. The high value placed on capital safety (scores 4 and 5) implies that large-scale, risky speculation is likely concentrated in a smaller segment of the population not fully captured here, or that the majority of these investors prioritize stability over quick gains.

**2. The Maturation Gap (H1)**

The core finding of moderation in H1 is critical. Millennials, who are older, more established, and likely possess greater disposable income, show a logical progression: more financial knowledge leads to more invested capital. Gen Z, however, shows a disconnect. They may be consuming content frequently (high literacy proxy score), but the low significance suggests that while they *know* about investing, financial constraints or a lack of long-term stability prevent this knowledge from translating directly into higher investment volumes. This highlights a "knowledge-action gap" possibly driven by economic necessity.

**3. Life Stage Determines Access (H3)**

The strong rejection of H0 for H3 reinforces the idea that life stage is a powerful determinant of investment behavior. Students, often with limited and irregular income, are logically less inclined toward sophisticated platforms like Investment Apps and often use simple savings instruments through traditional banks. In contrast, employed and self-employed individuals have the income stability to utilize the cost-effective and flexible features offered by Discount Brokers and Investment Apps. This finding emphasizes the role of career progression and income level in shaping platform utility.

## SUMMARY & CONCLUSION

### *Summary*

This research utilized a quantitative, comparative design to analyze the investment behavior of 107 Gen Z and Millennial respondents across four key hypotheses relating to financial literacy, risk tolerance, platform choice, and social media influence. The analysis relied heavily on the Chi-Square Test of Independence to assess the statistical relationships between the tested variables. Key findings show that while the two generations are statistically similar in their risk profile and susceptibility to media influence, the internal mechanics driving their investment decisions - specifically the link between financial knowledge and actual money invested – are different. Furthermore, the external factor of occupation strongly predicts platform preference.

### *Conclusion*

The study concludes that generational differences in investment behavior are nuanced, not absolute.

1. **Fundamental Similarity:** In terms of risk perception and media influence, Gen Z and Millennials share a common investor profile that values stability.
2. **Economic Moderation:** The critical difference lies in the application of financial knowledge. For Millennials, financial knowledge drives increased investment. For Gen Z, this link is absent, likely due to economic factors, confirming that Generation acts as a crucial moderator in the financial literacy-investment link.
3. **Future Outlook:** The findings suggest that as Gen Z matures and gains financial stability (moving out of the "Student" category and into "Employed"), their investment behavior will likely converge with that of Millennials, validating the literacy-investment relationship. This indicates that their primary barrier to increased investment is economic stability, not a lack of knowledge or a fundamentally different risk appetite.

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