# Comparative Study of Saving and Investment Patterns: Gen Z vs Millennials in Bengaluru

**Janvy Jose**

*First year M.com Student, Kristu Jayanti College Autonomous, Bengaluru*
*E-mail-Id: 24mcom21@kristujayanti.com*

*Abstract:* This study examines generational disparities in economic circumstances, technological advancements, and societal influences that shape financial behaviour. It investigates the saving and investing behaviours of Millennials and Gen Z (Generation Z) in Bengaluru, particularly in their financial priorities, risk tolerance, and investment decisions. While Generation Z, who was raised in the digital era, exhibits a tech-driven, risk-taking investing attitude, Millennials, who have experienced economic difficulties such as the financial crisis that happened in 2008, have diligent and organized financial habits.

This research examines how different generations deal with their finances using survey questionnaires conducted via Google Forms and secondary data sources. According to the research results, millennials prefer traditional investment techniques (FDs, mutual funds), but Generation Z chooses investments with greater risk (cryptocurrency, stock trading via digital platforms). We check the significance of financial technology (Fintech) where Gen Z relies more on digital investment tools, whereas millennials combine traditional advice with online platforms.

The Study analyses the key factors affecting financial decision making, including economic stability, social media influence, and financial literacy. Millennials commonly consider financial security and stability over the long run; however, Generation Z would rather choose financial risk and significant returns on investment. These findings have significant effects on financial institutions, politicians, and individuals. Financial service providers should adjust their offerings to generational preferences, such as flexible savings for Gen Z and long-term planning for Millennials. Policymakers may also promote financial education programs to help people evaluate risks and make better financial decisions.

Overall, this study shows evolving financial behaviours across generations, providing an extensive view concerning on how Millennials and Generation Z people are saving and making investments in a digital economy.

*Keywords*: Generation Z, Millennials, savings habits, investment techniques, financial viewpoints, risk tolerance, FinTech, financial awareness.

## Introduction

Making financial decisions plays a vital role in acquiring wealth and a healthy economy. The level of savings and investment habits varies significantly amongst generations due to variances in economic experiences, developments in technology, and lifestyle decisions. Two important generational groups, Generation Z (Gen Z) and Millennials, have distinctive financial behaviours impacted by childhood experiences, exposure to technology, and socioeconomic background.

- Gen Z (born 1997–2012) was raised in a digitally driven environment where social media and finance apps offered them with immediate access to financial information as well as investment opportunities. Technology, peer recommendations, and online financial influencers all have a significant impact on their financial choices.
- Millennials (Born 1981-1996) experienced major economic shifts, including the 2008 financial crisis, causing them to become cautious with their money. They place a higher priority on long-term financial security and favour conventional saving strategies and low- to moderate-risk investments.

In order to increase people's financial awareness and provide better financial products that are suited to their needs, financial institutions, policymakers, and educators must have a thorough understanding of how these two generations differ in their saving and investing habits.

## Literature Review

Pokharel & Maharjan (2024) The primary objective of this study was to examine the financial practices of Millennials and Gen Z, emphasizing the main distinctions in their spending and saving patterns. According to the report, both generations place a high value on financial stability, whereas millennials are more likely to have formal financial plans, while Gen Z adopts a more flexible approach. Gen Z prefers mobile-based investment platforms, and digital finance is a major factor that influences their investment decisions.

Patil & Gokhale (2023) Its focus was to highlight the importance of financial awareness and the availability of digital investing tools by comparing the investment preferences of Gen Z and Millennials. It showed that Millennials tend to favour long-term investments like FDs, mutual funds and real estate, whereas Gen Z favours high-risk, high-reward options like equities and cryptocurrency. According to the study, more than millennials, Gen Zs are influenced by social media when making financial decisions.

Nikalje (2022) examines Millennials investing and saving practices, with a special emphasis on women working in the IT industry. According to the report, investment behaviour is influenced by employment security and financial independence, with many Millennials favouring conventional investment outlets like insurance and fixed deposits. Furthermore, lifestyle choices influence their spending patterns, which in turn affects their savings ratio.

Rose Dayana and Joswin Rodrigues (2021) This study examined on how investors behaved toward potential investment opportunities, their saving habits, and the variables influencing their investment choices. It was discovered that investors favoured financial products that offered returns devoid of danger; for this reason, bank deposits, insurance, and gold are the most popular options. The limitation of this study is that it ignores how millennials' gender and relative income impact their investing behaviour.

Madhavi Karanam and R. Shenbagavalli (2019) According to the findings in this paper, a person's occupation had a significant impact on their risk-return viewpoint and investment choice. As a result, investment choices were recommended and chosen based on incomes. Overall, the respondents indicated that they preferred investing in equities, mutual funds, and real estate. According to the authors, millennials' investment decisions are heavily influenced by factors like age, income, and occupation.

## Statement of the Problem

Despite the growing number of financial tools and resources, saving and investment behaviours differ widely between Gen Z and Millennials. While Millennials tend to focus on long-term financial stability, Gen Z is more open to riskier investment options such as cryptocurrencies, peer-to-peer lending, and alternative assets.

Some key questions arise:

- How to Gen Z and Millennials differ from each other?
- How do the saving and invest habits of Gen Z differ from those of Millennials?
- What are the preferred investment avenues of each generation?
- Which generation have more financial risk tolerance and are they aware of tax saving investment options?

The purpose of this study is to answer these queries and offer a comprehensive picture of these two generations' investing preferences, saving behaviours, and financial attitudes.

## Objectives

The main objectives of this comparative study are as follows:

1. To analyse and compare the saving habits, investment patterns and financial perspectives of Gen Z and Millennials.

2. To identify the preferred investment patterns and risk tolerance levels of both generations.

3. To analyse the relationship between generational differences (Gen Z vs. Millennials) and their saving influences, investment knowledge sources, and tax-saving awareness to identify significant financial behaviour patterns.

4. To provide recommendations for improving financial literacy and investment strategies among young investors.

## Scope of Study

This study aims to analyse and compare the saving and investment patterns of Generation Z (18-26 years) and Millennials (27-50 years) in Bengaluru. The research focuses on key aspects of financial behaviour, including saving habits, investment preferences, risk tolerance, financial influences, and tax-saving awareness. The results will provide insight into how different generations make financial decisions and make recommendations to enhance investing methods and knowledge of finances.

1. Saving Techniques, Investment Patterns, and Financial Views: This study examines the frequency, intent, and approaches of Gen Z and Millennials' saving in order to determine their saving practices. It also looks at how they invest, determining if they give priority to short-term or long-term investment plans. Their general financial viewpoints, including views on accumulating money, financial security, and economic stability, are also examined in the study.

2. Investment Preferences and Risk Tolerance: This research aims to determine each generation's preferred investment routes, including digital investment platforms, equity investments, mutual funds, real estate, fixed deposits, and cryptocurrencies. It also explores risk tolerance levels, analysing whether Gen Z demonstrates a higher inclination toward high-risk, high-reward investments, whereas Millennials may prefer safer, long-term financial instruments.

3. Financial Influences, Investment Knowledge Sources, and Tax-Saving Awareness: This research examines key factors influencing financial decisions, including family background, peer influence, financial advisors, and social media. It also focuses on how both generations acquire information regarding finances, assessing if Gen Z relies more on digital content and social media influencers, whereas millennials favour more conventional sources like financial advisors and research conducted

independently. The study also analyses tax-saving awareness, investigating whether there is a significant generational difference in knowledge and utilization of tax-efficient investment strategies.

4.  Suggestions for Investment Strategies and Financial Literacy: The study attempts to provide useful recommendations for enhancing young investors' financial literacy according to the findings. These suggestions will focus on governmental initiatives, digital investment tools, and financial education initiatives that can assist both generations in making better financial choices.

## Research Methodology

This study follows a comparative research design, analysing the saving and investment patterns of Gen Z and Millennials. The study is based on quantitative methods, using primary and secondary data sources to identify differences in financial behaviour between these two generations.

Data Collection Method: The method used was primary data collection which was through structured questionnaires in Google Forms, distributed to Gen Z and Millennials to gather insights into their saving habits, investment preferences, and financial decision-making.

Sample Selection: The study will focus on respondents from Bengaluru, as these regions have higher fintech adoption and diverse financial behaviours.

Target Population: This study focuses on Gen Z (Ages: 18-26) and Millennials (Ages: 27-50)

Sampling Method: The Method that is used for sampling is sample size. It guarantees accurate comparative analysis, the sample size consists of 80 respondents (40 from Gen Z and 40 from Millennials) to get genuine and accurate responses.

Data Analysis Techniques: Quantitative analysis was conducted according to the objectives of the study which are as follows:

1.  Comparative Analysis: Cross-tabulation to compare Gen Z vs. Millennials.

2.  Independent Sample T-tests: To compare the saving and investment patterns of different age groups.

3.  ANOVA Test: To test for significant differences in investment preferences, savings behaviours, and financial security perception.

4.  Chi-square Test: To analyse the relationship between generational differences (Gen Z vs. Millennials) and their saving and investment influences, preferred

sources of investment knowledge, and awareness of tax-saving investment options to identify significant patterns in financial behaviour.

## Limitations of the Study

- The study is limited to respondents in Bengaluru, which may not fully represent the financial behaviour of these generations across India.
- The study does not account for external economic factors such as inflation, employment conditions, or macroeconomic trends that may also influence saving and investment patterns.

## Results and Discussions

### *Comparison of Saving and Investment Patterns: Gen Z vs Millennials*

Based on saving habits, choices about investments, and financial viewpoints and impacts, this part outlines the primary differences between Generation Z (1997–2012) and Millennials (1981–1996).

Saving Habits

Gen Z:
- Active Saving: A significant number of Gen Z respondents claim they save a little, though frequently at a lesser percentage because they are just starting their careers or have little extra money to spend.
- Motivations: Their saving is frequently driven by short-term goals, such as saving for gadgets, travel, or other immediate desires.

Millennials
- Active Saving: Millennials, generally being more established in their careers, tend to save a higher percentage of their income.
- Motivations: Their savings plans are more focused on long-term objectives, such as making investments for long-term security, retirement planning, as well as emergency fund.

Investment Patterns

Gen Z
- Investment Choices: Gen Z becomes more interested in unconventional investment options such as cryptocurrency and innovative financial products.
- Learning Sources: They frequently rely on digital platforms, social media influencers, and online research to discover and gain insight into investment opportunities.

Millennials
- Investment Choices: Millennials typically prefer conventional investing alternatives, including fixed deposits, mutual funds, and stocks.
- Learning Sources: When looking for information about investments, they are more likely to turn to personal networks, reputable financial media, or financial advisors.

Financial Perspectives and Influences

Gen Z
- Risk Appetite: Gen Z is more inclined to try out new and innovative investment methods despite market volatility. Hence, they relatively have a higher risk tolerance.
- Influences: Gen Z's financial decisions are strongly influenced by digital trends, peer opinions, and social media trends.

Millennials
- Risk Appetite: Millennials prioritize steady, long-term growth and risk management, and they frequently exhibit a more conservative approach.
- Influences: Their choices are impacted by several factors, including personal experience, conventional financial advice, and an emphasis on retirement planning and future security.

## (ii) Independent Samples Test

### Table 1: Independent Samples Test

| | | Levene's Test for Equality of Variances | | t-test for Equality of Means | | | | | | |
| | | F | Sig. | t | df | Sig. (2-tailed) | Mean Difference | Std. Error Difference | 95% Confidence Interval of the Difference | |
| | | | | | | | | | Lower | Upper |
|---|---|---|---|---|---|---|---|---|---|---|
| Actively invest money? | Equal variances assumed | 52.232 | .000 | 5.436 | 78 | .000 | .500 | .092 | .317 | .683 |
| | Equal variances not assumed | | | 5.436 | 64.644 | .000 | .500 | .092 | .316 | .684 |
| Actively save money? | Equal variances assumed | 36.719 | .000 | 1.897 | 78 | .021 | .150 | .079 | .074 | .307 |
| | Equal variances not assumed | | | 1.897 | 65.792 | .021 | .150 | .079 | .079 | .308 |

*Source:* The output was generated using SPSS based on data collected through a survey administered via questionnaires.

The saving and investment patterns of Gen Z (18-26 years) and Millennials (27-50 years) were compared using Independent Sample t-test where the independent variable is the Generation groups (Gen Z: 18-26, Millennial: 27-50) and the dependent variables are savings and investment pattern.

## Hypothesis

Null Hypothesis ($H_0$) indicates that the variables do not significantly differ from one another.

Alternative Hypothesis ($H_1$) indicates that the variables differ significantly.

1. **Investment Behaviour** (Do they actively Invest Money?)

   Sig. (2-tailed) = 0.000 which is highly significant difference ($p < 0.05$)

   **Interpretation:** In table 1, Since $p < 0.05$, we reject the null hypothesis (Ho) and come to the conclusion that there are substantial differences in the investment decisions between Gen Z and Millennials. Gen Z is more or less likely to invest in riskier ventures like the stock market and cryptocurrencies.

2. **Savings Behaviour** (Do they actively Save Money?)

   Sig. (2-tailed) = 0.02 → Significant ($p < 0.05$).

   **Interpretation:** In table 1 it shows $p < 0.05$, we reject the null hypothesis (Ho) and conclude that Gen Z and Millennials do has a significant difference in their saving behaviours. We see that millennials save more than Gen Z.

   **Conclusion:** Millennials and Gen Z have substantially distinct investment preferences ($p = 0.000$). There's a significant difference in the two groups' saving habits ($p = 0.02$). This suggests that saving behaviours and investing patterns vary across generations.

## (ii) Anova Test

ANOVA was performed to find out whether there are significant differences between Gen Z and Millennials in terms of investing preferences, savings habits, and perceptions of financial stability.

**Table 2: Anova**

| | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| Primary investment | Between Groups | 301.125 | 1 | 7.813 | 18.625 | .022 |
| | Within Groups | 327.175 | 78 | 4.195 | | |
| | Total | 334.987 | 79 | | | |
| Monthly Saving | Between Groups | 22.050 | 1 | 22.050 | 26.811 | .000 |
| | Within Groups | 64.150 | 78 | .822 | | |
| | Total | 86.200 | 79 | | | |

|  |  | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| Financial security | Between Groups | 6.613 | 1 | 6.613 | 8.050 | .006 |
|  | Within Groups | 64.075 | 78 | .821 |  |  |
|  | Total | 70.688 | 79 |  |  |  |

*Source:* The output was generated using SPSS based on data collected through a survey administered via questionnaires.

## Preferred Investment Patterns

### *Hypothesis*

Null Hypothesis ($H_0$): There is no significant difference in investment preferences between Gen Z and Millennials. Alternative Hypothesis ($H_1$): There is a significant difference in investment preferences between Gen Z and Millennials.

   **Interpretation:** When we compare the two variables, the independent variable (age group) and dependent variables (investment preferences and saving patterns) given in table 2 which shows that the significance level is p (0.022) < 0.05, hence we reject the null hypothesis and accept the alternative hypothesis. It shows that Gen Z and Millennials have different investment choices according to the survey performed.

   **Possible Reasons**: It is seen that Gen Z invests more in the stock market and cryptocurrencies, whereas millennials prefer investing in FDs, real estate, and mutual funds.

## Percentage of Monthly Income Saved

### *Hypothesis*

Null Hypothesis ($H_0$): There is no significant difference in the percentage of monthly income saved between Gen Z and Millennials. Alternative Hypothesis ($H_1$): There is a significant difference in the percentage of monthly income saved between Gen Z and Millennials.

   **Interpretation**: Table 2 shows that the significance level is p = 0.000, p < 0.05. Thus, there is a highly significant difference in the percentage of income saved between Gen Z and Millennials. This means that one generation saves significantly more than the other.

   **Possible Reasons:** Millennials saves more than Gen Z due to higher salaries, financial responsibilities, and long-term goals (buying a house, retirement planning). Gen Z, being younger, may have lower incomes and prefer spending on experiences rather than saving aggressively. It is also a possibility that Gen Zs might have higher student loan debt, affecting their ability to save.

## Financial Security Perception

### *Hypothesis*

Null Hypothesis ($H_0$): There is no significant difference in financial security perception between Gen Z and Millennials. Alternative Hypothesis ($H_1$): There is a significant difference in financial security perception between Gen Z and Millennials.

**Interpretation**: When we compare the two variables, that is, the independent variable (age group) and the dependent variable (investment preferences and saving patterns) given in table 2 where it shows that significance level is $p = 0.006 < 0.05$, which is a significant difference in financial security perception between Gen Z and Millennials. Hence, we can say that one generation feels more financially secure than the other.

**Possible Reasons:** Millennials feel more financially secure due to stable jobs, established careers, and savings. Gen Z may feel less secure as the majority respondents in the survey was students. They are either not financially secure or have an unsure mind of being secured for the future. Gen Z is still early in their financial journey and may not have enough emergency savings or investments to feel secure.

**Conclusion:** Millennials have stronger savings habits, financial security as well as investment patterns likely due to higher income levels and financial maturity compared to Gen Z. Gen Z, being younger, may have lower savings and greater financial uncertainty due to economic factors.

### *(iv) Chi-square Test*
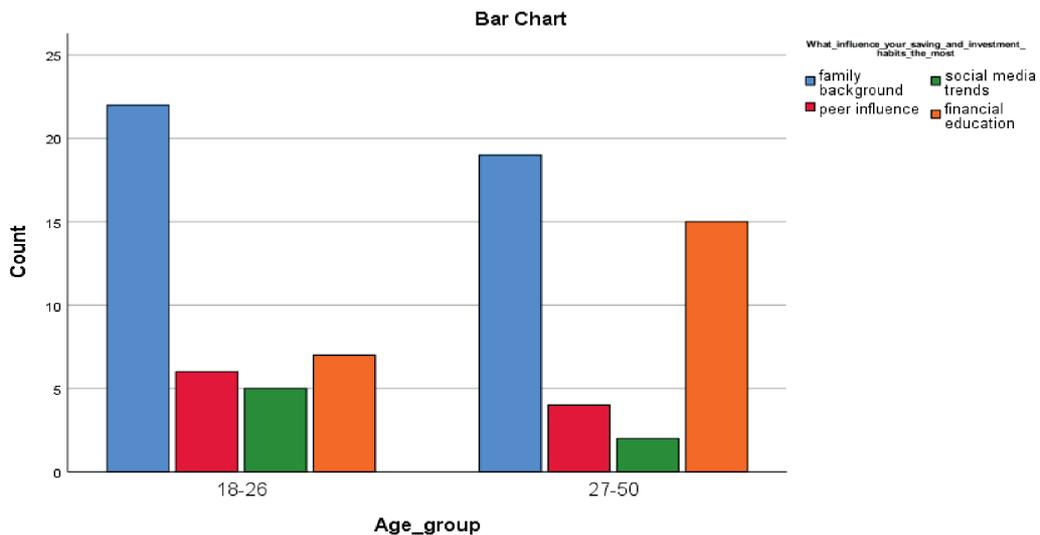


**Bar chart 1: What influences their saving and investment habits?**

**From the given bar graph (1) we can interpret that:** Family background is the most influential factor for both age groups:

Gen Zs have the highest influence that comes from family background, with very few relying on financial education or social media trends. On the other hand, Millennials also is influenced by family background, but there is a noticeable increase in the role of financial education compared to Gen Z.

**Peer influence & social media trends are more relevant for Gen Z:** Gen Z shows slightly higher peer and social media influence compared to Millennials. Millennials seem to rely less on peer influence but more on financial education.

### Table 3: Chi-Square Test

|  | Value | df | Asymptotic Significance (2-sided) |
|---|---|---|---|
| Pearson Chi-Square | 4.814[a] | 3 | .186 |
| Likelihood Ratio | 4.928 | 3 | .177 |
| Linear-by-Linear Association | 1.876 | 1 | .171 |
| N of Valid Cases | 80 |  |  |
| a. 2 cells (25.0%) have expected count less than 5. The minimum expected count is 3.50. | | | |

*Source:* The output was generated using SPSS based on data collected through a survey administered via questionnaires.

## *Hypothesis*

Null Hypothesis ($H_0$): There is no significant association between age groups (Gen Z vs. Millennials) and the factors that influence their saving and investment habits. Alternative Hypothesis ($H_1$): There is a significant association between age group and the factors that influence their saving and investment habits.

**Interpretation**: Since in the given table 3, asymptotic significance (p-value) of Pearson chi-square is 0.186 > 0.05, the result is not statistically significant. This means that there is no strong evidence to suggest that age group (Gen Z vs. Millennials) significantly affects what influences their saving and investment habits. In other words, the differences seen in the bar chart could be due to random variation rather than a real association between age and financial influence factors.

**Conclusion**: Since the p-value is not significant (0.186), we cannot conclude that age group plays a major role in determining financial influences. The observed differences in the bar chart might exist, but they are not strong enough to be statistically meaningful. However, family background remains the top influence for both generations, while Gen Z appears slightly more influenced by peers and social media compared to Millennials.
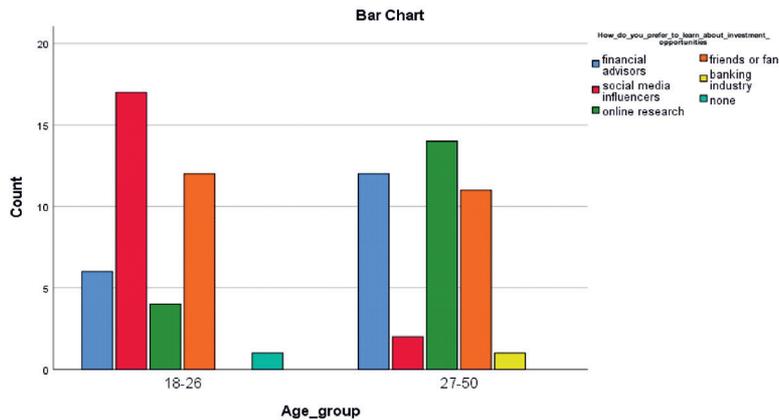
**Bar chart 2: How do they prefer to learn about investment opportunities?**

From the given bar graph (2) we can say that :

- Gen Z (18-26) Preferences: Social Media Influencers (Highest): A majority of Gen Z learns about investment opportunities through social media influencers.

  Friends & Family (Second Highest): Many Gen Z individuals rely on personal connections for financial knowledge.

  Financial Advisors & Online Research (Lower): Fewer Gen Z respondents prefer professional advisors or independent research.

- Millennials (27-50) Preferences:

  Online Research (Highest): The majority of Millennials prefer independent research over influencers or social circles.

  Financial Advisors & Friends/Family (Moderate): Many also seek advice from financial advisors or close connections.

  Social Media Influencers (Lowest): Very few Millennials rely on influencers compared to Gen Z.

### Table 4: Chi-Square Test

|  | *Value* | *df* | *Asymptotic Significance (2-sided)* |
|---|---|---|---|
| Pearson Chi-Square | 21.441[a] | 5 | .001 |
| Likelihood Ratio | 24.291 | 5 | .000 |
| Linear-by-Linear Association | .008 | 1 | .927 |
| N of Valid Cases | 80 |  |  |
| a. 4 cells (33.3%) have expected count less than 5. The minimum expected count is .50. | | | |

*Source:* The output was generated using SPSS based on data collected through a survey administered via questionnaires.

## *Hypothesis*

Null Hypothesis ($H_0$): There is no significant association between age group (Gen Z vs. Millennials) and their preferred sources for learning about investments. Alternative Hypothesis ($H_1$): There is a significant association between age group and their preferred sources for learning about investments.

**Interpretation:** Since in the above table 4, asymptotic significance (p-value) of Pearson's chi square is 0.001 < 0.05, the result is statistically significant. This means there is a significant association between age group (Gen Z: 18-26, Millennials: 27-50) and preferred sources for learning about investments. In simple terms, investment learning preferences vary significantly between Gen Z and Millennials.

**Conclusion:** The significant p-value (0.001) confirms that age group plays a crucial role in investment learning preferences. Gen Z prefers social media influencers, while Millennials trust online research and financial advisors. This trend reflects technological shifts, as younger investors rely on digital and influencer-driven content, whereas older investors prefer self-research and professional guidance.
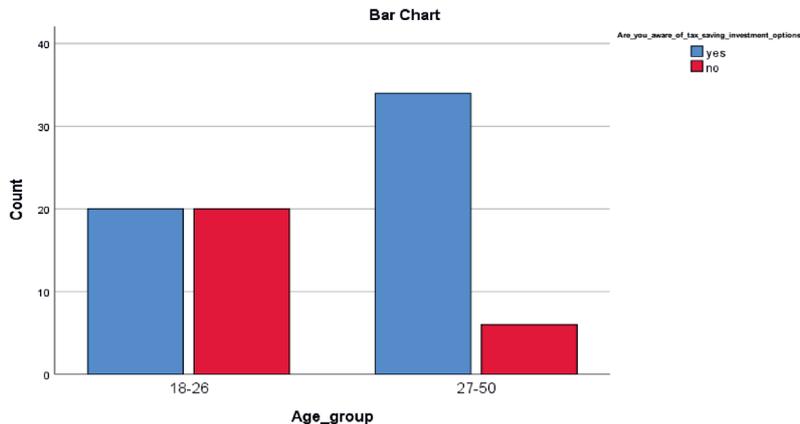


**Bar chart 3: Are they aware of tax-saving and investment options?**

From the given bar graph (3) we can say that:

- Millennials (27-50) Are More Aware:

  A larger proportion of Millennials responded "Yes" to being aware of tax-saving investment options. Only a small number of Millennials answered "No", indicating a higher financial awareness in this group.

- Gen Z (18-26) Shows Less Awareness:

  Gen Z respondents are equally split between "Yes" and "No" responses. This suggests lower awareness of tax-saving investment options compared to Millennials.

**Table 5: Chi-Square Test**

| | Value | df | Asymptotic Significance (2-sided) | Exact Sig. (2-sided) | Exact Sig. (1-sided) |
|---|---|---|---|---|---|
| Pearson Chi-Square | 11.168[a] | 1 | .001 | | |
| Continuity Correction[b] | 9.630 | 1 | .002 | | |
| Likelihood Ratio | 11.624 | 1 | .001 | | |
| Fisher's Exact Test | | | | .002 | .001 |
| Linear-by-Linear Association | 11.028 | 1 | .001 | | |
| N of Valid Cases | 80 | | | | |
| a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 13.00. | | | | | |
| b. Computed only for a 2x2 table | | | | | |

*Source:* The output was generated using SPSS based on data collected through a survey administered via questionnaires.

## *Hypothesis*

Null Hypothesis ($H_0$): There is no significant association between age group (Gen Z vs. Millennials) and awareness of tax-saving investment options. Alternative Hypothesis ($H_1$): There is a significant association between age group and awareness of tax-saving investment options.

**Interpretation**: Since, asymptotic Significance (p-value): 0.001< 0.05, the result is statistically significant. This means that there is a significant difference between age group (Gen Z vs. Millennials) and awareness of tax-saving investment options. In other words, age group has a meaningful impact on whether individuals are aware of tax-saving investment options.

**Conclusion:** There is a significant difference in tax-saving awareness between Gen Z and Millennials (p = 0.001). Millennials are significantly more aware of tax-saving investment options than Gen Z. This may be due to more financial experience, job stability, or exposure to investment options over time for Millennials. The findings suggest that financial education or awareness campaigns may be beneficial for Gen Z to improve their understanding of tax-saving investments.

## V) Recommendations for Improving Financial Literacy and Investment Strategies among Young Investors

Based on the findings, following are the suggestions which will assist young people in becoming more financially literate and developing better investing strategies.

1. Financial Education: Integrate financial literacy courses in schools and universities to provide Gen Z with foundational knowledge on savings, investment, and tax-saving options. Also, we can offer workshops and seminars led by financial experts to educate young investors on wealth-building strategies.

2. Leverage Social Media for Financial Awareness: Since Gen Z prefers learning through social media, financial institutions and experts should create engaging, easy-to-understand content on platforms like Instagram and YouTube. Collaboration with financial influencers can be useful to share insights on tax-saving investment options, long-term wealth management, and risk assessment.

3. Promote Hands-on Investment Experience: Encouraging young investors to use virtual stock market simulations or demo investment platforms like Moneybhai.com or Neostox to gain real-world experience before committing funds. Introduce gamified financial learning apps to make saving and investing more interactive.

4. Encourage Early Savings and Budgeting Habits: Banks and fintech companies should create targeted savings programs for Gen Z with automated savings tools and goal-based budgeting features. Employers should offer financial planning benefits, such as retirement savings plans and investment workshops, to young employees so that they have a habit of saving their incomes for further investments.

5. Increase Awareness of Tax-Saving Investments: Government agencies can launch awareness campaigns on tax-saving instruments, such as ELSS (Equity Linked Savings Scheme), PPF (Public Provident Fund), and NPS (National Pension System), specifically targeting young professionals. Financial institutions should use webinars, interactive methods, and personalized guidance services to make tax-saving investments information easier to understand for young people.

6. Encourage Diversification and Risk Management: Teach aspiring investors the value of diversifying their portfolios by balancing high- and low-risk investments. To help Gen Z make a well-informed decision on their risk tolerance and long-term financial objectives, also making financial planning resources and advisory services easily accessible.

## Conclusion

This study gives an in-depth study of generational differences in financial behaviour, particularly in investment preferences, saving patterns, and financial security perceptions among Gen Z and Millennials. The findings reveal that while both differ in saving and investment approaches, Gen Z exhibits a higher risk tolerance, favouring

assets like cryptocurrencies and stocks. In contrast, Millennials adopt a more cautious, structured approach due to financial responsibilities and accumulated experience.

Despite the widespread accessibility of digital investment platforms, investment preferences remain different. Millennials save a larger proportion of their income, reflecting greater financial stability. Additionally, perceptions of financial security significantly differ, with Millennials feeling more secure as they work full time and have accumulated wealth compared to Gen Z, who faces economic uncertainties.

Furthermore, awareness of tax-saving investment options is notably higher among Millennials, indicating a financial literacy gap that must be addressed for Gen Z. To bridge this gap and enhance investment strategies, it is imperative to implement structured financial education programs, leverage digital financial tools, and promote early investment habits. Financial institutions, educators, and policymakers must collaborate to empower young investors with the knowledge and skills needed for long-term financial success. By fostering financial literacy and encouraging responsible investment behaviour, both generations can build a more secure and informed financial future.

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