Comparative Analysis of Investment Behaviour: Exploring Investment Patterns and Decision-Making between Generation X, Generation Y, and Generation Z

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ABSTRACT
This research paper compares investment behaviours among Generations X, Y, and Z in Bengaluru, India, focusing on investment choices, amounts, and periods and utilising mixed methods. The study examines investment behaviour as a function of risk tolerance, financial literacy, investment choices, technological dependency, and retirement planning. A total of 301 participants from various backgrounds participated in the study, with data analysed using ANOVA tests and post hoc LSD tests to identify significant differences between generational cohorts. SPSS and MS Excel were employed for statistical analysis.
The findings of this study are significant, revealing that while there were no statistically important variations in financial proficiency among the generations, Generation Z displayed the highest average scores. This underscores the importance of ongoing financial education initiatives targeted at younger individuals. Additionally, Generation Z exhibited the highest risk tolerance, followed by Generation Y and Generation X, indicating a propensity for riskier investment options among younger generations. Despite rapid technological advancements, there were no notable differences in technology dependency across generations, suggesting a consistent impact of technology on investment behaviour across age groups.
Significant differences were observed in retirement investment propensity, with Generation Y showing a higher inclination towards retirement investment than Generation X. However, no notable difference was seen between Generation Z and either Generation X or Y, emphasising the importance of long-term financial planning, particularly among younger generations. Furthermore, the study highlights a correlation between financial proficiency and risk appetite, with higher literacy levels associated with increased risk-taking behaviour.
Analysis of investment preferences reveals that Generation Z prefers Mutual Funds/Equity, Generation X favours Real Estate and Fixed Deposits, and Generation Y leans toward Gold. These preferences reflect the perceived stability, inflation-hedging properties, and cultural significance of the chosen investment avenues.

Keywords: financial proficiency, investment behaviour, investment decisions in gen x, investment decisions in gen y, investment decisions in gen z

I.   INTRODUCTION

In the ever-evolving landscape of investment, understanding the distinct behaviours and patterns of different generational cohorts is paramount for financial institutions, policymakers, and individuals seeking to navigate the complexities of modern finance. As such, this research endeavours to delve into the investment behaviours exhibited by three prominent generational cohorts: Generation X, Generation Y (also known as Millennials), and Generation Z.

Over the decades, the investment landscape has transformed, mainly driven by technological advancements, economic fluctuations, and societal shifts. With the emergence of new digital platforms, the proliferation of financial information, and the changing socio-economic dynamics, each generation brings unique perspectives, preferences, and challenges to the investment realm.

This study centres on four important objectives that underpin the investigation into investment behaviour and patterns across Generation X, Y, and Z.

Firstly, it explores the dependency on technological aspects in investment decision-making. In an era characterised by digital innovation and online investment platforms, understanding how much each generation relies on technology for financial decision-making is crucial. A study conducted in Indonesia by Upayana and Elfarosa found that stock influencers had a favourable and substantial effect on customer trust. Consumer trust has a favourable and significant impact on investment decisions. Financial organisations and advisors must build customer confidence by communicating clearly and accurately. (View of Determinant of Investment Decisions: Evidence from Gen Z In Indonesia, n.d.).

Secondly, the research examines these generational cohorts' varying risk appetite levels. "Risk tolerance is the degree of variability in investment returns that an individual is willing to withstand in their investment portfolio." (Kapoor, Dlabay, & Hughes, 2020, p. 126). It reflects the investor's psychological comfort level with market fluctuations and the degree of risk they are willing to accept to achieve their financial goals. According to Mohta & Shunmugasundaram, risk tolerance positively correlated to risky investment intention; however, when financial literacy was added as a moderating variable in this relationship, it harmed risky investment intention. (Mohta & Shunmugasundaram, 2023). By dissecting the risk attitudes of Generation X, Y, and Z, this study aims to uncover nuanced insights into their risk-taking behaviours.

Thirdly, the study investigates the levels of financial knowledge each generation possesses. Investment behaviour, a multifaceted concept in finance, has garnered significant scholarly attention. Montier defines it as the choices and actions undertaken by individuals and institutional investors in response to market opportunities and risks, encompassing the allocation of financial resources. (Montier, 2007). A study by Ashfaq depicted that students' financial literacy positively impacts their cognitive biases during the investment process. It revealed the most significant biases regarding students' investment decision-making and proposed the possible reasons behind their behavioural distortions. (Ashfaq et al., 2023). Financial literacy serves as the bedrock of informed decision-making in investment. Financial institutions can leverage the insights gained from the study to develop targeted marketing and advertising strategies to attract and engage younger generations. (Ahuja & Grover, 2023). Riska Rosdiana's study looks at the investment habits of Generation Z and Millennials, focusing on investment interests, motivation, social environment, and financial education. The research reveals significant differences between the two generations regarding financial literacy, motivation, social environment, and investment interests. The findings emphasise the importance of financial literacy and behavioural factors in shaping investment decisions, highlighting the need for targeted interventions and educational initiatives, particularly among the younger demographic. (Rosdiana, n.d.).

Lastly, the research delves into the long-term investment planning practices adopted by Generation X, Y, and Z. According to Smith and Johnson (2020), long-term investing involves holding assets for an extended period, usually more than 12 months, anticipating substantial returns. Similarly, Brown (2018) describes long-term investing as a strategy where investors aim to benefit from the power of compounding and potential growth in asset value over an extended period. Long-term financial behaviour refers to retirement saving and investing behaviour, whereas short-term financial behaviour refers to spending and emergency saving behaviour. (Henager & Cude, 2016). This study provides perspective on these generational cohorts' preparation for future financial issues by evaluating their long-term investing habits.

This research explores the intricate interplay of technological dependency, risk tolerance, financial knowledge, and long-term investment planning among Generation X, Y, and Z through surveys and data analysis.

2.1. Research Objectives
1. Understanding Divergent Investment Preferences
2. Risk Tolerance and Risk Perception Between Generations
3. Impact of Technology and Information Access experienced by Generation Z compared to Generation X and Generation Y.
4. Financial Proficiency Levels.
5. Long-Term Financial Planning.

II.   METHODOLOGY

To understand and compare the investment behaviours among Generations X, Y, and Z in Bengaluru, India, focusing on investment choices, amounts, and periods.

For our research paper, we have taken investment behaviour as a function of risk tolerance, Financial Proficiency, investment choices in various assets, and the technology dependency between different generations (Gen X, Gen Y, and Gen Z). We have gathered around 301 responses collectively from all three generations.

2.1 Data Source
Primary Data: Collected through surveys and in-depth interviews among individuals from Generations X, Y, and Z who have invested in fixed deposits, mutual funds, gold, and equity shares.
Secondary Data: Academic journals, publications, and previous surveys/studies on investment behaviours.

2.2 Participants/Respondents

Target Group: Individuals from Generations X, Y, and Z are actively engaged in investing and residing in Bengaluru, India.

Sampling Technique: Convenience sampling from the city of Bengaluru, ensuring a diverse representation within the sample population.

2.3 Data Collection

Tools: Forms by Google have been used to administer questionnaires to ensure ease of access and participation. It has been designed to capture quantitative data on investment behaviours using a 5-point Likert scale for responses, alongside demographic information, to classify participants by generation.

Independent Variables: Age, generation cohort (X, Y, Z)

Dependent Variables: Investment Preferences, Financial Proficiency, Technological Dependency, Risk Appetite, Investing for Retirement

Total Respondents: 301

Gender	Male 193	Female 108		
Generation (By age)	Gen Z 182	Gen Y 68	Gen X 51	
Educational Qualification	Postgraduate 79	Dropout 3	Highschool 39	Graduate 180
Occupation	Student 161	Profession 33	Employed 86	Unemployed 21

Table 1

2.4 Data Analysis Tools

Utilising ANOVA (Analysis of Variance) tests to compare investment behaviours across generations and understand the influence of demographic factors involves a systematic statistical approach to analyse the differences in mean investment levels among different generational cohorts.

The post hoc LSD (Least Significant Difference) test is employed following the ANOVA analysis to identify specific differences in mean investment levels between pairs of generational cohorts. The post hoc LSD test helps to pinpoint significant differences in mean investment levels between pairs of generational cohorts identified as having substantial variation by the ANOVA.

Suppose the absolute difference between the mean investment levels of two generational cohorts is greater than the LSD value. In that case, it suggests a statistically significant difference in mean investment levels between the two variables.

Software: SPSS and MS Excel have been used primarily because they offer a comprehensive approach to conducting statistical tests and analysing data.

2.5 Expected Outcome

The research aims to elucidate the differences and similarities in investment behaviours among Generations X, Y, and Z in Bengaluru, identifying generational shifts in investment preferences and strategies. Insights gained may inform financial institutions about evolving investor needs and aid in developing targeted financial products and services.

Confidentiality: Participants' information is confidential and used solely for research purposes.

Transparency: Share results with participants upon request, maintaining transparency about the study's findings and implications.

III.   RESULTS AND DISCUSSION

3.1. Relationship of Financial Proficiency between Different Generations (X, Y, and Z)
Formulation of Hypotheses:
- **Null Hypothesis (H0)**: There are no notable differences among mean Financial Proficiency levels across generational cohorts.
- **Alternative Hypothesis (H1)**: Significant differences exist in mean Financial Proficiency levels across generational cohorts.

Financial Proficiency

	N	Mean	Std. Deviation
Gen Z	182	12.3846	2.53928
Gen Y	51	11.8039	3.38242
Gen X	68	11.5882	3.47801
Total	301	12.1063	2.93632

Table 2

ANOVA

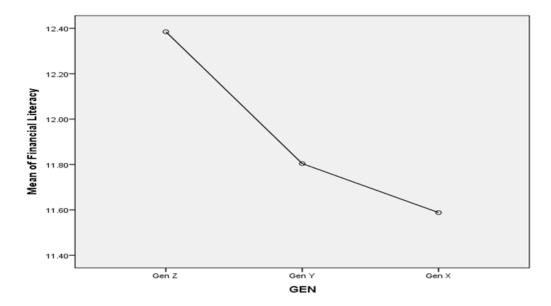|	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	37.011	2	18.506	2.163	.117
Within Groups	2549.587	298	8.556		
Total	2586.598	300			

Table 3

Since the P-value >0.05, we accept the Null hypothesis and reject the alternative hypothesis.
Interpretation

Financial Proficiency is a critical component of managing one's finances, which affects one's capacity to make wise choices about debt management, investing, and saving. To make wise and prosperous financial decisions, one must possess information and abilities linked to managing finances, such as comprehending financial products, investing, managing debt, and budgeting. Financial Proficiency encompasses knowledge and skills related to managing finances. A one-way analysis of variance (ANOVA) test on the Financial Proficiency of different generations was conducted to determine the level of understanding of finance and investment among the three Generations.

Financial Proficiency and Financial Well-being among Generation University Students: Evidence from Greece shows that Financial Proficiency and low financial fragility are critical drivers of economic well-being among Greek university students. (Philippas & Avdoulas, 2020; Younas et al., 2019). The more participants underestimate their financial proficiency, the less likely they are to make financial investments. The study's findings showed that the variability in financial proficiency of each generation group significantly influenced investment decisions. Financial Proficiency and Investment experience are needed in the capital market to make investment decisions. (Mochammad Rizaldy Insan Baihaqqy & Sugiyanto, 2020).

The mean Financial Proficiency scores for Gen Z, Gen Y, and Gen X are 12.3846, 11.8039, and 11.5882, respectively. These values represent each generation's average Financial Proficiency level and show that Gen Z has the highest Financial Proficiency among the three groups. Gen Z has the lowest standard deviation (2.53928), indicating relatively less variability in Financial Proficiency scores compared to Gen Y (3.38242) and Gen X (3.47801). This suggests that Financial Proficiency levels among Gen Z are more consistent, with fewer extreme scores.

When we analysed the variance (ANOVA), the results indicated the presence of statistically essential differences in financial literacy scores among the three generational groups. The F statistic, is 2.163 with a significance level (Sig.) of 0.117, The F statistic shows us that there are some differences between group means, and the non-significant p-value means that these differences are not big enough to be considered statistically significant at the conventional alpha level of 0.05. Hence, the results show no statistically essential differences in financial proficiency scores among Gen Z, Gen Y, and Gen X. This indicates that all three Generations have no notable differences in their levels of financial proficiency. Understanding the importance of financial proficiency as a component of investment behaviour in developing nations, such as India, may be advantageous in promoting informed individuals. Decision-making over time may have extensive macro-level financial benefits.Markets at large. (Financial Literacy and Its Interaction with Altered Investment Behaviour: An Analysis of the Familiarity Bias, n.d.).

3.2 Relationship of Risk Appetite in Investing between Different Generations (X, Y, and Z)
Formulation of Hypotheses:
- **Null Hypothesis (H0)**: There are no notable differences among mean Risk Appetite levels across generational cohorts.
- **Alternative Hypothesis (H1)**: Significant differences exist in mean Risk Appetite levels across generational cohorts.

Descriptives				
Risk Appetite				
	N	Mean	Std. Deviation	Std. Error
Gen Z	182	9.2253	2.26157	.16764
Gen Y	51	8.7647	2.83964	.39763
Gen X	68	8.2353	2.89682	.35129
Total	301	8.9236	2.54378	.14662

Table 4

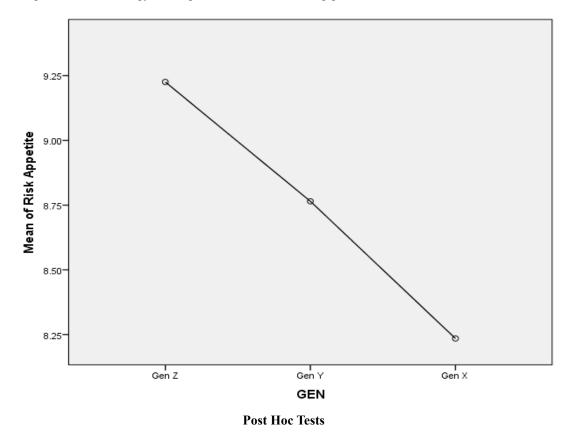| ANOVA					
Risk Appetite					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	50.067	2	25.034	3.945	.020
Within Groups	1891.176	298	6.346		
Total	1941.243	300			

Table 5

Since the P-value <0.05, we reject the Null hypothesis and accept the alternative hypothesis.

The statement indicates a statistical analysis has been conducted, resulting in a significance level (p-value) of less than 0.05, precisely 0.02. This shows strong evidence against the null hypothesis, suggesting that there is indeed a notable difference between the risk-taking behaviours of the three age groups: Gen Z, Gen Y, and Gen X.

The data analysis suggests that Gen Z, the youngest generation, tends to exhibit the highest level of risk-taking behaviour, as indicated by their average mean score of 9.22. This implies that individuals in Gen Z are more inclined to invest in assets with higher inherent risk. On the other hand, Gen Y, while still displaying a relatively high tolerance for risk, has a slightly lower average mean score of 8.77 compared to Gen Z. Finally, Gen X, the oldest generation among the three, demonstrates the least tolerance for risk, with an average mean score of 8.23.

These findings imply that age significantly influences risk-taking behaviours, with younger generations generally displaying a higher propensity for risk than older generations. This insight can be valuable for various purposes, such as financial planning, investment strategy development, and understanding generational differences in attitudes towards risk.

Post Hoc Tests

Multiple Comparisons				
Dependent Variable: Risk Appetite				
LSD				
(I) GEN	(J) GEN	Mean Difference (I-J)	Std. Error	Sig.
Gen Z	Gen Y	.46057	.39913	.249
	Gen X	.98998[*]	.35805	.006
Gen Y	Gen Z	-.46057	.39913	.249
	Gen X	.52941	.46665	.257
Gen X	Gen Z	-.98998[*]	.35805	.006
	Gen Y	-.52941	.46665	.257

Table 6

Interpretation
    a) **Comparison between Gen Z and Gen Y**: The analysis shows no notable difference in risk appetite between Gen Z and Gen Y. The mean difference in risk appetite between these two generations is 0.46057. The p-value of this comparison is 0.249, indicating that the observed difference is not statistically notable at the conventional significance level of 0.05.

    b) **Comparison between Gen Z and Gen X**: The analysis indicates a statistically notable difference in risk appetite between Gen Z and Gen X. The mean difference in risk appetite between these two generations is -0.98998. The associated p-value is 0.006, falling below the conventional significance threshold of 0.05, suggesting a significant dissimilarity in risk appetite. Moreover, the 95% confidence interval for the mean difference, ranging from -1.6946 to -0.2854, supports the conclusion that Generation X exhibits a significantly lower risk appetite than Generation Z.

    c) **Comparison between Gen Y and Gen X**: Similarly to the comparison between Gen Z and Gen Y, the analysis reveals no statistically notable difference in risk appetite between Generation Y and Generation X. The mean difference in risk appetite between these two generations is 0.52941. The p-value of this comparison is 0.257, indicating that the observed difference is not statistically significant at the conventional significance level of 0.05.

The difference in risk appetite between Generation X and Generation Z can be attributed to various factors:

- Economic Experience: Generation X faced economic downturns, leading to caution, while Generation Z grew up amid rapid technological advancement and globalisation, shaping their perception of risk differently.
- Technology: Generation Z's comfort with technology from a young age makes them more inclined to take risks in digital spaces than Generation X.
- Financial Circumstances: Generation X prioritised stability due to high unemployment rates, while Generation Z faces issues like student loan debt, influencing their risk-taking behaviour.
- Cultural Influences: Generation X values stability and saving, while Generation Z is influenced by a more individualistic and fast-paced society which celebrates entrepreneurship and innovation.

Individual investors have revised their investment portfolios in response to COVID-19. Before the difficult and stressful times, ordinary investors invested far less in SIPs. The typical Indian family income has declined, influencing their investment selections. COVID-19 has raised investors' demand for safer financial assets, such as gold and fixed deposits, whereas individual investors from Generation X have decreased their appetite for equity investing. (Gurbaxani & Gupte, Year).

3.3. Relationship of Technological Dependency between Different Generations (X, Y, And Z)
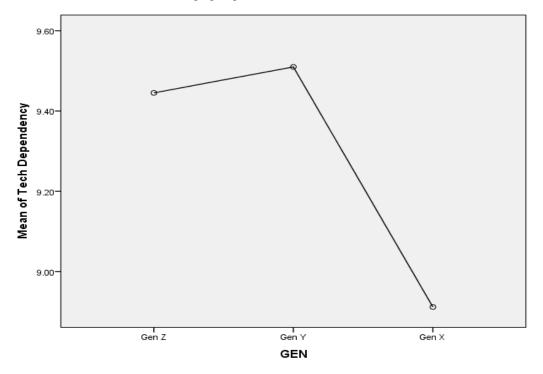**Formulation of Hypotheses**:
- **Null Hypothesis (H0)**: No notable differences in mean Technological Dependency levels across generational cohorts.
- **Alternative Hypothesis (H1)**: notable differences exist in mean Technological Dependency levels across generational cohorts.

The following variable that we have taken is the dependency on technology by various generations.

	N	Mean	Std. Deviation	Std. Error
Gen Z	182	9.4451	2.81957	.20900
Gen Y	51	9.5098	3.06837	.42966
Gen X	68	8.9118	2.97118	.36031
Total	301	9.3355	2.89661	.16696

Table 7

The above table shows the distribution of data, and it is evident that all three generations have a similar mean. Generation Z has a mean of 9.44, signifying the highest use of technology; Generation Y has the highest mean with 9.5, just slightly above 9.44 of Generation Z, and Generation X has a lower mean of 8.9. The data suggests that, on average, Generation Y (Gen Y) reports slightly higher satisfaction levels than the other generations, with an average score of 9.5098. However, this generation also exhibits the highest variability in scores, implying a more comprehensive range of opinions or experiences within Gen Y. In contrast, while Generation X (Gen X) reports a slightly lower average satisfaction score of 8.9118, its scores are less varied compared to Gen Y. Generation Z (Gen Z) falls in between, with a moderate average satisfaction score of 9.4451 and the minor variability in scores among the three generations. These findings provide valuable insights into the nuanced differences in satisfaction levels across different age groups.

ANOVA

Tech Dependency

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	15.943	2	7.972	.950	.388
Within Groups	2501.166	298	8.393		
Total	2517.110	300			

Table 8

Since the P-value exceeds 0.05, we affirm the null hypothesis and discard the alternative hypothesis.
Interpretation

The ANOVA table partitions the total variance into two components: variance between groups and variance within groups. In this case, the between-groups variance, which accounts for differences in technology dependency across groups, is 15.943 with 2 degrees of freedom, resulting in a mean square of 7.972. The F-statistic for this between-group variance is 0.950, with a p-value of 0.388. This means that all three generations (Gen X, Y, and Z) do not show significant differences and depend on technology to invest almost equally.

3.4. Relationship of Investing for Retirement between Different Generations (X, Y, and Z)
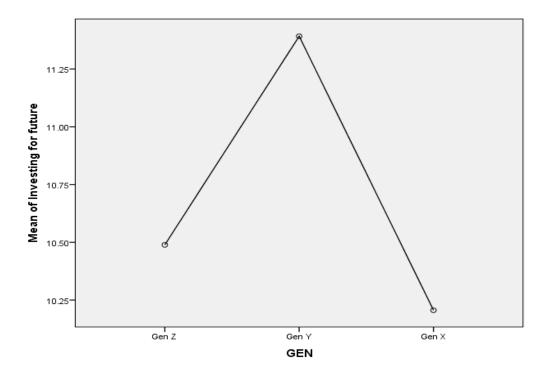**Formulation of Hypotheses**:
- **Null Hypothesis (H0)**: No notable differences in mean investment for retirement levels across generational cohorts.
- **Alternative Hypothesis (H1)**: Notable differences exist in mean investment for retirement levels across generational cohorts.

Descriptives

Investing for future

	N	Mean	Std. Deviation	Std. Error
Gen Z	182	10.4890	2.38258	.17661
Gen Y	51	11.3922	2.85712	.40008
Gen X	68	10.2059	3.02013	.36624
Total	301	10.5781	2.64034	.15219

Table 9

ANOVA

Investing for future

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	44.663	2	22.331	3.251	.040
Within Groups	2046.753	298	6.868		
Total	2091.415	300			

Table 10

With a P-value < 0.05, we discard the null hypothesis and affirm the alternative hypothesis.

The statistically significant F-value of 3.251 indicates that there is indeed variability in the mean variances between the groups. This significance is further reinforced by the accompanying p-value of 0.040, less than the conventional significance level of 0.05.

To further explore and understand these mean differences, post hoc analysis is conducted. In this case, the Least Significant Difference (LSD) test allows pairwise comparisons between the groups to determine where the significant differences lie. This post hoc analysis aids in identifying specific group differences and provides more detailed insights into the variations in investing behaviour across different generations.

Post Hoc Tests
Multiple Comparisons

Dependent Variable: Investing for Retirement

LSD

(I) GEN	(J) GEN	Mean Difference (I-J)	Std. Error	Sig.
Gen Z	Gen Y	-.90315[*]	.41522	.030
	Gen X	.28313	.37248	.448
Gen Y	Gen Z	.90315[*]	.41522	.030
	Gen X	1.18627[*]	.48547	.015
Gen X	Gen Z	-.28313	.37248	.448
	Gen Y	-1.18627[*]	.48547	.015

Table 11

Interpretation
a) **Comparison between Gen Z and Gen Y**: The analysis reveals a statistically significant difference in retirement investing between Generation Z and Generation Y. The mean difference in investing for retirement between these two generations is -0.90315. The p-value associated with this comparison is 0.030, indicating that the observed difference is statistically significant at the conventional significance level of 0.05
b) **Comparison between Gen Z and Gen X**: In contrast, the analysis indicates no statistically significant difference in investing for retirement between Generation Z and Generation X. The mean difference in investing for retirement between these two generations is -0.28313. The associated p-value is 0.448, falling above the conventional significance threshold of 0.05, thereby suggesting no significant dissimilarity in investing for retirement.
c) **Comparison between Gen Y and Gen X**: Similarly to the comparison between Gen Z and Gen Y, the analysis reveals a statistically significant difference in investing for retirement between Generation Y and Generation X. The mean difference in risk appetite between these two generations is -1.18627. The p-value of this comparison is 0.015, indicating that the observed difference is statistically significant at the conventional significance level of 0.05.

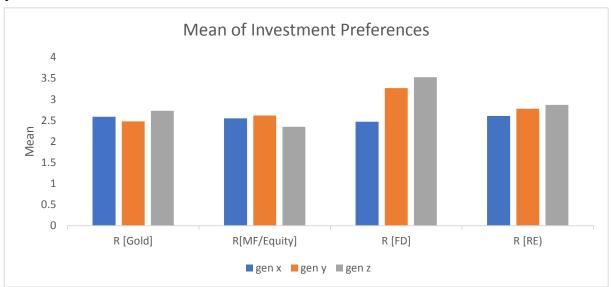**3.5. Most Preferred Investment Avenues Between Generations**
Mean of Ranks of Investment Preferences Between Generations

	R [Gold]	R[MF/Equity]	R [FD]	R [RE)
gen x	2.59	2.55	2.47	2.61
gen y	2.48	2.62	3.27	2.78
gen z	2.73	2.35	3.53	2.87

Table 12

Interpretation

Here, we can see the average rank of investment preferences between the three generations. The scale is from 1 to 5, where 1 is the most preferred and 5 is the least preferred. The lower the mean, the more preference is given to that asset, and the higher the mean, the lesser preference is given to that asset.

a) Gold

The lowest average rank for gold is shown by Gen Y at 2.48, indicating that Gen Y has a greater preference for Gold as an investment avenue over other generations. Gen X has an average rank of 2.59, close to Gen Y, showing a higher interest in Gold than Gen Z but lower than Gen Y. Gen Z recorded the lowest average rank for Gold as an investment avenue with an average rank of 2.73.

b) Mutual Fund/Equity

Gen Z prefers mutual funds or Equity, with an average rank of just 2.35 compared to Gen X. Gen Y. Gen X. Gen Y have an average rank of 2.55 and 2.62, respectively, showing that it is less preferred compared to Gen Z. The rank average of Gen X and Gen Y are close to each other signifying not a very large significance between them.

c) Fixed Deposits

From the mean ranks, we can analyse that Fixed Deposits Gen Z has the highest mean Rank of 3.53, signifying that Fixed Deposits are least preferred by Gen Z. Gen X has the lowest rank average of 2.47, showing that it is the most preferred investment avenue, compared to Gen Z and Gen Y. Fixed Deposits are similarly not particularly popular among Generation Y, as seen by their high-rank average of 3.27.

d) Real Estate

Gen X prefers Real Estate as an investment avenue, with an average rank of 2.61 compared to the other generations. Gen Z has the highest mean rank of 2.87, showing that it is the least preferred investment avenue compared to Gen X and Gen Y. Gen Y has a mean rank of 2.78, showing little interest in investing in Real Estate.

A study conducted at N. L. Dalmia Institute of Management Studies & Research aimed to understand the investment patterns of millennials and Gen-Z in Pune, Maharashtra. Key findings include a nearly equal gender distribution, a preference for equity/stocks and mutual funds, and a focus on factors like future security in investment decisions. Gen-Z and millennials displayed a growing interest in sustainable investing, emphasising social and environmental impact. (Patil & Gokhale, 2022). A study done to explore investment preferences among Gen X, Millennials, and Gen Z in Chennai shows that bank deposits and mutual funds are favoured, with the internet as a primary information source. Significant gender differences exist in investment decision factors, and Gen Z prioritises return, frequency, and liquidity. Awareness programs are suggested, emphasising Gen Z's role in investment. (Meyyammai & Vinotha, 2022).

The study on Gen Z's investment intention in India reveals significant findings. Key demographic traits include a male majority (59.1%), predominantly aged 22-25 (69.1%), and essentially college graduates (64.8%). Reliability analysis confirms questionnaire stability. Hypotheses testing supports relationships between social factors, Financial Proficiency, and investment attitude. Specific findings highlight the influence of media and expert advice on investment decisions. Financial Proficiency positively affects attitude and perceived behavioural control. Subjective norms and positive attitudes significantly impact

investment intention, with stocks being the preferred investment tool (48.4%). Practical implications include educational enhancements and tailored financial services. (Elango, Ajah, & Shah, 2023).

3.6. Relationship Between Financial Proficiency and Risk Appetite
Formulation of Hypotheses:
- **Null Hypothesis (H0)**: No notable differences in mean Risk Appetite and Financial Proficiency levels.
- **Alternative Hypothesis (H1)**: Notable differences exist in mean Risk Appetite and Financial Proficiency levels.

Table 13

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1365.622	1	1365.622	709.357	.000[b]
	Residual	575.621	299	1.925		
	Total	1941.243	300			

Table 14
Coefficients

Model		Unstandardised Coefficients		Standardised Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.127	.340		.374	.709
	Financial Proficiency	.727	.027	.839	26.634	.000

Table 15

With a P-value < 0.05, we dismiss the null hypothesis and affirm the alternative hypothesis.
Interpretation

The regression model above shows that the p-value is below 0.05, meaning there is a notable association between Financial Proficiency and Risk Appetite. The correlation coefficient (R) is 0.839, suggesting a strong positive correlation. Approximately 70.3% of the variability in the outcome variable is explained by the model's predictor variable(s) (R Square = 0.703). The adjusted R Square, which accounts for the number of predictors in the model, is 0.702.

The high F-value of 709.357, with a p-value less than .001, indicates that the overall model is statistically significant. The predictor variable "Financial Proficiency" significantly positively affects Risk Appetite. Financial Proficiency is deemed statistically significant with a t-value of 26.634 and a p-value less than .001. This suggests that the outcome variable has a corresponding increase as Financial Proficiency increases. The unstandardised coefficient of 0.727 indicates that Risk Appetite is expected to grow by 0.727 units for every one-unit increase in Financial Proficiency.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.839[a]	.703	.702	1.38750

The increased risk appetite of Generation X increased the probability of respondents creating a portfolio with a more significant proportion of risky assets and less diversification. Lower levels of financial proficiency are attributed to portfolios with traditional and low-risk avenues. The results also revealed a significant moderating impact of Financial Proficiency on risk appetite and the creation of the type of a hypothetical portfolio. (Rodrigues & Gopalakrishnan, 2023). This study can be confirmed by the regression model done above.

Financial Proficiency significantly impacts risk appetite by empowering individuals to make informed financial decisions and manage risks effectively. Firstly, it enhances understanding of investment options and the risk-return trade-off, enabling individuals to align risk tolerance with economic goals. Secondly, it fosters confidence in navigating financial markets and diversifying investment portfolios to mitigate risks. Finally, Financial Proficiency promotes a long-term perspective, reducing susceptibility to short-term market fluctuations and supporting disciplined decision-making. To summarise, greater Financial Proficiency provides individuals with the information and skills necessary to handle risks responsibly, favourably affecting their risk appetite.

IV.   CONCLUSION

"Wise Spending is a part of wide investing, and it is never too late to start"- Rohanda Katz. The comparative analysis of investment behaviour across Gen X, Gen Y, and Gen Z reveals insightful trends and patterns that shed light on the evolving landscape of the finance industry. Among the generations, there were no statistically significant differences in financial literacy. However, Generation Z showed the highest average scores. This underscores the importance of ongoing financial education initiatives, primarily targeted toward the younger generation, to further enhance their financial literacy levels and empower them to make informed investment decisions.

The group with the highest risk tolerance was Generation Z, followed by Generation Y. Finally, Generation X. This pattern indicates that younger generations are more likely to choose riskier investing options than their elder counterparts. It underscores the highlight of diversification and risk management strategies, particularly for younger investors who may be more prone to taking risks.

Despite the rapid growth of technology in the financial sector, there were no statistically. Significant differences in technology dependency among the generations. This implies that technological improvements have impacted the all-age group's investment behaviour, and reliance on technology has remained mostly constant.

In terms of investing for retirement, notable differences were seen among the Generational cohorts. Generation Y exhibited a higher propensity to invest in retirement. Compared to Generation X no notable difference was found between Generation X and Y. This underscores the importance of long-term financial planning, particularly among younger generations, to secure economic stability in retirement.

The study also found a notable difference between financial literacy and risk appetite. With this, we can observe that the respondents took more risks and had higher financial proficiency levels. Hence, financial literacy levels significantly impact an individual's risk appetite.

The investment avenue with the highest preference chosen by Gen Z was Mutual Fund/Equity, which had the lowest mean rank score. Gen X had the highest preference for investing in real estate assets and FDs, and we can see that Gen X had a lower risk appetite than other generations. Gen Y highly preferred Gold as an investment avenue with the lowest mean rank scores. This may be due to its perceived stability, inflation-hedging properties, and cultural significance, offering a tangible store of value in uncertain economic times.

Our study has given insights into different generations' investment behaviours and preferences. The study emphasises how investment behaviour is dynamic and influenced by various economic situations, societal shifts, and technological advancements. It also highlights the financial industry's importance in continuously monitoring and adapting to effectively meet investors' changing needs.

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