

A STUDY ON FINANCIAL WELL BEING AND INVESTMENT BEHAVIOUR OF GEN Z INVESTORS

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Abstract - The research is concerned with the financial health and investment behavior of Generation Z (Gen Z) investors in India. Currently, a lot of teenagers use social media for saving and investing their funds. This research aims at understanding social influences on young people investment behavior; it also explores their relationship with money. The study is based on primary data collected from 210 Gen Z respondents in the Ballari region of Karnataka using a structured Google Forms questionnaire. Sampling convenience is used to collect information. Most people are investing now, they save regularly for their expenses; they plan monthly budgets and set targets prior to investing. Family members, friends, social media and finance experts affect them while investing. Nevertheless, some people like making investments according to their own research and choice. It is also found that there is an association between investment interest and financial health. This research concludes with an improvement of people's understanding of money management and investment habits among young adults (Gen Z) to improve their economic wellbeing over time. The results might help students, educational institutions, banks, and financial organizations to promote financial literacy among young investors.

INTRODUCTION

Financial well-being and investment behavior have become important areas of study in recent years because of the increasing participation of young people in financial activities. In today's digital world, managing money effectively and making wise investment decisions are essential for achieving financial information, and the growth of online investment platforms have significantly changed the way young people handle their finances.

Generation Z (Gen Z) refers to individuals born between 1997 and 2012. This generation has grown up in an environment surrounded by the internet, smartphones, and social media. Unlike previous generations, Gen Z has easy access to financial information through digital platforms, which has increased their awareness of saving, investing, and financial planning. Many young individuals are now participating in financial markets by investing in stocks, mutual funds, cryptocurrencies,

and other investment options. In recent years, many young people in India have started investing. The increasing use of financial technology (finTech), online trading applications, and digital payment systems has made investing easier and more convenient. These platforms allow individuals to start investing with a small amount of money, making investment opportunities more accessible to the younger generation.

LITERATURE REVIEW

1. Dewi and Mahfirah (2026) carried out research on the factors influencing the investment choices of Generation Z investors. The findings indicated that financial education, financial inclusion, and financial well-being contribute positively to influence investment decision-making. It also revealed that Fear of Missing Out (FOMO) affects investment decisions indirectly through risk tolerance. The researchers concluded that strengthening financial understanding and controlling emotions help young investors make better investment decisions.
2. Aisjah et al. (2026) studied the investment behavior of Generation Z investors in East Java. Financial literacy, FOMO (fear of missing out), herd behavior, and loss aversion is studied by this study. Financial knowledge helps to invest wisely among youth, whereas herding behaviors are detrimental for losses of money. Aversion is significant for choice of investments. Nevertheless, FOMO had no impact on their investments as a teenager.
3. Ni Kadek Tiya Intan Cahyani and Luh Gede Sri Artini (2026) examined the influence of financial knowledge, financial self-efficacy, financial technology, and risk tolerance on the investment preferences of Generation Z. This study found out how each factor impacts Gen Z's investment choices. They found out how to improve people's money knowledge through technology, which helps them invest wisely. Decisions.
4. Charly Hong Diyan to (2025) examined the impact of financial behavior and financial awareness regarding the financial well-being of Generation Z. Good money management skills are associated with positive effects upon economic health, whereas bad ones do not contribute towards it at all times. Stress on finances is bad for you. Good money management skills, and

- more information about money can help to improve a young person's economic status significantly enough for them
5. Sunsanto et al. (2025) examined the factors affecting the investment decisions of Generation Z investors. Findings revealed there is much more impact on investments based upon finance literacy & attitudes compared to technology advancements which do little at all. Researchers found out to improve their money skills & good banking habits will help young people (Gen z) invest wisely enough.
 6. Rita Amelinda, Eva Oktavini, Febriani C.S. Magdalena, and Roseline Mannuela Anwar (2025) studied the factors influencing the financial well-being among Generation Z students. Research found out how money management contributes towards better economic status of people. Also it's clear investing money isn't enough for a good life unless you have good finances to go along with it.
 7. Ichwani and Rahayu (2025) investigated the influence of financial attitude, financial literacy, and lifestyle on financial decision-making and financial well-being. Findings showed improvement of fiscal behavior, awareness about finances leads towards better investment choices & economic stability. Nevertheless however it has an impact upon spending habits along with their economic health issues.
 8. Thapa and Kafle (2025) studied green investment intention among Generation Z. According to these results, people are encouraged by their money mindset & finance awareness for going green investments. It is discovered here to be much less influential upon people's investments' interests by means of society influences
 9. I Putu Gede Wira Ananta, I Gusti Ayu Nyoman Budiasih, and I Gusti Ayu Purnamawati (2025) examined the impact of financial satisfaction, financial socialization, and financial knowledge on investment choices. This study found out how they enhance investing intentions and lead to improved investments decisions by Generation Z students.
 10. Ni Wayan Widya Ekarani and Luh Gede Sri Artini (2025) studied financial planning behavior and investment decisions among Generation Z. Financial planning is good for people to plan their finances; it's also about being satisfied with what they earn money from financially speaking terms. effect on investment decisions. It showed that good money management is important to study.

RESEARCH DESIGN

Statement of the Problem:

11. Generation Z is showing more interest in investing at an early age. However, many Gen Z investors are influenced by family, friends, social media, and their personal choices while making investment decisions.

Their level of financial well-being may also affect their interest in investing. Most previous studies have focused on financial literacy or investment behavior separately. Very few studies have examined the relationship between financial well-being and investment behavior among Gen Z investors in India.

12. Therefore, this study aims to understand the factors that influence Gen Z investment decisions and their financial well-being.

Research Gap:

Although several studies have examined financial knowledge and investment behavior among Generation Z investors, limited research has focused on the connection between financial well-being and investment behavior. Previous studies have largely ignored the impact of social factors and personal choices on investment intentions of Gen Z investors, particularly in the Indian context. Furthermore, most studies have examined financial well-being and investment behavior individually rather than integrating them into a single framework. Therefore, there is a need for a comprehensive study that investigates how financial well-being, social influences, and personal preferences affect the investment behavior of Gen Z investors in India.

Need For the Study:

Generation Z is becoming more interested in investing through digital platforms, but many young investors still lack proper financial knowledge and planning. Their investment decisions are often influenced by social media, technology and changing market trends. This study is needed to understand how investment behavior affects the financial well-being of Gen Z investors. The findings will help improve financial awareness, encourage better investment decisions, and support long-term financial stability among young people.

Overall, this study provides useful knowledge about the financial habits of Gen Z and highlights the importance of responsible investment behavior for achieving long-term financial well-being.

Objectives:

The Present Study has Following Objectives

- To understand how social factors and personal choice affect the investment intentions of Gen Z investors in India.
- To study the relationship between investment interest and financial well-being among Gen Z.

Scope of the Study:

The present study is limited to Gen Z investors in the Ballari area of Karnataka. It focuses on understanding the relationship between financial well-being and investment behavior among Gen Z. The study also examines how social factors, such as family, friends, along with social

media, and personal choice influence their investment decisions. Data will be gathered using a structured questionnaire from Generation Z participants in Ballari.

Research Methodology

This research uses only primary data. The required data will be collected from Gen Z investors in the Ballari area through a structured Google Forms questionnaire. The respondents will be chosen through the convenience sampling technique. The study focuses on understanding the connection between financial well-being and investment behavior, as well as the influence of social factors and personal choice on investment decisions.

- Source of Data: Primary Data
- Method of Collection: Structured Questionnaire
- Respondents: Gen Z investors in Ballari Region
- Sampling Technique: Convenience Sampling
- Sample Size: 210 respondents.

Limitation of the study

- The research includes only Generation Z investors and does not include other age groups.
- The information was collected from a limited number of respondents, so the findings may not represent all Gen Z investors.
- Primary data for this study were obtained using a structured questionnaire, and the accuracy of the findings depends on the sincerity of the respondents answers.
- Due to limited time, a larger sample could not be included.
- The study is mainly focused on the Ballari region.

Hypothesis :

Objective : 1

To understand how social factors and personal choice affect the investment intentions of Gen Z investors in India.

Null Hypothesis (H_{01}):

Social factors and personal choice do not have a significant influence on the investment intentions of Gen Z investors in India.

Alternative Hypothesis (H_{11}):

Social factors and personal choice have a significant influence on the investment intentions of Gen Z investors in India.

Objective : 2

To study the relationship between investment interest and financial well-being among Gen Z investors.

Null Hypothesis (H_{02}):

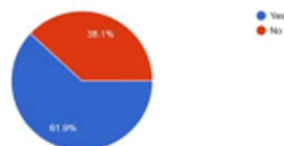
There is no significant relationship between investment interest and the financial well-being of Gen Z investors.

Alternative Hypothesis (H_{12}):

There is a significant relationship between investment interest and the financial well-being of Gen Z investors.

5) Have you invested in any financial product ?

210 responses



Interpretation:

The survey results show that 61.9% of respondents have invested in a financial product, while 38.1% of the participants have not invested. Indicates that the majority of the Gen Z respondents are already participating in financial investments. However, a significant number are still not investing. The findings suggest increasing knowledge and interest in investment among young people. In general, Generation Z is becoming more financially active and investment-conscious.

6) Will you manage your monthly expenses without financial stress ?

210 responses

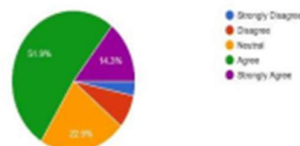


Interpretation:

The survey shows that 32.4% of respondents are neutral about managing their monthly expenses without financial stress. Around 31.9% agree, while a smaller percentage strongly agree. On the other hand, 16.7% disagree and 14.3% strongly disagree. The results show that many young respondents from Gen Z feel somewhat confident about managing their expenses, but a considerable number still experience financial stress. Overall, the responses reflect mixed levels of financial well-being.

11) Are you interested in investing your money ?

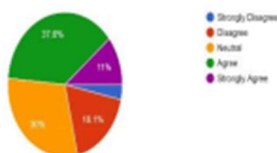
210 responses



Interpretation:

The results show that 51.9% of respondents expressed interest in investing, while 14.3% strongly agreed with the statement. About 22.9% of the participants were neutral, and only a few reported no interest. The results show that most of Generation Z people are optimistic about investing, and they are becoming aware of their need for money management and saving.

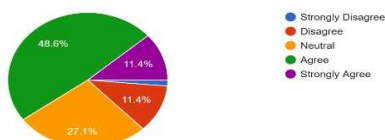
12) Do you regularly invest in financial products?
210 responses



Interpretation:

The results show that 37.6% of the respondents said they regularly invest in financial products, while 11% strongly agreed. Around 30% remained neutral, whereas 18.1% disagreed and only a few strongly disagreed. It shows how much more frequent stock market investing has become for most Generation Z people, but some still do not have an established investment routine. In general, these findings are moderate for regular investments by people.

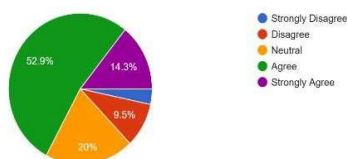
13) Do you compare different investment options before investing?
210 responses



Interpretation:

The results show that 48.6% of the respondents agreed that they compare different investment options before making an investment, while 11.4% strongly agreed. About 27.1% remained neutral, whereas 11.4% disagreed and only a few strongly disagreed. The results indicate that a lot of Generation Z people wait for their investments' options to be evaluated priorly while investing which shows their prudence and intelligence while investing.

14) Do you understand the risks involved in investing?
210 responses



Interpretation:

The survey shows that 52.9% of the participants agree that they understand the risks involved in investing, while 14.3% strongly agree. Around 20% are neutral, and 9.5% disagree. Only a small percentage strongly disagree. The results suggest that many Gen Z respondents are aware of investment risks before making financial decisions. Overall, the results show a good level of investment awareness among the respondents.

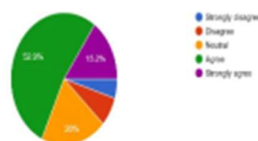
15) Do you set financial goals before making investment decisions?
210 responses



Interpretation:

The findings reveal that 54.3% of the participants agree that they set financial goals before making investment decisions, while 14.8% strongly agree. About 21.9% are neutral, and only a small percentage disagree or strongly disagree. The results suggest that many Gen Z respondents plan their investments based on clear financial goals. Overall, the findings suggest a disciplined and goal-oriented approach to investment decisions.

16) Does your family influence your investment decisions?
210 responses



Interpretation:

The survey shows that 52.9% of the participants agree that their family influences their investment decisions, while 15.2% strongly agree. Around 20% are neutral, and only a small percentage either disagree or strongly disagree. The results show that family plays an important role in guiding Gen Z's investment choices. Overall, the findings indicate that family advice has a strong impact on investment decision-making.

18) Does Social media influence your investment decisions?
210 responses



Interpretation:

The survey shows that 48.1% of respondents agree that social media influences their investment decisions, while 10% strongly agree. Around 21.4% are neutral, and 16.7% disagree. A very few respondents strongly disagree. The results show that social media greatly affects the investment activities of many Gen Z respondents. The findings indicate that digital platforms have become an important source of investment information and significantly influence the investment decisions of many Generation Z respondents.

FINDINGS, SUGGESTIONS & CONCLUSION

Findings :

1. The majority of respondents (41.4%) were aged 24–26 years, and 61% were employed, indicating that most participants had a regular source of income.
2. Around 61.9% of respondents had already invested in financial products, showing that Gen Z is becoming more interested in investing.
3. Most respondents followed good financial habits. 66.7% (50% agree and 16.7% strongly agree) said they regularly save money, and 65.3% (48.6% agree and 16.7% strongly agree) prepare a monthly budget.

4. About 66.7% of respondents understood investment risks, and 69.1% set financial goals before investing, indicating responsible investment behavior.
5. Family, friends, social media, and financial experts influenced investment decisions, but 69.1% of respondents also said they make investment choices based on their own research and personal choice.
6. Although many respondents showed positive financial behavior, some were still neutral or uncertain about financial well-being, emergency savings, and regular investing, indicating room for improvement.

Suggestions:

1. Financial literacy programs should be organized in colleges and workplaces to improve investment knowledge.
2. Gen Z should be encouraged to prepare monthly budgets and build emergency savings.
3. Young investors should compare different investment options and understand the risks before investing.
4. Investment decisions should be based on personal research and long-term financial goals rather than depending only on online platforms or peer influence.
5. Banks, financial institutions, and colleges should organize awareness programs on safe and smart investment practices.

Conclusion:

This research shows a lot of young people from Generation z are saving money regularly and planning their budgets along with investing. A lot of people are already invested with money products so they want to save for a better tomorrow. Also, it shows that they know about risk assessment for investments and setting of goals prior to investing. Family members, friends; social media users and finance experts affect people's investment decisions.

Nevertheless many people would rather base their decision making process with previous studies rather than making any decisions themselves. Also, this research shows how many young people have money problems, even though they are not ready for surprises like a sudden job loss. The results show that there is a need for better understanding and awareness of finance. Financial education will help young people (Gen z) to make better money choices and have a stable economy later on. In general, this research shows that Gen z has become more aware of money matters; with proper advice and planning they will be able to have a better life financially.

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