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Investment Initiation among Gen-Z: A Study on Financial, Behavioral and Digital barriers

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Abstract

While mobile trading apps and digital payment platforms have facilitated easier access to the markets than ever, there are still many members of the 'Generation Z' group that would not like to invest their first time. Mobile trading app and digital payment systems have helped anyone to enter the market quickly and easily, but there are those in Generation Z who still aren't convinced. This study investigates the relationship between financial, behavior and digital barriers and the investment initiation intent among the Gen z in Vijayawada, India. This approach was derived from the Theory of Planned Behavior; this theory argues that the attitude, subjective norms and perceived behavior control influence a person's intention to engage in a target behavior. Financial barriers, behavioral and digital barriers are considered as factors that decrease perceived control over investing. Primary data were collected with the help of a semi-structured questionnaire containing the five-point Likert items and 92 responses were received. The data were subsequently analyzed using Multiple Linear Regression (MLR) in MS Office Excel and the internal consistency was good to high for the constructs. The results indicate that having a digital barrier has the most significant impact on intention to invest followed by financial barrier with nothing distinguished as a behavioral barrier after accounting for the impact of digital barrier and financial barrier.

Keywords

Investment, Gen-Z, financial access barriers, behavioral access barriers, digital access barriers, first-time investors.

Introduction

Today, personal financial planning and wealth building is increasingly incorporating and valuing an investment approach, especially young people. The people born from 1997 onwards are known as "Generation Z (Gen-Z)" and have come of age in an era of extensive digitalization, where information about money, investment platforms, and investment-related news and information today is easily available via mobile devices, social media, and finance technology (fintech) apps (Venkatesh & Deepa, 2026). The digital exposure also resulted in young people being much more presented with investment opportunities to attain their financial goals, with an opportunity to consider investment in financial markets as an avenue to financial independence and long-term wealth.

However, it can still be a challenge for Gen-Z to get started with investing, as it doesn't just require an investment platform and access to it. Knowledge of risk, return, diversification and financial planning is crucial to understand the investment options and take decisions on them, and it is important to be financially literate to influence one's investment behavior. Correspondingly, previous studies conducted among undergraduate showed that financial literacy and financial attitude have significant effects on investment decision, while low financial knowledge may play a negative role in investment decision to less favorable or irrational investment decision (Hidayat & Hartono, 2022). Similarly, financial education is important for young adults as research with young professionals has shown that their savers' and investors' behavior is strongly influenced by their financial literacy (Pastor et al., 2022).

In addition to the financial restrictions, behavior is also an important constraint on investment initiation. Emotions, fear, overconfidence, regret and social influence may also influence financial behavior, with irrational assessments of risk and return not always the motivator for investment choices. In the context of equity investment, the study conducted by Hidayat and Hartono (2022) found two most important factors, which are regret aversion and herd investment. Moreover, social media and peers and social online communities can affect youth investors and can be a source of herd effect or act as an emotional pull-on investment, (Venkatesh & Deepa, 2026).

Access to the digital environment offers benefits and also has the potential to be a constraint. Fintech has eliminated the conventional prerequisites creating convenient access to stocks, mutual funds and more. But ready access can also lead to information overload, market volatility and behavioral biases, which can be problematic for both inexperienced and fledgling investors. In recent days, various pieces of evidence came up regarding the factors affecting the decisions around investing for Millennials and Gen-Z; the 1st factor being the most dominant is convenience with the technology since the financial returns, financial literacy, and the influence and risk perception are close runners-up (Venkatesh & Deepa, 2026).

While previous research has explored financial literacy and behavioral barriers, and digital investment adoption, there is potential to see how all these factors interact specifically in relation to someone's decision to get into investing for young people—Gen-Z. The study titled "Investment Initiation among Gen-Z: A Study on Financial, Behavioral and Digital Barriers" aims to do just that.

Research gap:

While there are some studies that have investigated financial literacy or investment behavior among young investors, there is a lack of studies addressing barriers that hinder Gen-Z to start investing. Current research has touched upon financial-related barriers, and behavioral-related and digital barriers have been research separately. Furthermore, a study that looks at financial barriers, behavioral barriers, and digital barriers together is necessary to comprehensively understand the barriers including financial barriers, risk perception, anxiety about investing, awareness of the digital, complexity of platforms and concerns about investing online. Knowing about these factors all in one place can give a more complete profile of the reasons why some members of Gen Z feel unable to take the plunge into being first-time investors.

Problem statement:

The online investment platforms are becoming even more popular, but not all Gen-Z are willing to take the step of getting themselves into an investment. Financial resources, financial literacy, risk perception and financial anxiety may be factors that make the idea of investing in their first investment venture not attractive to them. All of these digital obstacles can only make this resistance worse: platform complexity, awareness and security issues. Past research typically focuses on financial, behavioral, and digital barriers alone, though rather than together. So, this study investigates the impact of these three types of barriers on the initiation of the investments of the Gen-Z.

Research Objectives:

1. To examine the effect of financial barriers on Investment Initiation among Gen-Z.
2. To investigate the influence of behavioral barriers on Investment Initiation among Gen-Z.
3. To analyze how digital barriers affect Investment Initiation among Gen-Z.

Research Hypothesis:

Null Hypothesis (HO-1): There is no significant effect of financial barriers on Investment Initiation among Gen-Z.

Alternative Hypothesis (H1-1): There is a significant effect of financial barriers on Investment Initiation among Gen-Z.

Null Hypothesis (HO-2): There is no relation between behavioral barriers and Investment Initiation among Gen-Z.

Alternative Hypothesis(H1-2): There is a relation between behavioral barriers and Investment Initiation among Gen-Z.

Null Hypothesis (HO-3): There is no effect of digital barriers on Investment Initiation among Gen-Z.

Alternative Hypothesis(H1-3): There is an effect of digital barriers on Investment Initiation among Gen-Z.

Review of literature:

Hidayat and Hartono (2022) have investigated students' decisions in investment among undergraduate students in Indonesia. The effects of financial literacy, financial attitude, regret aversion and herding on investment decisions were significant.

Narsaria (2025) examined young investors investment preferences and the factors that influence investors in their investment in them. Financial literacy has influenced investment decision and the study revealed that the trend is shifting towards trading in equity, spread investments in mutual and cryptocurrencies.

Venkatesh and Deepa (2026) investigated the financial, behavioral and technological factors affecting investment decision making of millennials and generation Z; technological convenience, expected returns and financial literacy are the significant factors.

Sancheti (2026) looked into financial literacy and investment behavior of investment firms-entrepreneurs. Levels of financial literacy and risk tolerance were determined as moderate and investors were influenced by stocks, mutual funds, and social media respectively.

Bala and Jayanti (2025) examined the effect of financial literacy of youth investment decision making in India. Financial literacy fostered a sense of investing, investing by diversifying, and implement SIP for investment in the longer run, and risk tolerance and investment horizon acted as a mediator.

Joseph and Jose (2025) aimed to determine the factors influencing the investment choices made by Generation Z in India. Financial literacy, income independence and investors' behavior influenced positively the investors' confidence and decision to invest, whereas their degree of risk aversion also influenced the investment.

Das and Das (2025) studied investment intentions of university students. Financial attitude and risk tolerance had a profound effect on investment intentions, whilst demographic factors like family income did not have a similar impact.

Pastor et al. (2022) were used in studying the saving and investment behavior among young professionals in the Philippines. The investment behavior was significantly differently by an individual's age and gender, education and financial literacy, whereas peer influence was insignificant.

Elango and Ajah (2023) examined the intentions to invest among Generation Z at the school-level using the Theory of Planned Behavior. The factors found to have positive effects on the investment intention were the financial literacy, attitude, subjective norm, and social factors and perceived behavioral control.

Kumar and Kumar (2026) studied that since the advent of COVID-19, the entry of young and new investors in the stock market of India has increased. Young investors' behavior was strongly impacted by the adoption of technology, social influence, and financial literacy, as well as risk tolerance.

Research methodology:

The study design is quantitative and cross-sectional research design with secondary literature approach. The main tools used for data collection were a structured self-administered questionnaire and the data was collected by interviewing young adults (students and working youth) in Vijayawada city, Andhra Pradesh.

Sampling and data collection:

120 questionnaires were issued and 92 (76.7%) yielded complete and usable responses that were analyzed. The questionnaire was sent online (Google Forms), and received from 15 to 19 September 2026. This non-probability convenience sampling method was used to select the respondents. The number of observations in the sample (N = 92) is sufficiently large for the analysis performed: For the multiple regression analysis with 3 predictors, the required

minimum for the analysis is 10 (or 15) observations per predictor, and for the Chi-square and ANOVA analyses described below, after combining low frequency categories, the minimum for analysis is 10.

Instrument development:

The questionnaire is broken up into two sections and is structured in a way. The items recorded in part A are age group (Q1), gender (Q2), educational qualification (Q3), monthly income or allowance of the personal person (Q4) and employment status (Q5). Part B includes these 15 statements (from four constructs) measured on a five-point Likert scale range from 1 (Strongly Disagree) to 5 (Strongly Agree), including items from the following constructs: Financial barriers (Q6 to Q9, 4 items), Behavioral barriers (Q10 to Q13, 4 items), Digital barriers (Q14 to Q16, 3 items), and investment intent (Q17 to Q20, 4 items) which is the dependent variable. Prior to analysis the instrument was pre-tested for clarity and validity. The internal consistency was measured using Cronbach's alpha (Table 2). Each set of items that formed the constructs was summed and a mean construct score was computed for every respondent, with scores ranging between 1 and 5, with higher scores representing higher barriers (FB, BB, DB) or higher intent (II).

Data Analysis:

Tools and procedure

Data was gathered using structure questionnaire and analyzed by using Microsoft excel. Items pertaining to each construct (financial barriers, behavioral barriers, digital barriers, and investment intent) were averaged and checked for the reliability of each construct with Cronbach's alpha and given values ranging from 1 to 5 to everyone.

Multiple linear regression was used to test the three research hypotheses, by measuring the effect of financial, behavioral and digital barriers on investment initiation intent. The model is:

$$II = \beta 0 + \beta 1(FB) + \beta 2(BB) + \beta 3(DB) + \varepsilon$$

Intent to invest in an asset, financial barriers, behavioral barriers and digital barriers are denoted as; II, FB, BB and DB respectively. R^2 and adjusted R^2 values and F test were used to assess the model, and t tests were used to assess the barriers. Throughout the calculations a significance level of $\alpha = 0.05$ was used.

Results and Discussion:

Respondent profile

The 92 respondents are summarized in table 1. Most of the sample (89.1%) was female and young. Most respondents are aged 18 to 20 years (60.9%), are undergraduates (71.7%), are students (85.9%) and receive a monthly income or allowance below ₹10,000 (77.2%). The sample is small and is therefore not representative of the Gen-Z adults who have little independent income and are indeed where the initial investment decisions are made, but is representative of these early investors.

Table 1: Demographic profile of respondents (N = 92)

Variable	Category	Frequency	Percent
Age	18–20 years	56	60.9
	21–23 years	26	28.3
	24–26 years	7	7.6
	27–28 years	3	3.3
Gender	Female	82	89.1
	Male	10	10.9
Education	Higher Secondary	8	8.7
	Undergraduate	66	71.7
	Postgraduate	15	16.3

Variable	Category	Frequency	Percent
	Other	3	3.3
Monthly income / allowance	Below ₹10,000	71	77.2
	₹10,001–₹20,000	5	5.4
	₹20,001–₹30,000	3	3.3
	Above ₹30,000	13	14.1
Employment status	Student	79	85.9
	Employed	7	7.6
	Self-employed	3	3.3
	Unemployed	3	3.3

Source: Primary survey data (N = 92); computed in Microsoft Excel.

Descriptive statistics and reliability

Construct level statistics are reported in Table 2. All four constructs have mean scores between 3.47 and 3.64, i.e. respondents lean towards agreement with the barrier statements and with the intent statements. The mean for questions on digital barriers (3.64) were the highest, and questions about financial barriers (3.48) and behavioral barriers (3.47) were virtually equal. Fear of making a wrong investment decision (Q13, mean 3.82); concerns about online fraud (Q15, mean 3.78); and having insufficient disposable income (Q6, mean 3.66) were the highest barriers, while believing that minimum investment amount is too high was the lowest placing (Q8, mean 3.17). The intent was moderate; 56.5% of the respondents scored 3.5 or above. skewness and kurtosis are in range of ±1; they all represent about normal distributions which make them suitable for parametric tests. Cronbach alpha values for the scales are sufficiently high ranging from 0.727 (financial barriers) to 0.943 (investment intent), all above 0.70 and indicating that the scales are internally consistent.

Table 2: Descriptive statistics and reliability of constructs

Construct	Items	Mean	SD	Skewness	Kurtosis	Cronbach's α
Financial Barriers (FB)	4	3.48	0.83	−0.16	−0.36	0.727
Behavioral Barriers (BB)	4	3.47	1.02	−0.45	−0.35	0.894
Digital Barriers (DB)	3	3.64	0.96	−0.51	−0.22	0.809
Investment Intent (II)	4	3.58	1.07	−0.36	−0.50	0.943

Source: Primary survey data (N = 92); computed in Microsoft Excel.

Correlation analysis

There are no negative values in the pairwise correlation matrix shown in Table 3 and none of the values are less than p = 0.001. The strongest correlation between they have ever targeted entry barriers with investment intent is for digital barriers (r = 0.637), followed by financial barriers (r = 0.505) and then behavioral barriers (r = 0.441). These 3 barrier

types are also moderately to strongly related to each other (r = 0.49 – 0.66), so they are not truly independent of each other and need to be analyzed at multiple regression.

Table 3: Pearson correlation matrix

Variable	FB	BB	DB	II
Financial Barriers (FB)	1	0.493	0.583	0.505
Behavioral Barriers (BB)		1	0.657	0.441
Digital Barriers (DB)			1	0.637
Investment Intent (II)				1

Note: All correlations are significant at $p < 0.001$ (two-tailed). N = 92.

Chi-square test results

There are eight Chi-square tests presented in Table 4. Only employment status was significantly associated with intent group ($\chi2(1) = 6.891$, $p = 0.009$, $V = 0.274$): compared with 23.1% of non-students (3 of 13), 62.0% of students (49 of 79) were in the High-intent category. The supplementary null hypothesis HS-1, (age group, gender, education and income) were not significantly associated with intent group, thus the null hypothesis is retained for these four variables. The age, gender and education tests should be taken with some mild caution as it is found that one of the expected counts in each of these (4.35, 4.35 and 4.78 respectively) is just below 5.

Table 4: Chi-square tests of independence with Investment Intent group (High vs Low/Moderate)

Test	Variables	χ^2	df	p-value	Cramér's V
1	Age group × Intent	3.277	2	0.194	0.189
2	Gender × Intent	0.194	1	0.659	0.046
3	Education × Intent	4.142	2	0.126	0.212
4	Income × Intent	2.068	1	0.150	0.150
5	Employment status × Intent	6.891	1	0.009	0.274
6	Financial-barrier level × Intent	13.339	1	<0.001	0.381
7	Behavioral-barrier level × Intent	10.420	1	0.001	0.337
8	Digital-barrier level × Intent	18.078	1	<0.001	0.443

Note: Intent group: High = construct score ≥ 3.5. Barrier level: High = construct score ≥ 3.5. $\alpha = 0.05$.

All three were highly significant barrier level tests and the Cramér's V table value shows that there is a moderate association of the studied variables (Table 5). The association was strongest for digital barriers (χ^2 (1) = 18.078, $p < 0.001$, $V = 0.443$), followed by financial barriers (χ^2 (1) = 13.339, $p < 0.001$, $V = 0.381$) and behavioral barriers (χ^2 (1) = 10.420, $p = 0.001$, $V = 0.337$). In every scenario, respondents who reported high barriers were much more likely to be a part of the High-intent portion of the sample than a part of the Low or Moderate intent portions of the samples: digital

barriers, 74.5% versus 29.7%; financial barriers, 73.1% versus 35.0%; and behavioral barriers, 71.2% versus 37.5%. These null hypotheses of independence are thus turned down for each of the three types of barriers.

Table 5: Investment Intent group by level of each barrier

Barrier level	Barrier group (n)	High intent n (%)	Low/Moderate intent n (%)
Financial (FB)	High (52)	38 (73.1%)	14 (26.9%)
	Low/Moderate (40)	14 (35.0%)	26 (65.0%)
Behavioral (BB)	High (52)	37 (71.2%)	15 (28.8%)
	Low/Moderate (40)	15 (37.5%)	25 (62.5%)
Digital (DB)	High (55)	41 (74.5%)	14 (25.5%)
	Low/Moderate (37)	11 (29.7%)	26 (70.3%)

Source: Primary survey data (N = 92). Percentages are row percentages within each barrier group.

ANOVA results

Table 6 reveals a significant and different mean investment intent in three out of five demographic factors. The biggest difference was found with employment status ($F(1, 90) = 18.387$, $p < 0.001$, $\eta^2 = 0.170$) with students having an average score of 3.76 and non-students, that is the selected data of respondents who were employed, were self-employed and were unemployed combined (n = 75) a score of 2.50. Age group was also significant ($F(2, 89) = 8.702$, $p < 0.001$, $\eta^2 = 0.164$), with respondents aged 24 to 28 years showing markedly lower intent (2.35) than those aged 18 to 20 (3.75) and 21 to 23 (3.69). Education was significant at the 5% level ($F(2, 89) = 4.759$, $p = 0.011$, $\eta^2 = 0.097$), with postgraduates scoring lowest (2.83) and undergraduates highest (3.74). Gender ($p = 0.337$) and income ($p = 0.105$) did not differ significantly. Thus, the null hypothesis HS-2 is rejected for age, education and employment status and retained for gender and income. For all five factors, a non-parametric Kruskal–Wallis check was performed as a robustness test, outside of Excel, and yielded to the same conclusion. Due to the overlap of the three factors (older people are more likely to be working and postgraduate students, and some of the groups are small (n = 10-15), it is not possible to evaluate the individual impact of each of these three factors in this sample.

Table 6: One-way ANOVA of Investment Intent score by demographic factor

Factor	Group (n): mean (SD)	F	df	p-value	η^2
Age group	18–20 (56): 3.75 (0.97) 21–23 (26): 3.69 (1.05) 24–28 (10): 2.35 (0.97)	8.702	2, 89	<0.001	0.164
Gender	Female (82): 3.62 (1.06) Male (10): 3.27 (1.19)	0.930	1, 90	0.337	0.010
Education	Higher Secondary/Other (11): 3.68 (0.87) Undergraduate (66): 3.74 (1.01) Postgraduate (15): 2.83 (1.20)	4.759	2, 89	0.011	0.097
Income	Below ₹10,000 (71): 3.68 (0.97) ₹10,000 and above (21): 3.25 (1.33)	2.686	1, 90	0.105	0.029
Employment	Student (79): 3.76 (1.00) Non-student (13): 2.50 (0.88)	18.387	1, 90	<0.001	0.170

Note: Values are group mean (standard deviation) of the Investment Intent score. Gender, income and employment have two groups, so $F = t^2$. $\alpha = 0.05$.

Regression results

Table 7 shows the three barrier scores are independent variables that predict investment intent when multiple regression is performed. The multiple regression of investment intent on the three barrier scores is presented in table 7. The model is statistically significant ($F(3, 88) = 22.427$, $p < 0.001$; Table 8) with $R = 0.658$, $R^2 = 0.433$ and adjusted $R^2 = 0.414$, which shows that the three dimensions of barriers together explain approximately 43% of the variance in investment intent. The standard error of the estimate is: 0.822. The fitted equation is: II = 0.548 + 0.262(FB) + 0.000(BB) + 0.584(DB). After controlling for the other barriers, digital barriers are the strongest predictor (B = 0.584, β = 0.519, t = 4.483 and $p < 0.001$): having one more point on the digital barriers increases the intent score by 0.58 points. The financial barrier also predicted the occurrence of the incident moderately, with a lower confidence limit of 0.004 and a B = 0.262, β = 0.202, t = 2.015, p = 0.047. Even though there is a correlation between behavior and intent for the bivariate analysis (r = 0.441), there is no significant behavior barrier to behaviour (B = 0.000, t = −0.002, p = 0.999; the coefficient is effectively zero). This is due to the fact that behavioral barriers have a strong correlation with both digital barriers (r = 0.657) and financial barriers (r = 0.493), meaning that part of the variance in behavioral barriers can be explained by part of the variance in the other two barriers. The assumptions of the regression are reasonably satisfied. All VIF values are less than 2.1 which is well below the 5.0 cutoff score, and there is no multicollinearity. The Durbin-Watson d statistic is 1.61, close to 2, and this suggests that there is no serious correlation among the residuals. The residuals are close to normal (skew = −0.26, Excess Kurtosis = 0.05).

Table 7: Multiple regression coefficients (dependent variable: Investment Intent)

Predictor	B	Std. error	t	p-value	95% CI	Std. β	VIF
Constant	0.548	0.404	1.357	0.178	−0.254, 1.350	—	—
Financial Barriers (FB)	0.262	0.130	2.015	0.047	0.004, 0.520	0.202	1.57
Behavioral Barriers (BB)	0.000	0.114	−0.002	0.999	−0.226, 0.226	0.000	1.82
Digital Barriers (DB)	0.584	0.130	4.483	<0.001	0.325, 0.843	0.519	2.09

Note: $R = 0.658$; $R^2 = 0.433$; adjusted $R^2 = 0.414$; standard error of estimate = 0.822; Durbin–Watson = 1.61; $N = 92$.

Table 8: ANOVA table for the regression model

Source	SS	df	MS	F	Sig. F
Regression	45.456	3	15.152	22.427	<0.001
Residual	59.454	88	0.676		
Total	104.910	91			

Note: $F (3, 88) = 22.427$, $p < 0.001$.

Summary of hypothesis testing

Table 9 summarizes the evidence of the three techniques. On each test the null hypotheses for the financial barrier (H0-1) and for the digital barrier (H0-3) are rejected. In the case of the behavioral barriers (H0-2), framed as a relation, the null hypothesis is rejected according to the results of the two forms of evidence – the correlation result and the Chi-square result – while the regression result suggests that the behavioral barriers are not an effect independent of the other barriers (financial and digital); in this regard, the study offers partial support for the null hypothesis.

Table 9: Summary of hypothesis testing

Hypothesis	Evidence	Decision
H0-1 / H1-1: Financial barriers	Regression B = 0.262, p = 0.047; r = 0.505, p < 0.001; χ^2 p < 0.001	H0-1 rejected; H1-1 supported
H0-2 / H1-2: Behavioral barriers	Relation: r = 0.441, p < 0.001; χ^2 p = 0.001. Unique effect in regression: B = 0.000, p = 0.999	H0-2 rejected as a relation (H1-2 supported); no independent effect once FB and DB are controlled
H0-3 / H1-3: Digital barriers	Regression B = 0.584, p < 0.001; r = 0.637, p < 0.001; χ^2 p < 0.001	H0-3 rejected; H1-3 supported
HS-1 (Chi-square, demographics)	Only employment status significantly associated with intent group (p = 0.009)	Rejected for employment status only
HS-2 (ANOVA, demographics)	Significant for age group, education and employment status; not for gender or income	Rejected for age, education and employment

Note: $\alpha = 0.05$.

Discussion

The objective of this study was to investigate the relationship of financial, behavior and digital restrictions with financial access to investment initiation among Gen-Z at Vijayawada. The three barriers contributed moderately to explaining the variance on intent (43.3%). While barriers are important to the first investment decision, they are not the only factors to consider when evaluating the decision.

Digital barriers proved to be the major factor. The regressions had the largest effect size for these, whereas in the Chi-squares the correlation was highest for these. Actually, it is because of the item-level results. Some of the top-rated barriers included concern about online fraud and fear of making a wrong decision. This points to the fact that the challenge for Gen-Z isn't really if it's hard to use trading apps, but rather about trust and security. Personal finances were also found to be a strong but less powerful factor. Low income is among the main barriers which fits a sample where most respondents are students and don't have enough money to pay their bills each month. Whether one had the "right number" or "too few" or "too many" dollars of actual income had no significant effect on the intention, so the perception of having too little actually appears to be more important than the actual amount.

The variables of behavioral barriers, fear of loss and lack of confidence had a relationship with intent when they were not used in regression. They were similar and mutually reinforcing with digital and financial barriers; removing digital and financial barriers didn't eliminate any further behavioral barriers. This leads to only partial acceptance of the hypothesis concerning the behavioral barriers. On the demographic factors, the age group 24 to 28 was the lowest regard to intent followed by non-student respondents and postgraduates with no distinction between men and women and by income. These groups are small and common to the different groups so these results should be interpreted as representative rather than definitive.

There is one finding to read carefully: Barriers were positively related to intent. Those who identified these barriers the more were more apt to be intent on investing. One likely explanation is that consumers with serious investment decisions get to pay attention to the costs, risks and security concerns; the ones with lower investment intentions simply haven't thought about the obstacles. The figure should thus be interpreted as indicating those barriers that are most noticed by Gen-Z who wish to initiate investing rather than that barriers heighten interest to invest. But whether these barriers prevent the conversion of intentions into actual investments is an issue for future research.

Conclusion:

This paper discussed relationship between financial, behavioral and digital barriers concerning the initiation of investment among Gen-Z of Vijayawada has been analyzed, and it was shown that remains statistical relationship among the given variables and such a relationship can be discussed of the results from 92 survey responses with the help of

Chi-square tests, ANOVA and multiple regression analysis. The two-barrier measured 43.3% of the variance for investment intent together. The strongest predictor was digital barriers while financial barriers were a smaller but still significant predictor; behavioral barriers were related to intent but did not have an independent effect when accounting for the other two types of barriers. The level of each barrier type was confirmed by chi-square tests and ANOVA showed differences by intent group (but not by gender, age, education or employment status), and income. Correlates showed that stronger barriers were related to stronger intent, suggesting that barriers are salient to those who are contemplating investing, namely to the youngest cohort. Much prior work was conducted on different facets of these investment barriers (financial, behavioral, and digital) separately, and the study adds a study conducted in a Tier-2 Indian city.

Limitations and scope for future research

This study has some limitations which must be taken into account. The study sample (92 participants) was limited, and collected by convenience sampling in one city; therefore, it is not possible to generalize the study's findings to all Gen-Z investors. It also includes a high proportion of females (89.1%) and students (85.9%) and poor-quality comparison groups, including non-students (n = 13) and sub-24 aged persons (n = 10) for whom firm conclusions cannot be drawn. The data are cross sectional and self-reported, therefore, do not demonstrate cause and effect relationships. The study also uses intent to invest rather than actual investing and every survey question was designed so that agreement was the "high" score, which could have been inflated the relationship of barriers with intent. Lastly, very few categories had to be combined for the Chi-square and ANOVA tests, lessening the detail presented. More balanced and large samples were collected across several cities, including working Gen Z adults, to measure the actual investment of the first generation and not intention to invest only, in future studies. Some reverse worded items will help remove agreement bias direction of items, with additional variables offered like financial literacy, financial awareness, and financial impact of social media will provide more predispositions to account for variance in intent. Structural equation modelling (SEM) was additional viable method to test the structural relationship between three barriers and intent.

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Annexure:

Section 1 — Demographics

Q1. Age

- 18-20 years
- 21-23 years
- 24-26 years
- 27-28 years

Q2. Gender

- Male
- Female
- Others
- Prefer not to say

Q3. Educational qualification

- Higher Secondary
- Undergraduate
- Postgraduate
- Other

Q4. Monthly Personal Income/Allowance

- Below ₹10,000
- ₹10,001–₹20,000
- ₹20,001–₹30,000
- Above ₹30,000

Q5. Employment Status

- Student
- Employed
- Self-employed
- Unemployed
- Other

Section 2 — Financial Barriers

Please indicate your level of agreement with the following statements regarding financial barriers:

Q6. I do not have enough disposable income to start investing.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q7. My regular expenses prevent me from setting aside money for investments.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q8. I believe that the minimum amount required to start investing is too high.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q9. Lack of savings discourages me from starting investments.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Section 3 — Behavioral Barriers

Please indicate your level of agreement with the following statements regarding behavioral barriers:

Q10. Fear of losing money prevents me from starting investments.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q11. Lack of confidence in my investment knowledge discourages me from investing.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q12. I tend to postpone investment decisions even when I have enough money to invest.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q13. Fear of making a wrong investment decision prevents me from initiating investments.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Section 4 — Digital Barriers

Please indicate your level of agreement with the following statements regarding digital barriers:

Q14. I find digital investment platforms difficult to understand or navigate.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q15. Concerns about online fraud discourage me from starting investments digitally.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q16. Concerns about the privacy and security of my financial information discourage me from investing online.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Section 5 — Investment Initiation

Please indicate your level of agreement with the following statements regarding investment intent:

Q17. I am willing to start investing in the near future.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q18. I intend to make my first investment within the next 12 months.

- Strongly Disagree
- Disagree

- Neutral
- Agree
- Strongly Agree

Q19. I actively consider starting an investment.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

Q20. I have a strong intention to begin investing.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree