A Generational Analysis of Financial Planning Behaviour Among Women in Karnataka

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***Abstract*—The study investigated differences in financial awareness, attitudes, and planning behavior among women age cohorts: Baby Boomers, Gen X, Millennials, and Gen Z through descriptive statistics and Kruskal-Wallis H-tests. Key findings indicate significant generational differences in financial planning behavior. Financial literacy, a more substantial degree of retail digital adoption, consistent savings trader behavior, and a generation of independence in conducting transactions increased exponentially for younger generations (Millennials and Gen Z) vs. older cohorts. They highlight the impact of technology, financial literacy, and evolving roles in society on how women manage their finances. The study emphasizes the need for generational-specific financial inclusion policies. For younger women, this should open up more opportunities to use digital platforms and personalized financial tools to encourage wealth creation and long-term plans. On the other hand, the older generations need more conventional outreach and financial literacy-building initiatives to narrow the digital gap and invest in risk-taking ability. In response, financial institutions, policymakers, and educators should develop programs that target the specific behavioral and attitudinal differences suggested by this study.**

***Index Terms*—Baby Boomers, Financial Planning, Gen X, Gen Z, Millennials, and Women in Karnataka**

I. INTRODUCTION

Financial planning is essential to personal health and sustaining the future economy. Over the past few decades, researchers have increasingly acknowledged the influence of gender on financial behavior and decision-making processes. Women specifically experience challenges and opportunities in finance when considering their socio-cultural roles, employment trends, wage gaps, and life expectancy. In this context, it is crucial to understand how women plan, manage, and feel about their financial futures to shape inclusive financial systems (Antwi & Naanwaab, 2022). Among India's more progressive economic development and education states, Karnataka is an ideal setting for exploring financial behavior across its diverse segments of the female population. Generational breakdowns can highlight the evolution of women's financial preparation behaviors over time as socioeconomic conditions shift, from changing norms around inclusion and representation in technology to global financial literacy awareness programs (Eberhardt et al., 2019).

Financial planning behavior encompasses the mindset, choices, and actions an individual adopts to manage their finances on a short-term and long-term basis. These can range from budgeting, saving, and investing to buying insurance and retirement planning. On the other hand, for females, the environment plays a significant role in shaping the behaviors mentioned above. It is mainly dependent upon the level and status of education, employment, household obligations, social expectations, and, most importantly, the availability of financial knowledge and tools. Generational factors like socio-political environment, technology exposure, and economic stability all drive these behaviors (Fan & Henager, 2025). Using a generational lens, researchers can better understand financial planning behavior across different age cohorts of women and determine if these behaviors change, converge, or diverge over time.

The women's participation rate in Karnataka has gradually improved, particularly in urban contexts. In parallel, government and private sector efforts to foster financial literacy, digital banking, and entrepreneurship among women are resounding. Schemes like Pradhan Mantri Jan Dhan Yojana (PMJDY), MUDRA loans, and the financial inclusion initiatives of the Karnataka State Women Development Corporation (KSWDC) have also opened new avenues for women to engage with financial institutions. Yet, female generations differ significantly in using such tools for financial planning. Younger women, for example, are likely to be more comfortable using digital wallets and mutual fund apps, while older women may still be used to older forms of saving, such as gold or fixed deposits. These generational differences must be studied, especially in a state like Karnataka, which shows significant diversity across its urban and rural regions and socioeconomic and cultural backgrounds.

As a result of the current era of digital technology and the inception of FinTech platforms, the consumption of financial services has transformed, especially among the youth. Mobile banking, digital savings accounts, investment apps, and automated financial planning tools have helped compound this trend by reducing the reliance on physical banks and third-party intermediaries (Chambers, 2010). Younger women are becoming more active, particularly those with more formal education and employment exposure. They understand better the importance of long-term financial goals and the risks that inadequate planning creates (Becton et al., 2014). On the other hand, older women could have missed out on exposure to this form of technology or education in their early years, which could also shape their familiarity and confidence with these digital tools. These differences imply that generational experiences strongly influence financial behavior and that discipline should be an academic focus to understand where these patterns emerge and further gaps.

II. REVIEW OF LITERATURE

Financial planning is now acknowledged as a key element in individual economic well-being and household financial stability. According to research by Carlin et al. in 2017, such financial preparedness and planning for the future is defined by generational experiences, educational access, and culture. However, younger generations generally show greater financial literacy and a more proactive stance on long-term financial planning due to greater exposure to the formal education system and digital financial services. On the flip side, older women, especially those born before the 1980s, tend to use traditional means of saving like fixed deposits, recurring deposits, or physical assets like gold simply because they did not learn of formal financial instruments when they were growing up (Xiao & Porto, 2021).

Research by Collins & Urban (2020) found that millennial and Gen Z women are more likely to take the diversification approach to their financial plans, with a broader reach into mutual funds, insurance, and digital banking tools. According to the research, this change is primarily the result of gained financial independence, delayed marriages, a higher workforce participation rate, and greater access to technology. In contrast, Gen X and Baby Boomer women are more conservative with their finances, have a low-risk tolerance, and have few market-linked products. Such patterns highlight the need to consider financial behavior through the lens of generational cohorts (Deenanath et al., 2019).

Financial literacy shapes women's behavior regarding their finances from generation to generation. Financial literacy gaps have been identified as an essential barrier to women's financial planning, particularly among older and rural populations (Lakhalani, 2023). Nevertheless, a few studies agree that financial education programs are most effective for younger women who are more receptive to digital platforms and financial apps. Nanda & Banerjee (2021) reported that urban women under 35 were more competent in financial decision-making than women above 50, who lacked confidence in conducting digital transactions. The National Centre for Financial Education (NCFE) also highlighted that increased awareness has led younger women to make better saving and investment decisions, owing to financial education programs in Karnataka's educational institutions. However, the same effect was not seen in older age groups, highlighting a generational gap concerning the influence of financial literacy. There is a desire for age-targeted programs considering cognitive, cultural, and technological accessibility (Shailashree & Aithal, 2024).

One's cultural heritage and traditional gender roles also shape the financial planning behavior of individuals, especially for the older generations. For example, Fan and Park (2021) explained that in traditional households, decision-making power regarding finance remains predominantly with the male members. Older women are often relegated to secondary or passive roles in financial planning, even if they earn income for the household. In contrast, women of nuclear families seem to be more involved in financial decision-making in joint ventures, while women of previous generations shun investment in older generations (Sholevar, 2023). Moreover, Manasa (2024) confirms that changing socioeconomic structures in India, particularly in urban Karnataka, have led to an influx of younger women, significantly impacting investment planning, real estate purchases, and digital handling of assets. This is primarily thanks to improved education, jobs, and government schemes that promote women's work.

One of the biggest financial behavior differentiators among generations is technology adoption. Women aged 18–35 are also much more likely than older women to use digital banking services, UPI platforms, and investment apps, according to a report by the Reserve Bank of India (2022). Digital inclusion has also enabled younger women to take more control of their finances, as they can now manage their accounts in real-time and buy insurance or investment products online. The Digital India initiative and FinTech penetration in Karnataka provide tech-savvy younger women the facility and freedom to make financial decisions independently. However, as Bhat & Wolfs (2021) highlighted, the digital divide prevails among older women and rural users, with a significant generational gap in accessing financial services. Hence, although technology is an enabler for financial inclusion, its benefits vary across age groups.

For Karnataka, region-specific studies showcase similar generational trends. According to a Karnataka State Women Development Corporation study (2021), millennial urban women are more likely to set financial goals, invest in SIPs (Systematic Investment Plans), and buy insurance independently. On the other hand, women over 50, especially in rural districts, rely on male family members for money planning and hardly use formal financial institutions outside of savings accounts. More importantly, a study conducted by the Institute for Social and Economic Change (ISEC), Bengaluru, has observed that SHG membership has significantly improved the financial behavior of older rural women by generally encouraging joint saving and habits of taking small loans (Shailashree & Aithal, 2024). However, generational differences persist in the types and sophistication of financial choices.

III. RESEARCH OBJECTIVES AND HYPOTHESIS

Based on the above review of literature, the following objectives were formulated:

- To examine the differences in financial planning behavior among women across different generational cohorts (e.g., Gen Z, Millennials, Gen X, and Baby Boomers) in Karnataka.
- To analyze the influence of generational factors such as digital literacy, socio-cultural norms, and financial awareness on the financial decision-making patterns of women in Karnataka.

The following hypothesis was considered for the study:

H_{01}: There is no statistically significant difference in financial planning behavior among women from different generational cohorts in Karnataka.

H_1: There is a statistically significant difference in financial planning behavior among women from different generational cohorts in Karnataka.

IV. RESEARCH METHODOLOGY

This study uses a quantitative research method to examine generational differences in the financial planning behavior of women in Karnataka. A descriptive, analytic research design was used to determine how age-based cohorts differ in financial attitudes, preferences, and planning behaviors.

The study utilizes primary data, which refers to information obtained directly from respondents via a structured questionnaire. The instrument was developed to measure different aspects of financial planning behavior (saving, investment, budgeting, goal-setting, and use of digital finance). The study uses data from the survey conducted between the end of November 2024 and the end of February 2025. Finally, demographic information, such as age, occupation, education level, and income group, was used in the questionnaire to classify the respondents into their appropriate generational cohorts.

The study sampled 155 women respondents using a purposive sampling method, focusing on four generational groupings: Baby Boomers (1946–1964), Generation X (1965–1980), Millennials (1981–1996), and Generation Z (1997 to present). The respondents were collected from urban and semi-urban settlements in the state of Karnataka to ensure socioeconomic diversity.

Due to the ordinal nature of the data, a non-parametric statistical method, the Kruskal-Wallis H test, was used to test the hypothesis regarding the differences in financial planning behavior across generations. This method compares more than two independent groups when the normality assumption cannot be satisfied. Statistical analysis was performed with SPSS, interpreting results at a 95% confidence level. Accordingly, the test ascertains that the generational cohorts differ significantly enough in their financial behavior to either validate or reject the initial hypothesis.

V. RESULTS OF ANALYSIS

Table 1: Financial Planning Behaviour Among Women

Financial Awareness and Knowledge	Baby Boomers	Gen X	Millennials	Gen Z	Overall Mean	SD
Sufficient financial knowledge is available to make informed decisions related to savings and investments	12 (7.7%)	28 (18.1%)	60 (38.7%)	55 (35.5%)	4.02	0.88
Clear short-term and long-term financial goals are established as part of regular financial planning	10 (6.5%)	26 (16.8%)	62 (40.0%)	57 (36.8%)	4.06	0.91
Planning is actively undertaken for major life expenses such as education, home ownership, or retirement	11 (7.1%)	25 (16.1%)	61 (39.4%)	58 (37.4%)	4.03	0.89
A personal or household budget is maintained to track income and expenditures regularly	13 (8.4%)	24 (15.5%)	58 (37.4%)	60 (38.7%)	3.98	0.95
A fixed portion of monthly income is allocated consistently toward savings	14 (9.0%)	25 (16.1%)	57 (36.8%)	59 (38.1%)	3.96	0.93
Investments are made in financial instruments like fixed deposits, mutual funds, or insurance to build long-term wealth	12 (7.7%)	27 (17.4%)	59 (38.1%)	57 (36.8%)	3.99	0.9
A willingness exists to take calculated risks when investing money in different financial products	9 (5.8%)	23 (14.8%)	60 (38.7%)	63 (40.6%)	3.87	1.02
Digital financial services such as mobile banking and UPI are utilized frequently for managing finances	11 (7.1%)	25 (16.1%)	63 (40.6%)	56 (36.1%)	4.10	0.85
Online financial tools are considered effective for monitoring savings and managing investments	10 (6.5%)	24 (15.5%)	61 (39.4%)	60 (38.7%)	4.05	0.87
Financial decisions are made independently without external influence from family or others	13 (8.4%)	26 (16.8%)	60 (38.7%)	56 (36.1%)	3.95	0.92

Source: Primary Data

The table on Women in Karnataka's Financial Planning Behaviour offers valuable insights regarding generational trends in the financial decision-making process. Millennials and Gen Z lead in higher frequency and agreement levels for positive financial behaviors for all statements. According to the data, 38.7% of Millennials and 35.5% of Gen Z respondents agreed that enough financial knowledge is present to make an informed decision and, therefore, have a high overall mean of 4.02. This is an acknowledgment of the increased financial literacy amongst younger generations, perhaps spurred by greater access to digital offerings of financial education and services.

Regarding proactively setting goals and making plans for big-ticket items in life, Gen Z (37.4%) and Millennials (39.4%) display the highest levels of proactive behavior. Their overall mean scores, 4.06 and 4.03, indicate that younger women approach financial commitments with impressive readiness and maturity. This bodes well for long-haul money management when these generations take on greater responsibility for household finances.

Even budgeting behavior demonstrates a similar trend, with Gen Z (38.7%) and Millennials (37.4%) ranking first, resulting in an overall mean of 3.98. This indicates that younger women exercise more financial self-control, possibly backed by the new digital budgeting innovations and improved financial literacy. This commonly works the same way for saving behavior, where Millennials (36.8%) and Gen Z (38.1%) are heavily represented, and the mean score is 3.96. Writing in a financial newspaper after the report was published, Anderson stated that while women may not yet be on an equal financial footing as men, the findings indicate that women are taking a more well-ordered and future-oriented approach to finance and investing. It is a gradual generational trend (life cycle) rather than an absolute.

Again, in the context of investment and risk-taking behaviors, Millennials and Gen Z demonstrate greater engagement. For example, 38.1% of Millennials and 36.8% of Gen Z respondents invest in vehicles such as mutual funds or insurance. Moreover, Gen Z (40.6%) and Millennials (38.7%) led the agreement for a willingness to take calculated investment risks, resulting in a mean of 3.87, somewhat lower than the average given the more conservative views of older generations.

The highest consensus was for digital financial services (4.10); Mobile banking and UPI platforms are crowded by millennials (40.6%) and Gen Z (36.1%), indicating both cohorts' ease with utilizing technological solutions to manage their finances. Also receiving strong support is the effectiveness of online financial tools (mean = 4.05), showing that technology-enabled platforms are having a transformational impact in empowering the families of women to manage their financial future across generations.

Finally, Millennial (38.7%) and Gen Z (36.1%) women report the highest levels of independent financial decision-making, a trend suggesting younger women's growing financial autonomy. With an overall mean of 3.95, the results bolster the narrative of changing gender roles in financial decision-making, especially among the young with access to the internet.

Testing of Hypothesis:

H_{01}: There is no statistically significant difference in financial planning behavior among women from different generational cohorts in Karnataka.

H_1: There is a statistically significant difference in financial planning behavior among women from different generational cohorts in Karnataka.

Table 2: Results of Kruskal-Wallis H-Test

Financial Awareness and Knowledge	Test Statistic (H)	p-value	Significance at 0.05
Sufficient financial knowledge is available to make informed decisions related to savings and investments	17.626	0.000	Significant
Clear short-term and long-term financial goals are established as part of regular financial planning	22.479	0.000	Significant
Planning is actively undertaken for major life expenses such as education, home ownership, or retirement	18.722	0.000	Significant
A personal or household budget is maintained to track income and expenditure regularly	25.142	0.010	Significant
A fixed portion of monthly income is allocated consistently towards savings	12.493	0.005	Significant
Investments are made in financial instruments like fixed deposits, mutual funds, or insurance to build long-term wealth	13.844	0.003	Significant
A willingness exists to take calculated risks when investing money in different financial products	19.266	0.000	Significant
Digital financial services such as mobile banking and UPI are utilized frequently for managing finances	29.316	0.001	Significant
Online financial tools are considered effective for monitoring savings and managing investments	35.462	0.020	Significant
Financial decisions are made independently without external influence from family or others	10.816	0.000	Significant

Source: Output from SPSS

The test statistic values range from 10.816 to 35.462, with the highest H value seen in the statement about the effectiveness of online financial tools (H = 35.462). This indicates a particularly strong generational divide in perceptions and the use of digital technologies for managing finances. This suggests that younger cohorts, particularly Millennials and Gen Z, are more likely to view online financial tools as effective for financial planning, possibly due to greater digital literacy and exposure to fintech solutions.

A similarly high H-value (29.316) was recorded for using digital financial services like mobile banking and UPI, confirming that generational gaps are most pronounced in technology adoption and digital financial behaviors. These findings imply that older generations, such as Baby Boomers and Gen X, may be less familiar or comfortable with digital tools, requiring targeted financial literacy programs to bridge this divide.

Moreover, the significant test statistics in areas such as planning for major life expenses (H = 18.722), maintaining budgets (H = 25.142), and goal setting (H = 22.479) affirm that generational perspectives differ substantially not only in the tools used but also in core financial planning behaviors. Millennials and Gen Z will likely engage more systematically in financial planning, influenced by modern financial awareness campaigns, online education, and access to mobile financial platforms.

Even traditional behaviors like saving a fixed portion of income (H = 12.493) and investment in financial instruments (H = 13.844) showed statistically significant differences. This indicates a generational evolution in saving and investment practices, with younger cohorts possibly opting for more diversified and digital investment avenues while older generations might rely on conventional methods. Lastly, the variable regarding independent financial decision-making (H = 10.816) is significant for evolving social dynamics. Younger women are more empowered to make financial decisions independently, reflecting changing societal norms and increased access to financial information.

Hence, the Kruskal-Wallis H-Test supported the hypothesis. The table results demonstrate that for each of the ten financial awareness and knowledge statements, the calculated p-values are all below the 0.05 significance level, indicating statistically significant differences in responses across generations.

VI. CONCLUSION

The findings have significant implications for policymakers, financial educators, and banks. Data provides some clear implications; first, they highlight the need to shape financial products, services and literacy programs around generational profiles, particularly concerning younger cohorts who are particularly likely to adopt digital financial tools. Second, the financial behavior of Millennials and Gen Z indicates a path toward long-term economic empowerment of women with ample opportunities in education, access to investment platforms, and regulatory protections to support such behavior.

The notably low participation rates among Baby Boomers and Gen X regarding active planning and digital adoption alarms indicate that more inclusive strategies should be employed to strike the cross-generational divide regarding financial empowerment. Increasing digital literacy and pushing older women to become more proactive savers and investors while offering household financial programs could potentially improve overall household financial resilience.

This study highlights the importance of implementing generationally targeted financial inclusion strategies. Younger women should continue leveraging digital platforms and personalized financial tools to drive wealth creation and long-term planning further. Older generations need more traditional outreach and financial literacy support to help them bridge the gap in digital engagement and risk-taking capacity. Based on this study's specific behavioral and attitudinal differences, financial institutions, policymakers, and educators must design the programs accordingly.

Additionally, the findings indicate that financial empowerment for women is not uniform and is highly shaped by experiences and generational exposure to financial tech. As such, it is unlikely that a generic, catch-all model for providing financial planning education and services will suffice. Knowing the nuances of generational preferences and barriers will help in devising well-tailored strategies for women's financial wellness, gender equality, and economic participation in Karnataka.

VII. SUGGESTIONS

The study reveals clear and statistically significant generational differences in the financial planning behaviour of women in Karnataka. Millennials and Gen Z demonstrate higher financial awareness, stronger budgeting and saving habits, greater investment participation, and significantly higher adoption of digital financial tools. Their proactive approach is shaped by better financial literacy, greater exposure to technology, and evolving social roles. In contrast, Baby Boomers and Gen X show more traditional, conservative financial behaviours and limited comfort with fintech platforms. The results confirm that technology and financial knowledge strongly influence financial decision-making across generations. Overall, the study underscores the need for generation-specific financial inclusion strategies that leverage the strengths of younger women while addressing the digital and literacy gaps among older cohorts.

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