

An Analytical Study of the Decision-Making Styles of Generation Y Investors in Central India

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Abstract

This study focuses on understanding the choice of financial products among millennial cohorts in central India and explores their decision-making styles for financial investments. The research aims to identify the variables influencing the choice of financial investments and develops a structural equation model to study the relationship between decision-making styles and financial product preferences. The study highlights the increasing participation of millennials in the financial investment market, driven by facts such as increased smartphone usage due to low cost data, availability of user-friendly trading platforms, and the allure of high returns. By analyzing decision-making styles, such as confusion by multiple options, spontaneity, self-indulgence, loyalty towards brand, and outsourced decision-making, the research aims to provide inputs to the financial service providers so as to develop effective marketing strategies and tailored financial products. The study finds that self-indulgence positively influences the choice of financial investment options among Generation Y investors in central India.

Categories: Banking and financial services, Consumer Behavior, Marketing and Market Issues in Business
Keywords: stock investments, millennial, generation y, decision-making styles, self-indulgence

Introduction

In India, the participation of millennials in financial markets, particularly in stock market investments, has seen a significant rise. Factors such as increased smartphone penetration, internet connectivity, and the availability of user-friendly trading platforms have attracted millennials to the market. Millennials perceive the stock market as an avenue for potential high returns compared to traditional investment options. They exhibit decision-making styles that are inclined towards digital solutions, convenience, and personalized experiences.

A report by Computer Age Management Services Limited ([Annual Report, 2023](#)) mentioned that 15.7 million new investors invested in mutual funds between the financial years 2018-19 and 2022-23. Of these, 54% were millennials. In the financial year 2022-23, 90% of Generation Y investors in mutual funds preferred equity as an asset class. A report ([Business Line, 2024](#)) stated that the number of unique registered investors had surpassed 90 million on the National Stock Exchange of India, a 400% jump in the last five years.

Members of this demographic cohort are known as millennials because the oldest became adults around the turn of the millennium. Researchers ([Howe and Strauss, 2000](#)) known for creating the Strauss-Howe generational theory are widely credited with coining the term millennials. The term "millennial" is often used to refer to the generation of people born between the early 1980s and the mid-1990s.

Millennials or Generation Y are digitally savvy and have a distinct investment style. This research attempts to study the decision-making styles of millennial investors in central India, which shall help marketing professionals in the field of financial investments to understand the consumers better and to help improve their decision-making.

This study attempts to address the following research questions:

Research Question 1: How do decision-making styles, such as spontaneity, confused by multiple options, loyalty to brand, self-indulgence, and outsourced decision-making, affect the investments made by millennials?

Research Question 2: Can a structural equation model (SEM) be developed to understand the relationship between decision-making styles and the investments made by millennials in central India?

By answering these research questions, the study attempts to understand the decision-making processes and investment behavior of millennial investors in central India. This knowledge can be valuable for

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financial service providers in developing targeted marketing strategies and customized financial services. The objective of this research is to analyze the effect of millennial decision-making styles on their choice of financial investments in central India and to develop SEM for the study. We have chosen five variables as per the study performed (Mahalakshmi and Munuswamy, 2022) on Indian investors.

Review of literature

A researcher (Mannheim, 1952) suggested that each generation is different due to the different events they experience and can be clubbed together as one cohort. It is difficult to pinpoint the exact years that separate different generations. Generation Y, or millennials, are the ones that were born between 1982 and 2000 (National Endowment for Financial Education, 2015). A report (Sengupta, 2023), published in The Economic Times, stated that India has 440 million millennials, about 34% of the total population. It was reported that Generation Y has much information available instantly, but they like to question everything (Arora and Dhole, 2019). A study (Bulsara and Vaghela, 2022) found that millennial online purchases are influenced by trust factor and quality. Authors (Thangavel et al., 2021) reported that millennials do not favor any brands in particular and are not perturbed by the various options available for online shopping. A research paper (Abudy, 2020) highlighted the increasing trend of retail investor participation in financial markets. The availability and widespread usage of technology, particularly smartphones, have facilitated easy access to financial products and trading platforms. Retail investors, including millennials, have been attracted to equity markets due to the potential for high returns compared to traditional investments. Researchers (Ahuja and Kumar, 2024) found that millennials analyzed stocks independently before investing and attempted to diversify across different stocks.

Researchers (Sprotles and Kendall, 1986) theorize eight characteristics of decision-making styles, including consciousness about the brand, high quality, recreational shopping, novelty-fashion, price, loyalty towards the brand, confusion due to too many choices, and impulsiveness. Decision-making styles play a significant role in shaping individuals' choices of financial products. Confused by multiple options refers to the difficulty individuals face in making decisions when faced with numerous options. Impulsiveness or spontaneity reflects the tendency to make decisions quickly without thoroughly evaluating the consequences. Novelty consciousness indicates a preference for new and innovative financial products. Loyalty to a brand represents the attachment to specific brands or financial institutions, while hedonism or self-indulgence refers to seeking pleasure and immediate gratification (Eroglu et al., 2001).

Research has shown that decision-making styles can influence individuals' choices when it comes to stock investments. Confused by over-choice, impulsiveness, and novelty consciousness have been found to have a positive impact on stock investment decisions among millennials. These decision-making styles may be driven by the desire for exploration, potential for high returns, and the perception of stocks as exciting investment options. On the other hand, brand loyalty and hedonism have been found to have a negative impact on the choice of stock investments, as individuals may exhibit a preference for familiar brands or prioritize immediate gratification over long-term investment goals (Lai, 2017).

Social influence, including peer recommendations, social media, and online investment communities, plays a significant role in shaping millennial investment choices. Research indicates that millennials are more likely to seek investment information from their social networks and online sources than traditional financial advisors. The impact of social influence on investment decisions underscores the importance of targeted marketing strategies and the integration of social platforms into financial services offerings (Kent Baker and Haslem, 1973) and (Hennig-Thurau et al., 2013).

Research has shown that decision-making styles can influence individuals' choices regarding investments in shares. The stock investment decisions of millennials are positively affected by variables such as novelty, impulsiveness, and confusion due to the availability of many options (Mahalakshmi and Munuswamy, 2022). On the other hand, brand loyalty and hedonism have a negative impact on investment choices. A researcher (Aspara, 2009) reported that brand loyalty increases if consumers are shareholders.

Financial education has been identified as a significant factor influencing the investment decisions of millennials. Studies by (Lusardi and Mitchell, 2014) and (Robb and Sharpe, 2009) have shown that financially literate individuals make better investment decisions. Social influence, social media, and online investment communities significantly shape millennial investment choices.

The advancements in financial technology have revolutionized investment decision-making for millennials. The availability of user-friendly investment apps, robo-advisors, and online trading platforms has empowered millennials to take charge of their investment portfolios. Fintech innovations have also facilitated real-time access to market information, personalized investment recommendations, and seamless transaction capabilities, catering to the digital preferences of millennials (Smith, 2012). Cultural and socioeconomic factors can influence millennials' investment decisions. Factors such as individualism, trust in financial institutions, and income levels have shaped investment behavior among millennials in different cultural and socioeconomic contexts. The study found that millennials in India were heavy users

of social networking sites (Arora et al., 2018).

While there is existing research on decision-making styles and financial product choices among millennials, there is a gap in studies specifically focused on central India as a geographical area. Steering research in this specific region will provide insights into the unique characteristics and preferences of millennial investors in central India, which are, of course, influenced by the demographic profile of investors in the region. Studies have shown that cultural values, social norms, and socioeconomic backgrounds impact millennial attitudes toward risk-taking, wealth accumulation, and investment preferences (Kurz et al., 2019).

This research aims to contribute to the existing literature by examining the decision-making styles and their impact on financial product choices among millennial investors in central India, providing a foundation for future research in this area.

Hypotheses framing

H1: Confused by multiple options influences the choice of financial investment options among Generation Y investors in central India.

H2: Spontaneity positively influences the choice of financial investment options among Generation Y investors in central India.

H3: Self-indulgence positively influences the choice of financial investment options among Generation Y investors in central India.

H4: Loyalty for brand positively influences the choice of financial investment options among Generation Y investors in central India.

H5: Outsourced decision-making positively influences the choice of financial investment options among Generation Y investors in central India.

Research Method

The study attempts to analyze the variables affecting the choice of stock investments and develop a SEM to understand the relationship between decision-making styles and financial product choices. The research primarily focuses on millennial investors from tier 2 and tier 3 cities in central India.

Millennials, or Generation Y, are people typically born between 1982 and 1996, so they are currently in the age bracket of 28 to 42 years. These individuals have job experience ranging from a minimum of 7 years to a maximum of 21 years. With many years of service, they often have surplus money to invest in various financial products available in the market. Millennials are digitally savvy and have a distinct investment style. This research aims to investigate the decision-making styles of millennial investors in central India. The variables considered for the study are spontaneity, confused by multiple options, self-indulgence, loyalty to brand, and outsourced decision. The objective is to determine how these decision-making styles influence their choices of financial product investments.

The questionnaire was designed on Google Forms and sent to around 450 millennials who had experience investing in financial products. They were from tier 2 and tier 3 cities in central India. Although 450 potential respondents were contacted, only 207 responded to the survey. The statistical software used for the analysis included IBM SPSS Version 29 and IBM AMOS Version 18. Primary data was collected using a well-structured questionnaire with 21 questions. The sampling method used was a non-probability sampling technique, i.e., judgmental sampling, as it was essential to ensure that only individuals within the specific age group with financial investment experience completed the questionnaire.

SN.	Construct	Code	Particular
1	Confused by Multiple Options (CMO)	CMO1	I get confused by options available for financial products to choose from.
		CMO2	The more information I have for financial products, it becomes hard to choose the best.
		CMO3	Multiple options for financial products are better than fewer options.
2	Spontaneity (SPT)	SPT1	I am spontaneous while Investing.
		SPT2	For the best investments I take my time to invest carefully.
		SPT3	I regret investing carelessly.
3	Self-Indulgence (SID)	SID1	Investing in financial products is one of the enjoyable activity of my life.
		SID2	I always look for short term gains.
		SID3	It is fun to invest in risky financial products.
		SID4	Investing is a pleasant activity for me.
4	Loyalty to Brand (LOB)	LOB1	It is better to invest in well-known financial products rather than unknown products.
		LOB2	I stick to my investments once I like it.
		LOB3	Investing according to returns is better than investing in same preferred brands.
		LOB4	I buy regularly from my favorite investment options.
5	Outsourced Decision (OSD)	OSD1	My decision to buy financial products is based on my friends' advice.
		OSD2	It is easy to take decision when suggestions are from some trustworthy person.
		OSD3	I always seek opinion of others to buy financial products.
6	Financial Investment Options (FIO)	FIO1	I choose financial products which provide safety and security for my investment.
		FIO2	I generally go for financial products which provide me regular returns.
		FIO3	It is easy to understand the terms and conditions of financial products.
		FIO4	It is important to have consistency of return rather than earning more than market returns.

TABLE 1: Construct and items with codes

A study conducted by (Mahalakshmi and Munuswamy 2022) on Indian investors, along with the work of (Sprotles and Kendall 1986), identified eight characteristics of decision-making styles: consciousness about the brand, high quality, recreational shopping, novelty-fashion, price, loyalty towards the brand, confusion due to too many choices, and impulsiveness. To simplify our study, five out of these eight variables mentioned in previous literature have been considered. The constructs excluded from our study are brand consciousness, high quality, and price. These variables were omitted because they are relatively less significant in the context of investment decision-making for financial products such as mutual funds and stocks. Compared to the other variables included in the study, price, quality, and brand consciousness are less relevant, as shown in Table 1.

Results

Statistical analysis and interpretation

Among the respondents, 1.8% had 10-20 years of experience investing in the share market, 10.6% had 5-10 years of experience, 28.5% had 2-5 years of experience, and 59.4% had less than 2 years of investment experience.

Reliability analysis

The reliability analysis (Table 2) was conducted using Cronbach's alpha on the SPSS software, version 29. The Cronbach's alpha for the 17 items was found to be 0.682. For the social sciences or behavioral research, it is considered to be an acceptable value for the reliability of data and construct.

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No. of Items
0.682	0.685	17

TABLE 2: Reliability analysis**Normality test**

Normality analysis was performed using SPSS. The skewness and kurtosis values for the variables, along with their critical values, are reported in Table 3. Regarding maximum likelihood estimation, if the sample size is greater than 200, a skewness value within the range of +2 to -2 is considered acceptable in AMOS. The critical ratio for skewness should also be within the range of +8 to -8. Based on the data, all skewness values are within this acceptable range. Regarding kurtosis, values between +10 and -10 are considered acceptable, with the critical ratio also expected to be within +8 to -8. Therefore, based on our results, both skewness and kurtosis are within the acceptable range, indicating that the data can be considered "normal."

Variable	Minimum	Maximum	Skewness	Critical Values	Kurtosis	Critical Values
FIO4	1.000	5.000	-0.684	-4.017	0.202	0.593
FIO2	1.000	5.000	-0.899	-5.282	0.631	1.852
FIO3	1.000	5.000	-0.643	-3.778	-0.023	-0.067
OSD3	1.000	5.000	-0.522	-3.067	-0.482	-1.417
OSD1	1.000	5.000	-0.411	-2.415	-0.547	-1.605
OSD2	1.000	5.000	-0.792	-4.653	0.61	1.79
LOB4	1.000	5.000	-0.4	-2.348	-0.182	-0.533
LOB1	1.000	5.000	-0.956	-5.613	1.422	4.176
LOB2	1.000	5.000	-0.529	-3.106	0.14	0.412
SID4	1.000	5.000	-0.713	-4.187	0.819	2.406
SID3	1.000	5.000	-0.025	-0.149	-1.125	-3.305
SID1	1.000	5.000	-0.334	-1.959	-0.324	-0.952
SID2	1.000	5.000	-0.568	-3.335	-0.266	-0.781
SPT1	1.000	5.000	-0.456	-2.679	-0.33	-0.969
SPT3	1.000	5.000	-0.596	-3.502	-0.472	-1.386
CMO1	1.000	5.000	-0.894	-5.252	1.195	3.508
CMO2	1.000	5.000	-1.104	-6.486	1.228	3.606
Multivariate					59.802	16.926

TABLE 3: Normality test statistics

FIO = Financial Investment Options, OSD = Outsourced Decision, LOB = Loyalty to Brand, SID = Self-Indulgence, SPT = Spontaneity, CMO = Confused by Multiple Options

Measurement model

Estimated regression weights were examined, and all the items were found to be significant at 0.05 level, with t value > 2 (Table 4). Standardized residual covariance was examined, and all the values were found to be less than 4, which is the required criteria. Regarding modification indices, there were no two error factors on the same latent construct having a value more than 4.

Codes	Variables	Estimate	S.E.	C.R.	P
CMO2	Multiple Options	1			
CMO1	Multiple Options	1.129	0.226	4.994	***
SPT3	Spontaneity	1			
SPT1	Spontaneity	0.579	0.181	3.198	0.001
SID2	Self Indulgence	1			
SID1	Self Indulgence	0.751	0.203	3.703	***
SID3	Self Indulgence	1.072	0.272	3.943	***
SID4	Self Indulgence	0.616	0.172	3.586	***
LOB2	Brand Loyalty	1			
LOB1	Brand Loyalty	0.462	0.219	2.11	0.035
LOB4	Brand Loyalty	1.159	0.355	3.262	0.001
OSD2	Outsourced Decision	1			
OSD1	Outsourced Decision	1.425	0.441	3.231	0.001
OSD3	Outsourced Decision	1.135	0.397	2.858	0.004
FIO3	Financial Investment	1			
FIO2	Financial Investment	0.525	0.167	3.147	0.002
FIO4	Financial Investment	0.693	0.175	3.961	***

TABLE 4: Regression weights, T value, and P value

S.E. = Standard Error, C.R. = Critical Ratio, P = P-value, CMO = Confused by Multiple Options, SPT = Spontaneity, SID = Self-Indulgence, LOB = Loyalty to Brand, OSD = Outsourced Decision, FIO = Financial Investment Options

Modification indices were examined, and it was found that the residual variables e5 and e6 had a high score. This means that if covariance between e5 and e6 is treated as free parameter, then the discrepancy would fall. Thus, the parameters e5 and e6 were joined with double-headed arrows to make covariance; moreover, these error factors belong to the same latent variable, i.e. Self-Indulgence. After the modification, the model was run again on AMOS, and the measurement model fit was obtained (Figure 1).

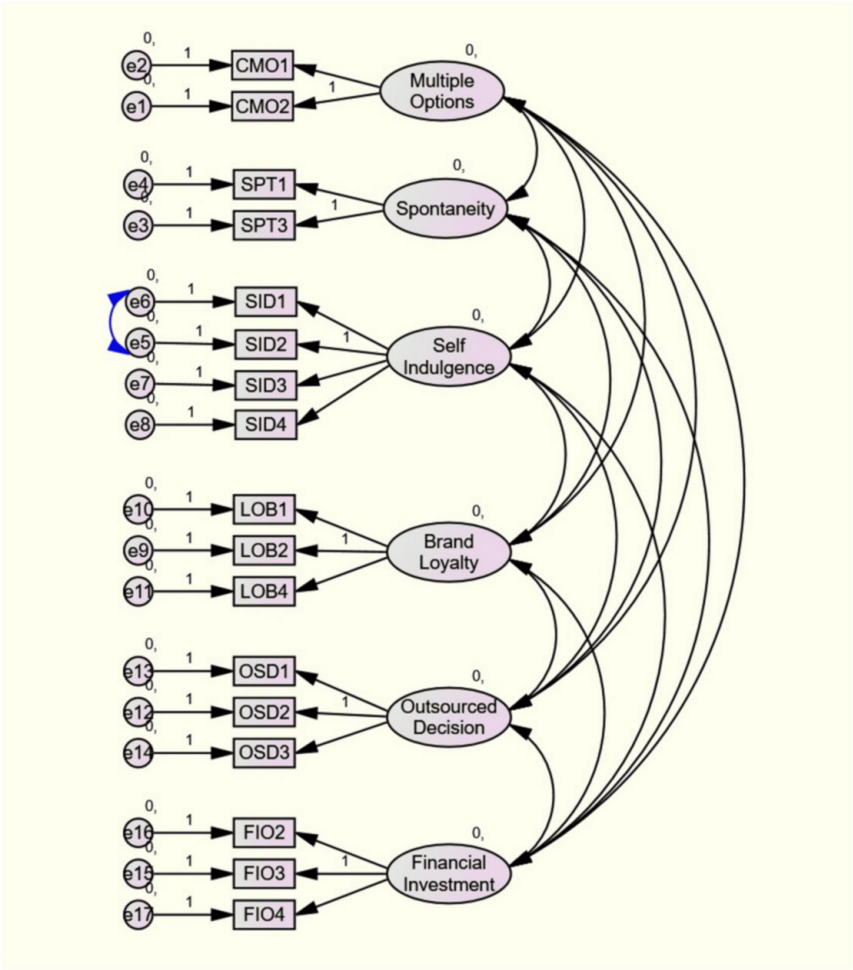


FIGURE 1: Measurement model or confirmatory factor analysis

CMO = Confused by Multiple Options, SPT = Spontaneity, SID = Self-Indulgence, LOB = Loyalty to Brand, OSD = Outsourced Decision, FIO = Financial Investment Options, e = Error Factor

Table 5 shows chi-square minimum (CMIN), which is the chi-square statistic; it is the comparison between tested and independence models with the saturated model. NPAR is the number of parameters, DF is the degree of freedom, and P is the p-value. CMIN/DF is the minimum discrepancy divided by degrees of freedom. A value less than 3 for CMIN/DF indicates an acceptable fit. The value of 1.626 for our measurement model is excellent model fit at significance level of 0.05.

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	67	167.515	103	0	1.626
Saturated model	170	0	0		
Independence model	34	467.642	136	0	3.439

TABLE 5: Chi square statistic

NPAR = Number of Parameters, CMIN = Chi-Square Minimum, DF = Degree of Freedom, P = P-value

Table 6 shows the baseline comparison where NFI is the normal fit index, RFI is the relative fit index, IFI is the incremental fit index, TLI is the Tucker-Lewis index, and CFI is the comparative fit index. All values are close to 0.90, which indicates a good fit for model.

Model	NFI	RFI	IFI	TLI	CFI
Default model	0.642	0.527	0.823	0.743	0.805
Saturated model	1		1		1
Independence model	0	0	0	0	0

TABLE 6: Baseline comparison of models

NFI = Normal Fit Index, RFI = Relative Fit Index, IFI = Incremental Fit Index, TLI = Tucker-Lewis Index, CFI = Comparative Fit Index

Table 7 shows the root mean square of approximation (RMSEA). LO 90 is the lower boundary, HI 90 is the higher boundary, and PCLOSE is the p-value of the null hypothesis. A value close to 0.05 for RMSEA indicates a good model fit.

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	0.055	0.039	0.07	0.278
Independence model	0.109	0.098	0.12	0

TABLE 7: Root mean square error of approximation statistics

RMSEA = Root Mean Square Error of Approximation, LO 90 = Lower Boundary, HI 90 = Higher Boundary, PCLOSE = P-value of the Null Hypothesis

Structural model

Table 8 shows that only one variable, self-indulgence, is statistically significant, with a p-value less than 0.05 and a t-value greater than 2. This indicates that 'self-indulgence' positively influences the choice of financial investment options among Generation Y investors. However, other variables such as multiple options, spontaneity, brand loyalty, and outsourced decisions do not significantly affect decision-making of Generation Y investors in this part of India.

As self-indulgence prioritizes immediate gratification over long-term investment goals (Lai, 2017), we can understand that investors in central India are more interested in short-term gains rather than long-term financial planning. Even if they lack expertise in the investment field, they tend not to rely on outsourced decision-making or seek advice from professional investment management companies. They do not appear to be confused or bothered by the availability of multiple investment options. They are neither in a hurry to invest nor show loyalty to any brand for investments.

Codes	Variables	Estimate	S.E.	C.R.	P
CMO	Multiple Options	0.003	0.106	0.029	0.976
STP	Spontaneity	1.666	1.329	1.254	0.21
SID	Self-indulgence	0.669	0.231	2.899	0.004
LOB	Brand Loyalty	0.131	0.154	0.853	0.394
OSD	Outsourced Decision	0.046	0.503	0.092	0.927

TABLE 8: Regression weights, T value, and P value

S.E. = Standard Error, C.R. = Critical Ratio, P = P-value, CMO = Confused by Multiple Options, SPT = Spontaneity, SID = Self-Indulgence, LOB = Loyalty to Brand, OSD = Outsourced Decision

To establish a directional relationship between variables, a path diagram was examined. Precisely, the legitimacy of relationships between latent variables was assessed using a SEM (Figure 2) (Anderson and

Gerbing, 1988).

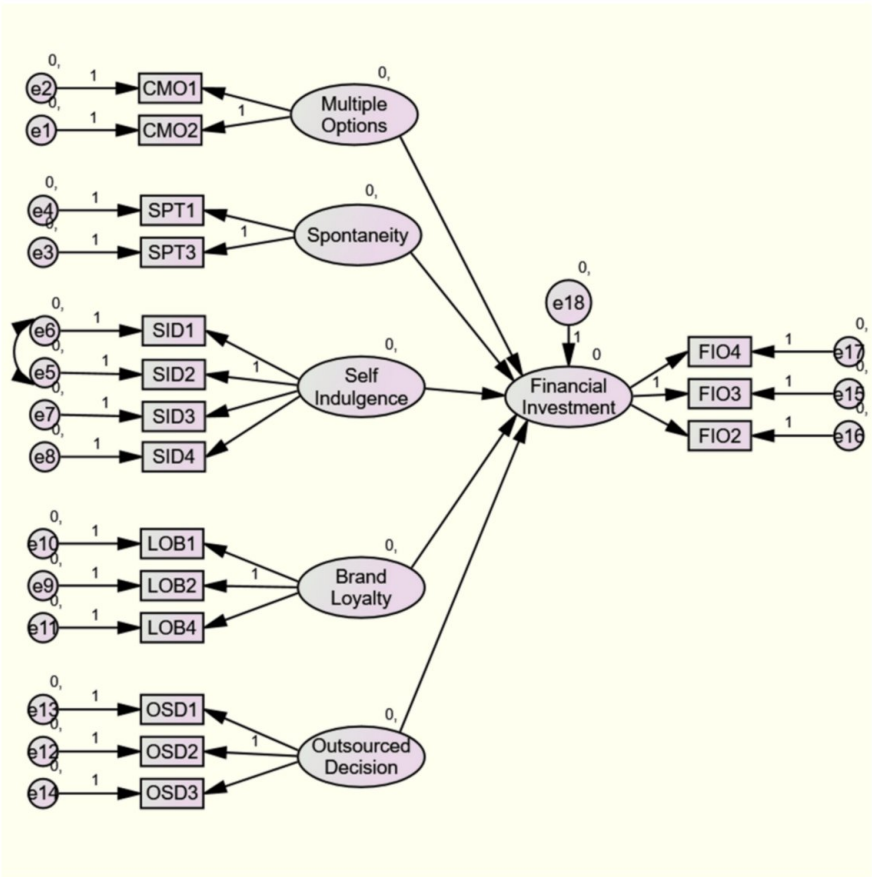


FIGURE 2: Structural equation model analysis

CMO = Confused by Multiple Options, SPT = Spontaneity, SID = Self-Indulgence, LOB = Loyalty to Brand, OSD = Outsourced Decision, FIO = Financial Investment Options

Table 9 shows that minimum discrepancy divided by degrees of freedom, CMIN/DF, is 2.344, which is less than 3. It indicates that the model is an excellent fit.

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	57	264.925	113	0	2.344
Saturated model	170	0	0		
Independence model	34	467.642	136	0	3.439

TABLE 9: Chi square statistic

NPAR = Number of Parameters, CMIN = Chi-Square Minimum, DF = Degree of Freedom, P = P-value

Table 10 shows the baseline comparison of different indices. The indices such as CFI, IFI, and TLI are less than and close to 0.90, which is the requirement for a good model fit.

Model	NFI	RFI	IFI	TLI	CFI
Default model	0.433	0.318	0.572	0.449	0.542
Saturated model	1		1		1
Independence model	0	0	0	0	0

TABLE 10: Baseline comparison of models

NFI = Normal Fit Index, RFI = Relative Fit Index, IFI = Incremental Fit Index, TLI = Tucker-Lewis Index, CFI = Comparative Fit Index

Table 11 shows that the RMSEA for the model is 0.081. It is supposed to be close to 0.09. This indicates a good fit.

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	0.081	0.068	0.093	0
Independence model	0.109	0.098	0.12	0

TABLE 11: Root mean square error of approximation statistics

RMSEA = Root Mean Square Error of Approximation, LO 90 = Lower Boundary, HI 90 = Higher Boundary, PCLOSE = P-value of the Null Hypothesis

Hypotheses testing via SEM

From Table 12, it is apparent that Hypothesis H3 is only accepted, and all other hypotheses are rejected. Thus, self-indulgence positively influences the choice of financial investment options among Generation Y investors in central India. All other factors are non-significant for the demography of people staying in this part of India.

Hypotheses	Statement	Result
H1	Confused by multiple options influences the choice of financial investment options among Generation Y investors in central India.	Rejected
H2	Spontaneity positively influences the choice of financial investment options among Generation Y investors in central India.	Rejected
H3	Self-indulgence positively influences the choice of financial investment options among Generation Y investors in central India.	Accepted
H4	Loyalty for brand positively influences the choice of financial investment options among Generation Y investors in central India.	Rejected
H5	Outsourced decision-making positively influences the choice of financial investment options among Generation Y investors in central India.	Rejected

TABLE 12: Hypotheses testing result

Discussion

Confirmatory factor analysis was used to evaluate the fit of the hypothesized measurement model. To test and estimate causal relationships among latent and observed variables, SEM was developed. The five dimensions of the structural model included multiple options, spontaneity, self-indulgence, brand loyalty, and outsourced decision.

Although the study found that multiple options and spontaneity were non-significant variables, it is still crucial for financial service providers to offer a range of investment options to cater to individual preferences. Brand loyalty was found to be non-significant in our study, which means that the investors here are not much bothered about their investments in some specific company, and they are rather much focused on immediate gratification or high returns. It does not mean that trust and loyalty are irrelevant.

Financial service providers should focus on building trust with millennials through transparency, ethical practices, and personalized services. The impact of social influence on investment decisions underscores the importance of targeted marketing strategies and integration of social platforms into financial services offerings (Kent Baker and Haslem, 1973) and (Hennig-Thurau et al., 2013). However, in our study, the variable of outsourced decisions was found to be non-significant; it indicates that Generation Y investors in central India prefer to make investment decisions on their own. Financial service providers should provide clear and user-friendly platforms, accessible information, and tools that assist millennials in analyzing investment options.

Authors (Thangavel et al., 2021) reported that millennials do not favor any brands in particular and are not perturbed by the various options available for online shopping. These findings back our research results. A study (Lai, 2017) on hedonism found that hedonism has a negative impact on the choice of stock investments. However, our study findings prioritize immediate gratification over long-term investment goals. As we could see that in our study, self-indulgence positively influences the choice of financial investment options among Generation Y investors in central India. Researchers (Mahalakshmi and Munuswamy, 2022) emphasized that the stock investment decisions of millennials are affected in a positive manner by variables such as novelty, impulsiveness, and confusion due to the many options available, and on the other hand, brand loyalty and hedonism have negatively impacted the choice of investments. The findings of the mentioned study do not align with ours, as self-indulgence or hedonism is the only variable which is significant in our study and that too is positively affecting the choice of financial investment decision-making style in this part of India.

Finally, the study found that the majority of people in central India are investing without any proper goal in their mind. They just try to seek immediate gratification or high returns while investing in financial market. Though financial service providers can focus on highlighting the personal enjoyment and satisfaction that can be derived from investing, there is a need of financial literacy and awareness about the benefits of investing judiciously.

Conclusions

The five dimensions of the structural model were multiple options, spontaneity, self-indulgence, brand loyalty, and outsourced decision. The study found that the majority of people in Central India are investing without any proper goals in mind; they simply seek immediate gratification or high returns when investing in the financial market. While financial service providers can focus on highlighting the personal enjoyment and satisfaction derived from investing, there is a need for financial literacy and awareness about the benefits of investing judiciously.

Further research and analysis may provide additional insights into millennial investors' decision-making styles and preferences, which could lead to more targeted and practical suggestions for financial service providers.

Limitations and future research scope

The findings of this study may not apply universally, as variables influencing investment decisions can vary among different demographic groups, cultural contexts, and regions. Expanding the research to include a cross-cultural analysis can uncover the influence of cultural factors on decision-making styles and investment choices. Comparing millennials from different regions or countries can provide valuable insights into the impact of cultural values, norms, and economic conditions on investment behavior.

The sampling method used was a non-probability sampling technique, i.e., judgmental sampling, as it was to be ascertained that the specific age group of people having financial investment experience should only fill the questionnaire. However, if some probability sampling techniques such as stratified sampling method is used to collect the data by making stratum of samples having different years of investment experience, then the outcome would be much more refined.

While this study focuses on millennial investors in Central India, there are several avenues for future research that can further enhance our understanding of the topic. Conducting comparative studies between different generations, such as Generation X or Generation Z, can provide a comprehensive analysis of decision-making styles and investment behavior across different age groups. Comparing the preferences and attitudes of millennials with other generations can help identify unique characteristics and trends.

While this study focuses on quantitative analysis using a SEM, future research can incorporate qualitative methods such as interviews or focus groups. Qualitative research can provide in-depth insights into the underlying motivations, beliefs, and experiences of millennial investors, adding a richer understanding of their decision-making processes.

Further research can explore the effectiveness of financial education programs in improving the

investment decision-making abilities of millennials. Assessing the impact of educational interventions, such as workshops or online courses, on decision-making styles and investment choices can help policymakers and educators design more targeted and impactful financial literacy initiatives.

By addressing these future research areas, we can continue to deepen our understanding of the decision-making styles and investment behavior of millennials, enabling financial service providers to develop more tailored and effective strategies to meet their needs.

Additional Information

Author Contributions

All authors have reviewed the final version to be published and agreed to be accountable for all aspects of the work.

Concept and design: Sanjiv Kumar, Jasbir S. Matharu

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Disclosures

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