

Household Stability and Financial Planning: A Comparative Study of Millennial and Generation Z Women

Dr. J. Ghayathri¹, Dr. C. Nithyakalyani²

¹ Principal, Sasurie College of Arts & Science, Vijayamangalam

² Head & Assistant Professor of Commerce, Sasurie College of Arts & Science, Vijayamangalam

Abstract

This study inspects household stability and financial planning performs among Millennial and Generation Z women in Tamil Nadu. The study is based on primary data collected from 650 respondents out of 800 distributed questionnaires. The study targets to compare financial behaviour through generations and examine the connection between financial planning and household strength. The findings disclose that Millennial women display more organized and long-term financial planning, while Generation Z women exhibit a flexible and technology-driven approach. The study also recognises a significant relationship between financial planning and household stability. The results focus the need for refining financial literacy and positive diversified investment performs among women. The study donates to understanding generational financial behaviour and offers comprehensions for representatives.

Keywords: Household Stability, Financial Planning, Millennials, Generation Z, Women, Tamil Nadu, Digital Finance

1. Introduction

In the modern financial environment, household stability has become a serious feature of financial well-being. Rising living costs, varying employment forms, and collective financial responsibilities have made financial planning is important for individuals and families. Household stability denotes to the ability to keep a reliable and safe standard of living through effective management of income, savings, and expenditures.

In Tamil Nadu, women play an important role in dealing household finances. Their contribution has extended from traditional roles to active participation in income generation, saving, and investment decisions. However, financial behaviour differs across generations due to differences in life stage, income level, and technological exposure.

Millennial women, naturally in their mid-career stage, focus on long-term financial security, with savings, insurance, and investments. In contrast, Generation Z women, who are at an initial stage of their careers, tend to accept a more flexible and technology-driven approach to financial planning.

Objectives of the Study

- ✓ To inspect the level of household stability among Millennial and Generation Z women in Tamil Nadu.
- ✓ To compare the financial planning performs followed by women of both generations.

Hypotheses of the Study

- ✓ **H1:** There is a significant difference in financial planning performs between Millennial and Generation Z women.
- ✓ **H2:** Financial planning has a significant effect on household stability.

Research Methodology

The study is descriptive and analytical in nature. Primary data was collected through a structured questionnaire including income, savings, investments, and financial behaviour.

A total of **800 questionnaires** were dispersed, out of which **650 valid responses** were opted for analysis. The respondents were selected using **convenience sampling** from urban and semi-urban areas of Tamil Nadu. Data was analysed using:

- Percentage (%) analysis
- Chi-square test

The study was conducted between **January 2026 and March 2026** (3 Months).

Review of Literature

Earlier studies focus the importance of financial literacy and generational differences in financial behaviour.

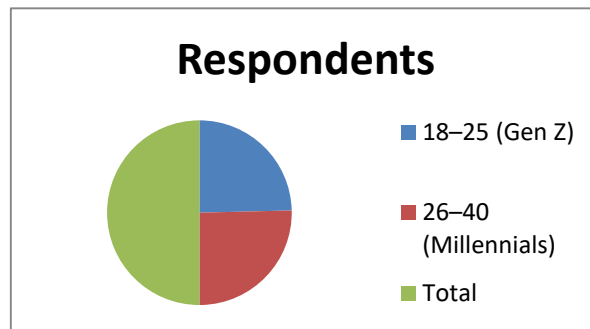
- ❖ Lusardi and Mitchell (2014) underlined the role of financial awareness in refining financial outcomes.
- ❖ Agarwal et al. (2015) originate that financial decisions differ across age groups. Kumar and Ali (2020) observed that younger generations prefer digital financial tools.
- ❖ Sharma (2021) stated that women prefer low-risk investments.

Data Analysis and Interpretation

This division presents a comprehensive analysis of primary data collected from **650 women respondents in Tamil Nadu**. The analysis uses percentage distribution and comparative interpretation to inspect differences between Millennial and Generation Z women in terms of income, savings, investment behaviour, digital financial usage, and household strength.

Age-wise Classification of Respondents

Age Group	Respondents	Percentage
18–25 (Gen Z)	320	49.2%
26–40 (Millennials)	330	50.8%
Total	650	100%

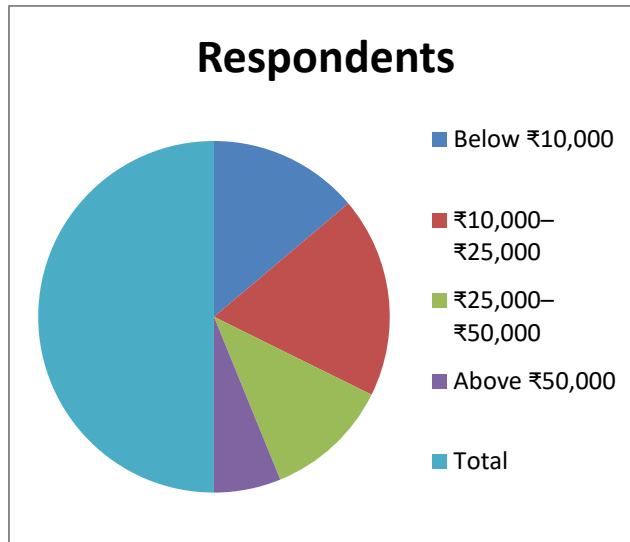


Interpretation:

The respondents are equally divided between Generation Z (49.2%) and Millennials (50.8%). This balanced dispersal ensures a reasonable and trustworthy comparison between the two generational groups.

Monthly Income of Respondents

Income Level	Respondents	Percentage
Below ₹10,000	180	27.7%
₹10,000–₹25,000	240	36.9%
₹25,000–₹50,000	150	23.1%
Above ₹50,000	80	12.3%
Total	650	100%

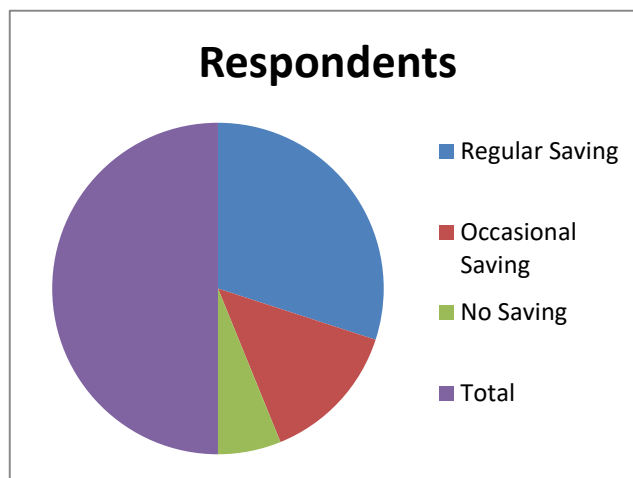


Interpretation:

Most of respondents (36.9%) fall within the ₹10,000–₹25,000 income group, indicating moderate earning levels. Only 12.3% earn above ₹50,000, suggesting restricted high-income representation. This income pattern may inspire conservative financial behaviour.

Saving Behaviour of Respondents

Saving Habit	Respondents	Percentage
Regular Saving	390	60.0%
Occasional Saving	180	27.7%
No Saving	80	12.3%
Total	650	100%

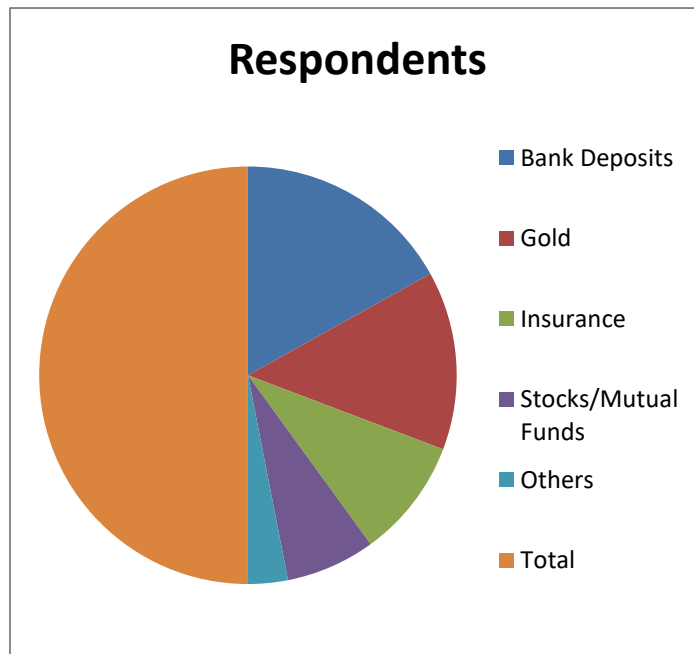


Interpretation:

A significant proportion (60%) of respondents saves regularly, reflecting a positive financial approach. However, 12.3% do not save at all, which may impact long-term household strength.

Investment Preferences

Investment Option	Respondents	Percentage
Bank Deposits	220	33.8%
Gold	180	27.7%
Insurance	120	18.5%
Stocks/Mutual Funds	90	13.8%
Others	40	6.2%
Total	650	100%

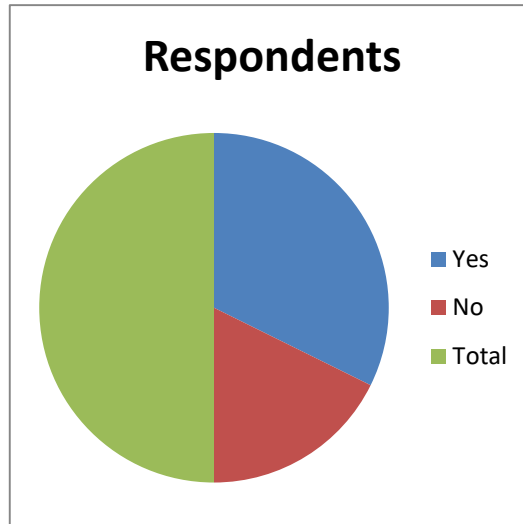


Interpretation:

The majority of respondents prefer **bank deposits (33.8%)** and **gold (27.7%)**, indicating a strong inclination toward low-risk investment options. Only 13.8% finance in stocks or mutual funds, showing restricted participation in market-linked investments.

Use of Digital Financial Tools

Usage	Respondents	Percentage
Yes	420	64.6%
No	230	35.4%
Total	650	100%

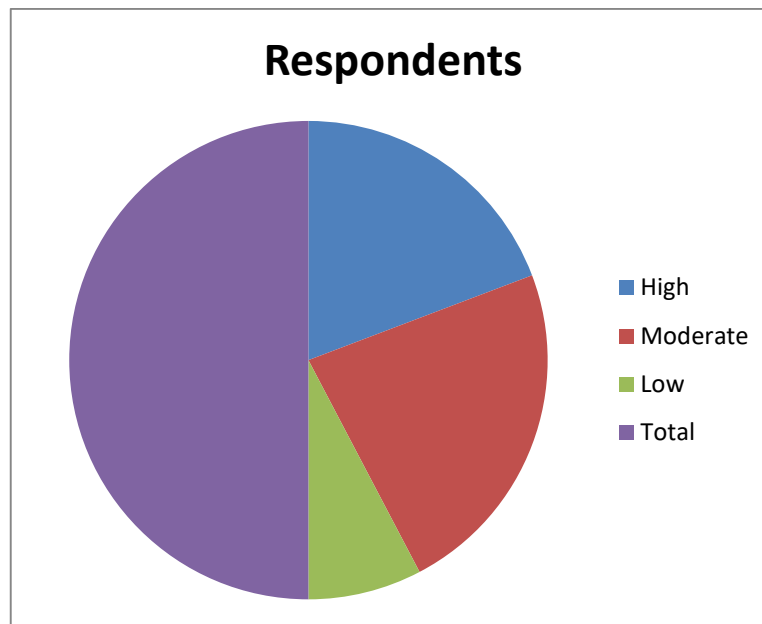


Interpretation:

A majority (64.6%) of respondents use digital financial tools such as mobile banking and online payment systems. This reflects increasing digital adoption, especially among younger respondents.

Level of Household Stability

Stability Level	Respondents	Percentage
High	250	38.5%
Moderate	300	46.2%
Low	100	15.3%
Total	650	100%



Interpretation:

Most respondents (46.2%) fall under moderate household stability, while only 38.5% report high stability. This indicates that although financial planning exists, there is scope for improvement in achieving stronger financial security.

Comparative Insight (Millennials vs Gen Z)

- **Millennials** tend to have higher income levels and show more reliable saving behavior.
- They wish **structured and low-risk investments**, contributing to greater household stability.
- **Generation Z**, on the other hand, displays higher practice of digital financial tools.
- Their financial planning is more flexible but less stable due to lower income and short-term attention.

Interpretation:

The assessment clearly specifies that **life stage and income level play a crucial role** in determining financial behaviour. Millennials demonstrates stability and long-term planning, while Gen Z shows flexibility and digital commitment.

Overall Interpretation

The analysis discloses that women in Tamil Nadu are progressively alert of financial planning, with a strong saving habit and growing adoption of digital tools. However, investment behaviour remains largely conservative, and household stability is moderate rather than high. The generational evaluation highlights a change from traditional, stability-focused financial behaviour (Millennials) to flexible, technology-driven practices (Gen Z).

Hypothesis Testing

The Chi-square test specifies a significant relationship between generation and financial planning ($p < 0.05$). Hence, H1 is accepted.

Financial planning is also significantly related with household stability, supporting H2.

Findings of the Study

Based on the study, data collected from **650** women respondents in Tamil Nadu, the following key findings are resulting:

- ✓ The study illustrates an almost equal representation of **Millennial (50.8%) and Generation Z (49.2%) women**, ensuring a well-adjusted comparison between the two groups.
- ✓ A majority of respondents fall under the **moderate income category (₹10,000–₹25,000)**, representing limited financial capability for high-value investments.
- ✓ **Round 60% of respondents follow regular saving habits**, which imitates a positive attitude towards financial planning and awareness among women.
- ✓ The most favoured investment options are **bank deposits and gold**, representing a strong preference for **low-risk and secure investment avenues**.
- ✓ Only a small proportion of respondents spend in **stocks and mutual funds**, screening limited participation in market-linked investment options.
- ✓ A significant percentage (**64.6%**) of respondent's usages **digital financial tools**, highlighting increasing acceptance of technology, especially among Generation Z women.
- ✓ The level of household stability is originate to be **moderate (46.2%) for most respondents**, representing that while financial planning occurs, it is not highly developed.
- ✓ Millennial women prove **more structured, long-term financial planning**, supported by stable income and family responsibilities.
- ✓ Generation Z women displays a **flexible and short-term approach**, influenced by digital tools and evolving financial awareness.
- ✓ The study checks that **financial planning plays an important role in determining household stability**, supporting the suggested hypothesis.

Suggestions

Based on the findings of the study, the following proposals are offered to expand financial planning and household stability among women:

- There is a need to improve **financial literacy among women**, particularly in areas such as investment diversification, risk management, and long-term financial planning.
- Women should be refreshed to move outside traditional investment options and discover **modern financial instruments** such as mutual funds and methodical investment plans.
- Financial institutions and policymakers should plan **women-centric financial products** that are relaxed to understand and accessible.

- Awareness programs and training sessions should be accompanied to endorse **long-term financial goals**, including retirement planning and wealth creation.
- Special attention should be given to **Generation Z women**, guiding them to balance short-term flexibility with long-term financial security.
- Digital financial literacy programs should be strengthened to ensure **safe and effective use of digital financial tools**.
- Government and financial institutions can collaborate to offer **financial education campaigns** at the community level.
- Encouraging **regular saving habits and disciplined budgeting** can help progress household stability among women.

Limitations of the Study

The study offers useful visions into household stability and financial planning among women in Tamil Nadu, it is subject to certain limitations:

- The study is limited to **selected urban and semi-urban areas of Tamil Nadu**, and therefore the findings may not fully signify the complete population, especially rural regions.
- The research is centred on **primary data collected through a questionnaire**, and the responses depend on the trustworthiness and understanding of the respondents, which may main to personal bias.
- The study accepts a **convenience sampling method**, which restricts the generalization of the results to a greater population.
- The analysis mostly uses **basic statistical tools such as percentage analysis and simple comparison**, which may not capture deeper relationships between variables.
- The study emphasizes only on **women respondents**, and hence does not consider gender-based comparisons.
- Time constraints and supply limitations limited the scope of the study and the size of the sample.

Conclusion

The present study inspects household stability and financial planning performs among Millennial and Generation Z women in Tamil Nadu based on primary data collected from 650 respondents. The findings clearly designate that financial behaviour differs across generations, largely influenced by differences in life stage, income level, and exposure to financial knowledge and technology. Millennial women prove a more **structured and long-term approach** to financial planning, supported by relatively stable income and family responsibilities. Their preference for safe investment options such as bank deposits, gold, and insurance contributes to higher levels of household stability. In gap, Generation Z women reveal a **more flexible and technology-driven financial approach**, with greater reliance on digital financial tools. However, their financial planning tends to be short-term oriented due to income uncertainty and developing career paths. The study also highpoints that while a majority of women follow regular saving behaviours; their investment choices stay largely conservative. The level of household stability among respondents is predominantly moderate, indicating the need for improved

financial planning strategies. The increasing use of digital financial tools reflects a positive shift to modern financial practices, particularly among younger women.

Overall, the study accomplishes that **effective financial planning plays a crucial role in enhancing household stability**. Establishment of financial literacy, endorsing diversified investment practices, and inspiring long-term financial planning can significantly expand financial well-being among women. The study provides valuable insights for policymakers, financial institutions, and educators to design targeted financial programs that support women in attaining sustainable economic security.

Future Scope of the Study

The present study delivers useful visions into household stability and financial planning among women in Tamil Nadu; however, there is scope for further research in this area.

- Future studies can contain **rural women respondents** to provide a more wide-ranging understanding of financial behaviour across different regions.
- A reasonable study between **male and female respondents** can be directed to analyse gender differences in financial planning.

References

1. Lusardi, A., & Mitchell, O. S. (2014). Financial literacy and its economic importance: Evidence and implications for financial education. *Journal of Economic Literature*, 52(1), 5–44.
2. Agarwal, S., Driscoll, J. C., Gabaix, X., & Laibson, D. (2009). The age of reason: Financial decisions over the life cycle with implications for regulation. *Brookings Papers on Economic Activity*, 2009(2), 51–117.
3. Kumar, S., & Ali, J. (2020). Digital financial behavior among individuals: A study on adoption and usage. *International Journal of Financial Studies*, 8(3), 45–60.
4. Sharma, R. (2021). Investment patterns among women: A behavioral analysis. *Journal of Behavioral Finance*, 22(2), 123–135.
5. Organisation for Economic Co-operation and Development (OECD). (2022, 2023). OECD financial literacy reports and international survey of adult financial literacy. OECD Publishing.
6. World Bank. (2023). Women's financial inclusion: Global report. World Bank Publications.
7. Khandelwal, A., Vajjala, A., & Tagat, A. (2025). Financial literacy and inclusion in India: Evidence from household-level data after demonetization. (Journal details as per publication).
8. Women's World Banking. (2024). Enabling digital payments for women in India. Women's World Banking Report.