

A Study on Digital Awareness and Financial Service Adoption among Gen Z and Millennials in Anand District

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ABSTRACT:

The rapid growth of digital technologies has significantly transformed the financial sector, influencing both the delivery of financial services and consumer usage patterns. This study examines the adoption patterns of digital financial services and usage frequency of technologies such as mobile banking, UPI, digital wallets, and online payment applications. Specifically, it investigates how digital awareness affects the adoption of financial services among Gen Z and Millennials in Anand District. The research comprised of utilizing secondary data from journals, articles, reports, and online publications, along with primary data collected from 100 respondents through a structured questionnaire distributed via Google Forms. Convenience sampling was used for survey administration. Findings reveal that most respondents possess substantial awareness of digital financial tools, with Gen Z demonstrating a stronger preference toward advanced digital services, while Millennials often combine traditional and digital methods. Statistical analysis shows a significant positive correlation between digital awareness and service adoption ($r = 0.752$, $p < 0.01$), indicating that higher awareness is strongly associated with increased adoption. The study provides valuable insights for policymakers, financial institutions, and digital service providers aiming to enhance financial inclusion and digital literacy among populations.

Keywords: Digital Literacy, Financial Service, Gen Z, Millennials

1. INTRODUCTION:

The present financial service sector get significantly transform due to the technological advancement. Initiative like mobile banking, digital wallets, online investment platforms, and fintech applications have transformed the way how individuals access, manage, and utilize financial services. Indian Government initiatives such as Digital India, Unified Payments Interface (UPI), and the growth of fintech have enhanced the adoption of digital financial tools across diverse demographic groups.

Among these groups, Generation Z and Millennials represent a particularly important segment in India. Their financial behaviors, risk taking ability, and decision-making patterns are highly influenced by various aspects especially digital awareness. To know about the digital awareness and its correlation with financial service adoption among the different generations is essential for financial institutions and policymakers to enhance digital outreach and financial service delivery at the grassroots level.

Despite of the high usage of digital financial services, there is lots of difference in the level of awareness, trust and usage patterns especially at the regional and district levels among Gen Z and Millennials. This study aims to examine the level of digital awareness and its influence on the adoption of financial services among Gen Z and Millennials in Anand District.

2. LITERATURE REVIEW

Suman and Nath (2025) studied on the relationship between Digital Literacy and Financial Inclusion through Fintech Platforms by drawing primary data from 300 respondents from both urban and rural regions of India. They concluded positive relation between two variables and suggest increasing digital financial literacy among low income group of rural communities to promote the development of financial inclusion in India.

Annamalai and Rajarathinam (2025) studied the impact of rural households' digital finance literacy and their digital finance adoption. Findings of the study mentioned that there exists a strong positive relationship

between rural households' digital finance literacy and their adoption behaviour. Further analysis revealed that literacy has played a crucial role in influencing rural households' digital adoption behaviour.

Sangma (2025) investigated the impact of digital literacy on students' use of online payment methods in Tura, Meghalaya which covers digital literacy, internet accessibility, frequency of online transactions, perceived usability, and confidence in digital payment systems through structured questionnaire distributed to students of Tura's schools, colleges, and universities. The findings revealed that increasing digital literacy is a key driver of the rise in the use of online payments in semi-urban areas.

Islam & Khan (2024) aimed to delve the factors influencing individuals' readiness to embrace financial technology (FinTech) services in Bangladesh. The findings emphasised a positive and statistically significant impact of financial literacy, digital literacy, and financial self-efficacy on the adoption of FinTech services in Bangladesh.

3. OBJECTIVE OF THE STUDY

This paper is an attempt to examine the adoption pattern and usage frequency of digital financial services among Gen Z and Millennials in Anand District. It analyse the relationship between digital awareness and financial service adoption among the selected population.

4. RESEARCH METHODOLOGY

The present research is based on secondary source of data and primary source of data. The secondary data compiled from different publications, journals, articles, reports and website. The primary data comprises of the information elicited through collected views and opinion of a sample group of 100 respondents using structured questionnaire through Google form in Anand. Non probability sampling – Convenience sampling is taken as basis for survey.

5. DATA ANALYSIS

The survey results are organized as follows, in the first section, the demographic profile of the respondents is presented. The second section presents views of the respondents in Anand towards Digital Literacy and Financial service adoption.

Table 1: Demographic Characteristics of Respondents

Variables and Categories	N = 100	%
Generation		
Gen Z (1997–2012)	56	56
Millennial (1981–1996)	44	44
Gender		
Male	45	45
Female	55	55
Age		
18–22	39	39
23–27	15	15
28–33	12	12
34–38	15	15
39–43	19	19
Educational Qualification		
Undergraduate	41	41
Graduate	13	13
Postgraduate	37	37
Doctorate	9	9
Other	0	0
Employment Status		
Student	51	51
Employed	40	40
Self-employed	9	9
Unemployed	0	0

(Source: Primary Data)

Interpretation:

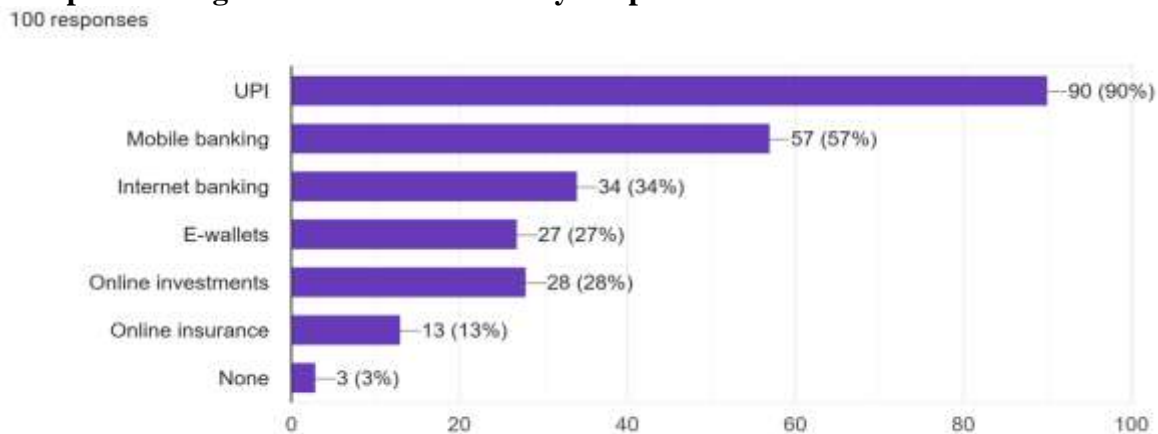
From the above mention data, it can be observed that out of 100 respondents, with a slightly higher representation of Gen Z (56%) compared to Millennials (44%), indicating more proportion of younger sample. In terms of gender, females comprised 55% of the respondents, while males comprised for 45%, suggesting a relatively balanced distribution.

The age distribution showed that the majority of respondents were young adults aged 18–22 years (39%), followed by those aged 39–43 years (19%), with smaller proportions in the 23–27, 28–33, and 34–38 age brackets. This indicates that the sample mainly reflects perspectives of early adulthood, though it also includes some mid-career individuals.

Regarding educational qualifications, most participants had completed either undergraduate (41%) or postgraduate (37%) studies, while smaller proportions held graduate (13%) or doctorate (9%) degrees. This suggests a highly educated sample, which may influence respondents' awareness, attitudes, and decision-making processes.

In terms of employment status, over half of the respondents were students (51%), followed by employed individuals (40%), and a minority were self-employed (9%), with no participants reported as unemployed.

Graph 1: Adoption of Digital Financial Services by Respondents



(Source: Primary Data)

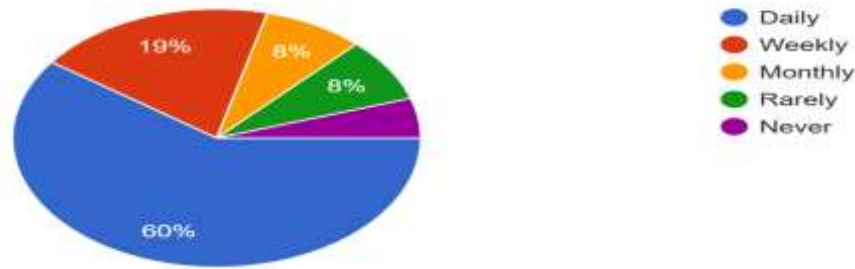
Interpretation:

The graph represents the usage of various digital financial services among 100 respondents.

- UPI is the most widely used service, with 90% of respondents indicating usage. This shows UPI's dominance as a preferred digital payment method.
- Mobile banking is the second most popular service, used by 57% of respondents, suggesting significant dependence on mobile apps provided by banks.
- Internet banking follows with 34% usage, indicating a moderate level of online banking activity.
- Services like online investments (28%) and e-wallets (27%) have almost similar adoption rates, showing emerging interest in investment platforms and wallet-based transactions.
- Online insurance usage is relatively low at 13%, reflecting either limited awareness or adoption in this category.
- A small minority (3%) reported not using any digital financial services.

Graph 2: Frequency of usage of Digital Financial Services

100 responses



Source:

Primary Data

Interpretation:

The graph represents the frequency of usage of digital financial services among 100 respondents

- A majority of respondents (60%) use digital financial services daily, representing strong habitual engagement with these platforms.
- 19% of respondents use these services weekly, showing a moderate but regular usage pattern.
- Both monthly and rarely categories account for 8% each, indicating random or infrequent users.
- A small portion of respondents (5%) reported never using digital financial services, showing some barriers or lack of interest within the sample.

Table 2: Correlations between Digital Awareness and Financial Service Adoption			
		Digital Awareness (A)	Financial Service Adoption (S)
Digital Awareness (A)	Pearson Correlation	1	.752**
	Sig. (2-tailed)		.000
	N	100	100
Financial Service Adoption (S)	Pearson Correlation	.752**	1
	Sig. (2-tailed)	.000	
	N	100	100
**. Correlation is significant at the 0.01 level (2-tailed).			

Interpretation:

Table presents the Pearson correlation coefficients between Awareness and Adoption. The results show a strong positive correlation between Awareness and Agreement ($r = .752$), indicating that higher levels of awareness are associated with higher levels of agreement. The relationship is statistically significant at the 0.01 level ($p < .001$), suggesting that the correlation is unlikely to have occurred by chance. The analysis was conducted on a sample of 100 respondents, which supports the reliability of the findings.

6. FINDINGS:

1. Most of the respondents are demonstrated awareness related to digital financial tools such as mobile banking, UPI, digital wallets, and online payment applications.
2. Gen Z respondents showed a comparatively higher preference toward advanced digital financial services, while Millennials exhibited balanced usage, combining traditional and digital modes of financial transactions
3. Most respondents reported using digital financial services on a daily basis, indicating high frequency of usage
4. The study further reveals a strong and statistically significant positive correlation was found between digital awareness and financial service adoption ($r = 0.752$, $p < 0.01$).
5. The respondent group was predominantly young and well-educated, which may have positively influenced digital awareness and service adoption.

7. CONCLUSION

It can be conclude that digital awareness plays an important role in enhancing financial service adoption among Gen Z and Millennials in Anand District. The study indicate that digital awareness among the

respondents is relatively high, due to the increased usage of smartphone, internet accessibility, and the growing use of digital platforms in daily life. Respondents with higher digital literacy were more inclined to use digital banking services, online investment platforms, and cashless payment methods. Convenience, speed, ease of use, and time-saving benefits are considered as the key motivational factors for adoption. Still few respondents hesitate to adopt digital platforms considering related concerns like data privacy, cybersecurity risks, lack of complete trust and limited awareness of advanced financial products were observed among a segment of respondents. These suggests that while basic digital financial services are widely accepted, still there is opportunity for improvement in promoting more financial digital literacy. To further strengthen adoption, financial institutions and policymakers need to focus more on organizing digital literacy programs, improving security measures and increasing awareness about diverse digital financial products. Such initiatives will not only encourage millennials for greater participation in the digital financial ecosystem but also support financial inclusion and sustainable economic growth in the region.

8. REFERENCE

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