



A Study on Generation's Perceptions About Investing in Mutual Fund and Hedge Funds in Ahmedabad City

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ABSTRACT

This research analysis takes into consideration perceptions of investments in mutual funds and hedge funds by Generation Z within Ahmedabad, factoring the influence of age on awareness, preferences, and concerns over those investment vehicles. A chi-square analysis suggests that there are significant relationships between age and a number of dimensions of investment understanding. For instance, the older members of Generation Z show a better understanding of hedge funds, whereas perceptions of mutual funds as risk-free investments are stronger among younger individuals. The study finds a gap in knowledge regarding differences between mutual fund and hedge fund investments and various other factors impacting the investment decisions that include professional management and risk perception. Thus, findings show that personalized financial education schemes through training programmes help remove misconceptions and build improved financial literacy among young investors. In this regard, stakeholders can help this demographic develop an informed investment practice by tapping onto digital platforms and connecting with them via interactive programs. Thus, the value of this study lies in the understanding of Generation Z's unique financial perspectives in the promotion of responsible investing practice and long-term financial outcomes.

INTRODUCTION

Introduction This research intends to identify the perception of and investment behaviour of residents belonging to Generation Z in the twin city of Ahmedabad, located in the state of Gujarat, India, regarding mutual funds and hedge funds (Vidani, 2015). The thrust of this paper lies on the level of awareness, risk tolerance, investment objectives, and variables that ultimately influence or affect their decisions to invest in such financial instruments (Vidani & Solanki, 2015).

Investor perception regarding the mutual fund investment is one of the most significant areas for investigation, especially with the increasing prominence of mutual funds and hedge funds in any financial markets (Vidani, 2015). In this synthesis, several key insights of different studies related to each other are being attempted to be synthesized (Vidani, 2015).

1. What is a Mutual Fund?

A mutual fund is an investment type where the money of investors is collected and invested in a diversified mix of securities, such as stocks and bonds, to create an investment strategy (Vidani, 2015).

It actually gives individual investors access to a professionally managed diversified portfolio that might therefore exploit the economies of scale in distributing risks on various investments (Solanki & Vidani, 2016).

- Essentially a portfolio investment, the pool of money invested by its shareholders and diversified in stocks, bonds, or other securities (Vidani, 2016).
- Mutual funds enable individual investors to attain diversified professionally managed portfolios of securities (Bhatt, Patel, & Vidani, 2017).
- Mutual funds differ according to the kinds of securities in which they invest, the objectives guiding their investments, and the form of returns they desire (Niyati & Vidani, 2016).
- Mutual funds charge annual fees or commissions or expense ratios, which reduces overall return (Pradhan, Tshogay, & Vidani, 2016).

Most American workers invest their retirement money in mutual funds through their employer-sponsored retirement plans (Modi, Harkani, Radadiya, & Vidani, 2016). This is one form of "automatic investing," that accomplishes the long-term building of wealth with more limited investment risk than other asset choices (Vidani, 2016).

Attractive to Mutual Funds Gen Zs will be more attracted towards mutual funds due to returns and diversification (Sukhanandi, Tank, & Vidani, 2018). Better returns and the benefit of diversification, which reduces risk, attract them (Singh, Vidani, & Nagoria, 2016).

Most investors get attracted to mutual funds because of its better return policy, and also there is a relation between income level and investment period (Mala, Vidani, & Solanki, 2016).

Major factors that affect investors' perception about mutual fund are characteristics of the fund, creditability, convenience, success factors, and also the fund family (Dhere, Vidani, & Solanki, 2016).

Investors prefer mutual funds as these are tax effective, secure, liquid, stable returns, and dependable (Singh & Vidani, 2016). Age and Gender can play the significant role in terms of returns and also by tax shield (Vidani & Plaha, 2016).

From the examination of financial data, a level of financial literacy assessment, and investment decision-making among the youths, it is expected to contribute to the existing knowledge about investment behaviour by the youths (Solanki & Vidani, 2016).

2. What is a Hedge Fund?

A hedge fund pools capital from high-net-worth private investors, pension funds, and endowments into one commingled fund that is professionally managed by professional fund managers (Vidani, 2016). Professional fund managers managing hedge funds greatly differ in strategies with regard to leveraging among others that deal with trading in non-traditional assets in their quest to get superior investment returns (Vidani, Chack, & Rathod, 2017).

An investment in a hedge fund is generally considered one of the riskier alternatives and usually will require a significant minimum investment or net worth (Vidani, 2018). Hedge funds are generally designed to be marketed to high-net-worth investors (Biharani & Vidani, 2018).

- Hedge funds, by definition, are generally actively managed funds that typically emphasize alternative investments and also that tend to have very high usage of leverage and highly speculative investment strategies (Vidani, 2018).
- The minimum investment or net worth required is very high; and an accredited investor should be invested in hedge funds (Odedra, Rabadiya, & Vidani, 2018).
- Hedge fund fees are much higher than those of ordinary investment funds (Vasveliyya & Vidani, 2019).
- Hedge funds implement very varied investment strategies based upon the fund manager and their investment style, be it equity, fixed income, or even event-driven investment mandates (Sachaniya, Vora, & Vidani, 2019).
- An investment in a hedge fund typically 'locks up' for one year before the shares in question can be sold for any payout in cash (Vidani, 2019).

Most of the influences on investor perception of hedge fund investing relative to performance, cost, transparency, and investment style are identified as being of importance. The following synthesis serves to enumerate major lessons learned in a few research papers on the subject (Vidani, Jacob, & Patel, 2019).

Hedge funds often underperform their expectations, leading to decisions like that taken by CalPERS to cut or divest hedge fund investments on account of high costs and low returns.

Hedge funds outperform mutual funds but lag versus traditional market indices, and these investment vehicles are noisier. Incentive fees do raise performance but at the same time increase overall risk (Vidani J. N., 2016).

Issuance of new hedge funds is positively related to market competition and state but negatively related to investor sentiment and style performance. Hedge funds issued under poor conditions tend to perform better when they are issued in competitive markets (Vidani & Singh, 2017).

3. Context

Ahmedabad stands out as an emerging financial destination in India and promises a vibrant investment scenario. However, financially literate investment behaviour among this Gen Z demographic remains uncharted in this backdrop. Therefore, the present study attempts to fill that gap and contribute toward meaningful engagement by this growing demographic through financial institutions, policymakers, and educators.

While many of these policy interventions are still aimed at a more affluent and/or investing class of individuals, it is perhaps still agreed that financial literacy efforts often prove most impactful when implemented within a broader policy framework that seeks to protect consumers (Vidani & Pathak, 2016).

4. Jurisdiction

The research will focus on Generation Z in the Ahmedabad, Gujarat region.

- **Mutual Funds:** The current study aims to explore the perception of Gen Z toward different types of mutual funds; their ability to return to risk profiles; and factors by choice of influencing variables by Gen Z in terms of how youngsters build investment skills using an online tutor and then apply them to life for long-term benefits (Pathak & Vidani, 2016).
- **Hedge Funds:** Perceived awareness of hedge funds among Gen Z, willingness to invest in such complex investments owing to risk, and perceived benefits/risks (Vidani & Plaha, 2017).

5. Relevance

This research will help the following stakeholders:

- **Financial Institutions:** Need to develop investment products along with education programs keeping in mind the needs and preferences of Gen Z (Vidani J. N., 2020).
- **Policy Makers:** They will be in an excellent position to come up with policies that are intended to promote financial literacy and investment responsible behaviour among the members of this generation.
- **Educators:** They may create curricula aimed at developing knowledge that bridges the financial knowledge gap in the members of Generation Z while instilling responsible investment behaviour (Vidani J. N., 2018).

6. Expected Outcomes

The results shall provide some insight, which bears usefulness in the following:

- Awareness of investments, Gen Z: the awareness about mutual funds and hedge funds
- Risk appetite: how far they go with risks in case of a certain investment opportunity
- Investment objectives: financial goals which motivate Gen Z to invest
- Factors affecting their decisions: factors that lead them to a decision of investment in mutual funds and hedge funds (Vidani & Dholakia, 2020).

7. Research Objectivise

This study aims:

- a. Perception of Gen Z Toward Financial Literacy and Investment Opportunities in the City of Ahmedabad.
- b. Determine the perception of Gen Z toward mutual fund along with what benefits they perceive about it, what risks are perceived against it, and their knowledge about different kinds of mutual funds.
- c. Examine the attitude of Gen Z toward hedge funds and perceive the risks and rewards associated with it.
- d. Identify the drivers and influences that affect the investment decisions of the Gen Zs in Ahmedabad city by their risk appetite, their financial needs, or their investment time horizon.
- e. Methodology
- f. In this research, I may also use the quantitative and qualitative method in this research in order to reap data.
- g. This may involve the following: Online sources such as Google Forms, MS Forms will be employed while conducting the survey.
- h. Generalised attitudes toward mutual and hedge funds by members of GenZ.
- i. Focus Groups: Group discussions will be helpful in finding drivers for investment and steps followed.
- j. Individual experiences and opinion surrounding this circle of investment.

LITERATURE REVIEW

Current literature regarding the perceptions of mutual fund and hedge fund among investors is covered in the paper using the special case of Gen Z in Ahmedabad, India.

1. Mutual Funds

This has resulted in much attention in studies as having substantial gains. This is because it provides diversification, professional management, stability, and lesser risk when compared to the investment in stocks directly by the investor (Vidani, Meghrajani, & Siddarth, 2023).

Investor Preferences: Various research studies express the fact that investors like some factors like fund characteristics, credibility, convenience, past performance, and family reputation while considering mutual funds to invest. Aside from them, tax benefits, security, liquidity, and returns are significant factors (Rathod, Meghrajani, & Vidani, 2022).

Awareness and Information: It is already known that investors are not fully informed about mutual funds and there is a need to increase investor awareness relating to mutual funds in India also (Vidani & Das, 2021).

2. Hedge Funds

Performance and Strategies: Instead, research has focused on the hedge fund strategy variety as a way to investigate its ability to decrease risk. This research also experienced favourable conditions in the market. Other studies show that hedge funds can remain behind index funds (Vidani J. N., 2022).

Market Impact: It aims to understand how hedge funds exploit the conditions of mispricing existing in the market and whether they take part in the price correction process. Some studies watch the returns generated from hedge funds in relation to trading against other institutional investors (Saxena & Vidani, 2023).

Governance and Affiliation: From previous studies, affiliated hedge funds do have an element of potential conflict of interest and lack of skill, hence underperform from its unaffiliated counterparts (Vidani, Das, Meghrajani, & Singh, 2023).

3. Research Gap

There is a growing interest recently to understand the investment behaviour and financial literacy of Generation Z, especially in emerging markets like India. There are research-based gaps, however, that specifically relate to their perceptions and attitude toward mutual funds and hedge funds, especially in urban centres like Ahmedabad. Although studies are plentiful on the investment behaviour of older generations, there are few empirical studies on the preferences and motivation towards investment by Gen Z.

Such a group is delineated by its definite values, continued digital engagement, and specific financial aspirations which might strongly influence their investment choices.

Since existing literature has not taken into consideration the variance in regional investment perceptions, local studies are required for this case, specific to the context of Ahmedabad.

Through the gap, it is expected that existing studies will offer a current insight into how Generation Z finds its way through the complexity of investments in mutual funds and hedge funds, which would eventually contribute to better understanding these financial behaviours.

Table 1. Validation of Questionnaire

Statements	Citation from JV citation file (You can add more than 1 citation)
State your level of awareness?	(Vidani, 2015) (Solanki & Vidani, 2016) (Niyati & Vidani, 2016)
How would you describe mutual funds in your own words?	(Bhatt, Patel, & Vidani, 2017) (Vidani, Chack, & Rathod, 2017) (Vidani, 2018)
How would you describe hedge funds in your own words?	(Sukhanandi, Tank, & Vidani, 2018) (Biharani & Vidani, 2018) (Vidani, 2018)
What do you think are the key differences between mutual funds and hedge funds?	(Odedra, Rabadiya, & Vidani, 2018) (Vasveliya & Vidani, 2019) (Sachaniya, Vora, & Vidani, 2019)
What factors influenced your decision to invest in mutual funds and hedge funds?	(Vidani, 2019) (Vidani, Jacob, & Patel, 2019) (Vidani J. N., 2016)
What factors prevent you from investing in mutual funds and hedge funds?	(Vidani & Singh, 2017) (Vidani & Pathak, 2016) (Pathak & Vidani, 2016)
What are your concerns when considering investments in mutual funds and hedge funds?	(Vidani & Plaha, 2017) (Vidani J. N., 2020) (Vidani J. N., 2018)
How important are the following factors in your investment decisions?	(Vidani & Dholakia, 2020) (Vidani, Meghrajani, & Siddarth, 2023) (Rathod, Meghrajani, & Vidani, 2022)
What do you think are the future prospects of mutual funds and hedge funds in ahemdabad?	(Vidani & Das, 2021) (Vidani J. N., 2022) (Saxena & Vidani, 2023)

METHODOLOGY

Table 2. Research Methodology

Research Design	Descriptive
Sample Method	Non-Probability - Convenient Sampling method
Data Collection Method	Primary method

Data Collection Method	Structured Questionnaire
Type of Questions	Close ended
Data Collection mode	Online through Google Form
Data Analysis methods	Tables
Data Analysis Tools	SPSS and Excel
Sampling Size	48
Survey Area	Ahemadabad
Sampling Unit	Students, Private and government Job employees, Businessmen, Home maker, Professionals like CA, Doctor etc.

Source: Author's Compilation

1. Demographic Summary

A well-sentence description of the demographic summary for a diverse sample of 48 participants. age: all ages between 18-25 comprised 79.2% of total respondents, with the majority falling into the 22-25 category, representing 41.7%. There was a nearly even distribution of genders: 50% of participants were male versus 47.9% female. Students and workers were equally represented; each group accounted for 45.8% of the sample, with homemakers being only 6.3%. This demographic profile depicts young active citizens where the male-to-female ratio is somewhat skewed toward males.

2. Cronbach Alpha

Table 3. Cronbach Alpha

Cronbach Alpha Value	No. of items
.934	27

Source: SPSS Software

The 27-item study produced a high level of internal consistency among the items, as indicated by the Cronbach's Alpha score of 934. This value reflects the extent to which these items measure same, constructively different conceptual features and works toward making the scale reliable and consistent while using it for the research. A high alpha score adds the validity of findings and supports the robustness of the tool used in this research.

RESULT AND DISCUSSION

Add rows as per number of hypotheses you have created:

Table 4. Results of Hypothesis Testing

Sr. No	Alternate Hypothesis	Result p =	>/< 0.05	Accept/ Reject Null hypothesis	R value	Relationship
H1	There is a significant relationship	0.001	<	H01 Rejected (Null	.036	Weak

	between age and the level of awareness of mutual funds.			hypothesis rejected)		
H2	There is a significant relationship between age and the level of awareness of hedge funds.	0.001	<	H02 Rejected (Null hypothesis rejected)	.0932	Strong
H3	There is a significant relationship between age and how individuals describe mutual funds as a pool of money managed by a professional investor.	0.001	<	H03 Rejected (Null hypothesis rejected)	0.42	Weak
H4	There is a significant relationship between age and how individuals describe mutual funds as a type of investment with low risk.	0.001	<	H04 Rejected (Null hypothesis rejected)	0.931	Strong
H5	There is a significant relationship between age and how individuals describe mutual funds as a high risk, high reward investment.	0.001	<	H05 Rejected (Null hypothesis rejected)	0.408	Weak
H6	There is a significant relationship between age and how individuals describe hedge funds as a pool of	0.001	<	H06 Rejected (Null hypothesis rejected)	0.167	Weak

	money managed by a professional investor.					
H7	There is a significant relationship between age and how individuals describe hedge funds as a type of investment with low risk.	0.001	<	H07 Rejected (Null hypothesis rejected)	.834	Strong
H8	There is a significant relationship between age and how individuals describe hedge funds as a high risk, high reward investment.	0.001	<	H08 Rejected (Null hypothesis rejected)	.320	Weak
H9	There is a significant relationship between age and perceptions of risk level as a key difference between mutual funds and hedge funds.	0.001	<	H09 Rejected (Null hypothesis rejected)	.061	Weak
H10	There is a significant relationship between age and perceptions of investment strategies as a key difference between mutual funds and hedge funds.	0.001	<	H10 Rejected (Null hypothesis rejected)	.058	Weak
H11	There is a significant relationship between age and perceptions of accessibility as a	0.001	<	H11 Rejected (Null hypothesis rejected)	.429	Weak

	key difference between mutual funds and hedge funds.					
H12	There is a significant relationship between age and the factor of potential for high returns influencing investment decisions.	0.001	<	H12 Rejected (Null hypothesis rejected)	.262	Weak
H13	There is a significant relationship between age and the factor of diversification influencing investment decisions.	0.001	<	H13 Rejected (Null hypothesis rejected)	.432	Weak
H14	There is a significant relationship between age and the factor of professional management influencing investment decisions.	0.001	<	H14 Rejected (Null hypothesis rejected)	.506	Strong
H15	There is a significant relationship between age and the factor of lack of knowledge preventing investment.	0.001	<	H15 Rejected (Null hypothesis rejected)	.471	Weak
H16	There is a significant relationship between age and the factor of high	0.001	<	H16 Rejected (Null hypothesis rejected)	.195	Weak

	fees preventing investment.					
H17	There is a significant relationship between age and the factor of risk aversion preventing investment.	0.001	<	H17 Rejected (Null hypothesis rejected)	.181	Weak
H18	There is a significant relationship between age and concerns about market volatility when considering investments.	0.001	<	H18 Rejected (Null hypothesis rejected)	.782	Strong
H19	There is a significant relationship between age and concerns about loss of capital when considering investments.	0.001	<	H19 Rejected (Null hypothesis rejected)	.439	Weak
H20	There is a significant relationship between age and concerns about lack of liquidity when considering investments.	0.001	<	H20 Rejected (Null hypothesis rejected)	.597	Strong
H21	There is a significant relationship between age and the importance of risk tolerance in investment decisions.	0.001	<	H21 Rejected (Null hypothesis rejected)	.418	Weak
H22	There is a significant relationship between age and	0.001	<	H22 Rejected (Null	.453	Weak

	the importance of return expectations in investment decisions.			hypothesis rejected)		
H23	There is a significant relationship between age and the importance of liquidity in investment decisions.	0.001	<	H23 Rejected (Null hypothesis rejected)	.669	Strong
H24	There is a significant relationship between age and the importance of tax implications in investment decisions.	0.001	<	H24 Rejected (Null hypothesis rejected)	.992	Strong
H25	There is a significant relationship between age and the importance of environmental, social, and governance factors in investment decisions.	0.001	<	H25 Rejected (Null hypothesis rejected)	.747	Strong
H26	There is a significant relationship between age and perceptions of the future prospects of mutual funds and hedge funds in Ahmedabad.	0.001	<	H26 Rejected (Null hypothesis rejected)	.212	Weak
H27	There is a significant relationship between age and monthly income.	0.001	<	H27 Rejected (Null hypothesis rejected)	.474	Weak

Source: Author's Compilation

This study would explore the perception of Generation Z towards investing in mutual funds and hedge funds in Ahmedabad and see how the perceptions of age influence that. Since investment preferences and concerns greatly depend on the dimension of awareness, the other dimensions of awareness also indicate a significant relationship with age due to the complexity of financial decision making by young investors.

The results further revealed a high correlation with age related to awareness of hedge funds, where $p = 0.001$ and $R = 0.932$ proved older members of Generation Z tend to be more aware of hedge funds as compared to the youth. Curiously enough, a mutual fund shows low correlation between age and mutual funds, though still significant at $R = 0.036$. This gap perhaps reflects broader marketing and education initiatives that have undertaken a more active campaign about hedge funds as accessible to those who require the high returns. How participants described mutual funds, a robust relationship was found with perceptions of mutual funds as low-risk investments, $R = 0.931$. This could then mean that young investors, more so between 18 to 22 years, see mutual funds as a relatively safe investment vehicle that might then influence their decisions on where to place the money. Hedge funds, on the other hand, represented an opportunity to invest with much more risk and higher rewards for investing, revealing very low correlation ($R = 0.320$). This is attributed to the fact that most people generally lack knowledge about hedge funds that are usually associated with overly complex strategies and have higher risks.

There were pretty weak perceptions on the level of risk, investment strategy and accessibility between mutual funds and hedge funds. The findings hereby indicate that though there is some awareness in the differences between mutual and hedge funds probably several young investors will not realize the implications of these differences for their own personal investment decisions.

CONCLUSIONS AND RECOMMENDATIONS

Lastly, the study focused on factors that influence the investment decisions. Thus, a moderate and significant correlation with age as well as the influence of professional management was also obtained, $R = 0.506$. This result presents reality in that the older one becomes in Generation Z, the more likely he or she would be to rely on professional management to guide his or her investment decisions. While the perceived lesser important factors by age groups included those concerning market volatility and lack of liquidity, but, indeed, these factors are critical in the investment decision; R values of 0.782 and 0.597, respectively. It is an area of education for the achievement of the better financial literacy by youths who invest at younger ages.

Understanding knowledge and high fees - archetypal investment blockers - was similar across age groups. That is, there is persistently solid challenge that education has to overcome to lift investment participation for Generation Z, namely fee misconceptions and actual knowledge gaps.

In short, the recommendations from this study indicate more tailored financial education for Generation Z in Ahmedabad. Focusing on details and aspects regarding mutual funds, as well as hedge funds, while addressing the

significant hurdles to be overcome by young investors might stimulate a more enlightened and confident generation of investors among stakeholders. Such developments of age strengthen perceptions and hence identify the dynamic nature of financial awareness and its subsequent decision-making within this demographic. Such research and policy may provide a basis for further research and policy directions in financial literacy and investment.

The findings of this research, relating perceptions of Generation Z about investing in mutual funds and hedge funds in Ahmadabad, add considerably to the theoretical framework that defines financial decision-making and investment behaviour. In fact, the results present an indication strongly related to age as a critical variable in the generational differences found regarding financial awareness and investment preferences. Thus, developmental theories of financial behaviour must be taken into account in light of these differences.

Accordingly, if age is more closely associated with awareness of hedge funds but less strongly related to mutual funds, theories about financial socialization should be amended to consider level and nature of different exposures to kinds of financial products among different age classes. Indeed, such results indicate that younger investors may be less informed about the traditional investment instruments, mutual funds in this case, possibly due to altered economic circumstances and the shift in market realities. Therefore, the results show that there is a need to conduct further research in relation to how generational experiences impact investment perceptions and behaviour with regard to contextual impacts on theories of financial decision-making.

The second finding of the relationship between age and perception of mutual funds as a low-risk investment is strongly related to the risk perception theories, that is, younger investors may seek safety in investment choice. This has the implication that teaching efforts have to concern both the mechanics of mutual funds and hedge funds but also the nature of the risk profiles implied by each investment product. Knowing how age segments perceive and control risk may improve financial literacy models, as it helps detail the psychosocial and emotional influences in investments.

Additionally, weak relationships in perceptions of access, investment strategy, and level of risk indicate knowledge gaps that would decline the engagement levels into investment among the members of Generation Z. The gaps require filling up regarding the scope of existing theories on accessibility in the investment-making process to include any factors related to a perceived barrier and misinformation in opposition to younger investors yet to engage in the financial market. The findings have indicated that improvements in accessibility through targeted education programs may powerfully affect investment behaviour and financial outcomes for this population.

In addition, findings concerning barriers to investment, such as lack of knowledge and high fees encourage a need for complete frameworks on financial education that teach a young investor not only the mechanics of investing but also guide one to address the emotional and cognitive biases of investment. This could shape models that integrate behavioural finance and pay attention to how perceptions and experience shape the investment decisions of people.

In a nutshell, the literature inputs into theoretical perspectives by underlining the interaction of age, financial literacy, and investment behaviour between and among the age groups of Generation Z. It validates the need for adaptive theories that take into consideration the dynamic nature of financial literacy and new youth struggles that characterize younger investors. This argument urges a more nuanced interpretation of financial decision-making based on inter-generational views, which may lead to a more efficient education strategy and policy decision in facilitating investment among young people.

This study concerning the attitude of Generation Z towards investing in mutual funds and hedge funds in Ahmedabad has important and significant practical implications for financial educationists, policymakers, and industry professionals. The knowledge about the factors driving the choice of young investors can be exploited by stakeholders in order to design focused strategies to build financial literacy and advocate for informed investment behaviours.

1. **Enhance Financial Education Programs:** It is quite obvious that there is a lacuna in the awareness and understanding of mutual funds as well as hedge funds. Hence, there is a great need for mutually customized financial education efforts. Educational programs must be conducted to help de-mystify investor concepts; especially investing concepts, since mutual funds are perceived by the younger investors as more archaic or less relevant. Interactive workshops, online courses, and seminars can be presented to them in relation to actual insights on the best investment strategies, risk assessment, and portfolio management, tailored to meet their own interests and concerns.
2. **Engagement with Digital Tools:** As could be deduced, Gen-Z highly tolerates love for digital communication and technology. Financial organizations and educators should leverage these digital channels like social media, applications, and online forums to reach the young investor. Interactive tools such as investment simulators and calculators will make concepts accessible to them in easy ways and make investment practices both less intimidating and rather tangible and appealing.
3. **Addressing Misinformation:** The current study has brought to light a serious lack of understanding among young investors about what mutual funds and hedge funds are and what drives investment decisions. This calls upon the financial institutions and educational sector to produce content that is accurate, clear, and engaging to explain the common misunderstandings. Short resources in the form of infographics, videos, and FAQs can make finance more straightforwardly understood and translated into well-informed decisions.
4. **Risk Management Based Focus:** Given the fact that there exists a deep-seated belief that mutual funds are low risk in nature, their educational focus needs to be on understanding risk profile and diversification strategy. Workshops and seminars must include the case study of various risk profiles vis-à-vis the outcome of the investment. With greater awareness of risk, young investors are well-equipped to make decisions better suiting them.

5. Access Advisory Services with Professionals: Since young investors value professional management most, this opens an opportunity area for financial institutions to access this group through advisory services. The suggestions here would be for the institutions to provide advisory programs that are specifically designed for Generation Z to fit their particular needs; these will include low entry fees similar to how Generation X was approached when establishing a long-term interaction with the young investor.
6. Policy Development: Policy related to this research will be formed, which may guide the development of standards and frameworks that would boost the number of literate young people in finance and investments. Advocacy for financial education in schools and universities may result in a more literate generation. Partnerships between financial organizations and educational institutions may help them share knowledge on improving resources.
7. Community Outreach Initiatives: One of the best things community outreach initiatives could do for local financial institutions is make it better known and increase their participation of investment opportunities. Holding investment fairs and holding information sessions can adequately arm youth with knowledge to be confident participants in the financial markets.

Finally, practical implications of this research suggest the importance of the thorough and focused approach toward the financial education and engagement of Generation Z. The stakeholders may utilize web-based platforms to counter misinformation and can advise people through personalized services and increase their financial literacy and make them aware of wise investment choices or behaviours in Ahmedabad. This, ultimately, might create a healthy financial culture toward long-term accumulation wealth among those youth.

The study gives crucial insights into this strenuous task of financial decision-making that comes with Generation Z in terms of investment in mutual funds and hedge funds in the city of Ahmedabad. The finding clearly states that a high correlation exists between the ages of respondents pertaining to awareness, choices in investment, and issues-at-hand with the various factors indicating that there is an understanding of youth investors about financial products.

The strong age/investment awareness relationship of hedge funds to mutual funds, which performs much weaker, indicates that education should more directly target increasing knowledge about both. The perception of mutual funds as low-risk investments indicates an important area for financial education, and it's the need to drive away misconceptions and provide holistic risk management strategies.

The weak relationships concerning factors that prevent investment further highlight the need for targeted initiatives to improve financial literacy. Using digital platforms to connect with young investors and using interactive, practical

educational programs will help the stakeholders build a better-informed, more confident generation of investors.

It thus highlights the need for customized financial education and community engagement in inculcating an environment of knowledgeable investing in Generation Z. Further, this is a generation supposed to shape the future of finance. Understanding their perception and fulfilling their needs would be integral to encouraging more responsible investing behaviors and thereby perfecting long-term financial well-being. Consequences of this research Open avenues for further studies and programs aimed at equipping young investors with the necessary skills to do things right in an apparently complex financial market.

FURTHER RESEARCH

1. Longitudinal Studies: Extensive longitudinal studies that would trace along time the changes in Generation Z's perception and investment behaviour will go a long way in helping future research. It will help to delve deeper into how the experiences, economic conditions, and educational interventions affect financial choices.
2. Comparative studies across regions: Compare the financial awareness and investment preference between regions to explore regional differences. This can help find which aspects of culture and economic indicators are affecting their investments.
3. Investigation into Influencers: Additional future studies could delve deeper into the particular factors that influence Generation Z's familiarity and knowledge of mutual funds and hedge funds. This could be by pursuing, for instance, the influence of family background and education roles. It would also involve looking at the influence of social media exposure and peer influence on investment perceptions.
4. Financial Literacy Programs Effectiveness: It would be more effective to assess and compare the effectiveness of various financial literacy programs targeted for Generation Z. It would be interesting to see how teaching methods, materials, and platforms result in differences concerning the retention of knowledge and investment activities by young investors.
5. Behavioural Finance Perspectives: Adding the behavioural finance theories to future studies can be very effective in further extending what the psychological driver of investment decisions regarding Generation Z could be. This study may include cognitive biases, emotional influences, and habits about decision-making peculiar to that particular segment of people.
6. Diversity in Generation Z: The future studies should consider the diversity in Generation Z. Examples of diversities abound at the gender, economic, and social levels, as well as academic backgrounds. The potential influence of these factors on investment perceptions becomes relevant to more specific and effective education.

7. How does technology shift the investment behaviour? In that line, studies can examine the effects of technology in changing the way Generation Z invests and discovers their investment choices. It can also study aspects where rob advisors, investment applications, and social media sites alter their financial choices.
8. Comparative Analysis of Investment Vehicles: Future work may also unpack perceptions and preferences for other investment vehicles, crypto currencies, stocks, or even real estate, compared with mutual and hedge funds. This would lend more depth to understanding the attitudes of young investors toward different financial products.
9. Policy Impact Studies: This can be done to determine the impact of monetary policies and regulations on the investment behaviour of GenZ. This will give policymakers an idea about which aspects of policy are perhaps limiting participation from young investors in financial markets.

Improving on these, future research can provide a better diversified understanding of the financial behaviours of Generation Z, to inform strategies toward responsible investing among the young.

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