Millennials and Gen Z: Embracing ESG Values for a Sustainable Future

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Abstract

This study delves into the shifting attitudes and priorities regarding environmental, social, and governance (ESG) issues, particularly among Millennials and Gen Z, and their impact on reshaping societal and corporate values. With unprecedented access to information and heightened environmental awareness, younger generations have become more vocal advocates for sustainable practices and social justice initiatives. The study explores the factors driving this trend, such as technological advancements, media exposure, and the search for purpose-driven values in personal and professional lives. As they increasingly enter the workforce and gain purchasing power, their preferences catalyze a paradigm shift, prompting companies to align with ESG principles to stay relevant and appealing. Overall, this study highlights the transformative influence of Millennials and Gen Z on elevating ESG values to the forefront of societal and corporate consciousness. The study would like to gauge, with the help of a questionnaire, their attitudes towards ethical companies and see if they would invest in companies that align with their core values or invest in companies that would maximize their financial returns instead. It concludes by underlining the potential long-term implications of this trend, suggesting that ESG considerations will likely continue to shape various industries and investment practices in the pursuit of a more sustainable and equitable future.

Keywords: *Millennials, Gen Z, ESG, Sustainable Practices, and Ethical Investing.*

Introduction:

Environmental, social, and governance (ESG) standards describe how a business should conduct itself with regard to the environment and its inhabitants. ESG is significant because socially responsible investors now evaluate possible investments using ESG criteria. Environmental criteria look at how a business manages the environment. Social criteria look at how an organization handles its relationships with its workers, vendors, clients, and the communities in which it operates. Governance is defining an organization's management and control by a set of guidelines, best practices, and a number of procedures known as processes. SRI is referred to in a variety of ways, including ethical investment, socially conscious

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investing, sustainable investing, and impact investing. As the younger generations mature and show a greater concern for the environment than any preceding generation, this form of investing has been increasingly popular recently. Although it has been around for a very long time, ethical investment has recently experienced a huge increase in popularity. It dates back to the 1800s, a time when Americans, particularly members of the Methodist church, were consciously avoiding gambling, investing in the alcohol and tobacco industries, and trading in slaves (Schueth, 2003). The boundaries of the millennial generation are a subject of much discussion. The definition chosen by the Pew Research Center for their study will be followed throughout the publication. Millennials are those who were born between 1981 and 1996 (Dimock, 2019). Gen Z will nonetheless be included in the discussion because this generation is currently enrolled in college and is ready to begin financial careers that involve investing their hard-earned money. The Pew Research Center's definition of the "new generation"—defined as everyone born after 1997—will also be followed throughout this essay (Dimock 2019).

A new generation of younger investors are getting in on the act. These Gen-Z and millennials are digital natives who care about climate change, advocate for fair practices, and seek impact investments that align with their values and offer more than a short-term financial return. The investment world has undergone rapid change since the onset of the COVID-19 crisis. Current investment trends reveal a particular interest in "building back better" using innovative technologies to solve issues in the diverse sectors impacted by the pandemic and also to find solutions to climate change.

With the advent of online platforms, simplified and beginner-friendly investment apps, and a myriad of educational resources, restrictions to entry have drastically alleviated. Gen Z, known for its digital acuity, is leveraging these tools to explore the financial markets and build a foundation for long-term wealth creation. Millennials and Gen Z are a growing force in investing. These new generations are driving their capital to new frontiers, on new platforms, with new priorities. The financial sector recognizes that they must begin to adapt accordingly or get left behind. Young millennials and Gen Zers are entering an era in which they are embracing their financial futures head-on, taking more control of their investments. Unlike past generations, these new entrants to the investment scene have greater access to the financial markets and resources around investment decision-making.

Beyond that, they are both purpose-driven and digital natives, making their investing approach far different from many veteran investors. These considerations combine to create great opportunities for the next generation to truly embrace owning their financial futures – though not without risks. Further, a survey conducted by Deloitte found that 68 percent of Gen Zers and 72 percent of Millennials in India realize the increasing importance of acting on climate change. With ESG-related conversations gradually becoming more defined in India, it is a focal point for younger investors. Millennials and Gen-Zers are recognized as likely targets for ESG investing because they are concerned about the need for a green future, equitable rights, and resource value. Financial planning has become a necessity amidst the global crisis and has become one of the ways millennials and Gen Z keep up with the changing times.

Literature Review

Terms like CSR, SRI, Impact Investing, Ethical Investing, and Sustainable Investing have been around for many years. Howard Bowen, in 1953, first coined the term Corporate Social Responsibility in his book "The Social Responsibilities of the Businessman" (Bowen 2013). Many people to this day may still not be aware of the term CSR or SRI. Indeed, businesspeople and companies will be aware of the new trends that are becoming more popular amongst the new generations like the Millennials and Gen Z. Students of specific disciplines may still not be aware of the above terms as the curriculum is very different and may not

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involve any of these topics, especially if the discipline the students are studying has nothing to do with finance, economics, and business.

Introduction to the Shifting Attitudes of Millennials and Gen Z towards ESG Issues Environmental, Social, and Governance (ESG) issues have garnered increasing attention in recent years as global awareness of sustainability and ethical considerations in business and society has grown. A significant catalyst for the reevaluation of ESG priorities and values can be attributed to the attitudes and behaviors of Millennials and Generation Z (Gen Z). This literature review explores the evolving landscape of ESG through the lens of generational change, emphasizing the transformative impact of younger generations on reshaping societal and corporate values.

Generational Shift and its Significance

Millennials and Gen Z, characterized by their unprecedented access to information and heightened environmental awareness, have emerged as key stakeholders advocating for sustainable practices and social justice initiatives(Papadopoulou et al., 2021). This generational shift, marked by a preference for purpose-driven values, is driven by various factors, including technological advancements, increased media exposure, and a desire to align personal and professional lives with ethical principles.(Abssy, 2022)

Influence on Corporate Practices

As these younger generations increasingly enter the workforce and gain purchasing power, their preferences and expectations have catalyzed a paradigm shift in corporate practices.(*Gytiszizys.Pdf*, n.d.) Companies are recognizing the need to align with ESG principles to remain relevant and appealing to a consumer base that values sustainability, social responsibility, and ethical governance.(Ferrell & Ferrell, 2021)

Intersection of ESG and Investment Decisions

The intersection of ESG values and investment decisions has become a focal point of this generational transition. Millennials and Gen Z have demonstrated a preference for ethical investing, indicating a willingness to invest in companies that align with their core values, even if it may not maximize financial returns. (Tucker III & Jones, 2020) This shift is particularly relevant as it underscores the broader trend of ethical consumerism and investment choices that prioritize long-term societal and environmental well-being.

Conclusion

In summary, this literature review underscores the significance of Millennials and Gen Z in elevating ESG values to the forefront of societal and corporate consciousness. Their changing attitudes and priorities regarding sustainability and ethics are reshaping not only consumer behaviors but also corporate practices and investment strategies. As this generational influence continues to unfold, it is likely to have profound and enduring implications for various industries and investment practices, furthering the pursuit of a more sustainable and equitable future.

Research Methodology

The research's main focus was the students of higher education institutions in aged 18-40, encompassing all millennial and Generation Z students. The research would like to gauge millennials and Gen Z's attitude towards sustainable investing, their general knowledge of related specific terms like Corporate Social Responsibility (CSR), Ethical, Social and Governance factors (ESG), and whether the students are willing to receive lower returns if they are engaged in socially responsible investing.

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This quantitative research employed the use of a questionnaire to gather primary data. It is a cross-sectional study. Cross-sectional studies are usually carried out in the form of surveys or questionnaires over a short period of time. The purpose of this method is to describe different types of groups or subgroups by presenting a research question among these subgroups and examine the outcome of interest, which may or may not indicate that there are differences between these groups (Levin 2006). In this case, the different groups are the millennials and Generation Z. Cross-sectional design studies allow for multiple hypotheses to be tested simultaneously as there is a lot of different data gathered from questionnaires. Based on the obsereved data we will be looking into several research questions.

These research questions came about naturally through the gathering of the data. The questionnaire's main questions came from an approved questionnaire based on similar research conducted by the Faculty of Business and Economics, Mendel University in Brno and slightly modified to match the demographic Indian students. With these modifications, a pilot study was conducted to check the validity of the modifications. The questionnaire was finalized based on the recommendations of the pilot test results. This type of methodology was chosen because it is the most efficient way of gauging students' general knowledge regarding their sentiment towards investing in the future and the knowledge of the mentioned terms (CSR, ESG). The scalability of questionnaires is an advantage because it allows for gathering large data from many people. Questionnaires also allow for comparability and contrast of other research, making annual or quarterly assessments much easier to conduct. The sample being millennials and Gen Z students at higher education institutions will be a good representative sample.

The questionnaire was distributed among higher education institutions through social media platforms such as Facebook groups and WhatsApp of the specific institution pages to get the right age cohorts. Data collection was completed between August 2023 and September 2023. The research used multiple-choice questions and the Likert Scale type for some of the questions requiring opinions.

The questionnaire is not very long and would have taken students approximately 5 minutes to complete. The questionnaire was replicated in google forms. Google forms provide an array of graphs and charts to analyse the differences and similarities at a glance. The results can be extracted into a spreadsheet for further analyses to prepare specific tests with specific participant groups. Two hypotheses were tested: the higher the degree, the higher knowledge of CSR and the higher the degree, the higher the knowledge of ESG. The SPSS Statistics program will be used to perform these hypothesis tests, which enables a thorough analysis of all of the data. The Spearman Rho rank correlation was used to see whether there is a strength of association between two independent variables (Schmid, Schmidt 2007)

In order to avoid any ethical issues, all data collected through the questionnaire is securely stored, and password protected to avoid any data infringement issues and are anonymous. No one else but the author has access to all of the information provided by the participants. All participants have been informed at the beginning of the questionnaire that this is a voluntary study, and they can rescind their part at any time (McLeod, 2018). The participants may feel safer knowing that the questionnaire is anonymous; they will hopefully be truthful with their answers.

Hypothesis

To achieve the research objective, variables have been grouped into constructs namely: Socio-demographic, Environmental issues, Social Issues, Governmental Issues, ESG Principles, ESG Awareness, Investment Decisions and Ethical considerations Earlier research studies were used to identify these constructs

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Demographics

Socio-demographic variables have an impact on an individual's decision-making process. Some of the earlier research works have also analyzed the impact of socio-demographic variables on SRI decision-making. Nilsson (2009) used five socio-demographic variables, namely: age, gender, income, education, and place of residence. In both research studies, Williams (2005, 2007) used age, gender, income, and education to find determining factors of SRI decision-making. Owen and Qian (2008) studied characteristics of individual investors related to SRI decisions and used demographic variables as control variables for analysis. Apart from Nilsson (2009), earlier studies, like Rosen et al. (1991), Tippet and Leung (2001), and McLachlan and Gardner (2004) have also shown a relation among SRI choices of individuals and demographic variables. Following the footsteps of the above research studies, four demographic variables, i.e., age, gender, educational qualification, and income have been identified to check their impact on Indian investor's SRI decision-making and the following hypothesis is checked:

H0. Demographic variables do not impact the SRI decision of the investors.

H1. Demographic variables impact the SRI decision of the investors.

Attitudes towards E S and G while investing in equity

Knowledge gives self-confidence to investors which A study on socially responsible investment.

Over the past few decades' issues related to climate change, global warming, and carbon dioxide emission have been addressed increasingly by governments. Kyoto protocol and the Paris agreement are steps taken in this direction. International organizations Like Global Reporting Initiative (GRI), Principles of Responsible Investing (PRI), European Federation of Financial Analysts Societies (EFFAS), and CFA Institute are continuously engaged in developing and revising ESG performance indicators. Rosen et al. (1991) found that when investors were asked to define socially responsible corporate behavior, they easily identified environmental issues and labour issues to be part of it. Schueth (2003) also concluded that for making a SRI, financial return should not be the only reason to invest in. It means that there must be other social reasons also to invest in SRI. By adopting negative screens SR investors tend to avoid investing in companies involved in exploiting employees and producing the product, which can be harmful to health (Renneboog et al., 2008 a). Nilsson (2009) conducted research to study the investment behavior of socially responsible investors and found that "socially responsible and return driven" SR investors, consider social responsibility and financial returns both while making an investment decision. Williams (2005) also found that social criteria are most important for SRI investors in comparison to shareholders' interest and financial criteria. Dunstan (2021) in his blog said that, if an enterprise wants to do value creation, then they must fulfill their responsibility towards respecting human rights. Respecting human rights is one of the important ESG factors and it is the global standard of conduct that should be practiced by all companies and institutional investors. Keeping these studies as a foundation investors' attitude was analyzed under two categories: (1) attitude towards the importance of broad ESG issues and (2) attitude towards the importance of specific ESG factors in investing. The first category has three sub-variables to judge the investor's attitude towards ESG issues. The second category has eight sub variables to mark the importance of specific ESG issues in investing. The first eight issues were Human rights, Environmental impact, Consumer protection, Philanthropy, Employee rights, Community services, Gender equality, and Carbon footprint. Williams (2005) tested the hypothesis that SRI investors tend to be more religious in comparison to conventional investors but couldn't find any supporting results in the research. Inspired by the Williams (2005) study, one behavioral variable, i.e., faith-based investment captures the respondent's

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behavior towards the importance of faith-based investment in investment decision-making. To check the impact of the above attitude variables on the SRI decision-making following two hypotheses are formulated:

ultimately increased their information processing and decision-making ability. Raut et al. (2020) found that financial gain and financial knowledge of individuals were two important investment predicting variables.

H0. ESG principles have no significant influence on the decision-making process of Millennials and Gen Z

H2.ESG principles significantly influence the decision-making process of both millennials and Gen Z.

Awareness about ESG

Easy access to the information and existing knowledge about any issue, results in an increased awareness level of an individual about that particular topic. Tripathi and Bhandari (2014) highlighted, lack of awareness and the lack of required information on the ESG issues among the investors as reasons for the slow growth of SRI in India. This construct comprises three variables specific to the awareness level and about investors existing knowledge of SRI. The following hypotheses are formed to analyse the awareness level of investors about SRI, ESG/SR indices, and socially responsible (SR) funds:

H0. There is no significant difference in the level of awareness of ESG principles between Millennials and Gen Z.

H3. Millennials have higher level of awareness of ESG principles compared to Gen Z.

Ethical Considerations

Under this fourth construct, eight variables have been included to check important factors that acted as obstacles in SRI. Rosen et al. (1991) concluded that investors greatly value the socially responsible behaviour of the company they invest in; but at the same time, investors believe that financial returns can't be sacrificed for this social responsibility. It means that investors are greatly concerned about returns from the investment and lower financial return acts as an obstacle for socially responsible investing. Adam and Shauki (2014) conducted a research study to explain the SRI behavior of Malaysian investors and found that investors' moral norms and personal standards significantly impacted their investment intention and behavior to invest in SRI. Lewis and Mackenzie (2000a) concluded in their research that ethical investors are usually middle-aged professionals and they are not cranks or saints, so they simply mix ethical investment with less ethical investments. It means these investors follow their personal ethics and value in investment decisions and mix ethical and less ethical investments. This gave the inspiration to include the last obstacle factor, i.e., not matching with personal ethics and value. If investors do not find enough investment avenues matching their personal values and beliefs, then this acts as an obstacle in investment decisions. After identifying the eight obstacle factors following hypothesis is checked:

H0. Not matching with personal ethics and values do not impact the SRI decision of the investors.

H4. Not matching with personal ethics and values impact the SRI decision of the investors.

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Analysis and Discussion

Results of descriptive Statistics

Table 1

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Variance	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
Envrnmnt	150	1.00	2.00	1.6283	.37401	.140	-.294	.198	-1.604	.394
Social	150	1.00	2.00	1.5450	.40763	.166	-.163	.198	-1.576	.394
Governce	150	1.00	1.80	1.1640	.15382	.024	1.039	.198	1.845	.394
ESGPrinci	150	1.00	1.77	1.4241	.27364	.075	-.248	.198	-1.557	.394
ESGAwarenes	150	1.00	2.20	1.7880	.35082	.123	-1.049	.198	.072	.394
InvstmntDcns	150	2.00	5.00	4.2400	.53004	.281	-.409	.198	.879	.394
Ethcalconsdrns	150	2.25	4.00	3.3383	.38112	.145	-.212	.198	-.630	.394
Valid N (listwise)	150									

Table 2

Demographics	Number of respondents (N=150)	Percentage %
Gender		
Male	75	50
Female	75	50
Age		
18-27 GenZ	76	50.7
28-40 Millennial	74	49.3
Education		
Under Graduate	8	5.3
Graduate	33	22
Post Graduate	109	72.7
PhD		

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The demographics table shows that there are 150 respondents, with an equal number of males and females. The majority of the respondents are Gen Z (50.7%) and Millennial (49.3%). In terms of education, most of the respondents have a postgraduate degree (72.7%), followed by a graduate degree (22%) and an undergraduate degree (5.3%). The age distribution is also relatively balanced, with a slight majority of Gen Z respondents. This is notable, as Gen Z is the largest generation in history and is becoming increasingly influential in the workforce and consumer market. The education level of the respondents is high, with over 95% having at least a bachelor's degree. This suggests that the sample is well-educated and may be representative of a highly skilled segment of the population.

Regression:

Table 3

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.866[a]	.750	.742	.26933

a. Predictors: (Constant), Ethcalconsdrns, ESGPrinci, ESGAwarenes, Governce, Envrnmnt

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	31.414	5	6.283	86.611	.000[b]
	Residual	10.446	144	.073		
	Total	41.860	149			

a. Dependent Variable: InvstmntDcns

b. Predictors: (Constant), Ethcalconsdrns, ESGPrinci, ESGAwarenes, Governce, Envrnmnt

R: This is the multiple correlation coefficient, which measures the strength of the linear relationship between the predicted and observed values of the dependent variable. A value of 1 indicates a perfect linear relationship, while a value of 0 indicates no linear relationship. R Square: This is the coefficient of determination, which measures the proportion of the variance in the dependent variable that is explained by the model. A value of 1 indicates that the model explains all of the variance in the dependent variable, while a value of 0 indicates that the model explains none of the variance. Adjusted R Square: This is a modified version of R Square that takes into account the number of predictor variables in the model. It is generally considered to be a more reliable measure of model fit than R Square. Std. Error of the Estimate: This is a measure of the variability between the predicted and observed values of the dependent variable. A lower value indicates that the model is better at predicting the dependent variable. In the table provided above, the R-value is 0.866, the R Square is 0.750, the adjusted R Square is 0.742, and the standard error of the estimate is 0.26933. These metrics suggest that the model has a strong linear relationship with the dependent variable and explains a large proportion of the variance in the dependent variable. The standard error of the estimate is also relatively low, indicating that the model is good at predicting the dependent variable. Overall, the model summary table shows that the model is a good fit for the data.

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The ANOVA table shows the results of a statistical test to determine whether the overall model is a good fit for the data. The F-statistic is a measure of how well the model explains the variance in the dependent variable compared to the residual variance. In the table provided, the F-statistic is 86.611 and the p-value is 0.000. This indicates that the model is a statistically significant fit for the data, meaning that it is unlikely that the results could have occurred by chance alone.

H1. Demographic variables like gender, Age and Education impact the decision of the investors to invest in ESG

Gender

Group Statistics

	Gen	N	Mean	Std. Deviation	Std. Error Mean
InvstmntDcns	Male	75	4.2667	.50893	.05877
	Female	75	4.2133	.55247	.06379

		Levene's Test for Equality of Variances	
		F	Sig.
InvstmntDcns	Equal variances assumed	3.099	.080
	Equal variances not assumed.		

The Levene's test produces an F-statistic and a p-value. If the p-value is less than the significance level (typically 0.05), then we reject the null hypothesis that the variances are equal. In other words, we conclude that the variances are significantly different. In the table provided, the F-statistic is 3.099 and the p-value is 0.080. This means that we cannot reject the null hypothesis of equal variances at the 0.05 significance level. So gender here has no impact on the investment decisions.

AGE

Group Statistics

	1.Age	N	Mean	Std. Deviation	Std. Error Mean
InvstmntDcns	GenZ	76	4.4276	.52728	.06048
	Millennial	74	4.0473	.46205	.05371

		Levene's Test for Equality of Variances	
		F	Sig.
InvstmntDcns	Equal variances assumed	9.120	.003
	Equal variances not assumed		

In the table provided, the F-statistic is 9.120 and the p-value is 0.003. This means that we reject the null hypothesis of equal variances at the 0.05 significance level. In other words, we conclude that the variances of the dependent variable, InvstmntDcns, are significantly different across the different groups. Hence age as a demographic factor has a significant impact on the investment decisions.

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EDU

ANOVA

InvstmntDcns					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	4.402	2	2.201	8.638	.000
Within Groups	37.458	147	.255		
Total	41.860	149			

The output provided is the result of an analysis of variance (ANOVA) for the "InvstmntDcns" variable. ANOVA is a statistical test used to determine whether there are statistically significant differences between the means of three or more groups. The output table summarizes the various components of the ANOVA. In summary, the ANOVA results suggest that there are statistically significant differences between the group means of the "InvstmntDcns" variable, as indicated by the low p-value (0.000) associated with the F-statistic (8.638). This implies that at least one pair of group (GenZ and Millennial) means is significantly different from each other.

H2.ESG principles significantly influence the decision-making process of both millennials and Gen Z.

		InvstmntDcns
ESGPrinci	Pearson Correlation	-.036
	Sig. (2-tailed)	.666
	N	150

The Pearson correlation coefficient is a measure of the linear relationship between two variables. It ranges from -1 to 1, with a correlation of -1 indicating a perfect negative relationship, a correlation of 1 indicating a perfect positive relationship, and a correlation of 0 indicating no linear relationship. In the above table, the Pearson correlation coefficient between investment decisions (InvstmntDcns) and ESG principles (ESGPrinci) is -0.036 and the p-value is 0.666. This indicates that there is a very weak negative correlation between the two variables, which is not statistically significant at the 0.05 significance level. In other words, the results suggest that there is no meaningful linear relationship between investment decisions and ESG principles. It suggests that investors are not necessarily taking ESG principles into account when making investment decisions. Hence null hypothesis is accepted.

H3. Millennials have higher level of awareness of ESG principles compared to Gen Z.

Group Statistics

	1.Age	N	Mean	Std. Deviation	Std. Error Mean
ESGPrinci	GenZ	76	1.4119	.25426	.02917
	Millennial	74	1.4366	.29343	.03411

		Levene's Test for Equality of Variances	
		F	Sig.
ESGPrinci	Equal variances assumed	6.667	.011
	Equal variances not assumed		

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In the above table provided, the F-statistic is 6.667 and the p-value is 0.011. This means that we reject the null hypothesis of equal variances at the 0.05 significance level. In other words, we conclude that the variances of the ESG principles variable (ESGPrinci) are significantly different across Millennials and Gen z the different groups.

H4. Not matching with personal ethics and values impact the SRI decision of the investors.

		InvstmntDcns
Ethcalconsdrns	Pearson Correlation	.841**
	Sig. (2-tailed)	.000
	N	150

The Pearson correlation coefficient of 0.841 between investment decisions (InvstmntDcns) and ethical considerations (Ethcalconsdrns), with a p-value of 0.000, indicates a strong positive correlation between the two variables. This means that there is a significant relationship between investors' consideration of ethical factors and their investment decisions. The strong correlation between investment decisions and ethical considerations is significant because it suggests that investors are increasingly taking ethical factors into account when making investment decisions. This is a positive development, as it could lead to more sustainable and ethical investment practices.

Conclusion

Gen Z and Millennials are at the forefront of a transformative shift in the investment landscape. They are actively embracing ESG criteria when making investment decisions, signalling a departure from traditional profit-driven approaches. These generations prioritize environmental sustainability, ethical considerations, and corporate governance as key factors in their investment choices. Their collective voice and growing financial influence are compelling businesses and financial institutions to adapt, incorporating ESG principles into their strategies. This trend is not only reshaping the investment industry but is also driving companies to become more socially and environmentally responsible. As Gen Z and Millennials continue to gain financial independence and shape the future, ESG investments are poised to become a dominant force in the global financial markets. Embracing ESG principles is not just a trend for these generations; it's a value-driven, long-term commitment to a more sustainable and equitable world. The study concludes that the two generations differ in their thinking pattern for investing or prioritising ESG while investing. It should also be noted that though age and education are very predominantly contributing the gender is not playing any role in the decision making. The investors are looking for the investments that align with their core ethical values but are not aware of the existence of those in the companies that they are planning to invest. Many investor are not aware of the terminology used for ESG measurement but are concerned about the environment. This suggests that more awareness needs to be created at the ground level.

Limitation and Scope for further Study

Ethical investing will play a much more significant role in the coming years and may end up becoming the dominant investment strategy for many investors in the future. Future research should address the limitations of this study by using a larger sample size, conducting longitudinal studies, and collecting objective data on investment decisions. Future research should also explore the impact of other factors, such as risk tolerance, time horizon, and investment goals, on the relationship between investment decisions, ethical considerations, and ESG principles.

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