Generational Cohorts and ESG Investment propensity: the mediating role of the Symbolic Value of Money

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Abstract

The paper aims to examine generations (baby boomers, Gen X, Millennials and Gen Z) impact on ESG investment propensity. We also explore whether symbolic value of money (such as Security, Freedom, Power and Love) mediates the relationship between generations and ESG propensity. Using a unique dataset from a European survey conducted between late 2024 and the beginning of 2025, comprising a nationally representative sample of 4,284 individuals from Finland, Germany, Italy, and Spain, we identify significant impact generational cohorts on ESG investment propensity. Baby boomers show a negative effect, whereas Millennials and Gen Z display a positive impact, indicating stronger sustainability orientation among younger cohorts. However, Gen X has no significant impact on ESG investment propensity. The mediation analysis confirms that symbolic value of money mediates these generational effects on ESG investment propensity for Baby Boomers, Millennials and Gen Z and suggests that generational differences in ESG investment propensity are partly driven by how each generation perceives the symbolic meaning of money.

Keywords: Generations, ESG investment propensity, Symbolic value of money, mediation.