WOMEN INVESTORS'BEHAVIOURAL ATTITUDE - WITH SPECIAL REFERENCE TO CENTRAL CHENNAI

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ABSTRACT

Investment or investing is a term with several closely related meanings in business management, finance and economics, related to savings or deferring consumption. An asset is usually purchased, or equivalently a deposit is made in a bank, in hope of getting a future return or interest from it. While some plans accrue short-term profits, some are for long-term returns. The first step towards investment in Indian market is to evaluate the individual requirements for cash, competence to undertake inherent risks and the amount of return expectationsof the investor. There are manyinvestment options in India such as fixed deposits, shares, mutual funds, etc. which assure safe and satisfactory returns. The main purpose of this study is to know about the perception of women investor's towards various investment avenues.

INTRODUCTION

The word investment has many interpretations as it means different understanding to different persons. For a person who has lent money to

another, it may be an investment for a return. Similarly, if a person purchases shares of a company, bullion or real estate for the purpose of price appreciation, it is also a type of investment. Likewise, an insurance plan or a pension plan is an investment to its purchaser. From these illustrations, it is clear that investment is a commitment of funds for earning future additional income. In other words, investment is considered the sacrifice of certain present value of money in anticipation of future reward.

For making proper investment involving both risk and return, the investor has to make a study of the alternative avenues of investment- their risk and return characteristics and make proper projection or expectation to preferences of the risk and return for making proper investment decision.

LITERATURE REVIEW

In the past, some studies relating to investments have been conducted. Literature on the different investment avenues and their benefits are massive. By a hair's breadth any research studies that have influenced the preparation of this paper significantly are discussed in this part.

Anand and Murugaiah (2014) considered The Strategic Issues related to the Marketing of Financial Services along with satisfaction with the idea of today's financial services industry have a need for innovative strategies in adding together to course of action with the aim of allow them in the course to detain most prospects.To enable them towardsenduring with an assemble the dangerous competition from international company of domestic as well as foreign resource.

*Gaur Arti et al. (2011)*considered women investors to be better decision makers of investment. They decide as to whether to invest in stocks, bonds or real estate. There is a huge difference in the investment decisions between male and female members. The study concluded that male have a high level of knowledge than women. In general, the female investors show less confidence level in their investment decisions which result in low grade of satisfaction level among the investors.

Jothilingam et al. (2013) conducted the research study based on the available literature and questionnaire i.e., both primary and secondary data were used for the study. It was to study the investors attitude towards different investment avenues. At present the women investors invest in gold and that they need to explore other avenues like mutual funds, shares, currency, etc. The study showed that investors were in for investment avenues which are less risky. They were keen on avoiding risks by choosing to invest in gold, mutual funds and bank deposits.

Ramamurthy and Reddy (2015) approved out a study to analyze theRecent Trends in Mutual Fund Industryand finished that the major benefits delivered to the small investors by mutual funds are professional management, diversification of investment, suitable administration, return potential, liquidity, transparency, flexibility, affordability, wide choice and proper regulation. They also analyzed certain modern trends in the mutual fund trade such as, entry and exit of mutual fund companies, compulsory certification of mutual fund sales / marketing personnel, mutual fund schemes related to real estate, commodity, bullion and precious metals, etc., shift from income funds to money market funds, shift from banks to mutual funds and buying and selling of mutual funds through online mode.

Sellappan et al. followed a descriptive approach method and primary data to study the investment attitude of women investors. It was shown that young and unmarried persons were high risk takers, while the elder and married did not want to take risks. The married women were more involved in making investments then the unmarried. The young preferred to invest in shares, mutual funds, and other instruments of high risks. The married women chose to invest in fixed deposits and insurance. They favoured to invest in government and its related domain basis of assets.

OBJECTIVES OF THE STUDY

The Indian financial marketconscientiousness is an extremely outsized industry consisting of number of investors. As the human behavior is spontaneous, this revised study helps in finding out the necessary essentials on the area under argument of investors' outlook and opinion regarding investments. The objectives of the study are:

- To identify the women investors' familiarity and awareness regarding investment in various avenues.
- To study about the women investors' attitude towards various investment options.
- To analyze those factors that influence the investment habit of the investors.
- To study the investment preference of women investors.

LIMITATIONS OF THE STUDY

There is no complete research study without limitations. This study is also not free from drawbacks. Some of the limitations of the study are:

- Limited time period prevented a detailed study and analysis
- All respondents were not able to provide their feedback due to various reasons
- The results are based on the views of the women investors in central Chennai alone
- The statistical tools have its own built-in limitations.

METHODOLOGY

- *Sample Details*

To achieve the objective of studying the investors attitude and awareness of various investment avenues, required data has been collected. The sample size

for the study is limited to 60 respondents. A convenient sampling method was used to select and make the sample representative of the population.

- *Data Collection Methods*

  The Primary data for the purpose of study is collected through a structured questionnaire method. The questionnaire consists of questions relating to demographic details, investor attitude about various investment avenues, and investor awareness programs.

- *Secondary Data*

  The secondary data are collected from relevant books, journals, magazines and websites. These data are used to support and substantiate the research study.

- *Statistical Tools*

  To analyze the responses of the respondents' appropriate and relevant statistical tools are used. The statistical tools used in this study are percentage, chi-square, ANOVA, t-test, Friedman test and factor analysis.

RESULTS AND DISCUSSION

The questionnaire was divided into three segments. They are as follows:

I.   Demographics
II.   Investor Perceptions
III. Investor Awareness Programs

The procedure of analysis is essential to interpret the result obtained, to draw up inference, and to give a meaningful conclusion for the study. Each question from the questionnaire which is in the source of primary data collection is converted in the form of table and various statistical tools such as percentage, chi-square, ANOVA, t-test, Friedman test are used to draw inferences.

TABLE 1 – AGE GROUP OF THE INVESTORS

S No.	Age (years)	Frequency	Percentage

1	Below 30	14	23.33
2	31-40	17	28.33
3	41-50	18	30.00
4	Above 50	11	18.34
	Total	**60**	**100**

Source: Primary Data

Table 1 above point that 30 percentage of the respondents belong to the age group of 41-50 years, 28.33 percentage of the respondents belong to the age group of 31-40 years, 23.33 percentage of the respondents belong to the age group of below 30 years, and 18.33percentage of the respondents belong to the age group of above 50 years. This shows that a greater number of the respondents belong to the age group of 41-50 years who are experienced and have knowledge about investments and the avenues for investment.

TABLE 2 – EDUCATIONAL QUALIFICATION OF INVESTORS

S No.	Educational Qualification	Frequency	Percentage
1	Under-graduation	10	16.67
2	Post-graduation	25	41.67
3	Professional	17	28.33
4	Others	8	13.33
	Total	**60**	**100**

Source: Primary Data

Table 2 explains that 41.67 percentage of the respondents are postgraduates, 28.33 percentage of the respondents are professionally qualified, 16.67 percentage of the respondents are under graduates, and 13.3 percentage of the respondents belong to the category of "Others". From the above it can be inferred that a good number of the respondents are postgraduates and are capable to take wise investment decisions.

HYPOTHESIS

Null Hypothesis: There is no significant difference between percentage of investment with respect to perception of investors.

TABLE 3 – SIGNIFICANT DIFFERENCE BETWEEN PERCENTAGE OF INVESTMENT WITH RESPECT TO PERCEPTION OF INVESTORS

Source	Degrees of Freedom	Sum of Squares	Mean Squares	F Ratio	Table Value
Between Groups	2	1070.4373	535.2187	15.1728	3.03
Within Groups	58	4127.1543	35.2748		
Total	**60**	**5197.5917**			

Source: Primary Data

Since the calculated value of F (15.1728) is greater than the table value of F (3.03), the null hypothesis at 5% level of significance is rejected. Hence, it is concluded that there is a significant difference between percentage of investment with respect to perception of investors. The results from the above table show, the more perception of investors towards various avenues leads to more investments.

FACTORS OF INVESTOR GROUP AND ASSESSMENT OF RISK ASSOCIATED WITH INVESTMENTS

The employees are requested to express their opinion about risk associated with investment at the point of inception. Their responses are obtained in Likert's 5-point scale which range from highly risky to riskless. Sixteen investment avenues have been posed to them to obtain responses suitable for the investor groups. Factor analysis, (the principal component method) is

COMPONENT	INITIAL EIGEN VALUES			EXTRACTION SUMS OF SQUARED LOADINGS			ROTATION SUMS OF SQUARED LOADINGS		
	TOT	% OF VARIANCE	CUMULATIVE %	TOT	% OF VARIANCE	CUMULATIVE %	TOT	% OF VARIANCE	CUMULATIVE %
1	3.879	24.245	24.245	3.879	24.245	24.245	3.667	22.919	22.919
2	2.496	15.597	39.843	2.496	15.597	39.843	2.329	14.559	37.477
3	1.402	8.766	48.608	1.402	8.766	48.608	1.487	9.297	46.774
4	1.122	7.014	55.622	1.122	7.014	55.622	1.416	8.848	55.622
5	0.942	5.890	61.512						
6	0.877	5.483	66.995						
7	0.797	4.982	71.977						
8	0.766	4.789	76.765						
9	0.675	4.216	80.981						
10	0.588	3.673	84.654						
11	0.510	3.186	87.841						
12	0.489	3.056	90.897						
13	0.449	2.809	93.706						
14	0.417	2.607	96.312						
15	0.324	2.027	98.339						
16	0.266	1.661	100.000						

applied and the following results are obtained.

TABLE 4 - KMO AND BARTLETT'S TEST FOR ASSESSMENT OF RISK ASSOCIATED WITH INVESTMENT

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.765
Bartlett's Test of Sphericity	Approx. Chi-Square	1737
	df	120
	Sig.	0

Source: Computed Data

Kaiser – Mayer – Olkin measure of sampling adequacy was estimated at 0.765, Bartlett's test of Sphericity and Chi-Square value was noted at 1737 are statistically significant. This shows that the investor's behavior noted from 60 samples are significant explaining risk associated with investment. The following table gives the number of factors deduced into 4 predominant factors.

TABLE 5 - TOTAL VARIANCE TABLE

Extraction Method: Principal Component Analysis

From the table 5.8 it is found that the four Eigen values 3.667, 2.329, 1.487, 1.416 along with individual variances 22.919, 14.559, 9.297, 8.848. The total variance explained by the 16 variables of risk associated with investment is 55.622 which are statistically significant. The four factors deduced so far are loaded with certain variables as shown in table below.

TABLE 6 - ROTATED COMPONENT MATRIX (A)

Responses	Component			
	1	**2**	**3**	**4**
AR14	0.53			
AR9	0.58			
AR11	0.68			
AR3	0.708			
AR6	0.752			
AR7	0.763			
AR15	0.765			
AR16		0.578		
AR8		0.585		
AR13		0.672		
AR10		0.678		
AR12		0.729		
AR1			0.738	
AR2			0.777	
AR5				0.611
AR4				0.759

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

A Rotation converged in 6 iterations.

Source: Primary data

From the above table it is identified that the first factor consists of seven variables namely Compulsory savings (0.53), Insurance products including ULIPs (0.58), Gold (0.68) Government securities (0.708), Fixed deposits of public sector banks(0.752), Post office savings (0.763), Bank savings account balances (0.765). Therefore, the first factor is named as *'RISK LESS INVESTMENTS'*.

The second factor consists of five variables namely any other investments (0.578), Mutual funds (0.585), Private financing/temporary loans (0.672), Real estate investment (land/building) (0.678) and Chits (0.729). Therefore, the second factor is named as *'RISKY INVESTMETNS'*.

The third factor consists of two variables namely Shares (0.738), and Debentures/bonds (0.777). Therefore, the third factor is named as *'HIGH RISK INVESTMENTS'*.

The fourth factor consists of two variables namely Fixed deposits with private sector or foreign banks (0.611), and Derivative segments (futures/options) (0.759). Therefore, the fourth factor is named as *'LOW RISK INVESTMENTS'*.

The researcher has classified the investment avenues based on risk such as risk less, risky, highly risky and low risk investments.

CONCLUSION

This study has made an attempt to understand the women investors responsiveness towards various investment options in relationship with various choices and standards. It is found from the study that most of the people are educated and employed with logical salary come forward to invest in financial instruments. More than a few people who have not invested in mutual funds are due to lack of awareness, although they have money to

invest. In addition,distribution channel is important for investment in mutual funds. Financial advisors are the most preferred channel for investment in mutual funds as they can modify investors mind from one investment preference to another, and people who have invested directly are who know well about mutual funds and its operations and having time to do a lot of research.Moreover, this investment in equities by the investors leads to the capital flow into the corporate organizations which in turn help in the

development of the nation in the path of the economic progress.These changes consist of introduction of new products, upgrading in mutual fund distribution by providing training to the financial advisers / brokers and using simple language with minimum procedures. The findings of the study indicate that investor groups perception has led to the investment appreciation exhibited through various factors. A similar kind of investor group perception will enhance investment effectiveness in any situation.

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