4.1. FINDINGS

DEMOGRAPHIC FACTORS

- It is found out from the study that among the total number of respondents, around 38% of the respondents belonging to the age category of 31-45 years.

- Basically, India is male dominant country. Now a day’s female entered into all fields like men. But from the study it is found that majorities (63%) of the respondents were male and the study also proved that India is a male dominant country.

- It is identified that among the total number of respondents, 70% of the respondents were married. Marital status was an important factor in the decision making field.

- Educational qualification is the major factor in the field of investment decision. The share market can not an easy one to any one entered and to be operated. It is true from the study that 41% of the respondents were graduates. Because operation of share market needs some basic knowledge about shares.

- Among the total number of investors 25% of the respondents were corporate employees and followed by business owners. Very low income group cannot deal with share markets.
It is observed from the study that the 45% of the respondents eared Rs. 1,20,001 – 5,00,000 as their annual income and just 6% of the respondents earned more than 12,00,000 rupees for their annual income.

Regarding the annual investment 44% of the respondents were invest below Rs.1,00,000. The share market is not good now. Before ten years or before the world wide crisis Indian derivative markets were good and more people invest in them. But now the investors were not ready to invest freely.

It is regarding the number of years the respondents were involved in the investment activities. From the study it is clear that 50% of the respondents were at least 5 years of experience and 7% of the respondents were more than 21 years in the field.

About the residence of the respondents it is observed from the study that majority (82%) of the respondents were from urban areas.

Around 33% of the respondents were moderately conservative investors willing to take risk and around 41% of the respondents were aggressive investors. Out of the 41% aggressive investors around 20% is only ready to take more risk.
With regard to the type of the investment, around 37% of the respondents invest in equities along with 28% and 17% invest in Future & Option market and Commodity market respectively.

**Decision Factors**

- Regarding the factor short term capital gains 45% of the respondents felt that it was important and 23% of the respondents felt it was very important.
- 36% of the respondents felt that the factor long term capital appreciation was very important and the 26% of the respondents felt that it was important.
- Dividend income is important for 39% of the respondents and 29% felt that it was somewhat important.
- About the factor Diversification 31% of the respondents felt it was very important and 22% of the respondents felt it was somewhat important.
- 35% of the respondents felt minimizing of risk was very important and another 35% of the respondents felt it was important.
- Regarding the factor Family/relative opinion 29% felt that it was very important and 25% of the respondents felt that it was somewhat important.
Friends/Co-workers opinion was important for 29% of the respondents and it was somewhat important for 38% of the respondents.

Regarding the factor Brokers/Financial advisors recommendation 35% of the respondents felt that it was somewhat important and 31% of the respondents felt that it was important.

40% of the respondents were felt it was important regarding the newspaper/magazines and 30% of the respondents felt it was somewhat important.

Regarding the factor financial statement / annual reports 41% of the respondents felt that it was important and 30% of the respondents felt that it was somewhat important.

About the factor computer/internet, 44% of the respondents felt that it was very important and 34% of the respondents felt that it was important.

41% of the respondents felt that gross domestic product was very important and 36% of the respondents felt that it was important.

Regarding the factor interest rates 34% of the respondents felt that it was important and 32% of the respondents felt that it was important.
About inflation rates 36% of the respondents felt that it was very important and another 36% of the respondents felt that it was important.

Regarding the factor Strong confidence of economy 38% of the respondents felt that it was very important and 33% of the respondents felt that it was important.

About the factor Government stability 44% of the respondents felt that it was very important and 35% of the respondents felt it was important.

Regarding the factor Stock market performance 60% of the respondents felt that it was very important and 19% of the respondents felt that it was important.

About the factor past performance of industry 40% of the respondents felt that it was very important and 26% of the respondents felt that it was important.

42% of the respondents felt that the factor growth rate of industry was very important and 30% of the respondents felt that it was important.

Regarding the factor Firm’s status in Industry Life Cycle 53% of the respondents felt that it was very important and 31% of the respondents felt that it was important.
 về kích thước của doanh nghiệp 43% của số respondent coi đó quan trọng và 34% của số respondent cảm nhận việc đó là quan trọng.

- Regarding the factor Firm’s Product/Services Quality 39% of the respondents felt that it was important and 31% of the respondents felt that it was very important.

- 26% of the respondents felt that reputation of firm was very important factor and the 33% of the respondents felt that it was important.

- Regarding the quality of management 38% of the respondents felt that it was important and 30% of the respondents felt that it was very important.

- About the factors perceived ethics of the firm 33% of the respondents felt that it was important and 28% of the respondents felt that it was very important.

- Regarding the firm’s local operations 37% of the respondents felt that it was very important and 28% of the respondents felt that it was important.

- About the factor the firm’s international operations 43% of the respondents felt that it was very important and 30% of the respondents felt that it was important.
48% of the respondents felt that stock price per share was very important and 29% of the respondents felt that it was important.

Regarding the factor earning per share 34% of the respondents felt that it was important and 39% of the respondents felt that it was important.

31% of the respondents felt that price to earnings ratio was very important and 47% of the respondents felt that it was important.

Regarding dividend payout ratio 31% of the respondents felt that it was very important and 53% of the respondents felt that it was important.

33% of the respondents felt that book value per share was very important and 46% of the respondents felt that it was very important.

Regarding current ratio 41% of the respondents felt that it was very important and 34% of the respondents felt that it was important.

33% of the respondents felt that debt equity ratio was very important and 46% of the respondents felt that it was important.
Regarding the factor return on equity 51% of the respondents felt that it was very important and 32% of the respondents felt that it was important.

In the case of overall influencing investment factors the mean values of 44% of the respondents were low and the remaining 56% of the respondents was high. This reveals that there is 56% of the respondents show high opinion on the overall influencing factors.

HYPOTHETICAL FINDINGS

There is a significant difference between period of investment of the respondents and their overall influencing factors of investment decision. Hence, the calculated value is less than table value. So the research hypothesis is accepted. So period of investment influences on overall influencing factors of investment decisions.

There is a significant association between type of investors of the respondents and their overall influencing factors of investment decision. Hence, the calculated value is less than table value. So the research hypothesis is accepted. So there is
some association between type of investors and the overall influencing factors of investment decisions.

- There is a significant association between age of the respondents and their overall influencing factors of investment decision. Hence, the calculated value is less than table value. So the research hypothesis is accepted. So age make influence in the overall influencing investment factors.

- There is no significant difference between gender of the respondents and their overall influencing factors of investment decision. Hence, the calculated value is greater than table value. So the research hypothesis is rejected. The gender of the respondents does not influence the overall influencing factors of investment decision.

- There is a significant difference between marital status of the respondents and their overall influencing factors of investment decision. Hence, the calculated value is less than table value. The research hypothesis is accepted. So, the marital status of the respondents influences the overall influencing factors of investment decision.
There is a significant difference between educational qualification of the respondents and their overall influencing factors of investment decision. Hence, the calculated value is less than table value. So the research hypothesis is accepted. It is clear that the educational qualification influences the factors like objective, sources of information, industry, economy/market, company quantitative and qualitative.

There is a significant association between occupation of the respondents and their overall influencing factors of investment decision. Hence, the calculated value is less than table value. So the research hypothesis is accepted. The occupation makes impacts on all the factors.

There is a significant difference between annual income of the respondents and their overall influencing factors of investment decision. Hence, the calculated value is less than table value. So the research hypothesis is accepted. The annual income of the respondents has an influence on the overall influencing factors of investment decision.

There is a significant difference between stock investment of the respondents and their overall influencing factors of
investment decision. Hence, the calculated value is less than table value. So the research hypothesis is accepted. The stock investment amount influences on the overall influencing factors of investment decision.

- There is a significant difference between residence of the respondents and their overall influencing factors of investment decision. Hence, the calculated value is less than table value. So the research hypothesis is accepted. The residence of the respondents has an impact on the overall influencing factors of investment decision.

- There is no significant difference between type of investment of the respondents and their overall influencing factors of investment decision. Hence, the calculated value is greater than table value. So the research hypothesis is rejected. The type of investment of the respondents does not influence the overall influencing factors of investment decision.
4.2. SUGGESTIONS

- General awareness is to be created among all the age group people as investment is the major area of saving money in the midst of risk. India in this regard, is identified to be a safe destination and all age group people require knowledge towards investment.

- Women are on par with men and hence awareness towards female segment may attract more investment as women by themselves have the habit of saving more effectively and efficiently.

- For making investment, marital status is not a hurdle. It is found that more number of married people make their investment; unmarried people also need encouragement and support.

- There are more number of educated people participate in the investment aspects and less educated people have no knowledge and awareness towards it. Hence, it is important to create awareness among the illiterates or less educated people to make investment for their future.

- Employees are the major investors in investment avenues, the other segment lack of knowledge and skills to make investment. Hence, students, housewives, retired persons and
others who have less knowledge in investment must be properly guided to make investment.

- New schemes are to be launched to attract high income group to participate in the investment avenues as they are not much interested to make investments.

- Investors must come forward to make their investment without much worry about the risk. In Indian situation, the growth in the investment is vertical and hence it is observed that there is less risk.

- More awareness and encouragement is required to make investment and hence proper information sharing by companies, periodic market assessment, and company quality is to be informed to investors every now and then.

- Investment in mutual fund is still less and hence information is to be provided to investors about the benefits of mutual funds investments.

- Media and companies must take necessary step towards providing information about investment in rural areas as there is no much investors in rural areas.

- Investors must be given orientation about dividend income and diversified investments in the shares.

- Investors must be taught to read and understand through magazines and news papers on the trends of investment.
4.3. CONCLUSION

The study reveals that the objective factors rank first in influencing the investor in their investment decision. The second and third rank is occupied by the company qualitative and company quantitative factors respectively. Largely there is a significant difference between the demographic factors and their overall factors influencing investment decision. Even though the proportion of the male respondents is more, the gender of the respondents has no significant difference in the overall influencing factors.

Investor behavior analysis deals with analyzing the behavior of an investor based on his demographic and psychographic factor like age, gender and income groups. This states what would be a preferred portfolio of an investor at an age. This will be helpful to the stock brokers and portfolio managers to offer better portfolios to their investors.

In the modern world, the risk management practices are gaining much impact and hence understanding the investment behavior becomes more crucial. Timely insights into portfolio flows and positioning can help to alert individual investors to avoid risks that are readily discernible through historical volatilities and covariance.
4.4. DIRECTIONS FOR FURTHER RESEARCH

The researcher has identified the following research areas which can be studies further in order to explore the behavior of the investors.

- Investor’s behavior in Futures and options market
- Critical analysis of the Investors Psychology in the Indian Bullion market
- Impact factors on the decision process of the investors in stock market
- Investors Preference and Perception in Commodities market in India
- Investors Perception in Mutual Fund Market in India
- Factors influencing the investor’s avenues
- Study on Financial Behavior of investors regarding Mutual Funds

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