7.1 Introduction

The investors can make the share trading as a beneficial investment area. While making the investment decision and especially equity share investment decision, not only conscious or explicit information plays a role, but also implicit or unconscious components like psychological and economic factors are considered to be important. Stock market related information will help to assess the investment pattern whether to decide investing in the market and to retain the investment in time horizon that results in reducing their risks. Sometimes many factors would be affected for choosing the stock. These factors had been identified, analyzed and interpreted in separate chapters. The findings made by the analysis of the data are summarized in this chapter keeping in mind the relevant objectives of the study. For the purpose of analysis, various statistical tools such as simple percentage and mean values, standard deviation, one-Way ANOVA test, Independent Sample t-test, Karl Pearson co-efficient of correlations and multiple regressions had been applied. The findings are based on the results arrived at by using the above statistical tools. The findings also provide researchers and practitioners with better understanding of the potential of stock trading behavior which may aid stock brokers.

7.2 Major Findings from the Study

The results based on chapter wise findings are mentioned as follows

7.2.1 Structural Equation Model

Structural Equation Modeling (PLS) has been instrumental in proposing and validating a conceptual model in terms of five latent variables like monthly
income, level of awareness, factors influencing the investment decision, intention to invest and level of satisfaction. It was found that monthly income, awareness and factor dimensions had impacted intention to invest. Eleven variables from the five latent variables viz., ‘monthly income’, second latent variable ‘risk’, ‘rights of a shareholder’, ‘derivative market’ and ‘role of SEBI in the stock market’, third latent variable as ‘general factor’, ‘company factor’, ‘political and economic factor’, ‘financial factor’, ‘market factor’ and ‘psychological factor’ contributed significantly to the intention to invest dimension and which led to a level of satisfaction in stock invest. The statistical analysis revealed a high degree of composite reliability, average variance extracted (AVE) and discriminant validity for the proposed model.

7.2.2 Personal Profile of the Respondents

- It was found that 80.6 per cent of the respondents were males and only 19.4 per cent were females. Among them 27 per cent of the respondents belonged to the age group of 26 to 35 years, followed by 23.6 per cent in the age group of 36 to 45 years.
- It was seen that 32.6 per cent of the respondents were post graduates followed by 30.4 per cent had studied up to graduate level. Majority of (31.6 per cent) the respondents belonged to businessmen category in the study area.
- 69.2 per cent were married whereas 30.8 per cent were unmarried. It was also observed from the study that 68 per cent of the respondents were nuclear family system and the remaining 32 per cent were under the joint
family system. 29.6 per cent of the respondents earned an income up to Rs 20,000 and 28.8 per cent earned an income between Rs 20,001 to Rs 30,000.

- As regards annual investment a majority of the respondents viz., 41.4 per cent had an annual investment below Rs 50,000 followed by 28.4 per cent respondents in the annual investment bracket between Rs 50,001 to Rs 1,00,000.

- The distribution of investors according to investments other than stock market revealed that a majority of the respondents (54 per cent) were investing in gold/silver. Also a lesser number of respondents were investing in public provident fund.

### 7.2.3 Information Related to Stock Market

A summary of the findings of the study related to investments made by the sample investors in the stock market are detailed below.

- The classification of the respondents on the basis of type of investors showed that a vast majority of them viz., 67 per cent were new generation investors.

- Among the sample investors, 37 per cent had occasionally traded in stock market. Majority of the investors’ viz., 55.4 per cent had invested in the stock market out of their own income only followed by 16.6 per cent of the investors having sources of funds from the pledge of assets.

- Out of 500 respondents, only 35.2 per cent had a trading experience in the stock market for a period of three to five years. Further the study revealed
that 46.4 per cent were speculative traders. Majority (54.6 per cent) of them had invested between Rs 25,001 and Rs 50,000 in the stock market.

- 44.8 per cent of the investors had selected their investment portfolios in five companies and 52 per cent respondents had invested in the secondary markets through stock brokers.

- Further, it could be seen that 44 per cent of the investors gathered the information rather than trading procedure about the stock market from the brokers or agents, followed by friends with 40.4 per cent. 63.6 per cent investors collected information from the brokers or agents before they actually invested in stock market.

- Majority of the respondents were not willing to be a member of the investors’ forum. Out of 240 member respondents in the forum, 43.33 per cent were members in the forum for a period of one to two years. Majority of the respondents were willing to participate in the investors’ workshop program in the study area.

- Out of 310 respondents, 48.38 per cent had participated in one day workshop program. Further majority of them viz., 27.2 per cent liked to invest in blue chip shares, 23.4 per cent preferred to invest in growth type of shares.

- 39.4 per cent respondents came under the policy risk neutral, followed by risk averter accounting for 30.8 per cent. Most of the investors preferred to invest in the stock market for the purpose of capital growth by securing the highest score as the reason for participating in the stock market. The
respondents had given their highest stock preference to the banking sector and considered it as a good financial sector for their investment.

- Their main reason to invest in the stock was capital appreciation for their investment and the tax benefits secured the last position in their investment portfolio.

- Maximum number of respondents had given their opinion that their stock preference to the banking sector which was considered as a good financial sector and they gave their lowest preference to real estate sector.

7.2.4 Level of Awareness about the Stock Market

- In risk dimension, the highest perceived statement was “I am cautious about stock which shows sudden fluctuations in price or trading activity” and in rights of a shareholder dimension the highest perceived statement was ‘Right to receive dividends in time once approved in general meeting’.

- In equity derivate dimension the highest perceived statement was ‘different categories of equity derivative market’ and the role of SEBI in the stock market dimension had the highest perceived statement for ‘Grievance cell setup by SEBI’.

- It is seen that, highest mean secured by the risk dimension and lowest standard deviation for role of SEBI in the stock market and rights of shareholder dimensions had highest consistency, that measure the most of the respondents knowing about the rights of shareholder in the stock market.
v It was also observed that the level of awareness and the attitude of a majority of sample respondents came under the medium category in respect of all dimensions.

v The investors’ opinion towards level of awareness and various demographic variables like, gender, age, occupation, educational qualification, and marital status, type of family, monthly income and annual investment of the respondents were found to be not significant at five per cent level. Therefore, it was concluded that the above said demographic variables did not influence the opinion of level of awareness.

7.2.5 Factors influencing Investment Decision towards Stock Market

v The highest perceived statement in general factor dimension was “Indian stock markets are well regulated and for company dimension, the highest perceived statement was ‘company image and goodwill’.

v Political and economical dimension revealed the ‘Strength of Indian economy’ as the highest perceived statement and financial factors dimension in the stock market had the highest perceived statement for ‘financial leverage is more favorable on equity shares’.

v It was also seen from the market dimension that the highest perceived statement was ‘past information of the company’s stock’ and psychological dimension had the highest perceived statement for ‘Past investment experience in stock market’.

v It is seen that, highest mean secured by the company factor dimension and lowest standard deviation for psychological dimension and market factor
The dimension had highest consistency that measure most of the respondent to consider those information regarding invest in stock.

- The attitude of majority of the sample respondents in respect of factors influencing investment decision came under the medium category.

- The investors’ opinion towards factors influencing investment decision and various demographic variables like, gender, age, occupation, and marital status, type of family and monthly income of the respondents were found to be not significant at five per cent level. Therefore, it was concluded that the above said demographic variables did not influence the opinion of factors influence investment decision.

- Further, it was found that opinion among the factors influencing investment decision in respect of educational qualification and annual investment of the respondents were found to be significant at five per cent level, which meant, that these two variables influenced the opinion of the respondents to consider certain investment decisions.

- Intention to invest dimension had the highest perceived score. It was ‘I intent to buy and sell the stocks’. It is indicated that, the investors should be inclined to buy the stock always, which leads to the enhanced level of satisfaction in the market.

### 7.2.6 Level of Satisfaction towards Stock Market

- It was noticed that, the broker dimension had the highest perceived statement towards ‘account maintenance’ and the ‘dividends and interest’ statement in depository service dimension had the highest perceived score.
In SEBI procedure and regulation dimension, the highest perceived statement was ‘Nation-wide trading facility’ and in market condition dimension the highest perceived statement was the ‘capital appreciation’.

It is seen that the highest mean score and lowest standard deviation secured were depository dimension and broker dimension which had highest consistency that indicated that most of the respondents were satisfied with broker services in respect of stock investment.

The attitude of level of satisfaction of the sample respondents came under the medium category in respect of all dimensions.

The relationship between the intention to invest and the demographic variables, such as educational qualification, occupation, marital status, type of family and annual investment were found to be not significant at five per cent level, rest of the variables like gender, age and monthly income were found to be significant. The entire dimension in respect of both level of awareness and factors influencing investment decisions were also found to be significant at five per cent level.

All the dimensions related to intention to invest and level of satisfaction had weak relationship and was significant at five percent level.

7.3 Conclusion

The study was based on primary data collected from selected individual investors and it was done to gain a deeper understanding of the attitude of the investors in the equity investment (stock market). The screen based trading system, establishment of depositories and dematerialization, rolling
settlement, derivative trading and others, were the major development in the stock market in the modern times. It had resulted in better transparency in dealings, improvement in market infrastructure and ease of operation and quick settlement of transactions.

This study the attitude of investors in the various forms of dimensions as awareness, factors influencing investment decision, intention to invest and satisfaction were analyzed. Majority of the investors were well-known about the equity is a risk investment. Monthly income and awareness highly influenced the intention to invest. Among the various factors considered before investing in the market the company factor was mostly preferred by the investors. Finally, investment satisfaction in market condition was at a low level.

7.4 Suggestions

The following are the suggestions that have emerged from the study.

1. The equity trading in the southern part of the country is low. Therefore, increased awareness about the stock market will attract more number of investors to invest.

2. The investors should also consider equity investment as a long term investment alternate to protect them against the short term fluctuation in the market and also to get benefited from the growing Indian stock market.

3. Only a few investors had attended the awareness programmes organized by Securities Exchange Board of India and Stock broker agencies. Hence SEBI
has to take necessary measures to conduct such programmes more often in the study area.

4. The study reveals that the investors opined that there is no sufficient capital appreciation. It is necessary that the policy measures are to educate the small investors on the risks and rewards associated with stock markets.

5. SEBI can regulate the financial service providers from unduly influencing the investors.

6. Investor’s education initiatives are necessary to promote the concept of investing in stock market with a long term perspective. Most of the investors view stock market as method of earning short term profits or windfall profits as is evident from tendency of the respondents to look for profits and go in for the next trading.

7. Investors have to understand the characteristics of the low risk takers, risk averter and risk neutral. This helps the advisor to suggest proper investment strategies for the investors, which suit their risk ability.

8. The investors have to keep in mind their own risk appetite and time horizon. To make a rational decision, the investors should evaluate a lot of information about the past performance and expected future performance of companies, industries and the economy as a whole before taking the investment decisions.

9. The SEBI has to conduct investors’ awareness programmes by organizing seminars, conferences, workshops to make familiarize the functioning of stock market as the investors and the general public had poor knowledge about stock market.
10. The SEBI should come forward to give advertisements in the leading newspapers and other electronic media regarding the stock market dealings.

11. The policy maker should implement effective controlling measures for the better functioning of stock market.

12. The Central Government has to enact the law in such a way that if anybody is indulging in malpractices is to be punished strictly.

13. The stock brokers’ forum can also conduct investors’ week programme on par with deposit mobilization week conducted by the commercial banks.

14. The SEBI should also simplify the trading procedures in stock market.

15. The Central Government has to provide the tax concessions for all the individual investors which will motivate them to invest in the stock market.

7.5 Scope for Further Research

- Further research can be done on the role of brokers in the personal financial planning of the individual investors.

- A study can be done on the attitude of investors in respect of commodity market.

- A research study can be undertaken to analyze opinions of the public towards investment alternatives on a larger canvas.

- A research study can be taken up on factors influencing investors risk perception in stock market.

- A study may be conducted in future to examine investors attitude towards mutual funds in the study area.
The same research problem may be pursued in different geographical areas, because the sample respondents have differing views on the stock market.
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