

An empirical study on Prospect Investors Behaviour towards Investment with special reference to Gandhinagar City

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ABSTRACT

The main aim of conducting this research study is to know about investors' behaviour towards investment habit in Gandhinagar city of Gujarat state. In order to conduct this study and to achieve the objectives, the primary data has been collected by using structured questionnaires. Moreover, Secondary data has been collected from published reports, journals, periodicals, newspapers, books, magazines and other published literature. For collecting the primary data Judgment sampling method is used. To undertake this study, the sample sizes of 200 prospect respondents were taken. Correlation statistical method is used to find out the result from the collected data. The socio-economic factors such as age, gender, income, education level, occupation, and investment.

INTRODUCTION

With the increased number of financial studies found out that investors invest their asset portfolios more conventionally, a finding that is usually a reliable with the "common wisdom" of financial services providers. Though there is a large portion of literature on other types of gender diversity in pensions, examination of differences in investment behavior is a comparatively new avenue for research. The existence of gender diversity raises vital questions for public policy, especially in light of the recent trend toward self-directed pension accounts and the proposals for partial privatization of Social Security. However, there are clear allusions for the overall financial well-being of investors in retirement; intrusions can be more effectively designed with better understanding of the fundamental causes of pragmatic investment patterns.

The subsistence of gender diversity in investing and risk-taking is quite well established by recent studies. Although, supercilious that this is a cause for concern, suitable policy intrusions can be more effectively designed with improved understanding of the basic causes for differences. Recognizing the causes is a more complicated task since it is normally only possible to observe the results of decisions as opposed to the decision-making processes themselves. This issue is vital not only to private and social pension policy makers, but also to sponsors and professionals who provide investment related information to their clients.

OBJECTIVE OF THE STUDY

The following are the major objectives of the study;

1. To identify the behaviour of Investors' towards investment activity
2. To discover the nature of investors on the basis of socio economic factors.

RESEARCH METHODOLOGY

Research Design:

This research is an analytical and descriptive research study. It is related to the analysis of investment behavior of investors'. In order to conduct this research study, 200 sample respondents are selected in the Gandhinagar city of Gujarat state.

Sources of Data:

All the data obligatory for this research study is acquired from primary and secondary data sources. Primary data collected from respondents through interview and mostly structured questionnaire has been used as a primary data collection instrument. Secondary data has been collected from published reports, journals, periodicals, newspapers, books, magazines and other published literature.

Sampling Plan:

1. *Sampling unit:* Prospect Investors belong to Gandhinagar City.
2. *Sampling method:* Judgment sampling
3. *Sample size:* 200

LIMITATIONS OF THE STUDY

1. The present research study limited to Gandhinagar City geographical area only.
2. The interpretation is generalized in nature.

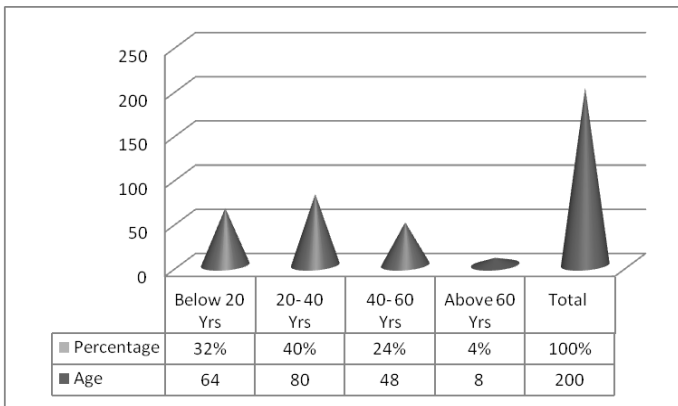
DATA ANALYSIS AND INTERPRETATION

Table I. Age Profile of the respondents

Age	Below 20 Yrs	20- 40 Yrs	40- 60 Yrs	Above 60 Yrs	Total
	64	80	48	8	200
Percentage	32%	40%	24%	4%	100%

(Primary Data)

Graph-1



Interpretations:

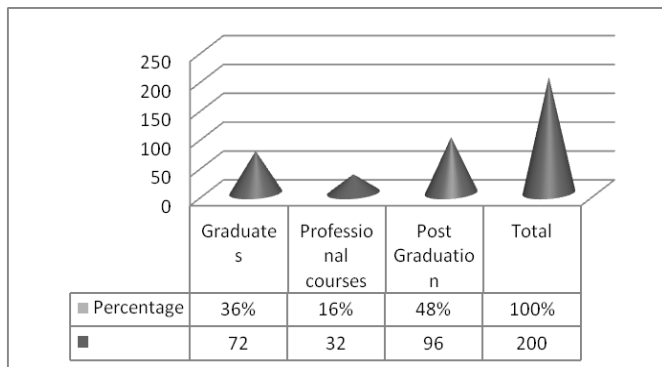
The above table-1 and graph-1 represents 32 per cent respondents are belong to below 20 year of age group, 40 per cent of respondents are from 20-40 years of age group, while 24 per cent of respondents are belong to 40-60 year age group and 4 per cent of respondents are belong to age group of 60 yrs and above.

Table II. Education of the respondents

Qualification	Graduates	Professional courses	Post Graduation	Total
	72	32	96	200
Percentage	36%	16%	48%	100%

(Primary Data)

Graph-2



Interpretations:

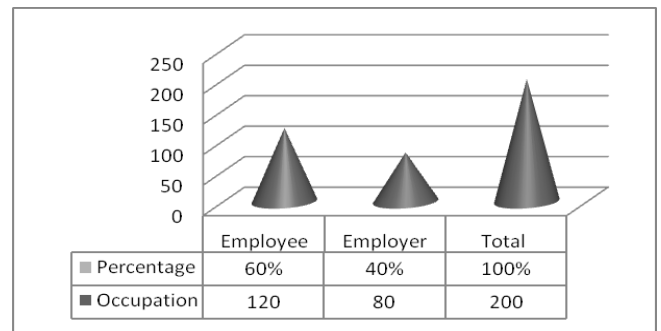
The above table-2 and graph-2 identified that 36 per cent of respondents are graduated, 16 per cent of respondents are belong to professional qualification, 48 per cent of respondents are belong to Post graduation as there educational qualification.

Table III. Occupation

Occupation	Employee	Employer	Total
	120	80	200
Percentage	60%	40%	100%

(Primary Data)

Graph-3



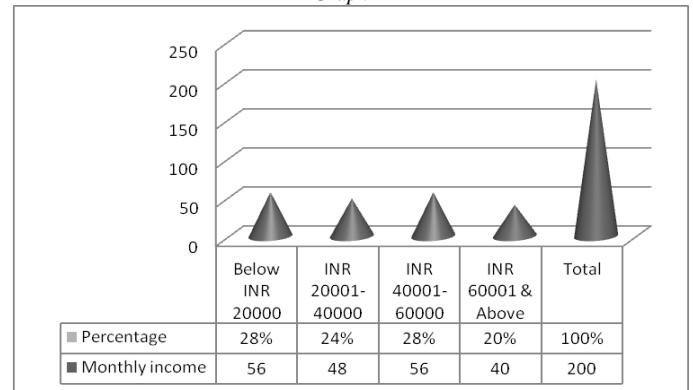
Interpretations:

The above table-3 and graph-3 shows that 60 per cent of the total respondents investors' are employee and 40 per cent of the respondents' investors' are employers.

Table IV. Monthly Income (in Rs)

Monthly income	Below INR 20000	INR 20001-40000	INR 40001-60000	INR 60001 & Above	Total
	56	48	56	40	200
Percentage	28%	24%	28%	20%	100%

Graph-4



Interpretations:

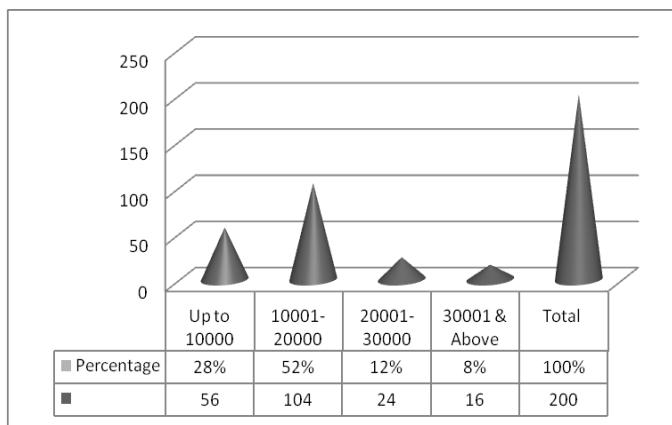
The above table-4 and graph-4 represents the income level of the respondents in Gandhinagar City. In this study 28 per cent of the total investors belong to the income group INR below 20000, 24 per cent of investors belong to INR 20001-40000, 28 per cent of investors belong to INR 40001-60000 and 20 per cent of investors belong to the income group more than INR 60001 as monthly income.

Table V. Monthly Investment level (in INR)

Monthly investment level(INR)	Up to 10000	10001-20000	20001-30000	30001 & Above	Total
	56	104	24	16	200
Percentage	28%	52%	12%	8%	100%

(Primary Data)

Graph-5



Interpretations:

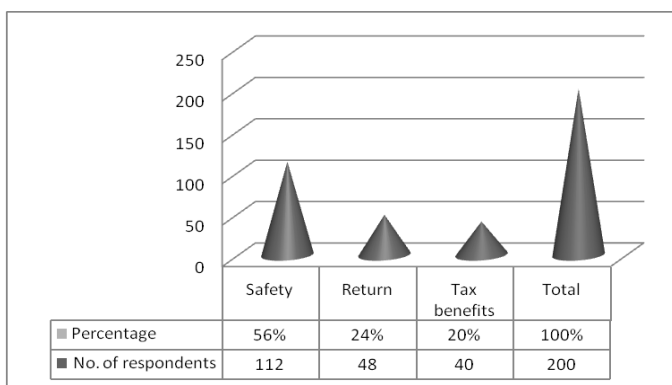
The above table-5 and graph-5 shows that Investment level of the respondents in Gandhinagar City. 28 per cent of the total investors invest the money up to INR 10000, 52 per cent of the respondents have the investment limit of INR 10001-20000, 12 per cent of the respondents have the investment criterion of INR 20001-30000 and 8 per cent of the investors have the investment habit of INR 30001 and above.

Table VI. Reasons for investment

Particulars	Safety	Return	Tax benefits	Total
No. of respondents	112	48	40	200
Percentage	56%	24%	20%	100%

(Primary Data)

Graph-6



Interpretations:

The above table-6 and graph-6 represents that 56 per cent of the investors invest the money for safety purpose, 24 per cent of the investors invest the money for the purpose of gaining return and 20 per cent of the investors invest the money for the purpose of tax benefits.

Table VII. Relationship between Income and Monthly investment

Monthly income	Less than INR 20000	20001-40000	40001-60000	60001 & Above	Total
	56	48	56	40	200
Monthly investment	Up to 10000	10001-20000	20001-30000	30001 & Above	
	56	104	24	16	200

Interpretations:

The table-7 reveals that there is a positive relationship between monthly income of the respondents and monthly investment. The relationship between monthly income and monthly investment of the respondents with p value of 0.8779 is 0.1221.

FINDINGS

1. Only 40 per cent of the investors’ are 20-40 years of age group.
2. 48 per cent of investors’ holds post graduate educational qualification.
3. 60 per cent of investors’ are employees.
4. Average 28 per cent of investors’ monthly income is INR 10000 - INR 20000.
5. 56 per cent of investors’ expect high level of safety for their investment.
6. 52 per cent of investors show the positive attitude towards investment habit. Averagely they save INR10000- INR 20000.
7. The socio economic factors represent the positive relationship with investor’s attitude of 0.1221.

CONCLUSION

With the increased number of financial studies found out that investors invest their asset portfolios more conventionally, a finding that is usually a reliable with the “common wisdom” of financial services providers. This research study found that investors consider several factors while investing their income in various investment instruments. Company should create awareness among the investors about various investment options.

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