

A Study on Investment Pattern among Working Women in Cochin City-Kerala

¹Honey Cleetus & ²Dr. Anitha M.N.

¹Assistant Professor (on contract) of Commerce, St. Teresa's College (Autonomous) Ernakulam, Kerala (India)

²Assistant Professor of Commerce, Maharajas College (A govt. Autonomous College), Ernakulam, Kerala (India)

ARTICLE DETAILS

Article History

Published Online: 10 December 2018

Keywords

Investment pattern, Gold as an investment option Risk.

Corresponding Author

Email: honeycleetus[at]gmail.com

ABSTRACT

The project is on the topic "A Study on Investment Pattern among Working Women in Cochin City-Kerala". The study mainly focuses on the various investment avenues available and investment pattern adopted by working women in Kochi. The study is conducted among 100 women in Kochi. The project evaluates whether the investment avenues available and women's pattern have any relation. Important variables analyzed are the various investment pattern available in the market, its selection by women investors and concept of gold as an investment option by women.

1. Introduction

Women's income is always considering as a supplementary income within the family. But the growing importance of income earned by women raises many interesting issues worth serious considerations; first, it is related to the share in the total household income. Second is related to their control over the expenditure of the total household income. Third is after spending a considerable amount of earnings, what are the investment tools opted by women to save their earnings. The present study was making to know saving habit and saving pattern of working women.

2. Objectives

This study focused on investment behaviour of women investors and the factors that influence their investment decisions. An in-depth analysis was made in term of their financial goal and their investment patterns.

Objectives of the study are;

1. To study investment pattern of women in Cochin city.
2. To analysis the factors affecting investment decision of women investors.
3. To understand whether working women prefer to buy jewellery over other investments.

3. Methodology

The objective of this study is to find out the women investors with respect to the preference of various investment options while doing their financial planning in Kochi. For this purpose mainly primary and secondary data and information are used. Data collection is done using interview schedule method.

Primary Data

The investigator has collected primary data using interview schedule. 100 respondents were conveniently selected from different professionals in Kochi. A set of 15 relevant questions were prepared and circulated among the respondents. Interview schedule was directly provided to them.

Secondary Data

Secondary data is collected by referring books, journals and magazines that provides information about the topic smart phone application and also by searching in internet.

Method

The method used for data collection is sample survey. For this study, convenient sampling is used. It is a technique of inspecting or studying only a selected representative and adequate fraction of the population. It is a way of collecting primary data.

Sample Size

It means the number of observations or respondents chosen for collecting data under the sample survey. It is a non-probability sampling done on the basis of convenience. The sample size is limited to 100 people.

Tools of Analysis Method

Data collected are analyzed using various statistical tools like tables, charts, bar diagrams, percentages etc. for easy presentation of the collected data.

Limitations

Like any other study, this project study has various limitations:

1. Time was very limited.
2. As the study is on behavior aspect, information may be biased.
3. The study is limited to Kochi.
4. Since the study is conducted in a very small area and on a small sample size, the results of the study cannot be generalized for another geographical area.
5. Since sampling method is used, chances of sampling errors are high.

4. Literature Review

The National Council of Applied Economic Research (NCAER) conducted a survey of households (1964) entitled

“Attitude towards and motivations for savings”. The survey covered a sample of 4650 households spread over India. It provides an insight into the attitude towards and motivations for savings of individuals. One of the important finding was that the investment in securities was preferred by the high income households.

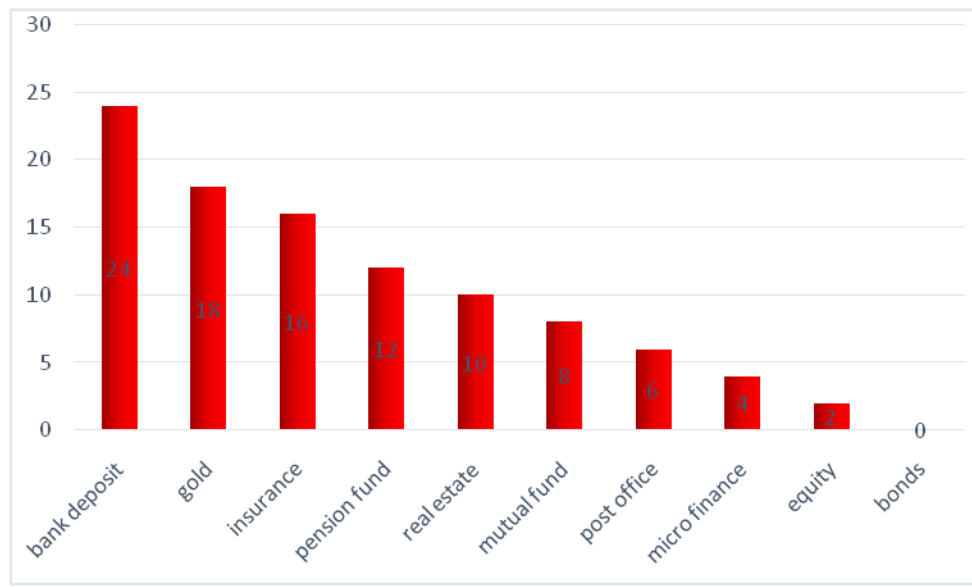
Securities and Exchange Board of India (SEBI) and NCAER (2000) 'Survey of Indian Investors' has reported that safety and liquidity were the primary considerations which determined the choice of an asset. Ranked by an ascending order of risk perception fixed deposit accounts in bank were considered very safe, followed by gold, units of UTI-US64, fixed deposits of non-government companies, mutual funds, equity shares, and debentures. Households' preference for

instruments in which they commonly invested matched the risk perception. Bank deposits, which had an appeal across all income classes and tax-saving schemes, were preferred by middle-income and higher-income groups. There was a correlation between the income levels and investments of households in market-related securities.

5. Data Analysis

Graphical representation of the collected data for required tables is given to make it more understandable. This chapter analyzes variables like various investment pattern available in the market, its selection by women investors and concept of gold as an investment option by women.

Investment Options

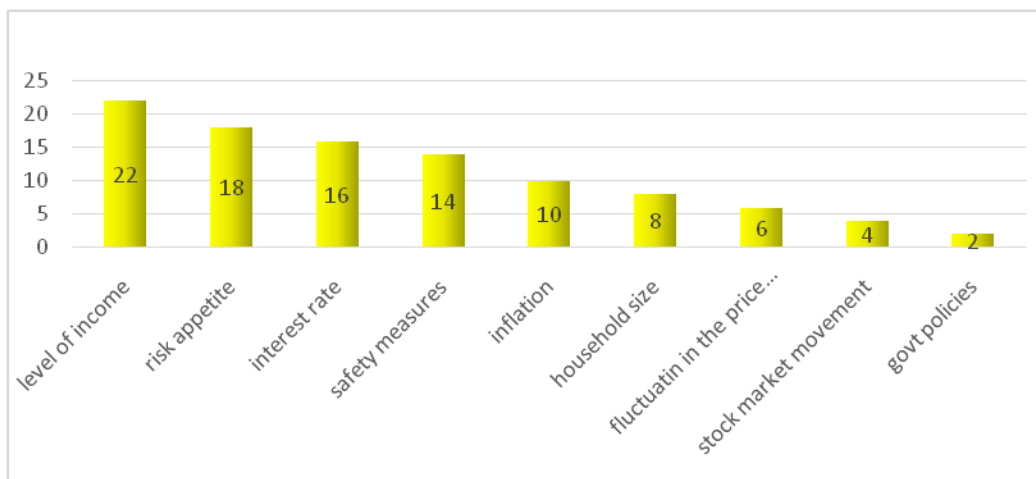


Source: primary data

Most of the investors are opting bank deposit for investment. They think that it is the best option to invest. They believe that it is the safest way of investment. And their second option was gold because they believe that it was the most

liquid way of investment. Most of them aware about the mutual funds, etc. thirdly most of the respondents like to invest in insurance.

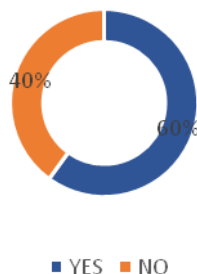
Important factors affecting investment decision



Source: Primary data

The most important factor affecting investment decision was the level of income and next is risk appetite. Government policies are the least influencing factor. Women always analysis their available income and expenses, and also analysis the risk associated with the investment alternative they like to choose, then only they make investment in that.

Gold as a better investment option



Source: Primary data

Most of the women investors think gold as a good investment because it can be liquidating easily and can be converted into cash quickly. And day by day the value of the gold is growing up in the market. That is why most of them prefer gold as an investment option.

6. Findings

On the basis of the evaluation of data collected from the respondents, the following findings were found out.

- From the available data it was clear that most of the respondents make their investment as bank deposit because it was the safest way of investment. And the second option was gold because they believe that it was the most liquid and useful way of investment. All the respondents taken for the study was educated and aware about the equity, mutual funds etc. but due

to the risk factor of these alternatives they were hesitated to invest their savings in those instruments.

- It has been found that most important factor affecting the investment decision was level of income ad risk appetite.
- Most of them think gold as a good investment option.

7. Recommendations

- Working women themselves should take efforts to become expert managers of their own portfolios. They can do so by getting more and more knowledge related to financial matters from every source possible. They can take help of expert persons in the finance field.
- The study reveals most of the salaried investors prefer bank deposit, insurance policies and gold as the investment options. This is because of lack of awareness about other avenues like shares, debentures and mutual funds etc. so if they want to invest in them they should regularly read newspaper, journals and articles related to stock market.

8. Conclusion

Salaried women investors are likely to invest in those alternatives which provide future benefits. They allocate their savings in the various aspects of the investment avenues. Most of them will look after the safety of their investment rather than high returns. The study reveals that bank deposit still remain most offered investment avenues of the households. The results also highlighted that the certain factors like level of income, risk appetite, interest rate and safety measures etc. make significant impact while deciding on the investment avenues. It can be concluded that generally women were conservative investors and they feel that safeguarding have a top priority in investment. These investors want to avoid risk particularly risk of losing any principal amount.

References

- S Kevin, Security analysis and portfolio management, PHI Learning Publisher
- LR Potti, statistics, Yamuna publication.
- S Kevin, Commodity and Financial Derivatives, 2/E, PHI Learning Publisher
- Fama, —Components of Investment Performancell, The Journal of Finance, Vol.XXVII, No.3, June 1972.
- Finance.zacks.com/types-investment-instruments-1682.html.