



REVIEW OF RESEARCH

ISSN: 2249-894X

IMPACT FACTOR : 5.2331(UIF)

UGC APPROVED JOURNAL NO. 48514

VOLUME - 7 | ISSUE - 2 | NOVEMBER - 2017



INVESTORS' GENDER, SOURCE OF INCOME AND EDUCATIONAL QUALIFICATION IN SELECTION OF INVESTMENT - A STUDY



ABSTRACT:

The psychology of the investor plays a vital role in the matter of deciding on a particular investment. If an investor is extremely cautious, he may go in for savings schemes like bank deposits and fixed income investments with companies. **Research Focus:** To study the association between the gender, Source of Income, Educational Qualification of the respondents and the reasons for the investments made. **Methodology:** The study is exploratory research. The following two methods have been used in this study. The experience survey and analysis of insight-stimulating examples. 650 samples were taken for study in the year 2014-15. **Findings:** The table value for χ^2 is 9.488 at 4 degrees of freedom for 5% significance level and found that there is no significance in the association of the gender of the respondents and the reasons for the investments made. The table value for χ^2 is 15.507 at 8 degrees of freedom for 5% significance level. It is found that there is significance in the association of the source of income of the respondents and the reasons for the investments made. The table value for χ^2 is 21.026 at 12 degrees of freedom for 5% significance level. It is found that there is significance in the association of the educational qualifications of the respondents and the reasons for the investments made.

S. Srilakshmi

Doctoral Research Scholar.

KEYWORDS: Investment, Investment Alternatives, Reasons for Investments.

INTRODUCTION :

The saving schemes include various bank deposits, National Savings Certificates, Post Office Savings Schemes, National Development bonds, National Rural Development Bonds. The serious disadvantage of all these savings schemes and fixed income corporate investments is that during times of inflation, they do not protect the purchasing power of the capital invested. The psychology of the investor plays a vital role in the matter of deciding on a particular investment. If an investor is extremely cautious, he may go in for savings schemes like bank deposits and fixed income investments with companies.

RESEARCH FOCUS

The present research paper focuses the following aspects.

- To study the association between the gender of the respondents and the reasons for the investments made.
- To identify the association between the source of income of the respondents and the reasons for the investments made.
- To find out the association between educational qualifications of the respondents and the reasons for the investments made

METHODOLOGY

The study is exploratory research. The

following two methods have been used in this study. The experience survey and analysis of insight-stimulating examples. The survey study was conducted for a period of 2014 -15.

Sample Size and Selection

The required data were collected from the Investors through a structured questionnaire, Study based on 650 responses obtained from the investors. Self-constructed questionnaire used for collection of data.

Statistical Analysis

Hypothesis 1: There is no significant association between the gender of the respondents and the reasons for the investments made.

Table 1. Association between the Gender of the Respondents and the Reasons for the Investments Made

Gender	Reasons for Investment												Statistical inference
	Capital gains		Safety of investment		Tax Benefits		Generate Regular Income		Capital Appreciation & Bonus		Total		
	(n=124)	(100%)	(n=195)	(100%)	(n=65)	(100%)	(n=93)	(100%)	(n=173)	(100%)	(n=650)	(100%)	
Male	65	52.4%	111	56.9%	42	64.6%	54	58.1%	106	61.3%	378	58.2%	χ ² =3.604 Df=4 .462>0.05 Not Significant
Female	59	47.6%	84	43.1%	23	35.4%	39	41.9%	67	38.7%	272	41.8%	

The test shows the χ² result of 3.604. The table value for χ² is 9.488 at 4 degrees of freedom for 5 per cent significance level. The calculated value is less than the table value. Hence it is found that there is no significance in the association of the gender of the respondents and the reasons for the investments made. Thus, it is concluded that the gender of the respondents would not help them to keep intact of their reason for the investments made. Hence it may be said that they would not be influenced by the gender with the reasons for the investments made rather the conditions of investments market and the avenues available in the market. It is also concluded that the gender of the respondents will not be the factor to influence the people to make investments what they save for their lives.

Hypothesis 2: There is no significant association between the source of income of the respondents and the reasons for the investments made.

Table 2: Association between the Source of Income of the Respondents and the Reasons for the Investments Made

Source of Income	Reasons for Investment												Statistical inference
	Capital gains		Safety of investment		Tax Benefits		Generate Regular Income		Capital Appreciation & Bonus		Total		
	(n=124)	(100%)	(n=195)	(100%)	(n=65)	(100%)	(n=93)	(100%)	(n=173)	(100%)	(n=650)	(100%)	
Salaries	47	37.9%	86	44.1%	28	43.1%	32	34.4%	63	36.4%	256	39.4%	$\chi^2=4.658$ Df=8 .793>0.05 Not Significant
Business	52	41.9%	68	34.9%	23	35.4%	40	43.0%	73	42.2%	256	39.4%	
Others	25	20.2%	41	21.0%	14	21.5%	21	22.6%	37	21.4%	138	21.2%	

The test shows the χ^2 result of 27.687. The table value for χ^2 is 15.507 at 8 degrees of freedom for 5 per cent significance level. The calculated value is more than the table value. Hence it is found that there is significance in the association of the source of income of the respondents and the reasons for the investments made. Thus, it is concluded that the source of income of the respondents would help them to keep intact of their reason for the investments made. Hence it may be said that they would be influenced by the source of income with the reasons for the investments made rather the conditions of investments market and the avenues available in the market. It is also concluded that the source of income of the respondents will be the factor to influence the people to make investments what they save for their lives.

Hypothesis 3: There is no significant association between the educational qualifications of the respondents and the reasons for the investments made.

Table 3: Association between the Educational Qualification of the Respondents and the Reasons for the Investments Made

Educational Qualifications	Reasons for Investment												Statistical inference
	Capital gains		Safety of investment		Tax Benefits		Generate Regular Income		Capital Appreciation & Bonus		Total		
	(n=124)	(100%)	(n=195)	(100%)	(n=65)	(100%)	(n=93)	(100%)	(n=173)	(100%)	(n=650)	(100%)	
School Education	28	22.6%	54	27.7%	25	38.5%	12	12.9%	49	28.3%	168	25.8%	$\chi^2=26.419$ Df=12 .009<0.05 Significant
UG	41	33.1%	53	27.2%	22	33.8%	26	28.0%	49	28.3%	191	29.4%	
PG	21	16.9%	37	19.0%	12	18.5%	27	29.0%	39	22.5%	136	20.9%	
Professional	34	27.4%	51	26.2%	6	9.2%	28	30.1%	36	20.8%	155	23.8%	

The test shows the χ^2 result of 26.419. The table value for χ^2 is 21.026 at 12 degrees of freedom for 5 per cent significance level. The calculated value is more than the table value. Hence it is found that there is significance in the association of the educational qualifications of the respondents and the reasons for the investments made. Thus, it is concluded that the educational qualifications of the respondents would help them to keep intact of their reason for the investments made. Hence it may be said that they would be influenced by the educational qualifications with the reasons for the investments made rather the conditions of investments market and the avenues available in the market. It is also concluded that the educational qualifications of the respondents will be the factor to influence the people to make investments what they save for their lives.

CONCLUSION

Financial services and markets constitute significant components of the financial system. Development and reforms in this field are inevitable for the growth of our developing economy. It is also concluded that the gender of the respondents will not be the factor to influence the people to make investments what they save for their lives, and also source of income of the respondents would help them to keep intact of their reason for the investments made. Educational qualifications of the respondents would help them to keep intact of their reason for the investments made.

REFERENCES

1. Anjan Chakrabarti & Harsh Rungta. (2000). Mutual Funds Industry in India: An in-depth look into the problems of credibility, Risk and Brand, The ICFAI Journal of Applied Finance, Vol. 6, No. 2.
2. Badla & Garg. (2007). Performance of Mutual Funds in India - An Empirical Study of Growth Schemes, GITAM Journal of Management, 5(4).
3. Comer, George, Norris Larry More & Javier Rodriguez. (2009). Measuring the Value of Active Fund Management: The Case of Hybrid Mutual Funds, Managerial Finance, Vol. 35.
4. Elango, R. (2004). Which fund yields more returns? The Management Accountant, 39(4), 34-38.
5. Elmiger, G., & Kim, S. (2003). Risk Grade your investments: Measure your risk & create wealth, John Wiley & Sons: Hoboken, NJ.