

**A STUDY ON THE INVESTMENT BEHAVIOUR OF PROFESSIONAL WOMEN WITH
SPECIAL REFERENCE TO ERNAKULAM DISTRICT, KERALA**

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Abstract

Investment is an activity which involves the individual to deploy his funds into a repository which could be utilized in the future for meeting his requirements. Investment is an important part of the human life. Both men and women are now a days focusing on investment. The professional women also consider the investment activity with due importance. But while making an investment decision, do they take into account any factors to make the right judgement. This paper is an effort to analyze the Investment behaviour of professional women in Ernakulam District, Kerala. The data is collected through primary and secondary resources. The primary source data is collected from the professional women through the questionnaire. The secondary sources of data are gathered from textbooks, articles, magazines, articles and published papers. Simple frequency distribution, descriptive analysis and regression analysis are the tools used for the data analysis. It was found that the professional women considered the investment based on their objective and are not willing to take risk.

Keywords: Investment Behaviour, Investor's Knowledge, Risk Tolerance, and Investment Objective

Introduction

Every person saving a part of their income tries to find a temporary repository for his saving until they are required to finance his future expenditure. This results in Investment. Investment is the employment of funds with the aim of getting return on it. Investment activity involves creation of assets or exchange of assets with profit motive. In this modern world investment is an important part of the human life. Every individual has their own investment decisions. To the investor, it is important to have good return with a minimum risk. Even the women category looks towards investment activity to satisfy their needs or goals.

Investment behaviour are influenced by many factors such as time, safety, liquidity, risk, past and future performance of different kinds of investment options. Anything not consumed today and saved for future can be termed as investment. The act of committing money or capital to an endeavour with the expectation of obtaining an additional income or profit. Investing means putting your money to work for you. The women who earns money through their hard work and efforts also looks towards getting a benefit out of it. And so they look into investing their money with a lot of expectations.

Statement of the Problem

The investment culture among the people of a country is an essential pre requisite for the faster growth of an economy. This culture is also seen among the women in this modern world and so this study is mainly conducted with an objective of investigating the investment behavior of the professional women in Ernakulam district. Women are more cautious while making a decision. The study also focuses on the factors which are considered by professional women for making a suitable investment option and which factors are influencing them the most.

Objectives of the study

- To understand the investment objectives of professional women in Ernakulam district.
- To analyze the investment behaviour of professional women in Ernakulam district.
- To ascertain the factors considered by professional women for a suitable investment.

Review of Literature

Silvester, Mercy & Gajenderan, Vijayakumar & Kumar, G. (2020) have found that the working women are well-aware of the savings avenues, and both government and private sector working women are having a similar view on awareness altitude about the savings avenues in the study

region. The working women are investing in availing the income tax benefit, fair return, accumulation of retirement corpus, children's education, marriage expenses, holidays, and Liquidity. Furthermore, the study points out that there is a considerable association among yearly income and investment among the working women in the study area.

Tomar & Tomar (2019) describes that males and females prefer to invest in equity more, but females are more conventional investors than males as they also favour spending on Insurance. The male and female societies support to invest least in Bonds and Debentures as contrasted to different investment options. Males' investment decisions and females' investment decisions across various investment alternatives are not correlated.

Kumari (2018) recognized that there are many of consideration needed while financing, namely tax planning, investment protection, retirement earnings, etc., consequently the elements of an original investor, should reflect the variables which are mentioned.

Rao (2017) points out that women became independent to take the investment decision. Moreover, they are in a more favourable situation to maintain their investment avenues. It has been changing in the understanding of women and women understand investing and buying with money as a vanity issue and a self-esteem factor which would demand reverence for them, improve their self-confidence and eventually lead to an alteration in the standard of living.

Sah (2017) mentioned his study that the women investors favour short-range investments rather than creating provisions for long-range benefits. Besides, there has been an increase in the number of educated working women, and they are, however, mostly dependent on their family members, friends, and relatives for investment-related information and for making investment decisions.

Lourrine et al. (2017) established in their study that certain circumstances influence the investment choice of women. Among the various sources of knowledge, internet and social media have been undoubtedly revealed as the ones who have a significant impact on the investment choice of women with women having a presentation to and utilizing these sources giving a tendency to invest in comparatively more precarious investment. The study also explicitly indicates that more risk-averse women seem to be conservative and choose less hazardous investments like Bank Term Deposits and Provident Funds.

Research Methodology

The primary data was collected through questionnaire method, using Simple Convenience sampling. An online questionnaire was distributed to 123 professional women, out of which 100 responded. The questionnaire consisted of questions related to the Investment Objective and Investment Behaviour variables. The theoretical foundation of the study is based on various secondary sources such as textbooks, articles, magazines, articles and published papers. The population of the study includes the professional women of Ernakulam District. The sample includes 100 professional women. The collected data was segregated separately, tabulated, processed, and investigated in a methodical method using SPSS 21 version. The study used simple frequency distribution, descriptive analysis, reliability test and regression analysis to analyze the data.

Results and Discussion

Table No. 1: Demographic Profile of the Respondents

Options	Responses	No. of Respondents	Percentage
Age group	20 – 30 years	53	53
	30 – 40 years	8	8
	40 – 50 years	14	14
	Above 50 years	25	25
	Total	100	100
Marital Status	Married	55	55
	Unmarried	45	45
	Total	100	100
Family Size	Less than 4 members	15	15
	4 members	61	61

	5 members	18	18
	Above 5 members	6	6
	Total	100	100
Educational Qualification	HSC	8	8
	Graduate	12	12
	Postgraduate	27	27
	Professional	53	53
	Total	100	100
Annual Income	Up to 200000	24	24
	200000 – 500000	46	46
	500000 – 700000	16	16
	Above 700000	14	14
	Total	100	100

(Source: Primary Data)

The above table shows the demographic details of the professional women from Ernakulam District. This study selects age, marital status, family size, educational qualification and annual income to collect the details about the respondent's demographic details. The table value shows 53 percent of the respondents belong to the age group between 20 to 30 years. 55% of the respondents are married. 61% of the respondents are having family size consisting of 4 members. The educational qualification has four options. The table result shows that 53% are professionals. 46% of the respondents are earning an annual income ranging between 200000 and 500000.

Table No. 2: Reliability Test

Factors	No. of Items	Cronbach's Alpha
Investor's knowledge	7	0.723
Risk Tolerance	6	0.736
Investment Objective	8	0.729
Investment Behaviour	7	0.721

(Source: Author's Calculation)

In order to measure the internal consistency of the research constructs, a reliability test was carried out using Cronbach's Alpha. It was calculated for all the four factors separately and derived as 0.7. Thus it could be concluded that the scale has internal consistency and reliability.

The Regression Analysis was conducted to measure the influence of the independent variables on the dependent variable. The Independent Variables consist of Investor's Knowledge, Risk Tolerance and Investment Objective. The Dependent Variable is the Investment Behaviour. The regression analysis is helpful to ascertain the variation in the dependent variable based on the variation in the independent variables. The Model Summary is as shown below:

Table no. 3: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
I	.316 ^a	.100	.071	2.159

a. Predictors: (Constant), IK, RI, IO

b. Dependent Variable: IB

Table no. 4: ANOVA of Regression Model

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	49.53	3	16.5	3.54	.018
Residual	447.6	96	4.67		
Total	497.1	99			

a. Predictors: (Constant), IK, RI, IO

b. Dependent Variable: IB

The ANOVA table showing the regression model fit and also shows that the model is statistically significant at 1 percent significance level.

Table no. 5: Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	20.37	1.99		10.24	.000
IK	.136	.082	.186	1.668	.099
RI	.158	.085	.200	1.864	.065
IO	.192	.083	.249	2.322	.022

a. *Dependent Variable: IB*

The above table represent the beta values, t values and significant values of independent variable IK, RI and IO. The independent variables IK ($t = 1.668$, $p = 0.099$), RI ($t = 1.864$, $p = 0.065$) and IO ($t = 2.322$, $p = 0.022$) are statistically significant at 1 percent significance level. It means that these 3 independent variables have significant positive effect on Investment Behaviour.

Hence Ho1, Ho2 and Ho3 are rejected. The beta coefficients give a measure of the contribution of each variable to the model. Higher the beta value, the greater is the effect of the independent variable on the dependent variable. Among the independent variable Investment Objective has greater effect followed by Risk Tolerance and Investor's Knowledge. So it can be concluded that Investor's Knowledge, Risk Tolerance and Investment Objective have significant influence on Investment Behaviour.

Conclusion

The professional women have started to realize the significance of money and its prosperity. They have started scheduling their own financial plan. It is evident from the study that the professional women are saving their money to fulfil various goals of their life.

The study helps to find out the investment behaviour of professional women with the help of factors like investor's knowledge, risk tolerance and investment objective. The regression analysis proved that all these factors have positive effects on Investment behaviour. From the study it was found that the professional women are not willing to take risk as they give importance for their hard earned money.

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