

Study of Investment Decision making behavior of Bank Employees

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Abstract : *Investment made by individuals help to protect the future and also play a vital role in building a strong economy. Every individual has his/her own reasons for making investments and individuals plan to invest their hard earned money by exploring the best option. This may be true in general but what happens when investments are done by the bank employees? Will there be any difference in the selection of investment sources? Hence an attempt has been made in this research to know the impact of selected demographic factors of respondents (bank employees) towards different factors which affect the investment decision making of the respondents who are employed in banks such as their awareness level, objectives of investments, duration of investments and source of information. Data were collected from 160 bank employees using a well-structured and pre-tested questionnaire and the collected data were analyzed using appropriate tools. The results of the study will be of use to wealth managers and financial advisors to guide properly to manage the wealth.*

Keywords: *Bank employees, Investment behavior, Investors, Awareness, Source of information, Objectives, Time horizon.*

Introduction

In the current scenario, investment management has become more and more complex due to a variety of schemes operated by different organizations and it is all about mobilizing and channelizing the savings of investors and to utilize in a better form in case of demand. Investment of an individual depends on various factors such as awareness level of investment avenues, availability of surplus funds, risk tolerance level etc. Investment also depends on the purpose for which it is being done and the time horizon till which such investment can be made. Investments are considered to be crucial determinants of capital formation. There are wide ranges of investment avenues and one must select the appropriate one which would help them in attaining their overall savings objective within the specified time limits. Investment behavior of an individual would comprise: why to invest, how much to invest and the duration of investment; these depend on

individuals and hence this study tries to investigate the significance of demographic factors influencing the investment decision that was studied with reference to the employees working in a bank.

Literature Review

Ashly Lynn Joseph & M Prakash (2014) undertook a study titled “A study on preferred investment avenues among the people and factors considered for Investment” with an objective to study the various investment avenues available for the people to make investment, factors considered for making investments and awareness level of the people about various investment avenues with a sample of 100 respondents. The study revealed that income level of the investor is an important factor which affects the portfolio and respondents are aware about various investment avenues. It was suggested that investors must make sure that the investments are safe by monitoring them. It was also informed that factors like the type of return, risk related aspects, inflation, and cash reserve ratio, repo rates, tax benefits and many more are also to be considered as important factors.

Saranya B & Karthikeyan G B (2015) carried out the study on preferences and level of satisfaction towards post office savings scheme (with special reference to Coimbatore city) with an objective of analyzing the reasons that motivates them to invest in post savings schemes and their levels of satisfaction with the same. 1068 investors were interviewed. The overall analysis revealed that the prime reason to select post office for their investment was to meet the emergency needs, to meet the family needs in the near future and to take care of the well-being of the children. It also revealed that the investors are interested to continue with post office schemes even after the maturity of the existing investment. The study of SWOT analysis revealed that the major strength of post offices was a variety of schemes, major weaknesses where there was no advertisements and no loans, the opportunity factors were offering schemes to rural and urban areas and the threat was the mutual fund schemes.

Sidarthul Munthaga J & Nazer M (2013) in “A study on the attitude of the respondent towards investment choices in Thanjavur district, Tamil Nadu” study the factors that influence investment behavior of people in Thanjavur and the attitude of the respondents towards different choices. The data was collected with a structured questionnaire from 110 respondents and analysis was carried out. It was analysed that the investors of Thanjavur district are not aware about stock market, equity, bond and debentures. All the investors have given preference to Insurance, NSC, PPF and Bank Deposits. Income level is one of the important factors which affect the portfolio of the respondents.

Bhanu Sireesha P & Ch. Sree Laxmi (2013), “Impact of demographics on select investment avenues: A case study of twin cities of Hyderabad & Secunderabad, India”. The study was carried out with an objective to correlate the demographics with income levels and percentage of savings and to judge and rank the purpose of investment. It also analyzed the factors influencing investment decisions of the respondents with a sample of 165 respondents through questionnaire. The study showed that a maximum number of respondents show medium level of risk bearing attitude, friends play a vital role in the investment decisions of the respondents, income and amount saved had an impact on the purpose of investment, occupation and period of investment show negative correlation. It also revealed that most of the investors invested their money for safety of the money, which indicates that they are conservative in nature and want their money to be safe and they are not concerned for the growth of the money or liquidity.

Ravichandran K (2008) undertook “A study on investors’ preferences towards various investment avenues in capital market with special reference to derivatives” with an objective to find out the preference level of investors on various capital market instruments, to ascertain the type of risk which are considered by investors, the ways through which investors minimize the risk and to find out the preferences of investors in derivatives markets. The study was conducted with a sample of 100 respondents and the data was collected through a structured questionnaire. The study revealed that most of the investors felt that the margin amount charged was the main barrier while dealing in derivatives market, the margin charged should be less, investors preferred to invest in stock index futures. It also concluded that risk is high in derivatives markets, especially market risk and credit risk. The study also revealed that a positive correlation exists between the percentage of income for investment and the margin investment in derivative market, negative correlation between income percentage on investment and the participation in derivatives market.

Sudarshan Kadariya (2012) carried out a study on “Factors affecting investor decision making: A case of Nepalese Capital Market”. The researcher has studied the market reactions to tangible information and intangible information in Nepalese Stock Market. He also examined the investors’ opinion in Nepalese Stock Market with a sample of 185 individuals, collected e-mail addresses through yellow pages, the corporate directory, and obtained the feedback through structured questionnaire. The researcher carried out factor analysis along with descriptive statistics and correlation analysis and concluded the research stating that tangible components such as dividends, earnings, number of equity, and book-to-market ratio and the intangible component like political party led government are considered the top five most important factors for investment decisions as

per the opinion of individual stock investors. The capital structure and average pricing method is the first factor that influences the investment decisions, the next is political and media coverage, the third factor is belief on luck and the financial education, and finally trend analysis. Investors believe in their ability when they make profits and blame for market when they incur losses. Majority of the stock investors prefer capital gain rather than the usual cash dividends and seasonal issues. The limited investors use their own skills and analytical power in investment decision. The most influencing factors for decision making are media and friends.

Objective of the study

The above literature review, reveals that the studies relating to the factors influencing the investment behavior of bank employees, has not been carried out earlier. In an attempt to ascertain the same, the study has been carried out with the following objectives:

1. To study the significance of demographic factors influencing the investment decision of the respondents.
2. To study the relationship between the demographic factors and the period of investment made by the investors.
3. To study the relationship between the demographic factors and the source of information awareness on investment.

Research Methodology

This part explains the methodology used in this study. The methodology includes data and sources of data, sample size, area of study and framework of analysis. The respondent of this study consists of the people employed in Banks. The research is analytical and tool used for data collection in structured questionnaire.

Research Strategy

Research Design	Descriptive research
Study Population	Bank Employees of Private Sector Banks
Population Source	Reserve Bank of India – Statistics as of Mar 2013.
Study Area	Metros and tier II Cities in India- Chennai, Delhi, Mumbai, Kolkata, Jaipur, Hyderabad, Bangalore
Sample Frame	Private Sector Bank Employees

Sampling Unit	Persons aged between 21 and 60 working at various levels of Management comprising from Executive to Senior Vice President.
Sampling Method	Individuals working in Private Sector Banks
Sample Size	Convenience sampling
Nature of Data	160 Investors
Sources of Primary Data	Both Primary and Secondary
Sources of Secondary Data	Survey method through Questionnaire
Tool used for Data Collection	Journals, Magazines, Previous Research Reports & Websites
Type of Questions	Pre tested and Structured Questionnaire
Establishing Validity	Close ended, Multiple choice
Test of Reliability	Carried out to check Validity of constructed Questionnaire
Statistical Tools Used	0.62 (62%) Alpha
	1. Percentage analysis
	2. Chi-square test

Hypothesis

H₀: There is no significant relationship between the selected demographic factors and the period of investment made by the investors.

H₀: There is no significant relationship between the selected demographic factors and sources of awareness on investments.

H₀: There is no significant relationship between the selected demographic factors and the objectives and the investments made by the investors.

Data Analysis and Interpretation

Primary data was collected through questionnaire comprising of various parameters from the respondents. The information generated through the survey is being reported through the tabulation of categorical variables and the results are discussed below.

Table -1 Observed details between demographic variables and period of investment

	Particulars	< 1 Year	1-2 Year	2-3 Year	3-6 Year	> 6 Years	Total
Age	21-30	2	4	4	5	4	19
		10.5%	21.1%	21.1%	26.3%	21.1%	100.0%
		28.6%	7.8%	9.8%	19.2%	11.4%	11.9%
	31-40	2	26	17	11	20	76
		2.6%	34.2%	22.4%	14.5%	26.3%	100.0%
		28.6%	51.0%	41.5%	42.3%	57.1%	47.5%
	41-50	3	16	13	10	8	50
		6.0%	32.0%	26.0%	20.0%	16.0%	100.0%
		42.9%	31.4%	31.7%	38.5%	22.9%	31.3%
	51-60	0	5	7	0	3	15
		0.0%	33.3%	46.7%	0.0%	20.0%	100.0%
		0.0%	9.8%	17.1%	0.0%	8.6%	9.4%
	Grand Total	7	51	41	26	35	160
		4.4%	31.9%	25.6%	16.3%	21.9%	100.0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Gender	Male	7	33	34	23	32	129
		5.4%	25.6%	26.4%	17.8%	24.8%	100.0%
		100.0%	64.7%	82.9%	88.5%	91.4%	80.6%
	Female	0	18	7	3	3	31
		0.0%	58.1%	22.6%	9.7%	9.7%	100.0%
		0.0%	35.3%	17.1%	11.5%	8.6%	19.4%
	Grand Total	7	51	41	26	35	160
		4.4%	31.9%	25.6%	16.3%	21.9%	100.0%
		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Marital	Single	0	5	6	6	3	20
		0.0%	25.0%	30.0%	30.0%	15.0%	100.0%
		0.0%	9.8%	14.6%	23.1%	8.6%	12.5%
	Married	7	46	35	20	32	140
		5.0%	32.9%	25.0%	14.3%	22.9%	100.0%
		100.0%	90.2%	85.4%	76.9%	91.4%	87.5%
	Grand Total	7	51	41	26	35	160
		4.4%	31.9%	25.6%	16.3%	21.9%	100.0%
		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Qualification	Graduate	2	21	13	4	12	52
		3.8%	40.4%	25.0%	7.7%	23.1%	100.0%
		28.6%	41.2%	31.7%	15.4%	34.3%	32.5%
	Post Graduate	4	20	16	9	15	64
		6.3%	31.3%	25.0%	14.1%	23.4%	100.0%
		57.1%	39.2%	39.0%	34.6%	42.9%	40.0%
	Professional	1	10	12	13	8	44
		2.3%	22.7%	27.3%	29.5%	18.2%	100.0%
		14.3%	19.6%	29.3%	50.0%	22.9%	27.5%
	Grand Total	7	51	41	26	35	160
	4.4%	31.9%	25.6%	16.3%	21.9%	100.0%	
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Cadre	Junior Management	2	9	6	3	7	27
		7.4%	33.3%	22.2%	11.1%	25.9%	100.0%
		28.6%	17.6%	14.6%	11.5%	20.0%	16.9%
	Middle Management	5	39	31	20	25	120
		4.2%	32.5%	25.8%	16.7%	20.8%	100.0%
		71.4%	76.5%	75.6%	76.9%	71.4%	75.0%
		0	3	4	3	3	13
	Senior Management	0.0%	23.1%	30.8%	23.1%	23.1%	100.0%
		0.0%	5.9%	9.8%	11.5%	8.6%	8.1%
	Grand Total	7	51	41	26	35	160
	4.4%	31.9%	25.6%	16.3%	21.9%	100.0%	
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
	3	17	8	4	6	38	
Income	0-5L	7.9%	44.7%	21.1%	10.5%	15.8%	100.0%
		42.9%	33.3%	19.5%	15.4%	17.1%	23.8%
		2	17	14	10	16	59
	5-10L	3.4%	28.8%	23.7%	16.9%	27.1%	100.0%
		28.6%	33.3%	34.1%	38.5%	45.7%	36.9%
		1	12	14	10	8	45
	10-15L	2.2%	26.7%	31.1%	22.2%	17.8%	100.0%
		14.3%	23.5%	34.1%	38.5%	22.9%	28.1%
		1	5	5	2	5	18
	> 15L	5.6%	27.8%	27.8%	11.1%	27.8%	100.0%
		14.3%	9.8%	12.2%	7.7%	14.3%	11.3%
		7	51	41	26	35	160
	Grand Total	4.4%	31.9%	25.6%	16.3%	21.9%	100.0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
	5	26	24	12	20	87	

Investment	0-2.5L	5.7%	29.9%	27.6%	13.8%	23.0%	100.0%
		71.4%	51.0%	58.5%	46.2%	57.1%	54.4%
		1	17	8	11	6	43
	2.5-5L	2.3%	39.5%	18.6%	25.6%	14.0%	100.0%
		14.3%	33.3%	19.5%	42.3%	17.1%	26.9%
		0	4	7	2	6	19
	5-7.5L	0.0%	21.1%	36.8%	10.5%	31.6%	100.0%
		0.0%	7.8%	17.1%	7.7%	17.1%	11.9%
		1	4	2	1	3	11
	> 7.5L	9.1%	36.4%	18.2%	9.1%	27.3%	100.0%
		14.3%	7.8%	4.9%	3.8%	8.6%	6.9%
	Grand Total	7	51	41	26	35	160
		4.4%	31.9%	25.6%	16.3%	21.9%	100.0%
		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Following inferences could be drawn from the above table-1

- 47.5% of the respondents are in the age group of 31-40 years following by 31.3% of the respondents in the age group of 41-50 years.
- Majority of the investors (38.1%) prefer to invest in long term investment, i.e., 3-6 years and more than 6 years.
- Short term investment is preferred by 36.3% of the investors, i.e., 1-2 years and less than 1 year, and the balance investors (25.6%) prefer medium term investment i.e., 2-3 years.
- Male respondent constitutes 80.6 % and the balance constitutes female respondents. Similarly 87.5% of the respondents are married and the balance are unmarried.
- Out of the total respondents, 32.5% were graduates, 40.0% were post graduates and 27.5% were professionally qualified investors.
- 75% of the respondents were in the Middle Management and the rest comprises of Junior Management and Senior Management segment.
- Majority of the investors (36.9%) are in the income bracket earning Rs.5 to 10 Lakhs per annum, 28.1% of the investors earn between Rs.10-15 Lakhs.
- More than 50% of the investors have invested between Rs.0-2.5 Lakhs, 26.9% of the investors invest between Rs.2.5 to 5 Lakhs annually.
- While male respondents prefer for long term investment whereas female respondents prefer for short term investment.

Table - 2 Relationships between the demographic factors and period of Investment
Demographic factors Chi-square value Degree of freedom
Table Value Significant / not significant

Demographic Factors	Chi-square value	Degree of freedom	Table Value	Significant / Not Significant
Age	12.7383	12	21.0260	Not significant
Marital Status	4.6629	4	9.4880	Not significant
Gender*	13.7321	4	9.4880	Significant*
Educational Qualification	11.0990	8	15.5070	Not significant
Grade	2.8500	8	15.5070	Not significant
Income	9.3993	12	21.0260	Not significant
Investment	11.5778	12	21.0260	Not significant

Chi-square test was conducted to verify the significant relationship between demographic factors and the period of investment of the respondents (5% level of significance). The results of the analysis elucidates that the variable gender is significantly associated with period of investment and other variables like age, marital status, educational qualification, grade, Income and Investment are not significantly associated with the period of investment.

Table - 3 Observed details between demographic variables and the source of information for investment

	Particulars	Friends	Colleagues	Financial News	Market Refer	Opinion Leader	Family Member	Total
Age	21-30	9	1	5	1	0	3	19
		47.4%	5.3%	26.3%	5.3%	0.0%	15.8%	100.0%
		18.0%	3.6%	12.2%	10.0%	0.0%	10.3%	11.9%
	31-40	20	12	24	4	1	15	76
		26.3%	15.8%	31.6%	5.3%	1.3%	19.7%	100.0%
		40.0%	42.9%	58.5%	40.0%	50.0%	51.7%	47.5%
	41-50	15	13	10	4	1	7	50
		30.0%	26.0%	20.0%	8.0%	2.0%	14.0%	100.0%
		30.0%	46.4%	24.4%	40.0%	50.0%	24.1%	31.3%
	51-60	6	2	2	1	0	4	15
		40.0%	13.3%	13.3%	6.7%	0.0%	26.7%	100.0%
		12.0%	7.1%	4.9%	10.0%	0.0%	13.8%	9.4%
	Grand Total	50	28	41	10	2	29	160
		31.3%	17.5%	25.6%	6.3%	1.3%	18.1%	100.0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Gender	Male	42	18	33	9	2	25	129
		32.6%	14.0%	25.6%	7.0%	1.6%	19.4%	100.0%
		84.0%	64.3%	80.5%	90.0%	100.0%	86.2%	80.6%
	Female	8	10	8	1	0	4	31
		25.8%	32.3%	25.8%	3.2%	0.0%	12.9%	100.0%
		16.0%	35.7%	19.5%	10.0%	0.0%	13.8%	19.4%
	Grand Total	50	28	41	10	2	29	160
		31.3%	17.5%	25.6%	6.3%	1.3%	18.1%	100.0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Marital Status	Single	5	4	5	2	0	4	20
		25.0%	20.0%	25.0%	10.0%	0.0%	20.0%	100.0%
		10.0%	14.3%	12.2%	20.0%	0.0%	13.8%	12.5%
	Married	45	24	36	8	2	25	140
		32.1%	17.1%	25.7%	5.7%	1.4%	17.9%	100.0%
		90.0%	85.7%	87.8%	80.0%	100.0%	86.2%	87.5%
	Grand Total	50	28	41	10	2	29	160
		31.3%	17.5%	25.6%	6.3%	1.3%	18.1%	100.0%
		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Educational Qualification	Graduate	16	13	9	2	0	12	52
		30.8%	25.0%	17.3%	3.8%	0.0%	23.1%	100.0%
		32.0%	46.4%	22.0%	20.0%	0.0%	41.4%	32.5%
	Post Graduate	21	10	18	5	1	9	64
		32.8%	15.6%	28.1%	7.8%	1.6%	14.1%	100.0%
		42.0%	35.7%	43.9%	50.0%	50.0%	31.0%	40.0%
	Professional	13	5	14	3	1	8	44
		29.5%	11.4%	31.8%	6.8%	2.3%	18.2%	100.0%
		26.0%	17.9%	34.1%	30.0%	50.0%	27.6%	27.5%
	Grand Total	50	28	41	10	2	29	160
		31.3%	17.5%	25.6%	6.3%	1.3%	18.1%	100.0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Cadre	Junior Management	9	6	2	2	1	7	27
		33.3%	22.2%	7.4%	7.4%	3.7%	25.9%	100.0%
		18.0%	21.4%	4.9%	20.0%	50.0%	24.1%	16.9%
	Middle Management	34	22	36	7	1	20	120
		28.3%	18.3%	30.0%	5.8%	0.8%	16.7%	100.0%
		68.0%	78.6%	87.8%	70.0%	50.0%	69.0%	75.0%
		7	0	3	1	0	2	13
	Senior Management	53.8%	0.0%	23.1%	7.7%	0.0%	15.4%	100.0%
		14.0%	0.0%	7.3%	10.0%	0.0%	6.9%	8.1%
		50	28	41	10	2	29	160
	Grand Total	31.3%	17.5%	25.6%	6.3%	1.3%	18.1%	100.0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
	14	9	6	2	0	7	38	

Income	Rs.0-5L	36.8%	23.7%	15.8%	5.3%	0.0%	18.4%	100.0%
		28.0%	32.1%	14.6%	20.0%	0.0%	24.1%	23.8%
		14	10	20	4	1	10	59
	Rs.5-10L	23.7%	16.9%	33.9%	6.8%	1.7%	16.9%	100.0%
		28.0%	35.7%	48.8%	40.0%	50.0%	34.5%	36.9%
		15	8	10	2	1	9	45
	Rs.10-15L	33.3%	17.8%	22.2%	4.4%	2.2%	20.0%	100.0%
		30.0%	28.6%	24.4%	20.0%	50.0%	31.0%	28.1%
		7	1	5	2	0	3	18
	> Rs.15L	38.9%	5.6%	27.8%	11.1%	0.0%	16.7%	100.0%
		14.0%	3.6%	12.2%	20.0%	0.0%	10.3%	11.3%
		50	28	41	10	2	29	160
	Grand Total	31.3%	17.5%	25.6%	6.3%	1.3%	18.1%	100.0%
		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	21	20	23	7	2	14	87	
Investment	Rs.0-2.5L	24.1%	23.0%	26.4%	8.0%	2.3%	16.1%	100.0%
		42.0%	71.4%	56.1%	70.0%	100.0%	48.3%	54.4%
		19	5	8	1	0	10	43
	Rs.2.5-5L	44.2%	11.6%	18.6%	2.3%	0.0%	23.3%	100.0%
		38.0%	17.9%	19.5%	10.0%	0.0%	34.5%	26.9%
		5	3	6	1	0	4	19
	Rs.5-7.5L	26.3%	15.8%	31.6%	5.3%	0.0%	21.1%	100.0%
		10.0%	10.7%	14.6%	10.0%	0.0%	13.8%	11.9%
		5	0	4	1	0	1	11
	> Rs.7.5L	45.5%	0.0%	36.4%	9.1%	0.0%	9.1%	100.0%
		10.0%	0.0%	9.8%	10.0%	0.0%	3.4%	6.9%
	Grand Total	50	28	41	10	2	29	160
		31.3%	17.5%	25.6%	6.3%	1.3%	18.1%	100.0%
		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Following inferences could be drawn from the above table -3

- Friends were found to be the main source of information for the investor (31.3%) followed by the financial news which takes the second position with 25.6% and family members take the third position with 18.1%.
- In case of female investors, information is obtained through colleagues and it takes the first position with 32.3%.

- Post Graduates and Professionals prefer the information from financial news whereas Graduates prefer the information from friends.
- 78.6% of the investors in the middle management take the information from Colleagues and 68% of the investors in the junior management obtain the information through friends.
- 48.8% of the investors within the income category of Rs.5-10 Lakhs prefer financial news as their source of information whereas investor with higher income groups prefers information from friends.
- 71.4% of the respondents investing in the category of Rs.0 to 2.5 Lakhs prefer information from colleagues.

Table - 4 Relationships between the demographic factors & source of information for Investment

Demographic factors	Chi-square value	Degree of freedom	Table Value	Significant / not significant
Age	11.3760	15	24.9960	Not significant
Marital Status	1.2152	5	11.0700	Not significant
Gender	6.7721	5	11.0700	Not significant
Educational Qualification	8.1680	10	18.3070	Not significant
Grade	12.4463	10	18.3070	Not significant
Income	9.6933	15	24.9960	Not significant
Investment	15.2444	15	24.9960	Not significant

Table- 4 shows that, chi-square test at 5 % level of significance has been conducted using the data collected to verify the significant relationship between demographic factors and the source of information for investment to the respondents. The results of the analysis elucidates that variables like age, marital status, gender, educational qualification, grade, income and investment are not significantly associated with the source of information for investment.

Table - 5 Observed details between demographic variables and objective for investment

	Particu- lars	Habit	Family Income	Tax Plan	Extra Earning	Asset Creation	Future Req	Total	
Age	21-30	1	5	8	3	1	1	19	
		5.3%	26.3%	42.1%	15.8%	5.3%	5.3%	100.0%	
		4.2%	33.3%	11.0%	37.5%	4.0%	6.7%	11.9%	
	31-40	13	6	37	2	13	5	76	
		17.1%	7.9%	48.7%	2.6%	17.1%	6.6%	100.0%	
		54.2%	40.0%	50.7%	25.0%	52.0%	33.3%	47.5%	
	41-50	7	4	23	2	7	7	50	
		14.0%	8.0%	46.0%	4.0%	14.0%	14.0%	100.0%	
		29.2%	26.7%	31.5%	25.0%	28.0%	46.7%	31.3%	
	51-60	3	0	5	1	4	2	15	
		20.0%	0.0%	33.3%	6.7%	26.7%	13.3%	100.0%	
		12.5%	0.0%	6.8%	12.5%	16.0%	13.3%	9.4%	
	Grand Total	24	15	73	8	25	15	160	
		15.0%	9.4%	45.6%	5.0%	15.6%	9.4%	100.0%	
		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Gender	Male	20	12	58	7	22	10	129	
		15.5%	9.3%	45.0%	5.4%	17.1%	7.8%	100.0%	
		83.3%	80.0%	79.5%	87.5%	88.0%	66.7%	80.6%	
	Female	4	3	15	1	3	5	31	
		12.9%	9.7%	48.4%	3.2%	9.7%	16.1%	100.0%	
		16.7%	20.0%	20.5%	12.5%	12.0%	33.3%	19.4%	
		Grand Total	24	15	73	8	25	15	160
			15.0%	9.4%	45.6%	5.0%	15.6%	9.4%	100.0%
		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Marital Status	Single	2	2	10	2	2	2	20	
		10.0%	10.0%	50.0%	10.0%	10.0%	10.0%	100.0%	
		8.3%	13.3%	13.7%	25.0%	8.0%	13.3%	12.5%	
	Married	22	13	63	6	23	13	140	
		15.7%	9.3%	45.0%	4.3%	16.4%	9.3%	100.0%	
		91.7%	86.7%	86.3%	75.0%	92.0%	86.7%	87.5%	
		Grand Total	24	15	73	8	25	15	160
			15.0%	9.4%	45.6%	5.0%	15.6%	9.4%	100.0%
		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

Educational Qualification	Graduate	7	10	21	2	5	7	52
		13.5%	19.2%	40.4%	3.8%	9.6%	13.5%	100.0%
		29.2%	66.7%	28.8%	25.0%	20.0%	46.7%	32.5%
	Post Graduate	7	5	30	4	15	3	64
		10.9%	7.8%	46.9%	6.3%	23.4%	4.7%	100.0%
		29.2%	33.3%	41.1%	50.0%	60.0%	20.0%	40.0%
	Professional	10	0	22	2	5	5	44
		22.7%	0.0%	50.0%	4.5%	11.4%	11.4%	100.0%
		41.7%	0.0%	30.1%	25.0%	20.0%	33.3%	27.5%
	Grand Total	24	15	73	8	25	15	160
		15.0%	9.4%	45.6%	5.0%	15.6%	9.4%	100.0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Cadre	Junior Management	2	6	8	3	6	2	27
		7.4%	22.2%	29.6%	11.1%	22.2%	7.4%	100.0%
		8.3%	40.0%	11.0%	37.5%	24.0%	13.3%	16.9%
	Middle Management	18	9	63	3	16	11	120
		15.0%	7.5%	52.5%	2.5%	13.3%	9.2%	100.0%
		75.0%	60.0%	86.3%	37.5%	64.0%	73.3%	75.0%
		4	0	2	2	3	2	13
	Senior Management	30.8%	0.0%	15.4%	15.4%	23.1%	15.4%	100.0%
		16.7%	0.0%	2.7%	25.0%	12.0%	13.3%	8.1%
		24	15	73	8	25	15	160
	Grand Total	15.0%	9.4%	45.6%	5.0%	15.6%	9.4%	100.0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
	2	8	12	4	7	5	38	

Income	0-5L	5.3%	21.1%	31.6%	10.5%	18.4%	13.2%	100.0%
		8.3%	53.3%	16.4%	50.0%	28.0%	33.3%	23.8%
		11	4	32	1	6	5	59
	5-10L	18.6%	6.8%	54.2%	1.7%	10.2%	8.5%	100.0%
		45.8%	26.7%	43.8%	12.5%	24.0%	33.3%	36.9%
		7	1	24	1	8	4	45
	10-15L	15.6%	2.2%	53.3%	2.2%	17.8%	8.9%	100.0%
		29.2%	6.7%	32.9%	12.5%	32.0%	26.7%	28.1%
		4	2	5	2	4	1	18
	> 15L	22.2%	11.1%	27.8%	11.1%	22.2%	5.6%	100.0%
		16.7%	13.3%	6.8%	25.0%	16.0%	6.7%	11.3%
		24	15	73	8	25	15	160
	Grand Total	15.0%	9.4%	45.6%	5.0%	15.6%	9.4%	100.0%
		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	9	9	40	4	17	8	87	
Investment	0-2.5L	10.3%	10.3%	46.0%	4.6%	19.5%	9.2%	100.0%
		37.5%	60.0%	54.8%	50.0%	68.0%	53.3%	54.4%
		5	3	26	1	3	5	43
	2.5-5L	11.6%	7.0%	60.5%	2.3%	7.0%	11.6%	100.0%
		20.8%	20.0%	35.6%	12.5%	12.0%	33.3%	26.9%
		5	1	6	2	3	2	19
	5-7.5L	26.3%	5.3%	31.6%	10.5%	15.8%	10.5%	100.0%
		20.8%	6.7%	8.2%	25.0%	12.0%	13.3%	11.9%
		5	2	1	1	2	0	11
	> 7.5L	45.5%	18.2%	9.1%	9.1%	18.2%	0.0%	100.0%
		20.8%	13.3%	1.4%	12.5%	8.0%	0.0%	6.9%
	Grand Total	24	15	73	8	25	15	160
		15.0%	9.4%	45.6%	5.0%	15.6%	9.4%	100.0%
		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Following information could be drawn from the above table -3

- 45.6% of the investors prefer to invest with tax planning as their main objective following by asset creation by 15.6% of the investors.
- Maximum number of investors in the age group of 31-40 prefer investment as a habit, family income, tax planning and asset creation among the respective group as their main objective.

- Maximum number of male and female respondents have tax planning as their main investment objective.
- Married Investors (86.3%) also prefer tax planning as their main objective for their investment.
- More than 65% of the graduates make investment with additional family income as their objective whereas 60% of post graduates prefer to invest for the purpose of asset creation. In the case of professionals it is a habit.
- Among the investors who invest with tax planning as their objective, maximum number of investors are in the middle management category (86.3%)
- In all income categories, investors prefer tax planning as an important objective.
- Among the investors who prefer investment as their habit, maximum investors are in the category of Rs.5-10 Lakhs earnings.

Table - 6 Relationships between the demographic factors and investment objective Demographic factors Chi-square value Degree of freedom Table Value Significant / not significant

Demographic factors	Chi-square value	Degree of freedom	Table Value	Significant / not significant
Age	20.4103	15	24.9960	Not significant
Marital Status	2.1016	5	11.0700	Not significant
Gender	3.1642	5	11.0700	Not significant
Educational Qualification	19.9185	10	18.3070	Significant
Grade	23.5337	10	18.3070	Significant
Income	24.9895	15	24.9960	Not significant
Investment	24.1517	15	24.9960	Not significant

Table- 6 shows the results of the chi-square test (at 5 % level of significance) to verify the significant relationship between demographic factors and investment objective of the respondents. The results of the analysis elucidates that the variables like educational qualification and grade were found to be significantly associated with investment objective of the respondents and other variables like age, marital status, gender, income and investment are not significantly associated with the investment objective of the respondents.

Salient Findings

1. Majority of the investors across the gender, marital status and grade have given their preference of tax planning as their objective of investment.
2. Majority of the respondents are in the age group of 31-40 followed by respondents in the age group of 41-50.
3. Most of the investors possess higher educational qualification such as a postgraduate degree and are professionals.
4. Majority of the investors preferred long term investment rather than medium and short term investments.
5. Friends are the main source of information for the investors followed by financial news and family members.
6. Graduates make investment for the purpose of additional family income while post graduates invest with asset creation as their objective. In the case of professionals it is a habit.
7. Percentage of income that they invest depends on their annual income. More the income more percentage of income they invest.

Conclusion

From the results of the survey it may be seen that there was no significant relationship between demographic factors and periods of investment except for gender which has significant relationship with the period of investment. However in case of relationship between demographic factors and the source of information there was a significant relationship. Similarly in case of relationship between the demographic factors and the objective of investment, few demographic factors such as educational qualification and grade has significant relation with the objective of investment while other factors such as age, marital status, gender, income and investment has no significant relationship with the objective of investment made by the investors. In case of relationship between the demographic factors and the source of information demographic variables like age, marital status, gender, educational qualification, grade, income and investment are not significantly associated with the source of information for investment. The financial behavior of individual investors has a connection with various available investment objectives, time horizon and source of information. The study reveals that respondents integrate the objectives of savings and the source of information along with the time period for decision making. The results of this study could help the wealth managers in creating a proper wealth management process and this analysis of how an investment choice gets affected by the demographic variables could help the financial advisors in building a successful relationship with their clients

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