

Research Article

An Empirical Study on Investment Behavior of Women Working in Small and Medium Scale Industries

Janki Pandey

Assistant Professor, Krishna Engineering College, Ghaziabad, Uttar Pradesh, India.

I N F O

E-mail Id:

pandeyjanki74@gmail.com

How to cite this article:

Pandey J. An Empirical Study on Investment Behavior of Women Working in Small and Medium Scale Industries. *J Adv Res Entrep Innov SMES Mgmt* 2022; 8(1): 11-14.

Date of Submission: 2022-02-10

Date of Acceptance: 2022-03-10

A B S T R A C T

The purpose of this study is to learn more about the factors, such as marital status, educational qualification, age factors, and occupation, which influence the investment behavior of women with regard to financial instruments, with a particular focus on rural Tripura and a sample size of thirty respondents. A descriptive study is conducted to learn more about the factors that are influencing the choice to identify an investment. The study relies on primary data, which are gathered by the administration of a questionnaire with limited response options. Methods of multi-stage systematic random sampling are used in order to identify the preferences of the respondents about investments.

The investors have access to a wide variety of investment avenues, the primary objectives of which may be summarized as follows: high return, tax advantage, future security, stable income, children's education, children's marriage, and emergency purpose. There is a significant difference between each of these investment avenues with regard to both the level of risk involved as well as the potential returns. The investors anticipate higher returns while taking on a comparably lower level of risk. There is a wide selection of opportunities for financial commitments, including banking, gold, real estate, post services, mutual funds, and other forms of investment. The majority of their investments come from members of their family or other relatives, as well as friends, consulting services, applications, publications, and sources.

Keywords: Small and Medium Scale Industries, Investment Behavior, Financial Instruments, Financial Sources, Financial Objectives

Introduction

The role that women play in today's world has experienced a sea shift compared to previous eras and as a result, they are having the largest effect on society. In the past, men restricted and dictated the extent to which women may participate in society. In spite of this, women have come a long role and are making significant contributions

in a variety of fields, including politics, military, sports, information technology, finance, business and law. Given the current state of the world, it is vital that women achieve economic equality and independence. This is especially true for women who want to live their lives to the fullest. It is therefore essential, whether one is a homemaker, a professional, or an entrepreneur, to be aware of the

significance of investing and to possess the relevant skills necessary for investing successfully. But in practice, the story is completely different when it comes to women investing.

The stereotypical view that men are the ones who invest still prevails and women are often thought of as the ones who are responsible for saving money. In addition, it is often believed that women are not just hesitant to make financial investments but also less assertive than their male counterparts. Several studies have demonstrated that women's portfolios perform better than those of their male counterparts. This is likely due to the innate attributes that women possess by nature, which distinguish them from male investors in the way that they approach the financial investing. Women tend to be more risk averse than men, prepared to admit and investigate areas in which they are lacking information and their investment philosophy can generally be summed up with the phrase "slow and steady wins the race."

In general, they would want to take part in investments that are safer, less volatile and have a track record of being consistent. In addition to this, women tend to have a longer-term investment perspective than men do and as a result, they trade less often. It is crucial that we move away from this outdated school of thinking and make an effort to comprehend the significance of investing from a woman's perspective in a more meaningful manner in the modern day.

Need of the Study

It is critical for women to have the opportunity to reach a feeling of independence and financial parity in their lives. Investing is one of the finest methods for women to guarantee that they have the capacity to amass the same amount of money that men do and it is one of the best ways to do so.

The level of risk and reward that an investor is willing to tolerate influences their investment habits, which vary from individual to individual. Both men and women make different choices when it comes to the various sources of investment money. Men are more likely to take risks than women, who want to avoid danger. It is a well-known truth that male women are more likely to focus on return, while female investors seek a better overall balance between investment and return in their portfolios.

The majority of the time, the goal of the women is to have a reliable source of income. When women construct their investment portfolios, they give equal weight to safety, liquidity and profitability, whereas men are more likely to focus only on the former of these three factors. In this way, the investment behavior of men and women differs from

one another. Consequently, it was decided to conduct a descriptive study in order to discover the characteristics that are impacting the investment habits of working women.

This study will be carried out in the rural region of Tripura with the working women who live there. These women already have sufficient information about investments and the results of this study will provide certain guidelines for choosing the best investment among available options. Additionally, the different financial sectors will find this study beneficial in formulating policies for women that are based on their specific requirements. In order for there to be an increase in the habits of saving and investing among women, which would guarantee the continued economic investment of the nation.

Statement of the Problem

The purpose of this study is to learn more about the key factors that influence investment behavior, as well as the ways in which these factors impact investment risk tolerance and the decision making process among women of varying ages and marital statuses, occupations and educational qualifications. Additionally, it discovers sources that have primary investments for their investments and it does this via a variety of investment channels.

Objective of the Study

In order to have a better understanding of the demographic profile of investors, as well as their goals, sources of information and the many investment avenues.

Research Methodology and Analysis

In order to conduct out the research using multi-stage systematic random sampling with primary data which is acquired from the public using pre-defined questionnaires, a descriptive research study is used. Table 1, illustrates the demographic profile of investors according to their marital status. The vast majority of investors are married, constituting 66.66 percent of the total, while around 33.33 percent are single. The age group that ranges from 35 to 45 years old has the highest percentage, which is 36.66 percent, followed by the age group that ranges from 25 to 35 years old, which has 30 percent. The age group that ranges from 45 to 50 years old has approximately 23 percent and the age group that ranges from 50 and older has only 10 percent. While the remaining women worked in the public sector 26.66 percent of the time, the majority of the women worked in the private sector 73 percent of the time. In terms of the educational qualifications of the majority of women, forty percent of them had completed their graduation, twenty percent of them had completed their post-graduation and around thirteen percent of them had done their SSLC.

Table 1. Demographic Profile of Investors

S. No	Investor's particulars	Status	No. of respondents	Percentage (%)
1.	Marital Status	Married	20	66.66
		Unmarried	10	33.33
2.	Age	25-35	9	30
		35-45	11	36.66
		45-50	7	23
		Above 50	3	10
3.	Occupation	Public sector	8	26.66
		Private sector	22	73
4.	Educational Qualification	SSLC	4	13
		PUC	8	26.66
		Graduation	12	40
		Post-graduation	6	20

Source: Primary data

Table 2. Objectives of the Investments

S. No	Objectives	No. of Respondents	Percentage (%)
1	High Return	02	6.6
2	Tax Benefit	03	10
3	Future Security	06	20
4	Children's education	07	23.3
5	Children's marriage	07	23.3
6	Emergency purpose	05	16.6
	Total	30	100

Source: Primary data

Table 3. Sources of information about various investments

S. No	Sources	No. of Respondents	Percentage (%)
1	Family members/relatives	12	40
2	Friends	9	30
3	TV/Newspaper	3	10
4	Financial broker/ Consultancy services	2	6.66
5	Internet/Apps	3	10
6	Books/Journals/Magazines	1	3.33
	Total	30	100

Source: Primary data

The objectives of any investment might often be rather different from one another. The majority of respondents who put their investment into the stock market do so with the intention of providing for their children's education and marriage, which accounts for approximately 23.3 percent of all investors. This is followed by 20 percent of respondents who prioritize future security and 16.6 percent of investors who put their money into the market for the purpose of

providing for themselves in an emergency. Obtaining a high return and minimizing tax liability are the investment objectives with the least amount of importance. Therefore, the primary reason for investment in respondents is for the education of their children and the marriage of their children.

Table 3, is a representation of the various sources of information that investors gather for their investments. Of

the respondents, forty percent get their information from members of their families and other relatives, thirty percent get it from friends and ten percent get it from various apps and the internet. Family and newspapers round out the top five sources of information, 10 percent with information taken from books and publications making up just 3.33 percent of the total. It is so abundantly evident that the majority of the investors' actions are being impacted by their family members and other relatives.

Table 4. Preference of Alternative Investments

S. No	Options	No. of Respondents	Percentage (%)
1.	Bank deposits	9	30
2.	Post office	6	20
3.	Gold	9	30
4.	Insurance	6	20
5.	Real estates	1	3.3
6.	Stock market	1	3.3
7.	Others	2	6.6

Source: Primary data

The data presented in the table above indicates that out of a total of thirty respondents, thirty percent of the investors choose to put their money into gold and bank deposits, twenty percent of the investors put their money into the post office and insurance, three point three percent of the respondents put their money into real estate and the stock market and the remaining thirty percent of the investors put their money into other things, the majority of which are "chit funds" that are managed by women in their local communities. The majority of investors who invest their money do so in gold and bank deposits because they are worried about the safety of their investments and have a strong belief that gold and bank deposits are solid investments.

Findings

- The group of the respondents who answered the survey is in the age bracket of 35 to 45 years old
- The majority of the sample investors, which accounts for forty percent of the respondents, has at least a bachelor's work and is employed in the private sector
- According to the findings of the study, the majority of investors were married women and the majority of their investments were invested primarily for the education and marriage of their children. On the other hand, investments made by unmarried women were primarily for the purpose of future security and unexpected events
- The majority of the women choose to put their money into gold and bank deposits since these are invested forms of investment that provide a high level of security

- The majority of married women investors have their investment decisions influenced by friends and family members

Conclusion

The purpose of this research is to provide an observation of the behavior of various groups of female investors. Putting the search for the ideal investment path at the top of an investor's priority list is an uphill struggle. An attempt is made to identify the preferences of a sample of investors chosen from a wide community in order to better serve them. The researcher was effective in detecting an investment model, there is some regularity in these investors and many of them reacted positively to the study. This is despite the numerous restrictions of the study that the researcher encountered. This report's primary focus was on making connections between past, present and future investors' behavior patterns, as well as investors' preferences for different investment strategies. The investor's age and legal status both have a role in the path that they choose to pursue when it comes to making a financial investment. Women are less inclined to accept investment risks because they choose investments that are reliable and secured. The present study has major conclusions for investment managers as it has come up with several intriguing facts about individual investors. These facts have been uncovered as a result of the study. Women returns still prefer to invest their investor into financial products that guarantee a return with no downside risk. This provides more evidence that married women investors, regardless of their income or level of education, prefer to put their money into investments that are secured and reliable.

References

1. Chowdhury. Investment Behavior: A Study on Working Women in Chittagong. *Premier Critical Perspective* 2016; 2(1): 77-93.
2. Sellappan J, Kavitha. Investment Attitude of Women towards Different Sources of Securities. *Global Journal of Management and Business Research Finance* 2013; 13(3).
3. Sharma, Kaur. Investment Attitude of Working Women: A Study of Education Sector in Punjab, Technol. *Manag Grow Econ* 2019 10(2).
4. Shanthi, Murugesan. Investment Preferences of Salaried Women Employees, *IJARIE* 2016; 2(2).
5. Vasagadekar. A Research Paper on Investment Awareness Among Indian Working Women with Reference to Pune Region. *International Journal of Scientific & Engineering Research* 2014; 5(6).