

Investing Behaviour of Women: An Analysis of the Himachal Pradesh district of Bilaspur

Muskaan Thakur,

Assistant Professor Department of Commerce, Chandigarh School of Business, Chandigarh Group of Colleges, Jhanjeri-140307, Mohali, India

Dr Ranjna,

Assistant Professor Department of Commerce, Chandigarh School of Business, Chandigarh Group of Colleges, Jhanjeri-140307, Mohali, India

tmuskaan87@gmail.com

ranjna.arora@gmail.com

Abstract

Every person's top priority should be investments because even tiny savings today are meant to cover future needs. With an emphasis on socioeconomic characteristics, awareness levels, and preferences, this paper examines the investment habits and mindsets of women in the Bilaspur City through a survey of more than 200 respondents. The majority of female investors are younger and primarily from the working class. They also favour more conventional assets like secured deposits. These results seek to improve comprehension, pinpoint the best investment opportunities, and encourage saves for a safe financial future in the face of personal financial difficulties and economic downturns.

Keywords-Investment, Decision Making, Awareness

Introduction

Over the past few decades, women's status in working life has drastically changed, worldwide and in India specifically. This paradigm change affects decision-making processes as well, especially when it comes to financial considerations like investments. It is not limited to economic participation alone. Women's investment behaviour has become an important field of research, illustrating patterns in economic empowerment and broader societal developments.

Women used to invest, primarily in gold, jewellery, ornaments, etc. These days, women have a different perspective on investing. They know more about investing options and have greater education. In addition to gold and silver, they are increasingly investing in mutual funds, real estate, fixed deposits, and post office savings plans. Women now have far higher incomes and levels of education. Now, they are on par with them, if not better. They are making their own autonomous investment decisions.

The majority of women choose to invest in things that provide guaranteed returns since they consider themselves savers rather than investors. There are three types of investment avenues: hazardous, less risky, and risk free. Investment Avenue is chosen by the investors based on their preferences, risk tolerance, attitude, and expected return. Investors must select the riskier investing path if they desire a high return. Men are more inclined than women to invest in riskier financial ventures. The income of women is always considered complementary inside the household. But careful consideration is necessary given the growing importance of women's earnings. More than ever, women participate in home investments and financial decision-making. However, a variety of factors, including age, education level, and marital status, influence women's investment decisions.

Women are essential to a country's ability to grow. They are able to improve not only their own economic status but also the communities and nations to which they belong. Men have historically made the majority of investment choices. But in India, women's position has changed dramatically in the last several decades, giving them more financial power and earning ability. A significant change in the dynamics of decision-making is that more and more women are now making the decisions about their investments, whether they be in bonds, stocks, or real estate. According to this trend, women may become the main force behind economic growth in the future. Securing their rights, granting them autonomy, and promoting

society impact all depend on their economic engagement and empowerment. A nation's economic growth is threatened when half of its human resource is underutilised. The purpose of the study is to look at how female investors in Bilaspur make investments.

Literature Review

Powell and Ansic's (1997) in their study, "Gender Differences in Risk Behavior in Financial Decision Making: An Experimental Analysis," concluded that men and women may choose different investing strategies because of various "needs" or motivating reasons. They suggest that whilst males are more concerned with obtaining larger returns, women often prioritise security when making financial decisions. This viewpoint emphasises how gender affects financial decision-making techniques depending on individual preferences and objectives.

Sultana (2009) conducted a study titled "An Empirical Study of Indian Individual Investor Behavior," which explores the traits and degrees of risk tolerance of Indian individual investors. The study examines the relationship between age and gender and risk tolerance in investors, finding that 41% of them have low risk tolerance and the remaining participants had greater levels. This investigation clarifies variables influencing investment choices in the Indian market and offers insightful information about investor behaviour.

Kabra et.al (2010) studied what factors influence investors' behaviour and found that gender and age had a big impact on risk tolerance. Their findings showed that young people are more likely to accept risks in the quest of increased income, while older people often prefer less dangerous.

Chaturvedi and Khare (2012) highlighted that the rise in working women's salaries and numbers is what is driving the middle-class family's expansion. As such, it is imperative that women obtain expertise and information on investment opportunities. They stress the necessity of making sincere attempts in this regard in order to efficiently pool savings and guide them toward profitable ventures.

Ansari and Moid (2013) conducted a survey indicating that most investors place growth and increased income as their top priorities, and that risk plays a significant role in their decision-making. Young investors sometimes take advice or views from their portfolio managers or advisors into consideration, but they typically focus their trading decisions on their own perceptions of their own competence. Different people have different goals for their investments, and these can include things like extra income and financial security.

Research Objective

- 1.To study the investment preferences and strategies employed by working women across different age groups and income brackets.
- 2.To study the factors which motivate investment.
- 3.To examine the investments that women prefer.

Research methodology

The present study employs a descriptive research methodology. Primary as well as secondary sources are used to collect information. Primary data were gathered using a well-designed questionnaire.

Surveys were used to get information from the investors. Secondary data was acquired from a range of sources, including books, research articles, journals, and websites.

Population

The study's participants were female working investors from the Himachal Pradesh city of Bilaspur.

Sample size

This study has a total sample size of 200.

Sampling procedure

Convenient sampling is used in this investigation. A number of characteristics, including the working women's age, educational background, and professional experience, were taken into account while choosing the respondents.

Sample Unit:

The female investors living in Bilaspur City who have either invested or are willing to participate in any kind of investment channel were the respondents chosen for the study.

Statement of Problem

In comparison to men, women are viewed as the weaker segment of society. Women were not allowed to make any significant decisions in the past. However, things have been steadily shifting recently; women are increasingly allowed to work, have an education, and make financial decisions. The purpose of this study is to learn more about the investing habits of female investors, the variables that are taken into account when making investing decisions, and the ways in which investments contribute to the social empowerment of women.

Limitations of study

Limitations of the study include the following:

1. Generalisation is not feasible due to the study's reliance on a sample of 200 women investors.
2. The survey was exclusively conducted in Bilaspur city.
3. Results are derived from self-reported information provided by individuals, which may introduce bias.

Data Analysis and Interpretation

Table1: Grouping respondents based on their age categories.

This table presents the breakdown of respondents based on their age.

Sr. No	Age	Total Respondents	Percentage %
1	Under 35	70	35
2	35-50	100	50
3	Above 50	30	15
TOTAL		200	100

According to the above table, 30 respondents are over 50 years old, 100 are between 35 and 50 years old, and 70 out of the 200 respondents are under 35. This indicates that respondents make up half of the total.

Table 2: Categorization of respondents based on their marital status

Sr. No	Status of marriage	Total Respondents	Percentage %
1	Married	130	65
2	Single	70	35

TOTAL		200	100
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According to Table 2, 35% of respondents are single and 65% of respondents overall are married. The conclusion is that 65% of respondents are married.

Table3: Categorization of respondents based on their level of education

Sr. No	Qualification	Total Respondents	Percentage %
1	Undergrads	60	30
2	Graduate	90	45
3	Postgrads	50	25
TOTAL		200	100

Table 3 shows that 60 of the respondents are undergrads, 90 are graduates, and 50 are postgrads. It follows that 45% of respondents are graduates.

Table 4: Categorization of respondents based on their Employment

Sr. No	Work Status	Total Respondents	Percentage %
1	Working	110	55
2	Business Owner	40	20
3	Homemaker	50	25
TOTAL		200	100

Table 4 shows that of the 200 respondents, 110 work, 40 own their own company, and 50 are household respondents.

Table 5: Categorization of respondents based on their income

Sr. No	Annual Income(in Lakhs)	Total Respondents	Percentage %
1	Upto 2.5 lakhs	60	30
2	2.5-5 lakhs	80	40
3	5-7.5 lakhs	40	20
4	Above 7.5 lakhs	20	10

TOTAL		200	100
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Table 5 depicts that 60 respondents earn upto 2.5 lakhs , 80 respondents earn between 2.5 and 5 lakhs and 40 respondents earn 80 between 5 and 7.5 lakhs and 20 respondents earn above 7.5 lakhs.

Table 6: Factors Motivated for Investment

Sr. No	Factors that motivate investment	Total Respondents	Percentage %
1	Child education	40	20
2	Business Expansion	30	15
3	Plan for retirement	15	7.5
4	Stable earnings	30	15
5	Meeting healthcare costs	15	7.5
6	Education	30	15
7	Marriage	20	10
8	Future Contingencies	10	5
9	Tax advantage	10	5
TOTAL		200	100

Table 6 reveals that investment decisions are driven by various factors among respondents and saving for children's education was the primary motivation for 40 respondents (20%). Additionally, 30 respondents (15%) emphasised business expansion as a key reason for investing. Retirement planning was also significant, noted by 15 respondents (7.5%). Stable earnings and covering healthcare costs were cited by 30 respondents (15%) each, highlighting the importance of financial stability and health expenses in investment considerations. Education expenses, marriage, and preparing for future uncertainties were also mentioned as motivations, with 30 (15%), 20 (10%), and 10 (5%) respondents respectively acknowledging these factors. Lastly, tax advantages were noted by 10 respondents (5%) as influencing their investment decisions.

Table 7: Investments that women prefer

Sr. No	Investment options	Total Respondents	Percentage %
1	Government bonds	20	10
2	Bank savings accounts	40	20
3	Employee savings schemes	50	25
4	Insurance policies	20	10

5	Mutual funds	30	15
6	Shares/debentures	15	7.5
7	Real estate	15	7.5
8	Gold	10	5
TOTAL		200	100

Table 7 illustrates the investment preferences among respondents across various options. Government bonds were selected by 20 respondents, constituting 10% of the total participants. Bank savings accounts emerged as the most favoured choice, with 40 respondents opting for them, accounting for 20% of the sample. Employee savings schemes were highly preferred by 50 respondents, representing 25% of the respondents. Insurance policies also garnered attention, chosen by 20 respondents (10%). Mutual funds were favoured by 30 respondents (15%), while shares and debentures were each chosen by 15 respondents, contributing 7.5% each. Real estate and gold rounded out the options, each selected by 15 and 10 respondents, making up 7.5% and 5% of the total, respectively.

Table 8: Duration of Investment

Sr. No	Period of investment	Total Respondents	Percentage %
1	Less than a year	60	30
2	1 to 3 years	90	45
3	3 to 5 years	30	15
4	Greater than 5 years	20	10
TOTAL		200	100

Table 8 shows preferences for investment periods. The majority, accounting for 45% (90 individuals), planned to invest for 1 to 3 years. 30% (60 individuals) opted for investments lasting less than 1 year, while 15% (30 individuals) indicated a preference for an investment horizon of 3 to 5 years. The remaining 10% (20 individuals) planned to invest for more than 5 years. Overall, the survey encompassed 200 respondents, with each investment period category reflecting a proportional percentage of the total sample.

Conclusions & Suggestions

1. To raise awareness of women's investing, the government and SEBI should take action.
2. Employers need to arrange seminars on investments and money management led by professionals in their workplaces.
3. The government should consider offering tax breaks to entice female investors.
4. Fewer women investors favoured making investments in shares and debentures. By raising awareness, SEBI may take action to encourage female investors to purchase corporate stocks.
5. In order to create optimal portfolios and make wise investment decisions, women should seek the assistance of reputable professional financial planners.

6. There should be a centralised grievance resolution mechanism for cases of deception and misinformation.

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