

**Women's Perception of the stockmarket – A Study of tier III district: Vijayapur**

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**ABSTRACT:** *A study focusing on women's perceptions of the stockmarket. The researchers have selected 500 women across the Vijayapur district as a sample for the study. Women aged 18+ and education with a minimum of 10<sup>th</sup> standard. To understand the practical application of knowledge in the stockmarket and the investment avenues available for them in the stockmarket. Women of this 21<sup>st</sup> century want to be an independent number of women investors in the stockmarket. The research also contributed to creating a portfolio to reduce the risk, as risk is the major barrier for people to enter the stockmarket.*

*Most of the investors preferred investing in stocks rather than mutual funds. Thus, it can be understood that investors who expect high returns will be ready to undertake high risk, though few of them avoid investing in the stockmarket due to fear of losing their hard-earned money. Women today want to be independent, earn and become role models for their children and society. Hence, investing in the stockmarket can generate additional income to cope with the increasing needs of all sections of society and to fulfil all the present and future needs.*

**KEYWORDS:** *Women, Portfolio, The stockmarket, Investment avenues.*

## **INTRODUCTION**

The stockmarket refers to the public place that exists for issuing, buying and selling shares. Sharemarkets allow investors to get the profits of publicly traded companies from their investments. Most of the Indian stock market trading occurs in (i)NSE and (ii)BSE. The researchers, want to know what percentage of women prefer to invest in the stockmarket rather than traditional investment. The researchers collected data from a tier III district (VIJAYAPUR) where a majority of people believe in traditional investments to be safe like-gold, real estate and Savings in a bank. And, they are not aware of the inflation rate in the calculation.

## **LITERATURE REVIEW**

Several studies in the past have emphasised the investors' attitudes and behaviours towards the stock market. And their results showed that short-term investments were of more priority for the investors as their choice was dependent on the extent of the risk factors (Rajagopalan, 2015), (Lim, 2021), (Akhtar, 2020), (Trang, 2017), (Muthumeenakshi, 2017), (Manimozhy, 2018). The above researchers have also mentioned some common factors which impact the investment behaviours such as investment duration, share preference, risk bearing, security, return periods, lucrative returns, long-term investments, dynamics of investment, etc., In furtherance, (Manimozhy, 2018) the studies also state that most of the investors are well-equipped and updated with their knowledge of investing. With such knowledge and information on the stock market/ investments as well as the capability to study and analyse this information, the investors could easily enhance their ability into risk-based investments to earn higher profits through efficient investment management. Subsequently, investors always tried to bring a relationship with their investments, time and returns.

(Nash, 2012) The article state that 98 percent of Indian citizens do not have a Demat account, and thus lack cognizance about the stockmarkets. Although many studies have been carried out in parts of the country and abroad, as mentioned earlier, in India a limited number of studies have been conducted in this area. Thus, it is against this backdrop that the present study has been undertaken to fillup this gap and make a modest contribution to the field.

(Rajagopalan, 2015) and (Trang, 2017) in their article also stated that stock market perception by the investors is dependent on various inter-related demographic variables like age, gender, education, and occupation too. Hence, demographic variables have a significant role in investors' approach to the stock market.

(Bala, 2013) In another article, the author explored the working of the stock market and the preferences of investors in selecting the stock market as a tool of investment. The paper also explores the other available financial alternatives to the investors based on their requirements viz; Mutual funds, Sovereign Bonds, Equity Shares, Non-marketable financial assets, Money market instruments, Life Insurance, Government Securities and Bonds, etc., Volatility of share prices in the Indian market is also observed due to widespread speculation into Indian Stock Market. And such volatility invokes insecurity amongst the investors. It was further observed that investors use fundamental and technical analysis for choosing their investment in the stock market and the low cost of operations in the derivatives market has made it a preferred choice of investment.

(Mittal, 2008) Their article mentioned the significance of the relationship that exists between several demographic factors and investment behaviour displayed by investors. Factors like income, marital status, and education affect the individual's investment patterns.

(Lovric M, 2008) studied the investment behaviour of individuals where their decisions are viewed as the iterative process of interactions between the investment environment and the investors. Various interdependent variables are found to influence the investment process.

In an article, it was observed that psychological factors and behavioural dimensions influence investor decisions. Thus, affecting psychologically with a fear of a decline in the stock index, losing money and lack of confidence in making investment decisions (Shanmngasundaram, 2011).

(Adam, 2008) analysed how investors' psychology varies the idea of financial markets and discussed the significance of the new understanding of finance by capital market practitioners-investors, and corporate policymakers.

## RESEARCH METHODOLOGY

- The researchers prepared a questionnaire, which would help them to gain more insights in to perceptions of women towards investments in the stockmarket.
- 50womenwereselected from the Vijayapur district and were asked to fill up the questionnaire.
- The data collected was split into different categories those who have knowledge about the stockmarket and are investing in it, those who do not know, and a few who have knowledge about the stockmarket and are still reluctant to invest.

## OBJECTIVES OF THE STUDY

- To know the level of risk they consider while investing in the stockmarket.
- The factors that women take in to consideration while investing in the stockmarket.
- To ascertain the reasons for **NOT** investing in the stockmarket.
- To analyse what should be done, so that more women start investing in the stockmarket.

## LIMITATIONS OF THE STUDY

- It was hard to acquire knowledge about this field in such a short period.
- The study was limited to only women.
- The investor's response could have been biased.

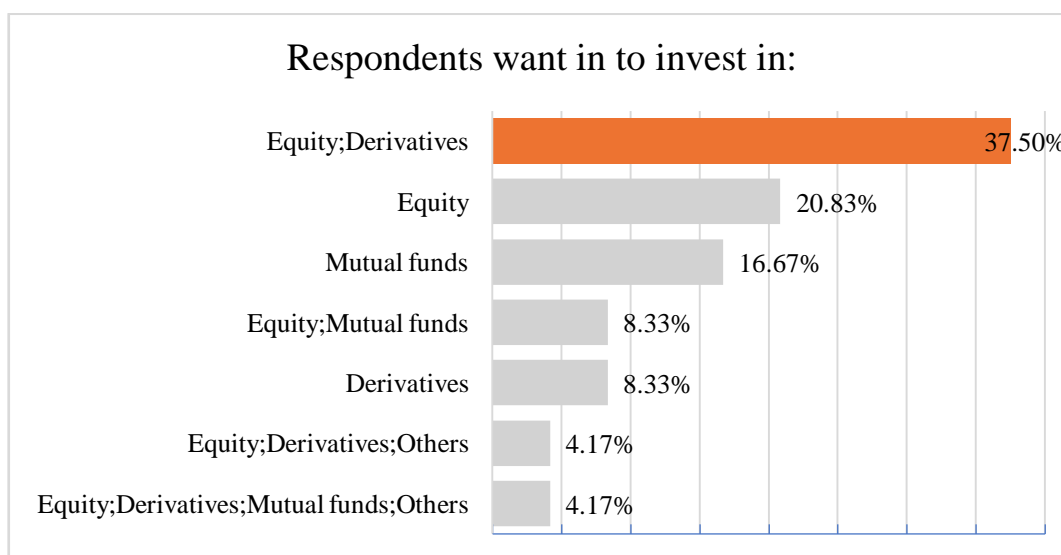
## DATA ANALYSIS AND INTERPRETATION

### Investment Pattern

Row Labels	Percentage
Self	70.83%
Through online broker	20.83%
Through financial adviser/banker	8.33%
<b>Grand Total</b>	<b>100.00%</b>

**Factors Observed while investing in the stock market.**

Row Labels	Percentage
Fundamental Analysis; Technical Analysis	37.50%
Fundamental Analysis	33.33%
Technical Analysis	29.17%
<b>Grand Total</b>	<b>100.00%</b>

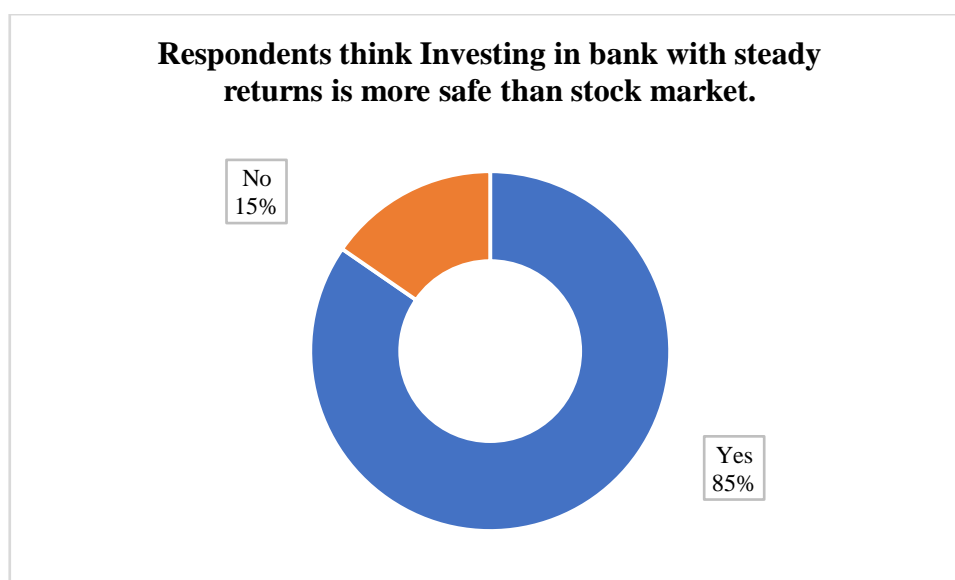


**Reasons for not trading:**

Row Labels	Percentage
No proper financial literacy	26.92%
No proper financial literacy; Higher risk	19.23%
No proper financial literacy; Fear of loss	15.38%
No proper financial literacy; Higher risk; Fear of loss	15.38%
Higher risk; Fear of loss	11.54%
Higher risk	3.85%
Fear of loss	3.85%
No knowledge of trading	3.85%
<b>Grand Total</b>	<b>100.00%</b>

**Respondent's thoughts of investment into the stock market involves a high risk of fraud**

Row Labels	Percentage
Yes	57.69%
No	42.31%
<b>Grand Total</b>	<b>100.00%</b>



## **FINDINGS AND CONCLUSION**

### **FINDINGS**

- ❖ 100% of the respondents know about the stock market.
- ❖ 48% of the respondents invest in the stockmarket, and 52% of the respondents do not invest in the stockmarket.
- ❖ 52% of the non-investor respondents are aware of the stock market, but expressed a lack of financial literacy, and many other factors as mentioned in table no.
- ❖ It was observed that 70.8% of the respondents themselves invest in the stockmarket, and 8.3% of respondents invest through an online broker.
- ❖ As per the respondents' opinion 75% of them are interested in investing in equity, and 54.2% of them are interested in investing in derivatives.
- ❖ It was found that 70.8% of the respondents observe fundamental analysis while investing in stocks over technical analysis which is 66.7%.
- ❖ The study stated that 95.8% of respondents are more interested in learning more about the stockmarket.
- ❖ As per the survey, 84.6% of non-investor respondents are willing to invest if they are provided with proper guidance.
- ❖ 57.69% of the non-investor respondents think that there is a high risk of fraud if invested in the stock market.
- ❖ 85% Out of 52% of respondents think that investing in a bank with steady returns is safer in comparison to the stock market.

### **RECOMMENDATIONS**

- ❖ Training Program should be introduced to encourage trading in the stockmarket.
- ❖ Training sessions can be organized for the non-investors who are willing to invest but can't, due to a lack of trading knowledge.
- ❖ More awareness should be created among people about the stockmarket.
- ❖ Proper training in risk management and portfolio management should be given.

### **CONCLUSION**

Individuals in the world always raise their eyebrows when it comes to investments in the stock market, and most commonly hesitate to take such risks. Women, especially in the Indian scenario, are most of the time not given free hand to take investment decisions. Despite such barriers, some women do take up investment decisions and succeed. The study focused on women and their

perception of the stock market. The women in the study always showed a keen interest in learning more about investment and the stock market. They definitely would like to invest their time and money to gain knowledge and awareness of the stock market.

This study helps in understanding the behaviour and level of knowledge of women who have invested in the stockmarket. The perception and views varied between women. Some vital factors influencing women in the stockmarket are bearing risk and to manage present and future financial goals. The study revealed that the majority of women consider returns as the motivating factor which influences them to invest in stocks. Most of the women invested by the influence of their friends and word of mouth about the stockmarket and its returns. The majority of women were more interested in the stockmarket than in mutual funds because of early returns. Thus, it can be concluded that women can bear little risk on money and invest in the stock market and also some were in fear of the same. Ambiguity amongst the non-investors could be reduced through proper training and enhancing their knowledge of the stock market.

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