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Awareness Level Of Women Investors With Reference To Stock Market

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ABSTRACT
The study seeks to identifying the level of awareness among women investors with reference to the stock market in the city of Hyderabad. The demographic variables have been used to understand association with the level of awareness level. The data collected was collected using a structured questionnaire from 73 women respondents using purposive sampling method. Chi-square test has been used to understand the association of awareness level and demographic variables. The study tells that all the demographic variables are not associated with that of the awareness level except the educational qualification of women investors. Hence, we can conclude that all the demographic variables have no effect on the level of awareness except the educational qualification of the women investors because financial literacy is highly essential and plays an important role in making investment decisions for women.

INTRODUCTION

The relevance of education is increasing and the present-day women are more educated and knowledgeable. Since years it has been seen that women are meant for home-making and they work only for the welfare of the family. But now the era has been changed. Women are not only the homemakers but holding highly qualified position as directors, or business partners. Moreover, they are taking active participation in the stock market and tend to take better financial decisions. But now, women are recognizing the importance of education and we can find many educated women in the world. They are progressing in real sense of knowledge, because in almost all sectors we find women are working in higher positions successfully.

There are few researchers who have found that women tend to take less risk due to conservative nature. It can be due to the responsibilities that they have towards their family, children. Though there is increase in education level, the literature has highlighted that women hardly have awareness about the basic financial investments in different instrument and avenues.

Few of the authors have suggested that proper awareness program should be provided to them so that they could be eligible in taking a right decision. The programs should be provided by the financial institutions so that each and every woman could get an appropriate knowledge about various financial avenues.

LITERATURE REVIEW

Many researchers have studied on the level of awareness among women investors but they are unable to give a comprehensive overview about the hindrances faced by them in investing in the stock market. Most of the women are housewife. The women who are professional have sources of income and can invest in different avenues and labelled as conservative in making investments depending on the risk tolerance levels. It is found that women are most likely to invest in the less risky stock with a safer principal over a period of time as they are conservative in nature and prone to risk averse. Further, it is also found that only 67% of women are aware about the stock market rest 37% are unaware of it (**Shindhe B Sudam & Kulkarni Preeti, 2018)**.

Age is considered as important factor for investment. The literature highlighted that majority of the young women investors are aware & tend to invest fall under the age group(18-25years). Further, it is also found that **t**here is a significant difference between awareness level of investors and gender, age, education, and occupation (**Banumathy, K & Azhagaiah, R (2011)**. Furthermore, studies have identified many barriers hindering women investors. It is stated that women lack risk bearing capacity, totally rely on their husbands, no thorough knowledge about the financial instruments, don't rely on professional help, low awareness & knowledge before taking an investment decision (**Klatt Martha, 2009 & Priya, 2014)**.

There is a rise in economy level, the standard of living, literacy level of an individual has also been inclining. Women investors should be encouraged more to invest in the stock market by providing the necessary and

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appropriate information on the market to earn higher returns (**Chaturvedi Meenakshi, 2012 &Singh Chetna & Kumar Raj,2017)**.

Prior studies have stated that women's financial literacy is less, specially the knowledge about the stock market. The various researcher has also found that the women investors are very conservative to invest in the stock market **(Hibbert Marie, Lawrence Edward & Prakash Arun, 2008; Sah P Vanishree, 2017).** This is leading to less market participation. The study is essential to enable the financial institutions to take necessary steps by providing good awareness programs to increase the participation of women in all the economic spheres. Therefore, there is still lack of awareness among the women investors and it is an on-going process.

RESEARCH OBJECTIVES

1. To identify the level of awareness among the women investors regarding stock market.
2. To study the association between demographic variables and the level of awareness.

RESEARCH METHODOLOGY

This study is based on descriptive research. The data was collected through a structured questionnaire from the 73 women investors using purposive sampling technique. The questionnaire used for this study consist of few demographic factors and few questions on the awareness level to test the knowledge of investors on the stock market. The study used demographics variables such as Age, marital status, educational qualification, occupation, annual income, years of experience and to measure awareness, variables such as Knowledge of how to invest, operations, charges levied by brokers, stock index, prerequisite of investing such as opening of de-mat account, price prediction, etc. were included. Statistical tool such as Chi-square was used to test the association between the demographic factors and the awareness level. The software used for this study is SPSS.

DATA INTERPRETATION

In this chapter, the data taken for this study has been analyzed by using various statistical tools such as chi-square test. The responses of the respondents have been recorded and shown through a pie chart. All these helps in meeting the objectives of the study and taking an appropriate decision.

Table-1: Demographic Factors

Age	18-25 years (75%)	**Marital Status**	Married (80.8%)
	25-30 Years (21%)		Unmarried (19.2%)
	30-35 Years (3%)		
	35 & above (1%)	**Income**	<2 Lakh (20.5)
			2-4 Lakh (6.1%)
Educational	High School (1.4%)		4-6 Lakh (6.1%)
	Undergraduate (29.6%)		6 & above (11%)
	Post Graduate (69%)		None (56.2%)
Occupation	Business (2.9%)	**Experience**	<1 year (68.6%)
	Corporate Employee (35.2%)		1-3 year (12.9%)
	Housewife (7%)		3-5 Years (11.4%)
	Student (54.9%)		> 5 Years (7.1%)

Demographic Factors: Demographic factors are the socioeconomic characteristics of a population expressed statistically such as age, marital status, education level, income level, occupation, work experience, etc. The study evaluated the awareness level of women investors on various market traits. The questions were responded with one of the options ranging from Strongly Agree to Strongly Disagree (5 for Strongly Agree, 4 for Agree, 3 for neither agree nor disagree, 2 for Disagree and 1 for Strongly Disagree).

Most of the respondents fall in the age group of 18-25 and 80.8% of the respondents are unmarried. It could be seen that only 69% of the respondents are post graduate followed by 29.6% of under graduate which means the awareness level about the stock market is high among the post graduates followed by the under

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graduates.54.9% of respondents are students, followed by 35.2% are working as a corporate employee and the rest serve as a house wife (7%) & Business owner. It can be concluded that the sample respondents are young, educated and single.

It shows that most of the respondents (56.2%) doesn't have any such income. Only 11% of the respondents earns 6 lakhs & above income whereas 20.05% earns less than 2 lakhs and 68.6% has work experience for a period of less than a year.

Investment Objective: It states the individuals invest motive to invest in stock market. It can be for generating an income, capital appreciation, protecting capital from inflation, or combination of both income and capital appreciation. These can be the parameters attracting individual to invest in stock market.

The Table 2 shows the objectives of women investors while investing in the stock market. It is found that 59.7% of the respondents prefer to invest with a motive to generate income as well as for the capital appreciation and 30.6% opt for only generating income on their investments. Therefore, the sample respondents are willing to invest in financial instruments with steady income and capital appreciation at the maturity period.

Table-2: Objective of Investment

Capital Protection from Inflation	Income Generation	Capital Appreciation	Combination of Income and Capital Appreciation
3.9%	30.6%	5.8%	59.7%

Source of advice for investment: Though the investors are confident about making an investment in stock market, they consult for some advises from the experts. The advises can be taken from the financial advisors, self, family/ friends, licensed broker, etc. Most of us take advises before making an investment. The Table 3 states that 60.6% of the investors take advises from their financial advisors while making a financial decision followed by self (18.3%), family/friends (11.3%) and rest 9.9% take advise from the licensed brokers. It can be inferred that majority of the sample respondents tend to take measured risk.

Table-3: Source of advice for investment

Self	Family/Friends	Financial Advisors	Licensed Broker
18.3%	11.3 %	60.6%	9.9%

Planned investment period: Planned investment period means an individual who wishes to invest his money for a particular tenure. The time period can be for a year, or more. The questionnaire considered four investors plan to invest in.

Table-4: Planned investment period

Less Than one Year	1-3 Years	3-5 Years	Above 5 years
19.4%	30.6 %	25%	25%

In the Table 4 shows that 30.6% of the respondents wanted to plan their investment period between 1-3years, each of 25% prefer a longer period of investment i.e. 3-5years & 5years & above. Only 19.4% of the respondents prefer to invest for less than 1year due feeling of insecurity of the principal amount. It can be inferred that most of the respondents tends to fix their investments for more than one year.

Level of knowledge on investments: The level of Knowledge about investment and related products have enquired. The Table 5 defines about the level of knowledge one has in terms of investments. It is found that more than 50% of the respondents have somehow a little knowledge about the investments and related products, but could take advises from the experts before taking an investment decision.

Table-5: Knowledge about Investment

	Percentage
I don't know anything about investments & related products	9.6%
I know little on investments & related products, but I could use some help to identify what is suitable for me.	57.5%
I am fully aware of investments and related products & if helped by professional I could	28.8%

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make my own investment decision	
I am fully aware of investments & related products and I am sufficiently informed to make my own investment decision	4.1%

PREFERENCE OF INVESTMENTS IN FINANCIAL INSTURMENTS: The preference of investors investment in financial instruments can be assessed based on risk, return, liquidity, & safety. The Table 6 shows the preference of investors according to the level of risk, return, liquidity and safety that an investor is willing to take. The ranking has been done on the basis of investors stronger preference on one financial instrument to the other instrument. According to the number of investors preference the different financial instruments such as Shares, Bonds, debentures, Mutual funds & ULIPs. Shares has been ranked one based upon the expected appetite to take risk, return, liquidity and safety, followed by mutual funds, ULIPS, bonds and debentures. It can be inferred that the investors are willing to take high risk to obtain high return.

Table-6: PREFERENCE OF INVESTORS

Financial instruments	**Rank**
Shares	1
Bonds	4
Debentures	4
Mutual funds	2
ULIPs	3

Investors are Aggressive as they tend to take more risk with a motive to earn more returns. Hence, they have chosen shares as their first priority to invest in followed by mutual funds, ULIPs, debentures and bonds.

ASSOCIATION BETWEEN DEMOGRAPHIC VARIABLES AND AWARENESS LEVEL: Hypothesis has been framed to test the association between demographic variables and the awareness level of women investors.

Table-7: Demographics and Awareness Level

Research Hypothesis	**Value**	**Df**	**Sig**	**Accept**
There is a significant difference between age and awareness level of women investors	123.178[a]	123	.479	**Reject**
There is an association between Marital status & the awareness level of women investors	29.452[a]	41	.911	**Reject**
There is an association between education & the awareness level of women investors	164.685[a]	123	.007	**Accept**
There is an association between Occupation & the awareness level of women investors	101.277[a]	123	.924	**Reject**
There is an association between Annual income & the awareness level of women investors	176.378[a]	164	.241	**Reject**
There is an association between the number of work experience & the awareness level of women investors	113.143[a]	123	.727	**Reject**

Alternative hypothesis or research hypothesis states that there is an association between the demographic variables and the awareness level of the women investors. The study found that there is an association between education & the awareness level of women investors with reference to stock market and there is no significant association between demographics such as age, marital status, occupation, annual income, and work experience.

The proportion of working women is increasing every year. Indeed, education plays an important role in making aware about the general economy and in improving the financial literacy, this may lead to improve the level of investment among the women investors. Many studies have suggested that there is a need to increase the financial literacy and initiatives should be taken by government and professional advisors so that it would help the household investors in taking a sound investment decision.

CONCLUSION

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Knowledge about a particular product can be attained based on the interest of the individual. The level of awareness except the educational qualification of the women investors because financial literacy is highly essential and plays an important role in making investment decisions for women. The study suggested to customize more awareness programs for women investors residing in urban areas. Special campaigns should be run in rural areas to make them understand the basics of investments in capital markets. Lectures can be delivered at educational institutions, where the girl's proportion is more. It is suggested that the investors who are conservative can start their investment with a small amount. Queries and myths about investments can be resolved by learning about different investment avenues.

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