PUBLIC INVESTMENT AWARENESS TOWARDS STOCK MARKETS

Article Particulars

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Abstract

Financial assets are needed for the firm to carry on its business. Most of the assets are financed through selling pieces of paper called financial assets, instrument and securities. They have value in exchange because they are claims on the firm's assets and to its future cash flow. Though it is initially for the benefit of the firm but it will also become beneficial to the investor. The investor will grow as the firm grows and simultaneously the economy is also benefited. Investment decisions of an individual depend on his income and the amount of risk he or she is willing to take. Investing in securities is the last option for some and for others they are not aware of share market. Regularity in investing, percentage of savings also has a major impact in choosing the investments. A study on Public investment awareness gives an idea about investor's choice and opinion about share market and their awareness about it. The researcher used convenient sampling technique and descriptive research design with an approximate sample size of 138 (including investor and non-investor). Area of sampling is limited to 'Tambaram'. Data collection has been done through questionnaire method. The finding of the research will be useful for the firm to understand the investors awareness add new strategies to make more investors to invest.

Introduction

In India investment decisions of an individual depends on his income and the amount of risk he or she is willing to take. Investing in securities is the last option for some and for others they are not aware of share market. Regularity in investing, percentage of savings also has a major impact in choosing the investments. In India people mostly try to save more rather than investment which involves risk. The long-term growth prospective of the Indian economy is positive due to its young population, corresponding low dependency ration, health savings and investment rates and increasing integration into the global economy. The economy has the potential to

become the world's third largest economy by the next decade, ad one of the two largest economies by mid-century. The study on Public investment awareness gives an idea about investor's choice and opinion about share market and their awareness about it.

Objective
- To identify why people prefer secured securities rather than share market.
- To identify the factors which restrict them from investing in share market.

Research Methodology
The study focus on descriptive research design and convenient sampling technique with an approximate sample size of 138 Area of sampling is limited to 'Tambaram'. Data collection has been done through questionnaire method.

Data analysis and Interpretation

Gender of the respondents

Age of the respondents
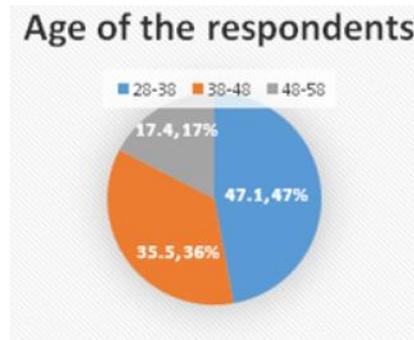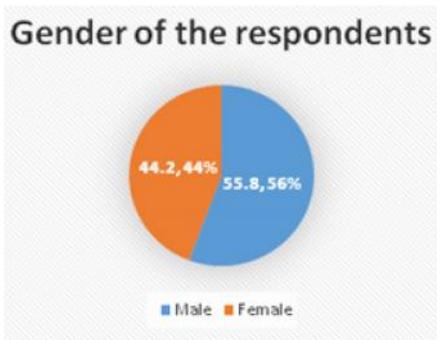
Inference
From above table it's inferred that 55.8% of respondents are male and 44.2% of respondents are female.

Inference
From above table it's inferred that 35.5% of respondents are of age 28-38, 47.1% of respondents are of age 38-48 and 17.4% of respondents are of age 48-58.

Scale Score - Reliability Model

Case Processing Summary			
		N	%
Cases	Valid	138	100.0
	Excluded[a]	0	.0
	Total	138	100.0
a. Listwise deletion based on all variables in the procedure.			

Summary Item Statistics							
	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	6.007	2.812	10.623	7.812	3.778	5.884	11
Item Variances	4.475	.237	12.342	12.106	52.178	14.139	11

Inference
From above table its inferred that scale score reliability model of mean value is 6.007, min mean value is 2.812 and max mean value is 10.623 therefore below than 6.0 rank variables are reliable securities.

ANOVA
Hypothesis

Ho: There is no significance difference between time horizon and expected rate of return.

H₁: There is significance difference between time horizon and expected rate of return

Between-Subjects Factors		Value Label	N
Expected rate of return received	1	>12%	117
	2	12% - 24%	20
	3	24% - 36%	1

Descriptive Statistics			
Dependent Variable:Investment time horizone			
Expected rate of return received	Mean	Std. Deviation	N
>12%	3.27	.934	117
12% - 24%	2.10	.447	20
24% - 36%	2.00	.	1
Total	3.09	.973	138

Tests of Between-Subjects Effects							
Dependent Variable: Investment time horizone							
Source	Type II Sum of Squares	df	Mean Square	F	Sig.	Noncent. Parameter	Observed Power[b]
Corrected Model	24.727[a]	2	12.364	15.889	.000	31.778	.999
Intercept	1321.225	1	1321.225	1.698E3	.000	1697.943	1.000
Rate_of_return	24.727	2	12.364	15.889	.000	31.778	.999
Error	105.048	135	.778				
Total	1451.000	138					
Corrected Total	129.775	137					
a. R Squared = .191 (Adjusted R Squared = .179) b. Computed using alpha = .05							

Inference

From above two ANOVA it's inferred that H0 is rejected H1 is accepted (0.00<0.05) therefore there is significance difference between and within investment time horizon and expected return.

Finding

- 55.8% of respondents are male and 44.2% of respondents are female.
- 35.5% of respondents are of age 28-38, 47.1% of respondents are of age 38-48 and 17.4% of respondents are of age 48-58.
- 0.7% of respondents are of Home maker and 93.31% of respondents are of Private employee.

- 15% of respondents have income level >100000 and 70% of the respondents have income level between 100000 – 500000 and 15% of the respondents have income level between 500000 – 1000000.
- 31% of the respondents are investors of share market and 69% of the respondents are non-investors of share market.
- 45% of the respondents have de-mat account and 55% of the respondent do not have de-mat account.
- 1% of the respondents expect 24% * 36% of return, 14% of the respondents expect 12% - 24% of return and 85% of the respondents expect >12% return.

Suggestion
- There is a relationship between investment decision and sources used to track shares.
- Trade plus should develop new strategies to advertise its firm as there is awareness within the public about the different channels of the firm.
- Campaigns can be set by the firm to spread the awareness about the share market and simultaneously it also becomes as a means of advertisement.
- A separate subject should be included in the academics from schools so that there is an awareness about share market.
- The firm should develop new tools to define that investing in share market will bring return as any other assets.
- When time horizon is included with expected rate of return then the investors are stating that the risk factors can be reduced.
- Advertising for the firm, the best strategy is word of mouth. As the survey states that most of the people choose to invest through the word of mouth.

Conclusion

Based on the research findings the researcher has given suggestion to understand the investment awareness about share market of the public, by this the company can understand the perspective of investors and satisfy them with new strategies.

Reference

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