

INVESTOR AWARENESS AND PREFERENCE TOWARDS VARIOUS INVESTMENT AVENUES IN COIMBATORE CITY

****MRS. A.S.SHANGEETHA**

*RESEARCH SCHOLAR, HINDUSTHAN COLLEGE OF ARTS AND SCIENCE, COIMBATORE,
TAMILNADU, INDIA.*

****DR. P.ARUMUGASWAMY**

*RESEARCH SUPERVISOR, HEAD AND PROFESSOR, PG AND RESEARCH DEPARTMENT OF
COMMERCE WITH INTERNATIONAL BUSINESS HINDUSTHAN COLLEGE OF ARTS AND SCIENCE,
COIMBATORE, TAMILNADU, INDIA.*

ABSTRACT

“No pain No gain” is the golden principle of investment management. In current scenario, there are many opportunities to earn more and more money. High risk returns with high profit. Investors cannot avoid risk, but they can concentrate in minimizing the risk and they can move with moderate profit.

Investors always focus on safety of principal amount, liquidity, high income, appreciation of the values & easily transferable ones. A variety of investment avenues are there for investors like shares, bank, gold, real estates, insurance, postal saving & so on.

Hence, the researcher has focused on investors preferences in various investment avenues in Coimbatore city.

Keywords: Investors, Investment Avenues, Preferences, Investment etc.

INTRODUCTION

In this current scenario, Investment plays a vital role in one's life. In order to face few problems in the future (i.e) uncertainty, one has to make investment. Investment is the sacrifice of certain present value for the uncertain future income/ reward. Investment is always a challenging part for the investors because high risk of investment results with high profit. Thus, it is interesting and make to feel as reward for waiting for return. Investment is just investing money into some resources with the expectation of capital appreciation, dividends and earnings as interest etc. Risk & return is always associated with each other. Investment means conversion of cash or money into high return in future. The risk-taking attitude is measured through selection of investment avenues. Hence the study focuses on investor preference towards investment avenues in Coimbatore city.

STATEMENT OF THE PROBLEM

Investment, even a small portion of amount from savings can produce considerable profit for a long period. So, the investors should be aware of investment avenues and have to select a correct path in

investing. How much to invest? Where to invest? is the confusing area for the investor. The investor should be careful while investing. So, the present study is very essential and helps to identify the preferences of investor in investment and investment avenues available for investment.

NEED FOR THE STUDY

In this modern era, it is a competitive environment, which has a lot of investment avenues provided by both public and private financial organisations, investors are bit confused to decide in which sector the investment has to be made. Investors also supports the economy of a country. A small investment from a single investor helps in growing economy like India. The study analyses the investment options and investment avenues has gained importance or not. It also tries to find out the individual preference towards investment avenues in study area.

OBJECTIVES OF THE STUDY

- To know the awareness level of investors in investment avenues.
- To examines investors preferences towards various investment avenues in Coimbatore city.

REVIEW OF LITERATURE

Author	Year	Focus	Conclusion
Shobhana et al.	2006	The purpose was to study the investors preference and awareness in investment avenues.	The level of investor awareness regarding investment choice and investment risks. The study discovered that the investment in real estate is preferred by a popular of the respondents.
Mehta and Aggarwal	2011	To study the Personality type of investor with investment choice	Females were found more conservative than males. The investors in the higher age groups preferred post office as an investment option compared to the investors in the lower age groups. Most of the investors preferred to consult their family members for making investment.
Sanjay Kanti Das	2012	It focused on the analysis of bank deposits that affect investment avenues	The bank deposits remain the most popular instrument of investment followed by insurance and small saving scheme to get benefit of safety and security of their life and investment. It was found that there is a need for increasing the financial literacy among the middle-class households.
Sellappan et al.	2013	To identify the awareness among married women and unmarried woman about investment towards investment avenues.	It was suggesting that married women are highly interested in making investment than the unmarried. As well as the younger are significantly interested to invest in stock market, insurance and

			bank fixed deposits as the elder women. The middle age persons wish to invest in real estate source of investment.
Shanthi and Murugeasan	2016	The study focuses on relationship between education and investment in investment avenues	It is concluded that there is no relationship between education with investment while there is a significant relationship between age and income.

LIMITATIONS OF THE STUDY

- ✓ The Study is limited to only 120 investors.
- ✓ The survey is conducted only in Coimbatore city.
- ✓ The study has also the limitation of time, place and resources.

RESEARCH METHODOLOGY

DATA COLLECTION: The present study is based on primary data which was collected using questionnaire method.

SAMPLE SIZE: 120 Investors were selected from Coimbatore city.

STATISTICAL TOOLS: Simple Percentage and Chi Square.

AREA OF THE STUDY: Coimbatore city is selected as the study area.

SAMPLING METHOD: Random sampling method is used for data collection.

ANALYSIS AND INTERPRETATION

Percentages Analysis

S.No.	Particulars	Factors	Respondents	%	Total
1	Gender	Male	72	60	120
		Female	48	40	
2	Age	Below 25	6	5	120
		26-35	66	55	
		36-45	31	26	
		Above 45	17	14	
3	Education	12th Std	7	6	120
		Arts College	90	75	
		Technical & Professionals	23	19	
4	Income	Up to Rs.20000	18	15	120
		B/W 20001 to 40000	60	50	
		B/W 40001 to 60000	30	25	
		Above 60000	12	10	
5	Amount of Investment	Up to 5000	30	25	120
		B/W 5001 to 10000	54	45	
		B/W 10001 to 20000	24	20	
		Above 20000	12	10	
6	Awareness about	Yes	78	65	120

	Investment	No	42	35	
7	Awareness Media	Friends / Brokers	30	25	120
		Newspaper / Television	36	30	
		Magazine / Journal	28	23	
		Others	26	22	
8	Factors Influencing to Invest	High rate of earning	24	20	120
		Liquidity	30	25	
		Value appreciations	18	15	
		Regular income	48	40	
9	Reasons for Investment	Safety	18	15	120
		Profitability	36	30	
		Liquidity	24	20	
		High Return	12	10	
		Appreciation of Value	30	25	
10	Investment Avenues	Real Estate / Gold	18	15	120
		Insurances	15	13	
		Postal Savings	25	21	
		Banking Sectors	38	32	
		Others	24	20	

Chi-Square Tests

H₀ - There is no significant difference between gender and factor influencing towards Investment.

H₁ - There is significant difference between gender and factor influencing towards investment.

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	15.000 ^a	3	.002
Likelihood Ratio	21.329	3	.000
Linear-by-Linear Association	5.219	1	.022
N of Valid Cases	120		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 7.20.

Since the p-value is less than our chosen significance level ($\alpha = 0.05$), we reject the null hypothesis. Hence, we conclude that there is evidence to suggest an association between gender and factor influencing towards investment.

FINDINGS

- ✓ Majority 60% of the respondents are Male.
- ✓ Majority 55% of the respondents are in the Age category of 26 yrs. To 35 Yrs.
- ✓ Majority 75% of the respondents are Educated from arts college.
- ✓ Majority 50% of the respondents have their Income between 20001 to 40000.
- ✓ Majority 45% of the respondents spend amount between 5001 to 10000 on Investment.
- ✓ Majority 65% of the respondents say Yes for Awareness about Investment.
- ✓ Majority 30% of the respondents select Awareness Media as Newspaper/ Television.
- ✓ Majority 40% of the respondents prefer Regular Income in Factor Influencing factor.
- ✓ Majority 30% of the respondents say profitability is the Reason for Investment.
- ✓ Majority 32% of the respondents say Banking Sectors are the Investment Avenues.

- ✓ Null Hypothesis is rejected and it was there is evidence to suggest an association between gender and factor influencing towards investment.

SUGGESTIONS

- ✓ Investors have to gain the complete knowledge before investing. Though 65% of the investor are aware of investment, Complete awareness has to be learnt by the investor.
- ✓ The investors are advised to invest their money in minimum risk securities like mutual fund, debentures etc, because 40% of the investors say the regular income is the influencing factor for investment.
- ✓ The investors can also purchase land by preferring real estates because it will have increase in value day by day instead of investing fully in banking sectors.
- ✓ If the investors preferred to cover their risk of life and to get tax benefits, they can opt the insurance schemes instead of thinking much about profitability.
- ✓ Post office is also offering more savings schemes compared with banks. So that the investors can properly invest their money in postal schemes.

CONCLUSION

As the golden proverb, given by investment management aspects, High risk returns High profit and vice versa. In the modern era, one can earn more and more money in a short period of time with their awareness, skill and knowledge. Investors cannot avoid risk but they can minimize the risk by selecting different investment avenues to get regular income, safety and moderate profit. Hence the researcher has concluded that most of the investors prefer investing in banking sector to get regular income in the Coimbatore city.

REFERENCES

1. Ashly Lynn Joseph, Dr. M. Prakash, A Study on preferred Investment Avenues among the People and Factors considered for investment, International Journal of Management and Commerce Innovations, Volume No.2, Issue 1, pp(120-129), ISSN 23487585.
2. P. Bhanu sireesha, Ch. Sreelaxmi, Impact of Demographics on select Investment Avenues – A case study of twin cities of Hyderabad and Secunderabad, India, International Journal of Marketing, Financial Services and Management, Reseach, Volume. 2, No.6, June (2013), ISSN 2277-3622.
3. Heena Kothari, Investors Behaviour towards Investment Avenues: A Study with reference to Indore City, Altius Shodh Journal of Management and Commerce, ISSN 2348-8891.
4. Saloni Reheja, Bhuvan Lamba, Behaviour of Investor towards Investment, Indian Journal of applied Research, Volume 3, Issue 10, October, 2013, ISSN 2249-555X.
5. R. Jayasathya and G Retha, A Study on Investor's Investment Pattern in various Avenues (empirical study in Coimbatore City), Global Journal for Research Analysis, Volume 3, Issue 1, January, 2014, ISSN No. 2277-8160.