A STUDY ON DETERMINANTS OF INVESTMENT BEHAVIOR

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Abstract

Investment is a core area of finance which helps with the investors to create a long-term wealth. Investors can determine the various characteristics of investment through various determinants like confidence in economy, financial literacy, financial anxiety and risk-taking behaviour. It helps investors to decide where to park money to get long term benefits. It also helps you to decide your risk-taking behaviour and to achieve your financial goals. The basic goal of this study is to determine how determinants affect the long-term investment behaviour of investors and to assess the level of awareness on investment. It also focuses on how to analyse the attitude of investors towards investment and attitude towards risk, and to examine the factors that influence to make investment decisions. It also helps to identify the determinants of investment behaviour and to analyse the financial literacy among investors.

Keywords

financial literacy, financial anxiety, risk taking behaviour and confidence in economy.

Introduction

Investment is the allotment of money to assets that are anticipated to yield some advantage over a period of time. The main principle for investment is expected return, risk involved and liquidity of investment, but the ordinary target in these activities is to wealth. Every individual makes investment, even if the individual does not choose stock, investments are still made through involvement in pension scheme, opening fixed deposit accounts in bank and procuring the insurance schemes. Investors choose investment substitutes that provide them with a psychological contentment rather than those that boost their economic benefits. Over few years ago only, psychological elements also influence their investment decision, provoke them to behave in unreasonable way because investors do not make decision like the machines. They invest in financial products with intuition, passions, eagerness and dislikes.

Investment determinants helps to choose the avenue where the investors can invest, the avenues consist of safe / low risk investment avenues which includes fixed deposits, recurring deposits, postal, etc; Moderate risk investment avenues which includes mutual funds, life insurance schemes etc; High risk investment avenues which

includes capital market, derivatives, commodity, etc; Traditional investment avenues which includes gold, silver, real estate etc.

Literature review

1.Lusardi, Annamaria; Mitchell, Olivia S.: - "How ordinary consumers make complex economic decisions: Financialliteracy and retirement readiness" Denmark and Australia: This observation leads us to conclude that richer data is needed to resolve the source of the consumption tracking of income seen in the data. In particular, long panel data sets with good consumption information and information about prospective fertility plans and income expectations would allow researchers to control for some of the different explanations above. This very robust finding that income and consumption are not highly correlated within the year is consistent with life-cycle models, but not with rule of thumb behavior. It also tends to be overlooked because it is so familiar. Note that in this illustration we have reversed the usual roles of income and consumption. In many illustrations of life-cycle models, the example involves income varying while consumption is less variable.

2.Lusardi, Annamaria; Mitchell, Olivia S., - How ordinary consumers make complex economic decisions: Financialliteracy and retirement readiness This observation leads us to conclude that richer data is needed to resolve the source of the consumption tracking of income seen in the data. In particular, long panel data sets with good consumption information and information about prospective fertility plans and income expectations would allow researchers to control for some of the different explanations above. This very robust finding that income and consumption are not highly correlated within the year is consistent with life-cycle models, but not with rule of thumb behavior. It also tends to be overlooked because it is so familiar. Note that in this illustration we have reversed the usual roles of income and consumption. In many illustrations of life-cycle models, the example involves income varying while consumption is less variable.

3.Nurul Shahnaz Mahdzan, Saleh Tabiani;- The impact of financial literacy on individual saving: an exploratory study in the Malaysian context. This study has shown the financial literacy is an important determinant of individual saving. Financial literacy, which is defined as individuals' knowledge about basic and advanced financial topics, such as knowledge/computation on interest rate, inflation rate, percentage calculation, stocks, and unit trusts, has been found to be positively related to the probability of having positive saving amongst individuals, ceteris paribus. This result, although a preliminary finding from this exploratory research, suggests that if the government aims to increase saving amongst households, it should increase efforts in promoting financial literacy through basic educational programs regarding financial issues. Results of a Probity regression revealed that the level of financial literacy had a significant, positive impact on individual saving. In addition, saving regularity, gender, income and educational level influenced the probability of saving positively. Results of this study suggest that it is important for policymakers to increase financial literacy of households by implementing various financial education programs, to further influence saving rates at the national level.

Objectives of the study

➢ To identify the preference of the Individual investors about the various investment avenues.

➢ To assess the level of awareness on investment.

➢ To analyze the attitude towards investment and attitude towards risk.

➢ To examine the factors that influence to make investment decisions.

➢ To identify the determinants of investment behaviour.

HYPOTHESIS

1. H0: There is no significant relationship between financial literacy and total long term investment behavior.

H1: There is significant relationship between financial literacy and total long term investment behaviour.

2. H0: There is no significant relationship between total financial risk tolerance and total long term investmentbehavior

H1: There is significant relationship between total financial risk tolerance and total long term investment behavior

3. H0: There is no significant relationship between total confidence in economy and total long term investmentbehavior

H1: There is significant relationship between total confidence in economy and total long term investment behavior

4. H0: There is no significant relationship between overall factors and total long term investment behavior

H1: There is significant relationship between overall factors and total long term investment behavior

Research methodology

➢ Research Objectives:

1). Primary Objectives

- Primary objective of this study is to determine how determinants affect the long-term investmentbehaviour of investors in Vadodara and Ahmedabad area.

2). Secondary Objectives

- To assess the level of awareness on investment.

- To analyze the attitude of investors towards investment and attitude towards risk.

- To examine the factors that influence to make investment decisions.

- To identify the determinants of investment behaviour.

- To analyze the financial literacy among investors.

➢ Research Type

We have used Descriptive Research design in this research.

➢ Data Collection

1) **Primary Data**: We have used structured questionnaire and Google forms for Primary data.

2) **Secondary Data**: We have used following tools for Secondary data

         - Internet

         - Journals

➢ Sampling Design

In this research we have used Judgmental sampling technique (non-Probability) because it involves getting respondents participants whenever is convenient.

➢ Sample size
We have taken150 investors as our respondents.

Table 1: Demographic and socioeconomic Details of the Respondents

		Frequency	Percentage
Gender	Male	112	74.7
	Female	38	25.3
Age	Below 25	62	41.3
	25-35	42	28
	36-45	23	15.3
	46-55	15	10
	Above 55	8	5.3
Marital status	Married	72	48
	Unmarried	78	52
Education	primary	2	1.3
	secondary	3	2.0
	higher secondary	7	4.7
	professional courses	25	16.7
	bachelors	30	20
	masters	70	46.7
	diploma	8	5.3
	others	5	3.3
Family Income (In Rs)	Below 2 lacs	14	9.3
	2-below 5 lacs	46	30.7
	5 to 8 lacs	44	29.3
	Above 8 lacs	46	30.7
occupation	Entrepreneurial	34	22.7
	Salaried	82	54.7
	other	34	22.7
Family background	Joint	63	42.0
	Nuclear	87	58.0
Earning Members	1	37	24.7
	2	70	46.7
	3	35	23.3
	4	4	2.7
	5	4	2.7
Spouse working	Yes	34	22.7
	No	44	29.3
	Not applicable	72	48.0
Family Size	2	6	4
	3	20	13.3
	4	42	28
	5	41	27.3
	6	18	12.0
	7	16	10.7
	8	3	2
	10	3	2
	14	1	0.7
No. od Dependents	0	9	6
	1	16	10.7
	2	40	26.7
	3	39	26
	4	33	22
	5	09	6
	6	03	2

	11	01	0.7

Mean Analysis:

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
I intend to invest in an IRA (Individual Retirement Account) every year.	150	1.00	5.00	2.2800	.97705
I intend to put at least half of my investment money into the stock market.	150	1.00	5.00	2.9933	1.22336
I intend to engage in portfolio management activities at least twice per week.	150	1.00	5.00	2.8800	1.00949
I intend to perform my own investment research instead of using outside of advice.	150	1.00	5.00	2.4533	1.07807
I intend to compare my portfolio performance to that of professional managers.	150	1.00	5.00	2.5400	1.02079
I intend to save at least 10% of my gross earnings for investing/saving/retirement purposes.	150	1.00	5.00	1.7000	.95362
I intend to have a portfolio that focuses on multiple asset classes (i.e., stocks, bonds, cash, real estate,etc.).	150	1.00	5.00	2.0400	1.04194
I intend to take an investmentcourse.	150	1.00	5.00	2.7533	1.10482
I intend to manage my portfolio for maximum gross return rather than tax and cost efficiency.	150	1.00	5.00	2.2267	1.10001
I intend to invest some money in long-term assets where my money will be tied up and inaccessible for years.	150	1.00	5.00	2.1200	.99610
Average mean				2.3987	

Interpretation:

The factor "I intend to put at least half of my investment money into the stock market" has the highest meanand the factor "I intend to perform my own investment research instead of using outside of advice" has the second highest mean in this table. This is indicating that these factors influence the Investment behavior of the investors.

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
I am anxious about long-term savings affairs	150	1.00	4.00	2.2000	.95538

	N	Minimum	Maximum	Mean	Std. Deviation
I do not feel equipped for the decision to save for the long term.	150	1.00	4.00	2.0267	.81056
I get unsure by the lingoof financial experts.	150	1.00	4.00	2.1067	.82857
I tend to postpone financial decisions.	150	1.00	4.00	1.8533	.84652
I often spontaneously spend more money than planned.	150	1.00	4.00	2.1533	.95353
When I think my finance are under control always something unplanned happens	150	1.00	4.00	2.5400	.86412
I regard long term savings as useful.	150	1.00	4.00	2.9067	.87736
For me long term savings expresses a sound plan for life.	150	1.00	4.00	2.8400	.91285
Planning for the long term is the best way to proceed in life.	150	1.00	4.00	2.9733	1.00966
Average Mean				2.4000	

Interpretation:

The factor "Planning for the long-term is the best way to proceed in life" has the highest mean and the factor "I regard long-term savings as useful." Has the second highest mean in this table. It indicates that these two factors influence the most in Long-term investment behavior.

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
I keep a close personal watch on my financial affairs	150	1.00	5.00	1.8000	.81923
I set a long-term financial goal and strive to achieve them	150	1.00	5.00	1.8933	.88345
Before I buy something carefully consider whether I can afford it	150	1.00	4.00	1.6867	.75206
I pay my bills on time	150	1.00	4.00	1.6533	.75961
I find it more satisfying to spend money than to save it for the long term	150	1.00	5.00	2.4200	1.01181
Money is there to be spent	150	1.00	5.00	2.6400	.99852
I tend to live for today and let tomorrow take care of itself	150	1.00	5.00	2.7400	1.21749
Average Mean				2.1190	

Interpretation:

The factor "Money is there to be spent" has the highest mean that is 2.64 and the other factor "I tend to live for today and let tomorrow take care of itself" has the second highest mean in this table. It indicates that these two factors influence the most in Long-term investment behaviour.

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Investing is too difficult to understand	150	1.00	4.00	2.2733	.77630
I am more comfortable putting my money in bank account than in the stock market	150	1.00	4.00	2.3067	.78532
When I think of the word "risk" the term "loss" comes to mind immediately	150	1.00	4.00	2.2800	.85232
Making money in stocks and bonds is based on luck	150	1.00	4.00	2.3600	.78817
In terms of investing, safety is more important than returns	150	1.00	4.00	1.7867	.70078
Average Mean				2.2013	

Interpretation:

The factor when I think of the word "risk" the term "loss" comes to mind immediately" has the highest mean that is 2.36 and the factor "I am more comfortable putting my money in bank account than in the stock market" has second highest mean that is 2.30. These indicate that these factors influence the most.

1.   Hypothesis: -

H0: There is no significant relationship between financial literacy and total long term investment behavior

H1: There is significant relationship between financial literacy and total long term investment behavior

Variables Entered/Removed[a]

Model	Variables Entered	Variables Removed	Method
1	F Literacy	.	Enter

a. Dependent Variable: TLIB

b. All requested variables entered.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.617[a]	.380	.376	2.67262

a. Predictors: (Constant), Financial Literacy

ANOVA^a

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	649.011	1	649.011	90.861	.000^b
Residual	1057.149	148	7.143		
Total	1706.160	149			

   a. Dependent Variable: TLIB

   b. Predictors: (Constant), Financial Literacy

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	-.323	1.191		-.271	.787
F. Literacy	.709	.074	.617	9.532	.000

  a. Dependent Variable: TLIB

Interpretation:

Model Summary

This table provides the R and R^2 vale, The R value represents the simple co-relation and is .617, which indicates a Financial Literacy and Long-term investment behavior are positively correlated with each other. The R^2 value indicates how much of the total variation in the dependent variable can be explained by independent variable. Looking at the value of Adjusted R^2 we can predict that 37.6% of change in long term Investment behavior can be explained through Financial Literacy variable.

ANOVA

This table indicates that the regression model predicts the dependent variable significantly well.

This indicates the statistical significance of the regression model that was run. Here, significant value is *0.00*, which is less than 0.05, and indicates that, overall, the regression model statistically significantly predicts the outcome variable (i.e., it is a good fit for the data). So here we can say that the model which we run is significant.

Co-efficient:

The **Coefficients** table provides us with the necessary information to predict total long-term saving behavior from financial literacy, as well as determine whether financial literacy contributes statistically significantly to the model (by looking at the "**Sig.**" column). So here the value comes 0.074 which is more than 0.05 so here H1 is accepted and the model is significant.

Looking at the table we can see that the significant value which is 0.00. We can conclude that financial literacy is significant in determinate the Long-term Investment Behavior. The Regression model for the same can be written as:

To present the regression equation for financial literacy is:

Total long-term saving behavior = -0.323+ 0.709(financial literacy)

2. Hypothesis: -

H0: There is no significant relationship between total financial risk tolerance and total long term investment behavior

H1: There is significant relationship between total financial risk tolerance and total long term investment behavior

Variables Entered/Removed[a]

Model	Variables Entered	Variables Removed	Method
1	TFR[b]	.	Enter

a. Dependent Variable: TLIB
b. All requested variables entered.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.678[a]	.460	.456	2.49584

a. Predictors: (Constant), Total financial risk tolerance

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	784.233	1	784.233	125.895	.000[b]
	Residual	921.927	148	6.229		
	Total	1706.160	149			

a. Dependent Variable: TLIB
b. Predictors: (Constant), TFR

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.956	.818		2.392	.018
	TFR	.788	.070	.678	11.220	.000

a. Dependent Variable: TLIB

Interpretation:

Model Summary

This table provides the R and R^2 vale, The R value represents the simple co-relation and is .678, which indicates a Financial Risk Tolerance and Long-term investment behavior are positively correlated with each other. The R^2 value indicates how much of the total variation in the dependent variable can be explained by independent variable. Looking at the value of Adjusted R^2 we can predict that 45.6% of change in long term Investment behavior can be explained through Financial Risk Tolerance variable.

ANOVA

This table indicates that the regression model predicts the dependent variable significantly well.

This indicates the statistical significance of the regression model that was run. Here, significant value is *0.00*, which is less than 0.05, and indicates that, overall, the regression model statistically significantly predicts the outcome variable (i.e., it is a good fit for the data). So here we can say that the model which we run is significant.

Co-efficient:

The **Coefficients** table provides us with the necessary information to predict total long-term saving behavior from

Financial Risk Tolerance, as well as determine whether Financial Risk Tolerance contributes statistically significantly to the model (by looking at the "**Sig.**" column).

So here the value comes 0.070 which is more than 0.05 so here H1 is accepted and the model is significant.

Looking at the table we can see that the significant value which is 0.00. We can conclude that Financial Risk Tolerance is significant in determinate the Long-term Investment Behavior. The Regression model for the same can be written as:

To present the regression equation for total financial risk tolerance is:

Total long-term saving behavior = 1.956+ 0.788(total financial risk tolerance)

3.   Hypothesis: -

H0: There is no significant relationship between total confidence in economy and total long term investment behavior

H1: There is significant relationship between total confidence in economy and total long term investment behavior

Variables Entered/Removed^a

Variables Entered/Removed[a]

Model		Variables Entered	Variables Removed	Method
1		TCFE[b]	.	Enter

a. Dependent Variable: TLIB
b. All requested variables entered.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.398[a]	.158	.153	3.11463

a. Predictors: (Constant), TCFE

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	270.422	1	270.422	27.876	.000[b]
	Residual	1435.738	148	9.701		
	Total	1706.160	149			

a. Dependent Variable: TLIB
b. Predictors: (Constant), TCFE

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	8.311	.542		15.327	.000
	TCFE	.804	.152	.398	5.280	.000

a. Dependent Variable: TLIB

Interpretation:

Model Summary

This table provides the R and R^2 vale, The R value represents the simple co-relation and is .398, which indicates a confidence in economy and Long-term investment behavior are positively correlated with each other.
The R^2 value indicates how much of the total variation in the dependent variable can be explained by independent variable. Looking at the value of Adjusted R^2 we can predict that 15.3% of change in long term Investment behavior can be explained through confidence in economy variable.

ANOVA
This table indicates that the regression model predicts the dependent variable significantly well.
This indicates the statistical significance of the regression model that was run. Here, significant value is *0.00*, which is less than 0.05, and indicates that, overall, the regression model statistically significantly predicts the outcome variable (i.e., it is a good fit for the data). So here we can say that the model which we run is significant.

Co-efficient:

The **Coefficients** table provides us with the necessary information to predict total long-term saving behavior from confidence in economy, as well as determine whether confidence in economy statistically significantly to the model (by looking at the "**Sig.**" column).
So here the value comes 0.152 which is more than 0.05 so here H1 is accepted and the model is significant.
Looking at the table we can see that the significant value which is 0.00. We can conclude that confidence in economy is significant in determinate the Long-term Investment Behavior. The Regression model for the same can be written as:

To present the regression equation for total confidence in economy is:
Total long-term saving behavior = 8.311+ 0.804(total confidence in economy)

4.   Hypothesis: -
H0: There is no significant relationship between overall factors and total long term investment behaviorH1: There is significant relationship between overall factors and total long term investment behavior

Variables Entered/Removed[a]

Model	Variables Entered	Variables Removed	Method
1	TCFE, TPIMPO, TFR, TPA, F. Literacy	.	Enter

    a.   Dependent Variable: TLIB
    b.   All requested variables entered.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.854[a]	.729	.719	1.79238

a. Predictors: (Constant), TCFE, TPIMPO, TFR, TPA,F. Literacy

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1243.543	5	248.709	77.416	.000[b]
	Residual	462.617	144	3.213		
	Total	1706.160	149			

a. Dependent Variable: TLIB

b. Predictors: (Constant), TCFE, TPIMPO, TFR, TPA, F.Literacy

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-4.655	.891		-5.222	.000
	Literacy	.298	.060	.259	4.974	.000
	TFR	.435	.059	.375	7.432	.000
	TPA	.450	.069	.335	6.525	.000
	TPIMPO	.169	.070	.115	2.398	.018
	TCFE	.208	.095	.103	2.192	.030

a. Dependent Variable: TLIB

Model Summary

This table provides the R and R^2 vale, The R value represents the simple co-relation and is .854, which indicates an overall factors and Long-term investment behavior are positively correlated with each other.

The R^2 value indicates how much of the total variation in the dependent variable can be explained by independent variable. Looking at the value of Adjusted R^2 we can predict that 71.9% of change in long term Investment behavior can be explained through overall factors variable.

ANOVA

This table indicates that the regression model predicts the dependent variable significantly well.

This indicates the statistical significance of the regression model that was run. Here, significant value is *0.00*, which is less than 0.05, and indicates that, overall, the regression model statistically significantly predicts the outcome variable (i.e., it is a good fit for the data). So here we can say that the model which we run is significant.

Co-efficient:

The **Coefficients** table provides us with the necessary information to predict total long-term saving behavior from overall factors, as well as determine whether overall factors contribute statistically significantly to the model (by looking at the "**Sig.**" column).

So here the value comes 0.353 which is more than 0.05 so here H1 is accepted and the model is significant.

Looking at the table we can see that the significant value which is 0.00. We can conclude that overall factor significant in determinate the Long-term Investment Behavior. The Regression model for the same can be written

as:

To present the regression equation for the overall model is:

Total long-term saving behavior = -4.655 + 0.298 (F. Literacy) + 0.435(TFR) + 0.450 (TPA) + 0.169 (TPIMPO) + 0.209 (TCFE).

FINDINGS

The study was conducted with the help of primary data which was collected from the respondents with the help of a Questionnaire. The following are some of Findings: -

From Demographic factors:

- It was found that most of the investors are highly educated.

- It was found that most of the investors save at least 10% of their gross earnings for investment/saving/retirement purpose.

- It was found that there were majority of respondents are male that is of 74% and majority of them are unmarried that is of 52% in this research.

- It was found that majority of respondents fall under below 25 years age and are salaried by occupation.

- It was seen that 30.7% respondents have family income above 8,00,000 and 2,00,000 – Below5,00,000.

From Mean Analysis:

- It was found that most of the respondents believe that "they intend to engage in portfolio management activities at least twice per week." This statement has more influence over Long-term investment behavior.

- It was found that most of the respondents believe that "Planning for the long-term is the best way to proceed in life. "This statement has more influence over Long-term investment behavior.

- It was found that most of the respondents believe that "they tend to live for today and let tomorrow take care of itself." This statement has more influence over Long-term investment behavior.

- It was found that most of the respondents believe that "they tend to live for today and let tomorrow take care of itself." This statement has more influence over Long-term investment behavior.

Hypothesis Analysis:

- From the Multi Regression Model, it was found that financial risk tolerance and total long-term investment behavior are highly co-related that is of 45.6%. It suggests that change in independent financial risk tolerance variable may cause 45.6% change in dependent Long-term investment behaviorvariable.

- From the ANOVA test, it can be found that the significant value for all the variables is 0.000 which isless than .05. It indicates that the regression model statistically significantly predicts the outcome variable. Thus, the model that was run is significant.

- From the Co-efficient table, it can be concluded that all the variables have significant relationshipbetween overall variable and total long-term investment behavior

The regression equation for the overall model is:

Total long-term investment behavior = -4.655 + .298 (Financial literacy) + .435 (Total financial risk tolerance) + .450 (Total perceived Anxiety) + .169 (Total perceived importance of investments) + .209 (Confidence in economy)

Limitations of the study

The total number of financial instruments in the market is so large that it needs a lot of resources to analyze them all. There are various financial institutions providing these financial instruments to the public. Handling and analyzing such a varied and diversified data need a lot of time and resources. Thus, the limitations of the study are as follows:

➢ The study takes into consideration only five determinants, which find a prominent place in this research of the investment decision of any investor. Any additional determinants or behavioral factor might alter the results.

➢ The Sample size was limited to one hundred and fifty investors.

➢ The respondents were mostly from the middle- and lower-income groups.

➢ Reluctance of investors to provide complete information about their investments can affect the validity of responses.

➢ Due to time and cost constraint, study is conducted in only selected area of Gandhinagar and Ahmadabad city.

Learning

➢ Get the knowledge about the investments as well as understand the nature of the respondents.

➢ Knowledge of the fieldwork.

➢ Increase the understanding, behavior and perception about different investors.

➢ Improve communication skills.

➢ We also come to know about the respondents that how they maintain their portfolio of investments, and also whether they are risk taker or not.

➢ Understand the concept of the investment and gain practical knowledge about the different options ofinvestments.

➢ We have got some idea about multi-dimensional regression model which we have used in this study.

Conclusion:

Here all the independent variables in this study like financial literacy, total financial risk tolerance, total perceived anxiety, total perceived importance of investment and total confidence in economy having the influence over the long-term investment saving behavior.All alternative hypotheses accepted in this research and this all are having influence over the total long-term saving behavior.

Saving decisions are derived from maximizing utility not only under a lifetime budget constraint but also under the limitations imposed by low financial literacy, lack of information, and crude sources of financial advice. Financial literacy cannot be taken for granted among the population, particularly among specific groups (including those with low education, women, and minorities)

From this study of long-term saving behavior, we can conclude that the people are more believe in the long-term savings rather than short term.

From this study we can conclude that more people are thinks that they live the better life as compare with some past years.

This research paper shows that education of investors is immensely important for the present-day investors in Coimbatore. Investors, before making investments, need to collect investment related information from the internet and consult with friends, peers and investment experts before making investments.

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