



AN EMPIRICAL STUDY ON WOMEN INVESTORS' INVESTMENT DECISION- MAKING IN THE EQUITY MARKET

E.Nirmala

Research Scholar

Department of Business Administration

Annamalai University, Chidambaram

Assistant Professor,

Agurchand Manmull Jain College, Chennai-600061

email :nimi.mba@gmail.com

Dr.S. Arulkumar

Associate Professor, Research Supervisor

Department of Business Administration

Annamalai University, Chidambaram

email: arulmba123@gmail.com

ABSTRACT

This study aims to identify the elements that most impact women's investing decisions in the equity share market. Economically, India is in a strong position to develop any economy appropriately. Women comprise about half of the population and must be included in the decision-making process. Conventional low-risk, low-return investments are still the go-to for many women, despite their significant progress in other areas such as education, health, and professional growth. It's no secret that academics are particularly interested in stock brokerage since it's one of the most challenging fields to research. The Indian economy is rapidly expanding. The expansion of the financial sector has been a driving force behind this change. This monetary system is a backdrop for many individuals interested in learning about different investment alternatives. As a result, economic growth is tied to the long-term success of these investors.

Keywords: Women, Decision making, Equity Market, Investment, Mutual Funds, Risk.

INTRODUCTION

Financial markets boost national investment. Investments affect an investor's well-being. Women may invest in the share market, provident funds, chit funds, and post office. Each asset has profits and hazards. Women are more working and supported, and attitudes are changing. Women invest their savings in obtaining returns and fulfilling current and future expenses. With increasing decision-making autonomy, women are driving socio-economic progress. Women have a more active economic role owing to global financial problems, and males lose work due to recession and automation. Making choices means picking a preferred option or approach from various possibilities (Kitajima and Toyota, **2013**). Consider the dangers before making a financial commitment. These differ from daily decisions. As the economy grows, more people turn to financial markets for income, notably share needs. In particular development theories, a country's stock market participation may use to forecast its economic health. For example, some development advocates believe that a country's stock market participation positively correlates with its economic growth (Vohra and Kaur, 2017). Wall Street is dangerous and unstable due to known and unknown factors (Marji and Chemical., 2016). According to previous data, males trade 45% more than

women in the stock market (Barber plus Odean, 2001). In another survey, 36% of merchants were women, whereas 64% were males, showing that women's contribution to trading is far lower than men's (Chandra and Kumar, 2011).

Buffett, Carl Icahn, and Wayne Simons, to name a few, are all high-quality male investors (Fernando Florez, 2017). Women are less likely than males to participate in high-risk, unpredictable activities. So, it's true that women's equal access to and control over money is needed for a country's fair and lasting economic growth so that they may incorporate womanly features and other factors into the economy. In the male-dominated world of buy finance, this suggests that women are nearing the top. Therefore, women shouldn't be labeled as e-commerce-owned and may shine like three lady Entrepreneurs. This study investigates the factors influencing women shareholders' share purchases in India. Women's investing decisions are determined by mentality, confidence, and information availability.

REVIEW OF LITERATURE

Kumar, S., & Kumar, P. (2019). This exploratory research incorporates primary data from 400 Haryana-based women investors. This research uses factor analysis to identify seven characteristics that impact women's investing choices. Seven components are determined based on eigenvalues to explain 86.16 percent of the variance. The research lists socio-cultural, personal, market-related, economic, investment-specific, firm-related, and accounting aspects. It will assist scholars and others in understanding how women investors make investment choices and enable financial institutions to design products and financial solutions to meet their requirements.

Vohra, T., & Kaur, M. (2017). According to the research, women investors in Punjab base investing decisions on personal opinions and family recommendations; the study found that respondents' reliance on family recommendations differs by education and employment. The research found substantial disparities in women stock investors' and non-stock investors' preferred investing information sources. Women stock investors invest based on their own opinion, whereas non-stock investors rely on family recommendations. Because investment knowledge leads to active engagement in investment activities, the research advises providing women with practical training to improve their financial literacy. It would boost their investment involvement.

Investment Decisions for Women

Homeowners' ages and sexes may affect their trading selections since their risk threshold for making investment decisions varies. In the same way, they share financial commitment in addition to elementary education. Overconfidence, conservatism, herding, and accessibility bias influenced stock traders' decisions (Bakar and Ng, 2016). Different factors impacted purchasers' decisions to maximize stock market possibilities. We looked at the relationship between economic literacy and the influence of factors that affect investment decisions and found that financial literacy significantly impacted those learning the bond market. According to research, individual investors' investing choices are influenced by age, relationship, income, education, job, and personality. Due to the collection of primary data from 100 small investors in Assam, India, using a structured series of questions, determined that socio-economic, market and even attitudinal factors affect their investment decisions.

Women's Attitude

The product's way of thinking is based on facts, emotion, and past performance. Personal experience and insights might boost optimism (Venter plus Kruger, 2017). Social and interpersonal expectations influence women's money management. Women are risk-averse when investing, says a study. Women's trading behavior is often defined as confident and comfortable (Venter together with Kruger, 2017). The danger perspective affects a person's perception and reaction to danger, hence their mental ability to take the risk (Lanciano and Sostegno, 2012). Women are less risk-savvy and risk-averse than men. Risk-averse women make numerous dangerous actions (Ahmad, 2017). Despite financial competence, women remain risk-averse, study shows. Women make riskier economic judgments than men.

Investors are influenced by payouts, get-rich-quick schemes, successful traders, online stock trading, trader awareness programs, etc., but they make investment selections based on theirs. Requirements, ambitions, and limits. So offering a lucrative buyout option isn't always straightforward since risk thresholds differ. It's vital to examine homeowners' proper perspectives on economic risk. People like dangerous pastimes but shun financial choices. Mental poisoners may be wrong. Due to their optimism, buyers were better able to bear market uncertainty (Weinstein, 1980). Person investors' attitude is based on mental processes connected with understanding, such as contemplating, knowing, remembering, and problem-solving, rather than a psychological aspect of a favorable state of mind, which describes a person's feelings for something or someone (Sarkar as well as Sahu, 2017). Market regulations and risk strategies have influenced stock market behavior. The research

discovered a statistically significant association between investors' beliefs and stock market prospects (Kavitha, 2015). A study at Satya Wacana Alfredia College in Salatiga, Philippines, utilizing woman professors experienced with loan products, concluded that Indonesian women's behavior did not influence their investing decisions (Mahastanti and Hariady, 2014).

Confidence

Women gamble less confidently than men. Women stock traders struggle with self-confidence and assurance. Part and socialization theories say women are more money-anxious and less confident. The Lower women are trading confidence in the investment in equity shares. Results show that overconfidence influences consumer decisions (Bakar and Ng, 2016). We find a statistically significant association between investors' self-confidence and stock market opportunities, suggesting that investors' desire and capacity to buy currency markets grow as self-esteem rises. People can believe themselves to be talented because they exaggerate their knowledge, etc. Investors want to beat the market. Evidence indicates; that otherwise, overconfident investors may overinvest, with trading costs surpassing returns. According to some sources, individual investors' stock trading selections are affected by their lack of self-confidence, forcing them to change businesses and jobs whenever a "hot stock" becomes available. Their confidence and ability reflect their self-esteem. Low confidence may impact investors' choices to buy Indian equities: herding, recruitment, and overconfidence influence HCM purchasers' expenditure performance. The impact of behavior and risk aversion on collateral account managers in Pakistan. It is explored representativity, gambler's discussion, attachment, overconfidence, and accessibility bias are decision-making heuristics. The study found a statistically significant link between behavioral features and financial decisions. Overconfidence, the excellent perception of control, affirmation biases, and an overly upbeat outlook affect investors' decision-making.

Information Availability

Lack of trading knowledge has hindered women from making money. The research linked women's financial expertise with effective spending planning (Kruger, 2017). The more often traders get information, the more they trade (Tauni et al., 2017). In India, women depend on family and the internet for safety and health information (Paluri and Mehra, 2016). Most Women college students who use the internet want economic Information (Qiao, 2012). According to the report, people would consult experts before making financial decisions. Guidance and suggestions are among the most important aspects of consideration (Deo and Sundar, 2015). The most critical factors impacting Pakistani investors' decision-making behaviors include gross deal, the company's trustworthiness, feelings for the company's products, the company's market standing, the business's involvement in resolving community issues, and the desire to become rich quickly (or find rich quick). Suggestions from friends and co-workers, the majority stockholder's viewpoint, the current price movement of the company's share, religious factors, family point of view, and even agent ideas were minimal vital elements, with the following proportions: 34.4%; 32.8%; 28.0%; 29.0%; 23.2%; and 23.3%. But (Bashir ou approach., 2013). Lifestyle and demographic factors affect investing decisions (Rajarajan, 2000). Despite cognitive illusions, investors analyze many aspects and seek self-awareness before investing (Shinde C.M. et al., 2014).

OBJECTIVES OF THE STUDY

1. To understand the investment decision-making on Equity share of Women investors
2. To determine the investing options available to women investors
3. To investigate the factors that influence the investing choices of women investors

RESEARCH METHODOLOGY

This analysis is based on primary data obtained through a survey in Tamil Nadu Questionnaires and judgment sampling. Respondents were chosen to represent all demographics. 80 of 105 women investors replied to a questionnaire. The Investment Decision questionnaire has 26 items. The study's theoretical underpinning is textbooks, articles, periodicals, article features, and published papers.

RESULTS AND ANALYSIS

Table.1: Demographic Profile of the respondents

Demographic Variables	Particular	No. of Respondents	Percentage
Age	Below 25 years	12	15
	25-35 years	45	56
	35-45 years	14	18
	Above 45 years	9	11

Education and Qualification	Std 10th	11	14
	Graduate	34	42
	Post Graduate	16	20
	Professional Degree	19	24
Marital Status	Single	21	26
	Married	59	74
Occupation	Government Employee	11	14
	Private Employee	32	40
	Self Employee	22	27
	Housewife	15	19
Annual Income	Less than 150000	8	10
	150000-300000	30	38
	300000-600000	26	33
	600000-900000	10	12
	More than 900000	6	7

*** Source: Primary data

The table that you just looked at reveals that out of the 80 people who participated in the survey, 56 percent were between the ages of 25 and 35, 42 percent had completed their education in graduate, 74 percent were married, 40 percent worked in the private sector, and 38 percent had an annual income of between Rs. 150000 and Rs. 300000.

Table.2: Correlation Analysis and Results

Model		Women Decision Making on Stock Investment	Women's attitude	Confidence Level	Availability of Information
Women Decision Making on Stock Investment	Pearson Correlation	1	.132	-.188*	.253**
	Sig. (2-tailed)		.163	.046	.007
	N	113	113	113	113
Women's attitude	Pearson Correlation	.132	1	.433**	.441**
	Sig. (2-tailed)	.163		.000	.000
	N	113	113	113	113
Confidence Level	Pearson Correlation	-.188*	.433**	1	.430**
	Sig. (2-tailed)	.046	.000		.000
	N	113	113	113	113
Availability of Information	Pearson Correlation	.253**	.441**	.430**	1
	Sig. (2-tailed)	.007	.000	.000	
	N	113	113	113	113

* Correlation is significant at the 0.05 level (2-tailed) **Correlation is significant at the 0.01 level (2-tailed)

Table .3; Model Summary of Regression Analysis

Model	R	R Square	Adjusted R Square	Std. An error in the Estimate
1	0.434 ^a	0.189	0.166	3.51528

Table 3 shows the individual correlations between independent variables and the dependent variable. There's a solid correlation between the observed and predicted ideals of the dependent flexible or women investors' share investment decisions. The correlation coefficient (R) is 0.434, indicating a strong link between found and anticipated beliefs based adaptable. R-square, or R², shows the variation in the dependent variable caused by the predictors. The agent of commitment, or R-square, predicts women's information access, self-confidence, and mentality. 18% of the difference in women investors' decision-making concerning stock investing may be expected to access information, confidence, and mindset. The remaining 78.1% may be explained by other criteria associated with Women investors' share price decisions, indicating the need for more excellent studies to identify these different variables to limit sexual intercourse wherever feasible.

Table.4: ANOVA Test

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	313.052	3	104.351	8.445	.000 ^b
Residual	1346.930	109	12.357		
Total	1659.982	112			

The F-value is 8.445 based on the ANOVA findings in Table 4, which is calculated by separating the Implied Sq Regression from the Implied Sq. Recurring (104.351 twelve.357). The p-value, Sej. in the ANOVA table, is 0.00, indicating a weak relationship between the p-value and F-value. Since the p-value is less than .05, there may be a connection between women's trading decisions and the three independent characteristics studied. This technique is appropriate, and the diversity of unbiased factors described may utilize to anticipate women investors' trading and investing decisions.

Table.5:

Coefficients for Women's attitude, Confidence level, Availability of Information, and Women Decision making on Stock Investment

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	10.558	2.475		4.265	.000
	Women's attitude	.283	.191	.149	1.480	.142
	Confidence	-.355	.087	-.409	-4.080	.000
	Availability of Information	.425	.118	.363	3.608	.000
a. Dependent Variable: Women stock investors' decisions						

Table 4.5 shows the relative impact of each independent variable in predicting Women investors' stock investing decisions. Table 4.5: Unstandardized Women's stock investor regression coefficients after inserting all the data into the multiple linear regression model, an estimated regression model is created (1). $Y = 10.558 + 0.283(X_1) - 0.355(X_2) + 0.425(X_3) + s$ (1)

Y = Women stock investors' decisions X₁=Women's attitude X₂=Confidence X₃= Availability of Information s=Error

a. According to Method (1), self-confidence and information access have a significant and positive relationship with women investors' decision-making on share opportunities. In contrast, the mindset has a substantial and unfavorable relationship (1).

According to Picture 1, when Women investors' mentality (X1) improves by 1 unit, their stock price decisions (Y) do not. 283 models, assuming X2 and X3 remain unchanged. When Women investors' confidence (X2) rises by 1 unit, their choice to buy shares (Y) drops to zero. 355 device, assuming X1 and X3 are unrevised. After everything is said and done, an additional product in info access (X3) will not affect Women investors' stock investing decisions (Y) if X1 and X2 are handled continuously, 425 percent devices.

b. With a beta of 363, Availability Information is the independent variable that positively affects women investors' trading decisions. Availability Information is the most significant factor affecting Women investors' share purchases, followed by perspective and self-confidence, with standard betas characterized by decreasing buy subsequent. Screening the null hypothesis, that the percentage of women is no, requires a t-value and two-tailed p-value. Statistically significant relationships have p-values below 0.05 (Institute about Electronic Study in addition to Schooling, 2019). Mindset's t-test result is 1,480 with a p-value of zero. The hundred 44 means it's higher than 0.05 (p-value equal to 0. a hundred 42 > 0.05), according to Table 1. So, the mindset change doesn't affect women's stock trading decisions. This t-test benefit for confidence is -4. 080, with a p-value of zero. 500, which is less than zero. 05, suggesting a significant difference. Women's confidence is a critical factor in their share purchasing decisions. It uses flexible data access. The t-test produced a result of 3.608, with a p-value of 0.1000, less than 0.05 (p-value same as free. 500 0.05). The adaptability of data availability affects Women investors' share investing decisions.

CONCLUSION

The information analyzed the web link among socio-economic functions (women's attitude, level of confidence, and availability of information) and the decisions of buying the particular stock exchange among the woman traders inside India. The results will depend on two aspects: the level of confidence and accessibility to information; and whether or not they possess a solid business using the women investors' decisions about trading. The research demonstrates that mindset does not considerably impact women investors' decision-making on share expense. Among almost all the impartial aspects, details access experienced the most significant good link along with women's investors' decision-making upon revealing investment. This study provides a conceptual view that many Indian women usually do not take part on their own, considerably within expense procedures. The main issue is that they lack money or even adequate financial experience to be able to perform trading. Government agencies play an essential role in encouraging women to participate in investment decision-making independently. This statement also needs long-term research so investors can consider things like cash supply, financial knowledge, emotion management, global news, national financial problems, and national political problems when making investment decisions.

REFERENCES

- ❖ Ahmad, Z., Ibrahim, H. & Tuyon, J., (2017). Institutional investor behavioral biases: syntheses of theory and evidence. *Management Research Review*, 40(5), pp. 578-603.
- ❖ Bakar, S. & Ng, A. C. Y., 2016. The Impact of Psychological Factors on Investors' Decision Making in Indian Stock Market: A Case of Klang Valley and Pahang. *Procedia Economics and Finance* 35, pp. 319-328.
- ❖ Bashir, T. et al., (2013). An Assessment Study on the "Factors Influencing the Individual Investor Decision Making Behavior". *IOSR Journal of Business and Management*, 9(5), pp. 37-44.
- ❖ Chandra, A. & Kumar, R., (2011). Determinants of Individual Investor Behaviour: An Orthogonal Linear Transformation Approach, New Delhi: Munich Personal RePEc Archive.
- ❖ Deo, M. & Sundar, V., (2015). Factors Influencing Investment Decisions of Individual Investors. *Rajagiri Management Journal*, 9(2), pp. 67- 82.
- ❖ Fernando Florez, (2017). Why women are better at making investment decisions.
- ❖ Kaur, M. & Vohra, T., (2017). Women and Stock Market Participation: A Review of Empirical Evidence. *Management and Labour Studies*, 37(4), pp. 283-293.
- ❖ Kavitha, C., (2015). Investors' Attitudes towards Stock Market Investment. *International Journal of scientific research and management*, 3(7), pp. 3356-3362.
- ❖ Kitajima, M. & Toyota, M., 2013. Decision-making and action selection in Two Minds: An analysis based on Model Human Processor with Realtime Constraints (MHP/RT). *Biologically Inspired Cognitive Architectures*, Volume 5, pp. 82-93.
- ❖ Kumar, S., & Kumar, P. (2019). Factors Influencing the Investment Behavior of Women Investors: An Empirical Investigation. *IUP Journal of Financial Risk Management*, 16(4).
- ❖ Linciano, N. & Soccorso, P., (2012). Assessing investors' risk tolerance through a questionnaire, Rome: SSRN Electronic Journal.
- ❖ Mahastanti, L. A. & Hariady, E., (2014). Determining the factors which affect the stock investment decisions of

potential Women investors in Indonesia. International Journal of Process Management and Benchmarking, 4(2), pp. 186-197.

- ❖ Mirji, A. B. & C., D. P., (2016). "Stock Market Analysis and Investment Decision Making" - A Case Study of Investors in North Karnataka Region. IOSR Journal of Business and Management, 18(1), pp. 19 -21.
- ❖ Paluri, R. A. & Mehra, S., (2016). Financial attitude based segmentation of women in India: an exploratory study. International Journal of Bank Marketing, 34(5), pp. 670-689.
- ❖ Qiao, X., (2012). Gender Differences In Saving and Investing Behaviours, s.l.: Arcada.
- ❖ Sarkar, A. K. & Sahu, D. T. N., (2017). Factors influencing individual investor behavior in the stock market: a case study in West Bengal. International Journal of Commerce and Management Research, pp. 32-29.
- ❖ Venter, E. & Kruger, J., 2017. Exploring women's perceptions regarding successful investment planning practices. South African Journal of Economic and Management Sciences, 20(1), pp. 1-13.
- ❖ Vohra, T. & Kaur, M., 2017. Women Investors: A Literature Review. Metamorphosis, 16(1), pp. 11-19.
- ❖ Vohra, T., & Kaur, M. (2017). Sources of Investment Information: A Study of Women Investors in Punjab. Amity Business Review, 18(2).
- ❖ Weinstein, N. D., (1980). Unrealistic Optimism About Future Life Events. Journal of Personality and Social Psychology, 39(5), pp. 806-820.

