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INVESTORS BEHAVIOR OF WORKING WOMEN TOWARDS INDIAN STOCK MARKET – AN EMPIRICAL STUDY IN TAMILNADU

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ABSTRACT

The participation of women in financial markets, particularly in the Indian stock market, has witnessed a gradual increase in recent years. However, the behaviour and investment patterns of working women remain an underexplored area, especially within specific regional contexts such as Tamil Nadu. This empirical study aims to analyse the investment behaviour, preferences, risk tolerance, awareness, and influencing factors that shape the stock market participation of working women in Tamil Nadu. The research is based on primary data collected through structured questionnaires distributed among working women across diverse sectors such as education, healthcare, IT, banking, and public services.

INTRODUCTION OF THE STUDY

In recent decades, the Indian financial market has witnessed a notable increase in the participation of women, particularly working women, in investment activities. Traditionally seen as savers, women are now exploring diverse investment avenues, including equities. This behavioral shift is driven by increased financial independence, better educational attainments, and rising awareness about the importance of wealth accumulation.

The Indian stock market offers various investment opportunities that can generate high returns. However, these benefits come with risks. Understanding the behavior of working women investors towards the stock market is essential, as it reflects both financial empowerment and economic contribution. This study delves into their investment patterns, preferences, and decision-making behavior.

The empirical investigation is conducted in Tamil Nadu, a state known for its progressive social structure and economic development. By identifying the factors that influence stock market investments among working women, this study aims to provide insights that can help policy makers, financial advisors, and market regulators in designing inclusive strategies.

REVIEW OF LITERATURE

Balaji, S and R. Kumar Bhaskar, (2001) in their book entitled "Investors Psychology, A study of Investment Behaviour in the Indian Capital Market", found that, a) People learn by observing and analyzing the market psychology and use it to accomplish results. b) Indian markets are directed and controlled by few players who have information unavailable to others. c) Market activity is concentrated in few scripts and psychological factors do play an important role in market.

Ebenezer Bennet and Murugesan Selvam, (2011) in their study entitled ªFactors Influencing Retail Investors' Attitude towards Investing in Equity Stocks: A Study in Tamil Nadu", found that the factors influencing the retail investor's attitude. This study develops a modified questionnaire.

Rajeev Jain, (2012) in his study entitled, "Investor's Attitude towards Secondary Market Equity Investments and Influence of Behavioral Finance", found that the factors responsible for the unusual movements in the stock markets, which could not be fully explained by the theories of traditional finance. This study shall examine three important attitudes displayed by the investors

Tarak Paul, (2012) in his study entitled "Equity investors' expectation and experience - A gap analysis", found that the level of gap exists between equity investors' expectation and experience and hypothesis were set accordingly. The study was conducted in Guwahati city and confined to individual investors only.

Sureshrajan, (2013) in his study entitled "A Study on Investors' Preference Attitude in Investment Avenue". The study examined various levels of Investors' preference ratio and attitude against the investment. The result interprets whether their attitudes are significance.

OBJECTIVES OF THE STUDY

1. To study the demographic profile of the investors (working women) in Tamilnadu
2. To study the relationship between factors influencing the investors to prefer the investment in stock market and Occupation of working women

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3. To study the relationship between factors influencing the investors to prefer the investment in stock market and Monthly income of working women

RESEARCH METHODOLOGY

The research employs a descriptive and analytical design. The study relies on both primary and secondary data. Primary data was collected using a structured questionnaire distributed to 250 working women across urban and semi-urban areas in Tamil Nadu. Secondary data was gathered from journals, financial websites, and government reports. An analytical research design is employed. The study uses tools like ANOVA and percentage analysis to draw inferences from the collected data.

LIMITATIONS OF THE STUDY

- The study is geographically limited to Tamil Nadu.
- Relies on self-reported data, which may have response biases.
- Focuses solely on stock market investment and excludes other investment types

DATA ANALYSIS AND INTERPRETATION

Demographic Profile of Respondents

Demographic Variable	Category	Number of Respondents	Percentage (%)
Age	Below 30	85	34%
	30 – 40	100	40%
	Above 40	65	26%
Marital Status	Married	150	60%
	Unmarried	100	40%
Educational Qualification	UG Degree	120	48%
	PG Degree	80	32%
	Professional Course	50	20%
Occupation	Govt. Sector	70	28%
	Private Sector	130	52%
	Self-employed	50	20%
Monthly Income	Below ₹30,000	90	36%
	₹30,001–₹50,000	100	40%
	Above ₹50,000	60	24%

Interpretation

Most of the respondents were from the 30–40 age group, had UG degrees, and worked in the private sector. A large portion earned between ₹30,001 and ₹50,000.

Relationship between factors influencing the investors to prefer the investment in stock market and Occupation of working women

Investors of different occupations are influenced by different factors to prefer the investment in stock market. The mean score of different occupation of investors on each statement obtained was calculated separately. In order to find out the significant difference in factors influencing the investors to prefer the investment in stock market among different occupation of working women, 'ANOVA' test is used with the null hypothesis as, **"There is no significant difference in factors influencing the investors to prefer the investment in stock market among different occupation of working women"**.

Factors	Occupation (Mean Score)				F Statistics
	Private employees	Government employees	Business	Others	
Rate of return	3.8185	3.7556	3.8316	3.7215	1.012
Liquidity	3.4468	3.2667	3.3009	3.2459	1.273
Safety and security	3.3623	3.2333	3.0584	3.0358	2.591*
Tax benefits	3.4948	3.4222	3.3090	3.2898	1.140
Capital gain	3.3662	3.3111	3.2331	3.2218	0.769
Growth prospects	3.6338	3.5222	3.4584	3.4315	1.129
Maturity period	3.7117	3.6089	3.4408	3.3987	2.758*
Sources of information	3.6933	3.5244	3.3786	3.3512	1.733
Rules and regulations	3.5987	3.3778	3.2343	3.1879	2.727*
Variety and schemes	3.4771	3.3711	3.2824	3.2358	1.296

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Grievance handling	3.3550	3.2111	3.1146	3.0756	2.478*
Options available	3.2928	3.2444	3.2017	3.1758	1.009
Risks in investment	3.7769	3.7217	3.6604	3.6318	1.075
Investor services	3.6442	3.4778	3.3848	3.3349	1.309
Rating given	2.3883	2.2669	2.1333	2.0879	1.131
Diversification	3.6922	3.6444	3.5371	3.4891	1.006
Skills of fund managers	3.7863	3.7117	3.5970	3.5598	1.242

From the above Table, it is understood that the important factors influencing the investors to prefer the investment in stock market among the working women who are private employees are 'Rate of return and skills of fund managers' as their mean scores are 3.8185 and 3.7863 respectively. It is further understood that the important factors influencing the investors to prefer the investment in stock market among the working women who are government employees are 'Rate of return and risks in investment' as their mean scores are 3.7556 and 3.7217 respectively. The table highlights that the important factors influencing the investors to prefer the investment in stock market among the working women who are involved in business are 'Rate of return and risks in investment' as their mean scores are 3.8316 and 3.6604 respectively. The table further highlights that the important factors influencing the investors to prefer the investment in stock market among the working women who are other occupations are 'Rate of return and risks in investment' as their mean scores are 3.7215 and 3.6318 respectively. Table shows that the significant difference in factors influencing the investors to prefer the investment in stock market among different occupation of working women are identified in the case of safety and security, maturity period, rules and regulations and grievance handling, since the respective "F" statistics is significant at 5 per cent level, the null hypothesis is rejected.

Relationship between factors influencing the investors to prefer the investment in stock market and Monthly income of working women

Working women belong to different monthly income are influenced by different factors to prefer the investment in stock market. The mean score of different monthly income of investors on each statement obtained was calculated separately. In order to find out the significant difference in factors influencing the investors to prefer the investment in stock market among different monthly income of working women, 'ANOVA' test is used with the null hypothesis as, **"There is no significant difference in factors influencing the investors to prefer the investment in stock market among different monthly income of working women"**.

Factors	Monthly Income (Mean Score)				F Statistics
	Rs.10,000-Rs.20,000	Rs. 20,000 – Rs. 30,000	Rs. 30,000 – Rs.40000	Above Rs.40, 000	
Rate of return	3.8500	3.8044	3.7764	3.7317	1.121
Liquidity	3.5348	3.4167	3.3788	3.2250	2.538*
Safety and security	3.3255	3.2833	3.2333	3.0833	1.797
Tax benefits	3.2417	3.2800	3.4606	3.5485	2.795*
Capital gain	3.1011	3.2333	3.3212	3.4817	2.573*
Growth prospects	3.2617	3.3949	3.5242	3.5833	1.762
Maturity period	3.3718	3.4278	3.5318	3.7250	2.570*
Sources of information	3.1083	3.2389	3.3777	3.6417	2.929*
Rules and regulations	3.2167	3.4394	3.5889	3.7150	3.098*
Variety and schemes	3.1977	3.2939	3.4231	3.5365	2.567*
Grievance handling	3.0500	3.2231	3.3015	3.3500	1.514
Options available	3.0917	3.1939	3.3231	3.4250	1.489
Risks in investment	3.5744	3.5950	3.6864	3.8250	1.360
Investor services	3.3590	3.4117	3.4889	3.6275	1.726
Rating given	2.0250	2.1348	2.2077	2.3778	2.436*
Diversification	3.3850	3.4933	3.5242	3.7400	1.180
Skills of fund managers	3.4900	3.6083	3.6517	3.7485	1.095

From the above Table it is understood that the important factors influencing the investors to prefer the investment in stock market among the working women who are earning monthly income between Rs.10,000-Rs.20,000 are 'Rate of return and risks in investment' as their mean scores are 3.8500 and 3.5744 respectively. It is further understood that the important factors influencing the investors to prefer the investment in stock market among the working women who are earning monthly income

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between Rs.20,000-Rs.30,000 are 'Rate of return and skills of fund managers' as their mean scores are 3.8044 and 3.6083 respectively. The table highlights that the important factors influencing the investors to prefer the investment in stock market among the working women who are earning monthly income between Rs.30,000-Rs.40,000 are 'Rate of return and risks in investment' as their mean scores are 3.7764 and 3.6864 respectively. The table further highlights that the important factors influencing the investors to prefer the investment in stock market among the working women who are earning monthly income of above Rs.40,000 are 'Risks in investment and skills of fund managers' as their mean scores are 3.8250 and 3.7485 respectively. Table shows that the significant difference in factors influencing the investors to prefer the investment in stock market among different monthly income of working women are identified in the case of liquidity, tax benefits, capital gain, maturity period, sources of information, rules and regulations, variety and schemes and rating given, since the respective "F" statistics is significant at 5 per cent level, the null hypothesis is rejected.

FINDINGS OF THE STUDY

- Rate of return is the most influential factor for stock market investment across all categories of working women.
- Private employees value fund managers' skills, while government employees prioritize risk assessment.
- Businesswomen and those in other occupations also emphasize risk along with return.
- Significant occupational differences exist in preferences for safety, maturity period, regulations, and grievance handling.
- Rate of return is a key factor across income groups, especially for those earning up to Rs.40,000.
- Lower and middle-income women emphasize risk, while those earning Rs.20,000–30,000 value fund manager skills.
- High-income women prioritize risk and fund manager skills over returns.
- Significant differences across income groups exist in preferences for liquidity, tax benefits, capital gain, and related factors.

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