



INVESTING PATTERN OF WORKING WOMEN IN BANGALORE

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Abstract:

Working women wants to be financially independent. They want to invest their money and savings to handle a critical situation. This research study is based on the analysis of the income and investment pattern of working women in Bangalore. Generally women are more cautious than men when it comes to savings and investment. They save more to face the critical situation in future. They want save for their daughter/son marriage, education etc. This study was conducted on working women in private sector in Bangalore to identify the investment behavior of working women. The data was collected by distributing a structured questionnaire to 200 respondents. This research study mainly aims at identifying the factors that affect the investment decision of women and also to access the risk taking capacity of working women.

Key Words: Investment Pattern, Saving, Income, Private Sector, Investment Decision, Etc.,

Introduction:

Generally women are more cautious than men when it comes to savings and investment. They save more to face the critical situation in future. They want save for their daughter/son marriage, education etc. There are many investment avenues where the investment can be made like stock market, mutual fund, post office savings scheme, insurance, fixed deposits etc. Here the risk taking capacity of working women will be decided by the asset class in which they invest. Generally women tend to take less risk and hence such investors are called as conservative investors. There are many other factors that affect the investment pattern of working women like their annual income, family members opinion, friends influence etc.

Various Investment Avenues:

- Bank fixed deposit: It is one of the important investment avenue where the investors can make a fixed deposit in the bank for which the investors get a fixed rate of interest for the period of deposit. Usually the deposit period will be for 15 days to maximum of 10 years. The conservative investors always prefer bank fixed deposit as the investment avenue as they avoid taking more risk.
- Life insurance policies: Generally life insurance policies are for long term. It provides financial benefit as well as life coverage benefit, accidental benefit and also after the maturity period the investor will get the principle amount and bonus will be declared. There are both private as well as public sector insurance companies where the investors can make an investment. Life insurance policies are also one of the important and best investment avenues for those who take less risk. Most of the investor prefers life insurance because it has an added benefit of tax exemption under section 80 c.
- Post office savings schemes: Most of the conservative investors also prefers post office savings schemes as their investment avenue as it is more safe since it is controlled by central government. Investing in post office schemes also gives the advantage of tax exemption u/s 80c. Today there is more demand for post office monthly income schemes which gives return monthly for the maximum deposit of four lakh fifty thousand in case of single account, but in case of joint account the maximum deposit is nine lakh.
- Mutual fund: It is also one of the important investment avenues which is preferred by most of the corporate employees. Even in case of mutual fund there are tax exemption benefit which attracts the investors. There are many types of mutual fund products which an investor can select based on his or her risk taking capacity. Investors who are ready to take more risk invest in mutual fund as mutual fund investments are subjected to market risk. It can also be referred as market linked Investment Avenue.
- Stock market: The most aggressive investors make their investment in stock market. Stock market investment consists of more risk and at the same time it gives more return. Stock market investment not only increases the profit it also increases loss if proper analysis is not done before making an investment. There are many factors that affect the Safetys of equity shares of the companies in stock market. An investor can make an investment in stock market by opening a demat account and trading account. The shares will be held in an electronic form in demat account and cash will get debited and

credited from trading account. Therefore stock market is also one of the important investment avenues for the aggressive investor.

Review of Literature:

Shafinar Ismail and et al (2018) ascertained “An empirical analysis of saving behaviour among Malaysian employees”. The aim of the study is to investigate the issue with respect to the factors that affect the saving behaviour. A total of 150 questionnaires are analysed. The final conclusion is that religious belief, knowledge and service's quality affects saving behaviour.

Manamba Yilmaz Bayar and et al (2017) in their study 'Impact of financial on personal savings ;A on USAK university staff .For this study, 350USAK university personnel are surveyed. The result of the analysis showed that age, income level, education and financial literacy affect the personal savings positively. The risk influenced the personal savings negatively.

P. J. Kumara Singhe and S.C. Muna singhe (2017) in their research “The savings motives: with special reference to households in Kalutara district, Sri Lanka. The main purpose of the study is to examine the most significant saving motive of households. For the analysis 100 households are surveyed. The results of the study reveals that most of the people give their first priority to save money for their future uncertainties.

Humaria Syed and et al (2017) draws an attention to 'An analysis of household saving and investment behaviour among income groups in urban area of district Peshawar find out the effects of different socio economic variables such as education ,employment, income and dependency ratio on saving and investment behaviour of urban households. Income is vital factor for determining household saving. High income leads to high saving and investment.

Julia Le Blanc and et al (2016) investigated, Household saving behaviour in the euro area. The survey is conducted from November 2008 in Spain to August 2011 in Italy. The data which have been collected in a harmonized way in all euro-area countries-with expectation of Estonia, Ireland, Latvia. More than 62,000 households are surveyed. The study analyse individual motives for household saving. It finds evidence of some degree of homogeneity across countries with respect to saving preference and the relative importance of several motives for saving. Saving for unexpected events is the most commonly reported motive in all countries, followed by saving for old-age provision.

Objective of the Study:

- To identify the factors that influence the investment decision of working women
- To understand the investing trend
- To access the risk taking capacity of working women

Research Methodology:

- Area of study: The research study was done in Bangalore.
- Nature and source of data: The study was based on both primary data and secondary data. primary data has been collected from various respondents in Bangalore using questionnaire method with the help of a structured questionnaire and the secondary data have been collected from related websites, personal hygiene products, journals, magazines, internet and textbooks. A sample of 200 respondents were selected for the study.
- Statistical tools used for study:
 - Simple percentage
 - Ranking Method
 - Chi Square Test

Scope of the Study:

This study gives a clear idea about the investment pattern of working women in Bangalore and asset allocation structure of working women in Bangalore and also their risk taking capacity.

Limitations of the Study:

- This study is limited to only working women in Bangalore.
- The data was collected from only 200 respondents.
- All the limitations of primary and secondary data are applicable for the study

Analysis and Interpretation:

Table 1: Demographic Profile of the Respondents

Variables	Distribution	No. of Respondents	Percentage
Age	Less than 30 years	53	26
	31 – 50 years	82	41
	Above 50 years	66	33
Marital Status	Married	166	83
	Unmarried	34	17
Educational Qualification	Up to HSC	72	36
	UG/ Diploma	80	40

	PG Degree	48	24
Occupation	Business	85	42
	Employee	66	33
	Agriculture	50	25
Monthly Income	Less than Rs.25,000	66	33
	Rs.25,000 – 50,000	102	51
	More than Rs.50,000	32	16
Type of Family	Nuclear Family	170	85
	Joint Family	30	15

Source: Primary data

Table exhibits the demographic profile of respondents. Age level of the respondent furnishes that 41% are between 31 to 50 years. Marital status shows that 83% are married. Educational qualification shows that 40% are educated up to Degree/Diploma. Occupation shows that 42% are business people. Monthly income of respondents shows that 51% respondent's earnings are in between Rs. 25,000 to Rs.50,000 per month. 85% of the respondents belong to nuclear family.

Table 2: Investment by respondents in various portfolios

Investment Portfolios	No. of Respondents	Percentage
Bank Deposits	78	39
Life Insurance	36	18
Postal Savings	48	24
Mutual Funds	24	12
Stock Market	14	7
Total	200	100%

Source: Primary data

The above table shows that 39% of the respondents invest in bank deposits, 18% of the respondents invest in life insurance, 24% of the respondents invest in postal savings, 12% of the respondents invest in mutual funds and remaining 7% of the respondents invest in stock market.

Ranking Method:

Table 3: Factors that influence the investment decision of working women

Factors	Total Score	Rank Assigned
Liquidity	367	III
Safety	535	I
Return on Investment	492	II
Tax Benefit	160	V
Risk	282	IV

Source: Primary data

It is found from the above table Safety was the first Factors Influenced Respondents Attitude Towards Online Shopping, Return on Investment was the second factor Influenced Respondents, Liquidity was the third factor Influenced Respondents, Risk was the fourth factor Influenced Respondents and Tax Benefit was the fifth factor Influenced Factors that influence the investment decision of working women

Table 4: Level of Risk Taken by the respondents

Factors	Total Score	Rank Assigned
Low	52	26
Medium	120	60
High	28	14
Total	200	100

Source: Primary data

It is found from the above table that 26% of the respondents are taking low risk, 60% respondents taking medium level of risk and remaining 14% are taking high level of risk while making investments.

Chi-Square:

Relationship between the demographic profile of the respondents and level of factors that influence the investment decision

Table no.2 depicts the relationship between selected demographic variables and level of factors that influence the investment decision of the respondents. It is clear that the calculated χ^2 value is greater than the table value at five percent level of significance. There is a significant association between age, educational qualification, monthly income and occupation of the respondents and their level of factors that influence the investment decision. Thus the hypothesis is rejected. It is clear that the calculated χ^2 value is less than the table value at five percent level of significance. There is no significant association between marital status and type of

family of the respondents and their level of factors that influence the investment decision. Thus the hypothesis is accepted.

Table 5

Relationship between the demographic profile of the respondents and level of factors that influence the investment decision

Calculated χ^2 Value	Table Value	D.F	Remarks
Age and Level of Factors that influence the investment decision			
21.017	12.592	6	Significant
Marital Status and Level of Factors that influence the investment decision			
2.998	5.991	2	Not Significant
Education Qualification and Level of factors that influence the investment decision			
15.456	12.592	6	Significant
Monthly Income and Level of Factors that influence the investment decision			
17.106	12.592	6	Significant
Type of Family and Level of Factors that influence the investment decision			
5.262	5.991	2	Not Significant
Occupation and level of factors that influence the investment decision			
27.77	9.488	6	Significant

* Significant at 5% present level.

Conclusion:

In their families, communities, and nations, women are change agents. The advancement of problems important to women on national agendas, with advantages for both women and men, depends on increasing the voice and participation of women in politics. Women's economic participation, ownership of productive assets, and control over those assets all has a positive impact on children's nutrition, health, and attendance at school while also accelerating development and assisting in the fight against poverty. Compared to males, women often devote a larger percentage of their income to supporting their families and communities. But in order to more fully develop their assets, their land, and their enterprises, they need access to the complete spectrum of credit, banking, and financial services and facilities. In order to better understand women as individuals, the researcher focuses on a few things such as individual's understanding of investor behavior toward investment activity, pattern of investment, investment preferences, behavioral finance, psychology, and economics are all areas of attention for this purpose. Women investors must allow experienced specialists to handle their portfolios, according to the existing literature, in order to eliminate personal bias in investment.

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