To Examine The Impact Of Investment Strategy And Patterns Among Young People With Reference To Raipur City

Sonal Khandelwal[1] , Dr. Umesh Gupta[2]

[1]Research Scholar, School of business Studies, Mats University Raipur Chhattisgarh.
[2]Professor, School of Business Studies, Mats University Raipur Chhattisgarh.

Abstract-
The aim of this study is to explore the various factors influencing investors in their decision-making process. Investment, an activity rooted in utilizing savings, spans a spectrum of options such as banks, gold, real estate, postal services, and mutual funds. Focusing on the financial habits of newly employed college students (aged 17 to 25) in Raipur, this research delves into their savings patterns, financial knowledge, risk perception, and preferences for different investment vehicles. Employing a survey method, both qualitative and quantitative data were gathered. This research diverges from the traditional economic perspective, honing in on financial investment—specifically, investments in shares and securities aimed at generating income rather than boosting production. The evolving relationship between savings and investment is at the core of this exploration.

Keywords: Youth, Financial Planning, Investment.

I. INTRODUCTION

This holds particularly true for the newly employed younger generation who have just started earning and haven't yet accumulated substantial savings. Despite being well-informed about the diverse opportunities available due to the rapid spread of information, they often lack clarity on actively engaging in new investment avenues. Being well-informed is crucial for effective investing; however, traditional methods like seminars and workshops may not suit their lifestyle anymore. Hence, these young individuals have shown an eagerness to explore various investment strategies and models. Presently,

many perceive investing as risky, which leads to hesitancy. While this holds some truth, investing without adequate financial knowledge can indeed pose risks. Fortunately, there are now accessible solutions to this issue. Numerous resources, such as television, YouTube, newspapers, and professional guidance, offer avenues to acquire investment knowledge..

II. REVIEW OF LITERATURE

Priyanka Zanvar, 2016, Researched to shed light on investment patterns and savings, this study delves into the core concept of investment strategies. Focused on youths aged 18 to 25 with a vested interest in investing, the research area centers on Pune. Data was gathered through a structured questionnaire distributed among 770 youths across various socio-economic backgrounds in Pune. Analysis was conducted using one-way ANOVA, revealing a significant divergence between safer and riskier investment choices.

In a similar vein, V. Dinesh Kumar's 2018 study explored individual investors' patterns, strategies, and their investment expectations. This paper elaborates on investing strategies and expected returns among certain age groups and individuals from diverse occupations. Conducted in Hyderabad, primary data collection involved a survey of 250 individuals from varying age groups and occupations. The findings highlighted the influence of age and occupation on investment strategies and expectations.

Davinder Kaur, 2019, had flashed a light on the investment behaviour and choice of investors on various alternatives and the risk taking level of involvement of each investors. The main focus area of this concept was on choice of an individual investors and that was explained in this paper. The sample size of study is limited to age group. The area of research has been selected from Delhi and Noida. This study was based on primary survey of 300 individual response of Sohail Akhtar Hussain Ansari, 2020, This paper has main focus on relating Investment and savings. The concept of reason of investment is been explained in this paper. The sample size of the study is salaried employees. The area of research is selected from Pune. A questionnaire was prepared for data analysis of a salaried people. This paper concluded that the respondent's investment in different investment Avenues to get good returns and mostly use it for their future safety and also concluded that the Investment and savings should go hand in hand as an

investment can be done only if one has savings and savings can be done with the returns we get on Investment.

Sudarshana Saikia, in 2018, centered this paper on the savings and investment behaviors of newly earning college students. It elucidates the youths' awareness of investments and their risk tolerance. The study's sample is confined to students aged 18 to 25 in Mumbai colleges. Primary data from these students was collected via a questionnaire for analysis. The findings indicated that while most young investors were acquainted with investment options, they lacked confidence in exploring newer approaches. Returns on investment were deemed crucial, followed by risk, with safety and security still exerting considerable influence on their investment decisions.

Mital. S. Bhayani and Dr. Sanjay Patankar, in 2016, conducted research on a comparative analysis of investment behaviors between urban and rural investors. Their paper focused on contrasting investor behaviors regarding factors like returns and risk across available investment alternatives. The study included participants from urban and rural areas in Nashik, with primary data collected through surveys. The research revealed disparities in risk tolerance and investment choices between urban and rural investors.

Disha. A. Popat's 2018 paper shed light on rural and urban investors, emphasizing the financial knowledge and sensibility regarding risk and returns across different investment avenues. The study encompassed urban and rural youth investors in Gandhinagar, with 100 participants from each segment. The conclusions highlighted the inclination of rural investors toward less risky avenues with moderate returns, while urban investors leaned towards high-risk, high-return options.

III. OBJECTIVE

a. Exploring investor awareness and perceptions regarding diverse investment opportunities.
b. Understanding investors' preferences and knowledge pertaining to investments.
c. Analysing the investment choices made by youthful investors.
d. Assessing the risk-taking capacities of urban and rural adolescents.
e. Contrasting and comparing investment decisions between urban and rural contexts.

f. Gaining deeper insights into the expectations of young individuals regarding their investments.

g. Understanding the motivations behind young people's investment endeavours.

h. Examining the impact of investment patterns on employed youth in both private and public sectors.

i. Investigating the influence of investment patterns on the savings and return on investment for young investors.

IV. LIMITATIONS

1.The study is constrained by limited time available for research, posing a significant limitation.

2.The research scope is confined to the specific locations in Raipur where the sample was collected, making it non-representative of a universal sample and a notable constraint.

V. RESEARCH METHODOLOGY

5.1 Research Design

The research conducted was descriptive and analytical, so a Survey method was used. A Survey was conducted through a structured questionnaire tested for reliability and data was collected throughout Mumbai.

5.2 Primary Data

Primary data was collected randomly through the structured questionnaire in Mumbai, by using simple random sampling.

5.3 Sample Size

The study was limited to those participants who willingly elected to complete the instruments in their entirety. There was a total of 75 respondents. The sample to which the questionnaire was administered was based on random sampling techniques. The sample distribution was given in

Table 1. Socio-Demographic profile

Parameters	Classification	Sample (N)	Percentage (%)
Gender	Male	46	61.30
	Female	29	38.70
	Total	75	100
Age (in years)	18-25	67	89.30
	25-29	06	8.00
	30-35	01	1.30

	36 and above	01	1.30
	Total	75	100
Area	Urban	69	92.00
	Rural	06	08.00
	Total	75	100
Income Group (In Rupees)	Below 10,000	54	72.00
	10,000-30,000	15	20.00
	31,000 -50,000	05	6.70
	50,000 and above	01	1.30
	Total	75	100
Education	Less than HSC	07	9.30
	Under Graduate	47	62.70
	Graduate	14	18.70
	Post Graduate	07	9.30
	Total	75	100

5.4 Sample Design

The researcher relied upon simple random sampling technique, considering the research methodology and research type as per guidelines. A caution was exercised during the study that the respondents who did not show inclination to be a part of the study were not covered.

5.5 Area of Research

Raipur

5.6 Secondary Data

The secondary information or data was collected from newspapers, research articles, magazine and websites.

5.7 Research Instruments

A summated closed end questionnaire was used with different viewpoints of respondents. In this questionnaire, all the questions were positively framed to study the impact of independent variables like age, gender and profession on the dependent variable.

5.8 Research Gap:

Investment's correlation with saving and financial literacy has been substantiated by various researchers. However, gaps identified within the reviewed literature include:

1.Limited Emphasis on Factors: Researchers tended to focus on singular or a few dimensions influencing Investment Decision and pattern, neglecting the comprehensive array of factors.

2.Geographic Scope: The majority of studies on Investment Decision and Pattern were concentrated in the Southern regions of India.

3.Respondent Demographics: Studies predominantly centered around respondents aged 25-30, thereby limiting the representation of other age groups.

4.Neglect of New Investors: Earlier studies frequently overlooked New Investors as respondents, limiting insights into their perspectives.

5.Overlooking Salaried Individuals' Investment Patterns: Despite focusing on demographic aspects, many studies failed to highlight the Investment Pattern of Salaried Individuals.

VI. STATISTICAL ANALYSIS

Effective data analysis stems from thorough data preparation, a crucial phase bridging fieldwork completion and statistical data processing. This preparation involves organizing data into sheets, tables, and graphs essential for analysis.

6.1 Hypotheses:

H0: Young individuals lack high awareness about various investment options.

Ha: Young individuals possess high awareness about various investment options.

H0: There is no significant relationship between age groups and various investment types.

Ha: There is a significant relationship between age groups and various investment types.

H0: There is no correlation between age and young individuals' understanding of the importance of investing.

Ha: There is a correlation between age and young individuals' understanding of the importance of investing.

VII. DATA ANALYSIS

1. There is a no high level of awareness among young people about many options regarding investments.

Are you aware about different types of investments?			
Valid	Parameters	Sample (N)	Percentage (%)
	Yes	44	58.70
	No	31	41.30
	Total	75	100
Source of information regarding different investment avenues?			
Valid	T.V	16	21.30
	Newspaper	04	5.30
	Family	17	22.70
	Friends and Relatives	27	36.00
	Bank	03	4.00
	Social Media	08	10.70
	Total	75	100

Table 2: Source: Primary Survey

Anova: Single Factor							
SUMMARY							
Groups	Count	Sum	Average	Variance			
Are you aware about different types of investments	75	106	1.413333	0.245766			
Source of information regarding different investment avenues	75	246	3.28	2.339459			
ANOVA							
Source of Variation	SS	df	MS	F	P-value	F crit	
Between Groups	130.6667	1	130.6667	101.0873	1.89E-18	3.90506	
Within Groups	191.3067	148	1.292613				
Total	321.9733	149					

Conclusion

- There is a no high level of awareness among young people about many options regarding investments.
- The above stated hypothesis is rejected.

Interpretation:

As per the survey findings, the analysis indicates that a majority of the respondents possess awareness about various investment types. Approximately 58.70% of participants affirm being knowledgeable about the different investment options existing in the market. Additionally, around 36% of respondents attribute their investment awareness to insights gained from "Friends and Relatives." Notably, 10.70% of participants identify "Social media" as a significant source of investment-related information. These results suggest that most respondents demonstrate awareness regarding diverse investment avenues..

2. There is no substantial relationship exists between age group and different sorts of investments.

I will prefer to invest my money in?			
	Parameters	Sample (N)	Percentage (%)
Valid	Share Market	27	36.00
	Gold	13	17.30
	Real Estate	10	13.30
	Mutual Funds	9	12.00
	F. D	11	14.70
	Others	6	8.00
	Total	75	100
Purpose of investment is income in long term as well as capital growth?			
Valid	Strongly Disagree	1	1.30
	Disagree	3	4.00
	Neutral	9	12.00
	Agree	50	66.70
	Strongly Agree	12	16.00
	Total	75	100

Table 3: Source: Primary Survey

Anova: Single Factor				
SUMMARY				
Groups	Count	Sum	Average	Variance
I will prefer to invest my money in?	75	204	2.72	2.88

Purpose of investment is income in long term as well as capital growth	75	294	3.92	0.561081			
ANOVA							
Source of Variation	SS	df	MS	F	P-value	F crit	
Between Groups	54	1	54	31.38549	1E-07	3.90506	
Within Groups	254.64	148	1.720541				
Total	308.64	149					

Conclusion:

- There is no substantial relationship exists between age group and different sorts of investments.
- The above stated hypothesis is rejected.

Interpretation:

According to the analysis, it was observed that there is no correlation between the sorts of Investments: 36% of respondents express an intent to enhance their interest in the performance of share markets. The survey also reveals that 17.30% of participants prioritize "Gold" investments, while 13.30% favor investing in the "Real Estate" market. Additionally, 14.70% of respondents have opted for "Fixed Deposits" as their investment choice.

3. There is a no link between age and knowledge of the importance of investing in young people.

Descriptive Statistics									
Parameters	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error		Std. Error
Investment is important for future?	75	1	5	4.31	.805	-1.418	.277	3.040	.548
I am aware that investment is good for financial planning!	75	1	5	4.16	.916	-1.411	.277	2.547	.548
I know investment has both good and bad effect.	75	1	5	3.97	.822	-.851	.277	1.448	.548

I know exactly from where to get information regarding investment.	75	1	5	3.29	1.088	-.614	.277	-.162	.548
The main objective of investment is safety.	75	1	5	4.01	.814	-1.417	.277	3.826	.548
The main objective of investment is taking risk to get high returns.	75	1	5	3.84	1.040	-1.520	.277	2.315	.548
Purpose of investment is income in long term as well as capital growth.	75	1	5	3.92	.749	-1.255	.277	3.217	.548
Investment is a part of retirement plan.	75	1	5	3.84	1.040	-1.002	.277	.699	.548
I want my invested money to be safe even if it means low returns.	75	1	5	3.76	.928	-.854	.277	.884	.548
I believe in phrase ' High Risk High Returns'	75	1	5	3.97	.944	-1.035	.277	1.285	.548
Valid N (listwise)	75								

Table 4: Source: Primary Survey

Conclusion:

- There is a no link between age and knowledge of the importance of investing in young people.
- The above stated hypothesis is rejected.

Interpretation:

The survey indicates a correlation between factors influencing investment avenues among the respondents. About 48.60% strongly agree that these factors significantly impact investment avenues, while 4.30% express disagreement. Furthermore, 18.70% of respondents remain neutral regarding

the behaviour of investors. Additionally, 40% agree that adopting long-term strategies with lower risks is advisable.

VII. RECOMMENDATIONS / SUGGESTIONS

1. On an individual level, there's a noticeable inclination towards investing in securities rather than relying solely on bank deposits.
2. There's a keen interest among people to explore the diverse options available for investments.
3. For many, the return on investment stands as the paramount factor; they often opt for bank accounts due to the assurance of principal security, risk mitigation, and returns.
4. When presented with an opportunity, they tend to seek higher returns with less investment. Initially, few were acquainted with investment prospects; however, our research reveals that most now possess a fundamental understanding of high, medium, and low-risk investment options.
5. Increased financial literacy is prompting people to become more vigilant and informed about their investment choices.

VIII. CONCLUSION

Understanding how to motivate individuals to participate in long-term projects with extended gestation periods can be achieved by analysing their spending and investment behaviours. Designing tax incentives tailored to encourage capital market engagement in such initiatives aimed at fostering the country's development is feasible. However, due to time constraints, the responses of the respondents couldn't undergo verification. A more extensive sample with cross-referencing capabilities is necessary to gain a deeper understanding of investor psychology. As the results stem from a limited subset, they cannot be broadly generalized.

Savings and investment, as crucial macro factors with underlying micro-foundations, hold the potential to influence a country's stability, employment promotion, inflation, economic growth, and overall development. With the economy and job market showing improvement and salary trends on the rise, the younger generation of Indian millennials, if they transition away from traditional banking, can harness opportunities to invest their money wisely, particularly in the stock market.

Awareness of the significance and benefits of investing, coupled with the ability to strategize current and future financial utilization, are vital skills. Hence, educating children about the importance of investing, acquainting them with various available investment options, and evaluating their attitudes toward investing at a young age are crucial steps. This study offers valuable insights into the investing patterns, attitudes, and behaviours of Indian investors.

****