A Study of Socio-Demographic and Attitudinal Factors on Consumer Behavior by Individual Investors in the Indian Context

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Abstract

Purpose: The purpose of the present paper was to study the socio-demographic and attitudinal factors of consumer behavior in the Indian context.

Design/Methodology/Approach: A sample of 332 individuals was considered for the study. Various socio-demographic and attitude factors were considered to find out their association with financial behavior. Regression analysis was done on these factors against financial behavior.

Findings: The results of the research showed that age, marital status, household annual income, ownership of real estate, duration of investments, and frequency of review of portfolio are the most significant socio-demographic factors that determined financial behavior. The most important attitudinal factors that determined financial behavior are interest in financial matters and tendency towards savings.

Practical Implications : The disposable income of an average household has increased in the past decade or so. An average household now requires professional advice to manage its funds. This has led to an increase in competition in the financial sector for acquiring individual investors/ customers. A financial institution would always like to know who its target customer is so that it can it can focus its energies towards its target customer only. This study would help in identifying the factors an institution can look at while designing its acquisition strategies.

Originality/Value : Though various studies have been done to understand consumer behavior in financial services globally, not much has been done in the Indian context. The various studies that have been conducted in the Indian context have looked at the individual factors like demography and attitude. The present study is an attempt to fill this important gap in literature and looked at both these factors cohesively.

Key words: consumer behaviour, socio-demographic factors, attitude factors, financial services

JEL Classification : G11, G20, G23

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The financial service industry is in changing times. Gone are the days, when people had limited choices for making investments. They would actually think about making investments at the time of filing their taxes only. Otherwise, they would be happy keeping money in fixed deposits or in post-office schemes. These days, customers have become very much aware about what they actually want. The financial behavior of the

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investors is changing and the endeavor of the marketers is to understand what actually determines the financial behavior of an investor. It is always a challenge for a marketer to understand why the customer buys a particular financial product or for that matter does not buy it. The customer has limited surplus for making investments and everybody is trying to maximize his/her share in that limited surplus. The customers have also become aware about the dynamics of the financial world. They are ready to shop for financial products, which was unheard of earlier, before deciding what actually they are going to buy. They want the best financial products which can fulfill their needs, and customers now have many options. They can buy the financial products from a broker, bank, or even an independent financial advisor.

Financial behaviour is defined as the human behaviour relevant to money management (Xiao, 2008). Various past studies have concentrated on only one factor which determines the financial behavior of an individual. It could be any socioeconomic factor (Garmaise, 2010 ; Gasiorowska, 2008 ; Sabri, Hayhoe, & Goh, 2006) or attitudinal factor such as risk tolerance of an individual (Grable & Joo, 1999). Some researchers have also studied the financial behavior of a particular group. Rajna, Ezat, Junid, and Moshiri (2011) studied the financial management attitude of medical practitioners in Malaysia. Parrotta and Johnson (1998) studied married couples to understand the impact of financial attitude and knowledge on financial management. Dowling, Corney, and Hoiles (2009) studied the financial management practices of young male Australian workers.

The objective of the present paper is to attempt to understand the complex financial behavior without specifying any particular group. The sample was collected without any group biases such as students, married couples, or those belonging to a particular profession. The paper has identified two important attributes which determine the financial behavior of an individual. These two attributes are socio-demographic components and attitude components. The study identified 12 socio-demographic factors and conducted ANOVA test on these factors.

To find out the comprehensive attitude of an individual in the present study, the attitude of the investor was divided into three parts: (a) tendency towards savings, (b) interest in financial issues, and (c) risk tolerance of an individual. Different scales were used to measure all the three components. Regression analysis was done between various attitudinal components and financial behavior.

Review of Literature

The financial behavior of investors is a matter of great interest for researchers. Beckett (2000) developed a consumer behavior matrix for financial products. He postulated that behavior is determined by two important factors namely, involvement and uncertainty. The consumer preferences for various financial services vary in different countries because of divergent behavioral attributes in different countries (Schmidt, Bergsiek, & Kolesnikova, 2009). Financial management behaviours of households do not only foster cohesion and affinity within the household, but also influence their savings and investment behaviours (Davis & Carr, 1992; Fagan & Brayman, 2011). The saving goals of a household influence the household to save in different financial products (Chakraborty & Digal, 2015). The biases pertaining to the behavior of an individual play a significant role in investor decision making. These biases shape the current as well as future decisions of investors (Mangala & Sharma, 2014).

Marketing in the financial services industry is predominantly based on socio-demographic features like gender and age, which are easy to identify and apply in the composition of groups (Machauer & Morgner, 2001). There are quite a few studies which have studied the various socioeconomic factors with respect to financial behavior and their results also vary with each other. As per Funfgeld and Wang (2008), women were less involved in financial matters and were more worried as far as money matters were concerned. As per Funfgeld and Wang (2008), with an increase in age, people become more interested in financial matters. However, as per a study done by Parrotta and Johnson (1998), age did not have any effect on financial management. Consumers with higher levels of education had a positive impact on savings behaviour (Kostakis, 2012). However, as per a study conducted by Lokhande (2015) on rural investors in India, no difference was found in the awareness levels of investment products among male and female investors and their educational qualifications. The preference was only to invest in safe products like bank deposits, gold, and real estate.

As per Parrota and Johnson (1998), occupation, marital status, and the job status of the spouse had no impact on financial management. As per Joo and Grable (2004), people who had a greater level of household income had a tendency to display better behaviour than those in other income groups. Vanessa and Marlene (2005) found a positive relationship between income and responsible financial management behaviour. Income had a significant role in positive financial behaviour (Robb & Woodyard, 2011). As per Vadde (2015), a study done on Ethiopian investors depicted that socio- demographic factors like gender and number of dependents was statistically significant ; whereas, age, education, and marital status were insignificant as far as savings behavior was concerned. The economic factors which were significant for the savings behavior of an individual were income, occupation, and home ownership. In another set of studies, the segmentation of consumers done on the basis of demographic factors was found out to be weak (Machauer & Morgner, 2001). Machauer and Morgner further proposed that the segmentation on the basis of consumer attitudes could enhance the segmentation process of banks.

Attitude is defined as the psychological tendency expressed by giving some value to a particular entity with some degree of favor or disfavor (Eagly & Chaiken, 1993). Financial attitude can be defined as the psychological tendency specified when assessing suggested financial management practices with some degree of agreement or disagreement (Jodi & Phyllis, 1998). Financial attitude is also defined as the application of financial principles to create and maintain value through decision making and proper resource management (Rajna et al., 2011). Godwin (1994) examined attitude as an independent variable and tested the impact of financial attitudes on financial management. She found that a positive attitude towards planning (a 3-item index) was the greatest predictor of cash flow management of newlyweds.

Most of the studies on money attitudes measure attitude using scales such as money attitude scale of Yamauchi and Templer (1982) or the money scale of Lim, Teo, and Loo (2003). In some studies, the cognitive and affective attitudinal components were taken such as the money importance scale of Mitchell, Darkin, Mickel, and Gray (1998) ; while in few other studies, such as money beliefs and behaviour scale of Furnham (1984), the cognitive and conative components of attitude were taken. However, there are certain studies which put an emphasis on interests and skills for effectively handling one's finances (Loix, Pepermans, Mentens, Goedee, & Jegers, 2005).

There is an ongoing debate, whether attitudes correctly predict the behavior of an individual or not. Attitudes influence behavior when they are more specific in their acts (Ajzen & Fishbein, 1980). Attitudes tend to influence behavior when they are based upon direct experience (Regan & Fazio, 1977), or when people are motivated to think about the attitude object (Cacioppo, Petty, Kao, & Rodriguez,1986). It was assumed that direct experience and personal involvement induce individuals to think about their attitudes, which become the basis of their future behavior (Petty, Haugtvedt, & Smith, 1995). Attitudes influence behaviors when they are easy to retrieve from memory and are stable over time (Glasman& Albarracı´n, 2006).

Objectives of the Study

The detailed objectives of the paper are as follows:

(i) To determine the association between behaviour and various socio-demographic factors of the respondents,

(ii) To examine the relative impact of dimensions related with financial attitude on the overall financial behaviour of the investors.

Preliminary Analysis of the Questionnaire

The objectives of the study were fulfilled by conducting exploratory research. To understand the shortcomings of the study, pilot testing was done on 30 respondents. Based on the responses and feedback, the questionnaire was finalized, and around 400 respondents participated in the study. After data validation checks and deleting invalid responses, 332 responses were selected for further analysis. Data was collected in the year 2015 and the target population consisted of individuals who took investment decisions of their surplus funds either singly or jointly. It was not necessary that the person earned money (for example, home makers or retired persons), but it was necessary that they were aware of the usefulness of financial investments and took active participation when making decisions regarding investments.

The sampling method chosen was the combination of judgmental and snowball sampling techniques. These methods were chosen as people are not generally forthcoming in sharing their financial information with strangers. Therefore, only those who were willing to share their financial information were selected as the sample population.

The majority of the respondents were men (71%). The age of the respondents varied from 26 years to more than 55 years. Majority of the respondents (60%) were less than 35 years old. Most of the respondents were married (65%), 48% were working, and 44% were graduates. The spouses of 66% respondents were not working. This could also be because of the fact that majority of the respondents were men. The household annual income ranged from INR 3 lakhs to more than INR 25 lakhs, with 55% of the respondents falling in the income category of less than INR 10 lakhs bracket. The number of financially dependent people for most of the respondents (77%) was less than or equal to two. There was not a wide variation regarding the ownership of real estate as 54% of the respondents singly or jointly owned real estate as compared to 46% of the respondents, who did not own one. The duration of investments, that is, for how long a person invested in financial assets varied from 1 year to more than 10 years. The majority of the respondents (68%) were investing for upto 5 years. This could be because of the reason that majority of the respondents were in the lower age bracket and had started investing very recently. The frequency of review of portfolio ranged from monthly to yearly. The questionnaire also had one statement which stated 'don't bother once investments are made'. Only 8% of the respondents agreed with this statement showing that these people did not review their investments on a regular basis. For the rest of the alternatives, frequency for review was almost similar.

Research Methodology

Financial management behaviour is measured on a 5-item scale (Vanessa & Marlene, 2005). The five items are controlling spending, paying bills on time, planning for one's financial future, saving money, and providing for one's self and family. The summation of the scores on this scale would give the final ratings ranging from 5 to 25. Higher the scores, more responsible is the financial behaviour of an individual. As per various research studies, there are several demographic factors that determine the financial behaviour of an individual. These are gender, age, education, occupation, marital status, job status of spouse, household annual income, number of people financially dependent upon an individual, ownership of real estate, for how long a person is making investments, how frequently a person is reviewing his/her investments, and so forth.

To meet the first objective of determining the association between financial behavior and various socio-demographic factors, ANOVA was calculated for various socio-demographic factors mentioned and the financial behavior of the respondents. One of the assumptions of ANOVA is that the variances in different groups are equal or homogeneous. As this was not the case, and some of the demographic variables have unequal sizes, Welch tests and Brown-Forsythe's tests were done to take into consideration the non-homogeneity in group variances. These

Table 1. Results of Statistical Tests on Financial Behaviour

Variable	*F*-Statistic	Significance	Brown-Forsythe Statistic	Significance	Welch Statistic	Significance	Acceptance/ Rejection of Null Hypotheses
Gender	.684	.409	.758	.385	.758	.385	Accepted
Age	2.120	.051	1.918	.083	2.340	.040	Rejected
Educational Level	2.016	.135	1.992	.139	2.160	.119	Accepted
Occupation	.725	.576	.371	.819	.457	.766	Accepted
Marital Status	3.105	.027	4.914	.021	2.496	.214	Rejected
Job Status of Spouse	.610	.435	.604	.438	.604	.438	Accepted
Household Annual Income	4.213	.001	4.059	.002	4.388	.001	Rejected
Dependent Children	2.189	.140	2.144	.144	2.144	.144	Accepted
No. of Financially Dependent Persons	1.113	.353	1.069	.380	.999	.425	Accepted
Ownership of Real Estate	8.777	.003	9.007	.003	9.007	.003	Rejected
Duration of Investments	5.994	.000	6.010	.000	6.004	.000	Rejected
Frequency of Review of Portfolio	4.214	.001	4.306	.001	4.700	.001	Rejected

tests are more robust than ANOVA when group sizes are unequal and large groups have the biggest variance which biases the *F*-ratio (Field, 2005). These tests are shown in the Table 1.

It is clearly shown in Table 1 that six socio-demographic factors, that is, age, marital status, household annual income, ownership of real estate, duration of investments, and frequency of review of portfolio are significantly associated with the financial behaviour of the person. These factors came out to be significant in the studies done earlier by Krah, Aveh, and Addo (2014) ; Funfgeld and Wang (2008), Garmaise (2010), Kostakis (2012) ; Joo and Grable (2004) ; Parrotta and Johnson (1998) ; Vanessa and Marlene (2005) ; Robb and Woodyard (2011) ; and Grable and Joo (1999). The results indicate that as the age increases and a person gets married, he/she becomes more responsible in his/her financial behavior. The person with higher income and owning real estate also shows responsible financial behavior as the major need of one's life of owning a real estate has already been met and he/she is able to achieve other financial goals of his/her life as well with higher income. The other two factors which come out to be significantly associated with the financial behavior are the duration of investments and frequency of review of portfolio. This implies that a person who is investing in financial instruments for a long time tends to show a more responsible financial behaviour as compared to a person who has never invested in financial instruments. Similarly, a person who is regularly reviewing his/her portfolio of investments to check his/her returns would be more concerned about his/her finances rather than a person who does not bother once investments have been done.

To meet the second objective of determining the relative impact of financial attitude dimensions with financial behavior, three attitudinal dimensions were taken. The tendency towards savings, which majorly define the attitude of an individual, was measured using the existing scales of Godwin and Carroll (1986) and Godwin and Koonce (1992). In fact, as per the studies of these authors, the scale would measure the attitude of the person towards financial management. However, to measure it more comprehensively, for the present study, the attitude of the person was divided into three parts: (a) tendency towards savings, (b) interest in financial issues, and (c) risk tolerance of an individual. Different scales were used to measure all the three components.

Analysis and Results

(1) Tendency Towards Savings : The newly created composite scale to measure tendency towards savings has 20 items. The items were measured using a 5 point Likert scale (1-*strongly disagree* and 5- *strongly agree*). There were 12 negatively worded statements, which were reverse coded to reach the final conclusion. The score can vary from 20 – 100. To make it more comprehensive, the scores were divided into four categories and were coded. The Cronbach's alpha of this scale is .79 for the present study.

(i) Low Tendency Towards Savings : If the total score of the respondent was less than 40, it was coded as 1. This implies that a person had a very low tendency towards savings and did not consider savings as an important part of managing money.

(ii) Average Tendency Towards Savings : If the total score was more than 40 but less than 60, it was coded as 2. This implies that a person considered savings as somewhat important.

(iii) Moderate Tendency Towards Savings : If the total score was more than 60 but less than 80, it was coded as 3. This implies that a person was positively inclined towards making regular savings out of his/her earnings.

(iv) Strong Tendency Towards Savings : If the total score was more than 80, it was coded as 4. This implies that a person considered savings as a very important part of the overall financial management.

(2) Interest in Financial Issues : Not much work has been done to understand an individual's interest in financial issues. Funfgeld and Wang (2008) measured interest using two items scale. The rest of the items to measure interest in the present study have been taken by the questionnaire used in the survey done by FSA in UK (2006) on consumer attitude towards money management. The final scale had 5 items to understand the interest of an individual towards financial issues. It ranges from *strongly disagree* coded as 1 to *strongly agree* coded as 5. The scores can range from 5-25. To make it more comprehensive, the scores were divided into four categories and were coded. The Cronbach's alpha of this scale is .69 for the present study.

(i) Less Interested in Financial Issues : If the total score of the respondent was less than 10, it was coded as 1, which implies that a person was not interested in knowing what was happening in the financial world.

(ii) Average Interest in Financial Issues : If the total score was more than 10 but less than 15, it was coded as 2. It implies that a person was somewhat interested in knowing about financial developments.

(iii) Moderate Interest in Financial Issues : If the total score was more than 15 but less than 20, it was coded as 3, which implies that the person took interest in knowing about the latest financial developments.

(iv) Strong Interest in Financial Issues : If the total score was more than 20, it was coded as 4. It implies that the person was inclined towards knowing more about the financial developments and kept himself/herself updated with all the changes happening in the financial world.

(3) Risk Tolerance of an Individual : Risk tolerance of an individual was measured using the scale developed by Grable and Joo (2000). The 4-point Likert scale consists of five items. The possible choices in the scale were *strongly agree, tend to agree, tend to disagree, and strongly disagree*. The items indicating *strongly agree* imply a

Table 2. Frequency Table of Attitudinal Components

	Frequency	%	Cumulative %
Savings			
1 (less than 40)	0	0	0
2 (more than 40 but less than 60)	51	15.4	15.4
3 (more than 60 but less than 80)	219	66.0	81.3
4 (more than 80)	62	18.7	100.0
Total	332	100.0	
Interest			
1 (less than 10)	15	4.5	4.5
2 (more than 10 but less than 15)	90	27.1	31.6
3 (more than 15 but less than 20)	165	49.7	81.3
4 (more than 20)	62	18.7	100.0
Total	332	100.0	
Risk Tolerance			
1 (less than 5)	0	0	0
2 (more than 5 but less than 10)	83	25.0	25.0
3 (more than 10 but less than 15)	213	64.2	89.2
4 (more than 15)	36	10.8	100.0
Total	332	100.0	

strong aversion to risk and were coded as 1. Therefore, high scores indicate a higher financial risk tolerance. The scores can range from 5 to 20. To make it more comprehensive, the scores were divided into 4 categories and coded. The Cronbach's alpha of this scale is .72 for the present study.

(i) Very Low Risk Tolerance : If the total score of the respondent was less than 5, it was coded as 1, which implies that a person was not willing to take any risk regarding his/her investments.

(ii) Low Risk Tolerance : If the total score was more than 5 but less than 10, it was coded as 2, which implies that a person would invest minimal amount in the instruments which were not giving assured returns.

(iii) Moderate Risk Tolerance : If the total score was more than 10 but less than 15, it was coded as 3, implying that a person was willing to take calculated risks while making investments and invested in instruments which gave him/her returns based upon market conditions.

(iv) Strong Risk Tolerance : If the total score was more than 15, it was coded as 4. It implies that the majority of the investments of an individual were in market related instruments and he/she was assured that he/she would get good returns in the long term.

Keeping the above coding in mind, the frequency table of various attitude components is shown in the Table 2. The Table 2 shows that majority of the respondents had a moderate tendency towards savings (66% of the respondents score between 60 and 80). Hence, they knew the importance of savings. It can also be verified from various reports which have shown Indians as born savers. In fact, the gross domestic savings rate of India was 33.7% in the Eleventh Five Year Plan (2007-2011).

Table 3. Pearson's Correlation Among Attitudinal Components

Variables	Financial Behaviour	Tendency Towards Savings	Interest in Financial Issues	Risk Tolerance	Acceptance/ Rejection of Null Hypothesis
Financial Behaviour					
Pearson Correlation	1	.219	.378	.190	
Significance		.000	.000	.001	**Rejected**
Tendency towards savings					
Pearson Correlation	.219	1	.311	.131	
Significance	.000		.000	.017	**Rejected**
Interest in financial issues					
Pearson Correlation	.378	.311	1	.416	
Significance	.000	.000		.000	**Rejected**
Risk Tolerance					
Pearson Correlation	.190	.131	.416	1	
Significance	.001	.017	.000		**Rejected**

The present data shows that there were very few respondents who did not have any interest in financial issues (only 4.5% of the respondents scored less than 10). Most of the respondents seemed to be interested in having basic awareness about the happenings in the financial world (49.7% of the respondents' score reveals a moderate interest in financial issues). This can also be attributed to the demographic data which shows that 80% of the respondents were either graduates or post graduates, and thus seemed to be aware about what was happening in the financial world.

The present data shows that there was not a very strong risk aversion among individuals, but they were willing to take calculated risks while making investments (64.2% of the respondents had moderate risk tolerance). This can also be attributed to the demographic data, which shows that 69% of the respondents were either professionals or were working. These people are well connected and well-read and seemed to have reasonable knowledge of various financial products and did not mind investing in them.

To meet the second objective, the following hypotheses need to be tested:

- **H0a:** There is no positive association between tendency towards savings and financial behaviour of an individual.
- **H1a:** There is a positive association between tendency towards savings and financial behaviour of an individual.

- **H0b:** There is no positive association between interest of a person in financial issues and financial behaviour of an individual.
- **H1b:** There is a positive association between interest of a person in financial issues and financial behaviour of an individual.

- **H0c:** There is no positive association between risk tolerance and financial behaviour of an individual.
- **H1c:** There is a positive association between risk tolerance and financial behaviour of an individual.

Pearson's correlation was calculated among various variables to test the above mentioned hypotheses. The scores of all the variables, that is, financial behaviour, tendency towards savings, interest in financial issues, risk tolerance were averaged for the calculation purposes. The results of Pearson's correlation @ 95% significance level are shown in the Table 3.

The first null hypothesis, H0a has been rejected and alternate hypothesis, H1a has been accepted. Thus, there is a positive association between financial behaviour and tendency towards savings. This implies that an individual who is inclined towards savings shows positive financial behaviour. This result is in line as per the study conducted by Furnham (1984) & Yamauchi and Templer (1982). The persons who are focused towards savings would invariably end up doing proper future financial planning. They would be taking care of their retirement needs, future needs of their children, and other financial needs.

The second null hypothesis, H0b has been rejected and alternate hypothesis, H1b has been accepted. Thus, there is a positive association between financial behaviour and interest in financial issues. This implies that a person interested in knowing what is happening in the financial market shows more responsible financial behaviour. This factor was studied by various researchers like Beckett, (2000), Loix et al. (2005), and Funfgeld and Wang (2008). These studies concluded that individuals would be oriented towards finances only if they are interested. If individuals are interested in financial issues, they would take care of their financial situation. They would take all the matters relating to their finances in their own hands and would constantly keep themselves updated on what is happening in the financial world. This, in turn, would lead to taking prudent decisions as far as finances are concerned.

The third null hypothesis, H0c has been rejected and alternate hypothesis, H1c has been accepted. Thus, there is a positive association between risk tolerance of an individual and financial behaviour. This implies that a person who takes calculated risk towards making investments in financial assets has responsible financial behaviour. The study by Grable and Joo (2001) showed the relationship between risk tolerance and financial behaviour of an individual. A person having higher financial risk tolerance exhibits better financial behaviour. Risk tolerance here does not mean that a person invests foolishly in any financial instrument. It means understanding the pros and cons of the financial instrument in which one wants to invest, understanding one's own financial needs, and then taking calculated risks and making investments.

To further test whether financial attitude would cause a significant variance in financial behaviour, bivariate regression was performed between financial attitude and financial behaviour. The result of regression shows that financial attitude shows a significant variance in financial behaviour, $F(3, 328) = 20.121$, $R^2 = .155$, $p < .001$. The results show that the more positive is the financial attitude of an individual, the more responsible would be his/her financial behaviour. To have an overall positive financial attitude, a person needs to know the importance of savings, needs to be aware about the happenings in the financial world, and should be willing to take calculated risks while making the investments. All this leads to positive financial behavior of an individual.

Research Implications

The present study has given very useful insights about the financial behavior of an individual. Most of the financial service providers segment their customers only on the basis of socio-demographic factors. The present study clearly shows that this is not sufficient. To provide suitable financial services to each and every individual, it is not enough to do segmentation only on the basis of socio-demographic factors. It is equally important to understand an individual's attitude toward financial services. Then only the financial service providers would be able to do justice to the financial portfolio of individual investors. The choice of the financial products of the individual investor varies widely as per his/her tendency towards savings, interest in financial services, and his/her risk tolerance.

Conclusion

The major challenge among the financial institutions today is to judge who is the target customer, and whom it should approach for its financial products. The present study shows that the target customer should not be judged only on the basis of apparent socio-demographic factors. Financial institutions should look at deeper attitudinal factors as well.

Among the various socio-demographic factors that have been identified using previous studies, it emerged that six factors had a significant association with financial behavior. These factors are age, marital status, household annual income, ownership of real estate, duration of investments, and frequency of review of portfolio. These factors need to be looked at in tandem with various attitudinal factors. It needs to be found out what is the tendency of an individual towards savings, if he/she is interested in knowing about various financial products, and what is his/her risk tolerance level. The financial behavior of an individual can be predicted if these factors are known.

Limitations of the Present Research and the Way Forward

Although the present study gives some useful insights regarding the financial behavior of an individual, there are certain limitations associated with this study. First and foremost is that this study was conducted in urban areas. Most of the people are educated and have received formal education in urban areas. They belong to the upper strata of the society. They usually have access to financial information. It is possible that if this study was done in a rural or a semi urban setup, the results would have varied. The majority of the respondents, about 60%, were below 35 years of age. It is possible that if the financial behaviour of older people is measured, the results will vary. The minimum qualification considered for the survey for the present study was that the person should be a graduate. It is possible that if we take people who are less educated, the results of the study will again vary.

The studies in future can take various samples to cross check the results of the present study. Comparison between urban and rural investors can be done. It can also be measured how the financial behaviour of people living in various locations would differ from each other. The study can become more comprehensive by considering other factors such as locus of control, objective knowledge, confidence level, and trust.

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