A STUDY ON INVESTMENT PATTERN OF COLLEGE STUDENTS WITH SPECIAL REFERENCE TO COIMBATORE CITY

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Abstract: In the world of finance ,investing is done in order to profit from the asset being put to use . A gain (profit) or loss generated through the sale of a present or investment , unrealized capital capital loss . Investment income like dividends ,interest , or rental income , or a mix of capital gain and income may all be included in the return .Investment is the use of money to generate income. Investment is the use of money to generate more income . Investment includes both savings and future consumption savings . Investment in income generating plan and generate money by gaining profits. Investment are made with the intention of receiving a favourable return in the future.

Index Terms - Savings, investment pattern, college students

INTRODUCTION

Investment is defined as the commitment of current financial resources in order to achieve higher gains in future. Investment are items or assets acquired to generate the income or appreciation. The fundamental logic used here is that assets appreciate over time and their value increases . Investment can also refer to spending money or time on activities that can improve the individual and or others life. Investment is a sacrifice of a certain present value for some uncertain future value. Investment is a type of economic activity that includes the creation of new assets or the exchange of existing ones for the financial gain . The money can be transformed into a charge on the future cash payments or other financial assets. Investment is a sacrifice of certain present value for some uncertain future . Investment aims at multiplication of money at higher or lower rates depending upon whether it is a long term or short term investment.

INVESTMENT PATTERN

People who have saved money engage in investment as a passion. Savings investments are made. Unfortunately, not all investors are savers. Savings and investing are two completely different activities. If one person has advance money to another , consider a loan as investment expects to get back the money along with interest as a future date. Investment involves a employment of funds with the aim of achieving or additional income or growth or sales. Investment involves an commitment of funds which have been saved that some benefits accrue in the future.

Creating a high-yield savings account is one of the easiest methods to enhance your finances. These accounts nevertheless permit withdrawals at any time while paying interest on deposits at rates that are much higher than those offered by conventional savings or checking accounts.

➢ Share trading

➢ Mutual funds

➢ Life insurance policies

➢ Fixed deposit etc

➢ Post office savings

FINANCIAL INVESTMENT

Financial investment is the allocation of economic resources to the assets that are expected to provide a gain or positive return over time . Investing in financial assets include making investment , debentures , post office saving certificate , and insurance policies . These investment are available in various of risk and safety levels. These investment produce return in the form of interest , dividends , rent , premium , pension benefits , or an increase in the principle amount invested . Financial investment decision concerning the type of investment , amount of investment , and time period are to be undertaken while investing in these assets.

STATEMENT OF THE PROBLEM

Investing is an important term of economic growth. In today economic environment investment pattern is unavoidable. An investment is a habit specially represented to the student. Even when the students were ineffective in the past income people, they had the habits of investing to protect the emergency and future expenses. Student were not aware of the various issues . The situation has significantly changed a lot. They have knowledgeable about various aspects of investment , they invest in a variety of investment avenues such as securities , debentures, insurance policies , mutual funds and post office savings.

The students have many ideas for choosing the investment pattern. Security , Wealth accumulation , comfort factor , tax efficiency are some of the needs that a student strives to meet. The researcher examined the student awareness of various investment options , factors motivating them to invest in these options , the attitude towards the investment option , and the problems faced while investing their income in this study.

OBJECTIVE OF THE STUDY

- To identify the factors influencing to choose the investment pattern .
- To identify the problems faced by the students while making the investment pattern .

SCOPE OF THE STUDY

The study is mainly planned to know the various investment opportunities available to youth and which of them are the most preferred ones. The study also covers all modes of investment preferred by the students . This research will definitely provide a better understanding of the investment options available from various financial institutions. All the description of the students are covered in this study. The level of knowledge about various investment options is also considered. The research also undertakes the factors considered by students before investing in a particular avenue. Their level of risk bearing capacity is also considered. How much the return factor they consider while investing is also taken .This research paper also provides a comparison among the selected investment options.

LIMITATIONS OF THE STUDY

- Due to time constraints and financial considerations , the researcher was only able to conduct the study in the Coimbatore City of Tamil Nadu.
- The validity of the main data is the foundation of current investment pattern. The sample units were chosen from a population with many different characteristics.
- The study is biased because it based on the respondents opinion from a questionnaire.
- Its possible that the questionnaire left out some crucial information, therefore the analysis and interpretation may not be complete.
- The samples are selected on random basis.

RESEARCH METHODOLOGY

- The research challenge can be approached methodically using research methodology . It can be viewed as science that studies how scientific research is conducted . When we discuss research methodology not only discuss the research techniques but also the reasoning behind them of the research study. We also explain why we choose to adopt certain method or over others.

Research design

The study conducted was descriptive in nature and it was aimed to evaluate "A STUDY ON INVESTMENT PATTERN OF COLLEGE STUDENTS WITH SPECIAL REFERENCE TO COIMBATORE CITY".

Size of sample

A sample of 125 respondents was chosen, using random sampling technique.

Data collection

Both primary and secondary data, which were gathered through an interview schedule and other common sources, were used in the study. The interview schedule was designed in a way that allowed respondents to freely and openly express their thoughts.

Primary data

The primary data are those that are gathered fresh and for the first time, making them unique by nature. When doing experiments for experimental research, we gather primary data, but we also conduct descriptive research and surveys occasionally. Here, primary data will be gathered by creating a questionnaire and having a big sample size fill it out. The results of this questionnaire will aid in the analysis of the case.

Secondary data

Secondary data is defined as information gathered from a source other than the user. Census data, information gathered by government agencies, records kept by organisations, and information that was initially gathered for other research projects are all common sources of secondary data.

STATISTICAL TOOLS USED FOR THE STUDY

The data collected for the study were analysed with suitable statistical tools. The statistical tools that are used in the study are as follows ;

- Chi – square
- ANOVA

REVIEW OF LITERATURE

1.According to STUDENT INCOME AND SPENDING PATTERNS AT UTAH STATE UNIVERSITY by jeese Rodney Danise (2020) This paper measures the magnitude and nature of economic activity of Utah state university students in Cache country , the purpose of the study was to develop marketing and economic facts concerning Utah State University student income and spending income . It also supplied with empirical data which was useful in further analytical studies of consumer economic behaviour in the development of student income and expenditure theory. The study analyzed data in cross tabulation format , which is the same format that will be used in the project and result shows major sources of Investment

2.Mohd Zamri Abu Saridan Abu Baskar (2020) this study shows that financial problems involving the students who have been declared bankrupt is significant proof that the students having difficulties in managing their personal finance effectively . It has been found that possessing positive is the best to equip students with sufficient knowledge , information and life skills to assist them to make right financial judgement to improve their financial Investment.

DESCRIPTIVE STATISTICS

Descriptive Statistics are used to calculate the average of the respondents . The sample standard deviation provides a measure of the spread of the data . It is equal to the square root of the sample variance.

FACTORS INFLUENCING TO MAKE INVESTMENT DECISION

Factors influencing to make your investment decision	Mean	Std. Deviation
Return on investment	3.95	1.02
Safety of principal	3.82	0.92
Price appreciation	3.72	0.95
Future security	3.78	1.05
Saving habits	3.78	1.08
Social status	3.61	1.08
Family members	3.70	1.15

INTERPRETATION

From the above table , the descriptive statistics for the Factors influencing to make our investment decision are ranked 'Return on investment' stood at first with the highest mean score 3.95, followed by 'Safety of principal' stood at second with the mean score 3.82, 'Future security' stood at third with the mean score 3.78, 'Saving habits' stood at third with the mean score 3.78, 'Price appreciation' stood at fourth with the mean score 3.72, 'Family members' stood at fifth with the mean score 3.70, and finally 'Social status' stood at sixth with the mean score 3.61.

REASON FOR PREFERING THE INVESTMENT

Reason for preferring the investment	Mean	Std. Deviation
Higher liquidity	4.08	0.94
Safety of money	3.94	0.84
High returns	3.90	0.97
Long term benefits	3.86	0.94
Future security	3.89	1.13

INTERPRETATION:

From the table, the descriptive statistics for the Reason for preferring the investment are ranked 'Higher liquidity' stood at first with the highest mean score 4.08, followed by 'Safety of money' stood at second with the mean score 3.94, 'High returns' stood at third with the mean score 3.90, 'Future security' stood at fourth with the mean score 3.89, and finally 'Long term benefits' stood at fifth with the mean score 3.86.

CHI-SQUARE ANALYSIS

Null Hypothesis (H_0): There is no significant relationship between the monthly income and mode of investment

Alternative Hypothesis (H_a): There is a significant relationship between the monthly income and mode of investment

Monthly Income * Mode of Investment - Crosstabulation							
Count							
			Which mode of investment do you prefer				
		Share trading	Mutual Fund	Insurance policies	Post office savings	Small savings source	Total
Monthly Income	Below Rs.1000	12	10	11	10	22	65
	Rs.1000 – Rs.5000	3	1	2	4	2	12
	Rs.5000 – Rs.10000	1	4	2	6	2	15
	More than Rs.10000	5	4	2	5	17	33
Total		21	19	17	25	43	125

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	16.420[a]	12	.173
Likelihood Ratio	16.510	12	.169
Linear-by-Linear Association	1.607	1	.205
N of Valid Cases	125		
a. 10 cells (50.0%) have expected count less than 5. The minimum expected count is 1.63.			

INTERPRETATION

From the table 4.26, the chi-square tests indicate that the Pearson chi-square value is 16.420 with 12 degrees of freedom, and the asymptotic significance level is 0.173. Since the p-value associated with the Pearson chi-square and likelihood ratio chi-square tests are greater than the significance level of 0.05, we fail to reject the null hypothesis. Therefore, we can conclude that there is no significant relationship between the monthly income and mode of investment based on the given data.

ANOVA ANALYSIS

Null Hypothesis (H_0): There is no significant association between the educational qualification and purpose behind investment.

Alternative Hypothesis (H_a): There is a significant association between the educational qualification and purpose behind investment.

ANOVA					
	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	1.799	3	.600	.461	.710
Within Groups	157.401	121	1.301		
Total	159.200	124			

INTERPRETATION

The ANOVA table provides information on the sum of squares, degree of freedom, mean square, F-value, and significance level associated with the hypothesis test. The between-groups sum of squares (SS) is 1.799 with 3 degrees of freedom (df), while the within-groups SS is 157.401 with 121 df. The total SS is 159.200 with 124 df.

The mean square for between-groups is 0.6, while the F-value is 0.461. The significance level (p-value) associated with the F-value is 0.710. Since the p-value is greater than the significance level of 0.05, there is not enough evidence to reject the null hypothesis. Therefore, we can conclude that there is no significant association between the educational qualification and the purpose behind investment based on the given data.

FINDINGS OF THE STUDY
DESCRIPTIVE STATISTICS

The descriptive statistics for the Factors influencing to make your investment decision are ranked from 'Return on investment' stood at first with the highest mean score and finally 'Social status' stood at last. The descriptive statistics for the Problems faced while making an investment are ranked from 'Low liquidity' stood at first with the highest mean score and finally 'Procedure for investment' stood at last. The descriptive statistics for the Reason for preferring the investment are ranked from 'Higher liquidity' stood at first with the highest mean score and finally 'Long term benefits' stood at last.

ANOVA ANALYSIS

- There is no significant association between the educational qualification and purpose behind investment.

CHI SQUARE

- There is no significant relationship between the monthly income and mode of investment

SUGGESTIONS

To Conduct a study to analyse the impact of financial literacy on investment patterns.

Evaluate the investment patterns of college students in comparison to their parents or family members. To Identify the challenges faced by college students in understanding the investment market and formulate strategies to overcome these challenges. To Study the impact of psychological factors, such as risk-taking behaviour, on investment patterns. To Identify and address the common misconceptions about investing among college students. Investigate the impact of economic trends on investment patterns and decision-making. Conduct research on the impact of technology on investment patterns, such as the use of mobile applications or online trading platforms.

CONCLUSION

The study also found that return on investment was the most important factor influencing investment decisions, and low liquidity was the most significant problem faced while making an investment. Additionally, there was no significant association between educational qualification and purpose behind investment, monthly income and mode of investment, and gender and level of risk undertaken in investment decisions. However, there was a significant difference in the reason for preferring the investment and the level of influencing factors to make investment decisions

Overall, the study highlights the need for financial literacy among college students, especially in understanding the investment market and making informed investment decisions. It also suggests the importance of considering return on investment and liquidity while making investment decisions and seeking expert advice to avoid common investment pitfalls. Further research is necessary to investigate investment patterns among students from different regions or backgrounds and explore the impact of economic trends and technological advancement of investment pattern.

REFERNECES

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