



An Awareness And Perception Toward Investments: A Study With Reference To College Students

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Abstract:

The significance of knowledge of finances and investing awareness cannot be emphasized in an age of changing financial markets and dynamic economic situations. People become aware more and more how vital it is to develop a comprehensive grasp of financial instruments and investing strategies as the world economy keeps shifting at a rapid rate. College students, who are prepared to enter the workforce and must negotiate the complexities of personal finance and investment decisions, are among the demographic groups leading the charge in this understanding. The objectives of this research are to evaluate the variety of investment options accessible and to learn about investors' opinions on investing. To accomplish this, a questionnaire is used to collect data for the focus group. Applying methods that are both quantitative and qualitative. In accordance with the research's results, college students today are progressively learning about investing.

Keywords: Investment, Awareness and Perception

Introduction:

The financial choices made during the formative years of higher education can significantly shape an individual's financial future. College students, often balancing academic pursuits with newfound financial independence, are exposed to a multitude of investment opportunities and challenges. The awareness and perception of investments among this demographic are crucial not only for their personal fiscal well-being but also for the broader economic landscape as these individuals become integral contributors to the workforce and society.

This study aims to delve into the awareness and perception of investments among college students, shedding light on the factors influencing their attitudes towards financial markets, risk tolerance, and decision-making processes. By understanding the dynamics that shape the investment mindset of college students, educators, policymakers, and financial institutions can tailor strategies to enhance financial

literacy programs, ultimately empowering the next generation to make informed and prudent investment choices.

The exploration of investment awareness among college students is particularly pertinent as technological advancements and globalization have democratized access to financial markets, providing unprecedented opportunities and challenges. This study seeks to bridge the gap between theoretical financial education and practical investment acumen, offering insights that can contribute to the development of targeted educational interventions and policy recommendations.

Through a comprehensive examination of the factors shaping investment awareness and perception, this research endeavors to contribute valuable knowledge to the fields of financial education and behavioral economics. By illuminating the nuances of how college students approach investments, this study aims to facilitate a more profound understanding of the evolving dynamics within the financial landscape, paving the way for informed decision-making and financial success among the next generation of investors.

Review of literature

As far as the respondents' knowledge and awareness of how to follow stock market news, their familiarity with commonly traded financial instruments, and their return on investment in the market are concerned, there is no discernible correlation between variables like age, gender, and years of study. Ulchi Venkata Sumalatha and Manorselvi, A. (2019)

Several researchers have investigated how peers and social networks affect investing decisions. Research by Gennaioli et al. (2013) and Hong and Stein (1999) highlight how social interactions influence people's views regarding risk and their investment decisions. According to research by Lusardi and Mitchell (2006), college students' financial literacy and knowledge of investments can be greatly impacted by their socioeconomic status. Pupils from disparate socioeconomic backgrounds might have encountered financial concepts and investment opportunities at different levels, which could have an impact on their perspectives and choices.

The survey indicates that students view stock market trading as a time-consuming risk due to numerous of factors. Consequently, it is imperative that students receive adequate education regarding the stock market and are motivated to participate in it, as this indirectly advances the country's economy. Shetty, Shan Kumar (2021).

The study by Shinki K. Pandey and Abhishek Vishwakarma claims that their main objective was to ascertain the investment preferences of India's younger population. Finding out the respondent's preferences for different available investment possibilities is the goal. Though some people are still tempted to less risky options like bank savings and post office deposits, young investors are therefore more likely to maximize their capital through investment vehicles like mutual funds and the stock market.

The article makes an effort to understand investors' perspectives and levels of awareness regarding young people. The basic data used in this study was gathered from young investors in the Anand districts. It has

been discovered that young investors know very little about available investing options. The government ought to advocate raising investing awareness in order to increase savings and investment. (Dr. Sarfaraj Mansuri 2019)

The present study examines the critical role that investors play in the expansion of the economy. Therefore, to effectively plan their investments, prepare for the future, and understand how to share this wealth, investors must have a thorough understanding of the risk-reward trade-offs associated with this instrument. I think it's critical to comprehend awareness, particularly in the context of students, to improve their understanding of and ability to make financial decisions. Regression analysis was used in this study to evaluate a theoretical relationship between channels for market communication, obstacles to entry, and perceptions of information availability. Houriyah Alnakhli & Shabir (2021),

Research methodology

Scope of the Research Study

The present study is undertaken as an empirical study on awareness and perception toward investments: a study concerning college students. For this purpose data was collected from 132 college students. The study is mainly based on primary data. Primary data was collected through questionnaires and personal meetings with college students.

Objective of the Study

1. To find out level of awareness about investment in college students.
2. To know perception of college students toward investment.

Data Analysis

Table1 Gender of Respondents

	Frequency	Percent
Male	87	65.9
Female	45	34.1
Total	132	100.0

The above table shows the gender of respondent. It is show that 65.9% respondents are ale and 34.1% respondents are female.

Table: 2 Awareness about various instruments of investment

Investment		Frequency	Percent
Savings Accounts	Yes	132	100.0
	No	0	0.0
Bank fixed Deposits	Yes	132	100.0
	No	0	0.0
Public Provident Fund	Yes	66	50.0
	No	66	50.0
National Saving Certificates	Yes	77	58.3
	No	55	41.7
Post Office savings	Yes	111	84.1
	No	21	15.9
Government security	Yes	104	78.8
	No	28	21.2
Mutual Funds	Yes	116	87.9
	No	16	12.1
Life Insurance.	Yes	132	100.0
	No	0	0.0
Bonds	Yes	68	51.5
	No	64	48.5
Equity Share Market	Yes	132	100.0
	No	0	0.0
Commodity Market	Yes	61	46.2
	No	71	53.8
FOREX Market	Yes	45	34.1
	No	87	65.9
Real Estate (property)	Yes	59	44.7
	No	73	55.3
Gold/Silver	Yes	68	51.5
	No	64	48.5
Chit Funds	Yes	31	23.5
	No	101	76.5

The above table shows investment awareness and frequencies among surveyed students. It is evident that savings accounts and bank fixed deposits are universally popular, with a 100% awareness rate in both categories. Public Provident Fund sees a balanced distribution, with 50% of respondents opting for it. National Saving Certificates are favored by 58.3% of individuals, and Post Office savings attract a substantial majority at 84.1%. Government securities have a commendable participation rate of 78.8%. Mutual funds are widely embraced, with 87.9% of respondents aware with this investment avenue. Life insurance is universally adopted, securing a 100% participation rate.

In terms of market investments, the equity share market commands full participation, whereas the commodity market, FOREX market, and real estate witness varying degrees of engagement. Commodity market participation stands at 46.2%, the FOREX market at 34.1%, and real estate at 44.7%. Gold/silver

investments are chosen by 51.5% of respondents. Chit funds, however, have a lower participation rate, with only 23.5% of individuals opting for this form of investment.

Table: 3 Source of Information received by students.

	Frequency	Percent
Television	11	8.3
Internet	58	43.9
Newspaper / Journals	47	35.6
Friends / Relatives	16	12.1
Total	132	100.0

The data suggests that the internet is the most preferred source of information among students, with a substantial 43.9% relying on online platforms. This aligns with the digital age, where online resources provide quick and diverse information. Newspapers and journals still maintain relevance, capturing the attention of 35.6% of students who value traditional print media. Television plays a comparatively minor role, being the least favored source at 8.3%. Additionally, a notable portion of students (12.1%) gains information through interpersonal connections with friends and relatives. Overall, this distribution reflects the diverse ways in which students access and consume information in the modern information landscape.

Table: 4. What is Objective of investment?

	Frequency	Percent
Income	66	50.0
Growth	20	15.2
Tax benefit	14	10.6
Safety	32	24.2
Total	132	100.0

The above data indicate that basic objectives of investment. Income generation stands out as the most common objective, indicating a focus on earning regular returns from investments. Growth and safety are also important considerations for a significant portion of respondents, with 15.2% aiming for capital appreciation and 24.2% prioritizing the safety of their investments. Additionally, a smaller but still notable group (10.6%) is motivated by tax benefits, emphasizing the importance of tax planning in investment decisions. This diversity in investment objectives reflects the varied financial goals and risk tolerances among the surveyed individuals.

ANOVA					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	6.523	1	6.523	4.232	.042
Within Groups	200.386	130	1.541		
Total	206.909	131			

The F-value (4.232) and the associated p-value (0.042) suggest that there is a significant difference between at least two of the group means. It means to reject the null hypothesis.

Table: 5. Opinion of investment

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
Investment bit Inflation	0	6	22	69	35	132
	0	4.5	16.7	52.3	26.5	100.0
Investment gives benefit in Retirement	6	12	18	34	62	132
	4.5	9.1	13.6	25.8	47.0	100.0
Investment helps to meet unplanned expenses	21	29	54	16	12	132
	15.9	22.0	40.9	12.1	9.1	100.0
Investment enables luxury spending	0	16	20	69	27	132
	0	12.1	15.2	52.3	20.5	100.0

The table illustrates respondents' opinions on various aspects of investment, presenting both raw counts and percentages. Notably, a significant majority of participants, totaling 78.8%, agree that investment is effective in addressing inflation. Moreover, a substantial 72.8% express the belief that investment yields benefits in retirement, while sentiments are more divided regarding its role in meeting unplanned expenses, with 40.9% remaining neutral. Interestingly, a considerable 72.8% agree that investment enables luxury spending. Overall, the data suggests a positive perception of investment's efficacy in managing financial concerns, particularly in the context of inflation and retirement, although opinions vary regarding its impact on unplanned expenses.

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.	Hypothesis result
Investment bit inflation	Between Groups	12.612	1	12.612	23.978	.000	Null hypothesis is rejected
	Within Groups	68.380	130	.526			
	Total	80.992	131				
Investment gives benefit in Retirement	Between Groups	2.928	1	2.928	2.126	.147	Null Hypothesis is not Rejected
	Within Groups	179.042	130	1.377			
	Total	181.970	131				
Investment helps to meet unplanned expenses	Between Groups	86.218	1	86.218	134.228	.000	Null Hypothesis is Rejected
	Within Groups	83.502	130	.642			
	Total	169.720	131				
Investment enables luxury spending	Between Groups	29.297	1	29.297	49.482	.000	Null Hypothesis is Rejected
	Within Groups	76.969	130	.592			
	Total	106.265	131				

The ANOVA results suggest significant differences in perceptions related to investment in the contexts of inflation, meeting unplanned expenses, and enabling luxury spending. However, there is no significant difference in opinions about the benefits of investment in retirement.

Conclusion

In conclusion, the data reflects a mix of high awareness in traditional and government-backed investments, moderate awareness in market investments, and lower awareness in certain specific investment options. This information can be valuable for financial institutions, policymakers, and educators to tailor their strategies and initiatives to improve financial literacy and promote a well-rounded understanding of investment options among the public. And also the data reveals varying attitudes towards investments, with recognition of their role in beating inflation, supporting retirement, and managing unplanned expenses. However, there is diversity in opinions, indicating the importance of financial education to align expectations and goals related to investments.

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