



A Study on Perception of Investors towards Investment Avenues

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ABSTRACT

This report analyses the perception of investors towards various investment avenues. The main objective of the study is to measure the impact of demographic factors on the investors' choice of investment and to analyse the decision of the investors towards various investment avenues across various factors followed by an attempt to elucidate the factors that influence the investors' preferential selection of various investment options. The study concludes that investments by the investors towards various investment avenues that were done with the expectation of capital appreciation and earnings comprising both short-term and long-term periods.

Keywords: investment avenues, demographic factors, capital appreciation

1. Introduction

An investment is an asset or item acquired with the goal of generating income or appreciation. Appreciation refers to an increase in the value of an asset over time. When an individual purchases a good as an investment, the intent is not to consume the good but rather to use it in the future to create wealth. An investment always concerns the outlay of some capital today – time, effort, money or an asset – in hopes of a greater payoff in the future than what was originally put in. For example, an investor may purchase a monetary asset now with the idea that the asset will provide income in the future or will later be sold at a higher price for a profit.

2. Review Papers

Author: Gaurav Agrawal, Dr. Mini Jain

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Author wants to say that in today's competitive environment, different kinds of investment avenues are available to the investors. All investment modes have advantages and disadvantages. An investor tries to balance these benefits and shortcomings of different investment modes before investing in them. Among various investment modes, mutual fund is the most suitable investment mode for the common man, as it offers an opportunity to invest in a diversified and professionally managed portfolio at a relatively low cost. In this paper, an attempt is made to study mainly the investment avenue preferred by the investors of Mathura, and we have tried to analyse the investor's preference towards investment in mutual funds when other investment avenues are also available in the market.

Author: K. Jothilingam, Dr. K.V. Kannan

Published on: February, 2013

Author says that investors have a lot of investment avenues to park their savings. The risk and returns available from each of these investment avenues differ from one avenue to another. The investors expect more returns with relatively lesser risks. In this regard, the financial advisors and consultants offer various suggestions to the investors. The available literature relating to investors' attitude towards investment avenues is very little and failed to provide a lot of information. An attempt has been made in this study to find out the main objective of investors in India towards making investments and to assess the investors' attitude towards the investment avenues. The demographic variables and objectives of the investors have been obtained from the respondents and the relationship between these variables and objectives has been computed. The attitude of the respondents towards the selected investment avenues has been ranked. The study also offers suggestions for the marketers of financial services.

Author: Dr. P. Amaraveni, Mrs. M Archana

Published on: 7 July, 2018

Investment is the employment of funds with the aim of getting return on it. In general terms, investment means the use of money for hope of making more money. Investment is the commitment of funds which have been saved from current consumption with the hope that some benefits will be received in future. Thus, it is a reward for waiting for money. There are two types of investments – economic investment and financial investment. Economic investment means addition to the capital stock of the society which is used in the production of the goods such as production of new and productive capital in the form of new construction and producers durable instrument such as plant and machinery, inventories and human capital.

3. Research Methodology

Research design

A research design is purely and simply the framework of plan for a study that guides the collection and analysis of data. The study is intended to find the investors who invest in investment avenues. The study design is descriptive in nature.

Research Objective

- To check where people are investing their money
- To know the views of people towards investment avenues
- To know in which company people are most investing his money
- To know the purpose of people behind investment

Type of Research – Descriptive

Descriptive study is a fact-finding investigation with adequate interpretation. It is the simplest type of research and is more specific. Mainly designed to gather descriptive information and provides information for formulating more sophisticated studies.

Sampling design

1. Selection of study area: the study area is in Vadodara
2. Selection of the sample size: 100 sampling methods

Convenience method of sampling is used to collect the data from the respondents. About 100 samples were collected from Vadodara city and respondents come from various fields such as job work, some businessmen, some are in profession.

4. Summary and Conclusion

4.1 Findings:

- majority of the active and regular investors belong to accountancy and related employment.
- Very few people belong to non-financial and some other occupations
- Percentage of income that people invest depends on their annual income
- Most investors prefer to put their funds in avenues like bank, life insurance, mutual funds and gold
- Women are attracted towards investing gold more than any other investment avenue
- Increase in age decreases the risk tolerance level
- Most of the investors are financial illiterates

- The investors’ decisions are based on their own initiative

4.2 Conclusion:

- This study has important implications for an investment manager.
- One of the most important facts that has come into light is that an individual investor still prefers to invest in financial products which give risk-free returns.
- The Indian investors are very much concerned about the concept of risk and return of the investment
- In India, purchase of gold and land are two most ideal forms of investment
- This confirms that even if Indian investors have high income, are well-educated, salaried, independent, they are conservative investors and prefer to play safe
- They follow the mantra “Prevention is better than Cure”
- Indian investors expect maximum income with minimal risk.

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