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Stock Market Analysis of investors about their investment

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Abstract: The importance of an investment decision can't be overstated because it entails accepting a risk in exchange for a potential reward. Because the stock market is so unpredictable and volatile, investors must be cautious when making decisions and carefully consider the market trend. Investors become enraged as a result of their own evaluation of the stock market and the specific business whose shares are quoted on the stock market. The three sources of guidance for investors in making their investment decision are self analysis based on own judgement and experience, brokers or friends who are involved in the investment, media reports and reviews of stock market trends, and experts who have special knowledge about the stock market. Investors with degree and post-graduate levels of education have shown a preference for making their own decisions rather than following the advise of brokers. However, investors with a background in agriculture have tended to rely more on brokers, media analysis, and professional advice. Business and employee investors favored making their own decisions and following friends' and brokers' recommendations.

INTRODUCTION

Financial Services Industry

Financial services, which are typically provided by financial institutions to their clients, are also known as economic services. Financial services are provided by a wide range of companies, including credit unions, banks, credit card companies, insurance companies, auditing firms, accounting firms, stock brokerage firms, and others. Almost all of the economically developed nations in the world have these businesses. In India, the financial services sector is expanding quickly. We can observe the same pattern of growth in both already established and recently founded ones. The Indian government has supported this by enacting a number of measures to liberalize, develop, and regulate this sector in the nation.

Characteristics of Financial Services:

1. Financial services are intangible in nature.
2. They act as a link between investor and broker.
3. They are customer oriented.

Financial services and their types:

1. CAPITAL MARKET SERVICES:

Capital market services refers to financing organizations which mainly provide for longterm.

2. MONEY MARKET SERVICES:

In case of money market services financing firms will provide loans for short term.

FUND BASED AND FEE BASED SERVICES:

Fund based services are services where consumers will acquire any assets or funds. It includes mainly the following;

- Factoring
- Hire purchase
- Leasing
- Forfeiting
- Mutual funds

Significance and Importance of financial services in present situation:

1. It provides financial support for economic growth and development of the country.
2. It helps to implement monetary and debt management government policies.
3. It works for fund syndication.
4. It helps in making financial decisions.

REVIEW OF LITERATURE:

Wilcox (2002) conducted a study on investors' preferences for stock mutual funds, presenting the results of a combined analysis of 50 investors. "Investors weighted past performance more than fee structure," he said in his conclusion. When choosing mutual funds, wealthy and knowledgeable investors are more biased in favour of load. But according to the authors, "previous success is not the only assurance of future return. Although there are other aspects that influence decision-making, investors make mistakes of cognition when choosing funds.

Walia et, al Conducted a study on how investors perceive risk when using mutual fund services. The study's key finding is that "investors want innovative products and want to enhance existing services' quality." In this study, they identified characteristics that contributed to discontent as well as investor expectations. In this study, it is emphasised that changes to the mutual fund portfolio should be made in accordance with investor expectations.

Kiran D et, al Identified investor group divisions were created utilizing two statistical techniques, Multinomial Logistic Regression (MLR) and Factor Analysis, in conjunction with the demographic and psychographic characteristics of investors.

James et, al observed and decided that "investors in institutional funds are more reactive to risk-adjusted performance than are investors in retail funds. Institutional fund investors are less reactive to raw performance."

Objectives of the study:

To analyze the influencing factors of the investment decisions of investors in Company: Factors including – Demographical factors, Economic Factors, etc. which will affect the decisions of investors in their stock market investments.

Comparative study of investor's perceptions regarding with other stock broking companies: The other stock broking companies which are located in and around the Mangalore. To find out the competition among stock broking agencies in the region.

Scope of the study:

The particular study will be constrained to investigate investor's perception and satisfaction achieved by the company services. It is helpful in developing more investor attracting measures by the company.

DATA COLLECTION METHODS:

Both primary sources of data and secondary sources of data are being used to analyze the topic.

Primary Data: The study almost depended on the primary data which is collected through questionnaire by investors. The methods used are questionnaire and interview.

Secondary Data: Sources which are required for analysis of primary data are collected by secondary sources. It includes text books, journals, articles, web sites

Data analysis and Interpretation

Primary source of data collected by questionnaire and oral interview method gives the following results.

Factors influencing the investment decisions: Multivariate tests:

Effects		Value (V)	Freq. (F)	Hypot-thesis df	Error df	Sig. (p)	Noncent Parameter	Observed Power ^b
Intercept.	Pillais' Trace	0.973	6.727E2 ^a	2	38	0	1345.36	1
	Wilk's Lambda	0.027	6.727E2 ^a	2	38	0	1345.36	1
	Hotellings' Trace	35.404	6.727E2 ^a	2	38	0	1345.36	1
	Roys' Largest Root	35.404	6.727E2 ^a	2	38	0	1345.36	1
Age.	Pillais' Trace	0.347	4.087	4	78	0.005	16.347	0.9
	Wilk's Lambda	0.677	4.090 ^a	4	76	0.005	16.361	0.899
	Hotellings' Trace	0.442	4.088	4	74	0.005	16.353	0.899
	Roys' Largest Root	0.339	6.610 ^c	2	39	0.003	13.221	0.889
Gender	Pillais' Trace	0.185	4.300 ^a	2	38	0.021	8.6	0.714
	Wilk's Lambda	0.815	4.300 ^a	2	38	0.021	8.6	0.714
	Hotellings' Trace	0.226	4.300 ^a	2	38	0.021	8.6	0.714
	Roys' Largest Root	0.226	4.300 ^a	2	38	0.021	8.6	0.714
Marital Status	Pillais' Trace	0.213	5.147 ^a	2	38	0.011	10.295	0.794
	Wilk's Lambda	0.787	5.147 ^a	2	38	0.011	10.295	0.794
	Hotellings' Trace	0.271	5.147 ^a	2	38	0.011	10.295	0.794
	Roys' Largest Root	0.271	5.147 ^a	2	38	0.011	10.295	0.794
Educational Background	Pillais' Trace	0.077	0.78	4	78	0.542	3.119	0.239
	Wilk's Lambda	0.924	.768 ^a	4	76	0.549	3.074	0.236
	Hotellings' Trace	0.082	0.757	4	74	0.557	3.027	0.232

	Roys' Largest Root	0.072	1.400 ^c	2	39	0.259	2.8	0.282
Occupation/ Profession	Pillais' Trace	0.21	1.528	6	78	0.18	9.167	0.559
	Wilk's Lambda	0.795	1.537 ^a	6	76	0.178	9.22	0.561
	Hotellings' Trace	0.25	1.543	6	74	0.176	9.259	0.562
	Roys' Largest Root	0.218	2.828 ^c	3	39	0.051	8.485	0.634

We can see from the table Wilk's Lambda parameter age has some statistical significant effect on long term stands in stock market investment venue, such as stocks, debentures, etc. (F=4.090,p=0.005).

We can see from the table Wilk's Lambda parameter Gender may have some statistical significant effect on long term stands in stock market investment venue, such as stocks, debentures, etc. (F=4.300,p=0.021).

We can see from the table Wilk's Lambda parameter Marital Status has some statistical significant effect on long term stands in stock market investment venue, such as stocks, debentures, etc. (F=5.147,p=0.011).

We can see from the table Wilk's Lambda parameter Educational Background has no statistical significant effect on long term stands in stock market investment venue, such as stocks, debentures, etc. (F=0.768,p=0.549).

We can see from the table Wilk's Lambda parameter Educational Background has no statistical significant effect on long term stands in stock market investment venue, such as stocks, debentures, etc. (F=0.768,p=0.549).

We can see from the table Wilk's Lambda parameter Occupation/Profession has no statistical significant effect on long term stands in stock market investment venue, such as stocks, debentures, etc. (F=1.537,p=0.178).

Factors influencing the investment decisions: Tests of between-subjects effects:

Sources	Dependent Variable (DV)	Type III Sum of Squares	df	Mean Square	Freq. (F)	Sign. (p)	Partial Eta. Squared	Noncent Parameter	Observed Power ^b
Corrected Model	Year of experience in stock market investment	33.870 ^a	35	0.968	3.806	0	0.774	133.203	1
	No. of earning members	15.197 ^c	35	0.434	1.575	0.084	0.586	55.132	0.916
Intercept	Year of experience in stock market investment	195.213	1	195.213	767.73	0	0.952	767.73	1
	No. of earning members	215.053	1	215.053	780.193	0	0.952	780.193	1
Age	Year of experience in stock market investment	1.467	2	0.734	2.885	0.068	0.129	5.771	0.532

	No. of earning members	2.898	2	1.449	5.257	0.01	0.21 2	10.514	0.80 4
Gender	Year of experience instock market investment	1.823	1	1.823	7.169	0.01 1	0.15 5	7.169	0.74 2
	No. of earning members	0.251	1	0.251	0.91	0.34 6	0.02 3	0.91	0.15 4
Marital Status	Year of experience instock market investment	2.616	1	2.616	10.289	0.00 3	0.20 9	10.289	0.87 9
	No. of earning members	0.005	1	0.005	0.018	0.89 4	0	0.018	0.05 2
Educational Background	Year of experience instock market investment	0.688	2	0.344	1.353	0.27	0.06 5	2.707	0.27 4
	No. of earning members	0.112	2	0.056	0.202	0.81 8	0.01	0.405	0.07 9
Occupation/ Profession	Year of experience instock market investment	1.569	3	0.523	2.057	0.12 2	0.13 7	6.171	0.48 7
	No. of earning members	1.223	3	0.408	1.479	0.23 5	0.10 2	4.436	0.36

We can see from the table that age has some statistical significant effect on long term stands in stock market investment venue, such as stocks, debentures, etc. ($F(2,75)=2.885, p=0.068, \text{partial } \eta^2=0.129$), and has no statistical significant effect on number of earning members in a family ($F(2,75)=5.257, p=0.010, \text{partial } \eta^2=0.212$).

We can see from the table that gender may have some statistical significant effect on both long term stands in stock market investment venue, such as stocks, debentures, etc. ($F(1,75)=7.169, p=0.011, \text{partial } \eta^2=0.155$), and has no statistical significant effect on number of earning members in a family ($F(1,75)=0.910, p=0.346, \text{partial } \eta^2=0.023$).

We can see from the table that Marital Status has some statistical significant effect on both long term stands in stock market investment venue, such as stocks, debentures, etc. ($F(1,75)=10.289, p=0.003, \text{partial } \eta^2=0.209$), and has no statistical significant effect on number of earning members in a family ($F(1,75)=0.018, p=0.894, \text{partial } \eta^2=0.000$).

Multiple Comparisons:

Dependent Variable (DV)	(I) Age	(J) Age	Mean difference (I-J)	Standard Error(SE)	Sig. (p)	95% Confidence Interval	
						Lower Bound	Upper Bound
Year of experience in stock market investment	20-40	40-60	-.67*	0.128	0	-0.98	-0.36
		Above 60	-1.42*	0.262	0	-2.06	-0.78
	40-60	20-40	.67*	0.128	0	0.36	0.98
		Above 60	-.75*	0.273	0.024	-1.42	-0.08
	Above 60	20-40	1.42*	0.262	0	0.78	2.06
		40-60	.75*	0.273	0.024	0.08	1.42
No. of earning members	20-40	40-60	.44*	0.133	0.005	0.12	0.77
		Above 60	0.08	0.273	0.95	-0.58	0.75
	40-60	20-40	-.44*	0.133	0.005	-0.77	-0.12
		Above 60	-0.36	0.284	0.425	-1.05	0.33
	Above 60	20-40	-0.08	0.273	0.95	-0.75	0.58
		40-60	0.36	0.284	0.425	-0.33	1.05

We can see from the table that age group 20-40 and 40-60 has strong statistical significant effect on long term stands in stock market investment venue, such as stocks, debentures, etc. ($p < 0.0005$), and has some significant effect on number of earning members in a family ($p = 0.005$).

We can see from the table that age group 20-40 and Above 60 has strong statistical significant effect on long term stands in stock market investment venue, such as stocks, debentures, etc. ($p < 0.0005$), and has no significant effect on number of earning members in a family ($p = 0.950$).

We can see from the table that age group 40-60 and Above 60 has some statistical significant effecton both long term stands in stock market investment venue, such as stocks, debentures, etc. ($p = 0.024$), and has no statistical significant effect on number of earning members in a family ($p = 0.425$).

Factors.influencing.the.investment.decisions:Post hoc tests:

Dependent Variable (DV)	(I) Educational Background	(J) Educational Background	Mean Difference (I-J)	Strd. Error (SE)	Sig. (p)	95% Confidence Interval	
						Lower Bound	Upper Bound
Year.of experiencein stock market investment	College Education	Professional	-.52*	0.135	0.001	-0.84	-0.19
		Others	-0.34	0.184	0.162	-0.79	0.1
	Professional	College Education	.52*	0.135	0.001	0.19	0.84
		Others	0.17	0.202	0.674	-0.32	0.67
	Others	College Education	0.34	0.184	0.162	-0.1	0.79
		Professional	-0.17	0.202	0.674	-0.67	0.32
	College	Professional	-0.24	0.141	0.212	-0.58	0.1

No. of earning members	Education	Others	-0.17	0.191	0.654	-0.64	0.3
	Professional	College Education	0.24	0.141	0.212	-0.1	0.58
		Others	0.07	0.211	0.937	-0.44	0.59
	Others	College Education	0.17	0.191	0.654	-0.3	0.64
		Professional	-0.07	0.211	0.937	-0.59	0.44

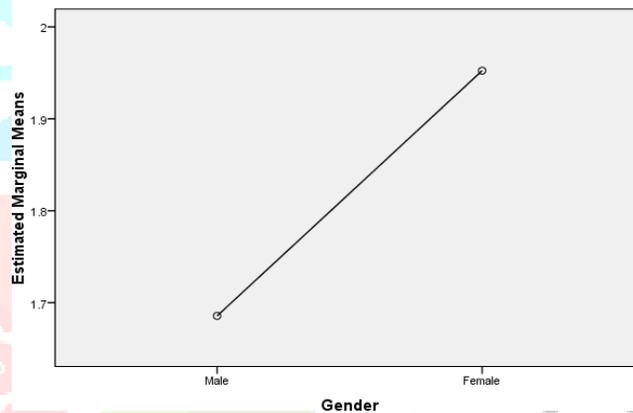
The error term is mean square (Error) = 0.276.

The mean difference is significant at the 0.05 level..

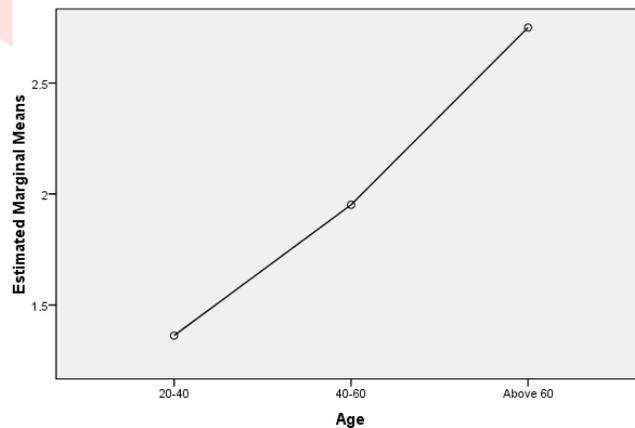
We can see from the table that Educational Background of College education and Profession has some statistical significant effect on both long term stands in stock market investment venue, such as stocks, debentures, etc. (p=0.001), and has no statistical significant effect on number of earningmembers in a family (p=0.212).

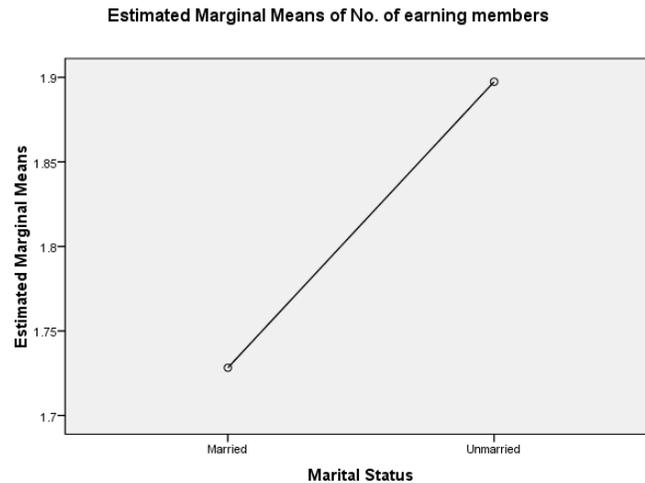
We can see from the table that Educational Background of College education and Other has no statistical significant effect on both long term stands in stock market investment venue, such as stocks, debentures, etc. (p=0.162), and number of earning members in a family (p=0.654).We can see from the table that Educational Background of Profession and Other has no statistical significant effect on both long term stands in stock market investment venue, such as stocks, debentures, etc. (p=0.674), and number of earning members in a family (p=0.937).

Estimated Marginal Means of No. of earning members



Estimated Marginal Means of Year of experience in stock market investment





CONCLUSION

This study examined how investors perceive stock market investments in the Company . It also examined how, what, when, and why people make their investments. How services offered by a stock broking ltd. satisfy investor's expectations. It is regarded as a crucial performance indicator in the stock market. Additionally, this study is restricted to investors in the company. If the sample size is increased, the outcome can change.

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