UNVEILING GENDER DYNAMICS IN FINANCIAL AWARENESS AND RISK PERCEPTIONS AMONG COLLEGE GOING STUDENTS

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Abstract:
This research delves into the awareness levels of college-going students, focusing on gender-specific insights regarding financial products for investment and risk perception. Assuming a foundational financial knowledge, the study aims to understand the awareness and risk preferences of future investors—college students. Through a questionnaire distributed to 179 participants, the data suggests a general awareness of financial products without significant gender-based differences. Additionally, the study reveals that gender does not play a significant role in shaping risk perception among college students. Furthermore, the interaction between investment awareness and gender does not impact risk perception. These findings provide valuable insights for financial institutions, banks, and the financial market to view college students as potential customers, emphasizing the importance of addressing their needs irrespective of gender.
Key Words: Financial Products, Investments, risks, college-going students

Introduction:
In the dynamic realm of financial markets, characterized by a multitude of offerings with varying risk-return profiles, a crucial consideration is understanding the awareness levels and risk perceptions of emerging investors gender-wise, specifically among college-going students. The evolving mindset of these future generations has the potential to reshape financial markets and product dynamics, influencing perspectives on risk and returns. This research aims to assess the awareness levels of college students regarding various investment options, assuming a foundational understanding of fundamental financial concepts such as budgeting, regular savings, and interest rates. Additionally, the study seeks to explore gender-specific risk perceptions of future investors in relation to investment options.

The insights derived from this research can offer valuable input to financial institutions, enabling them to design innovative financial products tailored to meet the evolving needs of future investors. Furthermore, the outcomes of this study can assist higher educational institutions in planning workshops, seminars, and conferences aimed at elevating students' awareness of diverse financial products and services, fostering financial literacy. Ultimately, this research contributes to empowering students with the knowledge needed to comprehend investment options, assess associated risks and returns, and make informed financial decisions.

Objectives:
1) To know the awareness level of college going students about the various financial products.
2) To examine the differences in the level of awareness related to various financial products gender-wise.
3) To know the risk perception towards financial products.
4) To understand gender-wise differences in the risk perception of college going students.

5) To study the interrelationship between level of awareness and gender on the risk perception of college going students.

The following hypothesis have been tested in the study:
1 H0: There is no significant gender-wise differences in the level of awareness about various financial products.
2. H0: There is no significant differences in the risk perception towards financial investments options gender-wise.
3. H0: There is no significant relationship between the level of awareness about financial products and gender on the risk perception of college going students.

Review of Literature:
Financial literacy and awareness among college students have garnered considerable attention in recent times. Various studies have been conducted to examine the level of awareness of college students concerning various financial products. Some researches pointed out that the college going students are aware of fundamental financial concepts (Mandell & Klein, 2009), some studies found out there is significant gap in the financial understanding of various investment options and that even the students opting courses related to the financial level awareness have the same level of financial awareness as compared to the students not opting such courses (Hastings et al., 2013). Several studies have also been conducted to understand the attitude of college going students towards risk as it has a significant impact on the investments choices.
Various researches have been conducted to assess the gender-based differences in financial literacy and risk perception.Some researches found out that there is not much differences in the level of awareness and risk perception towards various financial products suggest minimal variations (Robb & Sharpe, 2009), others propose distinct gender-related patterns in financial awareness and decision-making (J.K. Nga et al.,2010, Chen et al., 2002).

Data Analysis and Interpretation:
A structured questionnaire was circulated among the college going students pursuing graduation and post-graduation in Delhi and NCR. The questionnaire was divided into three major sections-Section A consisted of demographic details of the participants like age, gender, education level, family income, etc., Section B consisted of questions to determine the awareness level towards various financial products. A total of 11 questions were covered in this section. Section C consisted of questions to understand the risk perception of students. A total of 12 questions were given to test the risk perception. A total of 179 responses were collected and analysed to test the hypothesis and meet the objective of the research.

Results and discussions:

1: Demographic Characteristics: A total of 179 responses were collected. The demographic details of the respondents like males, females, educational background, family income etc. are mentioned in table1, table 2 and table 3 respectively.

Table 1

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	MALE	119	66.5	66.5	66.5
	FEMALE	60	33.5	33.5	100.0
	Total	179	100.0	100.0	

Table 2

Educational Background

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	GRADUATION	153	85.5	85.5	85.5
	POST GRADUATION	26	14.5	14.5	100.0
	Total	179	100.0	100.0	

Table 3

Annual Family Income

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	UPTO RS. 10,00,000	134	74.9	75.7	75.7
	10,00,000-20,00,000	31	17.3	17.5	93.2
	20,00,000 ABOVE	12	6.7	6.8	100.0
	Total	177	98.9	100.0	
Missing	System	2	1.1		
Total		179	100.0		

2: Reliability

Cronbach alpha test was used to ascertain the reliability or internal consistency of test items. The questionnaire was administered through google forms. The questionnaire was then coded and keyed into SPSS for analysis. The test items showed the cronbach alpha coefficient of .707 (awareness level for financial products), table 4 and .767 respectively, table 5 (for risk perception). Thus, the test items are internally consistent and reliable.

Awareness level for financial products among college going students

Reliability Statistics

Table 4

Cronbach's Alpha	N of Items
.707	11

Risk perception: preferences for risk or returns

Reliability Statistics

Table 5

Cronbach's Alpha	N of Items
.767	12

III: Sample Characteristics

Normality: A Shapiro-Wilk's test and a visual inspection of their histograms, normal Q-Q plots, and the box plots showed that the investment awareness level for both males and females were approximately normally distributed, with skewness of .175 (SE=.222) and Kurtosis of -.763 (SE=.440) for the males and skewness of .541 (SE=.309) and Kurtosis of -.253 (SE=.608).

Table 6:

Tests of Normality

	Gender	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
		Statistic	Df	Sig.	Statistic	df	Sig.
Investment awareness	MALE	.101	119	.004	.967	119	.005
	FEMALE	.124	60	.022	.958	60	.036

A Shapiro-Wilk's test and a visual inspection of their histograms, normal Q-Q plots, and the box plots showed that the risk perception level for both males and females were approximately normally distributed, with skewness of -.287 (SE=.222) and Kurtosis of -.298 (SE=.440) for the males and skewness of -.295 (SE=.309) and Kurtosis of -.054 (SE=.608).

Table: 7

Tests of Normality

	Gender	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
		Statistic	df	Sig.	Statistic	df	Sig.
Risk perception	MALE	.113	119	.001	.966	119	.004
	FEMALE	.111	60	.063	.960	60	.048

To test the hypothesis 1 that is there is no significant gender-wise differences in the level of awareness about various financial products, t-test was performed. The table 8 shows that the mean of Investment awareness level of men is 1.9626 and that of female is 1.8638

Table: 8

Group Statistics

	Gender	N	Mean	Std. Deviation	Std. Error Mean
Investment awareness	MALE	119	1.9626	.51825	.04751
	FEMALE	60	1.8638	.50348	.06500

Table: 9

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Investment awareness	Equal variances assumed	.111	.739	1.215	177	.226	.09878	.08129	-.06163	.25919
	Equal variances not assumed			1.227	121.533	.222	.09878	.08051	-.06061	.25816

The results of independent t test revealed the p value of .226 which is greater than .05, the alpha value, implying that the differences in the means are not statistically significant and hence we accept our null hypothesis. There is no significant gender-wise differences in the level of investment awareness. Both male and female have equal awareness level for investment products.

To test the hypothesis 2 that is there is no significant gender-wise differences in the risk perception, t-test was performed. The table 10 shows that the mean values of risk perception of men is 2.1448 and that of female is 2.1452.

Table 10

Group Statistics

	Gender	N	Mean	Std. Deviation	Std. Error Mean
Risk perception	MALE	119	2.1448	.51792	.04748
	FEMALE	60	2.1452	.50107	.06469

Table 11

Independent Samples Test

| | | Levene's Test for Equality of Variances | | t-test for Equality of Means | | | | | | |
| | | F | Sig. | t | df | Sig. (2-tailed) | Mean Difference | Std. Error Difference | 95% Confidence Interval of the Difference | |
									Lower	Upper
Risk perception	Equal variances assumed	.257	.613	-.005	177	.996	-.00039	.08113	-.16049	.15971
	Equal variances not assumed			-.005	121.985	.996	-.00039	.08024	-.15924	.15846

The result of independent t-test reveals p value of .996 which is greater than .05, the alpha value, implying that the differences in the means are not statistically significant and hence we accept our null hypothesis. There is no significant gender-wise differences in the risk perception of college going students. Both male and female have same risk perception.

Table: 12

Tests of Between-Subjects Effects

Dependent Variable:　Risk perception

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	20.850[a]	37	.564	3.102	.000
Intercept	464.658	1	464.658	2557.702	.000
Investmentawareness	18.924	20	.946	5.208	.000
Gender	.071	1	.071	.393	.532
Investmentawareness * Gender	.608	16	.038	.209	1.000
Error	25.615	141	.182		
Total	869.998	179			
Corrected Total	46.466	178			

a. R Squared = .449 (Adjusted R Squared = .304)

Table 12 also reveals that the significance value of interaction between investment awareness and gender on risk perception is 1 which is greater than 0.05. Thus, the interaction between investment awareness and gender does not have any significant impact on the risk perception and therefore, we retain the null hypothesis.

Findings and conclusions:

The findings suggest that both male and female specifically belonging to the college going population have the same level of financial awareness about various financial products which is contradictory to the finding of many researches conducted earlier. Equal level of awareness have been found in both the genders. This result is very much beneficial to the financial institutions and financial markets as they can adopt the same strategy to target both the gender. The study also revealed that both males and females share the same risk perception, this result contradicts to previous researches (Manish and Vyas, 2011, Robert et.al, 2010) as the outcomes to various researches conducted earlier pointed out that male are more likely to take riskier decisions than female. However no such differences in the risk perception is revealed in the existing data analysis. Both male and female shares the same risk perception and both are willing to take risky decisions for higher returns. This outcome can help the financial institutions to design more financial products that can offer higher returns. The college going students are ready to opt for such kind of financial investments that are likely to generate higher returns despite being risky.   Financial awareness program to promote financial literacy and to raise the awareness level for financial products and services must be regularly conducted by the colleges. Such programs may be conducted in collaboration with the formal financial institutions. The Higher Education Institutions must plan and deliver courses related to financial management that may provide practical exposure to the students about financial products. Certain games that relate to stock exchanges may also be planned for experiential learning (Mandell et al.2009). In the end it can be concluded that college going students both male and female equally possess knowledge of modern financial products and that in order to create wealth and secure their financial future they are ready to make investments in all kinds of products irrespective of the risk involved.

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