

Impact of Factors Influencing Investment Behavior on Risk Appetite of Women : Evidence from Survey

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Abstract

While taking financial decision, women are highly influenced by the society in which they live, their attitude and personality, their financial motive, the investment tool, the reputation of company in which they are ready to pool their savings. Besides this, market aspects like general market conditions and recent price movements guide women while making investment in a particular stock. Moreover, these factors also significantly impact the risk-taking capacity of women. These factors determine the level at which women would take risk with their money which reflects that whether women investors select investment tool with great-risk, with reasonable risk, with little risk or they prefer risk free investment. The present study intends to investigate the impact of factors influencing investment behavior of women on their risk appetite and used primary data collected through a modified questionnaire from 400 working women belongs to Haryana region.

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Keywords : Investment, Risk Behaviour, Women, Financial Decision, Stocks, Investor, Haryana, India

I. Introduction

AS WE KNOW “investments are related with the market risks”, so, the investors have to analyse the pattern and different alternatives for returns and risks associated with them. The decision of making investment is always based on the relationship between risk and return. It is well said that high risks mean high profits. Investors cannot ignore the level of risks but they can minimize the risk level by choosing a sound decision means combination of investment where risk is minimized and return is maximized so that investors can get reasonable amount of profit. During investment, awareness level of the investor, investment habits, behavioral

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of industry and reputation of firm in industry guides them to determine their risk capacity. Moreover, growth prospects of company and firm's perceived ethics also serves as basis for women to find out the risk level, return and their capacity to choose high risk, moderate risk or low risk investment avenues.

5.1 Recommendations

Financial awareness initiatives directed towards women investors can be fruitful in bringing a change in their beliefs, attitude and behavior of women who are less aware about the investment dimensions. The study recommended that investment climate and market environment should be made friendly and conducive to attract investors by developing programs and policies that have impact on investor's decisions in order to maximize the value of their investments. Moreover, market players should reorganize the market and implement accommodating policies which will enhance the wealth of the investors.

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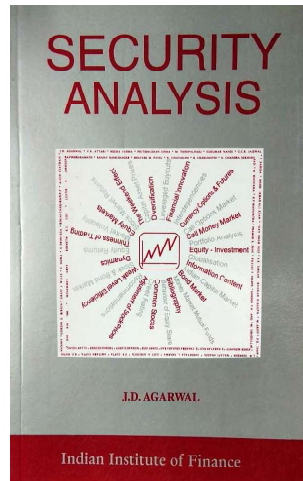
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