

A Study on Effect of Demographic Variables on Attitude of Investors in Personal Finance Management

Priyanka Patel¹, Dr. Keyur Nayak²

¹Research Scholar, Gujarat Technological University

²Director, Laxmi Institute of Management, GTU.

Abstract: Investment is one of the important term in the day to day life of every people. Mainly, people with saving enter into the world of investment. Investors invest their savings for the purpose of getting more money in order to finance their future consumption.. Nowadays individuals are increasingly expected to take command of their financial decisions. Such decisions are taken based on different factors, among which demographic variables play important role on attitude of Investors. The study is about exploring into the effect of demographic variables on attitude of investors in Personal finance management. Attitude of Investors include investment pattern, investment choices, risk tolerance, perception of risk etc. The objective of the study is to identify the relationship between demographic variables and attitude of investors. The findings of the study shows that demographic variables like age, gender, occupation and marital status do not have significant relationship with investment pattern. It is identified that majority of respondents are willing to take risk after adequate research. Only marital status has significant relationship with risk tolerance. Majority of respondents perceive risk as an opportunity, they want to take risk and get more return after adequate research. It is observed from the study that only age has significant relationship with perception of risk.

Keywords: Personal Finance Management, Demographic variable, Attitude, Risk Tolerance

1. Introduction

Everyone has to manage personal finance in one way or another. Some tend to save a lot, some like to collect information before each purchase, some like to follow their gut feelings. Personal finance behaviour concerns how people manage the financial resources available to them and their households (Narges and Laily, 2011).

Financial behaviour of individuals refers to people's spending and saving habits, such as living on a monthly budget, having monthly savings, creating emergency funds and retirement packages, investing excess cash and monitoring financial situations periodically (Hilgert et al., 2003; LaBorde and Mottner, 2013).

In recent years, personal finance behaviour has gained attention from almost all governments around the globe, development organisations and the World Bank (OECD/INFE, 2016). This stems from the fact that nations gradually appreciate the role personal finance decisions have on the individual, family, society and the economy (Gidighi and Donga, 2020; Nguyen et al., 2017).

Individuals who practice proper financial behaviour stand better positioned to meet future financial obligations and emergencies (Narges and Laily, 2011). Good financial behaviour also enhances the financial well-being of the individual and their families (Fluellen, 2013). Families that save frequently create resilience against financial shocks and thereby promote financial well-being. "Personal Financial Management Behavior (PFMB) is a process which assimilates all components of individuals' financial interest. These include cash flow management, investments, risk

management, retirement planning, tax planning, and estate planning" (Altfest, 2004, p. 54).

Taking charge of finances does not only mean establishing a daily household budget but also saving and investing in building a shield for future expenses, either predictable (buying a house, car or education) or unpredictable (loss of a job or health issues) along with assuring stress-free post-retirement years through a blanket financial plan (Kidwell and Turrissi, 2004; Copur and Gutter, 2019).

The study is about exploring into the effect of demographic variables on attitude of investors in Personal finance management. There are various factors which effect the financial decision making of investors of which demographic variables like age, gender, occupation, income, education and marital status are the most important one. Attitude of Investors include risk tolerance, investment pattern, investment choices etc. Risk tolerance is a crucial factor that influences a wide range of financial decisions (Roszkowski and Snelbecker, 1990). Risk tolerance is defined as individual's willingness to engage in a financial activity whose outcome is uncertain (Duda et al., 2010). Individual's financial risk taking capabilities play a vital role in making his/her investment decision, and hence in recent years, the Financial Risk Tolerance (FRT) topic has gained much importance among investment managers, financial planners/advisors, and academicians.

In reality it is observed that many a times there is a gap between individual's perceived return and actual return. The mistake lies in the decision making process which is influenced by the risk tolerance of an individual. Research indicates that people tend to overestimate their actual level

of risk tolerance because of the desire to appear socially acceptable.

The study has adopted the financial risk tolerance scale proposed by Grable and Lytton (1999). The objective of the study is to identify the attitude of investors in Personal Finance Management which include investment pattern of investor, investment choices between alternatives and risk tolerance level of investors. And then effect of demographic variables on attitude of investors. Demographic variables include Age, Gender, Occupation, Marital status, Income and Education.

2. Literature Review

A study conducted by Hallahan, Faff, and McKenzie (2004) concluded that only 4% of respondents accurately estimated their tolerance for risk while 73% and 23% of respondents under-estimated and over-estimated their risk tolerance respectively. Hsee and Weber (1997) argued that investors have a tendency to under-estimate their own risk tolerance level.

Kabra et al. (2010) examines the factors that influence behaviour and investment risk tolerance and decision making process. The target customers are the investors who invest regularly. These respondents were classified based on the factors like age, gender, profession and annual income. Risk-averse investors consider multiple factors and seek diversified information before executing investment transaction. This study concludes that the investors' age and gender predominantly influences the risk taking capacity of the investors.

Gilliam and Grable (2010) analyzed how well married men and women were able to estimate their financial risk tolerance. The author examines gender based estimation bias which relates to household decisions that involves financial risk. The author identifies that older respondents were more likely to underestimate their financial risk tolerance because of past experience.

Brigitte & Mei Wang (2008) analysed Attitude & Behaviour in everyday Finance. The author demonstrates that by segmenting private investors on the basis of their self-stated financial attitudes and behavior, a yield of clearly interpretable profiles can be realised. Cluster analyses, based on the results of factor analysis, indicate that private investors can be divided into five clusters with specific characteristics in their financial day-to-day behaviour and certain related socio demographic variables (e.g., gender, age, and education). Socio-demographic variables show patterns of distribution in the clusters, e.g. men are found more in the rational clusters, less in the more irrational ones. In contrast, women are found to fall more into both extremes.

Heena (2015) examined the relationship between demographic variables and personality traits on investors' attitude towards risk. The author ascertained that there is a positive relationship between income and risk tolerance level. Education and personality types were found to be

irrelevant and did not have any impact in determining investor's attitude towards risk.

Bajtelsmit and Bernasek (1996) examined the existing literature regarding gender differences in investment. As per the study, women allocate their portfolios differently than men and may differ in their attitudes towards risk taking. Gender differences in investing and risk taking can be attributed to differences in individual preferences. These factors influence risk aversion directly or through outcomes such as gender differences in wealth, income and employment.

Kavita & Mohanraj (2016) examined impact of demographic variables & Risk Tolerance on Investment Decision. The study explore investment pattern of Individuals and investment decisions are influenced by demographic variable and measure risk tolerance by using Grable & Lytton scale. Author have been identified that gender is the only demographic variable which have impact on investment pattern. And also identified that age and occupation of the respondent has an impact on the risk tolerance and respondents perception of risk.

Sireesha & Laxmi (2013) present the study on impact of demographic factors on investment avenues. It is found that gender, age and friends are mostly influencing the investment decisions of the respondents. Authors have been concluded that the respondents of the study are conservative in nature and show less concern for money multiplication and liquidity.

Subramaniam & Athiyaman (2016) analysed effect of demographic factors on investor's risk tolerance. It is found that demographic factors such as age, education, investment experience and income of the investors are correlated with their risk tolerance and; gender, occupation and civil status are not related with risk tolerance.

Dhananjay Bapat (2020) examine Antecedents to responsible financial management behavior among young adults: moderating role of financial risk tolerance. Study found that financial attitude fully mediates the relationship between financial knowledge and responsible financial management behavior, and locus of control influences responsible financial management behavior. Financial risk tolerance moderates the relationship. Among demographic factors, age and occupation influence responsible financial management behavior.

Samreen Lodhi (2014) study Factors Influencing Individual Investor Behavior: An Empirical Study of City Karachi. The obtained results show that financial literacy and accounting information helps investors in lowering in formation asymmetry and allows investors to invest in risky instruments. But as age and experience increase investors preference changes to less risky investments, it does not mean that investor does not prefer to invest in shares, he will but with the intension of getting dividend return rather than capital gain.

Yosra Mefteh Rekik, Younes Boujelbene (2013) study Determinants of Individual Investors' Behaviors: Evidence

from Tunisian Stock Market. The study try to find out to whether some psychological as well as demographic factors affect Tunisian individual investors' behavior and then try to examine the factors that are more influencing than others. Results have indicated that the Tunisian investors' behaviors are subject to five behavioral biases: representativeness, herding attitude, loss aversion, mental accounting, and anchoring. Apart from these biases, when attempting to categorize Tunisian investors on the basis of demographic variables, authors have also found that gender, age and experience have an interaction with behavioral financial factors in investment decisions.

SelimAren, Sibel Din, Aydemir (2015) analysed factors influencing given investment choice of individuals in Turkey. The study aims to examine the effect of demographic variables, investment decision criteria and financial literacy level on more preferred investment alternative in Turkey. Results indicate that age, marital status and society criterion (i.e., considering socially beneficialness of an investment) make no difference in the choice of all investment alternatives.

Research Objectives & Hypothesis

The study shows insights into investors' psyche which influence their investment pattern and investment decision. The study demonstrates relationship between demographic variables and investment decisions. This study also measures the extent of risk tolerance of individual investors. Risk tolerance often varies with age, gender, income and occupation. It can be determined by questionnaire designed to reveal risk tolerance.

The objectives of the study are:

- To identify investment pattern and investment choices between alternatives of investors in Personal Finance Management.
- To identify factors influencing investment decision of investors.
- To find out relationship between different demographic variables and investment pattern and financial decision making in Personal Finance Management.
- To identify the investors risk tolerance using various dimensions proposed by Grable and Lytton.

The following hypotheses are developed for the study:

Hypothesis 1(H₀): There is no significant relationship between age and investment pattern.

Hypothesis 2(H₀): There is no significant relationship between gender and investment pattern.

Hypothesis 3(H₀): There is no significant relationship between occupation and investment pattern.

Hypothesis 4(H₀): There is no significant relationship between marital status and investment pattern.

Hypothesis 5(H₀): There is no significant relationship between Gender and risk tolerance.

Hypothesis 6(H₀): There is no significant relationship between Age and risk tolerance.

Hypothesis 7(H₀): There is no significant relationship between Occupation and risk tolerance.

Hypothesis 8(H₀): There is no significant relationship between Marital Status and risk tolerance.

Hypothesis 9(H₀): There is no significant relationship between Age and Perception of risk.

Hypothesis 10(H₀): There is no significant relationship between Gender and Perception of risk.

Hypothesis 11(H₀): There is no significant relationship between Occupation and Perception of risk.

3. Methodology

The study adopt descriptive and cross sectional research design. Sampling technique is Non Probability Sampling Technique and sample respondents are regular investors. Data collection technique is through Structured Questionnaire. Questionnaire is administrated in Ahmedabad, Gujarat. Sample size for study is 100 respondents. The responses are collected through 5 point Likert Scale. Data analysis is done through SPSS. Chi Square tests, Cross Tabulation and Frequency distribution are adopted to analyze the data. Risk tolerance scale developed by Grable and Lytton is adopted for this study. The dimensions measured in the Questionnaire related to investments are preferred investment options, Purpose behind Investment. The dimensions measured in the Questionnaire related to risk tolerance are general risk choice, perception about risk, risk as a level of comfort and Prospect Theory.

Data Analysis

Data analysis is done in two parts. The first part looks at the preferred investment options of investors, demographic variables and investment decisions and testing of hypothesis. The second part looks at investor risk tolerance.

Table 1: Shows the Preferred Sector for Investment

Sector	Responses		Percent of Cases
	N	Percent	
IT Sector	52	24.1%	52.0%
Automobile Sector	33	15.3%	33.0%
Banking Sector	65	30.1%	65.0%
Pharmaceutical Sector	35	16.2%	35.0%
Petroleum Sector	17	7.9%	17.0%
Other	14	6.5%	14.0%
Total	216	100.0%	216.0%

Table 1 reveals that majority of respondent select Banking sector for investment as it is considered that they perceive it as the safest investment option. IT sector is the next preferred sector for investment as now a day there is revolutionary changes has been done in IT sector. Respondent choose other option also and they specify some sectors like Building materials, Manufacturing and FMCG. Least preferred sector for investment is Petroleum sector.

Chi square test is carried out to identify the relationship between the investment patterns of investors and their demographic variables like age, gender, occupation and marital status.

Hypothesis 1(H₀): There is no significant relationship between age and investment pattern.

Table 2: Chi-Square Test to see relationship between age and investment pattern

Age and Investment pattern	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	4.381 ^a	3	.223
Likelihood Ratio	5.251	3	.154
Linear-by-Linear Association	.975	1	.323
N of Valid Cases	100		
a. 4 cells (50.0%) have expected count less than 5. The minimum expected count is .99.			

In Table 2 Chi Square test is performed between age and investment pattern and test the hypothesis. The chi square value is 0.223 which is more than 0.05. So we accept the null hypothesis. Hence we conclude that there is no significant relationship between age and investment option.

Hypothesis 2(Ho): There is no significant relationship between gender and investment pattern.

Table 3: Chi-Square Test to see relationship between gender and investment pattern

Gender and Investment pattern	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	.065 ^a	1	.798
Continuity Correction ^b	.001	1	.978
Likelihood Ratio	.066	1	.798
Fisher's Exact Test			
Linear-by-Linear Association	.065	1	.799
N of Valid Cases	100		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 10.56.

b. Computed only for a 2x2 table

In Table 3 Chi Square test is performed between Gender and Investment pattern and test the hypothesis. The chi square value is 0.798 which is more than 0.05. So we accept the null hypothesis. Hence it can be concluded that there is no significant relationship between gender and investment options.

Hypothesis 3(Ho): There is no significant relationship between occupation and investment pattern.

Table 4: Chi-Square Tests to see relationship between occupation and investment pattern

Occupation and investment pattern	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	.939 ^a	2	.625
Likelihood Ratio	.904	2	.636
Linear-by-Linear Association	.137	1	.711
N of Valid Cases	100		
a. 1 cells (16.7%) have expected count less than 5. The minimum expected count is 3.63.			

In Table 4 Chi Square test is performed between Occupation and Investment pattern and test the hypothesis. The chi square value is 0.625 which is more than 0.05. So we accept the null hypothesis. It can be concluded that there is no significant relationship between occupation and investment pattern.

Hypothesis 4(H0): There is no significant relationship between marital status and investment pattern.

Table 5: Chi square Tests to see relationship between marital status and investment pattern

Marital Status and investment pattern	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.584 ^a	1	.108
Continuity Correction ^b	1.886	1	.170
Likelihood Ratio	2.519	1	.112
Fisher's Exact Test			
Linear-by-Linear Association	2.558	1	.110
N of Valid Cases	100		

In Table 5 Chi Square test is performed between Marital status and investment pattern and test the hypothesis. The chi square value is 0.108 which is more than 0.05. So it can be concluded that there is no significant relationship between marital status and Investment options. Accept the Null hypothesis.

Hypothesis 5(H0): There is no significant relationship between Gender and risk tolerance.

Table 6: Chi-Square Tests to see relationship between Gender and risk tolerance

Gender and risk tolerance	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.866 ^a	3	.413
Likelihood Ratio	2.889	3	.409
Linear-by-Linear Association	1.480	1	.224
N of Valid Cases	100		
a. 1 cells (12.5%) have expected count less than 5. The minimum expected count is 3.52.			

In the study, majority of respondents are willing to take risks after completing adequate research. In the sample, male and female both are willing to take risks after completing adequate research. Now a day, there is so many information available for investors so they have enough platform to analyze all investment options.

Chi square test is performed between Gender and Risk tolerance and test the hypothesis. The chi square value is 0.413 which is more than 0.05. so there is no significant relationship between gender and risk tolerance.

Hypothesis 6(H0): There is no significant relationship between Age and risk tolerance.

Table 7: Chi-Square Tests to see relationship between Age and risk tolerance

Age and Risk Tolerance	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	9.225 ^a	9	.417
Likelihood Ratio	9.158	9	.423
Linear-by-Linear Association	.829	1	.363
N of Valid Cases	100		
a. 11 cells (68.8%) have expected count less than 5. The minimum expected count is .33.			

In the study, it is observed that majority of the respondents are willing to take risk after completing adequate research. Chi square test is performed between age and risk tolerance and test the hypothesis. Chi square value is 0.417 which is

more than 0.05. So accept the null hypothesis. It can be concluded that there is no significant relationship between Age and risk tolerance.

Hypothesis 7(H0): There is no significant relationship between Occupation and risk tolerance.

Table 8: Chi-Square Tests to see relationship between Occupation and risk tolerance

Occupation and Risk Tolerance	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	7.969 ^a	6	.240
Likelihood Ratio	8.369	6	.212
Linear-by-Linear Association	.045	1	.832
N of Valid Cases	100		
a. 4 cells (33.3%) have expected count less than 5. The minimum expected count is 1.21.			

Chi square test is performed between Occupation and risk tolerance and test the hypothesis. Chi square value is 0.240 which is more than 0.05. So it can be concluded that there is no significant relationship between occupation and risk tolerance.

Hypothesis 8(H0): There is no significant relationship between Marital Status and risk tolerance.

Table 9: Chi-Square Tests to see relationship between Marital status and risk tolerance

Marital status and risk tolerance	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	15.007 ^a	3	.002
Likelihood Ratio	19.667	3	.000
Linear-by-Linear Association	1.500	1	.221
N of Valid Cases	100		
a. 1 cells (12.5%) have expected count less than 5. The minimum expected count is 3.19.			

Chi square test is performed between marital status and risk tolerance and test the hypothesis. Chi square value is 0.002 which is less than 0.05. Reject the Null hypothesis. So it can be concluded that there is significant relationship between marital status and risk tolerance.

Hypothesis 9(H0): There is no significant relationship between Age and Perception of risk.

Table 10: Chi-Square Tests to see relationship between Age and perception of risk

Age and perception of risk	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	24.307 ^a	9	.004
Likelihood Ratio	17.434	9	.042
Linear-by-Linear Association	7.271	1	.007
N of Valid Cases	100		
a. 11 cells (68.8%) have expected count less than 5. The minimum expected count is .15.			

In the study, majority of respondents take a risk as an opportunity. They are ready to take risk and get more return after adequate research of particular investment. Chi square test is performed between Age and Perception of risk and test the hypothesis. Chi square value is 0.004 which is less than 0.05. Reject the Null hypothesis. So it can be concluded

that there is significant relationship Age and perception of risk.

Hypothesis 10(H0): There is no significant relationship between Gender and Perception of risk.

Table 11: Chi-Square Tests to see relationship between Gender and Perception of risk

Gender and perception of risk	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	3.912 ^a	3	.271
Likelihood Ratio	3.854	3	.278
Linear-by-Linear Association	.025	1	.875
N of Valid Cases	100		
a. 3 cells (37.5%) have expected count less than 5. The minimum expected count is 1.60.			

In table 11, chi square test is performed between Gender and perception of risk and test the hypothesis. Chi square value is 0.271 which is more than 0.05. So it can be concluded that there is no significant relationship between gender and perception of risk.

Hypothesis 11(H0): There is no significant relationship between Occupation and Perception of risk.

Table 12: Chi-Square Tests to see relationship between Occupation and Perception of risk

Occupation and perception of risk	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8.704 ^a	6	.191
Likelihood Ratio	9.467	6	.149
Linear-by-Linear Association	1.553	1	.213
N of Valid Cases	100		
a. 6 cells (50.0%) have expected count less than 5. The minimum expected count is .55.			

In table 12, chi square test is performed between occupation and perception of risk and test the hypothesis. Chi square value is 0.191 which is more than 0.05. So it can be concluded that there is no significant relationship between occupation and perception of risk.

Purpose of Investment:

In the study, respondents had been asked to choose any of purpose for investment. Purpose of investments like For retirement, For Tax saving, For Assets purchase, To meet contingencies, For children education, Growth & Income and other. Majority of the respondents are invest because of their Growth and Income. Second most preferred purpose for investment is for retirement.

Table 13: Purpose of investment

	Responses		Percent of Cases
	N	Percent	
For Retirement	60	20.80%	60.00%
For Tax Saving	38	13.20%	38.00%
For Assets purchase	45	15.60%	45.00%
To meet contingencies	26	9.00%	26.00%
For Children education	42	14.60%	42.00%
Growth & Income	76	26.40%	76.00%
Other	1	0.30%	1.00%
Total	288	100.00%	288.00%

Experience, knowledge and perception of investment risk as a dimension of risk:

Table 14: Dimension of Risk

If you unexpectedly received Rs.20,000 to invest, what would you do?				
Options	Frequency	Percent	Valid Percent	Cumulative Percent
Deposit it in a bank account	18	18	18	18
Invest it in safe high quality bonds or bond mutual funds	30	30	30	48
Invest it in stocks or stock mutual funds	52	52	52	100
Total	100	100	100	

Table 14 measures dimensions of risk tolerance – risk as experience, knowledge and investment risk. These identify the attributes of knowledge of investors and its assessment of risk tolerance and dealing with risk. Investment risk can be defined as the probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

As study already revealed that respondents are willing to take risk after adequate research, In Table 13, 52% respondents want to invest in stocks or in stock mutual fund if they unexpectedly received Rs. 20,000. Respondents are risk tolerance investors. Respondents are not risk averse, they want to take risk after complete research about particular investment.

Dimension of financial risk tolerance: Prospect Theory

Prospect theory is a behavioural finance theory propounded by Kahneman and Tversky (1979). It is also called as “loss aversion theory”. It is the way people make decisions that involves risk. This theory explains how people perceive gains and losses differently. Prospect theory states that investors evaluate their choice in terms of potential gains and losses relative to some reference point Shefrin and Statman (1993).

In the study first explain Prospect theory in terms of gain and then Prospect theory in terms of loss. How investors perceive gain and loss differently with some reference point is explain in this part.

Table 15: Prospect Theory – in terms of gain

In addition to whatever you own, you have been given Rs.1,000. You are now asked to choose between:					
Options		Frequency	Percent	Valid Percent	Cumulative Percent
	A sure gain of Rs.500	44	44.0	44.0	44.0
	A 50% chance to gain Rs.1,000 and a 50% chance to gain nothing	56	56.0	56.0	100.0
	Total	100	100.0	100.0	

In table 15 examine about Prospect theory in terms of gain. 44% of respondents prefer sure gain but 56% of respondents are ready to take some risk if Rs1,000 is given to them.

Table 16: Prospect Theory – in terms of Loss

In addition to whatever you own, you have been given Rs.2,000. You are now asked to choose between:					
Options		Frequency	Percent	Valid Percent	Cumulative Percent
	A sure loss of Rs.500	19	19.0	19.0	19.0
	A 50% chance to lose Rs.1,000 and a 50% chance to lose nothing	81	81.0	81.0	100.0
	Total	100	100.0	100.0	

In table 16 examine about Prospect theory in terms of loss. 19% of respondents prefer sure loss of Rs. 500 if additional Rs 2,000 is given to them. But 81% of respondents want to take risk in going for 50 % chance to lose Rs. 1,000 and 50% chance to lose nothing.

According to prospect theory, people prefer larger losses which are uncertain rather than smaller losses which are certain. In the study investors are risk tolerant that's why 81% of the respondents have taken risk.

4. Findings

The significant findings of the study is Banking sector and IT sector are most preferred sector by investors. Study observed that main objective and purpose of investment is for growth and income and for retirement. It is revealed from the study that demographic variables like age, gender, occupation and marital status do not have significant relationship with investment pattern. Investment pattern is independent from demographic variables. From the study it is identified that majority of respondents are willing to take

risk after adequate research. Only marital status has significant relationship with risk tolerance. Majority of respondents perceive risk as an opportunity, they want to take risk and get more return after adequate research. It is observed from the study that only age has significant relationship with perception of risk. In terms of gain which is identified by Prospect theory 56% of respondents have been take risk in going for 50% chance to gain Rs.1,000 and a 50% chance to gain nothing. In terms of loss which is identified by Prospect theory 81% of respondents want to take risk in going for 50 % chance to lose Rs. 1,000 and 50% chance to lose nothing. According to prospect theory, people prefer larger losses which are uncertain rather than smaller losses which are certain. In the study investors are risk tolerant that's why 81% of the respondents have taken risk.

5. Conclusions

Evaluating the investment pattern and decision making behavior of investors is always have been great opportunity for any researchers. Identify the attitude of investors with the

help of Investment pattern, preferred sector for investment, risk tolerance, perception of risk have been studied in this paper. Attitude of investors are always affected by demographic variables and risk tolerance. The study is analyzed in this context and measure risk tolerance by using Grable and Lytton scale. Study concludes that demographic variables do not have significant relationship with investment pattern.

On the basis of study, it can be conclude that investors are not risk averse but investors are risk tolerant. Now a day, there are so many information available for investors so investors can compare with different alternatives and take a risk. That's why majority of respondents perceive risk as an opportunity.

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