

**A STUDY ON INVESTMENT PREFERENCES OF SALARIED PEOPLE IN MUMBAI REGION****Prof. Kavita Kalkoti<sup>1</sup> and Madhuridevi S. Yadav<sup>2</sup>**<sup>1</sup>Nagindas Khandwala College, Malad<sup>2</sup>Research Scholar, Nagindas Khandwala College, Malad**ABSTRACT**

*Investment is now a days very interesting subject to talk about. People are getting more aware about it and they want to invest in where they get better returns as well as it is less risky. Study shows that investors invest in the avenue which is been recommended by their family and friends, and it has higher influence in their investment decisions. Some of the investors are also interested in taking professional advise related to investment decisions and pattern for investment. Also, investors are investing in different avenues which shows that investors do not want to put their all money in only one segment and try to diversify the same.*

*Keywords: Investment, investors, income, perception.*

**INTRODUCTION**

Investment avenues awareness and doing investment are two different aspects when it comes investment perception. Different studies have been done for the same purpose. And all the studies show somehow same results. Investment decisions taken by different investors are influenced by family members and friends. Earlier study of same researcher shows that even investors are aware about many avenues but when it comes to investments, they invest in a particular avenue only like securities market, LIC and post office. And, investors do not want to take much risk for the same. This study is trying to find out that why people are investing in a particular investment avenue. Purpose for the investment plays very vital role in deciding the investment avenue selection.

**REVIEW OF LITERATURE**

Dr. Ramanujan V, Chitra Devi K (2012) analysed that there is difference between the knowledge about the investment area and working in investment area. Also, it was found that income of the investors does affect the investment decisions. Group of investors who are having Higher income shows higher investment preference in share market, and group with lower and average income group shows higher preference towards insurance and banks as most preferred avenues.

Meenakshisundram K S (2015) examined that many of the investors are saving their money for their security and it was found that states it would be for personal finance and investment.

Deepak Sood, Dr. Navdeep Kaur (2015) The study favours the LIC and bank deposits as most preferred investment options and high returns, tax write-off and safety are major factors which affects investment decisions.

Sekar B, Uma G (2020) The study declares that there is high awareness level among investors regarding LIC, bank deposits and various schemes in life insurance. High level of awIt also states that there is need for high level of awareness regarding the requirement of the market so that market will be investment ready and also investors will have proper arrangements for right decisions at the right time.

K V (2021) the results of the study indicates that income, saving and investments are not same when it comes to private sector salaried people. But there is no change when it comes to expenses of these people. It was advised to the government to confirm guaranteed income and reduced expenses.

Gupta et al. (2001) studied the Indian household investors' preferences, future intentions and experiences and found that bonds were regarded as an investment for the retired people but that did not have much appeal for young people. The market penetration achieved by mutual funds was found to be much lower than equity shares for all age classes.

**OBJECTIVES:**

1. To study awareness about investment avenue.
2. To analyze the investment preference by people.
3. To study the need for financial help.

**HYPOTHESIS:**

H0: There is no relation between purpose of investment and selection of investment.

H1: There is relation between purpose of investment and selection of investment avenues.

**RESEARCH METHODOLOGY**

This study is been done on primary as well as secondary data. Both methods for data collection was used. Primary data was collected through questionnaire and 45 respondents were included in this survey. Secondary data was collected through different research papers, books as well as thesis.

**SIGNIFICANCE**

This study can help the professional financial advisor to understand the investment perception of investors can work accordingly on the same. They can make the financial plans for the investors as per their requirement.

**LIMITATIONS OF THE STUDY**

This study was done in Mumbai region only and therefore can not be applied for the different regions. Also, only 45 respondents were taken for survey which may not refer the whole population from this area.

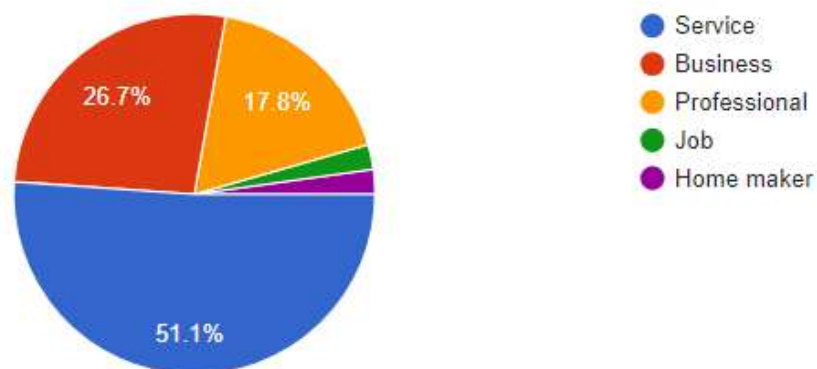
**Data Interpretation:**

Data used for data interpretation is collected through primary data. 45 respondents were included for this purpose. Questionnaire was formed and circulated among the investors. Questions asked to investors was framed in such a way that it can establish relation between different elemnts of investment.

1. Out of total respondents 62% falls in the age group of 25 to 35 years. After that major respondents are in the age group of 18 to 25 years.
2. 60% of the population was female and remaining were male respondents. No respondents fall under prefer not to say category.
3. 51% of the total respondents were service sector people and 27% were business owned people. Some of the respondents were on monthly job.

**Occupation**

45 responses

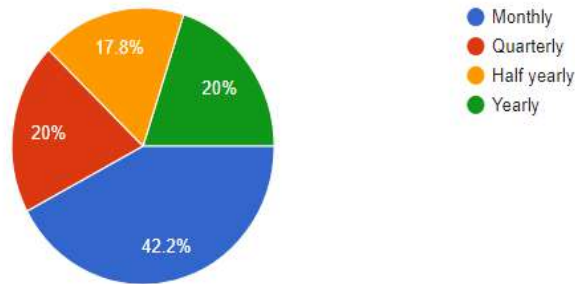


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4. When we talk about investment frequency 42% invest on monthly basis. Only 17% people were there in respondents who were investing on yearly basis.

How often do you invest?

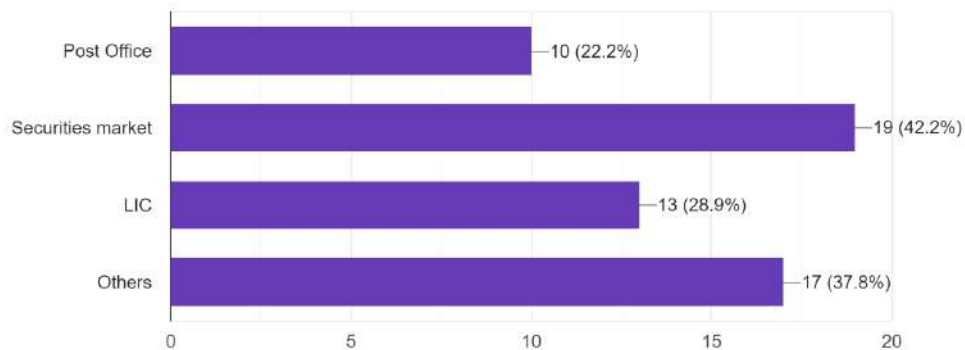
45 responses



5. It was also found that people are investing in different avenues to divert the risk associated with single investment option. 42% of the investment were in securities market and 29% made the investments in LIC. Only 22% of the investments were in post office.

In which of the following avenues do you invest?

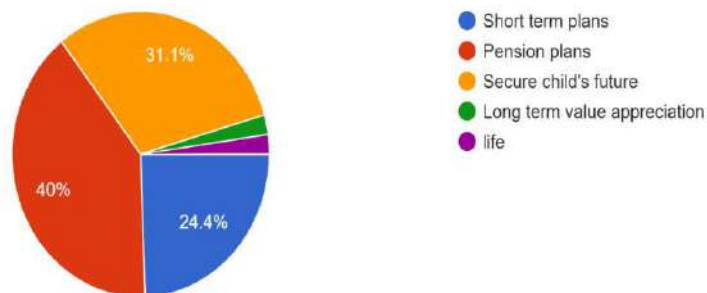
45 responses



6. Purpose for the investment shows the result that people are investing for pension or say securing the future. Approximately 32% of the population invest for securing the child future.

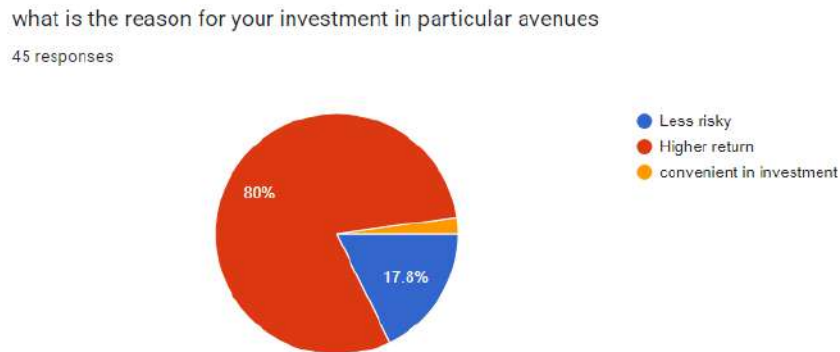
What is the purpose for your investment?

45 responses

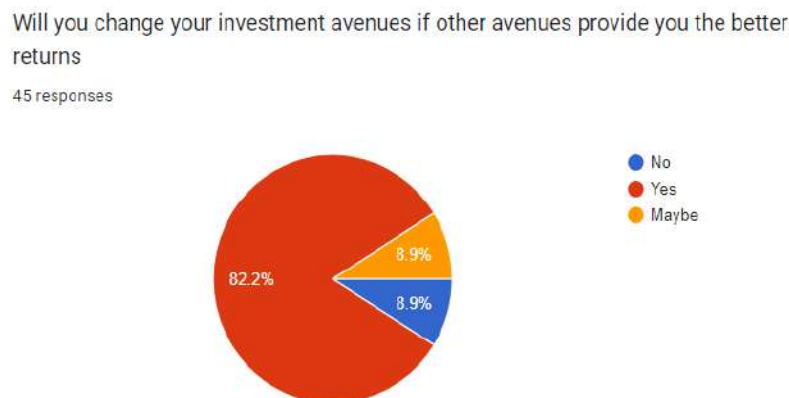


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7. Majority of the population invest to get higher returns from the investment. which shows that investors search for those type of investments which provides them higher return to it. Also 18% are from the category who don't wants to take risk and they choose avenue because it is less risky.

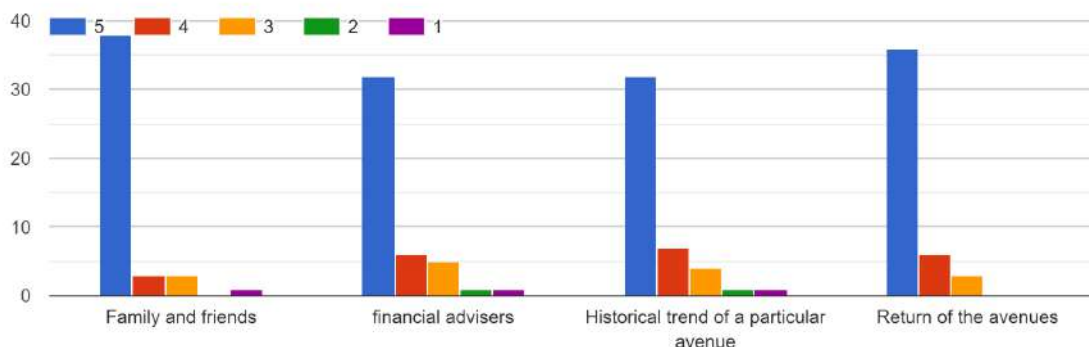


8. Even though investors were investing in avenue which are giving the higher returns, they will still go for other avenues if it will provide better return to them on investment. 80% have voted for this option. And 9% of the population were not sure about it.



9. When respondents were asked about the influence on their investment decisions family and friends were rated highest on the scale.

Rank the following on 1 to 5 scale, the basis of influence on investment decision. 5 being highest

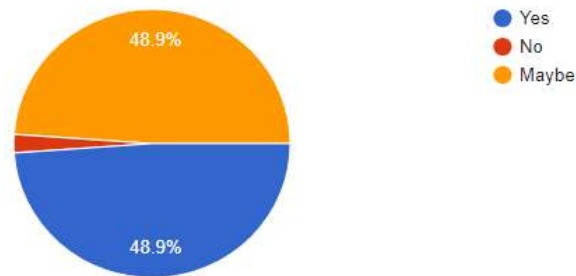


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10. It was mixed response for seeking the financial advice from professional. Which can conclude that if people have easily available professional advisor, they will take it.

Would you consider seeking professional financial advice for managing your investments?

45 responses



### RECOMMENDATION AND SUGGESTIONS

1. It was advisable to professional advisors to take initiatives for creating awareness about different avenues and help them for creating better portfolio diversification.
2. It was advisable to investors to gain knowledge about different avenues by different sources as well. They should not only depend upon family and friends for suggestions.
3. Investors were also recommended that they should see the other factors rather than higher returns because it will be riskier as well.
4. Investors also need to think about the purpose of the investment. They were only thinking about pension and not about short-term plans. They can think on this aspect as well like buying assets etc.

### CONCLUSION

In this research it is found that the decision making is influenced by the family and friends when it comes to investment in avenues. It was found that investors are investing in an avenue because of securing their retirement plan and child future. When it was asked that whether they seek professional adviser mixed response was collected from investors. Also, this study was based on salaried people so decision making process was almost same for all. Purpose of investment also affect the selection of investment avenue. Hence, There is relation between purpose and selection of investment.

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