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A Study of Relationship between Occupation and Individual Investment

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Abstract:

Targeting customized financial products to various Investor segments is a major concern for financial service companies. Savings are indispensable part of civilization. People invest these savings in various avenues. Considerable variations are found in the availability of investment avenues in pre-liberalization and post liberalization period. Investment decisions of individual investors are influenced by various factors. Demographics do play an important role in these decisions. Present study is an effort to crystallize the relationship between occupation and choice of investment of investors and various factors influencing investment decisions. Such a study would throw light on facts which can be used by marketers of financial products and services for getting a strong foothold in complete era. Specific segments of investors can be identified which can be targeted to increase the sales potential and investors also stand to benefit as products are offered which suit their choice set and criteria.

Key words:-

Demographics, Occupation, Investment Pattern, Investment Objectives, Guiding Factors

Introduction:

Various factors influence decision making of investor regarding choice of investment avenues. The factors may be broadly classified as Demographic Factors and Psychographic Factors. Various studies have been undertaken to establish the relationship between investment inclination and demographic factors akin to an individual. If a definite relationship is established, it would lead to benefit the entire portfolio management scenario. Demographic Factors are easy to decipher and on the basis of such factors investment recommendations could be provided which would mean simplification of task and speedy outcome.

Literature Review

Several researchers have attempted review on investment pattern. It is found that the subject Portfolio Management has been approached from macro and micro perspectives. Portfolio Management of investors and the investment in a particular instrument like Mutual Fund, Bank Deposits, etc. is found to be investigated.

The study about the relationship between Demographic profiles and Investment pattern are approached by few researchers as follows.

SEBI NCAER Survey (2000) was carried out to estimate the number of households and the population of individual investors, their economic and demographic profile, portfolio size, and investment preference for equity as well as other savings instruments. This is a unique and comprehensive study of Indian Investors. Data was collected from 3,00,000 geographically dispersed rural and urban households which revealed Households preference for instruments match their risk perception; Bank Deposit has an appeal across all income class; 43% of the non-investor households equivalent to around 60 million households (estimated) apparently lack awareness about stock markets; and, compared with low income groups, the higher income groups have higher share of investments in Mutual Funds (MFs) signifying that MFs have still not become truly the investment vehicle for small investors.

Rajarajan V. (1999) conducted study on Stages in Life Cycle i.e Age and Investment Pattern on the basis of primary data

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collected from 405 individual investors. Prime objective of the study was to find out relationship between stages in lifecycle and their investment size and pattern. Study brings out that investment size below Rs. 50000 constitute the majority in all stages of life cycle. The association of investment size and investors stage in life cycle does have a specific pattern. The size of investment in financial assets and the percentage of risky assets in financial investment declines as the investor move up through the various stages in the life cycle.

Rajarajan V. (2000) undertaken study with an object to find out life style based segmentation of individual investors and analyze investment size, pattern and future investment preference on the basis of life style. Study identifies three life study clusters i.e. Active Inventors, Individualists, and Passive Investors. Study brought out the association between life style clusters and investment related characteristics. The said clusters has its demographic peculiarity and variations in investment related aspects viz. investment size, expected return, portfolio choice, risk bearing capacity, time perspective and the like.

Few specific studies focused on women and their investment pattern.

Gnana Desigan C, S. Kalaiselvi and L. Anusuya (2006) studied women investors' perception towards investment. An empirical study focuses on investment pattern of women investors. Research concluded with finding that age of the women investors and level of awareness about investment is not associated and no significant association between educational level and level of awareness about investment. Significant association was found between occupation and level of awareness, monthly income and level of awareness and absence of association between marital status and level of awareness.

The results from different researchers on demographic variables and investment pattern are baffling. Behavioral Science is found playing an important role to precise by define investors segmentation. Contemporary researches are focusing on demographic, psychographic characteristics and investment pattern.

Kiran, D. and Rao, U.S. (2005) had done research on "Identifying Investor Group Segments Based on demographic and Psychographic Characteristics" They tried to identify investor group segments using the demographic and psychographic characteristics of investors. A questionnaire survey was conducted and responses were obtained from 96 investors from all over India. The data obtained was then analyzed using two statistical techniques, namely - Multinomial Logistic Regression (MLR) and Factor Analysis (FA). MLR analysis brought out the characteristics of Investors which predominantly decide the risk-taking capacity of Investors. Factor analysis identified four major Investor segments based on their demographic and psychographic characteristics.

The investment study is approached differently by different researchers. Few specific study has been focused rural investment as Srinivasan Sakthi K, Lakshmi Devi S (2006), focused on rural investment with reference to post office savings schemes under title, 'Post Office Savings Scheme An Impetus for Rural Investment'. Researchers had undertaken almost all savings schemes offered by post office savings banks. Study had been narrowed to assess the saving habit of individuals, to understand the awareness of people towards post office savings scheme and to bring out the investors perception towards post office for their investment. Researcher has observed the significant relationship between gender and percentage of income saved by the respondents and Absence of relationship between age and percentage of income saved by the respondents. Significant relationship between status and percentage of income saved, income level and percentage of income saved age and purpose of savings by the respondents, income and purpose of savings is observed. Majority of rural investors i.e. 61.9% invest in post office savings schemes followed by insurance 48.5% and bank savings account 46.4%. Security is a major reason behind investment in post office saving schemes. The research was descriptive nature worked on 291 rural investor samples.

Few studies have been found focusing on occupation and choice of investment. The broad categories of occupation are business, profession, service and housewives.

Occupation determines certainty of income inflow and amount of risk associated with it, few occupations tend to have certainty of income with lesser risk. The certainty of occupation and income leads to certainty of savings. (Srinivasan Sakthi K., 2006) found significant relationship between occupation and percentage of income saved and insignificant relationship between occupation and purpose of investment.

Service class people invest their savings in equities and Mutual Fund (Mittal Manish, 2007), PPF and PO (Verma, 2008), business class have shown an inclination to invest in debentures, bonds, real estate and bullions (Mittal Manish, 2007), real estate and bullions (Verma, 2008), Professionals invest in post office schemes and derivatives (Mittal Manish, 2007), MF and insurance (Verma, 2008), Housewives prefer safe investment like real estate, bullions (Mittal Manish, 2007), Bank FD's and Bullions (Verma, 2008) and lastly students prefer high risk investment like derivatives and equities (Mittal Manish, 2007) and equity and MF (Verma, 2008). Retired persons prefer to invest in PO and PPF (Verma, 2008). Occupation also determines attitudes while investing in ULIP (J. Chandra Prasad, 2009) has found that businessmen have a positive attitude than other investors towards fund options, liquidity and transparency. Employees in private sector have a more positive attitude with flexibility and agriculturists have a positive attitude towards the option for riders.

In a study on the preferences of LIC policy holders towards acquisition of policies (M. P. Pandi Kumar, 2010) found that

among the factors of acquisition of policy as an investment is the only factor having significant difference among policy holders with various occupations. Other factors are insignificantly different.

It has been revealed from the studies made on occupation that occupation does play role in determination of investment. A pattern cannot be clearly defined but risk taking ability of occupation and investment avenues can be broadly related. There is ample scope to probe in micro analysis of investors on the basis of occupation and investment pattern. With this backdrop, the study has been undertaken to decipher relationship between Occupation and Individual Investment.

Research Methodology

Present research is inferential descriptive in nature set to test following hypotheses

Hypothesis 1

Ho- Respondents having same occupation have similar investment pattern.

H1- Respondents having same occupation differ in their investment pattern.

Hypothesis 2

Ho- Respondents having different occupation have similar investment pattern.

H1- Respondents having different occupation differ in their investment pattern.

Research has been conducted with the objective, to study the demographic profile and the investment pattern of sample Respondents. Study also focuses to establish relationship between occupation and different factors influencing investment.

Structured Schedule was used to collect primary data. It was divided into two parts. The structures were data about demographic profile and the **investment pattern of sample Respondents**.

Stratified convenience sampling technique was used for selection of sample from population. Thirty samples from Koregaon, a taluka place in the Satara district of Maharashtra State were selected. Three strata have been made. They are Entrepreneurs, Professionals and Management Executives. 10 samples from each stratum have been selected by researcher.

Collected data are classified using electronic spread sheet and **analyzed by using various statistical tools such as Tables, charts, weighted average, rank, rank correlation and statistical software such as SPSS is brought in use**. Hypotheses are tested by using Kolmogorov-Smirnov Z Test and Friedman Test to check the intra group and inter-group comparison in investment pattern respectively.

Data Analysis and Discussions

Data of respondents was collected on decided investment avenues i.e. N.S.C, Bank Deposits, PPF, Insurance, P.O.Schemes, Gold, Mutual Fund, Credit Society, Shares, Real Estate, Systematic Investment Plan and ULIP and the demographic profile includes Age, Gender, Occupation,

Table 1
Demographic Profile of Respondents

Sr No.	Profile Particulars		Number Of Respondents (Total =30)	Percentage (%)
1	Gender	Male	25	83
		Female	5	17
2	Age	24-29	10	33
		30-35	8	27
		36-41	7	24
		42-47	4	13
		48-53	1	3
3	Academic qualification	Graduate/PG General	18	60
		Graduate/PG Professional	12	40

4	Marital Status	Married	24	80
		Unmarried	6	20
5	Occupation	Professional	10	33
		Entrepreneurs	10	33
		Management Executives	10	34
6	Income per month (in Rs.)	10001 - 15000	2	7
		15001-20000	3	10
		20001-25000	10	33
		25001-30000	4	13
		30001-35000	3	10
		35000-40000	3	10
		40000 and above	5	17

Source: (Field Data)

Table 1 shows the demographic profile of respondents. **Out of Respondents, 83% male and 17% female samples. Thirty three percent respondents are in the age group of 24-29 and only 3% respondents are in the age group 48-53. Eighty percent of sample respondents are married. Sixty Percent respondents are Graduate/PG General and 40% respondents have Graduate/ PG Professional as Academic Qualification.** Occupations details shows that 33% samples

are professionals, 33% samples are executives and 34% samples are entrepreneurs. Income in the range of 20000 to 25000 per month is recorded by 33% respondents and only 7% respondents have income 10000-15000 per month.

The investment pattern, investment objectives, guiding factors and sources of information as per occupation has been

Table 2
Occupation of Respondents and Preferred Investment Avenues

Sr.	Investment	Professionals		Executives		Entrepreneurs	
		W.A.	Rank	W.A.	Rank	W.A.	Rank
1	NSC	0	11	0.33	8	0.13	9
2	Bank Deposits	1.87	2	1.53	2	1.73	2
3	PPF	1.80	3	1.20	4	1.47	3
4	Insurance	3.00	1	2.80	1	3.07	1
5	PO Scheme	1.13	4	1.40	3	1.07	4
6	Gold	0.33	7	0.67	6	0.53	6
7	Mutual Fund	0.33	7	0.60	7	0.47	7
8	Credit society	0.07	9	0.00	12	0.00	10
9	Shares	1.00	5	0.80	5	0.87	5
10	Real Estate	0.40	6	0.20	10	0.47	7
11	Systematic Investment Plan	0.00	11	0.13	11	0	10
12	ULIP	0.07	9	0.33	8	0	10

Source: (Field Data)

Table 2 shows investment pattern of sample Respondents according to their occupation. Professionals and Entrepreneurs preferably invest in Insurance, Bank Deposits, and PPF ranked 1st, 2nd and 3rd respectively. Instruments like Credit Society and ULIPs are hardly preferred by professionals as depicted by 9th rank with weightage 0.07 respectively. Real Estate, Mutual Fund and N.S.C are having 7th and 9th rank with 0.47 and 0.13 weightage respectively by Entrepreneurs.

Gold and Mutual Fund are having neutral response from all respondents with 6th and 7th rank. Insurance, Bank deposits, and Post office schemes are highly preferred by Executives ranked 1st, 2nd and 3rd respectively with weightage 2.8, 1.53 and 1.40 respectively. Real Estate and Systematic Investment Plan are hardly preferred by the executive respondents depicted by the rank 10th and 11th with weightage 0.20 and 0.13

Table 3
Occupation of Respondents and Investment Objectives

Sr.	Investment Objective	Professionals		Executives		Entrepreneurs	
		W.A.	R.	W.A.	R.	W.A.	R.
1	Retirement Planning	0.73	5	1.07	4	0.07	9
2	Tax Saving	0.67	6	0.60	6	1.53	4
3	Health Insurance	1.20	3	1.73	3	0.40	7
4	Future Personal obligation	2.00	2	2.00	2	2.27	2
5	Future dependent obligation	2.73	1	2.27	1	2.73	1
6	Acquisition of Assets	0.67	6	0.53	8	0.47	5
7	Acquisition of House Property	0.60	8	0.60	6	0.20	8
8	Source of Income	1.20	3	1.07	4	0.47	5
9	Working Capital Formation	0.13	9	0	9	2.00	3

Source: (Field Data)

Table 3 shows the objectives for investment of respondents. Future Dependent Obligation and Future Personal Obligation are the main objectives of all sample respondents ranked 1st and 2nd respectively having maximum weightage. Very few respondents from Professionals prefer Acquisition of House Property and Working Capital Formation as their investment objective which is ranked 8th and 9th respectively.

Least importance has been given by Executives to acquisition of House Property, Tax Saving and Acquisition of Assets

ranked 6th and 8th with 0.6 and 0.53 weightage respectively.

Health insurance has been ranked 3rd by Professionals and Executives but 7th rank has been given by Entrepreneurs. Entrepreneurs ranked Working capital formation at 3rd position where other professions preferred it least depicting Entrepreneur have slightly different investment objectives as compared to others.

Table 4
Occupation of Respondents and Guiding Factors

Sr.	Guiding Factors	Professionals		Executives		Entrepreneurs	
		W.A.	R.	W.A.	R.k	W.A.	R.
1	Return	2.27	2	2.6	1	2.6	2
2	Risk	2.00	3	1.6	3	2	3
3	Time Bound	1.00	4	1.27	5	1.13	4
4	Safety	3.00	1	2.27	2	2.93	1

5	Tax Concession	0.40	5	0.40	7	0.40	6
6	Insurance Cover	0.27	8	0.00	9	0.00	10
7	Liquidity	0.33	6	0.00	9	0.87	5
8	Brand Name	0.33	6	1.33	4	0.00	10
9	Past Performance	0.07	10	0.47	6	0.13	7
10	Portfolio	0.07	10	0.00	9	0.07	8
11	Past Experience	0.27	8	0.07	8	0.07	8

Source: (Field Data)

Table 4 shows Guiding Factors for investment ranked by Respondents with different occupation. Safety, Return and Risk are considered very important guiding factors towards investment by Professionals and Entrepreneurs ranked 1st, 2nd and 3rd respectively. Executives consider Return, Safety and Risk as main guiding factors for investment with 2.6, 2.27 and 1.60 weightage ranked 1st, 2nd and 3rd respectively.

Very few Professionals prefer Past performance and Portfolio

as their guiding factor ranked 10th with 0.07 weightage. Past Performance, Tax Concession and Past Experience are hardly considered as guiding factors by Executives depicted by 0.47, 0.40 and 0.07 weightage respectively and last rank.

Entrepreneurs consider Liquidity as important guiding factor as compared to Professionals and Executives. Brand name is given more consideration by Executive but it is least preferred by Entrepreneurs.

Table 5
Occupation of Respondents and Parameters Considered in Selecting Financial Company for Investment

Sr.	Parameters	Professionals		Executives		Entrepreneurs	
		W.A.	R.	W.A.	R.	W.A.	R.
1	Trustworthy	1.87	2	2.53	2	2.4	2
2	Financial strength of promoters	1.60	3	1.00	4	1.4	3
3	Usage of Technology	0.20	8	0.00	11	0	12
4	Reputation	2.47	1	2.80	1	2.87	1
5	Innovation	0.00	9	0.13	9	0.00	12
6	Products Flexibility & Transparency	0.87	5	1.40	3	0.67	4
7	Business Practices	1.00	4	0.47	6	0.67	4
8	The Management Team	0.67	6	0.20	8	0.67	4
9	Range of services	0.00	9	1.00	4	0.47	7
10	Convenience	0.33	7	0.40	7	0.4	8
11	Service orientation	0	9	0.00	11	0.2	10
12	Customer interaction	0	9	0.07	10	0.4	8
13	Channel Availability	0	9	0	11	0.2	10
14	Range of services	0	9	0	11	0	12
15	Any other	0	9	0	11	0	12

Source: (Field Data)

Table 5 shows parameters considered in selecting any financial company for investment by respondents from different occupations.

It shows that first and important parameter of decision marking is the 'Reputation' of the company ranked 1st by all respondents.

Very few professionals consider Management Team, Convenience and Usage of Technology in selecting any financial company depicted by very low weightage i.e. 0.67, 0.33 and 0.20 respectively.

Management Team, Innovation and Customer Interaction are having 0.20, 0.13 and 0.07 weightage respectively by Executives with 8th, 9th and 10th rank respectively.

Convenience, Service Orientation and Channel Availability are not valued much as parameters in selecting any financial company by Entrepreneurs which are ranked 8th and 10th respectively.

Table 6
Occupation of Respondents and Sources of Information

Sr.	Sources of information	Professionals		Executives		Entrepreneurs	
		W.A.	R.	W.A.	R.	W.A.	R.
1	Government Officials	0	12	0.87	5	0	9
2	Bank Officials	1.2	5	0.60	8	0.53	7
3	Financial Advisors	1.47	1	1.07	4	2.13	1
4	Consultants (tax Consultant / CA)	1.47	1	0.67	6	1.73	3
5	Television Ads, TV programmes	1.07	6	2.33	1	2.00	2
6	Brokers	0.33	7	0.20	10	0.67	6
7	Friends / Relatives	1.33	3	1.20	3	1.13	5
8	Newspapers Ads, Hand Outs	1.33	3	1.87	2	1.67	4
9	Websites	0.07	11	0.67	6	0.00	9
10	Newsletters, Bulk Mailing	0.13	9	0.00	12	0.00	9
11	Seminar/lectures	0.20	8	0.27	9	0.00	9
12	Cold Calls	0.13	9	0.2	10	0.13	8
13	Journals	0	12	0	12	0	9
14	Any Other	0	12	0	12	0	9

Source: (Field Data)

Table 6 shows convenient sources of information used for investment by Respondents with different occupation. Convenient Source for getting information is important parameter considered in investment. It differs from person to person. Financial Advisors and Consultants (Tax Consultant / CA) are considered very convenient sources of information by Professionals ranked 1st with 1.47 weightage. Very few respondents of professionals use Seminars/ Lectures, Newsletters, Bulk Mailing and Cold Calls as sources of information ranked 8th and 9th with 0.20 and 0.13 weightage respectively.

It shows that Television Ads, TV programmes and

Newspapers Ads, Hand Outs and Friends are considered more convenient sources of information by Executives with 1st, 2nd and 3rd rank with weightage i.e. 2.13, 2 and 1.73 respectively. Seminars, Cold Calls, and Brokers are not considered more convenient sources of information by executives with 9th and 10th rank respectively.

Entrepreneurs use financial Advisors, Television Ads, TV programmes and consultants (Tax Consultant / CA) for getting information about investment. Brokers, Bank Officials and Cold Calls are less preferred with 0.67, 0.53 and 0.13 and 6th, 7th and 8th rank respectively.

Table 7
Rank Correlation between Occupation and factors influencing individual investment
The correlation is performed at two tailed.

Sr.	Correlation	Professionals and Executives	Professionals and Entrepreneurs	Executives and Entrepreneurs
1	Occupation & Investment Avenues	0.89*	0.90*	0.93*
2	Occupation & Investment Objectives	0.97*	0.65**	0.53**
3	Occupation & Guiding Factors	0.83*	0.86*	0.73*
4	Occupation & Parameters Considered in Selecting Financial Company	0.78*	0.84*	0.89*
5	Occupation & Sources of Information	0.60**	0.88*	0.68*

Source: (Compiled by Researchers)

Note: * Indicates .01 level of significance

** Indicates .05 level of significance

Table 7 indicates high degree of positive correlation between Occupation and factors influencing individual investment. Correlation between occupation of Respondents and investment avenues is significant at the 0.01 level for any combination of respondents with Executive, Entrepreneur or Professional as occupation. Highest correlation is reflected between Executives and Entrepreneurs i.e. 0.93 indicating similarity in choice of investment avenues by respondents with occupation as Executive or Entrepreneur.

Investment Objectives of Professionals and Executives are highly correlated as represented by correlation coefficient 0.97. Lowest correlation coefficient observed is 0.53 at 0.05 level for Executives and Entrepreneurs indicating significant difference between their investment objectives.

Guiding Factors towards investment of Professionals and Entrepreneurs are highly correlated. Highest correlation coefficient between Executives and Entrepreneurs is 0.86. Lowest correlation coefficient i.e. 0.73 is observed between Executives and Entrepreneurs indicating little deviation in guiding factors for investment by respondents with these occupations.

Positive correlation significant at the 0.01 level between occupation of Respondents and parameters considered in selecting financial company is observed. Executives and

Entrepreneurs are highly correlated with correlation coefficient 0.89.

Positive correlation between occupation of Respondents and sources of information are correlated as observed at the 0.01 level. Professionals and Entrepreneurs are highly correlated with highest correlation coefficient i.e. 0.88.

Testing of Hypotheses

Hypothesis 1

The hypothesis is set on the basis of occupation is

Ho- Respondents having same occupation have similar investment pattern.

H1- Respondents having same occupation differ in their investment pattern.

Table 12

Occupation and Investment Pattern and - One sample K-S-Z Test

Following table shows frequency tabulation of Occupations and preferred Investment avenues by respondents. Results of Kolmogorov-Smirnov Z test between investment pattern and occupation of respondents as variables has been displayed.

Investment Avenues		Occupation			
		Entrepreneurs with 1-9 employees	Entrepreneurs with more than 10 employees	Professionals	Officer/ Executive
		1	2	3	4
N		12	12	12	12
Uniform Parameters	Minimum	0	0	0	0
	Maximum	6	4	10	9
Most Extreme Differences	Absolute	0.333	0.333	0.283	0.25
	Positive	0.333	0.333	0.283	0.25
	Negative	-0.167	-0.083	-0.083	-0.167
Kolmogorov-Smirnov Z		1.155	1.155	0.981	0.866
Asymp. Sig. (2-tailed)		0.139	0.139	0.29	0.441
Monte Carlo Sig. (2-tailed)	Sig.	0.107	0.107	0.245	0.378
	P Value	NS	NS	NS	NS

Source: (Compiled by Researchers)

Above table depicts Kolmogorov-Smirnov Z test is not significant at 99% confidence interval and hence H0 is accepted and H1 is rejected. Hence, it is concluded that respondents with same occupation have similar investment Pattern.

To test another Hypothesis referring to inter group consistency regarding choice of investment by respondents

from different occupations, Friedman Test is performed as follows.

Hypothesis 2

Ho- Respondents having different occupation have similar investment pattern.

H1- Respondents having different occupation differ in their

Table 13

Occupation and Investment Pattern and Friedman Test

Following table shows the results of Friedman Test between Investment pattern and occupation of respondents as variables.

Occupation	Entrepreneurs with 1-9 employees	Entrepreneurs with more than 10 employees	Professionals	Officer/ Executive
Mean Rank	2.00	1.54	3.17	3.29
Chi-Square	18.255			
Df	3			
Asymp. Sig.	.000			
Monte Carlo Sig.	Sig.			.000
	99% Confidence Interval	Lower Bound	.000	
		Upper Bound	.000	

Source: (Compiled by Researchers)

Above table shows that Test is significant at 99% confidence interval and hence H₀ is rejected and H₁ is accepted. Hence it is concluded that, there is significant difference in the investment pattern and occupation of respondents. It is concluded that Entrepreneurs, Professionals and Executives are not having similar investment pattern. This difference is due to different objectives behind investment as per their occupation and family needs.

Findings and Conclusions

The paper attempts to study investment pattern of Respondents with different occupations as Professionals, Executives or Entrepreneurs.

Following are the findings based on personal interview of various respondents with the help of structured schedule and on the basis of observations of researchers during the course of study.

Male respondents are more as compared to female Respondents. They are 83%. It is observed that 60% respondents are with the Graduate & Postgraduate level of academic qualification. 33% of the respondents are in the income group of 20000-25000 per month. 80% sample respondents are married. **33% respondents are in the age group of 24-29 and only 3% respondents are in the age group 48-53.**

Following findings are presented in accordance with stratum selected for study

Professionals

Insurance, Bank Deposits and PPF are preferred investments by Professionals ranked. Least preference was found for ULIP, Credit Society, NSC and Systematic Investment Plan by Professionals.

Professionals invest to suffice Future Dependent Obligation and Future Personal Obligation and they also view investment as Source of Income. Acquisition of House Property and Working Capital Formation are least preferred as objective for investment

Safety, Return, and Risk are important Guiding Factor for choice of investment.

For selecting financial company for investment, Professionals consider Reputation, Trustworthiness and Financial Strength of promoters as important parameters.

Professionals depend on Financial Advisors, Consultant and Friends and Relatives as source of information for financial decisions.

Executives

Executives prefer Insurance, Bank Deposits and PO

Schemes . Least preference was found for Real Estate, Systematic Investment Plan and Credit Society by Executives.

Executives invest to suffice Future Dependent Obligation, Future Personal Obligation and Health Insurance. Acquisition of Assets and Working Capital Formation do not drive Executives for investment

Return, Safety, and Risk are important Guiding Factor for choice of investment

For selecting financial company for investment, Executives consider Reputation, Trustworthiness and Product Flexibility and transparency as important parameters.

Executives depend on Television Ads, TV Programmes, Newspaper Ads and Handouts and Friends and Relatives as source of information for financial decisions.

Entrepreneurs

Entrepreneurs preferred Insurance, Bank Deposit and PPF. **Least preference was found for NSC Systematic Investment Plan and ULIP by Entrepreneurs.**

Entrepreneurs invest to suffice Future Dependent Obligation, Future Personal Obligation and Working Capital Formation. Health Insurance, Acquisition of House Property and Retirement Planning do not drive **Entrepreneurs** for investment

Safety, Return and Risk are important Guiding Factor for choice of investment.

For selecting financial company for investment, Entrepreneurs consider Reputation, Trustworthiness and Financial Strength of promoters as important parameters.

Entrepreneurs depend on Financial Advisors, television Ads, TV Programmes and Consultants as source of information for financial decisions.

Overall Findings

Insurance, Bank deposits, PPF and Post Office Schemes are mostly preferred investment avenues by Respondents to suffice Future Dependent Obligation and Future Personal Obligations, the main objectives of all sample respondents.

Working Capital Formation, Acquisition of Assets and Retirement Planning are not considered as major objective for investment by respondents.

Safety, Return and Risk are considered as guiding factors towards investment by all sample respondents.

While choosing a company for investment, Majority of respondents consider 'Reputation' of the company as an

important parameter. Trustworthiness and Financial Strength of promoters is also considered where as Management Team, Innovation and Range of Services are ignored by sample respondents.

Financial Advisors and Consultants (Tax Consultant / CA) , Television Ads, TV Programmes, Newspapers Ads, Hand Outs and friends/ Relatives are considered as more convenient and dependable sources of information by respondents. Websites, Newsletters, Seminars, Cold Calls and Journals are ignored for getting information about investments.

Correlation

High degree of positive correlation is observed between Occupation and factors influencing individual investment. Executives and Entrepreneurs have high positively correlated i.e. 0.93 as far as choice of investment avenues is considered. Professionals and Executives have high positive correlation i.e. 0.97 for investment objectives. Guiding Factors for investment show a correlation of 0.86 between Professionals and Entrepreneurs indicating resemblances in guiding factors. Executives and entrepreneurs reflect similarity in Parameters considered for selecting financial company with positive correlation of 0.89. Importance attached to sources of information differs with respondents from different occupation. Significant positive correlation i.e. 0.88 is found for Professionals and entrepreneurs.

Other Findings

Large number of respondents prefer long term duration for investment for 5 or more than 5 years. Sample respondents expect 10% to 15% return on their investment.

Majority of sample respondents are self decision maker about investment.

Conclusions

This study has made an attempt to understand the demographic profile of respondents and the investment pattern of respondents with different occupations. Above analysis indicates that there is high positive correlation between occupation of respondents and factors influencing individual investment like Investment Objectives, Guiding Factors, Parameters for Selection of Financial Company and Sources of Information. The research concludes with some important findings that will be valuable for both the

respondents and the companies offering such investment opportunities. The financial product designers equipped with this sort of information on the various segments of Investors and the factors that influence their decision making can specifically target particular segments through their Instruments for effective marketing.

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