

An Empirical Study on Millennial's Behaviour towards Perception of Investment Avenues with Reference to Saurashtra Region of the Gujarat

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Abstract— Investors play vital and crucial role in the growth of the economy. They are rational for their investment and at the different age of the life cycle, they are having different parameters for investment decision. In which millennials are the major group who influence the economy with their decisions. The purpose of this research is to study about the investment decisions of millennial generation. Main aim to know the impact on investment decision due to influence of gender, occupation and Income level of investors. This study surveyed 173 respondent of Saurashtra region of Gujarat. The descriptive study examine the investor's perception towards the investment avenues. Secondly, to study the impact of gender and income level of investors on preference of various investment avenues. Also to know the impact of occupation on the investment objective of millennials. Researcher used the SPSS for the data analysis. Interpretation and significance of the hypothesis was done through the percentage analysis, and ANNOVA test. The current study exhibits that there is relationship between investment decision with gender, occupation, and income level of investors.

Key words: Millennials, Investment Decision, Investment Behavior, Investment Avenues

I. INTRODUCTION

Numerous scholars have explored investment behavior and endeavored to deepen comprehension of how individuals oversee their investments using diverse approaches. A review of the existing literature underscores that personal traits predominantly shape the process of investment management. The discussion centers on the impact of psychological factors and personal behavior when making investment decisions by the millennials. Investors play a crucial role in allocating capital to different companies, industries, and asset classes. By investing in stocks, bonds, real estate, and other financial instruments, they help channel funds to businesses and projects that need financing for growth and development. As the same investors are the backbone of financial markets, contributing to market efficiency, capital allocation, and economic growth. Their decisions and actions collectively shape market trends, pricing, and overall market dynamics. Millennials, born roughly between the early 1980s and mid-1990s, have displayed distinct investment behaviors and preferences compared to previous generations. Their approach to investment management is often influenced by their unique experiences, technological advancements, and changing economic landscapes. Various demographic factors and the different preferred financial avenues was changed the preference of the investment management.

II. LITERATURE REVIEW

Geetha & M. Ramesh (2012) conducted study on A study on relevance of demographic factors in investment decisions. This study aims to investigate the importance of demographic factors within the population, including gender, age, education, occupation, income, savings, and family size, in relation to various aspects of investment decision-making. These aspects encompass investment preferences based on investment characteristics, the duration of investments, sources of information reach, investment frequency, and analytical skills.

Sumandiran Prithiviraj, Gokul G, (2016) analysed with the objective to find the behaviour of investors and analyze the factors affecting the Investment decision and to find out the risk tolerance level of individual investors with respect to demographic variables like gender, age, domicile, marital status, education, occupation, family type and family size which was significantly influenced the investment behavior.

Kusumaningrum, Trias & Isbanah, Yuyun & Paramita, R.A. (2019), Study analyzed that a young investor should always consider the financial position much before taking investment decisions which may be sensitive towards market fluctuations. Hence the study suggests that the young investors should balance their emotional control towards market fluctuations which can ultimately lead to adverse decisions.

Aang Kunaifi, Ahnan Naufa Fadlil Akbar (2019), the researchers found that personal factors such as age group and gender have relationships on investment behavior. Females are more likely to have an investment account.

Raju, N. S. V. N., & Patra, A. (2020) had studied and had carried out research on the investor's investment perceptions towards various investment options and various factors that influencing the investment behaviour of individual investors.

Shinki K Pandey, Abhishek Vishwakarma (2020) have identified the Investment preferences among the young generation of India. These studies shows that the young generation is ready to take a good risk for getting good returns and they have stopped following traditional methods of investment. And it was also found that the young generation is not bounded by

the time horizon factor i.e. Long Term or Short Term instead they are focused gaining higher returns irrespective to time horizon.

Vaishali, Ms & Patil, Rajendra & Mali, Nitin. (2021) analyzed that most of the millennials in Pune district preferred to invest in the traditional investment like, Bank deposit, insurance, gold/silver as compared to modern investment in stock market and Mutual funds. As per their view, they are also less secure for investing in the Commodity market due to uncertainty and Volatility in the stock market.

Shyamala G & Dr. R. Mahesh (2022). The researchers found that, the young generation of today are more creative and technology savvy than the older generation socially and financially. From their point of view, the awareness about investment is lacking. In India, all capital market investment avenues are perceived to be risky by the investors. The literature review has revealed that the younger generation investors are willing to invest in capital market instruments.

III. RESEARCH GAP

The mentioned literature fails to address the investment behavior and perspectives of millennials investors across different investment options in India. It does not make an effort to uncover the significant underlying factors affecting investments, their respective significance, and their correlation with demographic variables. Many of the existing studies yield conflicting outcomes regarding how investors perceive different investment avenues in India. This current study aims to bridge these gaps in research.

IV. OBJECTIVES

- 1) To investigate the investment preferences of millennials for the Investment management.
- 2) To investigate the investment preference of millennials with reference to gender.
- 3) To investigate the investment preference of millennials with reference to occupation.
- 4) To investigate the investment preference of millennials with reference to monthly income.

V. RESEARCH METHODOLOGY

A. Sample Frame

For this research we have taken the Gujarat state as universe for the data collection which was sub divided in to different sub cluster as per the census data of 2011 ("Census of India," 2011). And form the sub cluster consists of five zone i.e. central zone, North zone, Kutch Zone, Saurashtra Zone and South Zone. From which for the purpose of the study we have taken the South zone.

B. Research Design

The Research utilised the survey method that was both descriptive and analytical in nature. A survey was conducted through a structured questionnaire tasted for reliability and data was collected throughout the Saurashtra region of the Gujarat

VI. DATA ANALYSIS AND INTERPRETATION

The data was collected based on Convenient Sampling method and was analysed on the basis on Percentage analysis, t Test, and ANNOVA test.

A. Demographic profile of the respondents

Demographic Profile	Particular	No of respondents	Percentage
Gender	Male	120	69.4
	Female	53	30.6
	Transgender	0	0.00
Total		173	100
Age	26 to 30	76	43.9
	31 to 35	43	24.9
	36 to 40	54	31.2
Total		173	100
Education Qualification	Graduate	51	29.5
	Post Graduate	112	64.7
	Professional	10	5.8
Total		173	100
Occupation	Private Job	80	46.2
	Professional	65	37.6
	Entrepreneur	28	16.2
Total		173	100
Monthly Income	Up to 20000	36	20.8
	20001-30000	35	20.2

	30001-45000	42	24.3
	450001-60000	21	12.1
	Above 60000	39	22.5
Annual Savings	Up to 50000	48	27.7
	50001- 100000	62	35.8
	100001-200000	32	18.5
	200001-500000	31	17.9
	More than 500000	00	00.0
Total		173	100

Table 1: Demographic Profile of Respondents

The research primarily focuses on examining the investment behaviour of millennials, with the sample categorized according to their socio-economic backgrounds. The age group between 26 to 40 were found to participate in research. The required data was collected through pre-tasted questionnaire based on random sampling of 173 respondents. Out of 173 respondents, 120 respondents were male and rest 53 were females. Most of the respondents were post graduate qualified (112), 51 respondents were graduate and the rest of the remaining 10 respondents were professionally qualified. The table shows that out of total Respondents, 80 respondents were salaried investors of private job, 65 respondents were professional investors and remaining 28 respondents were entrepreneurs. Further, Majority of the respondents were having monthly income between 30000 to 45000 and 39 respondents were having the monthly income above 60000. As per the percentage analysis it shows that, 35.8% of the investors having annual saving of 50000 to 100000. And followed by the annual saving of 27.7% investors having annual saving of up to 50000.

B. Reliability Test

The reliability test assesses the degree of consistency between items and the outcomes.

To assess the reliability of this research, Cronbach's Alpha was employed to evaluate the internal consistency of a set of scale or test items.

Reliability Statistics	
Cronbach's Alpha	N of Items
.703	76

Table 2: Reliability Test of the Collected Data

The reliability test of the data shows the .703 as per the criteria it means the data is excellent reliable for the research and the data are consistent for the further research analysis.

VII. HYPOTHESIS

- 1) H₀₁:- There is no significant difference between choices of investment preference of avenues across the gender of respondents.
- 2) H₁:- There is significant difference between choices of investment preference of avenues across the gender of respondents.

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
Saving A/c	Between Groups	2.072	1	2.072	2.753	.099
	Within Groups	128.714	171	.753		
	Total	130.786	172			
Bank Deposit	Between Groups	7.039	1	7.039	5.025	.026
	Within Groups	239.539	171	1.401		
	Total	246.578	172			
PPF	Between Groups	.001	1	.001	.001	.982
	Within Groups	180.716	171	1.057		
	Total	180.717	172			
NSC	Between Groups	1.519	1	1.519	1.400	.238
	Within Groups	185.533	171	1.085		
	Total	187.052	172			
Govt Sec	Between Groups	.625	1	.625	.948	.332
	Within Groups	112.705	171	.659		
	Total	113.329	172			
LIC	Between Groups	.000	1	.000	.000	.997
	Within Groups	306.092	171	1.790		
	Total	306.092	172			
Mutual fund	Between Groups	.343	1	.343	.491	.484
	Within Groups	119.287	171	.698		
	Total	119.630	172			
Post Office	Between Groups	.582	1	.582	1.021	.314

	Within Groups	97.384	171	.569		
	Total	97.965	172			
Bond Debt	Between Groups	.213	1	.213	.176	.675
	Within Groups	206.712	171	1.209		
	Total	206.925	172			
Gold Silver	Between Groups	7.665	1	7.665	13.155	.000
	Within Groups	99.630	171	.583		
	Total	107.295	172			
Equity Stocks	Between Groups	.224	1	.224	.384	.536
	Within Groups	99.580	171	.582		
	Total	99.803	172			
Real Estate	Between Groups	4.581	1	4.581	2.740	.100
	Within Groups	285.905	171	1.672		
	Total	290.486	172			
Insurance	Between Groups	2.059	1	2.059	1.181	.279
	Within Groups	297.999	171	1.743		
	Total	300.058	172			
Crypto currency	Between Groups	.001	1	.001	.005	.946
	Within Groups	54.553	171	.319		
	Total	54.555	172			
Fraction shares	Between Groups	.864	1	.864	2.490	.116
	Within Groups	59.333	171	.347		
	Total	60.197	172			

Table 3: ANNOVA Table between Investment Preferences and Gender

In above table 3 most of the p value of the investment preferences shows more than 0.05 so we can say that we fail to reject null hypothesis and hence researcher can say that there is no statistical relationship between the choice of investment preferences and gender like saving account (.099), Govt. Securities (.811), PPF (.982), NSC (.238) LIC (.997), Bonds-Debenture (.675), Mutual fund (.484), Post office Savings (.314), crypto currency (.946), Equity stocks (.536), Real Estate (.100) Insurance (.279) and Fraction Shares (.635). It shows that male and female are not having any statistical relationship for choosing investment avenues.

The p value of other investment avenues like Bank deposits (.026) and Gold-Silver (.000) is having the low value than 0.05 that shows there must be statistical relationship between and the choice of investment avenues. It shows that for the traditional avenues, male and females are influencing while choices of the investment avenues.

3) H_{02} :- There is no significant difference between choices of investment preference of millennials having different occupations

4) H_2 : There is significant difference between choices of Investment preferences of millennials having Different Occupations

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Saving Ac	Between Groups	1.526	2	.763	1.004	.369
	Within Groups	129.260	170	.760		
	Total	130.786	172			
Bank Deposit	Between Groups	11.145	2	5.572	4.024	.020
	Within Groups	235.433	170	1.385		
	Total	246.578	172			
PPF	Between Groups	4.784	2	2.392	2.311	.102
	Within Groups	175.933	170	1.035		
	Total	180.717	172			
NSC	Between Groups	16.454	2	8.227	8.198	.000
	Within Groups	170.598	170	1.004		
	Total	187.052	172			
Govt Sec	Between Groups	.712	2	.356	.538	.585
	Within Groups	112.617	170	.662		
	Total	113.329	172			
LIC	Between Groups	.224	2	.112	.062	.940
	Within Groups	305.869	170	1.799		
	Total	306.092	172			
Mutual fund	Between Groups	2.988	2	1.494	2.178	.116
	Within Groups	116.642	170	.686		
	Total	119.630	172			

Post Office Savings	Between Groups	2.729	2	1.364	2.436	.091
	Within Groups	95.236	170	.560		
	Total	97.965	172			
Bond-Debt	Between Groups	.442	2	.221	.182	.834
	Within Groups	206.483	170	1.215		
	Total	206.925	172			
Gold-Silver	Between Groups	1.546	2	.773	1.243	.291
	Within Groups	105.749	170	.622		
	Total	107.295	172			
Equity Stocks	Between Groups	1.443	2	.722	1.247	.290
	Within Groups	98.360	170	.579		
	Total	99.803	172			
Real Estate	Between Groups	3.910	2	1.955	1.160	.316
	Within Groups	286.576	170	1.686		
	Total	290.486	172			
Insurance	Between Groups	.694	2	.347	.197	.821
	Within Groups	299.364	170	1.761		
	Total	300.058	172			
Crypto Currency	Between Groups	3.052	2	1.526	5.036	.008
	Within Groups	51.503	170	.303		
	Total	54.555	172			
Fraction	Between Groups	.993	2	.496	1.425	.243
	Within Groups	59.204	170	.348		
	Total	60.197	172			

Table 4: ANNOVA Table between Investment Preferences and Occupation

In above table 4 most of the p value of the investment preferences shows more than 0.05 so we can say that we fail to reject null hypothesis and hence researcher can say that there is no statistical relationship between the choice of investment preferences and different occupations like saving account (.369), PPF (0.102) Govt Securities (.585), LIC (.940), Bonds-Debenture (.838), Mutual fund (.116), , Gold-Silver (.291), Equity stocks (.290), Real Estate (.316) Insurance (.821) and Fraction Shares (.243), Post office Savings (.091)

The p value of other investment avenues like Bank deposits (.020), NSC (0.000), and crypto currency (.08) is having the low value than 0.05 that shows there must be statistical relationship between different occupations and the choice of investment avenues.

5) H03: There is no significant difference between investment preference of millennials and monthly income.

6) H3: There is significant difference between investment preference of millennials and monthly income.

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
Saving A/c	Between Groups	1.950	4	.487	.636	.638
	Within Groups	128.837	168	.767		
	Total	130.786	172			
Bank Deposit	Between Groups	11.887	4	2.972	2.127	.080
	Within Groups	234.691	168	1.397		
	Total	246.578	172			
PPF	Between Groups	2.621	4	.655	.618	.650
	Within Groups	178.096	168	1.060		
	Total	180.717	172			
NSC	Between Groups	18.639	4	4.660	4.648	.001
	Within Groups	168.413	168	1.002		
	Total	187.052	172			
Govt. Sec	Between Groups	5.947	4	1.487	2.326	.058
	Within Groups	107.382	168	.639		
	Total	113.329	172			
LIC	Between Groups	11.726	4	2.932	1.673	.159
	Within Groups	294.366	168	1.752		
	Total	306.092	172			
Mutual fund	Between Groups	5.047	4	1.262	1.850	.122
	Within Groups	114.583	168	.682		
	Total	119.630	172			
Post Office	Between Groups	6.351	4	1.588	2.912	.023

	Within Groups	91.614	168	.545		
	Total	97.965	172			
Bond-Debt	Between Groups	7.157	4	1.789	1.505	.203
	Within Groups	199.768	168	1.189		
	Total	206.925	172			
Gold-Silver	Between Groups	4.131	4	1.033	1.682	.156
	Within Groups	103.164	168	.614		
	Total	107.295	172			
Equity Stocks	Between Groups	2.976	4	.744	1.291	.276
	Within Groups	96.828	168	.576		
	Total	99.803	172			
Real Estate	Between Groups	4.373	4	1.093	.642	.633
	Within Groups	286.112	168	1.703		
	Total	290.486	172			
Insurance	Between Groups	12.579	4	3.145	1.838	.124
	Within Groups	287.479	168	1.711		
	Total	300.058	172			
Crypto Currency	Between Groups	3.339	4	.835	2.738	.030
	Within Groups	51.216	168	.305		
	Total	54.555	172			
Fraction shares	Between Groups	3.589	4	.897	2.663	.034
	Within Groups	56.608	168	.337		
	Total	60.197	172			

Table 5: ANNOVA Table between Investment Preferences and Monthly Income

In above table 5 most of the p values are more than the 0.05 which fails to reject null hypothesis and there is no statistical relationship between choice of investment preferences and the different monthly income level. As the same the investment avenues like saving account (0.638), Bank deposit (.080), PPF (0.650), Govt. sec (0.058). LIC (.159), Mutual Fund (.122), Bond & Debt (.203), Gold -Silver (.156), Equity stocks (.276), Real estate (.633) and Insurance (.124) shows there is no relationship between the choice of the investment avenues and the different level of income.

On the basis of test, we can say that for investment preferences of NSC (0.00), Post office savings (.023) Cryptocurrency (.030) and Fraction Shares (.034) having the p value less than the level of significance 0.05 which shows that there is high level of differences between the choice of investment avenues and different level of income.

VIII. FINDINGS

As per the research study, it is found that Majority of male respondents are having awareness about the Investment avenues and they are likely to invest in different investment avenues. Most of the investors are having the Post graduate in their qualification. Millennials are having very long span for the investment out form their annual savings, many of the participants having the less savings out of their earnings. This could be due to other financial commitments such as marriage, pursuing higher education, or seeking career opportunities abroad, as well as the potential lack of awareness regarding the significance of investment. As study shows that most of the millennials are the risk taker and they are more versatile for their investment. Gender influences over choice of investment avenues like Bank Deposits and Gold-Silver. Occupation exerts significant influence over NSC, Bank Deposit, Cryptocurrency and Fraction Shares. Monthly income significantly influence old investment avenues like NSC and Post office savings. And also monthly income influence the new avenues like cryptocurrency and fraction shares as they have less awareness about the new avenues.

IX. RECOMMENDATIONS

On the basis of the empirical study conducted in this research paper, it is observed that millennials investors of Saurashtra Region of Gujarat district are generally less aware about the investment avenues and investment management. There is need of millennials' financial education and awareness program. Millennials need some awareness about to invest in the different avenues rather than spending in lavish expenditure of the life style.

X. CONCLUSION

It is crucial for the financial industry to comprehend and engage with the millennial generation, as they will constitute a significant portion of future investors. The conducted study has provided valuable insights into the investment tendencies of the millennials in Gujarat. The study asserts the importance of specific demographic factors such as Gender, income and occupation with investment choices of Millennials generation. It was evident that a significant portion of the millennials struggles with saving money, primarily due to their inclination towards spending lavishly. Even among those who do save, only a small fraction manages to accumulate a substantial amount by the end of the month. The study determined that there is no significant difference between investment avenues selection of male and female investors.

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