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A STUDY ON SOCIO ECONOMIC FACTORS INFLUENCING THE INVESTMENT BEHAVIOR OF WOMEN INVESTORS

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ABSTRACT

The study investigates the socio-economic, demographic, and behavioral factors influencing the investment behavior of women investors. Primary data was collected through a structured questionnaire administered to women investors within the selected geographical region(Hyderabad, Telangana), while secondary data was obtained from journals, government reports, and authentic online sources to support the empirical findings. The collected data was analysed using SPSS software, where descriptive statistics such as frequencies, percentages, and charts were used to present demographic and socio-economic profiles. Inferential statistics, including the Chi-square test, were employed to examine the association between demographic and socio-economic variables and investment behavior. The findings revealed that socio-economic variables such as income, education, and occupation significantly influence women's investment choices. Demographic factors were found to be closely related to how women engage in financial discussions within their families and communities. Furthermore, behavioral aspects such as risk perception and financial confidence play a vital role in shaping the investment patterns of women investors.

Keywords: *Women investors, Investment behavior, Socio-economic factors, Behavioral influences.*

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INTRODUCTION

Women today are emerging as key contributors to the financial and investment landscape. Traditionally, they were regarded as conservative savers, focusing on household budgets, gold, and small savings, while major financial decisions were left to men. However, rising education levels, greater workforce participation, technological access, and increasing financial independence are reshaping women into confident investors.

Despite these positive developments, the participation of women in modern financial instruments such as equities, bonds, mutual funds, and insurance remains comparatively limited. Multiple barriers—including low financial literacy, lack of confidence, risk aversion, and cultural expectations—continue to influence investment decisions. Recent reports from institutions like *NITI Aayog (2025)* and *AMFI (2024)* highlight a growing number of women investors adopting SIPs, diversifying portfolios, and participating in formal financial markets. Yet, large sections of women remain excluded or hesitant to invest actively.

This study attempts to explore how socio-economic and demographic factors shape the investment behavior of women investors. By analyzing survey data through structured tools, it provides valuable insights into the evolving role of women in financial decision-making.

Within this framework, the present study focuses on examining the socio-economic factors influencing the investment behavior of women, while also considering their psychological dimensions such as confidence, risk tolerance, and autonomy in decision-making. The analysis is further supported by primary data collected through a structured questionnaire, which captures the demographic, financial, and behavioral attributes of women investors. The findings are analysed using statistical tools such as Descriptive statistics and chi-square tests to explore relationships between variables.

Investment behavior refers to the process by which individuals plan, decide, and act on allocating financial resources across available options based on their needs, goals, and risk preferences. For women, their behavior is deeply influenced not only by economic capacity but also by social structures and psychological dispositions.

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Previous studies conducted across Indian cities—such as Coimbatore (Santhiyavalli & Usharani, 2014), Ludhiana (Mittal & Aggarwal, 2017), Chennai (Silvester & Gajenderan, 2020), and Kolkata (Jha & Ghosh, 2024)—consistently point toward income, education, and occupation as central drivers of women's investment choices. At the same time, evolving perspectives emphasize behavioral factors such as confidence, cultural norms, and attitudes toward risk-taking.

The rise of prominent women investors such as Ankita Vasishtha, Vani Kola, Padmaja Ruparel, Lakshmi Iyer, and Renuka Ramnath illustrates that, when empowered, women can not only participate but excel in shaping financial markets. Yet, the contrast between these success stories

1.3 Need and Rationale of the Study

Although women's financial inclusion has improved in recent years, persistent inequalities, cultural influences, and socio-economic disparities still affect their participation in investments. Most studies on investment behavior focus on male investors, while women's decision-making remains underexplored. This study addresses that gap by analyzing how demographic, socio-economic, and behavioral factors collectively influence women's investment choices and participation.

Research Questions

- What socio-economic factors significantly influence women's investment behavior?
- How are demographic variables (e.g., age, education, marital status) associated with socio-economic factors such as occupation and income affecting women investment behavior.

Objectives of the Study

- To study the preference of selecting investment among women investors.
- To assess the association between demographic variables and socio-economic factors affecting women investment behavior.

Scope of the Study

The study focuses on examining the **investment behavior of women investors** with respect to their **socio-economic and demographic factors** such as age, education, income, occupation, and

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marital status. In this paper analysis married women mostly influencing on women investor behavior because Marital status has a significant impact on women's investment behavior, as it shapes their financial priorities and decision-making patterns. Married women often focus on family security and long-term goals, leading them to prefer safer investment options. In contrast, single, divorced, or widowed women tend to have greater financial independence and may exhibit higher risk tolerance, opting for growth-oriented investments. Thus, marital status influences both the level of financial autonomy and the type of investment choices women make.

Significance of the Study

The study on women investors is significant as it provides valuable insights into how demographic factors such as marital status, occupation, income, and education influence investment goals, frequency, and overall behavior. The findings reveal that marital status significantly affects investment goals, while other demographic factors have little impact, highlighting that women's investment behavior is largely driven by personal priorities and financial awareness. This information is useful for financial institutions, advisors, and policymakers to design targeted financial products, awareness programs, and advisory services that meet the specific needs of women investors. By understanding these patterns, the study helps promote goal-oriented investment behavior, financial literacy, and empowerment, ensuring that women can make informed decisions and achieve financial security regardless of their demographic background.

Review of Literature

Dr. G. Santhiyavalli and M. Usharani (2014) did a study on "Investment Behaviour of Women Investors in Coimbatore City." Women investors appear to be risk adverse, preferring to invest in low-risk investments such as assets that are safe and provide security for their primary amount. The study finds that the investment process teaches women to be confident, forward-thinking, and to make independent financial decisions in the long term best interests of their families.

Luxmi Jha, Chaitali Ghosh (2024), the current study took great efforts to test hypotheses, solve five research concerns, and achieve its objectives. Age is one of the demographic characteristics that has a negative impact on savings objectives, investment length, and investment returns.

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Occupation has a negative impact on risk and return on investment, but a favorable impact on investment objective, preference, and length.

R. Meenambigai, K. Latha, Srinu Madem (2022). The study is qualitative in nature, examining working women's investment behavior. It was carried out in Chennai, with 300 working women recruited using the purposive sample technique. They concluded that this study will help various investment organizations target the right audience in order to market their investment instruments and choose policies based on the findings of this research.

Mercy Silvester and Vijayakumar Gajenderan (2020), The study evaluates working women's investment behavior in Chennai. According to the report, 43.4% of working women make investments up to Rs. 50,000, while 36.7% make annual investments between Rs. 50001 and Rs. 100000. It suggests that working women are conscious about the investments and a reasonable share of their earnings is invested for the future. It was also shown that working women are well-aware of investment opportunities, and that both government and private sector working women have similar perceptions of investment opportunities in the research location.

Nidhi Agarwal & Vivek Mittal (2017) This study explores the relationship between many criteria such as marital status, education, and age and working women's investing decisions. This study employs a convenient sampling method. When choosing respondents, characteristics such as the women's age, educational qualification, and professional background were taken into account.

Research design

The study adopts a descriptive and analytical research design to examine the factors influencing women’s investment behavior. The population of the study comprises women investors and potential investors. A sample of 53 respondents was selected using the convenience sampling method to ensure accessibility and ease of data collection. Both primary and secondary data sources were utilized for the study. Primary data were collected through a structured, close-ended questionnaire designed to obtain measurable information regarding investment behavior and the factors influencing it. Secondary data were gathered from books, journals, research articles, and credible online sources to support the analysis and provide theoretical context. The collected data were analyzed using SPSS software. Descriptive statistics were employed to summarize and

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interpret the respondents' demographic and behavioral characteristics, while the Chi-square test was applied to examine the associations between socio-economic and demographic variables with investment behavior.

Results and Discussion

The data collected from **53 women investors** was coded and analyzed using **SPSS**. Both descriptive and inferential statistical techniques were applied to evaluate socio-economic, demographic, and behavioral influences on investment behavior.

Table 1 Descriptive analysis Demographic factor

Variable	Category	Frequency	Percent
Age of the Respondent	20-30	11	20.8
	31-40	22	41.5
	41-50	14	26.4
	51 and above	6	11.3
Occupation of the Respondent	Home maker	17	32.1
	Private job	26	49.1
	Government Job	1	1.9
	Self employment	5	9.4
	Other	4	7.5
Income level of the respondent	Below 15000	8	15.1
	15001-40000	16	30.2
	40001-100000	21	39.6
	100000 above	8	15.1
currently investing in investments	Yes	22	41.5
	No	31	58.5
Investment frequency of the women investos	Monthly	18	34
	Quarterly	9	17
	Occassionally	11	20.8
	Rarely	7	13.2
	Never	8	15.1
Marital status	single	5	9.4
	married	45	84.9
	widow	2	3.8
	divorced	1	1.9
Women investor mostly influenced	Self	16	30.2
	spouce	28	52.8
	Parents	7	13.2
	Financial Advisor	2	3.8

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Interpretation:

The results of the investment behavior study show a number of significant demographic and behavioral trends among the 53 participants. The majority of respondents are in their prime working years, as evidenced by the fact that 41.5% of participants are between the ages of 31 and 40, and 26.4% are between the ages of 41 and 50. There appears to be a mix of income earners and dependents, since a sizable fraction (49.1%) work in private jobs and 32.1% are homemakers. The sample is primarily middle-class, with the largest group earning between ₹40,001 and ₹1,00,000 (39.6%). It's interesting to note that a higher percentage of respondents (58.5%) said they don't currently invest, which could be a result of either a lack of resources or risk aversion. While 15.1% say they never invest at all, monthly investments are the most popular among those who do (34%). Most respondents are married (90% of valid responses), which could influence household financial decisions. Investment decisions appear to be primarily influenced by spouses (52.8%), followed by self-decision-making (30.2%), indicating a strong role of family dynamics in financial choices.

Association between demographic variable and women Investment behavior

To test the association between demographic variables and women's Investment behavior. The chi-square test is employed and results are as follows table 3

H0: There is no significant association between demographic variable and women investment behavior among women investors.

Table 2- **Chi-Square Tests**

Variable	Value	df	P Value	Result
Demographic variable & Women Investor behavior	13.290	9	.150	Accept @ 5% Sign Level

Interpretation:

"The chi-square analysis ($\chi^2 = 13.290$, df = 9, p = 0.150) indicates that there is no statistically significant association between demographic variable and women's investment behavior. Thus, the null hypothesis is accepted, and it is inferred that demographic variable does not significantly influence investment behavior in the present study."

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Association Among Education level and Investment Frequency

To test the association among the Educational qualification and Investment Frequency of women Investors. The chi-square test is employed and results are as follows:

H0: There is no significant association between education level and investment frequency among women investors.

Table 3- **Chi-Square Tests**				
Variable	Value	df	P Value	Result
Educational Qualification & Investment Frequency	12.227	12	.428	Accept @ 5% Sign Level

Interpretation:
The Chi-Square test ($\chi^2 = 12.227$, df = 12, p = 0.428) indicates **no significant association** between education level and investment frequency among women investors. However, since 75% of the cells had expected counts below 5, the result should be interpreted **with caution**.

Association Among Occupation of the respondent and Investment of the Goal

To test the association among the Occupation of the respondent and Investment of the Goal of women Investors. The chi-square test is employed and results are as follows table 4

H0: There is no significant association between Occupation of the respondent and investment of the Goal among women investors.

Table 4- **Chi-Square Tests**				
Variable	Value	df	P Value	Result
Occupation of the respondent & Investment Goal	20.276	16	.208	Accept @ 5% Sign Level

Interpretation:
The Chi-Square test ($\chi^2 = 20.276$, df = 16, p = 0.208) shows **no significant association** between occupation and investment goal among women investors. However, since 84% of the cells had expected counts less than 5 (minimum expected count = 0.04), the result should be interpreted **with caution** due to violation of Chi-Square assumptions.

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Association Among marital status of the respondent and Primary Investment Goal

To test the association among the marital status of the respondent and Primary Investment Goal of women Investors. The chi-square test is employed and results are as follows table 5

H0: There is no significant association between Marital status of the respondent and primary investment Goal among women investors.

Table 5- **Chi-Square Tests**				
Variable	Value	Df	P Value	Result
Occupation of the respondent & Investment Goal	29.043	12	.004	Accept @ 5% Sign Level

Interpretation:

The Chi-square test result shows a Pearson Chi-square value of 29.043 with a p-value of 0.004, which is less than 0.05. This indicates a significant association between the two variables being tested. In other words, the relationship between these variables is not due to chance. However, it is important to note that 80% of the cells have expected counts less than 5, which slightly weakens the reliability of the test result. The Cramer's V value of 0.440 suggests a moderate level of association between the variables, while the P- value (0.762) indicates a fairly strong correlation in nominal terms.

Association Among income level of the respondent and Investment frequency of women investors. To test the association among the Income level of the respondent and Investment frequency of women Investors. The chi-square test is employed and results are as follows table 6

H0: There is no significant association between Income level of the respondent and investment frequency among women investors.

Table 6- **Chi-Square Tests**				
Variable	Value	Df	P Value	Result
Income level of the respondent & Investment frequency among women investors	10.120	12	.605	Accept @ 5% Sign Level

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Interpretation:

The Chi-square test shows a Pearson Chi-Square value of 10.120 with a significance level (p-value) of 0.605, which is greater than 0.05. This indicates that there is no statistically significant association between the income level of the respondents and their investment frequency. Thus, investment frequency among women does not appear to depend on their income category.

Findings

The study on women investors reveals that marital status has a significant influence on their primary investment goals ($\chi^2 = 29.043$, df = 12, p = 0.004). This indicates that married women tend to prioritize family security and children's education, single women focus more on wealth creation and future savings, and widowed or divorced women emphasize financial independence. On the other hand, variables such as occupation (p = 0.208), income level (p = 0.605), and education (p = 0.428) do not show any statistically significant relationship with investment goals or investment frequency. The high p-values for these variables suggest that differences in occupation, income, or education do not meaningfully affect women's investment behavior, and any variations observed are likely due to chance. Additionally, the analysis of overall demographic variables and women's investment behavior (p = 0.150) also indicates no significant relationship, implying that investment behavior is largely guided by personal priorities, financial awareness, and individual goals rather than demographic characteristics. Therefore, while marital status plays an important role in shaping investment objectives, other demographic factors do not significantly determine how women invest or how frequently they make investments.

Suggestions

Based on the analysis of women investors' behavior and the influence of various demographic factors, it is evident that certain factors, such as marital status, play a significant role in shaping investment goals, while others, like occupation, income, and education, have limited influence. Understanding these patterns can help financial institutions, advisors, and policymakers design effective strategies, products, and awareness programs to encourage better investment practices among women. The following suggestions are proposed to improve investment participation, financial literacy, and goal-oriented investment behavior among women investors.

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The study highlights several implications for improving women's investment participation and financial decision-making. Since many demographic factors do not significantly influence investment behavior, financial awareness programs should be implemented to educate and empower women across all social and economic backgrounds to make informed investment decisions. Furthermore, customized financial products should be developed to address the varying priorities associated with marital status, as it has a notable impact on investment goals. In addition, given that income and education do not have a significant effect on investment frequency, financial institutions should promote simple and flexible investment options, such as Systematic Investment Plans (SIPs), that encourage regular investments among all women investors. Finally, providing personalized financial advisory services can help women align their investment behavior with their individual financial objectives, rather than being guided solely by demographic characteristics.

Conclusion:

The study reveals that among women investors, marital status significantly influences primary investment goals, while other demographic factors such as occupation, income, education, and overall demographics do not significantly affect investment goals, frequency, or behavior. This indicates that women's investment behavior is more driven by personal goals and priorities than by demographic characteristics. Financial literacy programs, advisory services, and goal-oriented investment options can help women make more informed investment decisions and enhance their participation in financial markets.

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