

Factors affecting Women' Investment Decisions: An Analytical Study

Dr. Darshana Vithalani

Founder, Divyathha Consultation, Rajkot
Email – academician.vithalani@gmail.com

Abstract: *The present study aims to identify and analyse various factors that affects the women's investment decisions while making a choice of investment from various investment avenues. The key factors identified by the author for this study are interest rate, safety, maturity, liquidity regularity of return, tax benefit, risk and resale. For the purpose of study, author aims to identify the relationship of various factors affecting women's investment decision based on their educational qualification and occupation. The survey was conducted through structured questionnaire and five hundred women response was recorded and analysed with appropriate statistical tool and testing of hypothesis. This paper highlights the facts on who women's education and occupation status relates to their ability to interact and interpret various factors that affects their choice of investment and their decisions.*

Key Words: *Investment decisions, financial knowledge, financial skills, risk & return analysis, financial literacy, investment market.*

1. INTRODUCTION:

India is witnessing a huge expansion in the investment markets are expanding day by day. The range of financial products and services has widened the horizon of investment and has brought various investment planning firms, professionals & experts to customize investment options and plan to suit the requirement of various distinct investors.

The current environment has resulted into overabundance of financial products and lack of clarity and access to information on distinguishing aspects of these products has resulted into uninformed decision making among consumers. At times products are perceived to be different and difficult due to the complexity of technical jargon and competitive strategies of various financial institutions. Other important concern that underlies there is the level of financial knowledge which varies based on several demographical, educational and occupational determinates.

Women, all over the world, are actively engaged and engrossed with their participation in economic frontier and financial market. Their significant involvement and endeavour in various field and economic sectors has made them focus on their money management and investment goals now then ever before. In India, the investment options as significantly increased, with many women centric financial products and schemes. Women's financial literacy and awareness plays major role in understanding and analysis of various investment options and factors underlying and influencing choice of each set of financial products and services. Women's education and occupation are one of the most prominent determinates in their financial independence and quality of their investment decisions. While planning their financial goals and investing their hard-earned money they need to equip themselves with thorough knowledge of investment and understand every factor affecting their financial decision with utmost clarity and information to overcome challenges of uninformed and unapprised financial decision.

Furthermore, the investment options for women in India significantly increase their monthly and yearly earnings. It is wise for them to gather more details about plans from different sources that give ways to make the right decision.¹

2. LITERATURE REVIEW:

Eikmeier (2007)² has shown in his research that financial education can lead to financial knowledge and bring positive changes in attitudes and tend to motivate a planned behaviour. The basic barrier women face is the "What If" factor. They worry about what will happen to them if they get divorced or if their spouse/partner loses his/her job. There are many things that can happen if women are totally dependent on someone for their financial well being. Such Life changing events may ruin their lives and add grief that would further weaken their judgement and ability to make financial decisions. It is said that 9 out of 10 women will manage their own finances at some point in their lives. The

¹ <https://iiflinsurance.com/knowledge-centre/term-insurance/top-10-investment-options-for-women-in-india>

² 35 Eikmeier, B. J. (2007). Trends drive opportunities for financial planning for women. *Journal of Financial Planning*, 20(6),6