

## Gender and Investment Trends: The Role of Gender in Entrepreneur- Investor Relationship

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### ABSTRACT

Behavioral Science is an emerging field which describes the emotional psychological pattern of individual investor during decision making process. The underneath study helps to examine the impact of gender on investment trends. For the purpose of collecting data, individual investors were chosen as respondents and a close ended questionnaire was used as an instrument of data collection. Investment trends were divided in six categories namely, stocks, commodities, gold, foreign exchange, bonds and real estate. The result exhibit that gender has sound impact in investment areas like Commodities and Real estate .Preferences of individual investors towards different types of investment choices made by each gender were also found. It was observed that majority of the male investors i.e. 52.5% preferred to make investment in real estate. Whereas 11.5%. Females were mostly inclined to make investment in gold. Results reveal female investors were found to show conservative behavior while male investors were aggressive when it comes to make investment.

### INTRODUCTION

Economic growth is immensely important to decrease the level of poverty and to enhance the living standards of people in developing countries. Investment is one of the contributing factors to achieve these objectives. In the present world of extreme monetary competition, every individual wants to maximize his gains by seeking best investment opportunities that can lead to increased capital accumulation with minimum financial stakes. Investment plays an important role in boosting the country's economy by injecting all the factors in economic system. Both macro and micro investments increase the demand of capital goods which increase domestic expenditures. Investment augments the financial resource that result increased in production efficiency, modernizes the production process and brings cost effectiveness. There are many investment opportunities for both current and potential investors to invest in inventory stock of raw material, semi-finished goods and finished goods, acquisition of direct production of goods and services, stocks, commodities, gold, forex exchange, bonds and real estate. Pakistani individuals are making their investment in all sectors of economy. There are many industries in Pakistan which are working properly to strengthen the economy. These industries include manufacturing industry, service industry, trading industry and genetic industry. This study is designed to investigate the impact of gender on different investment opportunities such as stocks, commodities, bonds, gold, forex exchange and real estate. Pakistani men are dominating the women in making investment decision. Almost 95% of the totally investment in Pakistan owned and controlled by males in different financial markets, but this trend has been changed from past decade. Women community is now actively making investment in small and medium terms business. It is observed that when contribution of women increased in household income, more spending is made on health of the family (Seasholes & Feng 2008). This is the new discussion in the

literature that whether women are more risk averse than men. It is commonly observed that females are more reluctant in making investment decision as compared to males. This is an established perception that investment brokers urges female to make investment in less risky stocks. That phenomena is also observed at corporate level where women are not promoted to the higher positions which requires risky decision making. Various studies were conducted to examine whether females are more risk averse than man which supported the ideology that males are high risk taker as compared to females. Different factors are also available which diversify that theory such as financial knowledge and wealth. Proper knowledge about the potential investment opportunity along with required wealth change the investment behavior of both males and females. Many individuals lack in understanding about how to begin investment and how to make investment in different commodities available in financial markets. They are not familiar with importance of investing, which increases wealth and ensure financial security. Clear and well defined investment goals lead to achieve financial objectives. In order to tackle this phenomena financial markets significantly facilitate the flow of saving and investment in the economy which help to accelerate capital and production of goods and services. Well designed and well developed financial institutions and financial markets with efficient financial products and instruments facilitate current and potential investors in making their investments. Financial markets are established and operated on the basis of gender neutral domains and their structures and functions are also gender oriented. After the financial crisis 2008 the contribution of women in form of entrepreneurs, consumers and creditors in financial markets became major interest for research (Aalbers,2009). Specific attention was given about how women make decisions while investing in financial markets and different commodities. Conventional finance has always been under discussion regarding the issue that whether people are rational in their decision making process or not (Kiyilar & Acar, 2013). There are many theories in finance which presume that investors are rational decision makers (Siegel, 2007). Nevertheless, there are considerable theories that presented that investors don't behave in a rational manner. Here the emerging field of behavioral finance comes up to describe that attitude and emotions influence the decision making process of investors (Fish, 2012). Males & females have different types of psychological behaviors. Gender effects investment decisions more than one might believe (Johson, 2004). In past few years, the world of finance has witnessed an enlarged number of women who are holding key financial positions and taking considerable amount of interest in investment (Kiyilar & Acar, 2009). According to Kover, (1999) nine out of ten women are responsible for managing the finances of their family.

### **Gender Difference and Investment Patterns**

A study conducted by a brokerage house revealed in their results, gender being the third most dominant factor following age and income (Bajtelmsmit & Bernasek, 1996). A notable part of the research assist that when it comes to investing, women are more risk averse than men (Barsky et al.,1997) and males are willing to take more risky investment decisions (Bruce & Johnson, 1994). Another author investigated that women have different attitudes towards money and investing from men (Barber & Odean, 1995). There are many researches which have found that women pattern of investment is more conservative than men and their confidence in investment decisions is far less than men.

### **Objective of study**

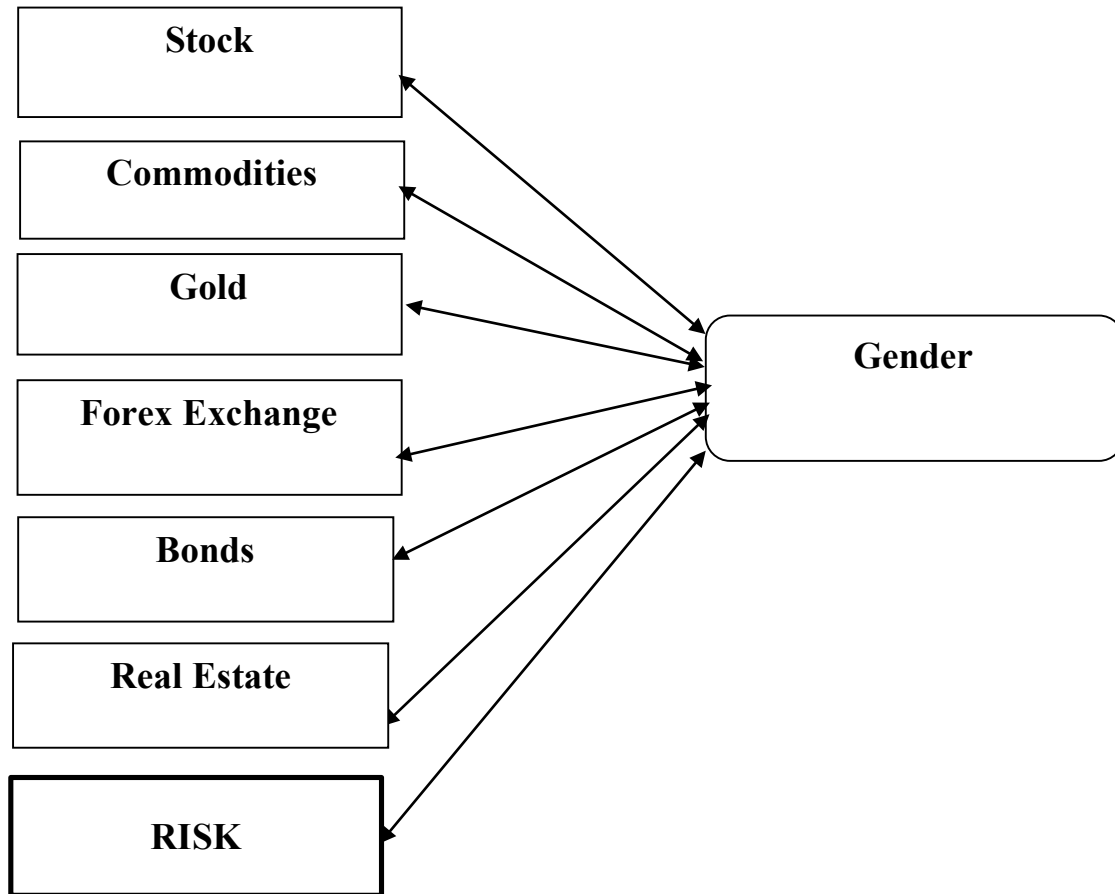
1. To evaluate the relationship between gender on investment trends.
2. To identify the type of investment choices made by each gender.
3. To determine the risk taking behavior among male and female investors

## LITERATURE REVIEW

Human beings are social animals with distinctive characteristics that make decisions following their emotions and attitude. Psychology and moods have a great sway on individuals while taking decisions (Kiyilar & Acar, 2009). Skinner (2005) said in his book "Science and Human Behavior" that it is very difficult to judge human behavior because of his versatile nature. Their decisions are influenced by internal and external factors. Therefore, we can say that behavior is a manner in which humans react. Behavioral finance is a new field on its early stages which explores the influence of attitude and emotion on financial decision making. It explains the individual's understanding based on recognized information to make financial decision (Talpssepp, 2013). Our research will focus on the impact of socio-demographic variables particularly gender on investment trends. In past, people were aware of significance of savings, so they usually kept the saving in the form of plastic money, gold, precious gem stones or jewelry. Generally people save when they have surplus amount of money. "Savings and Investment" is always an interesting area of research (Chhabra & Mundra, 2014). Saving paves the way for investment. People usually called misers to the investors. This thought might be due to insignificant knowledge regarding investment or financial market. Literally, "Investment" is the commitment of funds for a certain period of time. The initial stage of investment is when a person delays his/her present consumption, waiting for the appreciation of his funds (Chhabra & Mundra, 2014). In addition to this further studies described that global investment as amount of money spent today in order to get future gains and in present days investment decisions are supervised under international institutions such as World Bank, European Commission, European Bank for Reconstructions and Development etc (Avram et al., 2009). According to Geetha & M. (2012) mostly people have investment portfolios in the form of stocks, houses and gold. Rakesh & Sirinivas (2013) observed that there are two significant characteristics of investment "preferences and pattern". They identified many factors that influences the portfolio of investment for example income, economic variations, policies of government, natural adversities etc. It is common phenomenon that people want to maximize their gains with lower risk and to achieve this goal "diversification" is the best choice (Meenakshi & Shruti, 2012). Uncertainty and Risk are inevitably associated with every investment (Belli et al., 1996). Decision of investment should not be made unless proper examination of risk is carried out (Virlics, 2013). Each one of us confronts risk every day in different manners. Similarly, in financial world most of the investment are risky but no investment is risk free (Nwude, 2012). Risk is a part of every investment but with due diligence and proper planning it can be avoided (Nwude, 2012). Geetha & M. (2012) observed "Relevance of Demographic Factors in Investment Decision" and found the considerable relation between demographic factors like age, gender, income, profession and savings. Harikanth & Pragathi (2012) determined that income and occupation play a considerable role in defining the direction of investment of male and female investors. Many studies have been conducted to address the matter of gender difference in asset allocation and how psychological characteristics can influence the pattern of investment. The literature we found for our study states the principle causes of gender difference in area of investment are risk taking ability and confidence and psychological studies who aim to focus on varying confidence level among men and women. Funfgeld & Wang (2009) organized a research in German speaking area of Switzerland including 1,282 respondents to examine the impact of attitude and psychology on every day financial matters along with the effect of social and demographic variables. They found that gender and knowledge had remarkable impacts. Risk tolerance is supreme factor that can influence investment decision because it affects household's financial matters which eventually affect household's wealth collection. There is a notable body of research that assist the point that when it comes to investing; women are more risk averse than men. Not only this, the areas of investment are also quiet divergent for men and women because of their approach towards investing and money. It is a fairly common that financial service industry is usually

male dominated. For example , according to Alba & Pereira (2011) in the 2009 , 73 % males were involved in trading activity .Wall Street Financial professionals have started a new debate that there should be more women traders as they are more risk averse and this feature can push the market towards solidity. Bruce & Johnson (1994) argues that men undertake more investment risks as compared to women. When men get any market information, they spend a little time in processing that information, while women judge the opportunity of investment from various perspectives that resultantly makes them risk averse.

**Framework of the Study**



**Hypothesis of the study**

|    |   |
|----|---|
| H1 | There is a relationship between Gender and investment in Stocks         |
| H2 | There is a relationship between Gender and investment in Commodities    |
| H3 | There is a relationship between Gender and investment in Gold           |
| H4 | There is a relationship between Gender and investment in Forex exchange |
| H5 | There is a relationship between Gender and investment in Bonds          |
| H6 | There is a relationship between Gender and investment in Real Estate    |
| H7 | There is a relationship between Risk and Gender                         |

**RESEARCH METHODOLOGY**

The aim of the present study is to acquire better understanding of the impact of gender on investment trends. The procedures and methods used to quantify this relationship are examined in this section. The researchers went to the study sites and collected the data through questionnaire. The research is restricted to Lahore. Our respondents include individual investors. These investors should have made investment at any stage of their lives. The sample of 200 respondents was chosen for the collection of data. The respondents consist

of male and female individual investors. Non-probability sampling was selected for the sample size chosen. Further, respondents were selected on the basis of convenient sampling. Before heading towards data collection, the first step was to define the variables. In the present research, gender is independent variable and investment & risk are dependent variable. The close ended questionnaire was composed of five point likert scale. The likert scale varies from 1(strongly agree) to 5(strongly disagree). The questionnaire was divided into two sections. The first section included demographic section. This section collected information about Gender, Age, Qualification, Profession and Income of the respondent. While the other section included seven questions. This section collected the information about investment preferences and risk taking behavior of the individual investor. For the purpose of data entry and coding, SPSS (16.0) software was used. This software was selected because of its strong statistics and availability. The responses were coded via allocating 1 for strongly agree, 2 for agree, 3 for neutral, 4 for disagree and 5 for strongly disagree. Total 200 respondent's data was entered in the software. Through SPSS Frequency test and chi square test were carried out. These tests were used to determine the relationship between the variables.

**Table 1**  
**Gender &Preference to make investment in Stocks**

|            | <b>I would prefer to make investment in stocks</b> |              |                |                 |                          | <b>Total</b> |
|------------|--|--------------|----------------|-----------------|--------------------------|--------------|
|            | <b>strongly agree</b>                              | <b>agree</b> | <b>neutral</b> | <b>Disagree</b> | <b>strongly disagree</b> |              |
| Male       | 26   | 30           | 27             | 38              | 36                       | 157          |
| % of Total | 13.0%  | 15.0%        | 13.5%          | 19.0%           | 18.0%                    | 78.5%        |
| Female     | 6  | 10           | 6              | 8               | 13                       | 43           |
| % of Total | 3.0%   | 5.0%         | 3.0%           | 4.0%            | 6.5%                     | 21.5%        |
| Total      | 32   | 40           | 33             | 46              | 49                       | 200          |
| % of Total | 16.0%  | 20.0%        | 16.5%          | 23.0%           | 24.5%                    | 100.0%       |

**Results of respondent's response:**

Table 1 reveals the preferences of respondents about investment in stocks. Out of the total sample, 13% males and only 3% females strongly agreed, 15%males & 5 %females agreed to invest in stocks. While 19% males & 4% females disagreed, 18% males and 6.5% females strongly disagreed to make investment in stocks. 13.5% males and 3% females were neutral to that Q.

**Table 1.1**  
**Chi-Square Test for Gender and Preference to make investment in Stocks**

|                           | <b>Value</b>       | <b>Df</b> | <b>Asymp. Sig. (2-sided)</b> |
|---------------------------|--------------------|-----------|------------------------------|
| <b>Pearson Chi-Square</b> | 1.844 <sup>a</sup> | 4         | .764                         |
| <b>N of Valid Cases</b>   | 200                |           |                              |

**H1: There is a relationship between Gender and Investment in Stocks**

**Independent variable:** Gender

**Dependent variable:** Investment in stocks

**Results:**

From the above table, the results indicate that there is no significant relationship between the gender and investment in stocks. The value of significance is .764 ( $p > 0.05$ ) so H1 is rejected. Ho1 is accepted which is “there is no relationship between gender and investment in stocks”

**Table 2**  
**Gender & Preference to make Investment in Commodities**

| Gender     | I would prefer to make investment in commodities |       |         |          |                   | Total  |
|------------|--|-------|---------|----------|-------------------|--------|
|            | strongly agree                                   | Agree | Neutral | Disagree | strongly disagree |        |
| Male       | 23   | 33    | 24      | 43       | 34                | 157    |
| % of Total | 11.5%  | 16.5% | 12.0%   | 21.5%    | 17.0%             | 78.5%  |
| Female     | 1  | 4     | 11      | 11       | 16                | 43     |
| % of Total | .5%  | 2.0%  | 5.5%    | 5.5%     | 8.0%              | 21.5%  |
| Count      | 24   | 37    | 35      | 54       | 50                | 200    |
| % of Total | 12.0%  | 18.5% | 17.5%   | 27.0%    | 25.0%             | 100.0% |

**Results of respondent's response:**

Table 2 shows the preferences of individual investors about investment in commodities. Out of the total respondents, 11.5% males and merely 0.5% females strongly agreed, 16.5% males & 2% females agreed to invest in commodities. While 21.5% males & 5.5% females disagreed, 17% males and 8% females strongly disagreed to make investment in commodities. 12% males and 5.5% females were neutral to that Q.

**Table 2.2**  
**Chi-Square for Gender and Preference to make Investment in Commodities**

|                    | Value               | Df | Asymp. Sig. (2-sided) |
|--------------------|---------------------|----|-----------------------|
| Pearson Chi-Square | 12.128 <sup>a</sup> | 4  | .016                  |
| N of Valid Cases   | 200                 |    |                       |

**H2: There is a relationship between Gender and Investment in Commodities**

**Independent variable:** Gender

**Dependent variable:** Investment in commodities

**Results:**

The results presented above reveal that there is statistically significant relationship between the gender and investment in commodities. As the value of significance is .016 ( $p < 0.05$ ) so consequently H2 is supported. Gender was found to have strong impact on investment in commodities.

**Table 3**  
**Gender & Preference to make investment in Gold**

| Gender            | I would prefer to make investment in gold |       |         |          |                   | Total  |
|-------------------|---|-------|---------|----------|-------------------|--------|
|                   | strongly agree                            | Agree | Neutral | Disagree | strongly disagree |        |
| <b>Male</b>       | 24  | 36    | 23      | 46       | 28                | 157    |
| <b>% of Total</b> | 12.0%                                     | 18.0% | 11.5%   | 23.0%    | 14.0%             | 78.5%  |
| <b>Count</b>      | 8   | 15    | 4       | 7        | 9                 | 43     |
| <b>% of Total</b> | 4.0%                                      | 7.5%  | 2.0%    | 3.5%     | 4.5%              | 21.5%  |
| <b>Count</b>      | 32  | 51    | 27      | 53       | 37                | 200    |
| <b>% of Total</b> | 16.0%                                     | 25.5% | 13.5%   | 26.5%    | 18.5%             | 100.0% |

**Results of respondent’s response:**

Table 3 observed the responses on the statement about preference to make investment in gold. 12% males and 4% females strongly agreed, 18% males & 7.5 % females agreed to invest in gold. While 23% males & 3.5% females disagreed, 14% males and 4.5% females strongly disagreed to make investment in gold. 11.5% males and 2% females were neutral to that item.

**Table 3.1**  
**Chi-Square Test for Gender and Preference to make investment in Gold**

|                           | Value              | Df | Asymp. Sig. (2-sided) |
|---------------------------|--------------------|----|-----------------------|
| <b>Pearson Chi-Square</b> | 5.173 <sup>a</sup> | 4  | .270                  |
| <b>N of Valid Cases</b>   | 200                |    |                       |

**H3: There is a relationship between Gender and Investment in Gold**

**Independent variable:** Gender

**Dependent variable:** Investment in gold

**Results:**

Table 3.1 the results indicate that no significant relationship is found between independent variable “gender” and dependent variable “investment in gold”. The value of significance is .270 ( $p > 0.05$ ) so H3 is rejected.

Ho3 is accepted which is “there is no relationship between gender and investment in gold”

**Table 4**  
**Gender & Preference to make investment in Foreign Exchange**

| Gender            | I would prefer to make investment in foreign exchange |       |         |          |                   | Total  |
|-------------------|---|-------|---------|----------|-------------------|--------|
|                   | strongly agree  | agree | Neutral | Disagree | strongly disagree |        |
| Male              | 28  | 22    | 40      | 36       | 31                | 157    |
| % of Total        | 14.0%   | 11.0% | 20.0%   | 18.0%    | 15.5%             | 78.5%  |
| Female            | 3   | 10    | 10      | 9        | 11                | 43     |
| % of Total        | 1.5%  | 5.0%  | 5.0%    | 4.5%     | 5.5%              | 21.5%  |
| <b>Count</b>      | 31  | 32    | 50      | 45       | 42                | 200    |
| <b>% of Total</b> | 15.5%   | 16.0% | 25.0%   | 22.5%    | 21.0%             | 100.0% |

### Results of respondent's response

Table 4 is showing the results of the preferences of respondents to make investment in foreign exchange. 14% males were very keen to invest in forex exchange and thus strongly agreed as compared to 1.5% females, 11.0% males & 5.0 %females agreed to invest in foreign exchange. While 18% males & 4.5% females disagreed, 15.5% males and 5% females strongly disagreed to make investment in commodities. 20.0% males and 5.0% females were neutral to that Q.

**Table 4.1**  
**Chi-Square Test for Gender and Preference to make investment in Foreign Exchange**

|                           | Value              | Df | Asymp. Sig. (2-sided) |
|---------------------------|--------------------|----|-----------------------|
| <b>Pearson Chi-Square</b> | 5.044 <sup>a</sup> | 4  | .283                  |
| <b>N of Valid Cases</b>   | 200                |    |                       |

### H4: There is a relationship between Gender and Investment in forex exchange

**Independent variable:** Gender

**Dependent variable:** Investment in foreign exchange

### Results:

Table 4.1 present the results that indicate that there is no statistically significant relationship found between independent variable "gender" and dependent variable "investment in foreign exchange". The value of significance is .270 ( $p > 0.05$ ) so H4 is not supported here.



**Table 5**  
**Gender & Preference to make investment in Bonds**

| Gender            | I would prefer to make investment in bonds |       |         |          |                   | Total  |
|-------------------|--|-------|---------|----------|-------------------|--------|
|                   | strongly agree                             | Agree | Neutral | disagree | strongly disagree |        |
| Male              | 36   | 41    | 23      | 32       | 25                | 157    |
| % of Total        | 18.0%                                      | 20.5% | 11.5%   | 16.0%    | 12.5%             | 78.5%  |
| Female            | 5  | 11    | 7       | 11       | 9                 | 43     |
| % of Total        | 2.5%                                       | 5.5%  | 3.5%    | 5.5%     | 4.5%              | 21.5%  |
| <b>Count</b>      | 41   | 52    | 30      | 43       | 34                | 200    |
| <b>% of Total</b> | 20.5%                                      | 26.0% | 15.0%   | 21.5%    | 17.0%             | 100.0% |

**Results of respondent’s response:**

The above table indicates the preference of individual investors to make investment in bonds. The distribution shows that 18% male, 2.5% females strongly agreed and 20.5% males, 5.5% females agreed while 11.5% males, 3.5% females were neutral. 16%males, 5.5% females disagreed and 12.5% males, 4.5% females strongly disagreed to the response item.

**Table 5.1**  
**Chi Square Test for Gender and Preference to make investment in Bonds**

|                           | Value              | Df | Asymp. Sig. (2-sided) |
|---------------------------|--------------------|----|-----------------------|
| <b>Pearson Chi-Square</b> | 3.089 <sup>a</sup> | 4  | .543                  |
| <b>N of Valid Cases</b>   | 200                |    |                       |

**H5: There is a relationship between Gender and Investment in bonds**

**Independent variable:** Gender

**Dependent variable:** Investment in bonds

**Results:**

Table 5.1 shows the results which indicate that there is no significant relationship found between gender and investment in bonds. The value of significance is .543 ( $p > 0.05$ ) so H5 is not accepted.

Ho4 is supported here which is “there is no relationship between gender and investment in bonds” .No relation is found between the two variables.

**Table 6**  
**Gender & Preference to make investment in Real Estate**

| Gender     | I would prefer to make investment in real estate |       |         |          |                   | Total  |
|------------|--|-------|---------|----------|-------------------|--------|
|            | strongly agree                                   | agree | neutral | Disagree | strongly disagree |        |
| Male       | 65   | 40    | 19      | 17       | 16                | 157    |
| % of Total | 32.5%  | 20.0% | 9.5%    | 8.5%     | 8.0%              | 78.5%  |
| Female     | 8  | 8     | 6       | 7        | 14                | 43     |
| % of Total | 4.0%   | 4.0%  | 3.0%    | 3.5%     | 7.0%              | 21.5%  |
| Count      | 73   | 48    | 25      | 24       | 30                | 200    |
| % of Total | 36.5%  | 24.0% | 12.5%   | 12.0%    | 15.0%             | 100.0% |

**Results of respondent's response:**

The above table indicates the preference of individual investors to make investment in Real estate. The distribution shows that majority of the male respondents' i.e 32.5% male while 4 % females strongly agreed and 20.0% males, 4% females agreed while 9.5% males, 3.0% females were neutral. 8.5%males, 3.5% females disagreed and 8% males, 7% females strongly disagreed to the response item.

**Table 6.1**  
**Chi-Square Test for Gender and Preference to make investment in Real Estate**

|                    | Value               | Df | Asymp. Sig. (2-sided) |
|--------------------|---------------------|----|-----------------------|
| Pearson Chi-Square | 17.657 <sup>a</sup> | 4  | .001                  |
| N of Valid Cases   | 200                 |    |                       |

**H6: There is a relationship between Gender and Investment in Real Estate**

**Independent variable:** Gender

**Dependent variable:** Investment in real estate

**Results:**

Above table shows that statistics are highly significant so there is a relationship between the gender and investment in real estate. The value of significance is .001 ( $p < 0.05$ ) so H6 is accepted. Independent variable was found to have a strong impact on dependent variable.

**Table 7**  
**Gender and Risk Taker**

|                    | Value               | df | Asymp. Sig. (2-sided) |
|--------------------|---------------------|----|-----------------------|
| Pearson Chi-Square | 11.037 <sup>a</sup> | 4  | .026                  |
| N of Valid Cases   | 200                 |    |                       |

|               |            | <b>I am a risk taker</b> |              |                |                 |                          |              |
|---------------|------------|--------------------------|--------------|----------------|-----------------|--------------------------|--------------|
| <b>Gender</b> |            | <b>strongly agree</b>    | <b>Agree</b> | <b>neutral</b> | <b>disagree</b> | <b>strongly disagree</b> | <b>Total</b> |
| <b>Male</b>   | Count      | 51                       | 63           | 27             | 11              | 5                        | 157          |
|               | % of Total | 25.5%                    | 31.5%        | 13.5%          | 5.5%            | 2.5%                     | 78.5%        |
| <b>Female</b> | Count      | 15                       | 13           | 3              | 9               | 3                        | 43           |
|               | % of Total | 7.5%                     | 6.5%         | 1.5%           | 4.5%            | 1.5%                     | 21.5%        |
| <b>Total</b>  | Count      | 66                       | 76           | 30             | 20              | 8                        | 200          |
|               | % of Total | 33.0%                    | 38.0%        | 15.0%          | 10.0%           | 4.0%                     | 100.0%       |

### Results of Respondents:

Above table indicate about the risk taking behavior of individual investors. Out of the total respondents, 25.5% males strongly agreed, 31.5% agreed, 13.5% were neutral, 5.5% disagreed and 2.5% strongly disagreed. Among female investors, 7.5% strongly agreed, 6.5% agreed, 1.5% were neutral to the statement. 4.5% disagreed and 1.5% strongly disagreed to the item.

**Table 7.1**  
**Chi-Square Test for Gender and Risk Taker**

### H6: There is a relationship between Gender and Risk

**Independent variable:** Gender

**Dependent variable:** Risk

### Results:

Table 7.1 exhibit the relationship between risk tolerance level of individual investors and gender. The statistics show that there is significant relationship between risk and gender ( $p < 0.05$ ). The value of significance is .001 ( $p < 0.05$ ) so H7 is accepted.

It can be inferred that male and female investors have different risk tolerance levels when it comes to make investment decisions.

### CONCLUSION

The main objective of the present research was to find the impact of an important demographic factor which is the independent variables of the study i.e. gender on dependent variable i.e. investment trends. The statistics exhibit that H2, H6 & H7 were accepted because significant relationship was found between gender and commodities, gender and real estate and gender and risk. To identify preferences of individual investors towards different types of investment choices made by each gender, Frequency analysis test was applied. It was observed that majority of the male investors i.e. 52.5% preferred to make investment in real estate. 38.5% in bonds, 30% in gold, 28% in commodities, 25% in foreign exchange and 28% in stocks. Whereas females were mostly inclined to make investment in gold i.e. 11.5%, 8% agreed to make investment in bonds, stocks and real estate, 6.5% in foreign exchange, and 2.5% in commodities. The third objective of the present study was to analyze the risk taking behavior of male and female investors. The Chi square results reveal that there is significant relationship between gender and risk taking behavior. Female investors were found to show conservative behavior while male investors were aggressive when it comes to make investment. The results are in line with the literature.

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## APPENDIX-I

### Questionnaire:

Please provide the following information:

1. What is your Gender?                      A) Male                      B) Female
2. Marital Status                              A) Single                      B) Married
3. What is your age group?
  - a. Under 25 years
  - b. 26 – 35 years
  - c. 36 – 45 years
  - d. 46 – 60 years
  - e. Above 60 years
4. Your education level :
  - a. Graduation      b. Masters      c. M.phil      d. Other (Please Mention) \_\_\_\_\_
5. What is your Profession? \_\_\_\_\_
6. What is your monthly salary range? (in Rs.)
  - a. 30,000 – 40,000
  - b. 41,000 – 60,000
  - c. 61,000 – 80,000
  - d. Above 80,000
7. What is your household income? (in Rs.)
  - a. Less than 50,000
  - b. 50,000 – 70,000
  - c. 71,000 – 90,000
  - d. 91,000 – 110,000
  - e. Above 110,000

### Encircle any one option

1. Strongly Agree    2. Agree    3. Neutral    4. Disagree    5. Strongly Disagree

#### **Investment Trends**

- |   |   |   |   |   |   |
|---|---|---|---|---|---|
| 1. I would prefer to make investment in Stocks/ Shares.   | 1 | 2 | 3 | 4 | 5 |
| 2. I would prefer to make investment in Commodities.      | 1 | 2 | 3 | 4 | 5 |
| 3. I would prefer to make investment in Gold.             | 1 | 2 | 3 | 4 | 5 |
| 4. I would prefer to make investment in Foreign Exchange. | 1 | 2 | 3 | 4 | 5 |
| 5. I would prefer to make investment in Bonds.            | 1 | 2 | 3 | 4 | 5 |
| 6. I would prefer to make investment in Real Estate.      | 1 | 2 | 3 | 4 | 5 |

#### **Financial Behavior**

- |                       |   |   |   |   |   |
|-----------------------|---|---|---|---|---|
| 7. I am a risk taker. | 1 | 2 | 3 | 4 | 5 |
|-----------------------|---|---|---|---|---|