

THE ROLE OF EDUCATIONAL QUALIFICATION, OCCUPATION AND ANNUAL INCOME OF INVESTORS IN SHAPING INVESTMENT AVENUES: A STUDY OF INDIVIDUAL INVESTORS IN DELHI

Dr. Neelam Jain¹, Nisha Mittal²

¹Professor, IMSAR, MDU, Rohtak, Haryana

²ResearchScholar, IMSAR, MDU, Rohtak, Haryana

ABSTRACT

This study offers a comprehensive exploration of the intricate relationship between demographic factors, including educational qualification, occupation, annual income, and investment choices among individual investors in the dynamic city of Delhi, India. In a rapidly evolving financial landscape, comprehending the preferences and behaviors of investors concerning these three demographic characteristics is of utmost importance, not only for the investors themselves but also for academics and practitioners in the finance industry. This research employs a quantitative and descriptive research approach, utilizing primary data collected from a sample of 200 individual investors strategically selected from various localities across Delhi. The sampling technique employed was stratified cum snowball sampling, ensuring representation from areas with high concentrations of retail investors and financial activities. The primary objective of this study is to elucidate the relationship between demographic variables such as educational qualifications, occupation, and annual income and the choice of investment avenues.

The research methodology comprises a survey using an adapted questionnaire, with data analysis performed using statistical tools such as Chi-Square tests. The findings of this study unveil valuable insights, with the Chi-Square analyses confirming statistically significant associations between various demographic factors and the investment choices made by individuals in Delhi. The implications of this research are substantial, as financial institutions, investment advisors, and policymakers can use these insights to tailor their services and products to cater to the diverse investment inclinations of investors. The

research is specific to Delhi and may not be entirely representative of the broader Indian or global investor population. Despite these limitations, this study serves as a valuable contribution to the understanding of how educational qualifications, occupation, and annual income shape investment choices in a bustling and diverse financial market like Delhi.

KEYWORDS: Annual Income, Educational Qualification, Investment avenues, Investor, Individual Investor, Occupation.

I. INTRODUCTION

The world of investments is a multifaceted one, with investors pursuing a variety of financial objectives tailored to their unique circumstances. The intricacy of investment decisions arises from the diversity of individual goals, preferences, and risk appetites. A significant focus within the realm of finance is the exploration of how demographic factors influence these investment choices. As individuals navigate the complex landscape of financial markets, their level of education, annual income, and occupational background emerge as crucial determinants in shaping their investment goals and inclinations. The interplay between these demographic dynamics i.e., education, annual income, occupational background, and investment decisions has garnered substantial attention in both academic research and practical investment strategies. Investment avenues encompass a wide spectrum of options, spanning stocks, bonds, real estate, and diverse financial instruments. Among an individual's demographic attributes, their educational background and financial literacy assume essential roles in shaping their investment preferences. Grable and Lytton (1999) and Al-Ajmi (2008) have established that higher educational attainment and a deeper understanding of financial markets are linked to a greater propensity to invest in riskier assets.

However, Das and Jain (2014) found that education primarily influences investment choices concerning return-oriented objectives, suggesting that educational qualifications may impact investment decisions concerning potential returns, but not necessarily factors like risk tolerance or tax-related goals. Occupational status has also displayed an impact on investors' risk-bearing capacity. Researchers such as MacCrimmon and Wehrung (1986) and Jain and Mandot (2012) have delved into how distinct occupational roles influence levels of risk tolerance. Business owners and individuals in higher-ranking positions have demonstrated a greater proclivity for risk-taking in their investment choices compared to salaried employees or those in lower-ranking

positions. Thus, the intricate relationship between demographic factors and investment decisions remains a subject of ongoing exploration.

II. CONCEPTUALIZATION

- A. Investor:** Investors are individuals or entities that allocate their financial resources to various assets or financial instruments with the expectation of earning a return on their investment. These assets can include stocks, bonds, real estate, or other financial products. (Sharpe et al., 1999), (Bodie et al., 2014), (petty et al., 2015). In the context of this study, "investor" specifically refers to an individual who actively participates in financial markets, such as the stock market or capital market, by purchasing financial assets as part of their investment portfolio to generate returns or achieve specific financial objectives (e.g., capital appreciation, income generation, diversification, etc.).
- B. Individual Investor:** Individual investors, also known as retail investors, are private individuals who invest their financial resources in various financial instruments. They differ from institutional investors (such as mutual funds, pension funds, and hedge funds) who invest on behalf of others. (Sharpe et al., 1999), (Brigham et al., 2013), (Hirt& Block, 2008).
- C. Investment Avenues:** "Investment Avenues" denote the diverse options available to individual investors for placing their capital in the Delhi NCR capital market. Investment avenues encompass different types of financial assets or securities where investors can direct their funds to achieve specific investment objectives, which may include short-term price increases, long-term price increases, safety, regular dividend income, speculation, and portfolio diversification. These avenues are analyzed to assess how demographic factors influence individual investors' preferences and choices within the Delhi NCR capital market. (Hirt& Block, 2008), (Sharpe et al., 1999).

III. REVIEW OF LITERATURE

Certainly, a comprehensive review of the literature examining the relationship between "educational qualification, occupation, and annual income" as an independent variable and "investment avenues" as a dependent variable is shown below:

A. Educational Qualification and Investment Avenue

The impact of educational qualification on individual investment choices is a subject of interest in

financial research. Educational attainment is often considered a key determinant of financial knowledge and decision-making capabilities, and, consequently, their investment preferences.

- **Gervais, Heaton, and Odean (2011)** explored the impact of overconfidence on investment choices, irrespective of an individual's educational background. Their findings suggested that overconfident individuals, regardless of their educational qualifications, might tend to assume higher levels of risk in their investment decisions. This indicates that while education is important, overconfidence can independently influence investment behaviour, independently of one's educational background and may lead individuals to take on more risk in their investments.
- **Albano and Bianconcini (2020)** emphasized the role of financial education in influencing investment choices. They argue that financial literacy, which is often linked to educational qualifications, can empower individuals, particularly women, to make informed investment decisions. Higher educational qualification typically contributes to enhanced financial literacy, allowing individuals to make diversified and informed investment decisions.
- **Bayer, Daley, and Ferreira (2021)** explored the relationship between educational qualifications and investment preferences. They found that individuals with higher educational levels tend to exhibit a greater inclination toward diverse investment avenues. This preference may be attributed to a better understanding of financial concepts and risk management among highly educated individuals.

In summary, the literature suggests that educational qualification can indeed influence investment avenues. Higher educational qualifications often correlate with a preference for diverse investment options, which may be attributed to an improved understanding of financial concepts. However, it's important to recognize that overconfidence can mediate this relationship, leading individuals to take on more risk in their investments, irrespective of their educational background.

B. Occupation and Investment Avenue

These studies offer valuable insights into the relationship between occupation and investment avenues, highlighting the multifaceted nature of this connection. The influence of an individual's occupation on their choice of investment avenues has been a subject of significant research. Occupational factors can play a pivotal role in shaping an individual's financial situation, including income, risk tolerance, knowledge of investment opportunities, and investment preferences, including risk tolerance, income, and investment knowledge. Professionals in high-paying and

stable occupations may show a preference for conservative investments due to their desire to protect their wealth. On the other hand, those in more volatile or less lucrative occupations might seek higher returns through riskier investment options.

- **Gneezy and Potters (1997)** examined the role of occupation in risk-taking behavior. Their research demonstrated that an individual's occupation can influence their willingness to take risks in investment decisions, which in turn affects their choice of investment avenues.
- **Barber and Odean (2001)** investigated how gender and occupation intersect in investment decision-making. They found that certain occupational groups exhibit varying degrees of risk aversion, and this can affect their choice of investment avenues.
- **Lundberg and Pollak (2003)** delved into the relationship between family responsibilities arising from one's occupation and investment choices. Individuals in occupations with significant family commitments may prioritize more stable and secure investment avenues to ensure the financial well-being of their families. Individuals in occupations with heavy family commitments might prioritize more stable investment avenues to ensure financial security for their families.
- **Hirshleifer, Lim, and Teoh (2009)** explored how extraneous events, including those related to an individual's occupation, can influence investment behavior. Their study revealed that individuals often underreact to earnings news, and these behaviors can be attributed to the distraction caused by events in their occupational lives. For example, professionals with demanding jobs might not pay adequate attention to investment news, affecting their investment decisions.

In summary, an individual's occupation can have a significant impact on their investment avenues. Occupation-related factors, such as income, risk tolerance, and available time for investment management, are crucial determinants in shaping investment preferences. Professionals in well-compensated and secure occupations may lean toward conservative investments to protect their wealth, while the demands of certain occupations can affect an individual's ability to stay informed and make well-informed investment decisions and also focus on investment management. These studies offer valuable insights into the complex interplay between occupation and investment choices, highlighting the multifaceted nature of this relationship.

C. Annual Income and Investment Avenue

- **Lundberg and Pollak (2003)** examined how family economics, closely linked to annual income, influences investment behaviors. Higher annual incomes provide individuals with greater financial flexibility, allowing them to explore a wider range of investment avenues, including those with higher risk and potential returns.
- **Gervais, Heaton, and Odean (2011)** explored the impact of annual income on investment choices. The study suggested that individuals with higher annual incomes might exhibit a higher level of overconfidence, leading them to make more aggressive investment decisions, including the choice of riskier investment avenues.
- **Albano and Bianconcini (2020)** explored the role of financial education in promoting financial inclusion, particularly for women. Income disparities can influence an individual's access to financial education, which in turn may shape their investment choices and their preference for specific investment avenues.
- **Bayer, Daley, and Ferreira (2021)** investigated the distribution of financial education. It highlighted that financial education plays a crucial role in enabling individuals, regardless of their income, to make more informed investment decisions. This suggests that individuals with higher incomes may leverage their financial education to explore diverse investment avenues.

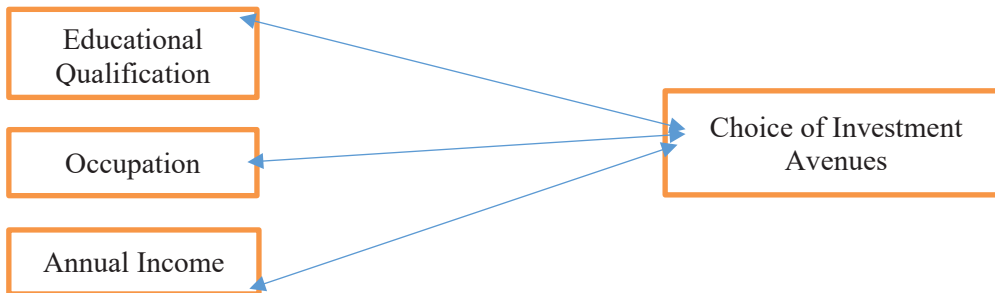
In summary, an individual's annual income can significantly impact their investment avenues. Higher annual incomes are often associated with more significant financial flexibility, allowing investors to consider a broader spectrum of investment options, including those with higher risk and potential returns. However, the level of financial education and access to financial resources can also mediate the relationship between annual income and investment behavior. These studies provide valuable insights into how annual income influences investment decisions and the selection of investment avenues.

IV. OBJECTIVES OF STUDY

The main objective of the study is to find out the influence of education, occupation and annual income in determining investment avenues.

V. CONCEPTUAL FRAMEWORK

Fig 1: Demographic Factors and Choice of Investment Avenues



Source: Researcher’s Compilation

VI. RESEARCH METHODOLOGY

This study employs a descriptive research design to investigate the impact of educational qualification, occupation, and annual income on investment choices among individual investors in Delhi. A quantitative approach involving numerical data collection and analysis is conducted during the period from July 2023 to September 2023. The study's population consists of individual investors in different regions of Delhi, including East Delhi, Central Delhi, South Delhi, West Delhi, and North Delhi, with a focus on areas characterized by a high concentration of retail investors and active financial markets. To ensure comprehensive representation, specific areas within these regions are selected for data collection.

Table 1: Research Design

| | |
|--------------------|---|
| Research Type | Descriptive |
| Research Approach | Quantitative |
| Population | Individual investors in Delhi |
| Sampling Area | East Delhi, Central Delhi, South Delhi, West Delhi, North Delhi |
| Actual Sample Size | 200 individual investors (where the concentration of retail investors, financial market activity, broking firms/ offices are maximum and investor meet-ups are held, local financial events occur most) |

| | |
|--------------------------------------|---|
| | frequently). Send questionnaire to 300 respondents out of which 100 dropped out because of incomplete, errors and missing values. |
| Sample Unit | Each 200 individual investors |
| Sampling Technique/ Methods | Stratified cum Snowball sampling technique |
| Research Method | Survey |
| Data type | Primary Data |
| Research instrument for primary data | Adapted questionnaire. |
| Software used for analysis | MS Excel, SPSS 26 |
| Statistical tool | Chi-Square |

Source: Researcher's Compilation

Table 1 shows the research design which is adopted for conducting this research. A convenient purposively sampling technique is employed. A random sampling technique was not used, because for random sampling, data from the whole population are required (Sekaran and Bougie, 2016). This technique is ideal for accessing populations that are challenging to identify using traditional sampling methods (Kathpal, 2021) and (Prosad et al. 2015). The final sample comprises 200 individual investors selected from different localities in Delhi. To collect the 200 questionnaires, various distribution strategies are utilized, including personal delivery during investor visits to stockbroking offices and distribution through brokers.

Additionally, questionnaires are sent via email to investors obtained from top stock brokerage firms in Delhi. The primary data collection method involves a survey using a rigorously validated questionnaire. Data analysis is performed using MS Excel and SPSS 26, with the Chi-Square test applied to analyze the association between demographic dynamics and investment avenues. This comprehensive research methodology ensures the robustness and comprehensiveness of the study, incorporating techniques to validate research instruments, a thoughtful sampling strategy, and the use of appropriate statistical tools for data analysis.

Table 2: Sampling Area

| State | Districts | Sub Divisions | Selected Localities | No. of respondents |
|--------------------------|--|---|--|--------------------|
| Delhi | East Delhi (Shahdara district) | Shahdara, PreetVihar, MayurVihar, VivekVihar, Dilshad Garden | PreetVihar and Laxmi Nagar | 30 |
| | Central Delhi (New Delhi district and some parts of the Old Delhi district.) | Connaught Place, Chanakyapuri, Karol Bagh, Daryaganj | Connaught Place, Karol Bagh and Rajendra Place | 50 |
| | South Delhi (South Delhi, South East Delhi, and South West Delhi.) | Greater Kailash, HauzKhas, Saket, VasantKunj, Malviya Nagar, Defence Colony | Nehru Place, Saket, and Greater Kailash | 50 |
| | West Delhi (West Delhi district) | Rajouri Garden, Janakpuri, Dwarka, Patel Nagar | Rajouri Garden and Janakpuri | 20 |
| | North Delhi (North Delhi and North West Delhi) | Rohini, Civil Lines, Kamla Nagar, Pitampura, Model Town | Pitampura and Ashok Vihar | 50 |
| Total No. of respondents | | | | 200 |

Source: Primary Data Survey

A. Hypothesis

The following hypothesis is designed to test the association between these variables.

Ho1: No relationship exists between educational qualification and the choice of investment avenues.

Ho2: No relationship exists between occupation and the choice of investment avenues.

Ho3: No relationship exists between annual income and the choice of investment avenues.

VII. ANALYSIS AND INTERPRETATION

Table 3: Descriptive analysis

| Demographic Dynamics | Frequency | Percentage |
|----------------------------------|------------------|-------------------|
| Educational Qualification | | |
| Matriculation | 8 | 4.0 |
| Higher Secondary | 58 | 29.0 |
| Diploma | 59 | 29.5 |
| Graduate | 54 | 27.0 |
| Post Graduate | 4 | 2.0 |
| Professional Degree | 17 | 8.5 |
| Occupation | | |
| Student | 10 | 5.0 |
| Self Employed | 66 | 33.0 |
| Private Employed | 60 | 30.0 |
| Govt. Employed | 60 | 30.0 |
| Retired | 4 | 2.0 |
| Annual Income | | |
| Less than Rs. 5 Lakhs | 9 | 4.5 |
| Rs 5 Lakhs to Rs. 10 Lakhs | 67 | 33.5 |
| Rs. 10 Lakhs to Rs. 15 Lakhs | 60 | 30.0 |
| Rs. 15 Lakhs to Rs. 20 Lakhs | 60 | 30.0 |

| | | |
|--------------------------|----|------|
| Above Rs. 20 Lakhs | 4 | 2.0 |
| Investment Avenue | | |
| Share | 44 | 22.0 |
| Debenture / Bond | 44 | 22.0 |
| NSC / PPF | 40 | 20.0 |
| Fixed Deposit | 36 | 18.0 |
| Gold or Real estate | 24 | 12.0 |
| Others | 12 | 6.0 |

Source: Primary Data Survey

A. Association of educational qualification of individual investors with their choice of different investment avenue

The cross-tabulation between the respondents' educational qualifications and their choice of investment avenues is shown in Table 4, yields noteworthy results. These values are calculated based on the assumption of independence. The data shows that individuals with "Higher Secondary" education primarily favor "Debenture / Bond" whereas those with a "Diploma" exhibit a strong inclination toward "Share," "Debenture / Bond," and "Fixed Deposit." Graduates predominantly choose "Fixed Deposit" and "Share." These findings suggest that the level of education has a pronounced impact on one's investment preferences.

However, it's essential to recognize the limited number of respondents with a "Post Graduate" or "Professional Degree," and further research with larger sample sizes may provide additional insights and validate these findings more robustly. The observed counts significantly deviate from the expected counts, suggesting that there is an association between educational qualification and investment preferences.

Table 4: Crosstab

| | | | Investment Avenue | | | | | | Total |
|-------------|---------------|-------|-------------------|------------------|-----------|---------------|---------------------|-------|-------|
| | | | Share | Debenture / Bond | NSC / PPF | Fixed Deposit | Gold or Real estate | Other | |
| Educational | Matriculation | Count | 6 | 0 | 1 | 1 | 0 | 0 | 8 |

| | | | | | | | | | |
|---------------|-----------|----------|------|------|------|------|------|------|-------|
| Qualification | | Expected | 1.8 | 1.8 | 1.6 | 1.4 | 1.0 | .5 | 8.0 |
| | | Count | | | | | | | |
| Higher | | Count | 13 | 19 | 10 | 9 | 7 | 0 | 58 |
| | Secondary | Expected | 12.8 | 12.8 | 11.6 | 10.4 | 7.0 | 3.5 | 58.0 |
| | | Count | | | | | | | |
| Diploma | | Count | 8 | 16 | 15 | 8 | 8 | 4 | 59 |
| | | Expected | 13.0 | 13.0 | 11.8 | 10.6 | 7.1 | 3.5 | 59.0 |
| | | Count | | | | | | | |
| Graduate | | Count | 12 | 8 | 10 | 15 | 2 | 7 | 54 |
| | | Expected | 11.9 | 11.9 | 10.8 | 9.7 | 6.5 | 3.2 | 54.0 |
| | | Count | | | | | | | |
| Post | | Count | 0 | 0 | 0 | 0 | 4 | 0 | 4 |
| | Graduate | Expected | .9 | .9 | .8 | .7 | .5 | .2 | 4.0 |
| | | Count | | | | | | | |
| Professional | | Count | 5 | 1 | 4 | 3 | 3 | 1 | 17 |
| | Degree | Expected | 3.7 | 3.7 | 3.4 | 3.1 | 2.0 | 1.0 | 17.0 |
| | | Count | | | | | | | |
| Total | | Count | 44 | 44 | 40 | 36 | 24 | 12 | 200 |
| | | Expected | 44.0 | 44.0 | 40.0 | 36.0 | 24.0 | 12.0 | 200.0 |
| | | Count | | | | | | | |

Source: Computed from SPSS by applying chi square

The results of the Chi-Square analysis between respondents' educational qualifications and their preferred investment avenues is shown in Table 5, reveal a statistically significant association ($\chi^2 = 69.017$, $df = 25$, $p < 0.001$), indicating that education levels significantly influence investment choices.

Both Phi and Cramer's V, symmetric measures, corroborate the strength of this relationship, further supporting the notion that educational qualification and investment choices are closely related. The Cramer's V value, as shown in Table 6, is 0.263, further confirming this association ($p = 0.001$). This implies that educational qualification influences the selection of investment avenues.

Table 5: Chi-Square Tests

| | Value | df | Asymptotic Significance (2-sided) |
|------------------------------|---------------------|----|-----------------------------------|
| Pearson Chi-Square | 69.017 ^a | 25 | .000 |
| Likelihood Ratio | 59.806 | 25 | .000 |
| Linear-by-Linear Association | 7.631 | 1 | .006 |
| N of Valid Cases | 200 | | |

a. 21 cells (58.3%) have an expected count of less than 5. The minimum expected count is .24.

Source: Computed from SPSS by applying chi square

Table 6: Symmetric Measures

| | | Value | Approximate Significance |
|------------------|------------|-------|--------------------------|
| Nominal | by Phi | .587 | .000 |
| Nominal | Cramer's V | .263 | .000 |
| N of Valid Cases | | 200 | |

Source: Computed from SPSS by applying chi square

B. Association of occupation of individual investors with their choice of different investment avenue

The cross-tabulation between respondents' occupations and their choice of investment avenues as shown in Table 7, demonstrates a statistically significant association, indicating that occupation type influences investment preferences. These values are calculated based on the assumption of independence. Notably, "Self-Employed" individuals display a preference for "Debenture/Bond" and "Fixed Deposit." "Private Employed" respondents also lean towards "Debenture/Bond" and "Fixed Deposit." Meanwhile, "Govt. Employed" individuals exhibit a predilection for "Share" and "Fixed Deposit." It's essential for financial institutions and investment advisors to recognize the influence of occupation on investment choices, tailoring their services and products accordingly. However, it's important to note that some cells have low expected counts, particularly in the

"Retired" category, so further research with a larger sample size is recommended for more robust insights and this result should be interpreted with caution and may benefit from further exploration with a larger sample size. The observed counts significantly deviate from the expected counts, suggesting that there is an association between occupation and investment preferences.

The results of the Chi-square test as shown in Table 8, examining the association between respondents' occupations and their choice of investment avenues reveal a statistically significant relationship ($\chi^2 = 72.388$, $df = 20$, $p = 0.000$). This suggests that an individual's occupation significantly impacts their investment preferences. These findings underline the importance of considering occupation as a critical factor when offering financial services and products, as it plays a pivotal role in shaping investment choices.

Table 7: Crosstab

| | | | Investment Avenue | | | | | | Total | |
|------------|------------------|----------------|-------------------|------------------|-----------|---------------|---------------------|-------|-------|-----|
| | | | Share | Debenture / Bond | NSC / PPF | Fixed Deposit | Gold or Real estate | Other | | |
| Occupation | Student | Count | 8 | 0 | 1 | 1 | 0 | 0 | 10 | |
| | | Expected Count | 2.2 | 2.2 | 2.0 | 1.8 | 1.2 | .6 | 10.0 | |
| | Self Employed | Count | 16 | 20 | 11 | 11 | 8 | 0 | 66 | |
| | | Expected Count | 14.5 | 14.5 | 13.2 | 11.9 | 7.9 | 4.0 | 66.0 | |
| | Private Employed | Count | 8 | 16 | 16 | 8 | 8 | 4 | 60 | |
| | | Expected Count | 13.2 | 13.2 | 12.0 | 10.8 | 7.2 | 3.6 | 60.0 | |
| | Govt. Employed | Count | 12 | 8 | 12 | 16 | 4 | 8 | 60 | |
| | | Expected Count | 13.2 | 13.2 | 12.0 | 10.8 | 7.2 | 3.6 | 60.0 | |
| | Retired | Count | 0 | 0 | 0 | 0 | 4 | 0 | 4 | |
| | | Expected Count | .9 | .9 | .8 | .7 | .5 | .2 | 4.0 | |
| | Total | | Count | 44 | 44 | 40 | 36 | 24 | 12 | 200 |

| | | | | | | | | |
|--|-------------------|------|------|------|------|------|------|-------|
| | Expected Count | 44.0 | 44.0 | 40.0 | 36.0 | 24.0 | 12.0 | 200.0 |
|--|-------------------|------|------|------|------|------|------|-------|

Source: Computed from SPSS by applying chi square

Table 8: Chi-Square Tests

| | Value | df | Asymptotic Significance (2-sided) |
|---------------------------------|---------------------|----|---|
| Pearson Chi-Square | 72.388 ^a | 20 | .000 |
| Likelihood Ratio | 60.854 | 20 | .000 |
| Linear-by-Linear Association | 17.733 | 1 | .000 |
| N of Valid Cases | 200 | | |

a. 15 cells (50.0%) have an expected count of less than 5. The minimum expected count is .24.

Source: Computed from SPSS by applying chi square

The symmetric measures as shown in Table 9, Phi (0.602) and Cramer's V (0.301), further confirm the substantial relationship between occupation and investment preferences, with all values indicating a strong statistical significance ($p = 0.000$). This implies that occupation influences the selection of investment avenues.

Table 9: Symmetric Measures

| | | Value | Approximate Significance |
|------------------|------------|-------|-----------------------------|
| Nominal | by Phi | .602 | .000 |
| Nominal | Cramer's V | .301 | .000 |
| N of Valid Cases | | 200 | |

Source: Computed from SPSS by applying chi square

C. Association of annual income of individual investors with their choice of different investment avenues

Table 10: Crosstab

| | | | Investment Avenue | | | | | | Total | |
|---------------|------------------------------|----------------|-------------------|------------------|-----------|---------------|---------------------|-------|-------|-------|
| | | | Share | Debenture / Bond | NSC / PPF | Fixed Deposit | Gold or Real estate | Other | | |
| Annual Income | Less than Rs. 5 Lakhs | Count | 8 | 0 | 0 | 0 | 1 | 0 | 9 | |
| | | Expected Count | 2.0 | 2.0 | 1.8 | 1.6 | 1.1 | .5 | 9.0 | |
| | Rs. 5 Lakhs to Rs. 10 Lakhs | Count | 16 | 19 | 12 | 12 | 8 | 0 | 67 | |
| | | Expected Count | 14.7 | 14.7 | 13.4 | 12.1 | 8.0 | 4.0 | 67.0 | |
| | Rs. 10 Lakhs to Rs. 15 Lakhs | Count | 8 | 17 | 16 | 8 | 7 | 4 | 60 | |
| | | Expected Count | 13.2 | 13.2 | 12.0 | 10.8 | 7.2 | 3.6 | 60.0 | |
| | Rs. 15 Lakhs to Rs. 20 Lakhs | Count | 12 | 8 | 12 | 16 | 4 | 8 | 60 | |
| | | Expected Count | 13.2 | 13.2 | 12.0 | 10.8 | 7.2 | 3.6 | 60.0 | |
| | Above Rs. 20 Lakhs | Count | 0 | 0 | 0 | 0 | 4 | 0 | 4 | |
| | | Expected Count | .9 | .9 | .8 | .7 | .5 | .2 | 4.0 | |
| | Total | | Count | 44 | 44 | 40 | 36 | 24 | 12 | 200 |
| | | | Expected Count | 44.0 | 44.0 | 40.0 | 36.0 | 24.0 | 12.0 | 200.0 |

Source: Computed from SPSS by applying chi square

The cross-tabulation between annual income levels and the choice of investment avenues as shown in Table 10, reveals a significant association underscoring the influence of annual income on investment preferences. These values are calculated based on the assumption of independence. The analysis suggests that respondents with an annual income ranging from Rs. 5 Lakhs to Rs. 10 Lakhs exhibit a preference for "Debenture/Bond" and "Fixed Deposit". Meanwhile, respondents

in the Rs. 10 Lakhs to Rs. 15 Lakhs income category show a greater inclination toward "NSC/PPF." Respondents with higher annual incomes (Rs. 15 Lakhs to Rs. 20 Lakhs) show a higher inclination toward "Share" and "Fixed Deposit." However, it's important to acknowledge that the sample size in the "Above Rs. 20 Lakhs" category is quite small, and further research with a larger sample may provide more robust insights into this group's investment choices. This implies that financial service providers should tailor their offerings to meet the diverse investment needs of clients across various income levels to better serve their preferences and financial goals.

Table 11: Chi-Square Tests

| | Value | df | Asymptotic Significance (2-sided) |
|---|---------------------|----|-----------------------------------|
| Pearson Chi-Square | 75.801 ^a | 20 | .000 |
| Likelihood Ratio | 64.367 | 20 | .000 |
| Linear-by-Linear Association | 16.401 | 1 | .000 |
| N of Valid Cases | 200 | | |
| a. 15 cells (50.0%) have an expected count of less than 5. The minimum expected count is .24. | | | |

Source: Computed from SPSS by applying chi square

The results of the Chi-square test examining the association between annual income and investment avenues shown in Table 11, are highly significant ($\chi^2 = 75.801$, $df = 20$, $p = 0.000$). The analysis underscores the influence of annual income on investment choices.

Table 12: Symmetric Measures

| | | Value | Approximate Significance |
|------------------|------------|-------|--------------------------|
| Nominal | by Phi | .616 | .000 |
| Nominal | Cramer's V | .308 | .000 |
| N of Valid Cases | | 200 | |

Source: Computed from SPSS by applying chi square

The Symmetric Measures, Phi (0.616) and Cramer's V (0.308) as shown in Table 12, highlight a strong and statistically significant relationship between annual income and the choice of investment avenues. These measures confirm that as individuals' annual income levels vary, their

preferences for specific investment options also change. The significance level ($p < 0.001$) underscores the robustness of this relationship. This underscores the importance of recognizing the role of income in shaping investment choices and emphasizes the need for financial institutions and advisors to tailor their services and offerings to align with the diverse investment preferences of individuals based on their annual income, ultimately fostering more effective financial planning and wealth management.

VIII. CONCLUSION

In summary, this research contributes significant insights into the interplay among educational qualifications, occupation, annual income, and investment choices within the vibrant urban landscape of Delhi, India. The findings carry practical implications for individual investors, financial institutions, and policymakers alike, illuminating the intricate relationships that exist between these educational qualifications, occupation, annual income, and investment preferences in the ever-evolving financial milieu of Delhi. In this study, educational qualifications and occupation were found to impact investment decisions, highlighting the need for customized investment strategies and products that consider the educational and occupational backgrounds of investors. Furthermore, annual income was strongly correlated with investment choices. Investors with different income levels exhibited significant variations in their preferred investment avenues. This underscores the importance of offering diversified investment options and financial advice that align with the financial capacity of investors.

The study provides actionable insights for investors to make informed choices, financial institutions to develop tailored products and services, and policymakers to shape financial regulations and policies. As the financial landscape continues to evolve, recognizing the influence of demographics on investment decisions becomes increasingly critical. This study sets the stage for future research and policy development in the field of financial services and investment.

IX. LIMITATIONS

The sample size for this study is relatively small, which might limit the generalizability of the findings to a larger population of investors. While this study focuses on educational qualification, occupation, and annual income, other demographic factors such as age, gender, and marital status could also influence investment choices. These were not explored in this research. This research primarily focuses on the demographic variables of investors. It does not consider external factors such as market conditions, regulatory changes, or global events that can also impact investment

choices. This research does not delve into the psychological factors that may underlie investment choices, which could provide a more comprehensive understanding of investor behavior.

X. FUTURE SCOPE

By tracking the same investors over several years, researchers can observe changes in investment preferences and adaptability to demographic shifts. Comparative studies across various metropolitan areas in India or even globally can provide insights into regional variations in investment behavior. Investigating how demographic dynamics affect investment choices in different cultural and economic contexts can offer a more comprehensive understanding. Future research could delve deeper into the behavioral aspects of investment decisions. Behavioral economics and psychology play a crucial role in understanding why investors make specific choices. Exploring these dimensions would add depth to the study.

The study can be extended to analyze the impact of government policies, tax regulations, and economic reforms on investment choices. This can be valuable for policymakers in creating investment-friendly environments. The study focused on a set of common investment avenues. It's important to recognize that the universe of investment options is vast and evolving. Future research may need to consider emerging investment opportunities and digital platforms.

XI. REFERENCES

- I. Affa, A. S., & Aif, M. T. (2022). KEPRIBADIAN TERBUKA GENERASI MILENIAL YANG DIPERKUAT OLEH RESILIENSI INDIVIDU MEMPENGARUHI PENINGKATAN PENGAMBILAN RESIKO INVESTASI. *Pena: Jurnal Ilmu Pengetahuan dan Teknologi*, 36(2), 169-179.
- II. Al-Ajmi, J. (2009). Investors' use of corporate reports in Bahrain. *Managerial Auditing Journal*, 24(3), 266-289.
- III. Albano, G., & Bianconcini, S. (2020). Financial Education for Women: A Bridge to Inclusion in Financial Markets. *Social Sciences*, 9(7), 109.
- IV. Barber, B. M., & Odean, T. (2001). Boys will be boys: Gender, overconfidence, and common stock investment. *The quarterly journal of economics*, 116(1), 261-292.
- V. Bodie, Z., Kane, A., Marcus, A. J., & Mohanty, P. (2014). *Investments (SIE)*. McGraw-Hill Education.

- VI. Brigham, E. F., & Ehrhardt, M. C. (2013). *Financial Management: Theory & Practice (Book Only)*. Cengage Learning.
- VII. Das, S., & Jain, R. (2014). A study on the influence of demographical variables on the factors of investment-a perspective on the Guwahati region. *International journal of research in Humanities, arts and literature*, 2(6), 97-102.
- VIII. Fatima, A. (2019). Cognitive dissonance and investors' decision-making: A review. *International Journal of Financial, Accounting, and Management*, 1(1), 39-45.
- IX. Gneezy, U., & Potters, J. (1997). An experiment on risk taking and evaluation periods. *The quarterly journal of economics*, 112(2), 631-645.
- X. Gupta, K., Ramana, T. V., Singh, D. O., & Gupta, K. (2022). Determinants of investment risk in the Indian consumer goods sector: The dynamic panel regression approach. *Ekonomski horizonti*, 24(1), 35-55.
- XI. Hirshleifer, D., Lim, S. S., & Teoh, S. H. (2009). Driven to distraction: Extraneous events and underreaction to earnings news. *The journal of finance*, 64(5), 2289-2325.
- XII. Hirt, G. A., & Block, S. B. (2008). *Fundamentals of investment management (9th int'l ed.)*.
- XIII. Jagannathan, R., & McGrattan, E. R. (1995). The CAPM debate. *Federal Reserve Bank of Minneapolis Quarterly Review*, 19(4), 2-17.
- XIV. Jain, D., & Mandot, N. (2012). Impact of demographic factors on investment decision of investors in Rajasthan. *Journal of Arts, Science & Commerce*, 3(2), 3.
- XV. Kathpal, S., Akhtar, A., Zaheer, A., & Khan, M. N. (2021). Covid-19 and heuristic biases: evidence from India. *Journal of Financial Services Marketing*, 26, 305-316.
- XVI. Lundberg, S., & Pollak, R. A. (2007). The American family and family economics. *Journal of Economic Perspectives*, 21(2), 3-26.
- XVII. MacCrimmon, K. R., & Wehrung, D. A. (1986). Assessing risk propensity. In *Recent developments in the foundations of utility and risk theory* (pp. 291-309). Dordrecht: Springer Netherlands.
- XVIII. Petty, J. W., Titman, S., Keown, A. J., Martin, P., Martin, J. D., & Burrow, M. (2015). *Financial management: Principles and applications*. Pearson Higher Education AU.
- XIX. Primasari, N. S., & Ghofirin, M. (2021). Pembuktian Adaptasi Screening Saham Metode Graham, Greenblatt, Lynch dan Piotroski. *Jurnal Inovasi Penelitian*, 2(6), 1767-1744.

- XX. Prosad, J. M., Kapoor, S., & Sengupta, J. (2015). Behavioral biases of Indian investors: a survey of Delhi-NCR region. *Qualitative research in financial markets*, 7(3), 230-263.
- XXI. Putrihadiningrum, D. C., & Violita, C. E. (2023). The Influence of Benjamin Graham Selection Criteria On Stock Return: The Influence of Benjamin Graham Selection Criteria On Stock Return. *TALI JAGAD JOURNAL*, 1(1), 1-6.
- XXII. Sekaran, U., & Bougie, R. (2016). *Research methods for business: A skill building approach*. John Wiley & Sons.
- XXIII. Sharpe, W. F., Alexander, G. J., & Bailey, J. V. (1999). *Investment*. Prentice Hall Incorporated

