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Analysis On Investment Pattern Of Households In Tamilnadu With Respect To Socio-Economic Variables

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ABSTRACT
The authors conducted a questionnaire survey in Tamil Nadu households by selecting highly populated household areas to observe the investment pattern and factors which determine and influence the investors to take investment decisions. By applying the Chi-square test, Correlation and Percentage analysis, the authors prove that the investment pattern of the Households in Tamil Nadu is unique and investors have certain references to consider while making investment decisions.

Keywords: Investment Pattern, Investment Decision, Households

INTRODUCTION

Investment is understood to be a devoted part of the present value of earnings for future benefits. Before making investments, the investor evaluates different types of securities both in financial and physical aspects, referencing different patterns and calculates returns as well as capital appreciation by considering either the trends in the market or financial statements.Every investor has different expectations and opinions of their own on their investments made in the market but these expectations and opinions differ with the nature of investment and market conditions so that the investment objective of the investors variesfrom investor-to-investor.

Syed Tabassum Sultana's (2010) study reveals that Indian investors are well educated, salaried, high income group regarded to be conservative in their investment decisions and they prefer only the safest investment zones in the market. The study found that age and gender of the respondents had significant influence on their risk bearing capacity. Indian investors used television as a marketing media to collect information because they tend to spend more time on TV and are used to collecting information for taking decisions.

S. SuriyaMurithi, B. Narayanan and M. Arivazhagan (2012) assessed the investor's motivation and preference towards investment and evaluate various alternative investments available in the market. S.N. Geetha and K. Vimala (2014) examined the effects of demographical variables on the investment decisions and the influence of information and technology on individual investor's behaviour in financial market operations, in Chennai city.Shweta Goel (2014) study found that Indian investors exhibited herding behaviour because most of the investors gather all the available information to take rational investment decisions, ultimately influencing their decision-making process.

Many researchers have proved that the demographic factors decide the investment decisions and change the investment pattern of the investors in the market while making investment decisions. The individual investment pattern and decisions are decided by various demographic factors like age, gender, education, marital status, family size, no of children in the family and the socio-economic factor income. These factors determinethe investment decisions, asset allocation and restrict the investors from participate in the investment markets without fear. (Korniotis and Kumar, 2013; Love, 2009; Islamoğlu, Apan and Ayvali, 2015; Charles and Kasilingam, 2015; and Sultana 2010).

METHODOLOGY

The present study is empirical in nature. The researcher used both primary and secondary data. A closed-ended and well-structured questionnaire is used to collect the data from 392 household investorsin Chennai, Coimbatore, Tiruchirappalli and Tirunelveli by adopting purposive sampling method since these areas leadin the number of households residing in them as per 2011 census in north, west, central and south parts of

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Tamil Nadu respectively.Simple percentage analysis, correlation, mean and chi-square test are applied to derive at the results from the collected data.

Socio-economic Profile of Household Investors

The socio-economic-profile with its description and the valid percentages for each detailed category of the variables along with total number of investors is presented in Table 1.

Table-1: Socio-economic Status

Variables	Description	Number of Investors	Total Investors
Gender	Male	220 **(56.1)**	392 **(100.0)**
	Female	172 **(43.9)**	
Age	21 to 40 Years	287 **(73.2)**	392 **(100.0)**
	41 to 60 Years	86 **(21.9)**	
	Above 60 Years	19 **(4.8)**	
Marital Status	Married	253 **(64.5)**	392 **(100.0)**
	Unmarried	112 **(28.6)**	
	Widow	15 **(3.8)**	
	Separate/Divorce	12 **(3.1)**	
Educational Qualification	Schooling (Up to +2)	42 **(10.7)**	392 **(100.0)**
	Diploma/ITI	43 **(11.0)**	
	Degree (UG/PG)	254 **(64.8)**	
	Professional	53 **(13.5)**	
Occupation	Self Employed	87 **(22.2)**	392 **(100.0)**
	Government Employee	67 **(17.1)**	
	Private Employee	146 **(37.2)**	
	Homemaker	47 **(12.0)**	
	Retired Person	16 **(4.1)**	
	Professional	15 **(3.8)**	
	Agriculturist	14 **(3.6)**	
Family Type	Nuclear	225 **(57.4)**	392 **(100.0)**

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	Joint	167 **(42.6)**	
Family Member Size	Up to 2 Members	42 **(10.7)**	392 **(100.0)**
	2 to 4 Members	204 **(52.0)**	
	4 to 6 Members	104 **(26.5)**	
	Above 6 Members	42 **(10.7)**	
Place of Residence	Rural	123 **(31.4)**	392 **(100.0)**
	Urban	203 **(51.8)**	
	Semi-Urban	66 **(16.8)**	
Sources of Income	Salary	215 **(54.8)**	392 **(100.0)**
	Business	45 **(11.5)**	
	Profession	63 **(16.1)**	
	Pension	16 **(4.1)**	
	Wages/Rent	9 **(2.3)**	
	Agricultural Income	17 **(4.3)**	
	Income from Family Members	27 **(6.9)**	
Annual Income	Up to ` 2,50,000	158 **(40.3)**	392 **(100.0)**
	` 2,50,001 to ` 5,00,000	109 **(27.8)**	
	` 5,00,001 to ` 6,00,000	56 **(14.3)**	
	` 6,00,001 to ` 8,00,000	35 **(8.9)**	
	` 8,00,001 to ` 10,00,000	19 **(4.8)**	
	Above ` 10,00,000	19 **(4.8)**	

Note: Figures in parentheses denotes the percentage.
Source: Computed from primary data.

The table 1 shows that in the investors gender category out of 392 respondents, 220 (56.1 percent) of the investors are male and the remaining 172 investors (43.9 percent) are female.

The age of investors is grouped into four different categories, out of which 287 investors (73.2 percent) of the total investors fall under 21 to 40 years of age category, 86 investors (21.9 percent)fall under 41 to 60 years of age category, 19 investors (4.8 percent)belong to the above 60 years age category. While

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considering the marital status of the investors, 253(64.5 percent) are married, 112 investors (28.6 percent) are unmarried, 15 (3.8 percent) of the investors are widows and 12 investors (3.1 percent) are either separate or divorced.

Educational qualification of the investors is categorised as schooling which is higher secondary level (+2), either diploma or ITI, undergraduate and postgraduate levels. Out of 392 investors, 254(64.8 percent) of the investors have completed under graduation, 53 investors (13.5 percent) are postgraduates, 43 investors (11 percent) completed either diploma or ITI and 42 (10.7 percent) investors have completed their schooling. Occupation of the investors is classified into self-employed, government employee, private employee, homemakers, retired persons, professionals and agriculturists. Out of 392 investors 146 investors (37 percent) are private employees, 87 investors (22.2 percent) were self- employed, 67 investors(17.1 percent) are government employees, 47 investors (12 percent) are homemakers, 16 investors (4.1 percent) are retired persons, 14 investors (3.6 percent) are agriculturists and the remaining 15 investors (3.8 percent) are professionals.

Out of total investors, 225 investors (57.4 percent) belong to nuclear family type and 167 investors (42.6 percent) of the investors belong to joint family type. Investor's family size is categorised into investors who have less than 2 members, investors having 2 to 4 members, investors having 4 to 6 members and those who have more than 6 members. The investors who have less than 2 members are 42 investors (10.7 percent), investors having 2 to 4 members are 204 investors (52 percent), investors having 4 to 6 members are 104 investors (26.5 percent) of the total investors and investors who have more than 6 family members are 42 investors (10.7 percent) of the total investors.

The investor's residence type is classified into rural, urban and semi-urban. Out of 392 investors 123 investors (31.4 percent)live in rural places, of the investors that is 203 investors (51.8 percent)live in the urban areas and 66 investors (16.8 percent) of the investors reside in the semi-urban areas of the district. Investors' get their incomes from salaries, businesses, profession, pension, wages/rent, agricultural income and income from family members. Out of 392 investors, 215 investors(54.8 percent)draw their income from the salary sources, 45 investors (11.5 percent)draw their income from businesses, 63 investors(16.1 percent) earn their income from professional activities, 16 investors (4.1 percent)get their income from pensions, 17 investors(4.3 percent)earn their income by agricultural activities, 27 investors(6.9 percent) dependent on their family members for their income and 9 investors (2.3 percent) earn their income by wages or rent.

The approximate annual income of the investors is grouped into six such as income below `250000, income ranging between `250001 to `500000, ranging between `500001 to `600000, `600001 to `800000, `800001 to `1000000 and earnings is more than `1000000. Out of total investors, 158 investors (40.3 percent) earn income less than ` 250000, 109 investors(27.8 percent) earn under`250001 to `500000, 56 investors(14.3 percent) earn between `500001 to`600000, 35 investors (8.9 percent) are getting their income between the category of `600001 to `800000, 19 investors(4.8 percent) incomes are in the range from`800001 to `1000000 and further 19 (4.8 percent)investors are under the category `1000000 and above.

INVESTMENT PROFILE OF HOUSEHOLD INVESTORS

The study includes investment related variables namely portion of annual income contributed to the investment, method of making investment decisions, source of information for investment decision, investment avenues preferred by the respondents,holding period for financial assets, physical and economic assets, time taken to make investment decisions, sources of investment, periodical evaluation of portfolio, level of investment made by respondents in different assets, objectives of the investors while selecting investment avenues, attainment and non-attainment of investment objectives and the reason behind the non-attainment of investment objectives. The table 2 gives the description of variables relating to investment of the respondents with percentages for each detailed category of the variables.

Table-2: Investment Profile

Variables	Description	Number of Investors
Income Contributed	Up to `1,00,000	140

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to Investment		**(35.7)**
	`1,00,001 to `2,00,000	120 **(30.6)**
	`2,00,001 to `3,00,000	59 **(15.1)**
	`3,00,001 to `4,00,000	35 **(8.9)**
	`4,00,001 to `5,00,000	19 **(4.8)**
	Above `5,00,000	19 **(4.8)**
Own Investment Decision	Yes	248 **(63.3)**
	No	144 **(36.7)**
Sources of Investment Information	Books	30 **(12.1)**
	Magazines	17 **(6.9)**
	Newspaper	40 **(16.1)**
	Annual Report	19 **(7.7)**
	Social Media	31 **(12.5)**
	Personal Experience	80 **(32.3)**
	Advertisements	10 **(4.0)**
	Internet News	4 **(1.6)**
	Past Performance	4 **(1.6)**
	Popular Information	5 **(2.0)**
	Recent Market Trend	8 **(3.2)**
Investment Consultants	Astrologer	12 **(8.3)**
	Brokers & Agents	18 **(12.5)**
	Family Recommendation	54 **(37.5)**
	Investment Advisors	19 **(13.2)**
	Consultancy Office	9 **(6.3)**
	Friends and Relatives	32 **(22.2)**
Most Preferable Investment Avenues	Financial Assets	135

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		(34.4)
	Real Assets	155 **(39.6)**
	Economic Assets	102 **(26.0)**

Note: Figures in parentheses denotes the percentage.
Source: Computed from primary data.

The table 2 reveals that the portion of income contributed by the investors towards their investments are categorised into six types. Out of the total investors, 140 investors (35.7 percent) contributed their annual income of up to `100000 for their investment benefits, 120 investors (30.6 percent) have contributed between the limit of `100001 to `200000 for the investments,59 investors (15.1 percent) make their investment ranged from `200001 to `300000, 35 (8.9 percent) investors invest the money which ranged from `300001 to `400000, 19 investors (4.8 percent) invest the money ranged from `400001 to `500000 and yet another 19 (4.8 percent)investors make the investment more than the`500000.

Out of the total investors 248 investors (63.3 percent) are ready to take investment decisions on their own but 144 investors (36.7 percent) are unable to take their own investment decisions. Investors who are ready to take theirown investment decision referringbooks, magazines, newspapers, annual reports, social media, advertisements, internet news, popular information and also observing the past performance, recent market trends and make investment by their personal experiences. Out of the total own investment decision making investors, 30 investors (12.1 percent) used books, 17 investors (6.9 percent)refer magazines, 40 investors (16.1 percent) used newspapers, 19 investors (7.7 percent) analysed annual reports, 31 investors (12.5 percent) seen the social media, 10 investors (4 percent) watch the advertisements, 4 investors (1.6 percent) referred internet news and 5 investors (2 percent) used popular information for taking investment decision. In addition to that 8 investors (3.2 percent) referred the recent market trend, 4 investors (1.6 percent) seen the past performance and 80 investors (32.3 percent)used their personal experience for the investment decision.

Investors who are not able to take their own investment decisions consult with astrologers, brokers/agents, family recommendations, investment advisors, consultancy office, friends and relatives for making investment decisions. In this aspect, out of 144 investors, 12 investors (8.3 percent)consult with astrologers, 18 investors (12.5 percent) consult with brokers and agents, 54 investors (37.5 percent)act on family recommendations, 19 investors (13.19 percent)consult with investment advisors, 9 investors (6.2 percent) approachconsultancy officers and the remaining 32 investors (22.2 percent) get advices and suggestions from friends and relatives.

In the part of preferable investment avenues in the market, 135 investors (34.4 percent) preferred financial assets like stocks, debentures, mutual funds, chit funds, etc., 155 investors (39.6 percent)of the total investors prefer real assets like gold, agricultural land, apartments and flats, etc., and 102 investors (26 percent) prefermaking investment on economic assets like buildings, equipment and so on.

INVESTMENT PATTERN OF HOUSEHOLD INVESTORS

The level of investment made by the investors in various investment avenues namely equity share, bond/debenture, provident fund, bank deposits, mutual fund, chit fund, insurance policies, post office savings schemes, government securities, gold/silver, residential flats/apartments and agricultural lands are given in the table 3.

Table-3: Mean Ranking and Levels of Investment Made by the Investors

InvestmentAvenues	Very Low	Low	Neutral	High	Very High	MeanScore	Rank
Equity Share	83 **(21.2)**	66 **(16.8)**	84 **(21.4)**	74 **(18.9)**	85 **(21.7)**	**3.03**	**6**
Debenture / Bond	103 **(26.3)**	86 **(21.9)**	110 **(28.1)**	68 **(17.3)**	25 **(6.4)**	**2.56**	**11**

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Provident Fund	59 **(15.1)**	88 **(22.4)**	118 **(30.1)**	67 **(17.1)**	60 **(15.3)**	**2.95**	**7**
Bank Deposit	27 **(6.9)**	71 **(18.1)**	109 **(27.8)**	69 **(17.6)**	116 **(29.6)**	**3.45**	**2**
Mutual Fund	103 **(26.3)**	72 **(18.4)**	89 **(22.7)**	73 **(18.6)**	55 **(14.0)**	**2.76**	**10**
Chit Fund	101 **(25.8)**	59 **(15.1)**	92 **(23.5)**	79 **(20.2)**	61 **(15.6)**	**2.85**	**9**
Insurance Policies	45 **(11.5)**	68 **(17.3)**	94 **(24.0)**	73 **(18.6)**	112 **(28.6)**	**3.35**	**3**
Post OfficeSavings Scheme	82 **(20.9)**	65 **(16.6)**	75 **(19.1)**	61 **(15.6)**	109 **(27.8)**	**3.13**	**4**
Government Securities	125 **(31.9)**	76 **(19.4)**	90 **(23.0)**	54 **(13.8)**	47 **(12.0)**	**2.55**	**12**
Gold/Silver	27 **(6.9)**	65 **(16.6)**	90 **(23.0)**	96 **(24.5)**	114 **(29.1)**	**3.52**	**1**
Residential Flats/ Apartments	58 **(14.8)**	76 **(19.4)**	112 **(28.6)**	76 **(19.4)**	70 **(17.9)**	**3.06**	**5**
Agricultural Lands	86 **(21.9)**	61 **(15.6)**	107 **(27.3)**	68 **(17.3)**	70 **(17.9)**	**2.94**	**8**

Note: Figures in parentheses denotes the percentage; Source: Computed from primary data.

From the table 3 it is understood that out of 392 investors, 83 investors (21.2 percent) invested at very low levels, 66 investors (16.8) percent invested low level, 74 investors (18.9 percent) made high levels of investment, 85 investors (21.7 percent) invested at very high level and the remaining 21.4 percent (84 investors) of investors are neutral in the equity share investment.

As for the investments made in debenture/bond investments, of the total sampled investors 103 investors (26.3 percent) invested at very low levels,86 investors (21.9 percent) made low levels of investments, 110 investors (28.1 percent) are neutral, 68 investors (17.3 percent) prefer high level investments and the rest of 25 investors (6.4 percent) investedat very high levels.

Out of the sample investors availing the provided fund, 59 investors (15.1 percent) made very low level investments, 88 investors (22.4 percent) preferred low level investments, 67 investors (17.1 percent) invested at high levels, 60 investors (15.3 percent) invested at very high levels and 118 investors (30.1 percent) were not ready to invest either in high levels or low levels.

Investments made via bank deposits show that 27 investors (6.9 percent) had deposited very low levels of money on banks, 71 investors (18.1 percent) deposited in low levels, 109 investors (27.8 percent) did not deposit either in high levels or low levels of amount in the banks, 69 investors (17.6 percent) deposited high levels of amount as an investment in banks and remaining investors, of the total investors which is 109 investors(29.6 percent) made very highlevel bank deposits.

Out of 392 investors in the mutual fund investments, 103 investors (26.3 percent) made investment on mutual funds at very low level, 72 investors (18.4 percent) made low level investments on mutual funds, 89 investors (22.7 percent) of the investors had not invested in either high or low levels on mutual funds, 73 investors (18.6 percent) preferred high level investment on mutual funds and only 55 investors (14 percent) made very high levels of investment on mutual funds schemes in the stock market.

In the total amount invested on chit funds by the investors 101 investors (25.8 percent) made at a very low level, 59 investors (15.1 percent) preferred low level of investment on chit fund, 79 investors (20.2 percent) and 61 investors (15.6 percent) are ready to invest in high and very high levels on the investment on chit funds but 92 investors (23.5 percent) are not interested in investing neither in high level nor low levels on chit funds.

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Out of 392 investors invested on insurance policies, 45 investors (11.5 percent) invested money on insurance policies at very low levels, 68 investors (17.3 percent) invested in low level insurance policies, 94 investors (24 percent) of the total investors were not ready to make neither high nor low levels of amounts on insurance policies, 73 investors (18.6 percent) prefer to make high levels of investment on insurance policy schemes and 112 investors (28.6 percent) of the investors are ready to invest on insurance policies at very high levels.

The amount deposited in the post office savings schemes by investors is recorded to be the following; 82 investors (20.9 percent) deposited at very low levels, 65 investors (16.6 percent) deposited at low levels in post office savings scheme, 61 investors (15.6 percent) invested at high levels, 75 investors (19.1 percent) were not ready to invest neither high level nor low level and 109 investors (27.8 percent) were ready to invest very high levels of amount as an investment in post office.

Out of 392 sample investors investing on government securities 125 investors (31.9 percent) had invested at very low levels, 76 investors (19.4 percent) had made low level investments, 90 investors (23.0 percent) of the total investors were not ready to invest in neither high level nor low levels, 54 investors (13.8 percent) preferred high levels and 47 investors (12 percent) were ready to invest very high level of amounts on government securities.

The investment made by the investors on gold and silver is observed to be the following; out of the total sampled investors 27 investors (6.9 percent) made investment on gold/silver at very low levels, 65 investors (16.6) percent made deposits on the gold/silver at low level, 90 investors (23 percent) were not ready to make investment on gold/silver either high level or low level, 96 investors (24.5 percent) made investments on gold/silver at high level and remaining 114 investors (29.1 percent) made investments on gold/silver at very high levels.

In the amount invested on residential flats/apartments by the investors recorded show that 58 investors (14.8 percent) made very low level investments, 76 investors (19.4 percent) prefer low level amounts of investment, 76 investors (19.4 percent) and 70 investors (17.9 percent) invested money on residential flats/apartments at high level and very high level respectively and 112 investors (28.6 percent) invested money on the assets at neither high level nor low level because the investors are neural towards the idea ofinvestment on residential flats/apartments.

The amount contributed to the agricultural land as an investment by the investors is recordedas 86 investors (21.9 percent) at very low level, 61 investors (15.6 percent) at low level, 68 investors (17.3 percent) and 70 investors (17.9 percent) invested at high levels and very high levels respectively on agricultural lands but 107 investors (27.3 percent) have not invested at either high level or low level on agricultural lands because of neutral opinion towards agricultural land investment.

The mean score value is computed to assign the ranks for each investment avenue. The equity share mean score is computed as 3.03 and it ranks 6th among other investment avenues preferred by the individual investors. The mean score value of the debenture/bond is 2.56 and ranks 11th position among other investments preferred by the investors in the market. The mean score value of provident fund investment avenue scored as 2.95 so it ranked 7th among the other investment avenues. The mean score value of bank deposit is 3.45 which is in the 2nd position among the other investment avenues preferred by the investors for the investment in the market.

The mean score value of investment on mutual funds is computed as 2.76 which ranks 10th among the other alternative investments preferred by the investors in the financial market investments. The mean score value of chit funds is computed as 2.85 which stands 9th among the other alternative investments available on the market. The mean score of investment on insurance policies scheme is 3.35 and it ranks 3rd among the other investments selected by the individual investors. The mean score value of post office savings scheme is computed as 3.13 which is ranked 4th among the other alternative investments available in the market. The mean score value is recorded as 2.55 which ranks 12th among the other investments preferred by the investors in the market. The mean score value of gold and silver is 3.52 which is the 1st among the other

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investment avenues preferred by the investors in the market. The mean score value of this investment avenues is 3.06 and it ranks 5th among the other investment avenues preferred by the investors in the market. The mean score value of agricultural land investment avenue is scored as 2.94 which ranks 8th among the other investment avenues preferred by investors in the market.

Table-4: Opinion on Attainment and Reason for Non-attainment of Objectives of the Investments

Opinion on Attainment and Non-attainment	Description	Number of Investors
Attainment of Investment Object	Yes	134 **(34.2)**
	No	258 **(65.8)**
Reason for Non-attainment	High Market Fluctuation	40 **(15.3)**
	Unfavourable Market Condition	45 **(17.2)**
	Investment in Bad Time	33 **(12.6)**
	Wrong Guidance	31 **(11.9)**
	Bad Luck	39 **(14.6)**
	Insufficient Knowledge about Investments	42 **(16.1)**
	Negligence in Periodical Evaluation	31 **(11.9)**

Note: Figures in parentheses denotes the percentage; Source: Computed from primary data.

It can be inferred from Table 4 that out of 392 investors only 134 (34.2 per cent) have attained their investment objectives. Remaining 258 investorsexpressed the reasons for non-attainment of their investment objectives in various stakes such as,high market fluctuations chosen by 40 investors(5.3 percent), unfavourable market conditions chosen by 45 investors (17.2 percent), bad time chosen for investment by 33 investors (12.6 percent), wrong guidance was chosen by 31 investors (11.9 percent), bad luck to be the reason is chosen by 39 investors (14.6 percent), insufficient knowledge about investment is chosen by 42 investors (16.1 percent) andnegligence in periodical evaluationis chosen as the reason by 31 investors (11.9 percent).

INVESTMENT PATTERN AND INVESTMENT DECISION

Generally, investors take decision on their own by analysing the information available from different sources or by consulting with experts/consultants. In this study, the researchers made an attempt to know whether the respondents take decision in their own or depend on some consultants/experts while investing in different securities. To know the relationship between the nature of asset selection and the sources from which investors relayed on investment, correlation technique is used and results are shown in Table 6.

Table-5: Correlation between the Investment Pattern and Investment Decision

Investment Pattern	Investment Consultant		Sources of Information	
	Pearson Correlation	Sig.	Pearson Correlation	Sig.
Equity Share	0.000	0.998	0.081	0.108
Debenture/Bond	-0.181	0.030*	0.104	0.040*
Provident Fund	-0.020	0.810	0.031	0.544
Bank Deposit	-0.191	0.022*	0.053	0.298
Mutual Fund	-0.184	0.028*	0.078	0.123

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Chit Fund	0.009	0.915	0.076	0.134
Insurance Policies	-0.085	0.313	0.110	0.029*
Post Office Savings Scheme	-0.062	0.458	0.173	0.001**
Government Securities	0.057	0.494	0.084	0.095
Gold/Silver	-0.084	0.315	0.094	0.064
Residential Flats/Apartments	-0.069	0.408	0.035	0.488
Agricultural Lands	-0.052	0.535	0.066	0.194

Note:* Significant at 5% level, ** Significant at 1% level; Source: Computed from primary data.

It can be observed from the table 5 that the investment avenues namely debentures/bond, bank deposits and mutual fund have negatively correlated at low level with consultancy services while taking investment decision at 5% level of significance. On the other hand, investors who gathered information from various sources while making investment is significantly related with the debenture/bond and insurance policies at 5% level of significance but the post office savings schemes investment is significantly related with the investment sources at 1% level of significance and rest of the investment avenues are not significantly related with the investment information source.

Table-6: Association between the Socio-economic variable and Investment Pattern

Investment Avenues	Socio-economic Variable	Df	Pearson Chi-Square	Sig.
Equity Share	Gender	4	3.760	0.440
	Age	8	9.284	0.319
	Marital Status	**12**	**22.880**	**0.029***
	Educational Qualification	12	17.074	0.147
	Occupation	24	21.637	0.601
	Family Type	4	3.471	0.482
	Family Member Size	12	13.256	0.351
	Place of Residence	8	12.225	0.141
	Source of Income	24	30.237	0.177
	Annual Income	20	25.518	0.180
Debenture/Bond	Gender	4	3.503	0.477
	Age	8	8.498	0.386
	Marital Status	12	10.519	0.571
	Educational Qualification	12	16.865	0.155
	Occupation	24	17.456	0.829
	Family Type	4	6.063	0.194
	Family Member Size	12	9.059	0.698
	Place of Residence	8	8.110	0.423
	Source of Income	24	26.680	0.320
	Annual Income	20	25.805	0.172
Provident Fund	Gender	4	2.210	0.697
	Age	8	8.481	0.388
	Marital Status	12	5.199	0.951
	Educational Qualification	12	18.467	0.102
	Occupation	24	27.582	0.278
	Family Type	**4**	**13.177**	**0.010***
	Family Member Size	12	16.226	0.181
	Place of Residence	8	11.091	0.197
	Source of Income	24	31.150	0.149
	Annual Income	**20**	**31.760**	**0.046***
Bank Deposit	**Gender**	**4**	**10.157**	**0.038***

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	Age	8	14.131	0.078
	Marital Status	12	7.436	0.828
	Educational Qualification	12	12.261	0.425
	Occupation	**24**	**37.020**	**0.044***
	Family Type	4	2.378	0.667
	Family Member Size	12	13.881	0.308
	Place of Residence	8	8.211	0.413
	Source of Income	24	30.180	0.179
	Annual Income	20	25.963	0.167
Mutual Fund	Gender	4	4.876	0.300
	Age	8	5.193	0.737
	Marital Status	12	15.799	0.201
	Educational Qualification	12	9.584	0.652
	Occupation	24	12.638	0.972
	Family Type	4	6.931	0.140
	Family Member Size	12	11.247	0.508
	Place of Residence	8	9.678	0.283
	Source of Income	24	22.956	0.522
	Annual Income	**20**	**36.111**	**0.015***
Chit Fund	Gender	4	3.548	0.471
	Age	8	13.747	0.089
	Marital Status	12	15.768	0.202
	Educational Qualification	12	20.516	0.058
	Occupation	24	28.722	0.231
	Family Type	4	7.865	0.097
	Family Member Size	12	9.185	0.687
	Place of Residence	8	6.388	0.604
	Source of Income	**24**	**38.380**	**0.032***
	Annual Income	**20**	**35.300**	**0.019***
Insurance Policies	**Gender**	**4**	**10.699**	**0.030***
	Age	**8**	**16.166**	**0.040***
	Marital Status	12	9.241	0.682
	Educational Qualification	12	18.985	0.089
	Occupation	**24**	**45.904**	**0.005***
	Family Type	4	2.773	0.597
	Family Member Size	12	9.667	0.645
	Place of Residence	8	9.277	0.319
	Source of Income	24	32.472	0.116
	Annual Income	**20**	**33.832**	**0.027***
Post Office Savings Schemes	Gender	4	4.689	0.321
	Age	**8**	**16.743**	**0.033***
	Marital Status	12	6.802	0.870
	Educational Qualification	**12**	**39.230**	**0.001***
	Occupation	24	28.904	0.224
	Family Type	4	5.049	0.282
	Family Member Size	12	12.758	0.387
	Place of Residence	8	2.736	0.950
	Source of Income	24	33.358	0.097
	Annual Income	20	12.360	0.903

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Government Securities	Gender	4	4.219	0.377
	Age	**8**	**17.311**	**0.027***
	Marital Status	12	16.001	0.191
	Educational Qualification	12	11.742	0.467
	Occupation	24	35.718	0.058
	Family Type	4	7.333	0.119
	Family Member Size	**12**	**29.607**	**0.003***
	Place of Residence	**8**	**19.520**	**0.012***
	Source of Income	24	34.292	0.080
	Annual Income	20	19.034	0.520
Gold/Silver	**Gender**	**4**	**9.656**	**0.047***
	Age	8	9.407	0.309
	Marital Status	12	16.329	0.177
	Educational Qualification	12	18.508	0.101
	Occupation	24	25.753	0.366
	Family Type	**4**	**12.568**	**0.012***
	Family Member Size	12	15.298	0.226
	Place of Residence	8	3.929	0.863
	Source of Income	24	31.759	0.133
	Annual Income	20	15.624	0.740
Residential Flats/Apartments	**Gender**	**4**	**14.016**	**0.007***
	Age	8	9.997	0.265
	Marital Status	12	15.090	0.237
	Educational Qualification	12	9.511	0.659
	Occupation	24	30.964	0.155
	Family Type	4	1.679	0.795
	Family Member Size	12	20.421	0.060
	Place of Residence	8	5.379	0.716
	Source of Income	24	31.630	0.136
	Annual Income	20	23.034	0.284
Agricultural Land	Gender	4	5.624	0.229
	Age	**8**	**28.731**	**0.001***
	Marital Status	12	12.034	0.443
	Educational Qualification	12	17.594	0.129
	Occupation	**24**	**37.424**	**0.040***
	Family Type	4	0.882	0.927
	Family Member Size	12	12.520	0.405
	Place of Residence	8	10.539	0.229
	Source of Income	**24**	**40.421**	**0.019***
	Annual Income	20	27.683	0.117

Note:* Significant at 5% level; Source: Computed from primary data.

It is observed from the table 6 that the equity share investment (P value 0.029 and chi-square value 22.880)is significantly associated with the marital status of the individual investors and the other variables are not significantly associated with the equity share investment avenues. The debenture/bond investment avenue is not significantly associated with any socio-economic variable of the investors. The individual investors' family type (P value 0.010 and chi-square value 13.177) and annual income (P value 0.046 and chi-square value 31.760) are significantly associated with the provident fund investment avenue.

The bank deposit investment avenue is significantly associated with the investors' gender (P value 0.038 and chi-square value 10.157) and occupation (P value 0.044 and chi-square value 37.020) of the individual

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investors. Among the various socio-economic variables, the annual income of the individual investors is significantly associated with the mutual fund investment (P value 0.015 and chi-square value 36.3111). The source of income (P value 0.032 and chi-square value 38.380) and annual income (P value 0.019 and chi-square value 35.300) of the individual investor are significantly associated with the chit fund investment and the other variables are not significantly associated with the chit fund investment avenue.

The insurance policy as an investment is significantly associated with the gender, age, occupation and annual income of the individual investors. Since the P value of these socio-economic variables is less than 0.05 and the chi-square value of these variables is 10.699, 16.166, 45.904 and 33.832 respectively. The age and educational qualification of the individual investors are significantly associated with the post office savings schemes investments because the P value of age and educational qualification variables is less than 0.05 and the chi-square value of these two variables are 16.743 and 39.230 but other variables are not significantly associated with this investment avenues. The government securities as an investment avenue is significantly associated with the age, family member size and place of residence of the individual investor since the P value of these variables are less than 0.05 and the chi-square value of these variables is 17.311, 29.607 and 19.520 respectively.

The gender and family type of the investors are significantly associated with the gold/silver investment avenues. The gender of the respondents' P value shows that 0.047 and chi-square value is 9.656. The P value of family type is 0.012 and chi-square value is 12.568 but other variables are not significantly associated with the gold/silver investment avenues. The residential flats/apartments(P value 0.007 and chi-square value 14.016)is significantly associated with the gender of the individual investors but the other socio-economic variables are not significantly associated with this investment avenue. The agricultural investment is significantly associated with the age, occupation and sources of income of the individual investors since the P value of these variables are less than 0.05 and the chi-square value of these variables are 28.731, 37.424 and 40.421 respectively and the other socio-economic variables are not significantly associated with investment avenues.

CONCLUSION AND SUGGESTIONS

It is concluded from the investment pattern of the investors from Tamil Nadu households that they possess strong mindset to determine the investments based on some pre-fixed investment avenues. Most of the households preferred to make investment in gold, silver, insurance policies and bank deposits because the householdsbelieve that the money would be utilised for family functions, children's future, tax benefits and retirement benefits. The Household sector investorsdid not give much importance to the government securities, shares, debentures and bonds at the same time safety, liquidity and profit of the investment are the least considered factors.

Based on the results and discussions it is understood that when the investor mainly goes for profit and safety of the investment, they opt to invest in the government securities, bonds and debentures as their investment avenues. Hence the government and corporate institutions will mobilise the money through these instruments and use it for the functioning of the finance system which will facilitate the economic development. Further, these institutions should take steps to advertise their products to expand their reach all sorts of investors.

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