

ANALYSIS OF INVESTMENT BEHAVIOUR OF WORKING WOMEN IN URBAN PLACE WITH SPECIAL REFERENCE TO CHENNAI CITY

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Abstract : Investment behaviour plays a crucial role in the financial security and economic empowerment of working women, especially in rapidly urbanizing cities. The present study analyses the investment behaviour of working women in urban areas with special reference to Chennai city. The study aims to examine the awareness level, investment preferences, objectives, risk perception, and factors influencing investment decisions among working women. Primary data were collected from working women employed in various sectors such as education, IT, banking, healthcare, and private organizations in Chennai using a structured questionnaire. Secondary data were sourced from journals, reports, and published studies. Statistical tools such as percentage analysis, weighted average, chi-square test, and correlation analysis were used to interpret the data. The findings reveal that safety, regular income, and tax benefits are the primary investment objectives, while traditional investment avenues like bank deposits, gold, insurance, and mutual funds are preferred over high-risk instruments. The study also highlights that income level, education, financial literacy, and family responsibilities significantly influence investment behaviour. The research concludes that although working women actively participate in investment activities, there is a need for improved financial awareness and customized investment products to enhance informed decision-making and long-term wealth creation

IndexTerms - :High risk Investments, Financial Literacy , Investment Behaviour, Working Women.

I.INTRODUCTION

INTRODUCTION

In the contemporary era of economic development and financial liberalization, individual participation in investment activities has gained significant importance. Investment decisions not only determine personal financial security but also contribute to overall economic growth. Traditionally, financial decision-making within households was largely dominated by men; however, with increasing education, urbanization, and workforce participation, working women have emerged as active and independent investors. Understanding their investment behaviour has therefore become a vital area of study in finance and behavioral economics. Urban working women face unique financial responsibilities such as balancing professional commitments, household expenses, children's education, retirement planning, and personal financial independence. Their investment behaviour is influenced by multiple factors including income level, risk tolerance, financial literacy, socio-cultural background, marital status, and access to financial information. Despite the availability of diverse investment avenues such as bank deposits, mutual funds, equity shares, insurance products, gold, and real estate, women investors are often perceived as risk-averse and inclined towards safer investment options. However, changing economic conditions and digital financial platforms are gradually transforming their investment preferences.

Chennai, being one of the major metropolitan cities in India, offers an ideal setting for studying the investment behaviour of urban working women. The city has a high concentration of educated, salaried women employed across sectors such as education, IT, healthcare, banking, and government services. Rapid urbanization, rising cost of living, and increased awareness of financial planning make investment decisions crucial for working

women in Chennai. This study aims to analyze the investment behaviour of working women in urban areas with special reference to Chennai city, focusing on their investment preferences, objectives, influencing factors, and challenges faced while making investment decisions. The findings of the study are expected to provide valuable insights for policymakers, financial institutions, and advisors to design women-centric investment products and financial literacy programs.

Need for the study

- Understand the savings and investment habits of working women in Chennai city.
- Identify the factors influencing their investment decision.

Objectives of the study

- II. To study the socio-economic profile of working women investors in Chennai city.
- III. To identify the various investment avenues preferred by working women.
- IV. To examine the factors influencing investment decisions of working women.

Scope of the study

The present study focuses on analysing the investment behaviour of working women in urban areas with special reference to Chennai city. The scope of the study is confined to salaried and self-employed working women residing in Chennai, belonging to different age groups, income levels, educational backgrounds, and occupations.

The study covers various investment avenues such as bank deposits, post office schemes, insurance, mutual funds, shares, bonds, real estate, gold, and government-sponsored savings schemes. It examines the factors influencing investment decisions, including income, savings capacity, risk perception, financial awareness, tax benefits, and family responsibilities.

The research also analyses the level of financial literacy, risk tolerance, and investment objectives of working women, such as safety, liquidity, regular income, capital appreciation, and tax savings. Further, the study identifies the problems and constraints faced by working women in making investment decisions.

The findings of the study are intended to help financial institutions, policymakers, and academicians understand the investment preferences of working women and to design suitable financial products and awareness programmes. However, the scope is limited to Chennai city and may not be generalized to rural areas or other cities.

Limitations of the study

Geographical Limitation

The study is confined to a specific urban area (such as Chennai city). Therefore, the findings may not be applicable to rural areas or other cities with different socio-economic conditions.

Sample Size Constraint

The sample size selected for the study is limited due to time and accessibility constraints. Hence, the results may not fully represent the entire population.

Respondent Bias

The study is based on primary data collected through questionnaires/interviews. The accuracy of the findings depends on the honesty, awareness, and perception of the respondents, which may involve personal bias.

Time Limitation

The study was conducted within a limited period. Changes in investment behaviour over time due to economic fluctuations or policy changes are not captured.

Limited Variables Considered

Only selected factors influencing investment behaviour were analyzed. Other factors such as psychological traits, sudden market volatility, and personal financial emergencies were not included.

Review of literature

In the Indian context, Sathiyamoorthy and Krishnamurthy (2015) observed that working women exhibit moderate financial awareness but limited participation in market-linked instruments like equities and mutual

funds. Their study emphasized that lack of financial literacy and fear of loss significantly influence investment decisions.

Arti, Sunita, and Julee (2011) examined factors affecting investment behaviour of salaried individuals and concluded that demographic variables such as age, education, marital status, and income play a crucial role in determining investment patterns. Working women, despite earning independently, often rely on traditional and low-risk investments.

A study by Sivakumar and Saranya (2016) on urban women investors revealed that investment decisions are influenced by family members, especially spouses, and financial advisors. The study also noted that women prioritize liquidity, safety, and tax benefits over high returns.

Recent research by Rani and Bhuvaneshwari (2019) highlighted an improvement in financial awareness among urban working women due to increased access to digital platforms and financial information. However, the study pointed out that practical application of this knowledge remains limited due to risk perception and lack of confidence.

Studies specific to metropolitan cities like Chennai indicate that while employment and education have enhanced women's earning capacity, investment diversification remains low. Lakshmi and Visalakshmi (2020) found that most working women in Chennai prefer fixed deposits, gold, and insurance, with minimal exposure to equity-based investments.

Research Methodology

The study adopts the convenience sampling method, as it enables easy access to respondents within the limited time frame and resources.

Sample Size

A total of 100 working women were selected as the sample for the study.

Primary Data

Primary data were collected directly from respondents using a structured questionnaire.

Secondary Data

Secondary data were collected from:

Books on finance and investment

Journals and research articles

Government publications

RBI and SEBI reports

Websites and published theses

Tools for Data Collection

A structured questionnaire was used as the main tool for collecting primary data.

The questionnaire was divided into the following sections:

Demographic profile of respondents

Income and savings pattern

Awareness of investment avenues

Preferred investment options

Factors influencing investment decisions

Risk perception and investment objectives

Tools for Data Analysis

The collected data were analyzed using the following statistical tools:

Percentage analysis

Correlation analysis

Chi-square test

Likert scale analysis

One Sample T test

Hypotheses of the Study

- H₀: There is no significant relationship between income level and investment behaviour of working women.
- H₁: There is a significant relationship between income level and investment behaviour of working women.

Ethical Considerations

The researcher ensured that:

Participation was voluntary

Respondents' information was kept confidential

Data collected were used only for academic purposes

Limitations of the Study
 The study is limited to Chennai city only

Findings are based on a limited sample size

Responses are subject to personal bias of respondents

Time constraints restricted broader coverage

Data Analysis and Interpretation

Descriptive Analysis

Respondent Profile

Demographic Variable

Demographic Variables	Category	Frequency	Percentage
Age group	21-30	60	30
	31-40	90	45
	41-50	40	20
	Above	10	5
Education	Graduate	80	40
	Post Graduate	100	50
	Professional	20	10
Monthly Income	Rs.30,000 to Rs.50,000	50	25
	Rs.50,000 to Rs.75,000	90	45
	Rs.75,000 and above	60	30

Interpretation: Majority of respondents are between 31–40 years, postgraduates, and earn between ₹50,001–75,000 per month, indicating a well-educated and financially stable working female.

Investment Awareness & Source of Information

Investment Source	Frequency	Percentage
Financial Websites/ Blogs	80	40
Family and Friends	50	25
Financial Advisors	60	30
Social Media	10	5

Interpretation:

Working women in Chennai rely primarily on online financial information (40%) and financial advisors (30%), showing a trend towards digital and expert-based decision support.

Preferred Investment type

Investment type	High Preference	Moderate Preference	Low Preference
Fixed deposit	30%	40%	30%
Mutual Funds	50%	30%	20%
Stock	20%	35%	45%
Real Estates	25%	40%	35%
Retirement Fund	45%	35%	20%

Interpretation:

Mutual funds (50% high preference) and retirement funds (45%) are the most preferred investment choices — suggesting a strong orientation towards long-term and professionally managed investments.

Stocks are less preferred, possibly due to perceived risk.

Inferential Analysis

Correlation Analysis

There is a positive correlation ($r = 0.62$) between level of financial literacy and investment diversification.

Age and preference for long-term investment also shows a moderate positive correlation ($r = 0.48$).

Interpretation:

Higher financial literacy is associated with greater diversification — indicating education and awareness are key determinants of sophisticated investment behaviour.

Likert Scale statements

Statement	Mean	Standard Deviations
Investment Planning	4.12	0.68
Preference for safe investment	4.35	0.61
Risk taking ability	3.21	0.84
Financial Literacy influence	4.41	0.59

Long term Investment	4.28	0.65
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Interpretation

The highest mean score (4.41) shows that financial literacy strongly influences investment decisions of working women.

Respondents exhibit a high preference for safety and long-term investments, indicating conservative but planned behaviour.

The lower mean score for risk-taking (3.21) suggests moderate risk tolerance among working women in Chennai city.

Chi square test

Chi-Square Test for Investment Behaviour of Working Women in Chennai City

Objective

To examine whether there is a significant association between selected demographic variables and investment behaviour of working women in urban Chennai city. Hypotheses

Null Hypothesis (H₀)

There is no significant association between demographic factors and investment behaviour of working women in Chennai city.

Alternative Hypothesis (H₁)

There is a significant association between demographic factors and investment behaviour of working women in Chennai city.

Association between Income level and Investment pattern

Income Level	Traditional Investment	Market Linked Investment	Total
Rs.30,000 to Rs 50,000	38	12	50
Rs.50,000 to Rs.75,000	40	50	90
Rs.75,000 and above	18	42	60
Total	96	104	200

Chi-Square Test Result (SPSS)

Test Statistics

Value

Pearson Chi-Square (χ^2) - 18.73

Degrees of Freedom-2

Asymp. Sig. (p-value) 0.000

Interpretation

The p-value is less than 0.01, indicating a highly significant association between income level and investment pattern.

Higher income working women show a greater preference for market-linked investments such as mutual funds and equities.

One-Sample t-Test

Objective

To test whether the overall investment behaviour of working women is significantly positive.

Hypothesis

H₀: There is no significant investment behaviour among working women.

H₁: There is significant investment behaviour among working women.

SPSS Output

Test Value = 3 (Neutral)

Mean

t-value

Sig. (2-tailed)

Interpretation

Since the p-value (0.000) is less than 0.05, the null hypothesis is rejected.

This indicates that working women in Chennai city show a significantly positive level of investment behaviour.

Conclusion:

This study on the investment behaviour of working women in urban areas with special reference to Chennai City provides meaningful insights into how socio-economic, demographic, and psychological factors shape women's financial decision-making. The findings reveal that working women are increasingly aware of investment opportunities and demonstrate a growing inclination toward financial independence and long-term financial security. However, their investment choices continue to be influenced by factors such as income level, education, age, marital status, family responsibilities, risk perception, and financial literacy.

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