



A Study On Investment Trends And Behavioral Patterns Of College Students In The Stock Market

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ABSTRACT:

This study explores the investment trends and behavioral patterns of college students in the stock market. With the increasing accessibility of trading platforms and financial information through digital media, more young individuals, especially college students, are showing interest in stock market investments. The main objective of this research is to analyze how college students invest, what motivates their decisions, and the factors influencing their investment behavior such as risk appetite, financial literacy, peer influence, and use of digital tools.

KEYWORDS: Stock Market, Investment Behavior, Risk, Investment Trends , Awareness

INTRODUCTION:

In the words of Warren Buffet, “In the business world, the rear view mirror is always clearer than the windshield.” India’s Investment growth lies partially in the hands of retail or individual investors. Retail or individual investors are the ordinary people who use their savings to make investments in a variety of investment products. The number of individual or retail investors has been growing at a CAGR of 11% in the past decade. And these investors account for 38% of equity market volumes. Their increased participation in capital formation can help to companies to grow at a faster pace and become job creators for the economy. Students can become an important part of the increasing group of retail investors in India and thus help in the capital formation in the long run, benefiting themselves as well as the economy.

REVIEW OF LITERATURE:

Sharan (2024), In this research, the researcher explored how people with all educational backgrounds, including science, commerce, and the arts, could start a career in the stock market if they knew about it. Few students know about investing in the stock market. There are several reasons why students may not know about or invest in the stock market. The most common reason is that the stock market is risky, and many investments are being made, but this is incorrect. It measures student attitudes towards the stock market, reasons why students do not invest in the stock market, and student satisfaction with investing in stocks.

Pravin & Parmar (2024) in the research analyzes attitudes of college students towards stock market investment: an analysis of rajkot,gujarat (india) they have concluded that, there is an association between gender and platform use by investors for investing in the stock market, as well as an association between gender and investment performance related decisions.

SCOPE OF THE STUDY:

The study is mainly planned to know the various investment opportunities available to youth and which of them are the most preferred ones. The study also covers all modes of investment preferred by the students. This research will definitely provide a better understanding among students about the investment options available from various financial institutions. The level of knowledge about various investment options is also considered. The study also undertakes the factors considered by students before investing in a particular avenue. Their level of risk bearing capacity is also considered. How much the return factor they consider while investing is also taken.

STATEMENT OF THE PROBLEM:

Investing is an important term of economic growth. In today economic environment investment pattern is unavoidable. An investment is a habit specially represented to the student. Even when the students were ineffective in the past income people, they had the habits of investing to protect the emergency and future expenses. Student was not aware of the various issues. The situation has significantly changed a lot. They have knowledgeable about various aspects of investment, they invest in a variety of investment avenues such as securities, debentures, insurance policies, mutual funds and post office savings. The students have many ideas for choosing the investment pattern. Security, Wealth accumulation, comfort factor, tax efficiency are some of the needs that a student strives to meet. The study examined the student awareness of various investment options, factors motivating them to invest in these options, the attitude towards the investment option, and the problems faced while investing their income in this study.

OBJECTIVES OF THE STUDY:

- To evaluate the influence of financial education on college students' confidence and decision-making in stock market investments.
- To explore how college students manage their investment activities alongside other financial responsibilities.
- To analyse the impact of technology and digital platforms on college students' stock market participation.
- To assess college students' awareness and understanding of fundamental stock market concepts and investment opportunities.
- To determine the risk tolerance levels among college student investors.
- To identify the key obstacles and barriers preventing college students from investing in the stock market.

RESEARCH METHODOLOGY:

RESEARCH DESIGN:

The type of research design selected for this project is descriptive design, which is based on structured questionnaire. A descriptive study is undertaken in many circumstances when the researcher is interested in knowing the characteristics of certain groups such as age, sex, income, occupation a descriptive study may be necessary. When a descriptive study could be taken up or when they are interested in knowing the proportion of people in a given population who have behaved in a particular manner, making projection of a certain thing or determining the relationship between two or more variables.

SAMPLING DESIGN:

In this study the researcher used convenience sampling. The sample was selected according to the convenience of the researcher.

SAMPLE SIZE:

The respondents for this study are selected from five top-ranked engineering and arts & science colleges in Coimbatore, as per the NIRF rankings. The engineering colleges include Amrita Vishwa Vidyapeetham, PSG College of Technology, Coimbatore Institute of Technology, Kumaraguru College of Technology, and Sri Krishna College of Engineering and Technology. Similarly, the arts and science colleges selected are PSG College of Arts and Science, Government Arts College, Sri Ramakrishna Mission Vidyalaya College of Arts and Science, Kongunadu Arts and Science College, and Nirmala College for Women.

These institutions have been chosen based on their academic excellence, research contributions, and overall ranking in NIRF.

TOOLS FOR ANALYSIS:

- Percentage Analysis
- Chi Square Analysis
- Weighted average method

ANALYSIS AND INTERPRETATION:**TABLE SHOWING SOURCE OF AWARENESS ABOUT INVESTMENT**

S. No	Source of awareness about Investment	Number of respondents	Percentage (%)
1	Business television Channels	58	48
2	Business news papers	31	26
3	Investment related websites	22	18
4	Social Networks	10	8
	Total	120	100

INTERPRETATION:

From the above table, it was found that 48% of the respondents aware about investment through Business television Channels, 26% of the respondents aware about investment through Business news papers, 18% of the respondents aware about investment through Investment related websites and 8% of the respondents aware about investment through Social Networks.

CHI-SQUARE TEST TO FIND THE SIGNIFICANT RELATIONSHIP BETWEEN SOURCE OF AWARENESS ABOUT INVESTMENT AND DURATION OF INVESTMENT**Null Hypothesis (H₀)**

There is no significant relationship between source of awareness about investment and duration of investment.

Alternative Hypothesis (H_a)

There is significant relationship between source of awareness about investment and duration of investment.

Source	Duration	Less than 6 months	6 months – 1 year	1 – 3 years	More than 3 years	Total
Business television Channels		12	5	1	0	18
Business news papers		13	11	12	2	38
Investment related websites		8	8	2	2	20
Social Networks		14	7	18	5	44
Total		47	31	33	9	120

The table value showing chi-square analysis:

Calculated value χ^2	16.92
Degree of freedom	12
Level of significant	50%
Table value	12.838
Result	Reject

INTERPRETATION:

Since the calculated value is higher than the table value and our hypothesis is proved, null hypothesis is rejected. Hence alternate hypothesis is accepted. So there is significant relationship between source of awareness about investment and duration of investment.

FINDINGS:

- Mostly 44% of the respondents investing for 1 – 3 years.
- Mostly 38% of the respondent's investing reason is to Building long-term wealth.
- Majority 63% of the respondents holding Less than 5 company shares.
- Mostly 36% of the respondents holding Exchange-Traded Funds (ETFS) or Mutual Funds as investment.
- Majority 72% of the respondents preferred investment period of Exchange-Traded Funds (ETFS) or Mutual Funds is Up to 2 years.
- Majority 51% of the respondents monitor or adjusting investments daily.
- Mostly 36% of the respondent's invested value is Rs. 1 lakh – Rs. 2 lakhs.

SUGGESTIONS:

- There is need to create awareness about commodity Future Market. Awareness program has to be conducted by Angel consultants, because since this was new to the market .so it can be done through by giving advertisements in local channels, Newspapers, by sending E-mail to present customers etc
- From survey it is found that most of the potential customers are concerned about the Brokerage charges so Angel can look upon this. If it can charge moderate brokerage it will help to attract more and more customers.
- “Dabba trading” in commodity market in India.
- The FMC should increase the range of commodities in future commodities in commodity market in India.
- To motivate the commodity business in India the FMC should come up with some rebate in taxes.
- The FMC should increase the delivery centers of commodities in India.

CONCLUSION:

The buying intent of mutual fund product by a small investor can be due to multiple reasons depending upon the risk return trade off. Due to the reduction in the bank interest rates and high degree of volatility in Indian Stock market, investors are looking at an alternative for their investments, which will provide them higher, returns and also safety to their investments.

Financial services sector in India is one of the fastest growing sectors. Awareness if stock market among the people is increasing day by day. So it is essential to know about the stock brokerage operating in our country and their services offered. This study identifies the source of awareness shareholders' investment proportion in stock market, factors influencing investors decision on buying and selling of funds.

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