

A Study On Investors' Interest In Share Market In Tuticorin At District

Dr. F. Cisma^{1*}, Dr. A. Priyanka², Dr. P. Jublin Prasanna³

^{1*} Assistant Professor, Department of Commerce V.O. Chidambaram College, Thoothukkudi-628008. (Affiliated to Manonmaniam Sundaranar University, Abishekapatti, Tirunelveli-627012)

² Assistant Professor, Department of Commerce V.O. Chidambaram College, Thoothukkudi-628008. (Affiliated to Manonmaniam Sundaranar University, Abishekapatti, Tirunelveli-627012)

³ Assistant Professor, Department of Commerce V.O. Chidambaram College, Thoothukkudi-628008. (Affiliated to Manonmaniam Sundaranar University, Abishekapatti, Tirunelveli-627012)

ABSTRACT

This study examines the investment behavior and preferences of individual investors in Tirunelveli district with regard to the share market. As financial literacy and accessibility increase, participation in the stock market is becoming more widespread, even in semi-urban regions. The study is based on primary data collected from 60 respondents through structured questionnaires. Key variables such as age, occupation, education, type of investment, investment amount, and expected returns were analyzed. The findings reveal that senior individuals, private sector employees, and graduates are the most active investors. Equity shares and mutual funds are the preferred investment instruments, with high return potential and flexibility identified as key motivators. Suggestions from respondents emphasize the need for greater investor awareness, financial education, and improved investment tools. The study highlights the growing interest in the share market and calls for targeted financial strategies to enhance investor participation and confidence in regions like Tirunelveli.

Introduction

The Indian share market has emerged as a powerful financial platform enabling individuals to invest, earn, and contribute to the economic development of the nation. With rising financial literacy and digital accessibility, investment in the stock market is no longer limited to a select few. The Tirunelveli district, a historically significant region in Tamil Nadu, has witnessed a growing awareness among individuals regarding stock market investments. This study explores the profile, behavior, and preferences of investors in this region, offering insights into their motivations, challenges, and expectations.

Review of Literature

Shefrin (2000) emphasized the influence of behavioral finance on investment decisions, suggesting that psychological biases often override rational thinking. Investors may act irrationally due to emotions like fear or greed. This theory explains market anomalies and investor inconsistency. It supports the idea that emotional factors impact decision-making in stock markets.

Mittal and Vyas (2008) focused on how demographic characteristics such as age, income, education, and occupation influence investment behavior. The study showed that educated and younger individuals prefer high-return instruments. Income levels were linked to risk appetite and portfolio diversity. These insights are relevant for segmenting investors effectively.

Statement of the Problem

Despite the advancements in financial markets and increasing investor awareness across India, tier-2 and tier-3 cities like Tirunelveli have limited data regarding investor behavior. There is a lack of understanding about what motivates individuals in this region to invest in the share market, what challenges they face, and how their socio-economic background influences their investment decisions. This study seeks to address this gap by analyzing the interest and involvement of investors in Tirunelveli district, aiming to provide a clearer picture of regional investment behavior.

Objectives of the Study

- To examine the demographic and occupational profile of share market investors in Tirunelveli district.
- To analyze the investment preferences and amounts invested by different categories of investors.
- To study the perception of investors regarding the positive aspects and expected returns from the share market.
- To understand the suggestions and expectations of investors to enhance the share market experience.

Scope of the Study

This study is confined to individual investors residing in the Tirunelveli district. It focuses on understanding their interest and involvement in the share market, based on factors like age, occupation, education, preferences, and investment amount. The study provides valuable insights into investor behavior, highlighting the potential for further

development of financial services and investor education programs in the region. The research findings can assist policymakers, financial advisors, and market institutions in designing targeted strategies for promoting share market participation in semi-urban and urban areas.

Sources of Data

- **Primary Data:** Collected through structured questionnaires distributed to 60 individual investors in Tirunelveli district.
- **Secondary Data:** Obtained from published research articles, financial journals, investor reports, books on financial markets, and online databases.

Results and Analysis

TABLE NO : 1 AGE OF THE RESPONDENTS

Age Group	No. of Respondents	Percentage
21 - 35	15	25
36 - 40	12	20
41 - 50	13	22
Above 50	20	33
Total	60	100

Source: Primary Data

Table No. 1 shows that the majority of investors, accounting for 33 percent, are above 50 years of age. This indicates a strong inclination among senior individuals toward investment, likely due to their accumulated savings, financial experience, and focus on long-term wealth planning. The age group of 21 to 35 years contributes 25 percent, reflecting the growing interest of young individuals in the stock market. Meanwhile, the 36 to 40 and 41 to 50 age groups represent 20 percent and 22 percent respectively, showing balanced participation among middle-aged investors.

TABLE NO: 2 OCCUPATION

Occupation	No. of Respondents	Percentage
Government Employees	15	25
Private Employees	20	33
Business	12	20
Others	13	22
Total	60	100

Source: Primary Data

Table No. 2 highlights the occupational background of investors. It is observed that private employees constitute the highest share, accounting for 33 percent of the respondents. This indicates that salaried individuals from the private sector are actively participating in stock market investments, possibly due to regular income and growing financial literacy. Government employees make up 25 percent, reflecting a significant interest among them as well, likely due to job security and disposable income. Business people account for 20 percent, showing moderate participation, while 22 percent fall under the 'Others' category, indicating a diverse investor base including freelancers, homemakers, and retirees.

TABLE NO : 3 EDUCATION

Education	No. of Respondents	Percentage
School Level	10	17
Graduate	30	50
Post Graduate	20	33
Total	60	100

Source: Primary Data

Table No. 3 presents the educational qualifications of the respondents. It is evident that a majority of investors, comprising 50 percent, are graduates, indicating that individuals with a basic higher education are more inclined to participate in the share market. Postgraduates constitute 33 percent, showing that advanced education further enhances awareness and confidence in investment decisions. Meanwhile, 17 percent of respondents have school-level education, suggesting that even those with minimal formal education are exploring investment opportunities. This data reflects the positive influence of education on investment participation and decision-making.

TABLE NO : 4 Monthly Income

Monthly Income	No. of Respondents	Percentage
Below ₹20,000	12	20
₹20,001 – ₹30,000	16	27
₹30,001 – ₹40,000	14	23
₹40,001 – ₹50,000	10	17
Above ₹50,000	8	13
Total	60	100

Source: Primary Data

Table No. 4 presents the monthly income distribution of respondents. A majority 27 percent earn between ₹20,001 to ₹30,000, suggesting a concentration of mid-income earners participating in the share market. About 20 percent earn below ₹20,000, which may limit their investment capacity, while 13 percent of respondents earn above ₹50,000, potentially enabling them to invest larger amounts. This income spread reflects the diverse financial backgrounds of investors in Tirunelveli district.

TABLE NO : 5 TYPES OF INVESTMENT

Types of Investment	No. of Respondents	Percentage
Equity Shares (Stocks)	18	30
Preference Shares	4	7
Debentures / Bonds	6	10
Mutual Funds	15	25
Exchange-Traded Funds (ETFs)	3	5
Initial Public Offerings (IPOs)	10	17
REITs (Real Estate Investment Trusts)	4	6
Total	60	100

Source: Primary Data

Table No. 5 highlights that 30 percent of investors prefer equity shares, making it the most popular investment choice, followed by mutual funds (25%) and IPOs (17%). This indicates a strong interest in high-return and diversified investment instruments, while REITs, ETFs, and preference shares have relatively lower participation.

Hypothesis

To examine whether a relationship exists between an investor's occupation and their preferred type of investment, a Chi-Square test of independence was applied.

❖ Null Hypothesis (H₀):

There is no significant association between occupation and type of investment among the investors in Tirunelveli district.

❖ Alternative Hypothesis (H₁):

There is a significant association between occupation and type of investment among the investors in Tirunelveli district.

Table No: 6 Chi- Square Table

O	E	(O - E) ²	(O - E) ² / E
6	4.5	2.25	0.5
7	6	1	0.17
3	3.6	0.36	0.1
2	3.9	3.61	0.93
1	1	0	0
1	1.33	0.11	0.08
1	0.8	0.04	0.05
1	0.87	0.02	0.02
2	1.5	0.25	0.17
2	2.0	0	0
1	1.2	0.04	0.03
1	1.3	0.09	0.07
4	3.75	0.06	0.02

5	5	0	0
3	3	0	0
3	3.25	0.06	0.02
0	0.75	0.56	0.75
1	1	0	0
1	0.6	0.16	0.27
1	0.65	0.12	0.18
1	2.5	2.25	0.68
3	3.33	0.11	0.03
2	2.0	0	0
4	2.17	3.35	1.54
1	1	0	0
1	1.33	0.11	0.14
1	0.8	0.04	0.05
1	0.87	0.02	0.02
Total			5.82

Source: Computed Data

Since the calculated Chi-Square value (5.82) is less than the table value (28.87) at 18 degrees of freedom and 5% level of significance, the null hypothesis is accepted.

This indicates that there is no significant association between occupation and type of investment among the investors in Tirunelveli district. Therefore, investment preferences are not significantly influenced by the occupational background of the investors.

TABLE NO : 7 INVESTMENT AMOUNT

Investment Amount	No. of Respondents	Percentage
Below ₹10,000	14	23
₹10,001 – ₹20,000	15	25
₹20,001 – ₹30,000	12	20
₹30,001 – ₹40,000	10	17
Above ₹40,000	9	15
Total	60	100

Source: Primary Data

Table No. 7 shows that 25 percent of investors have invested between ₹10,001 to ₹20,000, indicating a preference for moderate investment levels. About 23 percent invested below ₹10,000, showing cautious or beginner-level participation. Higher investment ranges have fewer investors. Overall, most investors prefer low to mid-level investment amounts.

TABLE NO : 8 POSITIVE ASPECTS BY INVESTORS

Positive Factor	No. of Respondents	Percentage
High Return Potential	21	35
Flexibility & Liquidity	16	27
Financial Awareness	15	25
Passive Income Possibility	8	13
Total	60	100

Source: Primary Data

Table No. 8 reveals the key positive aspects perceived by investors while participating in the share market. A significant 35 percent of respondents cited high return potential as the main attraction, indicating their expectation of wealth accumulation through market gains. Flexibility and liquidity, valued by 27 percent, highlight the importance of ease of entry and exit in investments. Financial awareness, noted by 25 percent, reflects that engaging in the share market enhances investors' knowledge and decision-making skills. Finally, passive income possibility was mentioned by 13 percent of respondents, showing an appreciation for the ability to earn without active involvement. These insights show that investors are driven not only by the prospect of returns but also by the strategic and educational benefits of investing in the share market.

TABLE NO : 9 EXPECTED RATE OF RETURN

Return Range	No. of Respondents	Percentage
Below 5%	7	12
5% – 10%	15	25
11% – 15%	20	33
16% – 20%	10	17
Above 20%	8	13
Total	60	100

Source: Primary Data

Table No. 9 presents the expected rate of return as perceived by the investors. The highest proportion of respondents 33 percent expect returns in the range of 11% to 15%, indicating a moderate to high return expectation from their investments. About 25 percent of investors anticipate a return between 5% and 10%, showing a realistic outlook. Notably, 17 percent expect returns in the 16% to 20% range, and 13 percent of investors have an ambitious expectation of above 20%, suggesting high-risk appetite. Only 12 percent of respondents expect returns below 5%, reflecting either conservative investment behavior or past low returns. This data highlights that most investors are moderately optimistic about returns in the share market, while a segment remains highly return-focused.

TABLE NO : 10 SUGGESTION BY RESPONDENTS

Suggestion	No. of Respondents	Percentage
Conduct investor awareness programs	16	27
Ensure regulatory transparency	10	17
Promote financial education	14	23
Introduce low-risk investment tools	12	20
Improve mobile trading platforms	8	13
Total	60	100

Source: Primary Data

Table No. 10 outlines the suggestions offered by investors to enhance the effectiveness and inclusivity of the share market. A significant portion of respondents (27 percent) recommend conducting investor awareness programs, indicating the need for better understanding and confidence-building among potential and existing investors. Around 23 percent of participants suggest promoting financial education, reflecting a demand for structured learning on market dynamics and investment strategies. 20 percent of investors propose the introduction of low-risk investment tools, which highlights a desire for safer alternatives. Meanwhile, 17 percent emphasize the need for regulatory transparency, pointing towards trust and reliability concerns in the market system. Lastly, 13 percent of respondent's advocate for the improvement of mobile trading platforms, suggesting that technological efficiency can significantly enhance the investment experience. These suggestions reflect the investors' expectations for a more informed, secure, and user-friendly investment environment.

Findings

- ❖ 33% of investors belong to the age group above 50 years, indicating higher participation among senior individuals.
- ❖ 33% of respondents are private employees, reflecting strong interest from the salaried private sector.
- ❖ 50% of investors are graduates, suggesting that educational background influences investment decisions.
- ❖ 27% of the respondents fall in the monthly income range of ₹20,001 – ₹30,000, indicating that a significant portion of investors belong to the lower-middle income group, which reflects moderate earning capacity and possibly cautious investment behavior.
- ❖ 30 percent of investors prefer equity shares, making it the most popular investment type among respondents.
- ❖ 25 percent of investors have invested between ₹10,001 to ₹20,000, indicating the most common investment range.
- ❖ 35 percent of investors consider high return potential as the most positive aspect of share market investment.
- ❖ 33% of respondents expect a return in the range of 11% – 15%, revealing moderate return expectations.
- ❖ 27% suggest conducting investor awareness programs as the top recommendation for improving investment behavior.

Suggestion

- ❖ Encourage younger investors by providing beginner-friendly tools and digital platforms.
- ❖ Develop low-risk and stable investment products tailored for senior investors.

- ❖ Offer occupation-based financial advisory services, especially for private employees and business owners.
- ❖ Promote financial education through workshops and seminars, particularly targeting graduate and postgraduate groups.
- ❖ Introduce structured investment plans to help mid-level investors build disciplined savings habits.
- ❖ Increase awareness and accessibility of diverse investment options like REITs and ETFs.
- ❖ Educate investors on balancing risk and return expectations through targeted financial literacy programs.
- ❖ Collaborate with local educational institutions to conduct practical trading simulations and awareness campaigns.

Conclusion

The study concludes that investors in Tirunelveli district are increasingly engaged in the share market, particularly senior individuals, private employees, and graduates. They favor moderate investment amounts and instruments like equity shares and mutual funds. High return potential and liquidity are the main motivators. The findings highlight the need for financial education and awareness to further strengthen investor confidence and widen participation in the region's capital market.