

# AN INVESTIGATION ON SAVINGS AND INVESTMENT BEHAVIOUR OF SALARIED WOMEN IN THOOTHUKUDI CITY

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## ABSTRACT

Women all over the world face challenges and various hindrances in attaining financial security. Participation of women in the workforce may have increased, but they remain cautious and dependent on family members when it comes to managing their money. Many women manage money well, but we don't fully understand the challenges they face. This study aims to find out the level of awareness and preference towards savings and investment of women, and identify the factors that influence their decision-making process in Thoothukudi city. The researcher thus wanted to figure out how effective their money management strategies are and how these strategies contribute to their financial well-being. By doing this research, it is evident to offer insights that can help policymakers and others support women in making better financial choices.

**Keywords:** Women, Financial security, Savings , Investments

## 1.1 INTRODUCTION

Investment may be defined as a commitment of funds made in the expectation of some positive rate of return." The money earned is partly spent and the rest saved for meeting future expenses. Instead of keeping the savings idle it may like to use savings in order to get a return on it in the future, which is known as investment'. Thus, Investment involves employment of funds with the aim of achieving additional income or growth in values. The essential quality of an investment is that it involves the commitment of resources which have been saved in the hope that some benefits will accrue in future.

Savings is considered as the determinants of growth from the earlier days leading the underdeveloped countries to the path of development. Investment is the act of planning.

Money invested with a hope of returns or security for future capital appreciation. Savings by the individual provide a cushion of security against future needs, else their dual benefits for the nation provide the funds needed or required for the developmental purpose.

Investment success depends on one's level of knowledge, awareness of available investment options, and the methods used to assess and wisely choose among them. In recent years, the success of every investment choice has grown increasingly critical. It takes both information and expertise to make great investing selections. Calculating the risk and reward associated with an investment choice requires skill. In order to understand the numerous investment options accessible in today's economic environment, knowledge is essential. The primary goal of an investor may be capital appreciation and consistent returns. When an investment is sold at a higher price than when it was purchased, it is called capital growth. Interest or dividends are two ways to get a monthly return on your investment. Investors evaluate a variety of considerations before making a decision. It includes things like liquidity, investment safety and security, various tax benefits, rate of inflation, low risk, and so on.

### **1.2 STATEMENT OF THE PROBLEM**

Women are better decision-makers holding a better understanding of what you expect from life can assist you in managing daily expenses. This is why every woman proves to be a better decision-maker as they tend to understand household expenses better and plan accordingly. Nowadays, most women scale regulates their income and expenses and determine financial investments like life insurance, mutual funds, etc. Even if their spouse is the only breadwinner of the family, setting long-term goals and financial advisory on household planning is actively taken up by women. It has become critical for people to save money to generate income for their future lives. Apart from this, women manage to make conventional financial choices, like cutting down unnecessary expenses and implementing plans that benefit their families in the long run. There are many investment avenues available or investors in order to secure their savings for future expenses. Hence it is essential to understand the aware of various avenues available to them for saving and investing, as well as to emphasize the importance of savings and investment for their future.

### **1.3 OBJECTIVES**

1. To assess the level of awareness among women regarding the investment options.
2. To know the purpose of investment and preference towards various Investment schemes.
3. To identify the factors that influences the investment decision.

### **1.4 SCOPE OF THE STUDY**

The study entitled "Awareness and Preference towards savings and investment of Salaried Women" will be effective to identify the awareness level, preferred investment, and factors influencing decision-making of Salaried women in Thoothukudi city and also the study explore factor such as their investment goals and then purpose of investment and the source of motivation for investment.

### 1.5 PERIOD OF THE STUDY

The study was carried out from June 2022-December 2022. The final questionnaire was circulated from August 2022. The questionnaire was collected during the month of August and September from the Women

### 1.6 RESEARCH METHODOLOGY

The study covers the area of Thoothukudi city. The data for the study was collected through both Primary Data and Secondary Data. The primary data was collected from the Salaried women by circulating a structured questionnaire and Google forms. The secondary data was collected from websites, research articles, journals and from other sources. The data collected are original in nature. A sample of 120 respondents was selected by convenient sampling technique. The questionnaire was used for collecting a various source of primary information.

### 1.7 LIMITATIONS

Time is one of the major constraints, which limit the entire data collection. The sample size is restricted to 120, Due to time constraints the most essential information has been taken for the study. Reliability and accuracy of the analysis depends on the respondent's openness and trueness towards each question in the questionnaire.

### 1.8 REVIEW OF LITERATURE

- ❖ **Akshay Bhisikar and Yogesh B. Dhoke (2020)** stated the view in the paper "An Analysis on Investment and Saving Pattern of Salaried Employees with the Reference to Nagpur City" studied the various investment avenues used and the criteria needed to make investment decisions. A convenient sampling technique is used with a 100-sample size for data collection. Finally, the study came to the conclusion that investors prefer bank deposits and mutual funds, and that future safety and well-being are important considerations when making investments.
- ❖ **Pratiksha Mishra & Dr. Imran Nadeem Siddiqui (2020)** pointed out in the study on "Individual Investment Planning: a Review of literature" different demographic factors such as age, gender, annual income and number of dependents have a significant impact on individual investment Planning. Through previous research paper investigations, the study aims to understand people's investing habits, investment planning, and factors influencing the investment decision, since they exclusively make investments in low-risk, moderately returning products like health insurance, gold, and fixed deposits, many of them avoid speaking with financial advisors. They do not take risks. If they choose to speak with a financial advisor, there are many different investment options on the market. An individual's level of financial literacy reveals their level of awareness regarding their investment options. Women who have had an education are more self-assured and capable of realizing the significance of making investing selections in order to reach their financial goals.
- ❖ **Arpita Gurbax ani and Rajani Gupte (2021)** conducted a research entitled "A Study on the impact of COVID -19 on investor behaviour of Individuals in a small town in the state of Madhya Pradesh, India" to evaluate how the COVID-19 outbreak has affected people's decisions to invest in SIPs. The research was done on individual

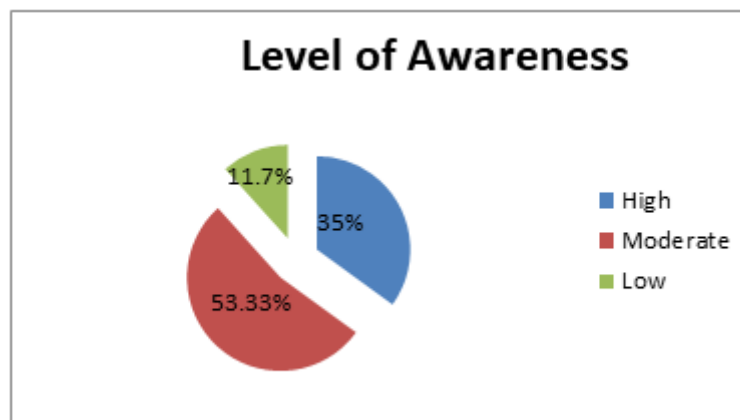
investors who lived in India's small towns. The necessary data was gathered by survey. The research's conclusions showed that SIP investments decreased, especially during the pandemic. It was discovered that there was a correlation between people's investment and savings habits and the precautions the government took to stop the pandemic.

## 1.9 ANALYSIS AND INTREPRETATION OF THE STUDY

### 1.9.1 Level of Awareness on different Investment Option

Level of Awareness	No. of. Respondents	Percentage (%)
High	42	35 %
Moderate	64	53.33 %
Low	14	11.7 %
Total	120	100 %

Source: Primary Data



### Inference

The above table infers that 35% of the respondents are highly aware of the different investment option, 53.33 % are moderately aware, 11.7 %. Thus, major proportions i.e. 53.3% are moderately aware of different investment option.

### 1.9.2 Motivational Factors influencing Investment

Particulars	Ranks given by Respondents					Total	Score (%)	Rank
	1	2	3	4	5			
Safety	6300	1140	300	200	150	8090	67.41	I
Liquidity	1200	2220	2450	40	150	6500	54.16	II
Social Status	375	840	1350	1760	750	5075	42.29	IV
High rate of return	600	1920	1250	1200	625	5595	46.62	III
Profitability	525	1080	650	1160	1325	4740	39.5	V

Source: computed Data

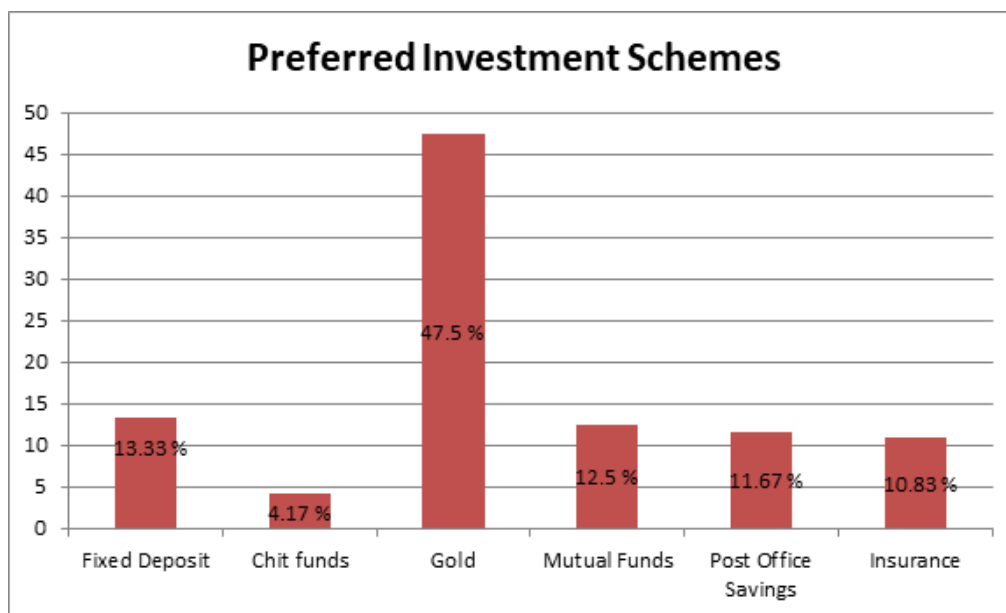
**Inference:**

The above table clearly shows that the respondents were asked to rank the motivational factors that can influence investment among private salaried employees on the given scale 1-5. It reveals that respondents have given top priority for Safety ranked as I with Garrett score of 67.41% followed by Liquidity ranked as II with the score of 54.16%, High rate of return ranked as III with score of 46.62%, Social status ranked as IV with the score of 42.29% and Profitability ranked as V with score of 39.5 % respectively. Thus, Safety is ranked as 1.

**1.9.3 Preferred Investment schemes**

Investment Schemes	No.of Respondents	Percentage (%)
Fixed Deposit	16	13.33
Chit funds	5	4.17
Gold	57	47.5
Mutual Funds	15	12.5
Post office Savings Schemes	14	11.67
Insurance	13	10.83
Total	120	

Source: Computed Data



### Inference

The above table infers that 47.5 % of the respondents preferred to invest in gold, 13.33 % prefer fixed deposit, 4.17 % prefer chit Fund, 12.5 % prefer Mutual funds, 11.67 % prefer Post office savings schemes, and 10.83 % prefer Insurance.

#### 1.9.4 Purpose of Investment

Particulars	Score (%)	Rank
Income Generation	56.37	II
Children future needs	59.51	I
Wealth creation	49.70	V
Retirement planning	43.58	VI
Buying a home	52.58	III
High returns	49.84	IV
Medical expenses	40.39	VII

Source: Computed Data

### Inference

The above table shows that the respondents were asked to rank their purpose of investment on the given scale 1-7. It reveals that respondents have given top priority for children future needs and is ranked as I with Garrett score of 59.51% followed by Income generation ranked as II with the score of 56.37 %. Buying a home is ranked as III with the Score of 52.58%, High returns is ranked as IV with the score of 49.84%, Wealth creation is ranked as V with the score of 49.70%, Retirement planning is ranked as VI with the score of 43.58% and Medical expenses is ranked as VII with the Garrett score off 40.39% respectively. Thus, Children's future needs are ranked as I.

### 1.10 Findings

The Major findings are as follows:

1. It is found that most of the respondents i.e. 45.8 % of the respondents are between the age group of 30 -40.
2. It is clear from the study that major proportions of the respondents are moderately aware of various savings and investment schemes.
3. From the ranking table it is found that most of the respondents' purpose of investment is "Children's future needs" and it was given the first rank with the highest score of 59.51, while they give least importance to "Medical expenses" with the lowest score of 40.39.
4. It is observed that most of the women prefer to invest in gold among different investment schemes.
5. From the ranking table it is found that most of the respondents prefer the motivational factor of "Safety" and it was given the first rank with the highest score of 67.41, while they give least importance to the factor of "Profitability" with the lowest score of 39.5.

### 1.11 SUGGESTIONS:

The following are the suggestions made

1. Government should initiate more awareness programs so that all the investment avenues available in the market and factors like safety, liquidity, return, risk etc. should be known to everyone in the society.
2. To fulfill the dreams of life, every salaried Woman must plan their current savings for the prospects of better life.
3. Financial experts' suggestions should be taken from time to time to gain more knowledge on various investment options available in the market.
4. Women should consider the risk rather than return while choosing the investments.
5. Private Organization must conduct Workshop & Training Programs for employees regarding various Investments. It can be done by collaboration with various Financial Consulting Firms.

### 1.12 Conclusion

The study on the awareness and preferences towards savings and investments among salaried Women in Thoothukudi city aims to identify the factors influencing investment decisions, the level of awareness of various investment options, investment preferences, and the motivations behind these investments. The analysis reveals that employees predominantly prefer investing in gold, Mutual funds and bank deposits. Findings indicate that while respondents are aware of fixed deposits, gold, and post office savings, they have less awareness of the stock market. The primary purpose of their investments is to secure their children's future needs. Gold and bank deposits are favored due to their safety and liquidity features.

The study concludes that employees often opt for traditional investment methods such as gold, fixed deposits, and they are moderately aware of the various investment options available in the market. There is a noticeable reluctance to take risks in the stock market. The study also finds no direct relationship between gender and awareness levels of different investment options. The investment decisions are influenced by various demographic factors, including age, gender, marital status, income level, and market knowledge.

In conclusion, fostering an environment that supports and encourages salaried women to engage in proactive savings and investment practices is vital for their long-term financial well-being. By enhancing financial literacy, providing equitable access to investment opportunities, and challenging socio-cultural barriers, we can empower salaried women to achieve greater financial autonomy and contribute to broader economic growth.

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