



"A study on the impact of Information and Experience on Financial Investments: A Case Study of Bikaner."

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ABSTRACT

The following is a breakdown of various factors that infiltrate individual investors' investments depending on their cumulative background and knowledge about the financial systems and markets. The purpose of this study is to enhance the appreciation of the factors that shape the investors' decisions, the consequences of "investor awareness and education programs," and the mentalities of the investors regarding their stock market investments. Based on this rationale, a conceptually grounded survey questionnaire will be developed that quantitatively analyses the replies of the investors and measures the relevance of the investors' experience span. Concerning relationships, it was evident that instead of performing their analysis based on the companies' annual reports, the investors relied on shortcuts, including asking friends and family. The firm history and products are among the most explored factors in trading and investing inventory for initial public offers (IPO).

Keywords: *financial market, investments, investor awareness, education programs.*

Introduction

The main aim of an investor is to get the greatest return on his investment with the least risk. The financial equities markets are probably some of the most appealing to investors in India. The nation's financial markets can be broadly divided into two categories: namely, capital markets and money markets. The capital markets are used by businesses to manage the availability of cash in the longterm, whereas the money markets are used by businesses to secure short-term funds. It is sub-divided into the secondary capital market, which is mostly concerned with trading actual securities, and the primary capital market, which deals with floating securities for the first time. Hence, the future of primary and secondary capital markets depends on how investors differentiate in their investment decisions.

The distinct regions of the global financial markets comprising the country India were affected by the recent COVID-19 pandemic. The global equity markets around the end of December of the first quarter of 2020 experienced a correction close to 30% after which it started a new up move and touched all high in the middle of January 2021. This paper aims to establish why the markets have become unfamiliar and erratic. This aims to determine how a potential investor is likely to price a stock.

Many factors affect such financial decisions, most unique to the individual in question. Understanding possible gains, when to make them, and how much risk is involved is pertinent to stocks. An inexperienced or illiterate investor may experience much difficulty in making these choices. Understanding the specific factors considered in these assessments and how these methods might change in light of financial reports, industry, economic, or specific company data, share market expectations, and company management are all components of understanding investors' decision models.

Review of Literature

The research work "**Factors Influencing Investment Decision of the Individual Related to Selected Individual Investors in Chennai City. (2019).**" focuses on the investment decisions of individual respondents selected in Chennai City in India using the theoretical background of behavioural finance. Thus, demographic variables are another factor that influences the level of tourism and may include age, sex, marital status, number of children, business, educational level, income, marital status, and number of children. Besides, increasing people's financial literacy and completing education-focused courses have contributed to the increase in investment practices and the shift to the positive.

The paper by Farida, Matin, Suyono, Suparlinah, & Wiratno "**Factors influencing the behavior of young investors' investment decisions: The emerging market analysis" (2023)** applies the Theory of Planned Behavior and comes up with several different types of investment determined by demographic, psychological, social, economic, and technology variables. The study's findings reveal that improving flow investment skills through special education increases young investors' investment performance in emerging markets.

The study "**A Closer Look of How Individual Investor Make Investment Decision: Systematic Review**" by Rahmah, Nugraha, Disman, and Purnamasari (2023) investigates the psychological, demographic, economic, social, and technological factors that affect an individual's decision in investing. This is because the study shows that there is an urgent need to advance financial education programs as a way of enhancing financial literacy besides investment returns. The implications for financial advisors and policymakers can be that they can carefully use the findings to choose the best investment strategies for given financial instruments.

Vaskula and Gandham (2022) examine investment decisions in Hanumakonda District, discovering several psychological, social, and economic factors affecting investment decisions. Demographics, education, attitude to risk, peers, and market are some of the most important ones influencing the decision. The study concerns the impact of financial literacy on investment choice and the peculiarities of the education programme, which is needed to increase it.

Objective:

The primary goal of the research is to examine how past investor experience influences decision-making and the range of investment methods available to identify the main information sources about the potential for investment in different firms in the future and the relative significance of each company to investors with varying degrees of experience.

Scope of study

Employers, Policymakers and education institutions can use this information to develop and put in place programs and support systems for individuals at different life and career development levels.

While the nation's investor education efforts were noted to be quite comprehensive, the effectiveness of these efforts is questionable depending on the extent to which this information has been disseminated widely. Since this is how rumours spread within stock markets, small investors should understand that while getting a word across to pals, there is value in using technical and fundamental analysis research on a stock. Although it is good to start by following the general news regarding the company and its industry, it should also be noted that much attention should be paid to reading annual reports and other disclosures, and such exercises should be encouraged.

Research Methodology

The study is descriptive, and convenience sampling was used to gather 100 participants from the Bikaner regions of Rajasthan who participated in the study. These comprise 52 women and 48 men. People who purchase shares in Bikaner, Rajasthan, are the subject of this study. Expert opinions regarding the trend of investing in shares in these cities have been gathered from various sources in Bikaner, Rajasthan.

Research Type: Descriptive research

Sample Size: 100

Type of Data: Primary Data

Data Collection Technique: Closed-ended Questionnaire through Google Form

Data Analysis:

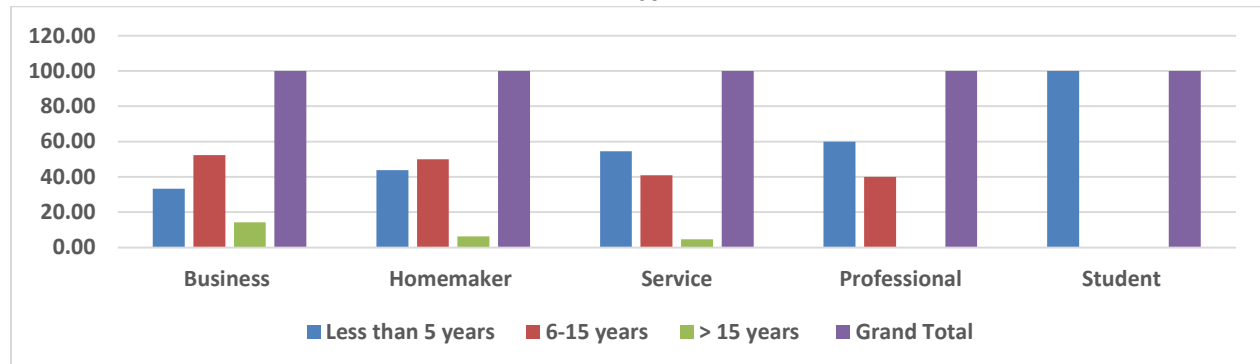
Table 1: The various occupations of the respondents in association with their investment experience

Occupation	Less than 5 years	6-15 years	> 15 years	Grand Total
Business	7	11	3	21
Homemaker	7	8	1	16
Services	12	9	1	22
Professional	9	6	0	15
Student	26	0	0	26
Grand Total	61	34	5	100

Table 1: The various occupations of the respondents in association with their investment experience% age-wise

Occupation	Less than 5 years	6-15 years	> 15 years	Grand Total
Business	33.33	52.38	14.29	100.00
Homemaker	43.75	50.00	6.25	100.00
Services	54.55	40.91	4.55	100.00
Professional	60.00	40.00	0.00	100.00
Student	100.00	0.00	0.00	100.00

Fig 1: The various occupations of the respondents in association with their investment experience% age-wise

**Data interpretation:**

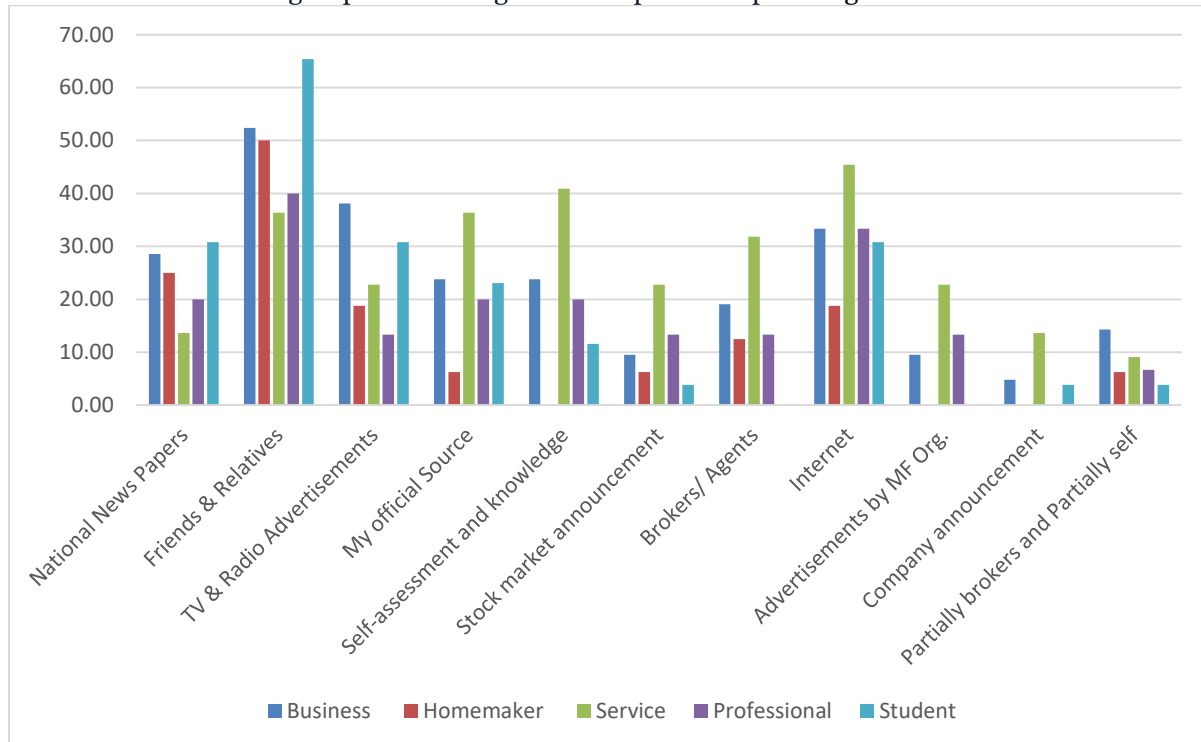
- Students have the least investment experience, with 100% having less than 5 years.
- Professionals also have a high percentage (60%) with less than 5 years of experience and none with more than 15 years.
- Service professionals and homemakers have a moderate distribution, with the majority having less than 15 years of experience.

- Business professionals have the most balanced distribution, with significant representation across all experience ranges, especially 6-15 years.

Table 2: The details of the number of respondents who adopted various sources of information were grouped according to their experience span % age-wise.

Sources for information/ Advice	Business	Homemaker	Services	Professional	Student
National News Papers	28.57	25.00	13.64	20.00	30.77
Friends & Relatives	52.38	50.00	36.36	40.00	65.38
TV & Radio Advertisements	38.10	18.75	22.73	13.33	30.77
My official Source	23.81	6.25	36.36	20.00	23.08
Self-assessment and knowledge	23.81	0.00	40.91	20.00	11.54
Stock market announcement	9.52	6.25	22.73	13.33	3.85
Brokers/ Agents	19.05	12.50	31.82	13.33	0.00
Internet	33.33	18.75	45.45	33.33	30.77
Advertisements by MF Org.	9.52	0.00	22.73	13.33	0.00
Company Announcement	4.76	0.00	13.64	0.00	3.85
Partially brokers and Partially self	14.29	6.25	9.09	6.67	3.85

Fig-2: The figure representing the number of respondents who adopt various sources of information grouped according to their experience span % age-wise

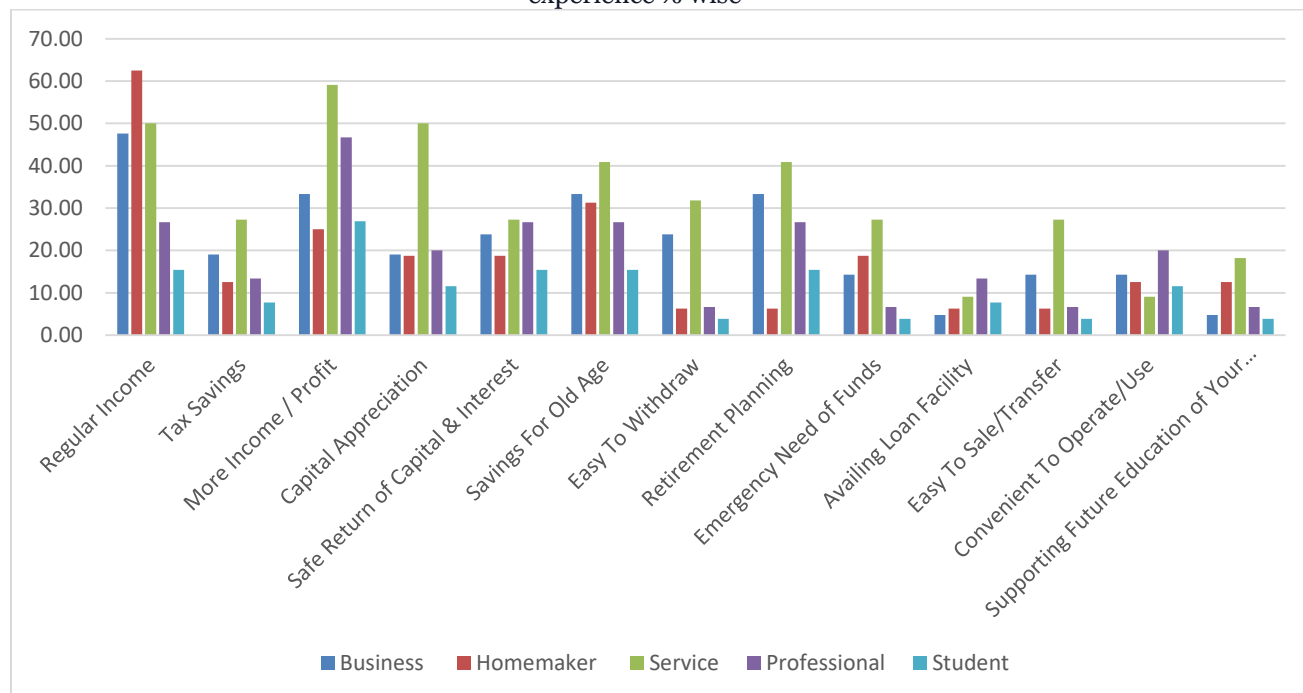


Data interpretation:

- Business professionals often rely on friends, relatives, the Internet, and TV & radio advertisements.
- Homemakers primarily depend on friends and relatives.
- Service professionals value self-assessment and knowledge, the Internet, and official sources.
- Professionals often use friends & relatives and the Internet.
- Students heavily rely on friends & relatives, the Internet, and TV & radio advertisements.

Table 3: Types of yardsticks used by investors for trading in secondary markets in terms of the span of experience % wise

Motive for Investment :	Business	Homemaker	Services	Professional	Student
Regular Income	28.57	25.00	13.64	20.00	30.77
Tax Savings	52.38	50.00	36.36	40.00	65.38
More Income / Profit	38.10	18.75	22.73	13.33	30.77
Capital Appreciation	23.81	6.25	36.36	20.00	23.08
Safe Return of Capital & Interest	23.81	0.00	40.91	20.00	11.54
Savings For Old Age	9.52	6.25	22.73	13.33	3.85
Easy To Withdraw	19.05	12.50	31.82	13.33	0.00
Retirement Planning	33.33	18.75	45.45	33.33	30.77
Emergency Need of Funds	9.52	0.00	22.73	13.33	0.00
Availing Loan Facility	4.76	0.00	13.64	0.00	3.85
Easy To Sale/Transfer	14.29	6.25	9.09	6.67	3.85
Convenient To Operate/Use	28.57	25.00	13.64	20.00	30.77
Supporting Future Education of Your Children	52.38	50.00	36.36	40.00	65.38

Fig-3: Types of yardsticks used by investors for trading in secondary markets in terms of the span of experience % wise**Data interpretation:**

- Business professionals are highly motivated by tax savings, supporting future education, and generating more income or profit.
- Homemakers prioritize tax savings and supporting the future education of their children.
- Safe returns, retirement planning, and capital appreciation drive service professionals.
- Professionals focus on tax savings, supporting future education, and convenient operation of investments.

- Tax savings, supporting future education, and regular income significantly motivate students.

Conclusion

- Business professionals exhibit a balanced but risk-tolerant approach, valuing diversified information sources, tax savings, future education, and potentially high returns. They recognize the importance of market timing and diversification.
- Homemakers prefer straightforward, safe investment strategies, relying on trusted personal networks for information and focusing on tax savings and family education.
- Service professionals show a balanced, informed approach, highly valuing self-assessment, safe returns, and retirement planning, with a significant focus on diversification and reliable information sources.
- Professionals maintain a cautious, balanced investment strategy, valuing tax savings, diversification, and future education while relying on personal networks and the Internet for information.
- Students are driven by future-oriented motives such as education and tax savings, using personal networks and the Internet as primary information sources. They prefer safer, less complex investment strategies.

This comprehensive analysis highlights the varied investment motives, beliefs, and preferred information sources among different demographic groups, reflecting their unique financial goals and risk appetites. Understanding these differences is crucial for tailoring financial advice and investment products to meet each group's specific needs and preferences.

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