

# A CONCEPTUAL STUDY ON COMPARATIVE ANALYSIS OF URBAN AND SEMI-URBAN INVESTORS ATTITUDE TOWARDS STOCK MARKET INVESTMENT

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## ABSTRACT

*Investment could be a commitment of funds created within the expectation of some positive come back. Investment intention vary from person to person business to business. While some need security, others offer additional weightage to returns alone. Investors tend to become optimistic and bearish in their higher cognitive process attributable to familiarity biases or because of the tendency for sensation seeking. The wide spread ignorance about financial assets and the continuous purchase of stocks with no information known about them by most people in the country plus the wide gap between the rich who invest in stocks and the poor who continuously make losses in the real investment industry. The study was controlled by objectives with a purpose of trailing investor's attitudes and perceptions towards securities market investments. The investor's attitude is different based on the social and individual factors and also it is to be vary from urban to semi urban. The level of awareness is that the most vital issue that motivates to form investment and conjointly a crucial determinant for making angle towards investment and risk.*

**Keywords:** Investment, attitude, perception, stocks, risk, financial assets.

## INTRODUCTION

Investing is the act of committing money or capital to an endeavour (a business, project, real estate, etc.), with the expectation of obtaining an additional income or profit. Investing can also embrace the quantity of your time you set into the study of a prospective company. A good investment strategy can diversify the portfolio in step with the desired wants. The investor should opt for legitimate Avenue depending upon his specific wants, risk preference, and returns expected.

In an economy, people nourishes in economic activity to support their consumption requirements. Savings arise from postponed consumption, to be endowed, in anticipation of future returns.

Investments may be created into money assets, like stocks, bonds and similar instruments or into real assets, like houses, land or commodities.

## STOCK MARKET INVESTMENT

Stock investing is filled with complex strategies and approaches, yet some of the most successful investors have done little more than stick with the basics. Stock market investments supply advantages like straightforward liquidity, flexibility of amounts endowed, disinvested, reasonable returns and a regulatory framework to safeguard investors' rights. Shares are the most popular form of stock market investments due to their highest potential for capital growth. Statistics show that in recent decades shares have created up a progressively massive proportion of households' money assets in several countries. The major part of this adjustment has been in financial portfolios.

However, making money in equities is not easy. It not solely needs rafts of patience and discipline, but also a great deal of research and a sound understanding of the market, among others.

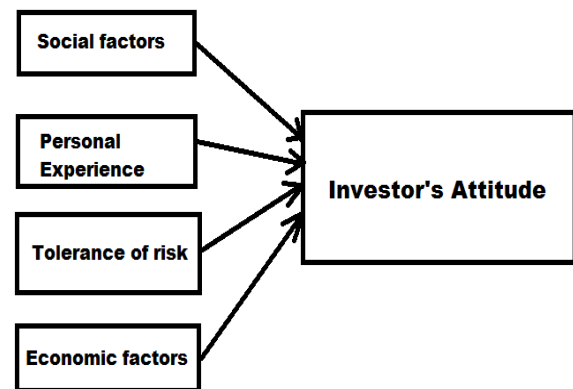
## INVESTORS

The individual investor should not always follow the mass. They should attempt to search concerning his investments before investment. The investors should focus on safe investment avenues. The individuals ought to develop the habit of creating investment at any stage of life. Saving money is an old method so the people should invest their money in order to get maximum returns. The investors should have full insight of the investment options in order to avoid any loss in future. The capitalist ought to be alert what, where, why, once and the way to form investment in several investment choices.

## INVESTMENT IN STOCK MARKET

In India, investment in stock market is one of the most preferred investment avenues. Indian stock market is among the top 20 stock markets of the world and it is one of the largest Asian stock markets. Stock market investments provide advantages like clear liquidity, flexibility of amounts invested, disinvested, reasonable returns and a regulatory framework to safeguard investors' rights. Shares are the most popular form of stock market investments due to their highest potential for capital growth. Statistics show that in recent decades shares have created up an progressively massive proportion of households' money assets in several countries. The major part of this adjustment has been in financial portfolios.

## CONCEPTUAL MODEL



## ATTITUDE

Attitude could be a tendency to retort absolutely or negatively towards a definite plan, object, person or situation.

## Factors Influencing Attitude

By attitudes, we tend to mean the beliefs, feelings, and action tendencies of a private or cluster of people towards objects, ideas, and people.

Quite often persons and objects or concepts become associated within the minds of people and as a result, attitudes become three-dimensional and sophisticated. These are the factors influencing attitude;

- Social Factors.
- Direct Instruction.
- Family.
- Prejudices.
- Personal Experience.
- Media.
- Educational and Religious Institutions.
- Physical Factors.
- Economic Status and Occupations.

### **Social Factors**

Every society has the bulk of individuals preferring to steer a harmonious life. They try to avoid unnecessary friction of conflicts with people. Naturally, they're inclined to develop positive attitudes towards most of the individuals and problems. Our attitudes could facilitate and maintain our relationships with members of completely valued teams. Social roles and social norms will have a powerful influence on attitudes. Social roles relate to however individuals expected to behave in an exceedingly explicit role or context. Social norms involve society's rules for what behaviours thought of acceptable.

### **Direct Instruction**

In general, the individual being conformist or the direction of the perspective of the individuals it deems vital. Sometimes direct instruction can influence attitude formation.

### **Family**

The family is that the most powerful supply for the formation of attitudes. The oldsters, elder brother or sister provide information about various things. Attitudes developed

by a personal, whether or not positive or negative measure the results of family influence, are very powerful and difficult to change.

### **Prejudices**

An perspective might involve a prejudice, in which we prejudge an issue without giving unbiased consideration to all the evidence. Prejudices are create by mental act concepts or judgments wherever one develops some attitudes toward others, objects, etc.

### **Personal Experience**

In order to be the idea of attitudes, personal experiences have left a powerful impression.

Therefore, the perspective are going to be a lot of simply shaped once personal expertise involves emotional factors. In things involving emotions, appreciation are going to be a lot of in-depth expertise and longer trace.

### **Media**

As a method of communication, the mass media like tv, radio, contains a major influence in shaping people's opinions and beliefs. There is new info on one thing that has the inspiration for the emergence of latest psychological feature attitudes towards it.

### **Educational and Religious Institutions**

As a system, academic and non-secular establishments have a powerful influence in shaping attitudes as a result of they lay the inspiration of understanding and ethical ideas among the individual.

Understanding the great and therefore the dangerous, the contrast between one thing which will and can't do is obtained from the

centre of the academic and spiritual establishments.

### Physical Factors

Clinical psychologists have usually recognized that physical, health and vitality act vital factors in decisive adjustment, and regularly it's been found that illness} or disease or accidents have interfered so seriously with normal development that serious behavioural disturbances have followed.

### Economic Status and Occupations

Our economic and activity positions additionally contribute to perspective formation. They verify, in part, our attitudes towards unions and management and our belief that certain laws are 'good' or 'bad'. Our socio-economic background influences our gift and future attitudes. Attitudes replicate over simply positive or negative evaluations: they embrace different characteristics, such as importance, certainty, accessibility, and associated knowledge. Attitudes act as a vital within the study of psychological science as a result of the influence the quantity of attention and therefore the style of judgment a personal might offer to a selected subject.

### CONCLUSION

The study clearly specifies that there is a significant relationship between the investor's attitudes and stock market reserves. The added optimistic boldness enhancement strategies are introduced, the additional it is calm for resident investors to invest in the stock market. It is being general and noticeable phenomena that investment configuration and its degree also consider the age, knowledge level and source of income. An investor while

investing witnesses how much he or she earns from the individual sources, measures the investment replacements available in stock market. Different age levels have different requirements and responsibilities. Further the accessibility of income and availability of investment substitutes also plays a substantial role in defining the behaviour of investor towards the investment. Further, there is a significant relationship between the native investor's perception of stock market regulations and their Intention to participate at NSE.

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