

A Study on Factors Influencing Individual Investors Decision

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Abstract - This study investigates the influence of behavioral factors on the investment decisions of individual investors in Telangana and Andhra Pradesh, impacted regions significantly by technological advancements and economic fluctuations in India's evolving financial landscape. Despite market growth, limited understanding exists on how these behavioral factors shape investment behaviors. The research aims to fill this gap by analyzing the demographic profile of investors and exploring the relationship between demographic variables (age, gender, income, education, and occupation) and behavioral influences. Utilizing a structured questionnaire, primary data was collected from 151 investors, complemented by secondary data from official publications and records. The study employs SPSS for data analysis, using tools such as percentage analysis, descriptive statistics, T-test, and ANOVA. Findings from this research are expected to offer valuable insights into how investors can recognize and mitigate irrational decision-making tendencies, thereby enhancing their investment outcomes. By understanding investor psychology, the study aims to help investors convert behavioral biases into benefits, lower risks, and appreciate the value of diversified portfolios. This research is crucial in aiding policymakers and service industries in better understanding and catering to the diverse needs and preferences of investors. However, the study is constrained by its focus on behavioral factors, regional scope, sample size, and exclusion of users of contemporary investment apps.

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Key Words: Behavioural finance, financial markets, Behavioural factors

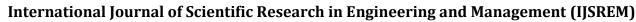
1.INTRODUCTION

The development of an economy relies on the savings and investments of its citizens. Increased savings indicate higher income levels, while investments drive national income growth. Financial markets are pivotal in allocating resources efficiently, thus influencing development. Since the advent economic Liberalization, Privatization, and Globalization (LPG) in the early nineties, significant progress has been made, particularly with household savings in farming contributing to Gross Domestic Savings (GDS). Small investors are crucial for economic and social growth, necessitating policies to protect and educate them due to their often-limited knowledge and skills. Investment, defined as acquiring assets for future benefits, includes both physical and financial investments, with investors aiming for maximum returns and safety. Successful investing requires practicality, analytical skills, and a solid knowledge base. Investor behavior, influenced by various factors, plays a crucial role in investment decisions. While classical economics views investors as rational, behavioral finance reveals that they often exhibit irrational behavior. Household investors contribute significantly to savings, making their education essential for informed investment choices. Factors such as riskreturn preferences, fees, and tax advantages influence their decisions. The investment process involves connecting savers with issuers, typically through financial institutions or markets. Steps in investing include setting an investment policy, conducting security analysis, constructing a portfolio, revising the portfolio periodically, and evaluating portfolio performance. Achieving investment objectives depends on managing assets and needs, considering elements like return, risk, time, liquidity, and tax savings. Institutional investors, with their extensive resources, differ significantly from individual investors, who manage their own money and face higher fees and commissions. Understanding human behavior and investment psychology is vital for making informed investment decisions.

2. Review of literature

Kosasih, Pandu Lesmana, Loso Judi Janto, et al. (2024) discussed the impact of cognitive biases on decision-making in behavioral economics. They highlight prevalent biases such as confirmation bias, anchoring, and loss aversion, which significantly influence personal finance, investment, and public policy choices. Effective economic communication strategies, including message framing and behavioral insights, are crucial in mitigating these biases and improving decision quality. By understanding cognitive biases, economic experts and policy makers can tailor communication and policy design to promote rational choices. The study underscores the ongoing need for research and innovative strategies technoeconomic well-being informed decision-making.

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Ms. Shehnazbanu Sajid Husen Mansuri and Dr. Falguni Thakkar (2024) conducted study to investigate the behaviors of individuals investing money in Surat City. They aim to understand how factors like overconfidence, loss aversion, and herding behavior influence investment decisions and ultimately impact financial outcomes. Through a comprehensive analysis, the research seeks to uncover the intricate interplay between behavioral biases and investor performance in the unique financial landscape of Surat City. By examining these biases, the study aims to provide insights into investment strategies, market dynamics, and the optimization of individual portfolios within the context of

Rajesh Gurung and Rewan Kumar Dahal, alongside Binod Ghimire (2024) conducted study on the Nepalese stock market, focusing on investors' behavioral biases and their impact on investment decisions. Through a structured questionnaire with 379 observations, they investigated the influence of overconfidence, anchoring, regret aversion, representative bias, and herding behavior on individual investment choices. The findings highlighted significant effects of overconfidence, anchoring, and regret aversion biases, representative biashad minimal impact and herding behavior showed no significant relationship with investment decisions among Nepalese investors. This underscores the importance of addressing these biases for investors, advisers, and policymakers to make informed decisions, ensure financial stability, and promote market development in Nepal's financial landscape.

Neha Yadav (2020) The study aimed to assess the level of financial literacy among investors and examine how their knowledge influences their attitudes and decision-making. The findings indicate that demographic factors significantly impact financial literacy, suggesting that these should be considered when designing financial education programs. While many investors lack basic financial literacy in some areas, others are highly knowledgeable in specific financial topics. Respondents with formal financial education generally possess more financial knowledge compared to those without.

Manju Kumari (2020) This study investigates the role and influence of psychological and demographic factors on investment intentions, particularly through the lens of the extended Theory of Planned Behaviour (TPB). It incorporates five additional constructs—tendency towards saving, tendency towards investment, financial knowledge and interest, risk tolerance, and financial selfefficacy-alongside traditional TPB elements like attitude, subjective norms, and perceived behavioral control. Using a quantitative, cross-sectional descriptive research design, data were gathered from 405 investors in Delhi/NCR through a questionnaire. Exploratory Factor Analysis (EFA) identified key factors, which were then validated via Confirmatory Factor Analysis (CFA). The final model was tested using structural equation modeling (AMOS-SEM), effectively extending the TPB framework

by linkingtheseadditional constructs to investment intention behavior.

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Katarina Valaskova, Viera Bartosova, Pavol Kubala (2019) This paper delves into the intersection of behavioral finance and fuzzy logic, exploring how the latter can enhanceour understanding of financial decision-making processes influenced by human psychology. Behavioral finance, a burgeoning field, integrates cognitive psychology with traditional economic and financial theories to elucidate why markets may behave inefficiently. By applying fuzzy logic, which excels in handling linguistic variables common in behavioural data, the study aims to dissect the intricacies of investor decision-making within the framework of behavioral finance. Through this lens, the research seeks to shed light nonfuzzy logic can provide valuable insights into financial decision-making processes.

Swati Vishnol (2015) This study aimed to identify behavioral factors affecting individual investors' decision-making and investment performance in the capital market. Key findings revealed gender disparities in investment behavior, with fewer females participating and suggesting the need for enhanced opportunities and education for women. Higher education 27 levels and increased investment experience positively influenced understanding of market patterns, while younger individuals and those with higher incomes were more likely to invest. Marital status also played a role in investment behavior.

Vidur Relan (2018) This paper delves into the realm of behavioral finance, aiming to explore the influence of various behavioral and psychological factors on financial investment decisions. It highlights the significance of understanding how psychological elements impact the progression of financial markets. Specifically, the paper aims to elucidate how cognitive and emotional factors contribute irrational decision-making to individuals. While financial investors typically strive for rational decision-making aimed at maximizing returns within acceptable risk parameters, the paradigm of behavioral finance suggests that such decisions are often influenced by emotional and cognitive factors. By examining these dynamics, the paper seeks to provide insights into the complexities of investment decisionmaking and the role of behavioral finance in understanding and addressing irrational behaviorism financial markets

Prof.Dervshi Upadhyaya, Dr. Paresh Shah (2019) This research delves into the real mofbehavioral finance, aiming to uncover how psychological factors influence decision-making, particularly in uncertain conditions such as investing in various avenues. By examining the mindsets of individual investors, the study seeks to understand their thought processes and beliefs while making investment decisions. Through a primary research effort involving structured questionnaire administered to 181 investors in Ahmedabad, the study explores the major influences of

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behavioral finance concepts like overconfidence, perception, representative bias, anchoring, cognitive dissonance, regret aversion, narrow framing, and mental accounting on investors' decision-making in the stock market. The primary objective is to assess the effects of behavioral finance on investors and examine its relevance in investment decision-making, while the secondary objective involves understanding the factors that influence investors and exploring theories related to

Susana D (2019) This study delves into investor behavior in equity markets, particularly focusing on how investors respond to macroeconomic announcements. Through analyzing the behavior of the Volatility Index (VIX) – known as the "investor fear gauge" -intrarelationship with various economic indicators, the research reveals asymmetrical reactions to news, suggesting that investors' decisions are not always rational. By incorporating insights from behavioral economics and financial literacy, the study explores how biases and competence influence investor decisions. Findings indicate that heuristics biases, Prospect theory biases, market factors, and financial literacy significantly impact investor decision-making, with individual biases such as anchoring, representativeness, and loss aversion playing substantial roles in shaping market dynamics.

3. RESEARCH METHODOLOGY

OBJECTIVES OF STUDY:

behavioral finance.

- 1. To study the demographic profile of the individual investors.
- 2. To measure the influence of Behavioral factors in the investment decision of individual investors.
- 3. To study the association between the demographic variables and the factors influencing investment decisions.

HYPOTHESIS OF THE STUDY

Null Hypothesis (H0): There is no influence of behavioral factors on the investment decisions

SAMPLING TECHNIQUE AND SAMPLE PROFILE: Convenience sampling technique. The sample size is 151 members and data are collected from individual investors of Telangana and Andhra Pradesh. DATAANALYSIS TOOLS: Using SPSS following tools are applied for the study

- . Percentage analysis
- Descriptive statistics
- T-Test
- ANOVA

4. DATA ANALYSIS

This research aims to provide valuable insights into the impact of behavioral factors on investment decisions. The findings will underscore the key behavioral factors that influence the investment choices of individual investors.

To achieve the research objectives, various statistical techniques were employed for data analysis. The demographic profile of respondents, including gender, age, annual income, number of dependents, educational qualifications, and profession, was presented graphically. Correlation analysis was used to examine the relationship between demographic variables, behavioral factors, and investment decisions. Additionally, ANOVA was applied to compare the mean satisfaction scores across different demographic variables (age, gender, annual income) and their corresponding investment decisions. This comprehensive analysis will help in understanding how demographic and behavioral factors collectively impact investment behavior.

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Descriptives of Behavioral factors

Factor	Mean	Std.
	Statistic	Deviation
		Statistic
RB1: Success in investments relies more on knowledge and experience than on luck.	4.47	.823
RB2: "You think that the future trends of investment can be predicted on the basis of their past price movements."	4.00	.611
RB3: "You tried to avoid investing in companies with a history of poor earnings."	3.89	.767
RB4 : You like the investment most, that has less risk.	3.45	.862
RB5 : You dislike the investment that has the greatest risk.	2.94	1.097
OCB1: "You are confident that your skills and knowledge can help	4.27	.901

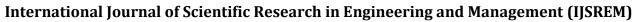


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	П	T
you to excel in the		
market."		
O CD A HILL	2.46	7 00
OCB2: "You are	3.46	.789
confident of your ability		
to do better than others in		
an investment decision."		
OCB3: "You are	3.53	.847
generally sure about your		
decisions because you		
made more profits than		
losses."		
OCB4: When your	3.89	.771
portfolio does well it is		
because of your good		
investment skills.		
OCB5 : You think	2.90	1.418
market trend is often		
consistent with your		
perspectives/ intuitions.		
perspectives/ intuitions.		
OCB6: "You have	2.87	1.109
complete knowledge of		
financial market."		
A1: You have negative	2.99	1.249
feeling about the		
investment you like the		
most.		
A2 : You fix a target	4.01	.993
price for buying/ selling		
a stock.		
A3 : You rely on past	4.09	.894
performance to invest in		
an investment avenue		
because you believe that		
good performance will		
continue		
Continue		
A4 : Before taking an	3.44	.891
investment decision, you		
do some research on		
investment performance.		
mvesiment performance.		

GF1: "You are normally able to anticipate the end of good or poor markets returns at the Indian stock market."	3.12	1.545
GF2: You often find it difficult to select the investment from the another person's view.	3.89	1.140
GF3: You usually react to the changes of other investors' decisions and follow their actions	3.48	.878
AB1: "You prefer to buy local stocks than international stocks because the information of local stocks is readily available."	4.23	.948
AB2: "You avoid investment options that are complicated and difficult to understand because of less information available."	4.02	.920
AB3: "You are more likely to invest in the instruments which are well known to you."	3.91	.867
AB4: "You try to opt for recently popular/in-news investment opportunities."	.353	.870
AB5: "You believe that the most familiar investment instruments are safer."	.382	.932
LA1: "You feel happy when your investments start making profit."	4.01	1.098

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				•	
LA2: "You feel very low after incurring losses on your investments."	3.10	1.350	MA2: Your investment has showed a decreased cash flow growth.	3.50	.908
LA3: "After a prior gain, you are ready to take risk than usual."	3.52	.871	MA3 : Your investment repays the principal at maturity.	3.83	.867
LA4: "After a prior loss, you start avoiding risk/ you become risk averse."	3.51	.979	MA4 : "You ignore the connection between different investment possibilities."	3.55	1.011
LA5: You are more concerned about the great loss in your investment than missing substantial profit in other avenues."	3.15	1.197	MF1 : Your trading activity increases significantly in response to even small price changes.	3.74	.985
RA1: "You avoid selling shares if their value comes down."	3.68	.955	MF2: "Market information is important for your stock investment."	4.00	.938
RA2: "You regret when you are not able to buy/sell your investment when opportunity strikes."	4.00	.917	MF3: "You carefully consider the price changes of stock that you intend to invest in."	3.46	1.204
RA3: "You tried to avoid to investing in investments with a history of poor earnings." responsibility.	3.09	1.333	MF4: Before investing, you carefully consider the fundamental values of the investment avenue.	3.69	1.014
RA4: Poor earnings investments get more benefit in future, so you did investing in investment with a history of poor earnings.	3.20	1.137	HB1: "Other investors' decisions of choosing stock types have impact on your investment decisions."	2.77	1.444
MA1 : You tend to treat each element (Retirement, health, entertainment etc.) of your investment portfolio	3.65	.961	HB2: "Other investors' decisions regarding the stock volume impact your investment decisions."	2.77	1.338
separately.			HB3: "Other investors' decisions of buying and	3.38	.885



selling stocks have impact on your investment decision."		
HB4 : Other investors' decision influence your investment decision.	3.36	.820

- Descriptives of Investment decision

Factor	Mean	Std.
		Deviation
UB1: You prefer to	4.32	.859
invest in companies		
with strong CSR		
activities, as a high level		
of CSR activity means		
increasing profit for the		
firm.		
UB2: You choose those	4.29	.805
companies for		
investment that have a		
good and reputed		
management team as it		
leads to good returns for		
shareholders.		
UB3: Whenever you	4.11	.858
feel a dilemma in		
investment, you go with		
your gut feeling.		
UB4: Many times, you	4.23	.890
have invested where one		
of your family		
members/friends		
recommended		
ExB1: Checking the	4.11	.906
economic indicator is		
		I

		1
the first thing you do		
before investing.		
ExB2: You prefer to	4.10	.929
invest in companies		
with low debt-equity		
ratios and high-interest		
coverage.		
ExB3: You never miss	4.09	.886
checking price to		
earnings ratio before		
investing in a company.		
ExB4: Whenever you	4.09	.941
invest, you compare the		
book value and market		
value of the company		
before investing.		
EmB1: You feel	4.24	.838
satisfied when your		
investment decision		
starts giving high		
returns.		
EmB2: You feel proud	4.23	.850
when your friends and		
family appreciate your		
investment decision		
EmB3: You feel	3.90	.854
satisfied whenever you		
take an investment		
decision without the		
help of a financial		
intermediary.		
EmB4: You feel very	4.11	.906
proud when your		
calculations on		
investment are		
I	l .	1



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consistent	with	the
economic	predic	tions
you have m	ade.	

T-Test analysis is conducted to establish the relationship between demographic factors and behavioral biases of individual investors.

(H011): There is no significant difference in investment decisions between male and female investors.

There is no significant difference in Investment decision between both the gender groups (male, female)

Group Statistics

			Std.
	Gender	Mean	Deviation
Investment			
decision	Male (1)	4.2154	0.5912
	Female		
	(2)	4.0453	0.6918

T-test table based on gender

Levene	t-test	for	Equality	of
's Test	Means			
for				
Equalit				
y of				
Varian				
ces				

		F	Si	t	df	Sign	nifi	Mea
			g.			can	ce	n
								Diff
								eren
								ce
						О	T	
						ne	W	
						-	0-	
						Si	Si	
						de	de	
						d	d	
						p	p	
Inve	Equ	1.	0.	1.	149	0.	0.	0.17
stme	al	83	17	60		55	11	010
nt	vari	0	8	6			0	
decis	anc							
ion	es							
	assu							
	med							
	Equ			1.	104	0.	0.	0.17
	al			54	.26	63	12	010
	vari			5	0		5	
	anc							
	es							
	not							
	assu							
	med							

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INTERPRETATION:

The table 5.22 presents the statistical analysis conducted to assesses where the independent samples t-test examined whether there is a significant difference in the means of Investment decision between two gender groups. Levene's test indicated that the variances are equal (p = 0.178). Assuming equal variances, the t-test result (t = 1.606),

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p=0.110) showed no statistically significant difference in the means, with a mean difference of 0.170 and a 95% confidence interval ranging from -0.039 to 0.379. Even when not assuming equal variances, the results (t=1.545, p=0.125) remained non-significant, with the same mean difference and a confidence interval from -0.048 to 0.388. In summary, the analysis indicates that there is no significant difference in Investment decision between both the gender groups (male, female)

positive perceptions regarding the adaptability and versatility of embedded finance features within e-commerce platforms. Overall, the findings suggest varying levels of satisfaction across different aspects of embedded finance usage among different generational groups, with overall positive perceptions regarding user experience, reliability, and continuous improvement, while security and value for money remain areas for potential improvement.

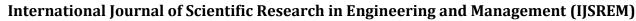
ONE WAY ANOVA

1. The analysis is conducted between annual income of the individual investor and the investment decision

(H012): There is no significant difference in the investment decisions among individual investors across different annual income groups.

Descriptives

	N	M	Std	Std	Lo	Up	Min	max
		ea	.de	.Er	we	per	imu	imu
		n	v	ror	r	bo	m	m
					bo	un		
					un	d		
					d			
Be	74	4.1	0.5	0.6	4.0	4.3	2.3	5.00
lo	/-	91	88	84	55	27	33	0
W		91	00	04	33	21	33	U
5la								
kh								
S								
5-	23	4.2	0.6	0.1	3.9	4.5	3.0	5.00
10		31	50	35	50	13	00	0
lak								
hs								
10	20	4.0	0.7	0.1	2.7	4.2	1.5	4.02
10-	28	4.0	0.7	0.1	3.7	4.3	1.5	4.83
15		50	65	44	53	47	00	3
lak								
hs								
Ab	26	4.0	0.6	0.1	3.8	4.3	1.6	4.75
ov		73	07	19	28	18	66	0
e								
10								
lak								
hs								
	1.7	4 1	0.5	0.0	4.0	4.2	1.5	5.00
То	15	4.1	0.6	0.0	4.0	4.2	1.5	5.00
tal	1	51	34	51	4	53	00	0
				6				
i	Ì	ĺ	ĺ	Ī		ĺ		



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Anova

	Sum of	df	Mean	F	Sig.
	Square		Square		
Between	0.709	3	0.236	0.583	0627
groups					
Within	59.630	147	0.406		
groups					
Total	60.339	150			

INTERPRETATION:

The ANOVA analysis investigates whether there are significant differences in the means of Investment decision across four groups. The "Between Groups" sum of squares is 0.709, with 3 degrees of freedom, leading to a mean square of 0.236. The "Within Groups" sum of squares is 59.630, with 147 degrees of freedom, resulting in a mean square of 0.406. The F value, which compares these mean squares, is 0.583, with a corresponding significance (p-value) of 0.627.

Since the p-value (0.627) is much greater than the conventional threshold of 0.05, we do not reject the null hypothesis. This indicates that there are no statistically significant differences in the Investment decision values across the four groups. In other words, the variability within the groups is much larger than the variability between the groups, suggesting that the group differences in Investment decision are not significant.

2. The analysis is conducted Occupation/ profession of the individual investor and the investment decision

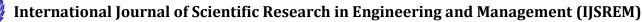
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Null Hypothesis (H013): There is no significant difference in the investment decisions among individual investors across different occupations/professions.

Anova based on age

3.5 0 1 0 1 7 77

					Lo		Min	ma
		ea	.de	Err	we	pp	imu	xim
		n	v	or	r	er	m	um
					bo	bo		
					un	un		
					d	d		
Stude :	5	4.	0.6	0.8	3.9	4.	2.3	5.0
nt :	5	08	46	71	08	25	33	00
		3				8		
Salari	6	4.	0.6	0.8	4.0	4.	1.5	5.0
ed :	5	20	51	07	43	36	00	00
		5				6		
Busin 2	2	4.	0.7	0.1	3.8	4.	1.6	4.8
essma	0	18	02	57	54	51	66	33
n		3				2		
Profes	6	4.	0.3	0.1	3.7	4.	3.6	4.5
sional		09	22	31	58	43	66	83
		7				5		
Retire 3	3	4.	0.2	0.1	3.5	4.	4.0	4.5
d		22	54	46	89	85	00	00
		2				4		



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Other	2	4.	0.2	0.1	1.8	6.	3.8	4.1
		00	35	66	82	11	33	66
		0				7		
Total	1	4.	0.6	0.0	4.0	4.	1.5	5.0
	5	15	34	516	49	25	00	00
1		1	ĺ	1	ĺ			
	1	1				3		

Anova

	Sum	df	Mean	F	Sig.
	of		Square		
	Square				
Between	0.541	3	0.108	0.263	0.933
groups					
Within	59.798	145	0.412		
groups					
Total	60.339	150			

INTERPRETATION:

The table 5.15 presents the results of the analysis of variance (ANOVA) conducted to examine the differences in the Investment decision values across six groups. The "Between Groups" sum of squares is 0.541, with 5 degrees of freedom, resulting in a mean square of 0.108. The "Within Groups" sum of squares is 59.798, with 145 degrees of freedom, yielding a mean square of 0.412. The F value, which is the ratio of the mean squares, is 0.263 with a significance (p-value) of 0.933.

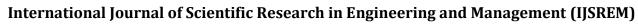
Since the p-value (0.933) is much greater than the standard significance level of 0.05, we do not reject the null hypothesis. This means that there are no

statistically significant differences in the Investment decision values among the six groups. The variability observed within each group is much greater than any variability between the groups, indicating that group membership does not significantly affect the Investment decision values.

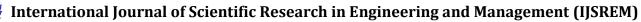
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Overall interpretation of data

Seri	Objective	Tools	Final Result
al			and
No.			Explanation
1	Age group	Descript	Below 20:
		ive Stats	0.7%; 20-30
			yrs: 55.6%;
			31-40 yrs:
			28.5%; 41-50:
			9.9%; 51-60:
			3.3%; Above
			60 : 2.0%
			The
			population is
			predominantly
			young, with
			more than
			84% of
			individuals
			being 40 years
			old or
			younger.
2	Gender	Descript	Male: 62.3%;
		ive Stats	Female:
			37.7%
			It significantly
			shows that
			higher



	T	1	1 2	Ī		T	1	T • •.
			proportion of					majority
			males					holding
			compared to					advanced
			females					degrees.
3	State	Descript	Telanagana:		5	Occupation/	Descript	Student:
		ive Stats	95.4%;			Professional	ive Stats	36.4%;
			Andhra					Salaried:
			Pradesh: 4.6%					43.0%;
			The sample is					businessman:
			heavily					13.2%;
			skewed					Professional:
			towards					4.0%; Retired:
			individuals					2.0%; Other:
			from					1.3%
			Telangana,					A significant
			with Andhra					proportion of
			Pradesh					the sample
			residents					being either
			being under					salaried
			represented					employees or
4	Educational	Descript	High school:					students.
	Qualifications	ive Stats	0.7%; Under-		6	Annual	Descript	Below 51:
			graduate:			household	ive Stats	49.0%; 5-10 1:
			3.3%:			Income		15.2%; 10-151
			Bachelors:					: 18.5%;
			24.5%;					Above 10 1:
			Masters:					17.2%
			66.2%;					a substantial
			Doctorate:					portion of the
			5.3%					population
			The					earns below 5
			population is					lakhs
			highly					annually, with
			educated, with					a smaller yet
			a significant					significant
			8					<i>J</i>



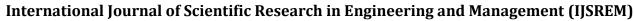
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7 Marital Status Descript Married: yrs: 20.5%
ive Stats 37.1%: More that
Unmarried: 10yrs: 11.2%
59.6%; a varie
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Widow/Wido durations,
wer: 1.3% with a notable
A diverse portion of the
range of sample being
marital recent
statuses residents.
within the 10 Investment Descript Short term
sample, with a period ive Stats 24.5%;
significant preference Medium tern
proportion 28.5%; Lon
being term: 47.0%
unmarried. a varie
8 No. of Descript Less than 2: distribution of
dependents in ive Stats 11.3%; 2-4: stay duration
the Family 42.4%; Above within the
4: 46.4% sample, with
A varied notable
distribution of portion
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with a "Long term."
substantial 11 Impact of Correlati There is
portion of the Representative on statistically
sample having ness bias significant
larger positive
families. correlation



between RB_Mean and MEAN_MEA N. 12 Impact of Over There is Correlati confidence statistically on significant but weak positive correlation between OBC_Mean and MEAN_MEA N. 13 of Correlati There is Impact statistically Anchoring on significant positive correlation between A_Mean and MEAN_MEA N. 14 Impact Correlati There may be Gambler some degree on of meaningful Fallacy correlation between these two variables, with an increase in "GF_Mean" being

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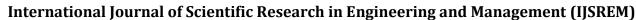
	T	T	T
			supporting a
			positive
			correlation
			between these
			two variables.
19	Impact of	Correlati	There is
	Market factors	on	robust
			evidence
			supporting a
			positive
			correlation
			between these
			two variables.
20.	Impact of Herd	Correlati	There is
	behaviour	on	limited
			evidence to
			support a
			meaningful
			correlation
			between these
			two variables.
21.	T-Test	T-Test	There is no
	analysis is		significant
	conducted to		difference in
	establish the		"MEAN_ME
	relationship		AN" between
	between		the two
	demographic		groups.
	factors and		
	behavioural		
	biases of		
	individual		
	investors.		
22.	The analysis is	Anova	The group
	conducted		differences in

	1 4		"MEANI ME
	between		"MEAN_ME
	annual income		AN" are not
	of the		significant.
	individual		
	investor and		
	the investment		
	decision		
23.	2.The analysis	Anova	Indicating that
	is conducted		group
	Occupation/		membership
	profession of		does not
	the individual		significantly
	investor and		affect the
	the investment		"MEAN_ME
	decision		AN" values.
	decision		Ain" values.

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5. CONCLUSIONS

The study examines the demographic profile, behavioral influences, and associations between demographic variables and investment decisions among individual investors in Telangana and Andhra Pradesh. Findings show that the investor base is mainly young, male, and well-educated, with a significant number of salaried employees and students. Behavioral biases like representativeness, anchoring, and availability significantly shape investment decisions, while loss aversion and regret aversion have limited impact. Market factors and mental accounting also play a role in investment choices, whereas herd behavior does not. Notably, demographic factors such as age, gender, and income do not significantly affect investment behaviors, suggesting that other variables may be more critical in influencing investment decisions. These insights can help tailor financial strategies and educational programs to better meet this demographic's needs, enhancing their investment decision-making processes. To collect primary data, a structured questionnaire was used, featuring multiple-choice questions for demographic information and Likert-scale questions to measure behavioral bias factors and investment decisions. Convenience sampling yielded 151 respondents. Data analysis was conducted using SPSS with techniques like correlation, ANOVA, and descriptive statistics, along with graphical representations of demographic profiles. This methodology provided detailed insights into the relationships between demographic variables, behavioral



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factors, and investment decisions among individual investors in the region.

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10.

BIOGRAPHIES



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