

A Study on Factors Stimulating Investment Awareness Among Younger Generation in Coimbatore City

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Abstract:

This study aims to investigate the level of investment awareness among youngsters and identify the factors stimulating investment awareness. The results show that youngsters have a relatively low level of investment awareness, highlighting the need for targeted education and awareness initiatives. The study suggests that educational institutions and financial organizations should collaborate to develop and implement effective investment awareness programs for youngsters. This study uses analytical and statistical methods to study objectives. Primary data was collected through structured questionnaires whereas secondary data was collected from journals, articles, previous reports and related websites. By promoting financial literacy and investment awareness, youngsters can be empowered to make informed financial decisions and secure their financial futures.

I. INTRODUCTION

Various investment asset classes, such as cash, fixed interest, real estate, and shares, usually yield varying rates of return. People might use the return on assets as a consistent source of additional cash for daily expenses. In order to increase or compound wealth, people may also decide to reinvest the funds. Investing helps to build financial security and a comfortable retirement fund. It also allows to achieve financial independence, reducing reliance on external income sources. The steady rise in prices over time, known as inflation. It can reduce the purchasing power of money. Investing can yield returns that surpass inflation, ensuring that money retains or even appreciates in value. Long-term wealth preservation and maintenance is the way for staying ahead of inflation. Investing can assist in reaching a variety of financial objectives, such as financing children's school or purchasing a property. Setting specific investment goals and building a diverse portfolio will help to approach these goals methodically. An efficient way to attain financial goals is by investing, which offers the possibility of larger returns than typical savings

techniques. As people proceed on their financial path, it's a good idea to get advice from an expert. There will be more time to compound investments if people start early because the earnings will be reinvested to increase the income. Young generation these days are more creative and technology savvy than the older generation socially and financially because there are many factors which are stimulating this generation to concerned about and aware of their financial status in the future. Also, Today's younger generation have more sources than old generation to learn about what are the platform they have for stabilize their financial status. This research seeks to examine the factors stimulating awareness towards investment among young generation.

II. LITERATURE REVIEW

Anasuya (2024)¹, " A Study on awareness towards trading and investment among the youth of Mangalore City" The investment habit among young people is gaining momentum due to combination of factors such as changing economic conditions, technological advancements, peer influence and financial literacy initiatives. The

respondents have concentrated on educating themselves to gain better knowledge about investment activities and diversifying the portfolio that will help in reducing the risk. The study concludes that the age group of 25-30 were still not aware of the financial investment or the benefits of long-term investment. Youths must focus on gaining more knowledge and understanding of trading and investments.

Priyanka Sahu, DR Monica Sainy (2023)², “*Investment Behavior among Youth in Central India*” This study examines the investment behavior among youth in Central India and the factors which influence the investment decisions. It analyzed the economic conditions, market trends also the relationship between financial attitudes, financial behavior and financial knowledge among youth in India. This study highlights the important factors such as timing of savings and reaction to financial shocks. These findings contributed to the knowledge on investment decision-making and provided valuable insights for policymakers, financial institutions and individuals for better understanding and addressing the investment needs and preferences of the youth population.

Pooja Chaturvedi Sharma, Priya (2022)³, “*Identification of factors influencing investors perception towards investment in mutual funds*” This study reveals that fund characteristics, creditability, convenience, success factors have higher impact on the perception of investors. The study reveals that the investors’ perception depends on various demographic factors like gender as the demographic composition reveals that female segment is not fully tapped and there is low target on higher income group people. It focused on investing in mutual funds along with effective financial management. This research studied the factors which influenced the behavior of investors in selection of mutual funds.

III. OBJECTIVES / AIMS:

- To determine the level of awareness among younger generation about investment.

- To identify the factors that stimulating the younger generation on investment schemes.

IV. RESEARCH METHOD / METHODOLOGY

This study uses analytical and statistical methods to study objectives. Primary data was collected through structured questionnaires whereas secondary data was collected from journals, articles, previous reports and related websites. A provided set of questions that the respondents need to answer based on their experience and knowledge concerned to the subject of research. Simple sampling techniques was used to ensure equal representation, with 51 respondents within Coimbatore city. This study uses statistical tools such as T-test and ANOVA to analyse the data.

TOOLS USED FOR THE STUDY

T-test

ANOVA

V. HYPOTHESIS

H₀: There is no significant relationship between Education status and factors stimulating investment plans among youngsters.

H₁: There is a significant relationship between Gender and investment awareness level of the respondent.

VI. RESULT / FINDINGS:

- 49% of the respondents are male and 51% of the respondents are female.
- 88% of the respondents are undergraduates.
- The null hypothesis results that there is no significant relationship between Education status and factors stimulating investment plans among youngsters has been accepted.
- The alternative hypothesis results that there is a significant relationship between Gender and investment awareness level of the respondent has been rejected.

VII. DISCUSSION / ANALYSIS:

ANOVA

ANOVA (Analysis of Variance) is a statistical test used to compare the means of three or

more groups to determine if there is a significant difference between the level of education and factors stimulating investment plans.

Table 1: Descriptive statistics

	N	MEAN	Std. deviation
High school	1	4.00	
Postgraduate	5	2.80	1.304
Undergraduate	45	2.80	1.471

(Source: Primary data)

ANOVA

	Sum of squares	df	Mean	F	Sig.
Between Groups	1.412	2	.706	.332	.719
Within Groups	102.000	48	2.125		
Total	103.412	50			

(Source: Primary data)

It is observed from the above tables that the mean score is high (4.00) for the category High school and equal (2.80) for the category of undergraduate and postgraduate students. The result is that there is a statistically significant difference in investment awareness among the three groups. The analysis reveals that the High School group has a significantly higher level of investment awareness compared to the Undergraduate and Postgraduate groups, while there is no significant difference between the two groups.

T-test

T-test is a statistical test used to determine if there is a significant difference between gender and investment awareness level of the respondents.

H₁: There is a significant relationship between Gender and investment awareness level of the respondent.

Table 2: Descriptive statistics

	N	MEAN	Std. deviation
Male	25	2.84	.987
Female	26	2.85	1.084

(Source: Primary data)

Independent Sample test

	Levene's Test for equality of variance		T-test for Equality of Means
	F	Sig	t
Equal variances assumed	.401	.529	-.021
Equal variances not assumed			-.021

(Source: Primary data)

It is observed from the above tables that the Mean is 2.84 for male and 2.85 for female. Therefore, there is no statistically significant difference in investment awareness between male and female youngsters. The mean scores for both groups are virtually identical, suggesting that males and females have similar levels of investment awareness.

VIII. CONCLUSION / SUMMARY:

The study concludes that awareness about investments among youngsters is important in terms of financial education and future financial security. This study underlines that investment awareness programs among young people should be developed in which importance of proper investment decision is highlighted. Youngsters have a relatively low-level awareness about investment, which requires targeted education and awareness programs. There is no significant difference in investment awareness exists between male and female youngsters, suggesting that inclusive initiatives are necessary.

IX. LIMITATIONS:

The findings may not apply to young people from other locations with different economic situations or investment prospects.

The study might not account for each youngster's varying levels of economic literacy and may be underestimating the impact of digital inequalities on young people's consumption.

Interaction with investment data can also be underestimating if it assumes that everyone has access to electronic devices.⁴

X. REFERENCES:

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