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Editorial Note

South Asian Journal of Management Research (SAJMR), is a scholarly journal that publishes scientific research on the theory and practice of management. All management, computer science, environmental science related issues relating to strategy, entrepreneurship, innovation, technology, and organizations are covered by the journal, along with all business-related functional areas like accounting, finance, information systems, marketing, and operations. The research presented in these articles contributes to our understanding of critical issues and offers valuable insights for policymakers, practitioners, and researchers. Authors are invited to publish novel, original, empirical, and high quality research work pertaining to the recent developments & practices in all areas and disciplined.

Cross-functional, multidisciplinary research that reflects the diversity of the management science professions is also encouraged, the articles are generally based on the core disciplines of computer science, economics, environmental science, mathematics, psychology, sociology, and statistics. The journal's focus includes managerial issues in a variety of organizational contexts, including for profit and nonprofit businesses, organizations from the public and private sectors, and formal and informal networks of people. Theoretical, experimental (in the field or the lab), and empirical contributions are all welcome. The journal will continue to disseminate knowledge and publish high-quality research so that we may all benefit from it.

Dr. Pooja M. Patil

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C O N T E N T S

Determinants of Investment Preference: An Empirical Study

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Abstract

Investment is a commitment of funds made in the expectation of some positive rate of return. In general terms, investment means the use of money in the hope of making more money. In finance, investment means the purchase of a financial product or other item of value with an expectation of favourable future returns. This is an allocation of monetary resources to assets that are expected to yield some gain or return over a given period of time. It means an exchange of financial claims such as shares, bonds, debentures, real estate, etc. People invest their funds in shares, debentures, fixed deposits, national saving certificates, life insurance policies, provident fund etc as per their preference. In their view, investment is a commitment of funds to derive future income in the form of interest, dividends, rent, premiums, pension benefits and the appreciation of the value of their principal capital.

Present paper aims at to understand, determinants of investment preference, of households of Solapur city. Therefore, to understand determinants of investment three factors are taken into account, those are objectives of investment, financial goals of investment and macroeconomic variables influence investment decision. An attempt has been made to understand that, whether determinants of investment are influenced or not by their demographic variables such as gender, age, level of education, occupation and income. In order to justify research objectives, data has been collected through in-depth interviews of household investors through structured questionnaires covering a variety of interrelated aspects, such as the household's demographic factors and financial position, including income, and determinants of investment. Sample size 250 was worked out through Rao's soft online calculator, stratified random sampling was adopted by the researcher. Conventional and non-conventional statistical techniques have been used to justify mentioned objectives. Suitable statistical tools and techniques have been used to present and analyze the data, such as Spearman's rank correlation, t- test and Chi-square test. Based on the analysis, it has been found that, most preferred objective of investment is safety and security followed by better returns, capital appreciation, provision of future, liquidity, tax benefit, hedge against inflation, convenience and simplicity and diversification. It has been also observed that, significant association exist between sets of rankings for objectives investment by respondents of various age groups, respondents of various levels of education and different levels of income. It has been also concluded that financial goals of investment are not independent of gender, age, level of education, occupation and level of income of the respondents.

Keywords: Financial Objectives of Investment, Motives of Investment, Macroeconomic Variables, Income Generation and Capital Appreciation.

Introduction

Investment refers to putting money into something with the expectation of gain, upon thorough analysis, has a high degree of security for the principal amount, as well as security of return, within an expected period of time. In contrast putting money into something with an expectation of gain without thorough analysis, without security of principal, and without security of return is speculation or gambling. All personal or household's investment are planned in order to achieve certain objectives. These objectives may be tangible or intangible; similarly, these objectives may be classified as financial or personal objectives. Personal objectives may be related to personal characteristics of individuals such as family commitments, status, dependents, educational requirements, etc. Financial objectives are also referred financial objectives of investment such as safety and security, better returns, capital appreciation, liquidity tax benefit, provision for future, hedge against investment etc. Income generation and capital appreciation are the important financial goals of investment. Income generation means investor invests with an objective of generate current flow income from investment. Capital appreciation refers to increase in the value of investment over period of time.

The main problem of the individual investors is that a majority of them do not have proper knowledge regarding the different investment avenues, objectives of investment, financial goals of investment, factors to be taken into account while investing. They are not at all familiar with the technical terminologies and their importance in investment decisions.

Various objectives of investment have been identified investment such as safety and security, better returns, capital appreciation, liquidity, tax benefit, provision for future, hedge against inflation, convenience and simplicity, and diversification. Preferred investment objectives have been identified through rank analysis, same

are also studied based on demographic factors such as gender, age, educational qualification, occupation and annual income of the respondent households.

Financial goals of investment are one of the important components of investment determinants. Income generation and capital appreciation are the important financial goals of investment. Income generation means investor invests with an objective of generate current flow income from investment. Investor with a need for current income may opt for high yielding investment avenues. Capital appreciation refers to increase in the value of investment over period of time. Growth of capital is most closely associated with the purchase of common stock, particularly growth securities, which offer low yields but considerable opportunity for increase in value of investment. Financial goals of investment are categorized under four heads for present study as, income generation, capital appreciation, both (income generation, capital appreciation) and other. Favorite financial goals of household investors have been acknowledged.

Investment is affected by various macroeconomic, such as GDP growth rate, fiscal policy, monetary policy, inflation, industry trend, international business policy, general market sentiment, and political stability. Respondent households were asked to express preference towards macroeconomic variable according to significance of the variable in investment decision. Rank analysis is performed to understand the importance of macroeconomic variables in investment decision.

Statement of the Problem:

Does the investment objectives and financial goals of investment of households are influenced by their demographic factors such as gender, age, level of education, occupation and income?

Objectives Of The Study:

The overall study is aimed to achieve the following objectives:

To identify and preferred the financial objectives of investment by households.

To recognize different financial goals of investment and to trace favorite financial goals of household investors.

To realize various macroeconomic variables affects on investment decision, and preference towards macroeconomic variables by household investors.

Research Hypothesis:

Following hypothesis have been tested to justify mentioned objectives of the study.

For testing the relationships between preference of investment objectives and demographic variables, it was assumed that preference of investment objectives was not associated demographic variables such as gender, age, level of education, occupation and income.

Sets of ranking of financial goals of investment are independent of demographic factors (gender, age, educational qualification, occupation and income) of household respondents

Ranking of macroeconomic variables are not depend on demographic factors (gender, educational qualification, and income) of household respondents

Research Methodology:

The study focuses on determinants of investments of households in Solapur city. This study is combination of descriptive and exploratory in nature, adopted survey method in order to address the research problems. This study basically focuses on exploring objective of investment, financial goals of investment and macroeconomic variables which influences investment decisions. Methodology for the present study is in-depth interviews of household investors through structured questionnaires covering a variety of interrelated aspects, such as the household's demographic factors and financial position, including income, and determinants of investment. The researcher has adopted stratified random sampling, covering the sample size of 250 determined based on Rao's soft online calculator for sample size determination. Both conventional and non-conventional statistical techniques have been used to justify mentioned objectives. Suitable statistical tools and techniques have been used to present and analyze the data. To test the association between sets of ranking of objective of investment, financial goals of investment and demographical factors (gender, age, educational, occupation and income) of household respondents, Spearman's rank correlation and t- test have been applied to analyze the data.

Objectives Of Investment:

An attempt is made to understand objectives of investment (safety and security, better returns, capital appreciation, liquidity, tax benefit, provision for future, hedge against inflation, convenience and simplicity, and diversification). Respondents were asked to rank objectives of investment according to significance of the

investment objectives in investment decision. Objectives of investment are studied based on gender, age, educational qualification, occupation and annual income of the respondent households.

Overall Rank Analysis of Objectives of Investment:

To understand objectives of investment (safety and security, better returns, capital appreciation, liquidity, tax benefit, provision for future, hedge against inflation, convenience and simplicity, and diversification) considered by the respondents, respondents are asked to rank objectives of investment based on their preference. Weighted score is calculated for objectives of investment, according to ranking given by the respondents. The investment objective received rank first assigned nine points, objective ranked second assigned eight points, factor ranked third, fourth, fifth, sixth, seventh, eighth and ninth assigned seven, six, five, four, three, two and one point respectively. The points received by each objective were multiplied with rank and totaled to obtain the weighted score. The nine factors, with weighted scores of each of them and their ranking are shown in Table 01. As far as overall ranking of objectives of investment are concerned, first preferred objective of investment is safety and security followed by better returns, capital appreciation, provision of future, liquidity, tax benefit, hedge against inflation, convenience and simplicity and diversification.

Table-01: Representation of Ranking of Objectives of Investment Overall

Sr. No.	Objectives of Investment	I Rank	II Rank	III Rank	IV Rank	V Rank	VI Rank	VII Rank	VIII Rank	IX Rank	Total	Weighted Score	Weighted Rank
1	Safety & Security	97	60	44	28	14	5	1	0	1	250	1923	1
2	Better Returns	46	79	62	39	10	1	9	2	2	250	1801	2
3	Capital Appreciation	16	24	47	55	54	22	18	12	2	250	1433	3
4	Liquidity	24	16	27	37	50	57	22	12	5	250	1328	5
5	Tax Benefit	30	33	25	27	35	34	21	8	37	250	1298	6
6	Provision for Future	27	29	22	36	46	52	21	12	5	250	1375	4
7	Hedge against inflation	4	3	8	13	26	49	76	39	32	250	858	7
8	Convenience & Simplicity	6	4	9	10	7	23	65	85	41	250	742	8
9	Diversification	0	2	6	5	8	7	17	80	125	250	492	9
	Total	250	250	250	250	250	250	250	250				
Source: Primary Data													

Ranking of Objectives of Investment on the Basis of Gender:

Ranking analysis has been performed on the basis of gender of the respondents, respondents were asked to rank their objectives of investment they prefer most while taking investment decision. Spearman's rank correlation coefficient was used to find out the degree of association between sets of ranking by male and female respondents. As far as male respondents are concerned, safety and security received first rank followed by better returns, capital appreciation, provision of future, liquidity, tax benefit, convenience and simplicity, hedge against inflation and diversification. In case of female respondents, first rank is given to safety and security followed by better returns, liquidity, tax benefit, provision of future, capital appreciation, hedge against inflation, convenience and simplicity and diversification. Spearman's correlation coefficient between two sets of ranking is 0.83, which is high degree correlation. It means that high degree association between set of ranks of objectives of investment by male and female respondents

Age Based Ranking of Objectives of Investment:

It is observed that, respondents of first age group (below30 years) are concerned, first rank is assigned to safety and security followed by better returns, capital appreciation, provision of future, tax benefit, liquidity, hedge against inflation, convenience and simplicity and diversification. In case of second age group (30 to 40 years), first rank is given for safety and security followed by better returns, tax benefit, capital appreciation, liquidity, provision of future, hedge against inflation, convenience and simplicity and diversification. Considering third age group (40 to 50 years), first preference is given to safety and security followed by better returns, liquidity, provision of future, capital appreciation, tax benefit, hedge against inflation, convenience and simplicity and diversification. Talking about fourth age group (50 to 60 years), first preference is assigned to safety and security followed by better returns, provision of future, capital appreciation, liquidity, tax benefit, convenience and simplicity, hedge against inflation, and diversification. In case of fifth age group (above 60 years), most preferred

motivational factor is better returns, followed by safety and security, capital appreciation, provision of future, tax benefit, liquidity, convenience and simplicity, hedge against inflation, and diversification.

It can be Concluded ranking by all age groups, safety and security, and better returns received most preferred motivational factors; on the other hand, diversification, convenience and simplicity, and hedge against inflation received least preference.

Spearman's rank correlation coefficient between objectives of investment and different age groups is provided in Table 02. To test the significance of the correlation coefficient t-statistic $\{t = R \sqrt{n-2} / 1 - R^2\}$ is calculated and presented in table. There is high degree of correlation coefficient is found between sets of ranking for objectives of investment by respondents of various age groups. T-statistic is calculated to test the significance of the correlation coefficient and their results are presented in the same table.

H_o = There is no association between sets of ranking for objectives of investment by respondents of various age groups (R = 0).

Since the calculated value of 't' at a 5% level of significance for n-2 = 7 degree of freedom is greater than table value (2.36), so hypothesis cannot be accepted (rejected), it means that there is significant association exist between set of rankings by respondents of various age groups.

Table No. 02: Rank Correlation Between Objectives of Investment and Age Groups and t-statistic of Correlation Coefficient (R)

Age Groups	R Value	Degree of Freedom	Calculated Value – t	Table Value	Hypothesis Result
(1-2)	0.917	7	6.07	2.36	Since the calculated value of 't' at a 5% level of significance for n-2 = 7 degree of freedom is greater than table value, so hypothesis is rejected, it means there is significant association exist between set of rankings by respondents of various age groups.
(1-3)	0.883	7	4.99	2.36	
(1-4)	0.950	7	8.05	2.36	
(1-5)	0.967	7	9.99	2.36	
(2-3)	0.850	7	4.27	2.36	
(2-4)	0.833	7	3.99	2.36	
(2-5)	0.883	7	4.99	2.36	
(3-4)	0.933	7	6.88	2.36	
(3-5)	0.850	7	4.27	2.36	
(4-5)	0.950	7	8.05	2.36	
Source: Primary Data					

Ranking of Objectives of Investment on Basis of Level of Education:

It is observed that, most of respondents of different levels of education assigned first rank to the safety and security, followed by better returns, and least ranks are received by the factors like diversification, convenience and simplicity, and hedge against inflation. There is difference in ranking for provision of future, capital appreciation, liquidity and tax benefit by respondents of different groups of education.

Rank correlation coefficient and t-statistic is calculated for set of ranks by respondents having different level of education presented in Table 03. Rank correlation coefficient between sets of ranking by respondents having different level of education is found high. It implies that high degree of association is exists in sets of ranks by the respondents of different levels of education. To test significance of the obtained correlation coefficient t-statistic is computed and result of the testing of hypothesis is presented in same table.

H_o = Sets of ranking by various groups of respondents (based on level of education) are not associated in the population and the observed value of 'R' differs from zero only by chance.

Referring to the t- distribution for n-2 = 7 degree of freedom, the critical value for 't' at a 5% level of significance is 2.36. If the calculated value of 't' is higher than table value, hypothesis is rejected and concluded that association in two sets of ranking is significant. On the other hand, if calculated value of 't' is less than table value, hypothesis is accepted and conclude that association in two sets of ranking is not significant.

Table No. 03: **Rank Correlation Between Objectives of Investment and levels of Education and t-statistic of Correlation Coefficient (R)**

Levels of Education	R Value	Degree of Freedom	Calculated Value – t	Table Value	Hypothesis Result
(1-2)	0.917	7	6.07	2.36	Significant association exist
(1-3)	0.967	7	9.99	2.36	
(1-4)	0.833	7	3.99	2.36	
(1-5)	0.800	7	3.53	2.36	
(2-3)	0.900	7	5.46	2.36	
(2-4)	0.733	7	2.85	2.36	
(2-5)	0.650	7	2.26	2.36	No significant association exist
(3-4)	0.833	7	3.99	2.36	Significant association exist
(3-5)	0.783	7	3.33	2.36	
(4-5)	0.967	7	9.99	2.36	
Source: Primary Data					

Ranking of Objectives of Investment on Basis of Occupation:

As far as Occupation wise ranking for objectives of investment is concerned, it is observed from the table that, government employee assign first rank to safety and security followed by better returns, capital appreciation, tax benefit, provision of future, liquidity, hedge against inflation, convenience and simplicity and diversification. Respondents belong to private employee category assign first rank to safety and security followed by better returns, tax benefit, liquidity, provision for future, capital appreciation, hedge against inflation, convenience and simplicity and diversification. Considering self employee category, out of given motivational factor, first preference is assigned for safety and security followed by better returns, capital appreciation, liquidity, provision of future, tax benefit, hedge against inflation, convenience and simplicity and diversification. Talking about group of professional employees, first preference is assigned for better returns, followed by safety and security, tax benefit, capital appreciation, liquidity, provision of future, hedge against inflation, convenience and simplicity, and diversification. As far as retired class of occupation is concerned, they assign first preference for better returns, followed by safety and security, capital appreciation, provision of future, liquidity, tax benefit, convenience and simplicity, hedge against inflation, and diversification.

Rank correlation and t-statistic of correlation coefficient is calculated and presented in Table 04. It is observed that high degree of positive correlation between sets of rankings by different respondents of different class of occupation. T-test is calculated to test significance of the correlation coefficient and their results are presented in the same table. Formulating hypothesis as, there is no association between sets of ranking given by respondents of different class of occupation.

H_o = There is no association between sets of ranking given by respondents of various occupation groups (R = 0).

Table No. 04: **Rank Correlation Between Objectives of Investment and Occupation and t-statistic of Correlation Coefficient (R**

Occupation	R Value	Degree of Freedom	Calculated Value – t	Table Value	Hypothesis Result
(1-2)	0.883	7	4.99	2.36	Calculated value of 't' at a 5% level of significance for n-2 = 7 degree of freedom is greater than table value (2.36), so hypothesis is rejected and concluded that significant association exist between sets of ranks given by respondents of different occupation groups.
(1-3)	0.933	7	6.88	2.36	
(1-4)	0.929	7	6.64	2.36	
(1-5)	0.917	7	6.07	2.36	
(2-3)	0.850	7	4.27	2.36	
(2-4)	0.954	7	8.42	2.36	
(2-5)	0.800	7	3.53	2.36	
(3-4)	0.879	7	4.87	2.36	
(3-5)	0.950	7	8.05	2.36	
(4-5)	0.854	7	4.33	2.36	
Source: Primary Data					

Since calculated value of 't' at a 5% level of significance for n-2 = 7 degree of freedom is greater than table value (2.36), so hypothesis is rejected and concluded that significant association exist between sets of rankings of objectives of investment by respondents of different occupation.

Ranking of Objectives of Investment on Basis of Level of Income:

Ranking for objectives of investment is based on level of income is concerned, it is observed from the table that, safety and security, and better returns received preference over other motivational factors of investment across all levels of income. On the other hand, diversification, convenience and simplicity, and hedge against inflation received least preference over other factors. It is noted that tax benefit received priority as level of income increase. Respondents belong to lower income groups have assigned third position to provision for future in their preference.

Table No. 05:   Rank Correlation Between Objectives of Investment and Levels of Income and t-statistic of Correlation Coefficient (R)

Income Groups	R Value	Degree of Freedom	Calculated Value – t	Table Value	Hypothesis Result
(1-2)	0.983	7	14.31	2.36	
(1-3)	0.900	7	5.46	2.36	The calculated value of 't' at a 5% level of significance for n-2 = 7 degree of freedom is greater than table value (2.36), so hypothesis is rejected and concluded that significant association exist between sets of ranks given by respondents of different levels of income.
(1-4)	0.900	7	5.46	2.36	
(1-5)	0.850	7	4.27	2.36	
(2-3)	0.883	7	4.99	2.36	
(2-4)	0.850	7	4.27	2.36	
(2-5)	0.833	7	3.99	2.36	
(3-4)	0.933	7	6.88	2.36	
(3-5)	0.950	7	8.05	2.36	
(4-5)	0.950	7	8.05	2.36	
Source: Primary Data					

Rank correlation and t-statistic of correlation coefficient is presented in Table 05. High degree of positive correlation coefficient is observed between rankings by different income groups of respondents. T-test is used to test significance of the correlation coefficient and their results are presented in the same table. Hypothesis is formulated as; there is no association between sets of ranking given by respondents of various income groups. Hypothesis is tested at 5% level of significance for n-2= 7 degree of freedom and result is presented in last column of the table.

H_o = Sets of ranking by various income groups are not associated in the population and the observed value of 'R' differs from zero only by chance.

Since calculated value of 't' at a 5% level of significance for n-2 = 7 degree of freedom is greater than table value (2.36), so hypothesis is rejected and concluded that significant association exist between set of rankings given by respondents of different levels of income.

Financial Goals of Investment:

Income generation and capital appreciation are the important goals of investor to consider while taking investment decisions. Income generation means investor invests with an objective of generate current flow income from investment. Investor with a need for current income may opt for high yielding investment avenues. Capital appreciation refers to increase in the value of investment over period of time. Growth of capital is most closely associated with the purchase of common stock, particularly growth securities, which offer low yields but considerable opportunity for increase in value of investment. There is generally a trade-off between income and capital appreciation. If you go for the high-yielding investment options, you can expect slow growth in capital appreciation. If you opt for high growth in capital appreciation, you can expect low flow of income generation. Capital appreciation is an important tool to protect investment portfolio against inflation.

Financial goals of investment are one of the important elements of determinants of investment. Respondents were asked to express their financial goal of investment (income generation, capital appreciation, both and other). Financial investment goals have been analyzed based on gender, age, educational qualification, occupation and annual income of the respondent households.

Overall Composition of Financial Goals of Investment:

Respondents were asked to express their investment goals; those goals are categorized into four parts. Data about Investment goals are presented in Table 06. Considering 250 respondents, 26.80 per cent of the respondents have income generation as investment goal, 16.40 per cent respondents go for capital appreciation, 46.80 per cent respondents have investment goals as both (income generation and capital appreciation) and 10.00 per cent respondents set out other as a goal of investment.

Table No. 06: Composition of Financial Goals of Investment

Sr. No.	Financial Investment Goals	Frequency	%
1	Income Generation	67	26.80
2	Capital Appreciation	41	16.40
3	Both	117	46.80
4	Other	25	10.00
	Total	250	100.00
Source: Primary Data			

Gender wise Composition of Financial Goals of Investment:

Respondents were asked to express their financial investment goals; those goals are analyzed on gender basis, the same in presented in Table 07. As far as male respondents are concerned, 29.30 per cent respondents have investment goal as income generation, 19.75 per cent of respondents set out for capital appreciation, 37.58 per cent choose for both, and 13.38 per cent opt for other. In case of female respondents, 22.58 per cent choose income generation as investment goal, 10.75 respondents have capital appreciation, 62.37 per cent respondents opt for both and 4.30 per cent set out for other.

Table No. 07: Financial Goals of Investment Based on Gender

Sr. No.	Gender	Income Generation		Capital Appreciation		Both		Other	
		F	%	F	%	F	%	F	%
1	Male	46	29.30	31	19.75	59	37.58	21	13.38
2	Female	21	22.58	10	10.75	58	62.37	4	4.30
	Total	67	26.80	41	16.40	117	46.80	25	10.00
Source: Primary Data									

Age wise Composition of Financial Goals of Investment:

Age wise composition of financial goals of investment is presented in Table 08. As far as first age group (below 30 years) is concerned, 17.14 per cent respondents have investment goal as income generation, 8.57 per cent of respondents opt for capital appreciation, 71.43 per cent choose for both (income generation and capital appreciation), and 2.86 per cent go for other. In case of second age group (30 to 40 years), 23.64 per cent choose income generation as investment goal, 16.36 respondents go for capital appreciation, 56.36 per cent respondents opt for both (income generation and capital appreciation), and 3.64 per cent go for other than mentioned. Considering third age group (40 to 50 years), 27.78 per cent of the respondents have income generation as investment goal, 15.28 per cent respondents set out for capital appreciation, 37.50 per cent opt for both (income generation and capital appreciation) and 19.44 per cent go for other goal of investment. As far as fourth age group (50 to 60 Years) is concerned, 24.14 per cent respondents have investment goal as income generation, 17.24 per cent of respondents opt for capital appreciation, 44.83 per cent choose for both, and 13.79 per cent go for other. Considering fifth age group (above 60 years) is concerned, 46.67 per cent of the respondents have income generation as investment goal, 26.67 per cent respondents go for capital appreciation, and 26.67 per cent opt for both income generation and capital appreciation.

Table No. 08: Financial Goals of Investment Based on Age Group

Sr. No.	Age Group	Income Generation		Capital Appreciation		Both		Other	
		F	%	F	%	F	%	F	%
1	Below 30 Years	6	17.14	3	8.57	25	71.43	1	2.86
2	30 to 40 Years	13	23.64	9	16.36	31	56.36	2	3.64
3	40 to 50 Years	20	27.78	11	15.28	27	37.50	14	19.44
4	50 to 60 Years	14	24.14	10	17.24	26	44.83	8	13.79
5	Above 60 Years	14	46.67	8	26.67	8	26.67	0	0.00
	Total	67	26.80	41	16.40	117	46.80	25	10.00
Source: Primary Data									

Education Based Composition of Financial Goals of Investment:

Financial goals of investment are analyzed based on the level of education and presented in Table 09. As far as group of respondents are having SSC or up to SSC as level of education is concerned, 45.16 per cent respondents having investment goal as income generation, 9.68 per cent of respondents have capital appreciation as goal of investment, 32.26 per cent opt for both (income generation and capital appreciation), and 12.90 per cent go for other. In case of respondents have level of education as HSC, 27.03 per cent choose income generation as investment goal, 24.32 per cent respondents go for capital appreciation, 43.24 per cent respondents opt for both (income generation and capital appreciation), and 5.41 per cent go for other than above mentioned goal. Talking about graduate respondents, 28.00 per cent of the respondents have income generation as investment goal, 13.33 per cent respondents set out for capital appreciation, 41.33 per cent opt for both (income generation and capital appreciation) and 17.33 per cent go for other goal of investment. As far as post graduate respondents are concerned, 19.39 per cent respondents have investment goal as income generation, 16.33 per cent of respondents opt for capital appreciation, 58.16 per cent choose for both (income generation and capital appreciation), and 6.12 per cent go for other than income generation and capital appreciation. Respondents belong to other class of education are concerned, 33.33 per cent of the respondents have income generation as investment goal, 33.33 per cent respondents go for capital appreciation and 33.33 per cent opt for both income generation and capital appreciation.

Table No. 09: Investment Goals Based on Level of Education

Sr. No.	Level of Education	Income Generation		Capital Appreciation		Both		Other	
		F	%	F	%	F	%	F	%
1	SSC or Up to SSC	14	45.16	3	9.68	10	32.26	4	12.90
2	HSC	10	27.03	9	24.32	16	43.24	2	5.41
3	Graduate	21	28.00	10	13.33	31	41.33	13	17.33
4	Post Graduate	19	19.39	16	16.33	57	58.16	6	6.12
5	Other	3	33.33	3	33.33	3	33.33	0	0.00
	Total	67	26.80	41	16.40	117	46.80	25	10.00
Source: Primary Data									

Occupation wise Composition of Financial Goals of Investment:

Composition of investment goals on the basis of occupation of the respondents are presented in Table 10. Respondents belong to government employee class, 18.00 per cent respondents have investment goal as income generation, 26.00 per cent of respondents have capital appreciation as goal of investment, 44.00 per cent opt for both (income generation and capital appreciation), and 12.00 per cent go for other. In case of private employee respondents, 36.36 per cent choose income generation as investment goal, 12.99 per cent respondents go for capital appreciation, 40.26 per cent respondents opt for both (income generation and capital appreciation), and 10.39 per cent go for other than above mentioned goal. Talking about self employed respondents, 19.67 per cent of the respondents having income generation as investment goal, 13.11 per cent respondents set out for capital appreciation, 55.74 per cent opt for both (income generation and capital appreciation) and 11.48 per cent go for other goal of investment. As far as professional respondents are concerned, 20.59 per cent respondents have investment goal as income generation, 5.88 per cent of respondents opt for capital appreciation, 67.65 per cent choose for both (income generation and capital appreciation), and 5.88 per cent go for other than income generation and capital appreciation. Respondents belong to retired class are concerned, 39.29 per cent of the

respondents have income generation as investment goal, 28.57 per cent respondents go for capital appreciation and 25.00 per cent opt for both income generation and capital appreciation and 7.14 per cent go for other goals of investment.

Table No. 10: Investment Goals Based on Occupation

Sr. No.	Occupation	Income Generation		Capital Appreciation		Both		Other	
		F	%	F	%	F	%	F	%
1	Govt. Employee	9	18.00	13	26.00	22	44.00	6	12.00
2	Pvt. Employee	28	36.36	10	12.99	31	40.26	8	10.39
3	Self Employee	12	19.67	8	13.11	34	55.74	7	11.48
4	Professional	7	20.59	2	5.88	23	67.65	2	5.88
5	Retired	11	39.29	8	28.57	7	25.00	2	7.14
	Total	67	26.80	41	16.40	117	46.80	25	10.00
Source: Primary Data									

Income wise Composition of Financial Goals of Investment:

Income wise goals of investment are analyzed and presented in Table 11. As far as first income group (Rs. up to 01 lakh) is concerned, 57.14 per cent respondents are having investment goal as income generation, no respondents from this group have capital appreciation as goal of investment, 7.14 per cent opt for both goals of investment (income generation and capital appreciation), and 35.71 per cent go for other. In case of second group of income (Rs. 01 lakh to 2.5 lakh), 34.38 per cent choose income generation as investment goal, 13.54 per cent respondents go for capital appreciation, 42.71 per cent respondents opt for both goals of investment (income generation and capital appreciation), and 9.38 per cent go for other than above mentioned goal. Talking about third income group (Rs. 2.5 lakh to 04 lakh), 31.43 per cent of the respondents have income generation as investment goal, 17.14 per cent respondents go for capital appreciation, 40.00 per cent opt for both (income generation and capital appreciation) as goals of investment and 11.43 per cent go for other goal of investment. As far as fourth income group (Rs. 04 lakh to 5.5 lakh) are concerned, 30.43 per cent respondents having investment goal as income generation, 10.87 per cent of respondents opt for capital appreciation, 50.00 per cent choose for both (income generation and capital appreciation), and 8.70 per cent go for other than income generation and capital appreciation. Talking about fifth income group (Rs. 5.5 lakh & above), 1.69 per cent respondents have income generation as investment goal, 28.81 per cent respondents go for capital appreciation and 64.41 per cent opt for both income generation and capital appreciation as goals of investment and 5.08 per cent having other goals of investment.

Table No. 11: Investment Goals Based on Level of Income

Sr. No.	Income Groups (Rs.)	Income Generation		Capital Appreciation		Both		Other	
		F	%	F	%	F	%	F	%
1	Up to 01 lakh	8	57.14	0	0.00	1	7.14	5	35.71
2	01 lakh to 2.5 lakh	33	34.38	13	13.54	41	42.71	9	9.38
3	2.5 lakh to 04 lakh	11	31.43	6	17.14	14	40.00	4	11.43
4	04 lakh to 5.5 lakh	14	30.43	5	10.87	23	50.00	4	8.70
5	5.5 lakh & above	1	1.69	17	28.81	38	64.41	3	5.08
	Total	67	26.80	41	16.40	117	46.80	25	10.00
Source: Primary Data									

Chi-Square Statistic (x^2) Between Financial Goals of Investment and Demographic Factors (gender, age, level of education, occupation, income) of the Respondents:

Chi-square statistic (x^2) is computed to test the association between financial goals of investment (income generation, capital appreciation, both and other) and demographic factors (gender, age, level of education, occupation, and income) of the respondents. Calculated Value x^2 is compared with table value at 0.05 level of significance for (c-1)*(r-1) degree of freedom and results of the test are given under remarks caption of Table 12.

Table No. 12:

Hypothesis (H)	Calculated-x^2	Table Value	DF	Remarks
Goals of investment and gender of the respondents are independent of each other	16.34	7.815	3	Since calculated value (16.34) is greater than table value (7.815), so the hypothesis is rejected, and it is concluded that goals of investment and gender of the respondents are not independent of each other
Goals of investment are independent of age group of the respondents	33.20	21.02	12	Since calculated value (33.20) is greater than table value (21.026), so the hypothesis is rejected and concluded that goals of investment are not independent of age of the respondents.
Goals of investment are independent of levels of education of the respondents	22.85	21.02	12	Since computed value (22.85) of chi-square statistic is above the cut-off value (21.026), so we reject the hypothesis and concluded that goals of investment & education of respondents are dependent one to another
No dependence between goals of investment and occupation of the respondents	24.91	21.02	12	Since calculated value (24.91) is greater than table value (21.026), so the hypothesis is rejected and it is concluded that goals of investment and occupation of the respondents are depend of one to another
Income of the respondents and goals of investment are independent of one to other	50.71	21.02	12	Since calculated value (50.71) is greater than table value (21.026), so we reject the hypothesis, it is concluded that goals of investment and income of the respondents are not independent of one to another
Source: Primary Data				

Ranking Of Macro Economic Variables:

Rank analysis has been performed to understand the importance of macroeconomic variables in investment decision. Respondent households were asked to rank macroeconomic variable according to significance of the variable in investment decision. Weighted ranks were assigned according to weighted score calculated based on ranking given by the respondents. Ranking analysis is performed based on gender, educational qualification and annual income of the respondent households.

Overall Ranking of Macro Economic Variables:

In order to study the most considered macroeconomic variables while investing, (GDP growth rate, fiscal policy, monetary policy, inflation, industry trend, international business policy, general market sentiment and political stability) respondents were asked to rank them according to their preference. Weighted score was calculated for macroeconomic variables, according to ranking given by the respondents. The eight macroeconomic variables, with their weighted scores and weighted ranking are shown in Table 13.

Table No. 13: Representation of Ranking of Macro Economic Variables Overall

Sr. No.	Macro Economic Variables	I Rank	II Rank	III Rank	IV Rank	V Rank	VI Rank	VII Rank	VIII Rank	Total	Weighted Score	Weighted Rank
1	GDP growth rate	41	27	31	18	9	8	12	6	152	883	2
2	Fiscal Policy	14	31	30	29	16	13	16	3	152	792	4
3	Monetary Policy	27	34	34	26	15	3	4	9	152	874	3
4	Inflation	43	34	16	30	12	8	4	5	152	913	1
5	Industry Trend	7	5	13	17	33	28	22	27	152	541	6
6	International Business policy	2	2	5	16	9	36	55	27	152	421	8
7	General Market Sentiment	9	9	6	8	15	37	28	40	152	478	7
8	Political Stability	9	10	17	8	43	19	11	35	152	570	5
	Total	152	152	152	152	152	152	152	152			
Source: Primary Data												

Weighted score has been calculated in such ways that, the variable received rank first assigned eight points. The variable ranked second assigned seven points, variable ranked third, fourth, fifth, sixth, seventh, and eighth assigned six, five, four, three, two and one point respectively. The points received by each variable were multiplied with rank and totaled to obtain the weighted score of that variable. As far as overall ranking of macroeconomic variables is concerned, first considered macroeconomic variable is inflation followed by GDP growth rate, monetary policy, fiscal policy, political stability, industry trend, general market sentiment, and international business policy.

Ranking of Macro Economic Variables on the Basis of Gender:

Gender-wise ranking analysis has been performed to understand importance of macroeconomic variable as investment decision. Spearman's rank correlation coefficient was used to find out the extent to which two sets of ranking (male and female) are aligned.

As far as gender-based ranking for macroeconomic variables are concerned, only 95 male respondents out of 157 consider macro variables while investing and only 57 female respondents (out of 93 respondents) take into account macroeconomic variable in investment decision. As far as male respondents are concerned, inflation received first rank followed by monetary policy, growth rate, fiscal policy, industry trend, general market sentiment, political stability, and international business policy. In case of female respondents, GDP growth rate receives first rank followed by inflation, fiscal policy, monetary policy, political stability, industry trend, general market sentiment, and international business policy. Spearman's correlation coefficient between two sets of ranking is 0.80, which is high degree correlation. It means that high degree of association between ranking by male and female respondents.

Ranking of Macro Economic Variables on Basis Level of Education:

As far as first group of education (SSC or up to SSC) is concerned, GDP growth, inflation and monetary policy are the most considered variables. Respondents having level of education as HSC, assigned first rank to inflation followed by growth rate and general market sentiment.

Graduate respondents have given first rank to monetary policy followed by inflation and GDP growth rate. Post graduate respondents have assigned first rank to monetary policy followed by inflation and growth rate. Respondents fall in other category assigned first rank to inflation followed by GDP growth rate, fiscal and monetary policy. In short most considered variable are inflation, GDP growth rate and monetary policy.

In Table 14, Spearman's rank correlation coefficient was calculated to find out the association between two sets of ranking of macroeconomic variables based on level of education and t-statistic $\{t = R \sqrt{n-2} / 1 - R^2\}$ was calculated to test of significance of the value obtained. There is high degree of correlation between sets of ranking given by respondents having level of education as SSC or up to SSC and respondents fall in another category. Moderate level of correlation coefficient is observed in ranking given by respondents having level of education as HSC and graduate. To test the significance of the correlation coefficient t-statistic is calculated. As per the result of hypothesis, there is association between sets of ranking given by respondents belongs to various levels of education (R = 0).

H_o = Two sets of ranking are not associated in the population and the observed value of 'R' differs from zero only by chance.

Table No. 14: Rank Correlation between Macro Economic Variables and Levels of Education and t-statistic of Correlation Coefficient (R)

Levels of Education	R Value	Degree of Freedom	Calculated Value – t	Table Value	Hypothesis Result
(1-2)	0.615	6	1.91	2.44	No significant association exist
(1-3)	0.819	6	3.50	2.44	Significant association exist
(1-4)	0.735	6	2.66	2.44	
(1-5)	0.915	6	5.56	2.44	
(2-3)	0.548	6	1.60	2.44	No significant association exist
(2-4)	0.595	6	1.81	2.44	
(2-5)	0.731	6	2.62	2.44	Significant association exists
(3-4)	0.976	6	11.02	2.44	
(3-5)	0.874	6	4.41	2.44	
(4-5)	0.826	6	3.59	2.44	
Source: Primary Data					

Referring to the table of the t- distribution for n-2 = 6 degree of freedom, the critical value for 't' at a 5% level of significance is 2.44. If the calculated value of 't' is higher than table value, hypothesis is rejected and concluded that association in two sets of ranking is significant. On the other hand, if calculated value of 't' is less than table value, hypothesis is accepted and conclude that association in two sets of ranking is not significant. Association in two sets of ranking is significant for macroeconomic variables by the respondents of higher education category.

Ranking of Macro Economic Variables on the Basis of Income:

Ranking of all macroeconomic factors by various income group respondents are concerned, most considered variables are inflation, monetary policy, GDP growth rate and fiscal policy. Least considered factors by all income group respondents are international business policy, general market sentiment and industry trend.

Table 15, represents rank correlation coefficient between various set of ranking by different income group respondents. It is observed that there is moderate degree of correlation coefficient exist between first and second, first and third, first and fourth and first- and fifth-income groups. High degree of correlation coefficient is found in second and third, second and fourth, second and fifth, third and fourth, third and fifth, and fourth- and fifth-income groups. To test the significance of obtained value of correlation coefficient t- statistic is computed and hypothesis result is presented in last column of the table.

Table No. 15:   Rank Correlation Between Macro Economic Variables and Levels of Income and t-statistic of Correlation Coefficient (R)

Income Groups	R Value	Degree of Freedom	Calculated Value-t	Table Value	Hypothesis Result
(1-2)	0.572	6	1.71	2.44	No significant association exists
(1-3)	0.584	6	1.76	2.44	
(1-4)	0.479	6	1.34	2.44	
(1-5)	0.503	6	1.43	2.44	
(2-3)	0.759	6	2.86	2.44	Significant association exist
(2-4)	0.850	6	3.96	2.44	
(2-5)	0.898	6	5.01	2.44	
(3-4)	0.826	6	3.59	2.44	
(3-5)	0.850	6	3.96	2.44	
(4-5)	0.976	6	11.02	2.44	
Source: Primary Data					

The table value of t-distribution at a 5% level of significance for n-2 = 6 degree of freedom is 2.44. If the calculated value of 't' is higher than table value, hypothesis is rejected and concluded that association in two sets of ranking is significant. On the other hand, if calculated value of 't' is less than table value, hypothesis is accepted and concluded that association in two sets of ranking is not significant. Significant association exists in two sets of ranking for macroeconomic variables by the respondents of high-income class.

Findings and Conclusion:

- Spearman's correlation coefficient between two sets of ranking is 0.83, which is high degree correlation; it implies that high degree association between sets of rank of objectives of investment by male and female respondents.

- It can be cconcluded ranking by all age groups, safety and security, and better returns received most preferred motivational factors; on the other hand, diversification, convenience and simplicity, and hedge against inflation received least preference.

- Significant association exists between sets of rankings for objectives of investment by respondents of various age groups.

- Association in sets of ranking is significant for objectives of investment by respondents of various levels of education.

- There is significant association exist between sets of ranks for objectives of investment by respondents of different occupation groups.

- Significant association exists between sets of ranks for objectives of investment by respondents of different levels of income.

- It can ne concluded that financial goals of investment are not independent of gender, age, level of education, occupation and level of income of the respondents,

- As far as overall ranking for macroeconomic variables is concerned, first considered variable is inflation followed by GDP growth rate, monetary policy, fiscal policy, political stability, industry trend, general market sentiment, and international business policy.

- Spearman's correlation coefficient between sets of ranking of macroeconomic variables is 0.80, which is high degree correlation, which signifies that high degree of association between ranking by male and female respondents.

- Association in sets of ranking is significant for macroeconomic variables by the respondents of higher education category.

- Significant association exists in sets of ranking for macroeconomic variables by the respondents of high-income class.

Suggestions and Future Scope:

Paper analyzed financial objectives, financial goals of investment and macroeconomic variables considered while taking investment decision. Based on the analysis it is observed that safety and better returns most prefeed objectives of investment across all demographic parameters. It could be suggested to financial companies that they should introduce the investment options to provide safety with better returns irrespective of demographic variables.

As far as financial goals of investment are concerned, low-income profile respondents prefer regular income as goal of investment while medium and high-income profile respondents prefer to have capital appreciation as goal of investment, it can be suggested to the financial companies that they should unveil the investment product as per income group. For example, investment product which offer regular income for financial low-income profile respondents and investment product which gives capital appreciation for financial medium and high-income profile respondents.

Considering importance of macroeconomic variables in investment decision, inflation, GDP growth rate, monetary policy, fiscal policy, are most considered variables. High income and well-educated respondents have similarity in sets of ranking for macroeconomic variables.

There is enough scope for further research on the topic of preference towards determinants of investment, as new avenues of investment are introduced day by day, similarly parameters taken in to consideration while investment are also changing day by as technology used to collect real-time data and analyses of data.

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