

A STUDY ON PERCEIVED VALUE TOWARDS INVESTMENT AVENUES DURING COVID - 19 PANDEMIC AMONG RURAL WOMEN INVESTORS WITH REFERENCE TO ERODE CITY

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Abstract-COVID-19 pandemic situation and calculates executed by Government changes the investment behaviour of the people. It is the process of setting aside a portion of present day earning for future use, or the flow of money accumulated in this way over a given period of time. Saving will help to increases in bank deposits, purchases of securities, gold and silver or increased cash stock. Investing is a kind of activity i.e. engaged in by people who have savings. In accordance with to Statista Research Department, as a result of the lockdown, many people were able to save money during the year 2020, and majority of the people were lost their savings and their jobs because of pandemic situation. This research paper is based on the investment pattern and behaviour of the people in Erode city. Investing is likewise essential for secured future of human life. This study has made an attempt to analyse the Savings and Investment pattern of Rural Women during Covid-19 pandemic. The data has been collected from 756 sample respondents by adopting convenience sampling technique. The statistical tools like Percentage Analysis and Henry Garret Ranking Technique are used. Consequently, the researcher has concluded that Fluctuation in value has the first problem in the study area.

Keywords: Investment, Saving, Bank Deposit, Covid-19.

1. INTRODUCTION

Oxygen is necessary for human life likewise Savings are necessary for uncertain future in context to meet the various need of life. Savings means sacrificing the present utilization in order to increase the living standard and fulfilling the daily requirements in future. The saving can be done in various methods by making bank deposits, or invests the saving in different ways. Greatest way of saving is to create an automatic saving plan. Savings plays mandatory role in making of the household and the national economy. Saving also supply the financial protection to meet the essential or emergencies in future. It is mandatory to have saving plan because it will help in meeting financial goals like secure future, children's education, meeting the demands of the family etc. Today investment is an economic activity. Fundamentally, investment is effectively use of funds with the expectation of receiving good return or benefits in the future. Investment is mainly done with the objective like wanting a home, creating a regular income after retirement, and possessing money for the child's education. This research is based on primary data of 756 respondents and data is collected through distributing questionnaire among the rural women. The questionnaire is design according to the objective of the study & response is collect by face-to-face interviews. In the current study, the method of collecting data is primary data has been collected through a well-structured questionnaire filled by the respondents.

Investor will be earning in additionally will be spending money on different things continuously all over their life. Infrequently does it happen that their present monetary income will exactly balance & matches out with all of their expenditure and consumption requirements. At times it also happens that the investors possess much more money than required by them to spend and sometimes, they might want to consume more than what they can pay for. This type of consumption and expenditure imbalances can lead investors to either borrow or to start saving so that they can invest to get maximum long-run benefits from their income.

2. STATEMENT OF THE PROBLEM

Investment is the employment of funds on benefits with the aim of profit or capital appreciation. Investment is the very necessary thing today. People are gaining more, but they do not know where, when and how to invest it. A proper understanding of money, its value, the available avenues for investment, various financial institutions, the rate of return/risk etc., are essential to successfully manage one's finance for achieving life's goal.

There are numerous investment options available like as Bank Deposits, Shares, Mutual Funds, Post Office Savings, Insurance, Gold, Real Estate and others.

Each persons investment option and plan differ according to his/her purpose of saving, income level, percentage of income he/she is willing to save and the knowledge he/she possesses towards the investment options.

There are many other factors according which an individual's investment pattern differs like current market trend, seasonal fluctuations, business cycle, interest rate, etc.

The researcher has made an attempt to study on the perceived value on the investment avenues during covid - 19 “- An Empirical Study in Erode City,”.

Based on the above issues, the following questions were probed.

- How do the rural women manage their savings?
- What are the various securities offered by the financial institutions to make an investment by the investors?
- What are the problems faced by rural women during covid-19 pandemic?

3. REVIEW OF LITERATURE

Muruganandam et al. (2015), analysed the evidence that investor's intention of analyzed investor's perception towards risk and return on investment shares in organization their portfolio constructions and the strategies of portfolio management. It is suggested that successful companies must thorough understanding of psychology of the investors revealed that proper diversification of portfolio would make sure the investors to get higher return, higher salary and high liquidity with least risk.

Poorna Prabhat S. et al., (2016) “Investors perception towards different investment avenues” through this study an attempted has been made to analyse investors behaviour towards different investment avenues from the respondents of vijayawada city. The demographic variables and objectives of the investors have been obtained from respondents and the relationship between variables has been analysed. The study also offers suggestions to the investors to make investments. This study concluded that various factors like age, gender, income, education, occupation have major impact on investment decision of the investor. Various factors like gender and age have no impact on investment decision of the investors The variables like income level, occupation and education shows an impact on investment decision of the investors.

4. OBJECTIVES OF THE STUDY

The main objectives of the study are:

- To find the awareness level of investment avenues among the rural women.
- To study the investors perceived value towards various investment options in Erode City.
- To identify the problems faced by the investors while making investments.

5. RESEARCH METHODOLOGY

The research depends on both primary and secondary sources of particulars secondary data collected from earlier records from journals, magazines and other sources. The study is based upon the data collected from individual investors in erode city. Convenience method of sampling is used to collect the data from the respondents. The study was mainly based on data collected from rural women via a structured questionnaire distributed via Google Forms or printed copies of the questionnaire. The information was gathered from 756 respondents.

5.1 Statistical Tools Used for Analysis

- Percentage Analysis
- Factor Analysis
- Garret Ranking Technique

5.2 Period of the Study

The data are collected for a period of three months (i.e.) from september-2022 to november 2022.The data collected are the opinion of investors and their expectations are also analysed.

6. ANALYSIS AND DISCUSSION

6.1 Profile of the Respondents Based on Investment Behaviour

Table 6.1 reveals that the out of 756 respondents high percentage of the age group under 45-60 years (37.43%), in the married respondents (81.22%), in consider the educational background school level respondents (36.24%) and salaried respondents are (24.74%), Nuclear family (57.04%), In the number of family members category 3 members (30.42%), Number of earning family members are 2 members (31.75%), Monthly Income is less than Rs. 50000 (38.62%), Annual family income is more than Rs. 300000(33.73%), (81.6%) of the respondents opinion about compare their expected return with actual return, perceived value about interest rates offered on investment is higher (59.5%).

Table-6.1 Profile of the Respondents

Profile	Frequency	Percent
Age		
Below 25 Years	119	15.74
26-45 Years	176	23.28

45- 60 Years	283	37.43
Above 60 Years	178	23.54
Total	756	100.00
Marital Status		
Married	614	81.22
Unmarried	142	18.78
Total	756	100.00
Educational Background		
Illiterate	104	13.76
School Level	274	36.24
Graduate	131	17.33
Postgraduate	159	21.03
Professional	88	11.64
Total	756	100.00
Occupation		
Agriculture	178	23.54
Business/Self Employed	182	24.07
Professional	125	16.53
Salaried	187	24.74
Retired/Homemaker	84	11.11
Total	756	100.00
Nature of family		
Joint family	325	42.99
Nuclear family	431	57.01
Total	756	100.00
Number of Family Members		
2 Members	116	15.34
3 Members	230	30.42
4 Members	200	26.46
5 Members & Above	210	27.78
Total	756	100.00
Number of Earning Family Members		
1 Member	211	27.91
2 Members	240	31.75
3 Members	216	28.57
4 Members & Above	89	11.77
Total	756	100.00
Monthly Income		
Less than Rs. 50000	292	38.62
Rs. 50001 to Rs. 150000	171	22.62
Rs. 150001 to Rs. 250000	270	35.71
More than Rs. 250000	23	3.04
Total	756	100.00
Annual Family Income		
Less than Rs. 100000	117	15.48
Rs. 100001 to Rs. 200000	194	25.66
Rs. 200001 to Rs. 300000	190	25.13
More than Rs. 300000	255	33.73
Total	756	100.00
Opinion		
Yes	617	81.6
No	139	18.4
Total	756	100.0
Perceived Value		
Higher	450	59.5
Moderate	254	33.6
Low	52	6.9
Total	756	100.0

6.2 PERCEIVED VALUE ABOUT THE BENEFIT OF INVESTMENT AVENUES

Nowadays, women are equally competing with men in all the fields including business, military organizations and even in space research and space missions. In saving money, generally women are placed on par with men now without any discrimination. In order to study, the perceived value about the investment avenues which makes to save money the particulars are provided in the succeeding table.

Table-6.2 KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.562
Bartlett's Test of Sphericity	Approx. Chi-Square	3160.748
	df	66
	Sig.	.000

Factor Analysis is a set of technique which by analyzing correlations between variables reduces their numbers into fewer factors which explain much of the original data, more economically. Even though a subjective interpretation can result from a factor analysis output, the procedure often provides an insight into relevant psychographic variables, and results in economic use of data collection efforts. The subjective element of factor analysis is reduced by splitting the sample randomly into two and extracting factors separately from both parts. If similar factors result, the analysis is assumed as reliable or stable.

Table-6.3 Communalities

Factors	Initial	Extraction
Regular Income	1.000	.683
Social Status	1.000	.716
Future Welfare	1.000	.618
Size of the Family	1.000	.588
Having female children	1.000	.701
For survival during drought / famine	1.000	.804
To meet medical emergencies	1.000	.846
Children's education/future	1.000	.714
Old age management	1.000	.755
To manage contingencies	1.000	.492
Tax benefits	1.000	.468
Future Safety	1.000	.633
Extraction Method: Principal Component Analysis.		

It is understood from the above table that the results of Bartlett's test of Sphericity and Kaiser Meyer Olkin measures of sample adequacy were used to assess the suitability of the factor model. The Kaiser Meyer Olkin measures of sampling adequacy shows that the value of test statistics is .562, which means that the factor analysis for the selected variable is found to be appropriate or good to the data. Bartlett's test of Sphericity is used to test whether the data are statistically significant or not with the value of test of sphericity approximate Chi-Square Value is 3160.748 which are statically significant at 5% level. The following communality table shows the initial and extraction of the study.

The communalities in the column labelled extraction reflect the common variance in the data structure. Initial communalities are estimates of the variance in each variable accounted for by all components or factors. For principal component extraction, this is always equal to 1.0 for correlation analysis. Another way to look at these communalities is in terms of the proportion of variance explained by the underlying factors are discarded and so some information is lost, the amount of variance in each variable that can be explained by the retained factors is represented by the communalities after extraction.

6.2.1 Determination of Factors Based on Eigen Values

In this approach only factors with Eigen values greater than 1.00 are retained and other factors are not included in this model. One component possessing the Eigen values which were greater than 1.00 were taken as the components extracted.

Table-6.4 Component Matrixa

	Component			
	1	2	3	4
Regular Income	.043	.766	.246	.186
Social Status	.494	.434	.349	-.403
Future Welfare	.695	.279	-.192	-.144
Size of the Family	.535	.013	.474	.277
Having female children	.314	-.733	-.051	.252
For survival during drought / famine	.318	-.612	.479	-.316
To meet medical emergencies	.841	-.060	-.092	-.356
Children's education/future	.515	-.159	.246	.603
Old age management	.681	.101	-.503	.168
To manage contingencies	.153	-.240	-.600	.226
Tax benefits	-.083	-.115	.627	.236
Future Safety	.090	.743	-.033	.268
<i>Extraction Method: Principal Component Analysis.</i>				
<i>a. 4 components extracted.</i>				

The component matrix table indicate the relationship between the different factors and their individual value. It is clear that factors have correlation with the same component. For a better interpretation, it is taken further to the next step.

Table-6.5 Rotated Component Matrixa

	Component			
	1	2	3	4
Regular Income	.111	.765	-.258	.140
Social Status	.688	.220	-.438	.049
Future Welfare	.733	.169	.208	.092
Size of the Family	.292	.033	-.186	.683
Having female children	-.022	-.632	.340	.431
For survival during drought / famine	.246	-.728	-.376	.269
To meet medical emergencies	.872	-.236	.122	.120
Children's education/future	.095	-.011	.171	.822
Old age management	.552	.119	.634	.185
To manage contingencies	.005	-.135	.688	-.018
Tax benefits	-.250	-.058	-.446	.452
Future Safety	.124	.780	.032	.089
<i>Extraction Method: Principal Component Analysis.</i>				
<i>Rotation Method: Varimax with Kaiser Normalization.</i>				
<i>a. Rotation converged in 6 iterations.</i>				

The rotated component matrix shown in the above table is a result of VARIMAX procedure of factor rotation. Interpretation is facilitated by identifying the variables that have large loadings on the same factor. Hence, those factors with high factor loadings in each component i.e., values greater than 0.4 were selected. The selected factors were named separately and highlighted in the following table.

Table-6.6 Component Transformation Matrix

Component	1	2	3	4
1	.845	-.082	.213	.483
2	.233	.942	-.170	-.173
3	-.065	-.051	-.869	.487
4	-.476	.322	.413	.707
<i>Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.</i>				

6.3 PROBLEMS FACED BY THE INVESTORS RANKED BY THE RESPONDENTS

Problems faced by the investors ranked by the respondents include 12 statements. An attempt has been made in this study to analyse the problems faced by the investors ranked by the respondents by using Henry Garrett Ranking Technique the basis of Henry Garrett Ranking Score, the problems faced by the investors ranked by the respondents are ranked and the details are furnished in the following table.

Table-6.7 Problems Faced by the Investors Ranked by the Respondents

S. No	Statement	Total Score	Mean Score	Rank
1	Huge formalities in documentation	35865	47.44	10
2	Fluctuation in value	42671	56.44	1
3	Low liquidity	36389	48.13	8
4	High Brokerage Commission	38613	51.08	4
5	Lack of family support	33865	44.79	12
6	Lack of investment knowledge	40310	53.32	2
7	Inadequate support	37356	49.41	6
8	Lack of legal support	36937	48.86	7
9	Exploitation	34806	46.04	11
10	Delay in processing	38145	50.46	5
11	Lack of Agents support	38764	51.28	3
12	Lack of Employees support	36099	47.75	9

Source: Computed from Primary Data

The Problems faced by the investors ranked by the respondents were being presented in the above table. The "Fluctuation in value" was ranked first by the selected sample respondents with the total score of 42671 and the mean score of 56.44. "Lack of investment knowledge" has been ranked second with the total score of 40310 and mean score of 53.32. "Lack of Agents support" occupies third position with the total score of 38764 and the mean score of 51.28. "High Brokerage Commission" has been ranked fourth with the total score of 38613 and mean score of 51.08. "Delay in processing" occupies fifth position with the total score of 38145 and mean score of 50.46. "Inadequate support" and "Lack of legal support" occupies 6th and 7th position with the total score of 37356 with the mean score 49.41 and with the total score of 36937 with the mean score 48.86 respectively. "Low liquidity", "Lack of Employees support" and "Huge formalities in documentation" occupies 8th, 9th and 10th position with the total score of 36389 with the mean score 48.13, with the total score of 36099 with the mean score 47.75 and with the total score of 35865 with the mean score 47.44 respectively. Finally, "Exploitation" ranked as 11th with the total score of 34806 and mean score of 46.04 and "Lack of family support" with the total score of 33865 and mean score of 44.79. It is evident that most of the respondents gave main problems to "Fluctuation in value" as the problems faced by the investors.

7. LIMITATIONS OF THE STUDY

The study focuses only rural women in erode city. The research is being confined only to the rural women investors and has not targeted to the male investors or urban women.

8. FINDINGS

- It is noted from the analysis that maximum of (37.43%) of the respondents are 45-60 years of the age group.
- It is clear examination that the greatest part (81.22%) of the dependent were in the category of married.
- It could be found examination that the greatest part (36.24%) of the respondents are in the category of school level.
- It is identified examination that the greatest part (24.74%) of the respondents were in the category of salaried.
- It is found examination that the greatest part (57.01%) of the respondents are in the category of nuclear family.
- It is observed examination that the greatest part (30.42%) of the respondents number of family members is 3 members.
- It is observed examination that the greatest part (31.75%) of the respondents number of earning family members is 2 members.
- It is identified examination that the greatest part (38.62%) of the respondents monthly income is less than Rs. 50000.
- From the investigation
- it is clear that majority (33.73%) of the respondents annual family income is more than Rs. 300000.
- It is concluded from the analysis that majority (81.6%) of the respondents compare their expected return with actual return.
- It is found from the analysis that majority (59.5%) of the respondents were perceived value about the interest rates offered on investment is higher.

9. SUGGESTION

According to the findings of the study it is planned to suggest that investment of excessive amount can be invested in the safety investment avenues like insurance sector, bank savings and post office savings schemes and besides the pensioned investors and self-employed investors should be aware on investing in risky avenues like stock markets, gold and real estate as their markets are highly volatile in nature.

- In the current day's investment market, the avenues such as gold market and share market are highly undetermined and incalculable. Hence due caution and care is to be taken during the decision-making process by the investors in their investments towards various investment avenues.
- Investors should make the investment with proper planning keeping in mind their investment objectives.
- Investors should also consult the brokers or agents to seek information and advice but their decision should not merely be based on agents' advice rather the decision should be based on their careful investigation.
- The investors should select a particular investment option on basis of their need and risk tolerance.
- The investors should diversify their investment portfolio in order to reduce the risk.
- The investors should continuously monitor their investments.
- The companies should provide all relevant information to the investors.
- Many people invest their money blindly by considering only higher returns. They ignore or are not made known about the risks associated with it. Hence, such people must be alert before investing their money in any unproductive avenue.

CONCLUSION

The motivation of the study was to measure the transformational impact of Covid-19 on the savings motive and spending pattern of rural women investors. Women have greater tendency towards risk and is one of the reasons that they look for more safe and steady return investment patterns. Percentage of income that they invest depends on their yearly income. Government and SEBI should have to take more steps for the awareness of women investments in the importance of current scenario. There should be common grievance cell when they are cheated and misguided. The employers should arrange investment and financial awareness programme by experts in offices. Generally, most rural households tend to save more in the form of cash at home for immediate spending purposes. Covid-19 pandemic impacted the investment behaviour of the individual investors and also affect their risk tolerance level due to decreased household income and less savings. Now the investors prefer more secured options for the investment with moderate return and minimum risk. Measures taken by the state and central government like lockdowns, business closures and downfall in the share market also impacted the willingness of the investors to invest money in the market.

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