



Comparative Analysis of Risk and Investment Pattern Among Women and Men of Maharashtra

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Abstract:

The study aims to examine the factors influencing risk tolerance and investment behavior of women and men in Maharashtra. A well-structured questionnaire was prepared and digitally distributed to 123 respondents, and the data was displayed in a tabular format for ease of analysis. The result of the study indicate that women exhibit lower risk appetite as they prioritize security and often rely on others' opinion, whereas men display higher risk appetite and tend to make financial decisions independently and focus more on wealth creation. The study further suggests the need to enhance financial literacy and technical knowledge to encourage greater participation in financial markets. Such inclusion will not only empower women investors but also enable institutions to channelize their income effectively for better returns.

Keywords: Risk- Appetite, Financial Literacy, Women Investors, Behavioral Finance

Introduction:

The area of investment and risk-taking behavior are one of the highly studied areas of behavioral finance. Behavioral finance is concerned with the impact of psychological, social and cultural aspects of humans in their investment decision-making (Tanaji Salve and Jadhav, 2015).

Women's risk appetite is significantly influenced by their behavior which in turn affects their investment decision-making process. In various studies, it has been proven that Men and Women invest differently; however, women are said to be conservative investors as compared to their men. Women's choice of investing in low or moderate-risk assets are predominantly influenced by their demographics such as socio-economic

condition, income experience and financial status (Sanjeet & Prashant, 2020). Investing in low-risk assets usually results in low return (Bhattacharjee & Singh, 2017); thus, women being risk averse deliberately choose investing in safer options like fixed deposits, gold, silver, etc. However, women's insecurity, unawareness, highly volatile market and lack of financial literacy are the major causes that prohibit them from investing in high-risk assets (Vohra & Kaur, 2016). Although, risk tolerance of women is not something that can be calculated as it is not a unidimensional issue. Every woman has different willingness to take risk; thus, it becomes essential to study their decision-making process with respect to their risk appetite and investment decision (Jadhav et al., 2025).

Literature Review:

1. Muralidhar and Berlik (2017): This study highlights how various investors select their investment strategies based on their risk-tolerance. The study summarises that women's investment consists of safe options in contrast with younger Investors who have a risk seeking attitude. The findings of this study indicate the need for corrective measures in order to foster greater risk-taking ability among the women investors.
2. Baruah and Kumar (2018): According to this study financial decisions are influenced by combination of Demographic factors and risk tolerance of individual investors. Additionally, an investor may exhibit high risk tolerance in well assessed investment whereas their risk tolerance may diminish when it comes to speculative investment.
3. Annamalah et al. (2019): The study utilises a structured questionnaire with a sample of 200 investors of Malaysia. It concludes that factors like information, financial status and risk-taking behaviour play considerable role in the decision making of Malaysian citizens.
4. Chaturvedi (2019): This study investigated how investors attitude towards mutual funds as an investment option. This perception was examined through a survey of 100 educated participants residing in Delhi NCR. The findings of this study indicate that reliability, ease of access, and the rate of success are few of the major factors that influence mutual fund investment. The study offers useful recommendations for prospective investors, brokers and academicians.
5. Samarjit Sengupta, Sarbani Mitra (2024): The study was based on Investment behaviour of men and women living in Kolkata. The paper evaluates the relationship between gender and risk-taking ability. It concludes that men are higher risk taker as compared to women investors.

Research Methodology:

The paper adopts a primary data-based research design to evaluate the risk and investment behavior pattern among men and women in Maharashtra. The data were gathered using convenience and snowball sampling method. Further, A structured questionnaire was prepared containing 19 close ended questions, aiming to capture insights of participants regarding demography, preference and risk attitude towards investment. Thereafter, the questionnaire was distributed digitally among 123 respondents in which 74 were female and 49 were male. Lastly collected responses were organized into tables to make the result easier to interpret (Dagde & Jadhav, 2024).

Data Interpretation:

This section depicts personal information of the respondents. Table 1 shows demographic characteristics such as gender, age, marital status, educational qualification, occupation and monthly income. The demographic profile of respondents presents a clear understanding of our sample. The demographic profile of respondents reveals that majority were **female (60.2%)** and rest were **male (39.8%)**, reflecting that women participated actively as compared to men. Additionally, this gender distribution is extremely useful

to understand the investment pattern of men and women and factors influencing their behavior. With respect to age, majority sample falls under **18-25 years age group** and **36-45 years** which indicated that the survey covered younger and middle-aged population which can provide a representative finding. in terms of **marital status**, **68%** of respondents were married, while **48% and 7% fell under the category of unmarried and other respectively**. This will help us to correlate the impact of marital status on investment and risk-taking behavior of individual. Educational qualification analysis indicates that **33.3% respondents were post graduates**, followed by **26% graduates** and **20.3% with professional degree (MBA, CA)**, and **16.3% upto 12th standard**. Only **4.1% belonged to other** category, reflecting that majority of participants are well educated, which is crucial as education and financial literacy are often positively correlated. The

category of Occupation, where majority of respondents were **salaried employees (57.7%)**, followed by **students (20.3)** and **self-employed individuals (15.4%)**. A small percentage consisted of **retired and home makers with (2.4%) and (4.1%) respectively**. This indicates a balanced income group as the investment market is dominated by salaried individuals. Lastly, regarding the income, the highest share of sample fell under the range of less than **25,000 per month category (37.4)** followed by the category of **25,001 to 50,000 range (20.3%)**, and **2,00,000 (16.3%)**. About **(14.6%) earned between 50,001 to 1,00,000** and **(11.4%) between 1,00,001 to 2,00,000**. This indicated while the majority of sample belongs to low-income group, there was also a fair representation of high-income group making the sample a diverse in terms of financial capacity (Jadhav, 2020).

Table 1: Demographic characteristics of respondents:

Sr. No.	Particulars	Frequency	Percentage
A	Gender		
1	Male	49	39.8
2	Female	74	60.2
3	Other	0	0.0
B	Age	Frequency	Percentage
1	18-25	40	32.5
2	26-35	24	19.5
3	36-45	35	28.5
4	46-55	16	13.0
5	56 and above	8	6.5
C	Marital status	Frequency	Percentage
1	Single	39	48
2	Married	55.3	68
3	Other	5.7	7
D	Educational Qualification	Frequency	Percentage
1	Upto 12 th	20	16.3
2	Graduate	32	26
3	Post graduate	41	33.3
4	Professional degree (CA,MBA etc)	25	20.3
5	Other	5	4.1

E	Occupation	Frequency	Percentage
1	Student	25	20.3
2	Salaried (Private/Government)	71	57.7
3	Self employed	19	15.4
4	Retired	3	2.4
5	Home maker	5	4.1
F	Monthly Income	Frequency	Percentage
1	Less than 25,000	46	37.4
2	25,001- 50,000	25	20.3
3	50,001-1,00,000	18	14.6
4	1,00,001-2,00,000	14	11.4
5	Above 2,00,000	20	16.3

The data on investment preference indicates a distinct gender difference in investment with respect to risk level of assets. Female respondents show a clear inclination towards safe options such as gold, real estate, fixed deposit with **77%** share either **in lowest risky assets or in low risky assets** compared to **63% of men**. Specially, **36.48% females** versus **24.45% of male** opted for safest option additionally **40.54% of female** and **38.8% of male** chose

safe option. However, men showed a high-risk appetite as **24.5%** of them opted for highest risky assets compared to **16.21% of women**, similarly 6.75% of women chose high risk investment options as compared to men with 12.24% with almost double the difference. Overall, this indicates that majority of women incline towards safe options (Rathod et al., 2024).

Table 2: Investment Preference and Risk

Sr. No.	Particulars	Frequency		Percentage of	
		Male (49)	Female (74)	Male (out of 49)	Female (out of 74)
1	Lowest risk investments	12	27	24.45%	36.48%
2	Low risk investment	19	30	38.8%	40.54%
3	High risk investment	6	5	12.24%	6.75%
4	Highest risk investment	12	12	24.5%	16.21%

The data indicated that men mainly invest to create wealth (51.02%) compared to women (37.83%), however women have more diverse objectives including children's education (12.16% vs. 2.04%), regular income (13.51% vs. 14.28%), retirement (4.05% vs 0%) and tax saving (1.35% vs

0%). Both male as well as female show similar concern for safety of capital around 32%. Overall men's focus is more on long term wealth whereas women balance security with family and income needs reflecting a broader investment approach.

Table 3: Objective of Investment

Sr. No.	Particulars	Frequency		Percentage	
		Male (49)	Female (74)	Male	Female
1	Children's education/marriage	1	9	2.04%	12.16%
2	Regular income	7	10	14.28%	13.51%
3	Wealth creation	25	28	51.02%	37.83%
4	Safety of capital	16	23	32.65%	31.08%
5	Retirement	0	3	0%	4.05%
6	Tax saving	0	1	0%	1.35%

The data indicate that majority of both the genders prefer moderate risk investment (men 61.22% and women 59.45%). A higher proportion of women (35.13%) compared to men (28.57) had opted for low-risk investment that offer guaranteed returns indicating women's stronger desire for security. However, males show a significant

appetite for high-risk investment, with 10.20% willing to gain higher return via investing in high risky assets compared to only 5.40% of female. Thus, while majority of both the gender are gravitated towards moderate risky strategies a clear division can be found with respect to low and high risky strategies for each gender.

Table 4: Risk Taking Ability

Sr. No.	Particulars	Frequency		Percentage	
		Male (49)	Female (74)	Male	Female
1	Low(prefer guaranteed returns avoid risk)	14	26	28.57%	35.13%
2	Moderate ((Balanced between safety & growth)	30	44	61.22%	59.45%
3	High (Willing to take risks for higher returns)	5	4	10.20%	5.40%

The data indicates that more than half of men's population that is 55.10% take financial decision independently as compared to their female counterpart (41.89%). The data also depicts that women's financial decision are often influence by joint decision (32.43% vs

22.44%) and are slightly influenced by family (25.67% vs. 22.44%). Overall, men's decision making is mostly independent with very little influence of others whereas women lean more towards collective decision making.

Table 5: influence of others on one's financial decision making:

Sr. No.	Particular	Frequency		Percentage	
		Male (49)	Female (74)	Male (49)	Female (74)
1	Independent	27	31	55.10%	41.89%
2	Joint decision-making	11	24	22.44%	32.43%
3	Family influenced	11	19	22.44%	25.67%

Findings and suggestions:

The findings of this study show a clear distinction between women and men's decision making and risk-taking process. Women are often seen making conservative investment choices and relying on others approval whereas men are seen milking risky investment independently. Another key finding of the study was that unmarried men showcased higher risk appetite compared to married men in contrast to unmarried women and married women both often chose low risk investment. The respondents also revealed in latter section of the questionnaire that their decision making is heavily influenced by their financial literacy. Additionally, women disclosed that the reason for choosing less risky investment options are due to their overly cautious mind and long-term safety. Overall, the findings suggests that men are more growth oriented and concentrated on wealth creation and independent decision making, while women tend to be risk averse, diversified objectives and taking financial decision after considering others opinion on it. This indicates that women seek security at the cost of higher profit for the sake of stability, whereas men seek higher returns at the cost of their security.

Special training and financial literacy programs should be organized for female investors along with encouraging women to take more independent investment decision. Additionally, regulatory bodies like SEBI and RBI should introduce initiatives at college level to educate women regarding various financial opportunities to encourage female participation which can positively contribute to the growth of Indian capital market and banking system.

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