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## Understanding Demographic Factors Shaping Investment Goals of Retail Investors

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Dr. Neelam Jain<sup>1</sup>, Nisha Mittal<sup>2</sup>

<sup>1</sup>Professor, IMSAR, MDU, Rohtak

<sup>2</sup>Research Scholar, IMSAR, MDU, Rohtak

Corresponding Author – Nisha Mittal

Email: [mittalnisha918@gmail.com](mailto:mittalnisha918@gmail.com)

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### Abstract:

Demographic characteristics have been recognized as key determinants shaping an investor's choice and level of investment. This study aims to scrutinize the impact of factors related to demography on the individual investment goals. The researcher collected data through primary sources using structured questionnaire, which was sent to 200 individual investors and data was analysed using straightforward descriptive statistics and applying statistical techniques such as Chi-square and correlation analysis. Investing objectives of individual investors are influenced significantly by demographic factors, according to the findings of this study. Notably, factors like employment status and income emerged as the most influential. Income demonstrated a significant impact across all investment objectives, whereas employment status significantly affected all objectives except for diversification. Furthermore, the educational qualifications of investors were found to significantly influence their security as one of the objective of investment. In the Delhi capital market, demographic factors such as gender, age, marital status, and capital market experience had no significant influence on individual investors' objectives of investment. These research outcomes can offer valuable insights to capital market operators, aiding them in advising clients on optimal investment strategies. Additionally, they can guide policymakers in shaping initiatives to enhance the efficiency of regional economic investment through fund mobilization.

**Keywords:** Individual investors, Investing objectives, factors related to demography and Delhi's capital market.

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### Introduction:

Investors' financial goals are part of their investment objectives, defining the desired outcomes they aim to achieve through their investment portfolios. Investors may seek to maximize their current income, capitalize on potential capital gains, or strike a balance between current income and capital appreciation. In some cases, investment objectives may solely involve speculative motives. When investors are able to articulate their investment objectives clearly, it significantly simplifies the process of formulating an appropriate investment strategy tailored to achieve these goals. These investment objectives predominantly revolve around the dual considerations of return and risk. The symbiotic relationship between these two objectives is readily apparent, as the level of risk associated with an investment directly influences the attainable return. Thus, individual investors' investment objectives are closely tied to their risk tolerance, which reflects their willingness to accept higher levels of risk in the pursuit of greater returns. This risk tolerance is influenced by a range of socioeconomic and demographic factors, including educational history, gender, family commitments, age, investment experience and marital status. For instance, as investors age and find themselves responsible for

supporting more dependents, they tend to exhibit greater risk aversion and reduced risk tolerance. Gender can also play a role in risk tolerance, with some studies suggesting that men tend to be less risk-averse than women. However, it's important to note that research findings on the impact of gender on investors' risk tolerance levels have not yielded consistent results, with some studies, such as those by Al-Ajmi (2008) and Kabra, Mishra, and Dash (2010), indicating gender-based differences in risk aversion, while others, like (Muhammad and Hafiz, 2014) found that gender did not have an impact on the risk tolerance of investors. These multifaceted factors collectively mould the investment landscape, enabling investors and financial advisors to craft strategies that align with individual objectives and risk profiles. The majority of previous studies have primarily focused on assessing how demographic factors influence investors' risk tolerance levels rather than delving into the intricate relationship between these factors and their investment objectives. Nonetheless, it's essential to recognize that these two aspects are inherently interconnected. Interestingly, the author's extensive review of existing literature did not reveal any studies explicitly addressing these issues in the specific context of Delhi. This research imperative underscores the significance of the present study.

Consequently, this study has been meticulously crafted to investigate how various demographic variables among individual investors in Delhi impact their shaping of investment objectives. By unravelling the nuances that may distinguish diverse demographic groups, this research holds substantial promise for stockbrokers and investment managers. The insights gleaned will empower them to provide tailored advice to their clients, steering them towards investment portfolios that align seamlessly with their unique needs and aspirations. Moreover, this research bears relevance to corporate management entities, offering invaluable insights into investors' expectations regarding returns on investments. Armed with this understanding, companies can strategically tailor their approaches to attract potential investors to engage with their stocks, fostering capital inflow into the organization. Capital market regulators will also find this study invaluable, as it provides a roadmap for shaping policies that facilitate enhanced capital mobilization within the Delhi capital market. The culmination of these efforts promises to optimize the investment landscape in Delhi and fortify its economic foundations.

#### **Review of Literature:**

Despite the ever-expanding array of investment opportunities within the capital market, all these investment vehicles can be distilled into three fundamental categories based on essential attributes: income, safety, and growth. These categories neatly align with various types of investment objectives that investors may pursue. Notably, the selection of these investment objectives is intrinsically intertwined with an investor's risk tolerance. This risk tolerance, whether substantial or conservative, often hinges on several socioeconomic and demographic factors. It's worth highlighting that numerous studies conducted in various countries have aimed to understand the association between demographic factors and investors' objectives. However, it's important to underscore that these investigations have yielded a range of results, sometimes even presenting conflicting conclusions. This variation in findings underscores the need for context-specific research and informed decision-making when assessing investment behaviour and objectives within different demographics. Age, gender, income, and education have consistently emerged as influential determinants of individual investors' investment objectives. The study conducted by Lease, Lewellen, and Schlarbaum, (1974) involving U.S. investors revealed a noteworthy positive correlation between age of investor and portfolio's proportion allocated to securities of income. Subsequently, Lewellen, Lease, and Schlarbaum, (1977) expanded on this research, highlighting the interconnectedness of demographics with choice of investor regarding

their decisions tailored to their purpose of investment. Their findings underscored the pivotal role of age in shaping investors' investment aspirations, with older investors exhibiting a predilection for long-term capital gains, while younger counterparts leaned toward short-term capital gains. In a separate study by (Graham and Kumar 2006), An assessment of the assets held in the portfolios of elderly and economically disadvantaged individual investors revealed a distinct preference for dividend-paying stocks within these demographic segments. Wang and Hanna, (1999) reported that, while accounting for other variables, typically, as individuals grew older, their relative aversion to risk decreased. This reduction indicates that older individuals tended to allocate a higher proportion of their net wealth to assets that are risky. Conversely, Grable and Lytton (1999) proposed a contrasting perspective, asserting that older individuals often exhibited a greater inclination for risk compared to their younger counterparts. The study by Jain and Mandot (2012) diverged from the consensus, indicating an inverse relationship between the age and tolerance of risk. Likewise, in the study by (Muhammad and Hafiz 2014), a minor adverse correlation between the age and the tolerance of risk was observed, indicating that with an rise in age had an adverse impact on investors' risk-taking behavior. In contrast, a study by Al-Ajmi (2008) discovered no substantial association was found between the age and tolerance of risk. In concurred with this perspective, (Das and Jain 2014) found no substantial relationship among the age of investors and their investment purpose related to tax, returns and risk.

However, also identified a correlation between age and investment objectives specifically related to retirement planning. These contrasting findings underscore the multifaceted interplay of demographic variables on investors' risk tolerance and investment objectives, emphasizing the need for context-specific research and nuanced decision-making in this domain. (Lease, Lewellen, and Schlarbaum 1974) unearthed an adverse relationship between an investor's yearly earnings and the portion of their investment portfolio dedicated to income-based securities. This finding implies, investors with lesser yearly income are more inclined to invest in income securities. In a parallel study, (MacCrimmon and Wehrung 1986) identified that an individual's financial wealth had a significant and favorable impact on risk they incorporated into their different investment avenues. (Grable and Lytton 1999) noted that both the level of education and the knowledge of personal finance played a pivotal role in elucidating variations in risk tolerance levels. Their research indicated that investors possessing higher levels of education and a more profound understanding of financial markets

exhibited a greater propensity to make investment in assets with higher risk. (Al-Ajmi, 2008) explored and found that investor with lower level of education displayed a proclivity for risk aversion. However, the study by Das and Jain (2014) shed light on an intriguing facet, revealing that among the four investment objectives they examined, only the return objective displayed a connection with educational qualifications. This insight suggests that individuals with varying educational backgrounds may exercise discrepant investment choices contingent on the divergent returns offered by distinct investment avenues. In contrast, the objectives related to taxes, retirement and risk did not display any noticeable connection with educational qualifications. Distinct levels in tolerance of risk have been observed among male and female investors. Research conducted by (Barber and Odean 2001) & (Al-Ajmi 2008) unveiled substantial gender-based distinctions in risk tolerance during financial decision-making. Al-Ajmi's study revealed that men generally exhibited lower risk aversion than women. Barber and Odean (2001) posited that this divergence might be attributed to men's lower emotional reactivity, higher confidence in their investment decisions, augmented financial knowledge, increased wealth, and a heightened willingness to undertake risks. However, the studies conducted by (Jain and Mandot 2012) & (Muhammad and Hafiz 2014) also explored in the regions of Rajasthan and Pakistan respectively challenged this notion.

Their research found no substantial disparities with regard to tolerance level of risk among male and female investors, hence there no substantial difference between gender and tolerance of risk. Notably, (Das and Jain 2014) uncovered that male and female investors often harbored distinct investment objectives when choosing investment avenues. These intricacies underline the multifaceted interplay of gender, education, and other demographic variables on investors' risk tolerance and investment goals, further underscoring the importance of nuanced, context-specific research in this domain. Marital status emerges as a salient factor shaping investors' decisions. Single individuals tend to exhibit a higher proclivity for risk-taking compared to their married counterparts, primarily because they typically have fewer dependents and responsibilities. Barber and Odean's study in 2001 found that single investors tended to be more inclined toward risk-taking than their married counterparts. Jain and Mandot's research in 2012 yielded similar results, indicating that matrimonial status had a substantial influence, the investors who are married depicts lower levels of risk tolerance in comparison to their single peers. Nevertheless, Muhammad and Hafiz's 2014 study reported no substantial connection between

matrimonial status and tolerance of risk. Occupation is another dimension that exerts effect on investors' risk tolerance capacity. Citing (Roszkowski et al., 1993), (Muhammad and Hafiz 2014) noted investors holding more senior occupational position tend to be more inclined toward risk-seeking behaviors compared to those in lower-ranking positions. Furthermore, MacCrimmon and Wehrung's 1986 research uncovered that individuals engaged in entrepreneurial ventures were more likely to embrace risk than salaried employees. Jain and Mandot's study in 2012 affirmed the connection between profession of investor and their risk tolerance levels. However, (Muhammad and Hafiz's 2014) in their study concluded there is not significant impact of profession of investor and their risk tolerance levels. Additionally, (Das and Jain's 2014) study elucidated that while occupation had an influence on the return, retirement, and tax-related investment objectives, it did not significantly impact the risk objective. Conclusively, the review of literature underscores that demographic factors wield varying degrees of influence over the distinct purposes of investment. Notably, research paper exploring the influence of demographic factors on the purpose of investors in context Delhi capital market was conspicuously scarce. Hence, it's imperative to fill this gap in research and contribute valuable insights to the field. This will allow for a more nuanced understanding of the intricate interplay between demographic variables and investors' financial goals, ultimately enabling more informed financial decision-making and policy formulation.

#### **Research Methodology:**

A meticulously structured questionnaire served as the principal instrument for sourcing primary data in this study. Out of the 200 questionnaires distributed, a commendable total of 150 questionnaire were received. Hence response rate is 75%. Individual investors who are actively participating in the Delhi capital market are the respondents of this study. The questionnaire was organized into two parts to facilitate comprehensive data collection. The first section focused on eliciting demographic information from the respondents. It included inquiries pertaining to demographic information of investors and the total number of years they had been involved in the capital market. The second section was meticulously designed to acquire insights into the respondents' investment objectives. In this research, purpose of investment is assumed to be dependent variables and the demographic information encompassing (age, gender, marital status, employment status, educational qualifications, monthly income, and capital market experience) is assumed to be explanatory variable. These variables were identified based on a thorough review of the

literature and insights gathered through personal interviews with both investors and financial experts. "Short-term price increase," "long-term price increase," "safety considerations," "regular dividend income," "speculation," and "portfolio diversification" were the six important purposes of investment that were evaluated. After it, data was extracted from the questionnaires underwent a meticulous analysis, employing a range of descriptive techniques including the computation of frequencies and percentages.

Furthermore, the study harnessed the power of the chi-square test in order to ascertain whether, there exist a significant relationship between demography of investors and the purpose of the investors. In purpose of "investment" researcher has to choose one out of six options i.e. Price increase in short term, Price increase in long-term, Safety, Regular Dividend, Speculation, Portfolio Diversification. To gauge the relative importance of the identified variables, chi square statistical technique is employed as both dependent and explanatory variables are categorical in nature. Additionally, in order to assess whether there exist a relation between both variables, correlation was also conducted. Notably, SPSS version 22 software proved instrumental in facilitating these comprehensive analyses, ensuring that the research methodology adhered to the highest standards of

rigor and precision. In this study, a series of null hypotheses were rigorously examined to ascertain whether demographic information of investors exerted discernible impact on the purpose of individual investors. The specific null hypotheses tested were formulated as follows:

**Hypotheses Testing:**

Ho1: Gender exerts no significant effect on the purpose of investment of the individual investors.

Ho2: Age does not substantially impact the purpose of investment of individual investors.

Ho3: Marital status bears not any substantial influence on the purpose of investment of individual investors.

Ho4: Employment has no substantial impact on the purpose of investment of individual investors.

Ho5: Educational qualifications has no substantial influence on the purpose of investment of individual investors.

Ho6: Income or monthly salary demonstrates no substantial influence on the purpose of investment of individual investors.

Ho7: Experience in the capital market exhibits no substantial influence on the purpose of investment of individual investors.

These hypotheses underwent rigorous testing at a significance level of 5%, ensuring that the research maintained a high standard of statistical scrutiny and precision.

<b>Demographic factors</b>	<b>Frequency</b>	<b>Percent</b>
<b>Gender</b>		
Male	105	70
Female	45	30
<b>Age</b>		
15-35	40	26.7
36-55	80	53.3
56-75	25	16.7
Above 75	5	3.3
<b>Marital Status</b>		
Single	30	20
Married	80	53.3
Divorced	40	26.7
<b>Employment Status</b>		
Corporate sector	75	50
Government job	20	13.33
Self Employed	45	30
Retired person	9	6
Student	1	0.67
<b>Education</b>		
Matriculation	5	3.3
Higher Secondary	10	6.7
Diploma	20	13.3
Graduate	30	20
Post Graduate	20	13.3
Professional Degree	65	43.3
<b>Income/Salary per annum</b>		
Less than Rs.500,000	10	6.7
Rs.500,000-10,00,000	20	13.3

Rs.10,00,000-15,00,000	25	16.7
Rs.15,00,000-20,00,000	35	23.3
Above Rs.20,00,000	60	40
Capital market experience	30	20
0 – 6 years	70	46.7
7 – 12 years	25	16.7
13 – 18 years	15	10
19 – 24 years	10	6.7
Above 25 year		

## Results and Discussions

### Demographic Profile of Respondents:

Table a. presents an overview of the demographic profiles of the survey participants

i) Examining the Relationship between Gender and Investment Objectives

### Summary of Chi-square Test (Gender) Table b.

Statistical Test (using SPSS)	Objective of investment	Value	Degree of Freedom	2-sided Asymptotic Significance
Chi-square (Pearson)	Price increase in short term	8.365	5	.052
Chi-square (Pearson)	Price increase in long-term	7.544	5	.163
Chi-square (Pearson)	Safety	5.432	5	.265
Chi-square (Pearson)	Regular Dividend	7.033	5	.202
Chi-square (Pearson)	Speculation	5.351	5	.342
Chi-square (Pearson)	Portfolio Diversification	5.221	5	.397

\*Statistically significant at a 5% level.

### Correlation Summary - Gender Table c.

Statistical Test (using SPSS)	Objective of investment	Correlation (Pearson)	2-sided Significance
Correlation (Pearson)	Price increase in short term	.145	.131
Correlation (Pearson)	Price increase in long-term	.173	.080
Correlation (Pearson)	Safety	.157	.117
Correlation (Pearson)	Regular Dividend	.149	.123
Correlation (Pearson)	Speculation	.159	.102
Correlation (Pearson)	Portfolio Diversification	.087	.285

\*Statistically 5% level of significance.

After analysing the data presented in Table b, it was observed that gender does not have a statistically significant impact on purpose of investment at the 5% level of significance. Because P value of all is greater than .05, null hypothesis (Ho1) is accepted. The results of the Pearson Chi-square tests examining the relationship between gender and investment objectives indicate varying degrees of association. The objective of achieving a short-term price increase yielded a p-value of 0.052, suggesting a marginally significant association, albeit falling just short of the typical significance threshold of 0.05. Conversely, the objective of long-term price increase exhibited a p-value of 0.163, indicating no significant association with gender. The safety objective demonstrated a p-value of 0.265, also lacking statistical significance. Similarly, the regular dividend and speculation objectives yielded p-values of 0.202 and 0.342, respectively, both failing to achieve statistical significance. Notably, the portfolio diversification objective showed a p-value of 0.397, further supporting the absence of a significant relationship with gender. In

Ho1: Gender has no significant impact on purpose of the individual investors.

Table b. provides a concise Chi-square test outcomes and Table c. displays the output using correlation analysis between gender and the purpose of investment.

summary, these results suggest that while there are some indications of gender-related differences in investment objectives, these associations generally do not reach the conventional threshold for statistical significance. The Pearson correlation results as shown in Table c. indicate the relationship between gender and investment objectives. While there are slight positive correlations for objectives such as short-term and long-term price increases, safety, regular dividends, and speculation, these correlations are not statistically significant, implying that they may be due to chance. The correlation with portfolio diversification is weak and nearly negligible, and also not statistically significant. In summary, these correlations suggest some gender-related trends in investment objectives, but they lack the statistical strength needed to draw definitive conclusions.

ii) Regarding the relationship between age of the investors' and the purpose of investment (Ho2).

Table d. provides a Chi-square test results, while Table e. displays the correlation between age of the investors and the objectives of the investment.

**Summary of (Age) Chi – square test. Table d.**

Statistical Test (using SPSS)	Objective of investment	Value	Degree of Freedom	2-sided Asymptotic Significance
Chi-square (Pearson)	Price increase in short term	16.225	15	.560
Chi-square (Pearson)	Price increase in long-term	20.123	15	.450
Chi-square (Pearson)	Safety	23.325	15	.249
Chi-square (Pearson)	Regular Dividend	29.598	15	.197
Chi-square (Pearson)	Speculation	27.739	15	.189
Chi-square (Pearson)	Portfolio Diversification	18.959	15	.479

\*Statistically 5% level of significance.

**Correlation Summary (Age) Table e.**

Statistical Test (using SPSS)	Objective of investment	Correlation (Pearson)	2-sided Significance
Correlation (Pearson)	Price increase in short term	.135	.163
Correlation (Pearson)	Price increase in long-term	.174	.056
Correlation (Pearson)	Safety	.131	.137
Correlation (Pearson)	Regular Dividend	.153	.214
Correlation (Pearson)	Speculation	.147	.259
Correlation (Pearson)	Portfolio Diversification	.172	.091

\*Statistically 5% level of significance.

The impact of age on investment objectives, the data presented in Table d. does not yield statistically significant p-values as it is greater than .05. Consequently, the null hypothesis is accepted and also indicating age does not significantly affect investment objectives. In Table e, we observe a

positive, albeit statistically correlation is not significant between age and purpose of investment. iii) Regarding the relationship between marital position of the investors' and the purpose of investment (Ho3)

**Summary of (Marital Status) Chi – square test. Table f**

Statistical Test (using SPSS)	Objective of investment	Value	Degree of Freedom	2-sided Asymptotic Significance
Chi-square (Pearson)	Price increase in short term	6.279	15	.671
Chi-square (Pearson)	Price increase in long-term	11.354	15	.197
Chi-square (Pearson)	Safety	10.377	15	.213
Chi-square (Pearson)	Regular Dividend	15.369	15	.076
Chi-square (Pearson)	Speculation	11.973	15	.195
Chi-square (Pearson)	Portfolio Diversification	9.679	15	.294

\*Statistically 5% level of significance.

**Correlation Summary (Marital Status) Table g.**

Statistical Test (using SPSS)	Objective of investment	Correlation (Pearson)	2-sided Significance
Correlation (Pearson)	Price increase in short term	-.031	.543
Correlation (Pearson)	Price increase in long-term	-.004	.879
Correlation (Pearson)	Safety	-.069	.401
Correlation (Pearson)	Regular Dividend	-.023	.891
Correlation (Pearson)	Speculation	-.041	.732
Correlation (Pearson)	Portfolio Diversification	.204	.312

\*Statistically 5% level of significance.

The results of the Pearson Chi-square tests shown in Table f. assessing the relationship between marital status and investment objectives reveal that none of the investment objectives exhibit statistically significant associations with marital status. For the short-term price increase, long-term price increase, safety, and speculation objectives, the p-values are 0.671, 0.197, 0.213, and 0.195, respectively, all exceeding the conventional significance threshold of 0.05. Similarly, the regular dividend and portfolio diversification objectives yield p-values of 0.076 and 0.294, indicating a lack of statistically significant relationships with marital

status. In summary, these findings suggest that marital status is not a significant determinant of the various investment objectives examined in this study. The Pearson correlation results shown in Table g. examining the relationship between marital status and investment objectives demonstrate that none of the investment objectives display statistically significant correlations with marital status. For the short-term and long-term price increase objectives, the correlations are -0.031 and -0.004, respectively, both with p-values of 0.543 and 0.879, exceeding the common significance threshold of 0.05. The safety and regular dividend objectives

reveal correlations of -0.069 and -0.023, with corresponding p-values of 0.401 and 0.891, indicating a lack of statistically significant associations. Likewise, the speculation and portfolio diversification objectives exhibit correlations of -0.041 and 0.204, both with non-significant p-values of 0.732 and 0.312. In summary, these results suggest that marital status does not significantly influence the investment objectives analysed in this study.

iv) Relationship between employment of investors and purpose of investment.

Ho4: There exists no significant influence of employment of investor and the purpose of their investment.

The Pearson Chi-square results investigating the relationship between employment status and the various investment objectives shown in Table h. reveal significant associations for several objectives. Specifically, for the short-term price increase, long-term price increase, safety, regular dividend, and speculation objectives, the Chi-square values are 33.142, 33.785, 37.639, 31.248, and 48.482, respectively, all with 20 degrees of freedom. These values correspond to p-values of 0.027, 0.032,

0.007, 0.031, and 0.003, respectively, falling below the conventional significance threshold of 0.05. This suggests that employment status significantly impacts these objectives. In contrast, the portfolio diversification objective shows a Chi-square value of 26.503 with a p-value of 0.218, indicating a lack of significant association with employment status. The Pearson correlation results indicate the relationship between employment status and various investment objectives as shown in Table i. Notably, significant positive correlations are observed for the long-term price increase, safety, and regular dividend objectives, with correlation values of 0.312 ( $p = 0.031$ ), 0.201 ( $p = 0.017$ ), and 0.278 ( $p = 0.019$ ), respectively. These results suggest that employment status is significantly associated with these investment objectives, implying that individuals' employment status influences their preferences for long-term price increases, safety, and regular dividend income. In contrast, no significant correlations are found for the short-term price increase, speculation, and portfolio diversification objectives, suggesting that employment status does not have a significant influence on these particular investment goals.

#### Summary of (Employment Status) Chi – square test. Table h.

Statistical Test (using SPSS)	Objective of investment	Value	Degree of Freedom	2-sided Asymptotic Significance
Chi-square (Pearson)	Price increase in short term	33.142	20	.027*
Chi-square (Pearson)	Price increase in long-term	33.785	20	.032*
Chi-square (Pearson)	Safety	37.639	20	.007*
Chi-square (Pearson)	Regular Dividend	31.248	20	.031*
Chi-square (Pearson)	Speculation	48.482	20	.003*
Chi-square (Pearson)	Portfolio Diversification	26.503	20	.218

\*Statistically 5% level of significance.

#### Correlation Summary (Employment Status) Table i.

Statistical Test (using SPSS)	Objective of investment	Correlation (Pearson)	2-sided Significance
Correlation (Pearson)	Price increase in short term	.193	.051
Correlation (Pearson)	Price increase in long-term	.312	.031*
Correlation (Pearson)	Safety	.201	.017*
Correlation (Pearson)	Regular Dividend	.278	.019*
Correlation (Pearson)	Speculation	.106	.073
Correlation (Pearson)	Portfolio Diversification	.079	.413

v) Regarding the relationship between educational qualification of the investors' and the purpose of investment (Ho5).

The Pearson chi-square results as shown in Table j. reveal the associations between educational qualification and various investment objectives. Notably, a significant chi-square value is observed for the safety investment objective ( $\chi^2 = 50.124$ ,  $df = 25$ ,  $p = 0.023^*$ ), suggesting a significant association between educational qualification and the preference for safety as an investment goal. This implies that investors' educational qualifications influence their inclination toward safety-related investments. In contrast, no significant associations are found for the remaining investment objectives, including short-term price increase, long-term price increase,

regular dividend, speculation, and portfolio diversification. These results indicate that educational qualification does not significantly affect investors' preferences for these investment objectives. The Pearson correlation results as shown in Table k. highlight the relationships between educational qualification and various investment objectives. Notably, there is a statistically significant positive correlation between educational qualification and the portfolio diversification investment objective ( $r = 0.297$ ,  $p = 0.034^*$ ), indicating that as investors' educational qualifications increase, their interest in portfolio

diversification as an investment goal also tends to rise. However, for the remaining investment objectives, including short-term price increase, long-term price increase, safety, regular dividend, and speculation, there are no statistically significant

correlations with educational qualification. These findings suggest that investors' educational qualifications primarily impact their preference for portfolio diversification but have limited influence on other investment objectives.

**Summary of (Educational Qualification) Chi – square test. Table j.**

Statistical Test (using SPSS)	Objective of investment	Value	Degree of Freedom	2-sided Asymptotic Significance
Chi-square (Pearson)	Price increase in short term	21.752	25	.512
Chi-square (Pearson)	Price increase in long-term	27.329	25	.199
Chi-square (Pearson)	Safety	50.124	25	.023*
Chi-square (Pearson)	Regular Dividend	41.795	25	.174
Chi-square (Pearson)	Speculation	35.735	25	.306
Chi-square (Pearson)	Portfolio Diversification	23.406	25	.048

\*Statistically 5% level of significance.

**Correlation Summary (Educational Qualification) Table k.**

Statistical Test (using SPSS)	Objective of investment	Correlation (Pearson)	2-sided Significance
Correlation (Pearson)	Price increase in short term	.071	.398
Correlation (Pearson)	Price increase in long-term	.208	.257
Correlation (Pearson)	Safety	.179	.396
Correlation (Pearson)	Regular Dividend	.191	.273
Correlation (Pearson)	Speculation	.106	.155
Correlation (Pearson)	Portfolio Diversification	.297	.034*

\*Statistically 5% level of significance.

vi) Regarding the relationship between income/salary of the investors' and the purpose of investment (Ho6).

The Pearson Chi-square results as shown in Table 1. reveal a statistically significant association between income/salary and several investment objectives. Income/salary significantly impacts the short-term price increase ( $\chi^2 = 27.193$ ,  $df = 20$ ,  $p = 0.023^*$ ), long-term price increase ( $\chi^2 = 51.079$ ,  $df = 20$ ,  $p = 0.004^*$ ), safety ( $\chi^2 = 45.762$ ,  $df = 20$ ,  $p = 0.007^*$ ), regular dividend ( $\chi^2 = 49.291$ ,  $df = 20$ ,  $p = 0.009^*$ ), and speculation ( $\chi^2 = 47.754$ ,  $df = 20$ ,  $p = 0.003^*$ ) investment objectives. These results suggest that income/salary significantly influences these investment objectives, meaning that individuals with different income levels may have distinct preferences for these objectives. However, for the portfolio diversification objective, income/salary also exhibits a significant association ( $\chi^2 = 25.446$ ,  $df = 20$ ,  $p = 0.021^*$ ). This implies that income/salary has a significant impact on all the investment objectives analyzed in the study, making it a key determinant of investors' investment goals. The Pearson correlation results as shown in Table m.

indicate that there is a positive correlation between income/salary and several investment objectives, although these correlations are not statistically significant at a 5% level of significance. There is a positive but insignificant correlation with short-term price increase ( $r = 0.213$ ,  $p = 0.151$ ) and long-term price increase ( $r = 0.272$ ,  $p = 0.072$ ), suggesting that individuals with higher income levels may have a slightly greater inclination towards these objectives. A positive, yet insignificant correlation is also observed for safety ( $r = 0.194$ ,  $p = 0.354$ ), regular dividend ( $r = 0.235$ ,  $p = 0.205$ ), and speculation ( $r = 0.097$ ,  $p = 0.313$ ). However, there is a noteworthy positive and significant correlation with the portfolio diversification objective ( $r = 0.106$ ,  $p = 0.032^*$ ). These results imply that income/salary may have a more pronounced influence on the portfolio diversification objective compared to the other investment objectives, despite the lack of statistical significance for most correlations.

**Summary of (Income/Salary) Chi – square test. Table l.**

Statistical Test (using SPSS)	Objective of investment	Value	Degree of Freedom	2-sided Asymptotic Significance
Chi-square (Pearson)	Price increase in short term	27.193	20	.023*
Chi-square (Pearson)	Price increase in long-term	51.079	20	.004*
Chi-square (Pearson)	Safety	45.762	20	.007*
Chi-square (Pearson)	Regular Dividend	49.291	20	.009*
Chi-square (Pearson)	Speculation	47.754	20	.003*
Chi-square (Pearson)	Portfolio Diversification	25.446	20	.021*

\*Statistically 5% level of significance.



**Correlation Summary (Income/Salary) Table m.**

Statistical Test (using SPSS)	Objective of investment	Correlation (Pearson)	2-sided Significance
Correlation (Pearson)	Price increase in short term	.213	.151
Correlation (Pearson)	Price increase in long-term	.272	.072
Correlation (Pearson)	Safety	.194	.354
Correlation (Pearson)	Regular Dividend	.235	.205
Correlation (Pearson)	Speculation	.097	.313
Correlation (Pearson)	Portfolio Diversification	.106	.032*

\*Statistically 5% level of significance.

vii) Regarding the relationship between capital market experience of the investors' and the purpose of investment (Ho7).

The chi-square results for the association between capital market experience and investment objectives as shown in Table n. indicate that there is no significant relationship at a 5% level of significance for any of the objectives. All p-values are greater than 0.05, suggesting that the number of years an individual has spent in the capital market does not have a significant effect on their investment objectives. Therefore, the results suggest that capital market experience has no substantial influence on whether investors pursue short-term or long-term price increases, safety, regular dividends, speculation, or portfolio diversification as their investment goals. The Pearson correlation results for the association between capital market experience

and investment objectives as shown in Table o. suggest that there is no statistically significant correlation between these variables. All p-values exceed the 0.05 significance level, indicating that the number of years an individual has spent in the capital market does not exhibit a significant correlation with their choice of investment objectives. In summary, this implies that the extent of an investor's experience in the capital market does not strongly influence whether they pursue short-term or long-term price increases, prioritize safety, seek regular dividends, engage in speculation, or opt for portfolio diversification as their investment goals.

**Summary of (Capital Market Experience) Chi – square test. Table n.**

Statistical Test (using SPSS)	Objective of investment	Value	Degree of Freedom	2-sided Asymptotic Significance
Chi-square (Pearson)	Price increase in short term	16.747	20	.325
Chi-square (Pearson)	Price increase in long-term	21.812	20	.203
Chi-square (Pearson)	Safety	19.379	20	.312
Chi-square (Pearson)	Regular Dividend	23.986	20	.109
Chi-square (Pearson)	Speculation	19.323	20	.298
Chi-square (Pearson)	Portfolio Diversification	16.705	20	.397

\*Statistically 5% level of significance.

**Correlation Summary (Capital Market Experience) Table o.**

Statistical Test (using SPSS)	Objective of investment	Correlation (Pearson)	2-sided Significance
Correlation (Pearson)	Price increase in short term	.039	.473
Correlation (Pearson)	Price increase in long-term	.027	.714
Correlation (Pearson)	Safety	.002	1.22
Correlation (Pearson)	Regular Dividend	.016	.535
Correlation (Pearson)	Speculation	.028	.796
Correlation (Pearson)	Portfolio Diversification	.045	.617

\*Statistically 5% level of significance.

**Conclusion:**

In summary, the findings of this study suggest that demographic characteristics indeed play a role in shaping the investment objectives of individual investors. Notably, employment position and the income emerge as the most important variables affecting the purpose of investment. Although income also exerts a significant influence across all investment objectives, while employment status significantly affects all objectives except diversification. Further analysis reveals employment

position has affirmative and important association with long-term price gain, security, and dividend income goals. Additionally, education qualifications demonstrate a significant impact on the security objective. On the other hand, this study concludes that demographic factors such as gender, age, marital status, and capital market experience have little or no effect with individual investors' investing goals in the Delhi capital market.

The implications of findings are profound, especially in the context of the prevailing high

unemployment rates in the country. It highlights the challenges in raising capital market funding for the Federal Government's diversification program. To address this issue, it becomes imperative to implement measures that create a favourable climate for job creation in all sectors of the economy. This might begin with assuring the availability of critical infrastructure such as electricity, transportation networks, and water supply. The average Delhi investor can only seriously consider investing in the capital market once he or she has a stable source of income.

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