



A STUDY ON INVESTOR ATTITUDE, BEHAVIOUR AND FINANCIAL AWARENESS IN THE RAYALASEEMA REGION OF ANDHRA PRADESH

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Abstract

This study examines investor attitude, investment behaviour, and financial awareness towards stock market investment in the Rayalaseema region of Andhra Pradesh. The study is based on primary data collected from 100 respondents through a structured questionnaire. The data were analysed using frequency, percentage, mean, and standard deviation. The findings indicate that respondents generally show a preference for long-term investment, research-based decision-making, and relatively cautious investment objectives. A majority of respondents expressed willingness to accept investment risk for potentially higher returns, while many preferred to hold or wait when stock prices declined. The study highlights the importance of financial awareness in supporting informed investment decisions.

Keywords: Investor Attitude, Investor Behaviour, Financial Awareness, Stock Market, Investment Decisions, Risk, Long-Term Investment

Introduction

Stock market investment is an important avenue for investing money and seeking returns. Investors participate in the stock market mainly for capital appreciation and income. However, stock market investment also involves risk, and investors differ in their attitudes towards risk, returns, investment horizons, and market fluctuations. Investment decisions may also depend on financial knowledge and the quality of information available to investors. Today, investors obtain information from social media, television, newspapers, financial advisors, and their own research. Financial awareness is therefore important for making informed investment decisions. The present study focuses on the attitude, behaviour, and financial awareness of selected stock market investors in the Rayalaseema region. It examines their willingness to take risk, preference for long-term investment, reaction to falling stock prices, investment objectives, and sources of investment information.

Objectives of the Study

- To study the attitude of investors towards stock market investment in the Rayalaseema region.
- To examine the investment behaviour and preferences of stock market investors.
- To assess the financial awareness of investors regarding stock market investment.
- To examine investors' risk-taking attitudes in relation to expected returns.
- To understand investors' preference for long-term and short-term investment.

Methodology

Research Design: The study uses a descriptive research design.

Data Collection: Primary data were collected through a structured questionnaire.

Sample Size: The study includes 100 respondents.



Sampling Method: Convenience sampling was used.

Study Area: The study was conducted among selected stock market investors from the Rayalaseema region of Andhra Pradesh.

Data Analysis: The collected data were analysed using frequency, percentage, mean, and standard deviation. A five-point Likert scale was used for attitude-related questions: 1 – Strongly Disagree, 2 – Disagree, 3 – Neutral, 4 – Agree, and 5 – Strongly Agree.

Limitations of the Study

The study is limited to 100 respondents.

The study is limited to selected investors in the Rayalaseema region.

Convenience sampling was used; therefore, the findings may not represent all investors in the region.

Investor behaviour may change depending on prevailing market conditions.

The study mainly uses descriptive statistical methods.

Data Analysis and Interpretation

Table 1: Investor Demographic Profile

Particulars	Variables	No. of Respondents
Gender	Male	73
	Female	27
Age	Below 25	15
	25 to 35	22
	36 to 45	29
	Above 45	34
Occupation	Student	11
	Salaried	26
	Business	35
	Other	28
Annual Income	Below ₹4 lakh	19
	₹4 lakh–₹8 lakh	24
	₹8 lakh–₹12 lakh	26
	Above ₹12 lakh	31

Source: Primary Data through Questionnaire

The study included 100 respondents. The largest age group was above 45 years (34%), followed by 36–45 years (29%). Male respondents accounted for 73%, while female respondents accounted for 27%. Regarding occupation, 35% were engaged in business, 28% belonged to other occupations, 26% were salaried employees, and 11% were students. In terms of annual income, 31% earned above ₹12 lakh, 26% earned ₹8–12 lakh, 24% earned ₹4–8 lakh, and 19% earned below ₹4 lakh.



Table 2: Investors' Willingness to Take Risks to Earn Higher Returns

Variable	N	Minimum	Maximum	Mean	Standard Deviation
Willingness to take risks to earn higher returns	100	1	5	3.54	1.22
Response		Frequency			
1 = Strongly Disagree		8			
2 = Disagree		10			
3 = Neutral		27			
4 = Agree		37			
5 = Strongly Agree		18			

Source: Primary Data through Questionnaire

The mean score is 3.54 (SD = 1.22), indicating a moderately positive willingness among respondents to accept investment risk for potentially higher returns. A combined 55% selected Agree or Strongly Agree, while 27% were neutral and 18% disagreed or strongly disagreed.

Table 3: Investors' Preference for Long-Term Investments over Short-Term Gains

Variable	N	Minimum	Maximum	Mean	Standard Deviation
Preference for long-term investments over short-term gains	100	1	5	4.04	1.01
Response		Frequency			
1 = Strongly Disagree		5			
2 = Disagree		7			
3 = Neutral		22			
4 = Agree		28			
5 = Strongly Agree		38			

Source: Primary Data through Questionnaire

The mean score is 4.04 (SD = 1.01), indicating a clear preference for long-term investment among respondents. Overall, 66% selected Agree or Strongly Agree, 22% were neutral, and 12% disagreed or strongly disagreed.

Table 4: Investors' Investment Decisions Based on Research Rather Than Tips

Variable	N	Minimum	Maximum	Mean	Standard Deviation
Investment decisions based on research rather than tips	100	1	5	4.01	1.14
Response		Frequency			
1 = Strongly Disagree		7			
2 = Disagree		7			
3 = Neutral		20			
4 = Agree		34			
5 = Strongly Agree		32			

Source: Primary Data through Questionnaire



The mean score is 4.01 (SD = 1.14), indicating that respondents generally report relying on research rather than tips when making investment decisions. A combined 66% selected Agree or Strongly Agree, 20% were neutral, and 14% disagreed or strongly disagreed.

Table 5: Investor Decisions When Stock Prices Fall Significantly

Response	Frequency
Sell Immediately	12
Wait and Watch	34
Hold for the Long Term	39
Buy More	15

Source: Primary Data through Questionnaire

When stock prices fall significantly, 39% of respondents prefer to hold for the long term and 34% prefer to wait and watch. Only 12% prefer to sell immediately, while 15% choose to buy more. Overall, 73% either prefer to wait and watch or hold for the long term, indicating that immediate selling is not the dominant response among the respondents.

Table 6: Factors Motivating Investors' Investment Decisions

Response	Frequency
Safety	39
Regular Income	20
Capital Appreciation	30
Speculation	11

Source: Primary Data through Questionnaire

Safety was the most frequently reported motivation, accounting for 39% of respondents. Capital appreciation was reported by 30%, followed by regular income at 20%. Speculation was selected by 11% of respondents.

Table 7: Sources of Investment Information

Response	Frequency
Social Media	24
Financial Advisors	23
News / TV	25
Self-Research	28

Source: Primary Data through Questionnaire

Self-research was the most frequently reported source of investment information at 28%, followed by News/TV at 25%, social media at 24%, and financial advisors at 23%. The relatively close distribution indicates that respondents use multiple information channels to support their investment decisions.

Conclusion

The study indicates that respondents generally show a preference for long-term investment and research-based decision-making. About 55% of respondents agreed or strongly agreed that they are willing to take risks for potentially higher returns. Long-term investment was preferred by 66% of respondents, and 66% also reported making investment decisions based on research rather than tips. When stock prices fall significantly, 39% prefer to hold for the long term and 34% prefer to wait and watch. Safety was the most frequently reported investment motivation (39%), followed by capital appreciation (30%) and regular income (20%). Self-research was the most frequently reported source of investment information (28%). Overall,



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the findings describe a sample that generally favours longer investment horizons, research-based decisions, and safety-oriented investment objectives. Further measurement of financial knowledge and awareness can provide a more comprehensive understanding of investors' decision-making.

References

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