CHAPTER 6
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6.1 Introduction

The researchers have attempted study of psychographic segmentation of investors in Socio Economic class A1. Research has arrived few findings may invite attention of investors and the companies in Financial Sector.

6.2 General Findings

Following are the general findings based on overall experience of researcher during personal interview of respondents.

1. Majority of respondents prefer long term duration for investment. They do investment for 5 and more than 5 years.

2. Sample investors expect 10% to 15% return on their investment.

3. Majority of sample investors in socio economic class A1 rely on Financial Advisors and Consultants for advice.

6.3 Specific Findings

Specific findings are drawn from the analysis are as follows:

Part-I

27. According to VALS, 32 respondents have Achiever personality and only 15 respondents have Innovator type of personality. (Table No 5.2.1.2)

Part-II

27. Bank Deposits, Insurance and Shares have ranked 1st, 2nd and 3rd having 21.2, 20.5 and 16.7 weightage respectively and Gold, NSC and ULIPs have 2.9, 1.9 and 0.1 weightage respectively with ranks 8th, 9th and 10th respectively. (Table No 5.2.2.1)

27. Professionals, Executives and Entrepreneurs preferably invest in Bank deposits as it is ranked 1st and ULIPs has ranked 10th by professionals, Entrepreneurs and Executives With weightage 0.1, 0 and 0.1 respectively. (Table No 5.2.2.2)

27. In Socio Economic Class A1, Correlation Coefficient between investment pattern of Professionals and Entrepreneurs is 0. 94. Correlation is low between Executives and Entrepreneurs at 0.81. (Table No 5.2.2.3)

27. Bank Deposits has ranked 1st and ULIPs has ranked 10th by Achievers, Experiencers and Innovators. Thinkers ranked 1st to Insurance and 10th towords Real Estate (Table No 5.2.2.4))

27. There is highest correlation between Innovator and Achiever personalities i.e. 0.93 and lowest correlation between Innovator and Thinker i.e. 0.73. (Table No 5.2.2.5)

Part-III

7. According to objectives behind investment, Health Insurance, Future Dependent obligation ranked 1st and Future Personal obligation, Tax saving have ranked 2nd respectively. (Table No 5.2.3.1)

8. Retirement Planning and Tax Saving are considered major objectives behind investment by Professionals. They ranked 1st and 2nd respectively. (Table No 5.2.3.2)

9. Tax Saving and Future Personal Obligation are considered major objectives behind investment by Entrepreneurs. They ranked 1st and 2nd respectively. (Table No 5.2.3.3)

10. Health Insurance, Tax saving and Future Personal Obligation are considered major objectives behind investment by Executives. They have ranked 1st, 2nd and 3rd respectively. (Table No 5.2.3.4)

11. Achievers ranked 1st, 2nd and 3rd towords Future Dependent Obligation, Tax saving and Future Personal Obligation respectively and Experiencers ranked 1st, 2nd and 3rd towords Tax saving, Future Personal Obligation and Retirement Planning. (Table No 5.2.3.5 and 5.2.3.6)

12. Health Insurance, Future Dependent Obligation, Future Personal Obligation and Tax saving have ranked 1st, 2nd and 3rd rank by Innovators and Health Insurance and Future Personal Obligation have ranked 1st and 2nd by Thinkers.. (Table No 5.2.3.7 and 5.2.3.8)

Part-IV

13. Safety, Return and Risk are considered major guiding factors towords investment having 1st, 2nd and 3rd rank with frequencies 45, 26 and 24 respectively. (Table No 5.2.4.1)

14. Safety, Risk and Return are considered major guiding factors for investment by Professionals and Executives. They are having 1st, 2nd and 3rd rank respectively.(Table No 5.2.4.2 and 5.2.4.4)

15. Safety, Return and Risk are considered major guiding factors for investment by Entrepreneurs, Achievers and Experiencers. They have ranked 1st, 2nd and 3rd respectively.(Table No 5.2.4.3, 5.2.4.5 and 5.2.4.6)

16. Return, Safety and Risk are considered major guiding factors for investment by Innovators.(Table No 5.2.4.7)

17. Safety, Risk and Return are considered major guiding factors towords investment ranked as 1st, 2nd by Thinkers.(Table No 5.2.4.8)

Part-V

18. Consultants, Financial advisors are considered as most reliable sources of information by sample respondents. .(Table No 5.2.5.1)

19. Sample respondents depicted by level of dissatisfaction towords Newsletters, handouts and journals. (Table No 5.2.5.1)

20. Professionals, Entrepreneurs and Executives consider Consultants, Financial advisors as more perceptual reliable sources for getting information. (Table No 5.2.5.2)

21. Government officials, Bank officials and Newspaper Ads are considered as neutral sources for getting information by all respondents. (Table No 5.2.5.2)

22. Perceptual dissatisfaction has been given to the Newsletters, handouts and journals by all personality respondents. (Table No 5.2.5.3)

Part-VI

23. Trustworthy, Convenience and Reputation are the foremost important parameters considered in selecting financial company by sample respondents. (Table No 5.2.6.1)

24. In selecting financial company, almost all parameters are rated high except use of technology by sample respondents. (Table No 5.2.6.1)

25. Usage of Technology and Product Flexibility and transparency are considered as neutral sources by sample respondents. (Table . No 5.2.6.2)

26. Usage of Technology is considered as neutral source having 31%, 44%, 40% and 22% by Achievers, Experiencers, Innovators and Thinkers respectively. (Table No 5.2.6.3)

Part-VII

27. Researcher found no differences into investment pattern on the basis of occupation i.e. Entrepreneurs, Executives and Professionals. (Table No 5.2.7.1)

28. There is similarity has been found in the investment pattern of the groups of personality i.e. Achievers, Experiencers, Innovators and Thinkers.but non uniformity has been found in the case of intra-group comparison.

     (Table No 5.2.7.12)

6.4 Conclusions

Segmentation of an investor requires complete understanding of the financial service industry and also the psyche of the investor. This study has made an attempt to understand the personality of investors in Socio Economic Class A1 with connection to the preference and selection of investment avenues, objectives behind investment, Guiding factors and Sources of information. In demographic profile, Age, Income, Occupation, Sex and Educational Qualification have been studied. For Psychographic study, VALs model has used. According to VALS, four types of personalities are identified among the sample respondents. They are Achiever, Experiencer, Innovator and Thinker. Two hypotheses in this regard have been set to test to reach conclusions. It shows that Behavioural trends usually take time to stabilize and they get disturbed even by a slight change in any of the influencing variables. Therefore, the study of demographic and psychographic characteristics of the investor is very necessary to segment the Investment industry.

Hence, study similar to the present one need to be conducted at intervals to develop useful models. Nevertheless, it is hoped that the study findings will have some useful managerial implication for the Financial Service Industry in their segmentation and product designing.