

# **INVESTIGATING THE IMPACT OF RISK TOLERANCE IN SHAPING WOMEN'S INVESTMENT CHOICES IN THE STOCK MARKET**

**Project Report**

**Submitted by**

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**Under the Guidance of**

**Dr. ANU RAJ**

In partial fulfillment of the requirements for the award of the degree of  
**Bachelor of Management Studies (International Business)**



**St. TERESA'S COLLEGE (AUTONOMOUS), ERNAKULAM**

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**March 2024**

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**CERTIFICATE**

*This is to certify that the project entitled "Investigating the impact of Risk Tolerance in Shaping Women's Investment Choices in the Stock Market", has been successfully completed by Ms. Nikitta Rose Mathews, Reg. No. SB21BMS024, in partial fulfillment of the requirements for the award of degree of Bachelor of Management Studies in International Business, under my guidance during the academic year 2021-2024.*

**Dr. ALPHONSA VIJAYA JOSEPH**

**PRINCIPAL**

**Date:**

**ST. TERESAS COLLEGE (AUTONOMOUS) ERNAKULAM**  
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Date: 22/04/2024

Dr. ANU RAJ

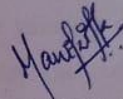
INTERNAL FACULTY GUIDE

**DECLARATION**

*I, Nikitta Rose Mathews, Reg. No. SB21BMS024 hereby declare that the project work entitled "Investigating the Impact of Risk Tolerance in Shaping Women's Investment Choices in the Stock Market" is my original work.*

*I further declare that this report is based on the information collected by me and has not previously been submitted to any other university or academic body.*

**Date:** 22/04/2024



**NIKITTA ROSE MATHEWS**

**Reg. No. SB21BMS024**

## **ACKNOWLEDGEMENT**

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I extend my sincere gratitude to the Director of the college, Rev. Dr. Sr. Vinitha (CSST), the principal of the college, Dr. Alphonsa Vijaya Joseph and all the faculty members of the Department of Management Studies for their overall guidance, inspiration and suggestions throughout my project work.

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My acknowledgement would be incomplete without thanking my parents, friends and everyone who have directly or indirectly helped me for completing the project in time and thereby making it a success.

**NIKITTA ROSE MATHEWS**

## **EXECUTIVE SUMMARY**

During the pandemic there had been a rise in the women investors. Even though there had been an uncertainty in the economy, women entered the investment platform. This research is conducted to find the factors that would influence the investment choices of women. This survey includes women attitude due to risk tolerance, knowledge about the AI tools used in stock market, opinion about the effect of social media on the choices and how their peer effect their choices.

This study mainly focuses on the investment choices of women. Samples were selected based on the convenience sampling and the entire data has been analyzed using the SPSS software package. This study shows the factors that influence women investment choices and their adoption of social media to take appropriate decisions. Majority of the women are very risk tolerant and they refer social media to gain knowledge on the financial products. The next generation of women are prepared to take the risk and gain a secondary source of income. It is also assumed that stock market is associated with men and they are better traders than women. It was also found that higher number of respondents are moderately likely to invest in stock market due to increase use of social media and other platforms to gain knowledge on the various financial products and to get a clear vision as to how the trading platform works.

Majority of them feel that investing in stock market can gain an upper hand in the society. It helps socializing with eminent personalities to gain better knowledge of the stock market.

Providing knowledge on the purchase of financial products can help users to have alternative options in the future. Having proper knowledge on how to manage the sources of income can boost the users to buy the financial products on a larger scale without falling into debt or any financial crisis. Deeper knowledge about the subject, technical knowledge and security controls helps the investors to overcome the fear of failing and make them more interested towards investing.

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**INVESTIGATING THE IMPACT OF RISK TOLERANCE IN  
SHAPING WOMEN'S INVESTMENT CHOICES IN THE  
STOCK MARKET**

**CHAPTER ONE**  
**INTRODUCTION TO STUDY**

## 1.1 INTRODUCTION

Stock market represents an institution where investors can buy and sell shares. Shares represent the ownership claims of business. They include securities listed in public stock exchanges, etc. They are grouped by the country in which the company is operating. They act as primary and secondary markets. As the primary market, they allow companies to issue and sell their shares to the public for the first time through an initial public offer. Stock exchanges act as facilitators for capital raising and receive a fee from the company and their financial partners. They ensure price transparency, liquidity, price discovery, and fair dealings in their trade activities.

According to the reports of Fidelity, around two-third of women invest out of their retirement plans and younger generation has also started to invest. Reports state that around 67% of women will invest out of their retirement plans in 2021. The CFA institute also predicted that there won't be any gender gap in the stock market participation in 2025.

Women investors in India lack support from peers and family. They tend to be demotivated by every bad choice they make. They also lack technological and financial knowledge, which widens the gender gap between men and women investors in India.

Even today, investing in stocks, bonds and securities are associated with men, and few working women take the initiative to learn and understand about the aggressive investing. It is always better to have other sources of income rather than relying on a single major source. Women take cautious approach to trading, which helps them get greater returns over a long period of time. They research the pros and cons of investing before taking any decision, which lessens the loss incurred by them when compared to men. By investing in stocks and other securities, it helps women to be financially independent and make major plans for the future.

According to Forbes, India has surpassed Hong Kong as the fourth largest stock market in the world and in the near future India will have a drastic change from \$5 to \$10 trillion GDP. The stock market helps with the wealth effect of the country and influenced the pension fund and the bond market. A bull market refers to the rise the price of stocks, which leads to overall confidence in the economy. The stock market tends to be the backbone of the Indian economy. Inflation in a country severely affects the stock market movements.

Risk tolerance is the level of risk an investor is willing to take while making an investment decision. There are many factors that influence risk tolerance; the goals of the investors, portfolio size, timeline, age, etc.

Social media has become one of the most prominent platforms for the discussions and debates related to stock market trends. It improves efficiency and influences investors sentiments.

Often, women are underrepresented in the financial sector, which results in depreciating confidence levels with respect to investment.

## **1.2 PROBLEM STATEMENT**

This research aims to explore the barriers and challenges faced by women in making stock market investments, assess the impact of socio-cultural factors on their decision-making process, and identify potential strategies to enhance women's confidence and engagement in the stock market.

Despite the increasing financial literacy among women, there still exist a huge gender disparity in active participation and decision making within the stock market.

## **1.3 LITERATURE REVIEW**

### **1.3.1 Risk Tolerance**

On July 25, 2020, (Financial Literacy and Financial Risk Tolerance of Individual Investors: Multinomial Logistic Regression Approach,) Yılmaz Bayar, H. Funda Sezgin and Mahmut Ünsal Şaşmaz described risk tolerance as one of the important factors influencing an individual investors investment decision making, financial planning, optimization of investors portfolio. Both individual and institutional investors consider the rate of return and riskiness of the investment.

According to Harinakshi (December 2023) Indian female investors are risk averse and are not willing to take significant risk. They prefer safety over high returns. They willing to invest in gold and fixed deposits due to unawareness about the benefits of investing in mutual funds and stock market.

### **1.3.2 AI tools**

Use of Artificial Intelligence in Stock Trading (Dr. Emon Kalyan Chowdhury Associate Professor CIU Business School Chittagong Independent University Bangladesh) 10 March 2019 describes Artificial Intelligence (AI) as machines that programmed to think and act like humans. AI based stock trading are more accurate and requires less time. It is

already used to forecast stock market trends, it also helps to predict trading pattern of investors, brokers, etc.

Akash Patel (May 7, 2021) explains AI can help improve the stock price prediction. It can become a valuable asset for the stock market firms and also provide real life solutions to individual investors who face difficulties in stock market.

### 1.3.3 Peer Exposure

Peer effects in stock market participation: evidence from immigration (Anastasia Girshina, Thomas Y. Mathä, Michael Ziegelmeyer) 2019.

Financial decisions lead to costly search for information due to which individuals consult their friends, family, etc who in turn influence the economic behaviour of the individual. Social learning is one of the main channels through which individuals take decisions in terms of investment.

Markku Kaustia illustrates the relationship between the peer exposure and the stock market participation. There is a significant effect of social influence on the individual investor's decision in stock market.

### 1.3.4 Social Media

Wasiat Khan, Mustansar Ali Ghazanfar, Muhammad Awais Azam, Amin Karami, Khaled H. Alyoubi & Ahmed S. Alfakeeh Stock market prediction using machine learning classifiers and social media, news, Journal of Ambient Intelligence and Humanized Computing, Volume 13, pages 3433–3456, (2022) quoted “Social media and news can change an investors behaviour”. They help to improve the performance and quality of the predictions. Social media and financial news provide high predicted accuracies. The two stocks that are most influenced by social media are New York stocks and IBM stocks.

Sascha Erbeling explains that there is a huge influence of social media on the investors awareness and participation. They act as a source of information for the stock market trading.

According to Ulrike Malmendier, Demian Pouzo, Victoria Vanasco (Journal of Financial Economics, [Volume 136, Issue 3](#), June 2020, Pages 597-622, Investor experiences and financial market dynamics) there is a significant difference in investment decision making by older and younger generations in terms of return predictability, trading patterns, excess volatility.

## **1.4 SIGNIFICANCE OF THE STUDY**

The findings of this study will help to enhance women's financial well-being, encourage them to be more independent, increases the growth of the individual and society at large. It will also motivate the underconfident women investors to participate in the market. Participation of women investors can increase the financial security and the wealth accumulation of the individual.

## **1.5 SCOPE OF THE STUDY**

This study is mainly focussed on understanding the different factors influencing the choices of women in stock market. According to a recent study there has been a rise in the number of women investors and around 3.39 percent women start investing in their twenties and 41 percent start in their thirties. They aim to set a solid foundation in order to achieve their long-term goals. According to the data of AMFI on mutual funds, women is one of the fastest growing segments. Radhika Gupta states that as India will financialise there will be next gen women who are more confident and aspiring.

Even people with no experience in investments have started investing rather than being observers. Women has started paving way for future generation to flourish in finance and investment sphere. They have started breaking the barriers and working towards innovation and diversity. According to a news article of News 18 "women are showcasing their skills and qualities that would enhance their success in the investment world and how some of them use the rapid-growing AI-led tools". The participation of women is a testament for their growing economic empowerment and greater financial literacy. There is also a growth in the confidence level of women. Thus, this research helps to understand attitude of women in investment decision making.

## **1.6 OBJECTIVE OF STUDY**

1. To study the influence of risk tolerance on women's investment decision making in stock market.
2. To investigate the effect of AI tools on the women investment decision making in stock market.
3. To understand the impact of peer-peer exposure on women's investment decision making in stock market.

4. To study the influence of social media on women's investment decision making in stock market.

## 1.7 CONCEPTUAL MODEL



## 1.8 RESEARCH HYPOTHESIS

The following are the research hypothesis constructed in this study-

**H1:** There is a positive relationship between the risk tolerance and social media of women towards shaping their investment choices.

**H2:** There is a negative relationship between AI tools towards shaping women's investment choices.

**H3:** There is a negative relationship between peer exposure towards shaping women's investment choices.



## **1.9 RESEARCH METHODOLOGY**

### **1.9.1 Data Collection**

There are two main types of data used by researchers they are primary data and secondary data. Primary data collection helps to gather information from first hand sources for any specific research purpose. It is collected through surveys, interview, case studies. Secondary data collection on the other hand gathers information through secondary sources which has already been used for some other purpose these include journals, research papers, newspaper, etc.

The tool used for this research was primary data collection to understand women's attitude through self-administered questionnaires. 5-point Likert scale using degrees of agreement was used to measure their responses.

Secondary data collection techniques were also used to ascertain the industry profile of women investors. It was also used in the introduction to study and literature review.

### **1.9.2 Data Samplin**

#### **1.9.2.1 Population**

It is a compilation of individuals which has same quality or some characteristic in common. The significant portion of the population used in research is known as the sample. In this survey, the population consists of the women in India who are hesitant to invest in stock market.

#### **1.9.2.2 Sample Size**

The sample size taken for this study is 50 responses. Questionnaire were distributed to the respondents and enough time was given to fill the questionnaire.

#### **1.9.2.3 Sampling Technique**

The study uses convenience sampling technique which is a type of non-probability sampling technique. It involves selecting the sample population from a pool of conveniently available respondents.

### **1.9.3 Data Collection Technique**

The questionnaire is carefully mapped out to meet the requirements of the research. The questions were constructed using various scales like nominal scale, ratio scale and Likert scale. The Likert scale helps to understand the attitude of women in terms of investment decisions.

### **1.9.4 Data Analysis Technique**

The data has been analysed using SPSS software package. The tools used for the analysis in SPSS are as follows:

- Percentage Analysis
- Logistic regression
- Chi-Square

## **1.10 LIMITATIONS OF THE STUDY**

- Time constraints were one of the major limitations.
- The sample size is very small which makes it hard to understand the accuracy of the data provided.
- Many respondents were not cooperative with the research survey.
- Difficulty in achieving the sample size.
- The responses may not be accurate.

**CHAPTER TWO**  
**INDUSTRY, COMPANY AND PRODUCT PROFILE**

## 2.1 INDUSTRY PROFILE

Equity market also known as stock market or share market is a place where shares of companies are traded. It can be either traded through over the counter or at Stock exchanges. Growth stocks are where investors make high bids in the live equity market. It provides huge returns to investors and increases their wealth. It has low tax rates when compared to other financial investment and the investors can easily entry and exit a stock.

### 2.1.1 Indian Stock Market

The India Stock Market has been unrestrained ride for the investors, with Sensex reflecting the country's economic growth over the years. Technological Advancements has been a major factor in the growth of the stock market. It includes Artificial Intelligence and Machine Learning, Fintech.

Artificial Intelligence helps individuals in problem solving. Fintech is a technology enabled financial solutions that has disrupted the traditional financial services. It's services ranges from digital payments to blockchain. It drives efficiency and innovation in the ecosystem. The Indian Stock Market is in bull trend as there is a rise in the GDP growth for the third quarter of this fiscal year which brought back the power in banks and PSU stocks.

### 2.1.2 Future Trends of Indian Stock Exchange

There two main trends i.e. Sectoral and Investors. The three main sectors that is expected to grow in the recent years are E-commerce, Healthcare and Renewable Energy. It helps in analysing each sectors opportunities and threats and forecast based on these factors. Investor Trends include retail investors, Foreign Institutional Investors, Alternative Investments. There would be an increase in the retail investors participation in the upcoming years due to the popularity of online trading, increased financial literacy, etc. There would also be an expansion of Derivatives Market which would offer the investors with hedging and trading opportunities. There is greater emphasis on ESG investing where investors pursue companies that follow sustainable practices and responsible governance. The Indian stock might integrate with the global equity market to achieve international stock market linkages and cross-border investment flows.

## 2.2 COMPANY PROFILE

### 2.2.1 Major Stock Exchanges in India

The two prominent stock exchanges of India are:

#### 1. BSE

It is also known as the Bombay Stock Exchange and was established in 1875. It is referred to as the oldest stock exchanges in Asia and is ranked the World's 10<sup>th</sup> largest stock exchange. Sensex is the index that measures the performance of BSE. Companies seeking to list their company in BSE has to go through a series of procedure for financial performance, regulatory compliance which thereby help in capital formation and investor protection. They have a wide range of investors like retail, institutional investors, mutual funds by providing liquidity for efficient trading. They maintain transparency, market integrity and investor protection. They provide a platform for capital raising, investment, wealth creation, etc.

#### 2. NSE

The National Stock Exchange was the first to bring demutualised electronic stock exchange in India. Its aim was to eliminate the monopolistic impact of the Bombay Stock Exchange. It is measures by the Nifty 50. It emphasises on innovation and acquires best practices to enhance reliability, resilience and security of its trading platform. It invests in advance technology solution to meet the changing needs of the market participants. It promotes investor education, market efficiency and promotes market development.

### 2.2.2 Major Players of the Stock Exchange

Some of the largest companies in the stock market are

- i. Reliance Industries
- ii. TCS

#### I. Reliance Industries

It is the largest and most profitable private sector company. Their motto is "Growth is Life". Their businesses include energy, petrochemicals, retail, Digital Services-Jio, New Energy & New Materials, Media and Entertainment. The Market Capitalisation of Reliance Industries in the

FY2022-23 was Rupees 15,77,093. It was ranked the 45<sup>th</sup> in the Forbes Global 2000 in 2023. The company has received domestic credit ratings of AAA from CRISIL (S&P subsidiary) and Fitch. According to recent reports by Economic Times, Reliance industries have agreed to buy Paramount Global's entire 13.01 % stake in local entertainment network Viacom 18 Media which is around 4286 crores. Its stock performance is closely watched by investors and analysts due to its significant influence on the major sectors of the Indian economy. They plan to become a net-zero carbon emitter by 2035 and to invest in renewable energy and green technologies.

RIL's petrochemical and refining business is the core of the company. It is one of the world's largest refining businesses in Jamnagar, Gujarat. They have pursued a vision of transforming into a technology-driven conglomerate with a focus on digitalization, sustainability and innovation. Jio has been working towards to make 2G-Mukt. They launched the JioPhone Next which is the most affordable full touchscreen 4G phone in collaboration with Google. They have expanded their retail footprint and strengthened its position in the Indian retail market.

## II. TCS

It is one of the global leaders in IT services, consulting and business solutions. It was founded in 1986 to provide IT services to Tata Group. It emphasizes on talent development and innovation. They ensure that their employees have the skills and expertise to provide cutting edge-solutions. They adhere to high standards of corporate governance, transparency and ethical business practices. They help their clients to navigate digital transformation by leveraging the emerging technologies like Internet of Things (IoT), AI, cloud computing, blockchain and cybersecurity.

They offer a portfolio of services such as IT consulting, system integration, infrastructure services, digital solutions, business process outsourcing (BPO).

It operates in 50 countries and serves clients across various industries including banking, financial services, insurance, healthcare, retail, manufacturing and telecommunication. It has centres and offices located around the world to serve its global clients. They have received numerous

awards and recognition for its innovation, consumer satisfaction, and corporate social responsibility initiatives.

## 2.3 PRODUCT PROFILE

The various financial products traded in stock market in order to provide investors with the opportunities to invest in different asset classes and achieve their financial objective are

- Stocks

They represent the ownership in a company and are traded on stock exchanges. Investors buy and sell stocks in order to earn potential returns through capital appreciation and dividends.

There are two types of stocks i.e. common stock and preferred stocks. Common stocks represent the ownership in the company and includes voting rights. Preferred stocks on the other hand, do not have voting rights but may have priority over common stocks due to dividends and asset distribution.

- Bonds

They are debt securities issued by governments, corporations, municipalities to raise capital. They offer fixed-income returns and are traded in the bond market. It has a specified maturity date and ranges from short term to long term. Long term bonds generally offer higher yields to reduce the investors additional risk. They assign credit rating based on the issuers creditworthiness and ability to repay its debt obligations. They provide income, portfolio diversification, and capital preservation.

- Exchange-Traded Funds

They are investment funds that trade on stock exchanges like individual stocks. They offer investors exposure to a particular market index, sector or asset class with the convenience of trading like stocks. They gather money from various investors to acquire a diversified portfolio of assets. There are six types of ETF's i.e. Index ETF, Sector ETF, Bond ETF, Commodity ETF, Factor ETF and Thematic ETF. It offers tax efficiency as they have lower portfolio turnover and capital gains distributions compared to mutual funds. They disclose their holdings on a daily basis,

allowing investors to see the underlying assets held by the fund. This helps the investors to make informed decisions and monitor the performance of their investments.

- Mutual Funds

They are managed by fund managers who make investment decisions on behalf of the investor. They give access to diversified portfolio of securities within a single investment vehicle. There are seven main types of mutual funds i.e. Equity funds, Bond funds, Money Market funds, Balanced funds, Index funds, Target Date funds and Sector funds. They are regulated by investment companies governed by securities laws and regulations. They must comply with regulatory requirements including registration with the Securities and Exchange Commission (SEC).

- Options

They are derivative contracts gives the holder the right to buy and sell an underlying asset at a specified rate at a predetermined date. The types of options are Call option and Put option.

They have a finite lifespan, known as expiration date after which they expire worthless if not exercised. Option buyers pay a premium price to option sellers to acquire the rights conferred by the option contract. There are two types of options position i.e. long position and short position. They provide investors with flexibility, leverage and risk management tools to enhance their investment strategies and achieve their financial goals. They require a thorough understanding of the options mechanics, market dynamics, and associated risks, and investors should consider their risk tolerance and investment objectives before trading in options.

- Futures

They are standardized agreements to buy or sell a specified asset at a predetermined price on a specified future date. There are various types of underlying asset i.e. commodities, financial instruments, and other assets. They are highly standardized with predetermined contract sizes, expiration date, and delivery specifications. It involves the use of leverage which allows traders to control a large position with a relatively small amount of capital. Most future contracts are cash settled meaning that physical



delivery of the underlying asset does not occur. It provides efficient mechanisms for drive discovery, risk management, and speculation across a wide range of asset classes.

**CHAPTER THREE**  
**DATA ANALYSIS AND INTERPRETATION**

### 3.0 Data Analysis

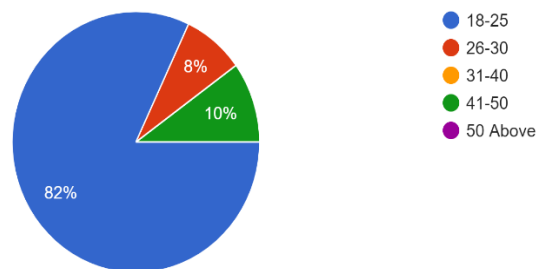
It is a process of analysis, visualising, interpreting the data using different techniques and business intelligence tools. It helps in effective decision making, enhance productivity, gain competitive advantage. There are two types of data i.e. Quantitative and Qualitative data.

In this chapter of analysis, data collection and finding of the study are discussed, the descriptive information and statistical analysis produced by the collected survey are shown. The given data are statistically analysed with the SPSS software program.

#### 3.1 PERCENTAGE ANALYSIS

##### 3.1(a) DEMOGRAPHIC DETAILS OF RESPONDENTS

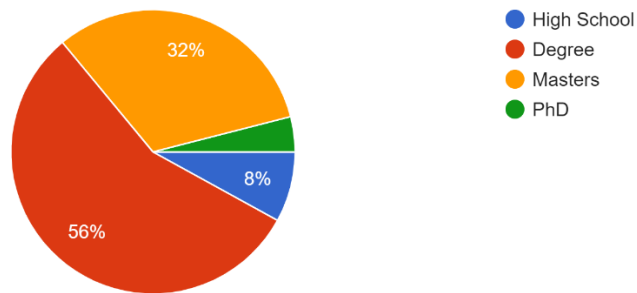
3. Age  
50 responses



##### a. AGE:

The details of demographic of respondents are provided in the figure. The summary of the pie chart above shows that out of 50 women majority of them i.e. 82% belong to the age group of '18-25'. It is highlighted in blue colour. The red colour shows that around 8% women are of the age group of '26-30' and green colour shows that 10% belong to the age group of '41-50'.

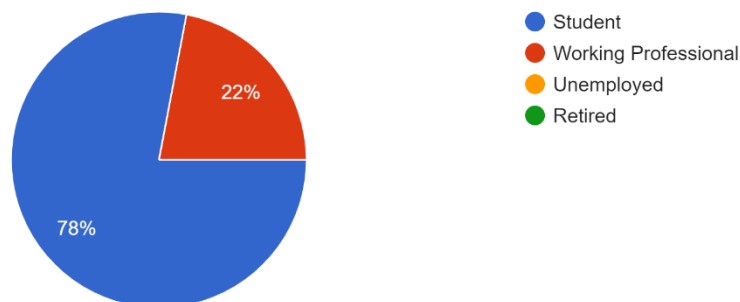
4. Qualification  
50 responses



**C. QUALIFICATION:**

The above pie chart states that out of 50 women, 56% has a degree qualification. 32% has a Master’s degree. 8% has a PhD and 8% has high school. It is differentiated by four colours i.e. red represents degree, orange represents masters, blue represents high school and green represents PhD.

5. Occupation  
50 responses



**D. OCCUPATION:**

The above pie chart demonstrates that out of 50 women, majority of them i.e. 78% are students and 22% are working professionals. It is differentiated by two colours i.e. blue and red. The blue colour exhibits the majority and red the rest.

### 3.1.1(a) WOMEN EVALUATION ON RISK IN INVESTING

12. If investing in the stock market today meant your initial investment had the potential to grow significantly over the next 20+ years, would you take the risk?

50 responses

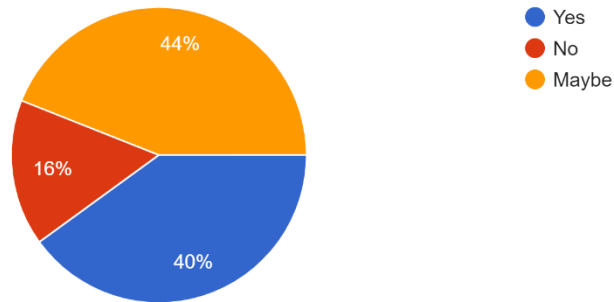


Fig 3.1.1(a): Pie Chart shows the women evaluation of investing in terms of risk.

The graph shown in fig 3.1.1(a) shows that most of the women i.e. 44% of the respondents might take the risk in the future if there would be an increase in their initial investment. Around 40% respondents are ready to take up the challenge even if there is a risk and 16% respondents are confident that they wouldn't invest due to the risk even if they would get high returns.

### 3.1.1(b): WOMEN ATTITUDE TOWARDS THE USE OF AI TOOLS

17. Do you believe that AI tools can be used to help make investment decisions

49 responses

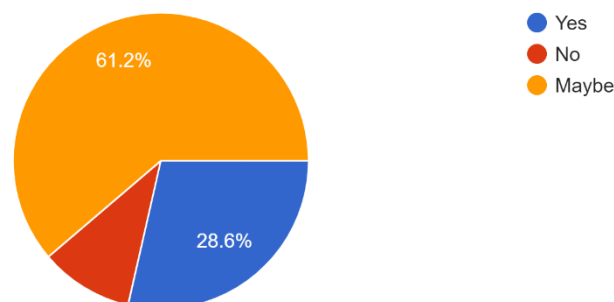


Fig 3.1.1(b): Pie chart showing the attitude towards the use of AI tools.

The above pie chart demonstrates that 61.2% of the respondents find AI tools might influence the investment decisions. Only 28.6% of the respondents feel that AI tools would definitely

help take better investment decision. 10.2% of the respondents found AI tools to have no difference in the investment decisions.

### 3.1.1(c): WOMEN ATTITUDE DUE TO PEER EXPOSURE

18. How does peer pressure affect your investment decision?

50 responses

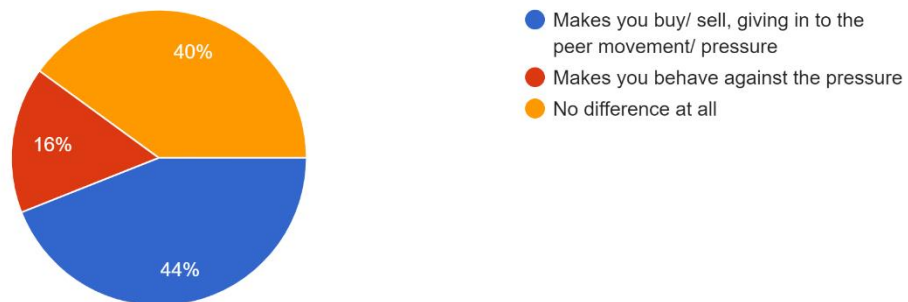


Fig 3.1.1(c): Pie chart shows the attitude due to peer exposure.

The above pie chart suggests that 44% of the respondents would buy/ sell due to peer exposure. 40% of the respondents would behave against the pressure and 16% of the respondents feel that peer exposure wouldn't have any influence on them.

### 3.1.1(d): WOMEN ATTITUDE TOWARDS THE REVIEWS ON SOCIAL MEDIA

21. How important is it for you that the company you want to invest in has good reviews on social media?

50 responses

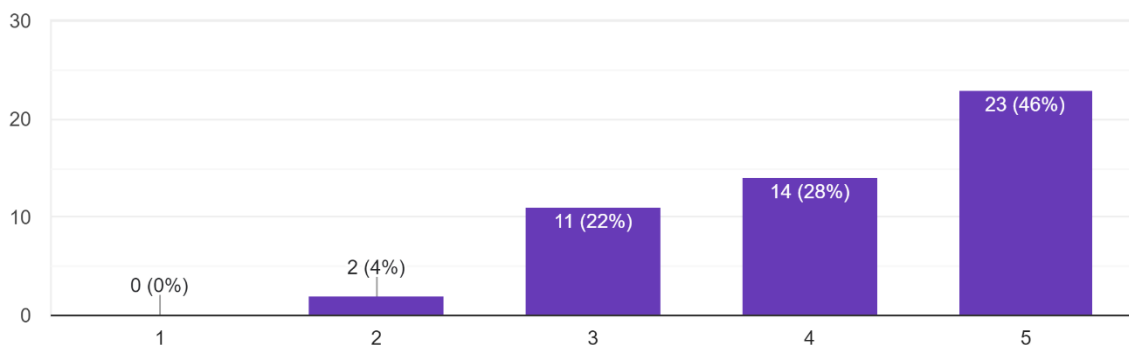


Fig 3.1.1(d): Bar graph shows the attitude towards the reviews on social media.

The graph shown in fig. 3.1.1(d) shows that most of the women i.e., 46% of the respondents feel it is very important for the company that they would want to invest have good reviews on social media. 28% of the respondents feel that it is important to have good reviews on social media. 22% of the respondents have a neutral attitude towards the reviews on social media. 4% of the respondents feel that it is not necessary to have good reviews on social media.

## 3.2 SPSS ANALYSIS

### 3.2.1 HYPOTHESIS TESTING

#### 3.2.1.1 DEMOGRAPHIC DETAILS OF RESPONDENTS

The researcher has tried to study the demographic variables of the respondents.

	Demographic Characteristics	Number of Respondents	Percentage
Age	18-25	41	82
	26-30	4	8
	41-50	5	10
		50	100%
Qualification	High School	4	8
	Degree	28	56
	Masters	16	32
	PhD	2	4
		50	100%
Occupation	Student	39	78
	Working	11	22
	Professional		
		50	100%

Income	Less than 10,000	24	48
	10,000-30,000	14	32
	30,000-50,000	4	8
	Above 50,000	6	12
		50	100%

Table 3.1(a): Shows Demographic Details of the Respondents

The demographic details of the respondents are shown in table 3.1(a). The summary of the above table shows that out of the 50 women. 82% women are of the age '18-25', 56% has a degree qualification, 78% are students and 48% has a monthly income less than 10,000.

### 3.2.1.2: Logistic Regression

**H1:** There is a positive relationship between risk tolerance and social media towards shaping women investment choices.

Table 3.2.1.2(a): Results of Binomial Logistic regression analysis (DV= Risk Tolerance, Social Media; IV= Women choice to invest)

Block 1: Method = Enter

	Chi-square	df	Sig.	-2 Log likelihood	Cox & Snell Square	Nagelkerke R Square
Step	18.465	2	.000			
Block	18.465	2	.000			
Model	18.465	2	.000	50.849 <sup>a</sup>	.309	.412

Table 3.2.1.2(a): Omnibus Tests of Model Coefficients and model summary

In the analysis Omnibus test of model was employed to test the model fit. Since the observed chi-square values were found to be highly significant ( $p=0.000$ ) for the step, block as well as for the model, it is sure that there is a significant improvement in the fit when compared to the null model, hence the model derives is showing a good fit.



In the table given above, Nagelkerke R Square value obtained is 0.412, which indicates that there is a moderate relationship between the CVI elements Women Choice to invest and the risk tolerance and Social media.

Table 3.2.1.2(b): Observed and predicted classification table

**Classification Table<sup>a</sup>**

	Observed	Predicted		
		DV1		Percentage Correct
		Already Invested	Not likely	
Step 1	Already Invested	16	9	64.0
	Not likely	7	18	72.0
	Overall Percentage			68.0

a. The cut value is .500

The table provides how well the model is able to predict the correct category, once the predictors are added into the study. The model classified 68.0 per cent of cases overall. The specificity of the model is 64%. The sensitivity of the model is 72%. Overall, the accuracy is 68%, the model exhibits good sensitivity, among those respondents who will chose already invested and not likely. 64% were correctly predicted to choose already invested of women choice on the model.

Table 3.2.1.2(c): Variables in the Equation

**Variables in the Equation**

	B	S.E.	Wald	df	Sig.	Exp(B)	
Step 1 <sup>a</sup>	Risk_Tolerance	-.478	.787	.368	1	.544	.620
	Social_Media	-2.583	.989	6.824	1	.009	.076
	Constant	9.418	3.085	9.319	1	.002	12303.473

The table shows the relationship between the predictors and the outcome. B is the predicted change in log odds,  $\text{Exp}(B)$  is the change in the probability of the outcome. Since the odd ratio for ‘Risk Tolerance’ aspect of ‘Women’s choice to invest’ is -0.478 which is less than 1, probability of falling into the ‘high’ ‘Risk Tolerance’ category is lesser than the probability of falling into the ‘low’ category for ‘Risk Tolerance’. In other words, it is sure that probability of responses on ‘low’ category for ‘Risk Tolerance’ is occurring and probability of ‘high’ category decreases.

Since the odd ratio for ‘Social Media’ aspect of ‘Women’s choice to invest’ is -0.2583 which is less than 1, probability of falling into the ‘high’ ‘Social Media’ category is lesser than the probability of falling into the ‘low’ category of ‘Social Media’. In other words, it is sure that probability of responses on ‘low’ category is occurring and probability of ‘high’ category decreases.

### 3.2.1.3: Chi-Square

**H2:** There is a negative relationship between AI tools towards shaping women’s investment choices.

**Crosstabulation**

Count

		DV1		Total
		Already Invested	Not likely	
Imp_AI	No	3	2	5
	Maybe	15	15	30
	Yes	7	8	15
Total		25	25	50

Table 3.2.1.3(a): Table shows the profile of women’s attitude towards the importance of AI and their choice in the future – Cross-Tabulation.

Table 3.2.1.3(a) shows that women who has an objective attitude towards the importance of AI in stock market has equal chances to invest as well as to not invest in the future. The women who have positive attitude towards the importance of AI in stock market has higher chances to not invest rather than to invest in the future. The women who have a negative

attitude towards the importance of AI in stock market has higher chances to invest when compared to others.

Chi-square test is used to verify the relationship between the women 's attitude towards the importance of AI and their choices based on them. The cross-tabulation is shown in Table 3.2.1.3(a) and the test of the relationship results is shown in 3.2.1.3(b).

**Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	.267 <sup>a</sup>	2	.875
Likelihood Ratio	.268	2	.875
Linear-by-Linear Association	.218	1	.641
N of Valid Cases	50		

a. 2 cells (33.3%) have expected count less than 5. The minimum expected count is 2.50.

Table 3.2.1.3(b): Shows the Chi-Square test of the relationship between the women attitude towards the importance of AI and their choices to invest.

Analysis of the data using Chi-Square test [Table 3.2.1.3(a)] revealed that the choices based on the women's attitude on the importance of AI is not associated with their decision to invest. Here the p value is .875 which is greater than .005 so that it can be concluded that the null hypothesis is accepted. This means that the women's attitude on the importance of AI doesn't contribute to the choice to invest.

**H3:** There is a negative relationship between peer exposure towards shaping women's investment choices.

**Crosstabulation**

Count

		DV1		Total
		Already Invested	Not likely	
PP_ID	No difference at all	10	10	20
	Makes you behave against the pressure	4	4	8
	Makes you buy/ sell, giving in to the peer movement/ pressure	11	11	22
Total		25	25	50

3.2.1.3(c) Table shows the profile of peer exposure and the choices made to invest- Cross-Tabulation.

Table 3.2.1.3(c) shows that women who would give in to the peer movement has an equal chance to invest as well as to not invest. There is a neutral attitude towards investing when they behave against the peer movement. The women who aren't affected by the peer movement also has an objective attitude towards investing in the future.

Chi-Square test is used to verify the relationship between peer exposure and the women's choice to invest. The cross-tabulation is shown in Table 3.2.1.3(c) and the test of relationship results is shown in Table 3.2.1.3(d).

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	.000 <sup>a</sup>	2	1.000
Likelihood Ratio	.000	2	1.000
Linear-by-Linear Association	.000	1	1.000
N of Valid Cases	50		

a. 2 cells (33.3%) have expected count less than 5. The minimum expected count is 4.00.

Table 3.2.1.3(d); Shows the Chi-Square test of the relationship between peer exposure and women's choice to invest.

The data analysis used in table 3.2.1.3(d) is Chi-square test and it is revealed that the peer exposure on women is not associated with the choices of women to invest. Here the p value is 1.000 which is greater than .005 so that it can be said that the null hypothesis is accepted. This means that the women's choices are not based on the peer exposure they encounter.

**CHAPTER FOUR**  
**FINDINGS, SUGGESTIONS AND CONCLUSIONS**

## 4.1 LIST OF FINDINGS

- i. Table 3.1(a) shows the demographic details of the respondents. These include the age, qualification, occupation. There was a total of 50 respondents.
- ii. Table 3.1(b) shows the age of the respondents. There was a total of 50 respondents and the majority was of the age of '18-25'.
- iii. Table 3.1(c) shows the qualification of the respondents. The majority of the respondents i.e. 56% have a degree qualification.
- iv. Table 3.1(d) shows the occupation of the respondents. The majority of the respondents i.e. 78% are students.
- v. Table 3.1.1(a) shows the pie chart that evaluates the women choices in investing in terms of risk. The graph shows that majority of the respondents would maybe take the risk if their initial investment would grow over time.
- vi. Table 3.1.1(b) shows the pie chart that indicates how AI tools would influence their choice to invest in the stock market. Majority of the respondents i.e. 61.2% found it might influence their choice to invest in the future.
- vii. Table 3.1.1(c) shows the pie chart that indicated the influence of peer exposure on the choice to invest in the stock market and majority i.e. 44% of the respondents found that peer exposure to definitely effect their choices to invest.
- viii. Table 3.1.1(d) shows the bar graph that evaluates the women choices in investing in terms of the reviews in social media. 46% of the respondents found the reviews on social media to be important in their choices to invest in the stock market.
- ix. Table 3.2.1.1 shows the demographic details of the respondents from the SPSS package. These include the age, qualification, occupation, income.
- x. Table 3.2.1.2(a) shows the omnibus test of model coefficients and model summary where null hypothesis is rejected and there is a significant relationship.
- xi. Table 3.2.1.2(b) shows the observed and predicted classification table which predicts the correct category.
- xii. Table 3.2.1.2(c) shows the variables in the equation and both risk tolerance as well as social media fall under low category.
- xiii. Table 3.2.1.3(a) and (b) shows the negative relationship between the attitude of women on the importance of AI tools and their choices based on these factors.

The null hypothesis for this relationship was accepted. This means that there is a negative relationship between the attitude of women on the importance of AI and their choices to invest.

- xiv. Table 3.2.1.3(c) and (d) shows the negative relationship between the peer exposure experienced by women and their choices based on these factors. The null hypothesis is not rejected. This means that there is no relationship between the peer exposure and the women choices to invest.

## 4.2 SUGGESTIONS

- i. The study was conducted in Kerala and the sampling used was convenience sampling. Future studies must take into research a larger scale of respondents of other geographical areas to reach more varied findings.
- ii. The study was conducted on the urban sector. Future studies must take into consideration the rural sector to reach more varied findings.
- iii. Future studies should also take into a larger sample size and can focus on various dimensions to help explain the concepts better.
- iv. The variables adopted for the research are limited. More factors must be considered to get varied results.
- v. Educational institutions should encourage the youth to gain financial knowledge and provide them with various materials on the same.
- vi. Governments should motivate individuals to have multiple sources of income. They can arrange seminars and workshops on the benefits of investing.
- vii. Individuals should try to gain financial knowledge through various platforms such as social media. They can network with people with prominent knowledge in investing.

### **4.3 CONCLUSION**

In conclusion, this study has examined the risk tolerance of women and their influence in shaping women's investment choices in the stock market. The reviews on the social media and the use of AI tools in the stock market. The findings have demonstrated that risk tolerance and social media have a positive relationship with women's choice to invest. The rise in the no: of women investors lead to growth in the individual as well as the society at large. Researchers have found that there will be a decrease in the gender gap in the near future.

Currently, working women have started investing out of their retirement plans and would like to have a secondary source of income.

This paper has therefore highlighted and unveiled the relationships and several important contributions to literature. Moreover, the data collected for the study support the research model and all the three hypotheses formulated. Consequently, the study's findings have provided worthy insights to the stakeholders concerned.



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**ANNEXURE**  
**QUESTIONNAIRE**

1. Name\*  

---
2. Gender\* (Mark only one circle)
  - Male
  - Female
  - Prefer not to say
3. Age\* (Mark only one circle)
  - 18-25
  - 26-30
  - 31-40
  - 41-50
  - Above 50
4. Qualification\*(Mark only one circle)
  - High school
  - Degree
  - Masters
  - PhD
5. Occupation\*(Mark only one circle)
  - Student
  - Working professional
  - Unemployed
  - Retired
6. Income\* (Monthly income before tax) (Mark only one circle)
  - Less than 10,000
  - 10,000-30,000
  - 30,000-50,000
  - Above 50,000
7. Are you currently investing in stock market\* (Mark only one circle)
  - Yes
  - No

8. If no, please rate your agreement with the following statements\* (5=Strongly Agree, 4= Agree, 3= Neutral, 2= Disagree, 1=Strongly disagree)

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
I cannot afford					
I don't know how to					
I am bad at it					
It is too risky					
I have no interest					
I have no one to talk to					
Someone else does it for me					

9. Have you received any training in financial market and financial matters\*
- Yes, via college or university education
  - Yes, via non-academic courses
  - No
10. Do you believe men and women are different in risk aversions\*
- Yes
  - No
11. I never invest in something that I don't know about, because of the risk of making a mistake\*
- Strongly Disagree
  - Disagree

- Neutral
- Agree
- Strongly Agree

12. If investing in the stock market today meant your initial investment had the potential to grow significantly over the next 20+ years, would you take the risk\*

- Yes
- No
- Maybe

13. In terms of credibility and reliability regarding investment decisions, to what extent do you agree with the following statements\*

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
I am prepared to take the risk to lose money, when there is also a chance to gain money.					
I would rather stick with investments that I usually do than try something that I am not very sure of.					
I only invest in financial products where I can predict the returns					

I feel that it is not easy for me to find somebody to help me invest in equities (stocks/shares) and/or equity mutual funds.					
--	--	--	--	--	--

14. Have you tried using AI tools for making any investment decision in stock market\*  
(if no, skip to qn 16)

- Yes
- No

15. How often do you take the help of AI tools\*

- Always
- Often
- Occasionally
- Never

16. Please rate your concerns while using AI tools\*

	Highly Important	Somewhat Important	Important	Less Important	Least Important
Occasional inaccuracies					
Complex functionality					
Income inequality					
Transparency					
Privacy					

17. Do you believe that AI tools can used to help make investment decisions\*

- Yes
- No

- Maybe

18. How does peer pressure affect your investment decision?\*

- Makes you buy/sell giving in to the peer movement/pressure
- Makes you behave against the pressure
- No at all

19. How often do you read about stocks, investments in general from social media per week?\*

- Never
- Rarely
- Occasionally
- Often
- Very Often

20. Where do you get your investing information from?\*

- Facebook
- Twitter
- You tube
- Spotify
- Telegram
- Others

21. How important is it for you that the company you want to invest has good reviews on social media\*

Not Important 1 2 3 4 5 Important

22. How likely is it for you to invest in a well-known company\*

Very Likely 1 2 3 4 5 Least Likely

23. How much do you trust the opinions of the financial experts that talk about investing on social media\*

Not at all 1 2 3 4 5 Very Much

24. How likely are you to make a decision on investing in a particular stock based on a recommendation from social media\*

Very likely 1 2 3 4 5 Least Likely

25. How likely are you to invest your money into the stock market within the next five years? \*

- Likely
- Not likely
- Unsure
- Already invested