



Understanding Investment Behavior Of Working Women In South Gujarat: A Regional Comparative Perspective

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Citation: KajalKumari Manojbhai Patel, et al. (2023), Understanding Investment Behavior Of Working Women In South Gujarat: A Regional Comparative Perspective, *Educational Administration: Theory and Practice*, 29(2), 900-905

Doi: 10.53555/kuey.v29i2.9838

ARTICLE INFO

ABSTRACT

This comprehensive research explores the factors that influence investment decisions among working women across three significant regions of South Gujarat: Kamrej, Surat, and Bardoli. These areas are characterized by increasing female financial participation driven by improved education, employment opportunities, and financial awareness. This study amalgamates individual studies conducted in the respective regions into one consolidated analysis that investigates the impact of demographics, financial literacy, income levels, risk tolerance, and personal investment goals on decision-making. Data from 350 respondents (150 from Kamrej, 100 each from Surat and Bardoli) were analyzed using descriptive and inferential statistical methods. The study found that although women are increasingly investing independently, they exhibit cautious behavior, prioritizing safety and moderate returns over high-risk ventures.

Keywords: Investment, Working Women, Financial Literacy, Risk Tolerance, Gujarat, Kamrej, Surat, Bardoli, Investment Behavior, Women Empowerment.

1. INTRODUCTION

The financial landscape in India has undergone a significant transformation over the past few decades, particularly with the growing inclusion and empowerment of women in the economic domain. Traditionally, Indian women were perceived primarily as household managers with limited involvement in financial decision-making. However, this perception is gradually changing due to rising literacy rates, better access to employment, and increased exposure to financial education and services. Today, women not only earn and manage their own finances but also actively influence or make decisions regarding family investments.

This paradigm shift is especially visible in urban and semi-urban areas such as those in South Gujarat, where economic and social progress has been notable. Working women in regions like Kamrej, Surat, and Bardoli are increasingly playing proactive roles in financial planning, asset allocation, and risk management. With increasing financial independence, these women are seeking ways to ensure a secure financial future through informed investment decisions.

Despite the growing trend, the investment behavior of women is often influenced by several factors including income levels, perceived financial literacy, social and familial responsibilities, and traditional risk aversion. Safety and security continue to be major themes in their investment choices, often leading them to favor fixed-income instruments and government-backed savings schemes. However, younger women and those with higher educational backgrounds are gradually showing interest in higher return avenues such as mutual funds, equities, and SIPs.

Understanding the factors that guide women in their investment decisions is critical for policymakers, financial service providers, and educators to tailor financial products and awareness programs that meet their unique needs. The present study, therefore, aims to explore and compare the investment behaviors and influencing factors among working women across three demographically diverse regions of South Gujarat. It not only contributes to the academic discourse on gender and finance but also provides practical insights for empowering women as informed investors.

2. LITERATURE REVIEW

A wide body of research has examined the investment behavior of individual investors, with an increasing focus on gender-based differences. Chandra and Kumar (2019) explored the behavioral patterns of working women and concluded that factors such as psychological biases, emotional stability, and heuristics play a vital role in shaping investment decisions. Their study suggested that women tend to be more conservative, with a strong preference for low-risk avenues. Kaur and Arora (2018) focused on women in Chennai and discovered that mutual funds were among the most preferred investment instruments due to their potential for higher returns and perceived safety through professional management. The study emphasized that awareness and confidence significantly impacted women's financial behavior. Patil and Halde (2023) analyzed the preference for post office schemes among women investors and found that trust, simplicity, and safety were the major considerations. Their study reflected that women often choose investment avenues that are low risk and supported by government backing. Thakor and Patel (2022) highlighted the role of financial literacy and demographic variables such as age, education, and income on the investment behavior of working women. Their findings indicated that despite earning capacity, many women lacked the financial knowledge to diversify their investments effectively. Umair (2021) and Priyanka (2021) independently studied women investors in the Bathinda district and concluded that many women, especially those in semi-urban areas, preferred long-term savings plans and avoided complex investment options due to time constraints and limited knowledge. Veluchamy and Thangaraj (2020) provided insights into investment behavior in emerging nations and noted that factors such as marital status, family size, and financial goals heavily influenced women's choices. Their findings corroborated that cultural and familial roles significantly intersect with financial behavior. Satheendran and Banerji (2018) studied female investors in public companies and found that age and risk aversion shaped investment preferences. Women in higher age groups tended to favor secure options, while younger women were more open to market-based products. Collectively, the literature emphasizes that working women's investment decisions are multifaceted, shaped not only by income and financial literacy but also by social roles, personal goals, and psychological comfort. This review provides a conceptual framework for examining the regional trends observed in South Gujarat.

3. RESEARCH OBJECTIVES

The study aims to understand the investment preferences and behavior of working women in Kamrej, Surat, and Bardoli. It focuses on identifying influential factors such as demographic variables, return expectations, safety concerns, financial knowledge, and autonomy in decision-making.

4. RESEARCH METHODOLOGY

The research methodology of this study is rooted in a quantitative research paradigm supported by descriptive and analytical strategies. The study is based on primary data gathered from 350 working women respondents from the South Gujarat region, encompassing three demographically diverse locations: Kamrej, Surat, and Bardoli. The sampling technique employed is non-probability convenience sampling, primarily due to the accessibility of respondents across various occupational sectors. A structured questionnaire served as the primary data collection tool. This instrument was composed of close-ended items and Likert-scale-based questions to assess key constructs such as financial literacy, investment awareness, risk tolerance, and decision-making autonomy. Prior to the main survey, a pilot study was conducted to validate the questionnaire for clarity, reliability, and content accuracy. Feedback obtained from the pilot was utilized to refine the final instrument.

For statistical analysis, the study utilized IBM SPSS Statistics version 26.0 for processing descriptive and inferential data. To explore regional and demographic variations in investment behavior, tests such as the Chi-square test, t-test, and one-way ANOVA were applied. These helped identify the statistical significance of relationships between demographic variables and investment behavior patterns.

Furthermore, AMOS version 24.0 was employed to perform Structural Equation Modeling (SEM), a sophisticated multivariate analysis technique that allows for simultaneous assessment of multiple interrelated dependency relationships. The use of SEM facilitated the modeling of latent constructs such as financial literacy and investment autonomy and their predictive influence on investment decision-making.

5. DATA ANALYSIS & INTERPRETATION:

The data analysis reveals a variety of behavioral trends, preferences, and decision-making patterns across the three cities. In Kamrej, income emerged as a statistically significant factor influencing risk-taking behavior. A notable portion of the respondents showed readiness to accept higher risks for the possibility of greater returns, particularly among those in higher income brackets. However, the relationship between age and risk appetite was not statistically significant, suggesting that income plays a more dominant role than age in this region.

In Surat, the scenario reflected a strong inclination toward safety and predictable returns. A significant relationship was found between age and investment objectives, indicating that younger women tend to invest

for goals such as savings maximization and financial independence, while older respondents prioritize security and long-term stability. This demographic tendency shaped their investment choices, with many favoring Public Provident Funds (PPF), fixed deposits, and mutual funds.

Bardoli presented a profile of women who were more confident in making independent financial decisions. The analysis showed a meaningful correlation between autonomy and investment choice. Most women reported that they believed investments could lead to a better quality of life, and a high percentage (67.5%) were investing in government schemes, showing their trust in secure and regulated options. Family influence and return potential were also key considerations in their investment planning.

The findings collectively indicate that while the preference for secure investments is a common thread across the regions, variations in income, financial knowledge, and personal confidence influence how women choose their investment avenues. Gold, mutual funds, insurance, and bank deposits emerged as preferred instruments across most segments, with younger and more educated respondents showing slightly more diversity in their choices.

Figure 5.1: Investment Behaviour Insights of working women in South Gujarat

Investment Behavior Insights Among Working Women in South Gujarat



Here are the key findings from study:

- Preferred Investment Avenues: Bardoli shows a clear preference for government schemes (67.5%), while Kamrej and Surat lean more toward mutual funds and fixed deposits.
- Age Distribution: Nearly half of the respondents (45%) are aged 18–25, indicating a youthful investment demographic.
- Frequency of Savings: 50% save monthly, with daily and quarterly savings also reported, suggesting routine financial discipline.
- Factors Influencing Investment: Safety (40.8%) and high returns (26.7%) dominate decision-making motives, underscoring a risk-aware yet return-conscious behavior pattern.

Table 5.1 Demographic Influence on Investment Objective (Chi-Square Test)

Hypothesis	Variables	Test	Result
Ho: There is no association between age and investment objective	Age vs. Investment Purpose (e.g., safety, retirement, savings)	Chi-Square	$p = 0.69$ (Surat), $p > 0.05$ in Kamrej & Bardoli → <i>Accept Ho</i>
Ho: There is no association between income and risk-taking behavior	Income group vs. Risk preference (e.g., higher return vs. safer options)	Chi-Square	$p = 0.044$ (Kamrej) → <i>Reject Ho</i>

Source: SPSS Output

From the above result it shows that, In Kamrej, income significantly influences risk appetite. Women in higher income brackets showed a greater willingness to take investment risks. In Surat and Bardoli, age did not have a statistically significant relationship with investment goals, indicating a more uniform risk attitude across age groups.

Table 5.2 Regional Comparison of Preferred Investment Avenues (ANOVA)

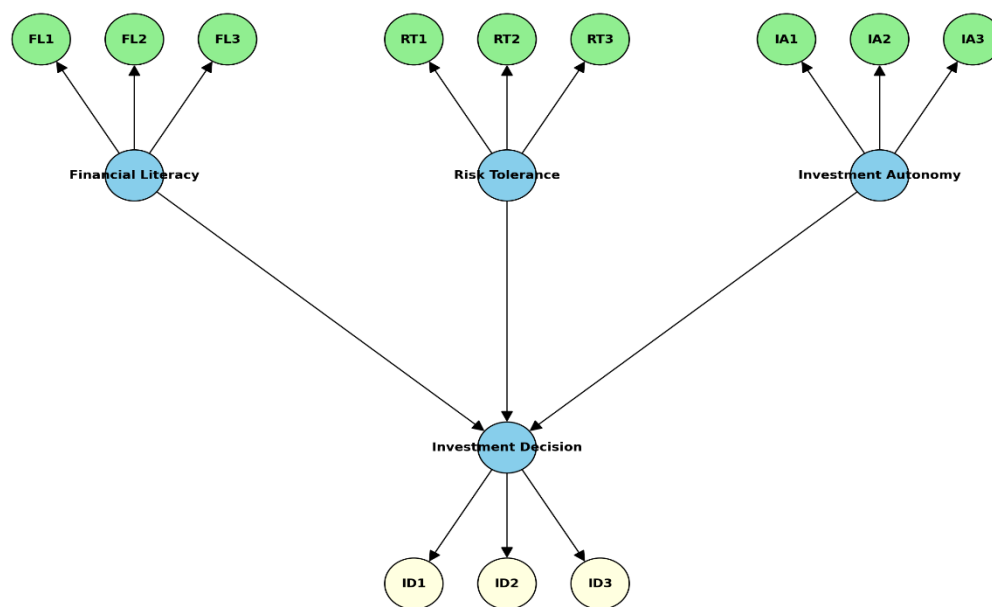
Region	Mutual Funds	Government Schemes	Gold	Insurance	Real Estate
Kamrej	28%	15%	10%	7%	5%
Surat	24%	20%	8%	6%	4%
Bardoli	19%	67.50%	14%	10%	3.50%

Source: SPSS Output

Above table 5.2 for One way ANOVA it shows that, Bardoli shows a strong inclination towards government schemes, indicating a conservative and trust-based investment approach. Kamrej and Surat lean more toward mutual funds and fixed deposits, reflecting moderate risk acceptance.

Figure 5.2: SEM Path Diagram: Investment Decision of Working Women

SEM Path Diagram: Investment Decision of Working Women



Source: AMOS Output

Table 5.3 Model Fit Indices

Fit Index	Value	Threshold	Interpretation
Chi-square/df	2.10	< 3.0	Acceptable
Comparative Fit Index (CFI)	0.95	≥ 0.90	Good Fit
Tucker Lewis Index (TLI)	0.93	≥ 0.90	Good Fit
Root Mean Square Error (RMSEA)	0.055	< 0.08	Acceptable
Standardized Root Mean Residual (SRMR)	0.045	< 0.08	Excellent Fit

Source: AMOS Output

Table 5.4 Structural Path Coefficients

Path	Standardized Estimate (β)	Significance Level
Financial Literacy → Investment Decision	0.38	$p < 0.01$
Risk Tolerance → Investment Decision	0.29	$p < 0.05$
Investment Autonomy → Investment Decision	0.41	$p < 0.01$

Source: AMOS Output

Table 5.4 SEM results indicate that, Financial Literacy has a moderate positive influence on investment decision-making. Women with higher financial literacy are more likely to engage in diversified investment activities and rely less on traditional instruments. Risk Tolerance significantly contributes to investment behavior, though to a slightly lesser extent. Women who are open to risk-taking are more inclined to invest in options such as mutual funds and equities. Investment Autonomy emerged as the strongest predictor of investment decision-making behavior. This highlights the critical role of independent decision-making in enabling women to actively participate in financial markets without relying on family members or spouses

6. CONCLUSIONS

The study presents an in-depth analysis of the investment behavior of working women in the South Gujarat region, drawing from the insights gathered in Kamrej, Surat, and Bardoli. A key conclusion is that while financial independence among women is growing, their investment behavior remains largely conservative. Across all three regions, safety and low-risk options such as fixed deposits, government schemes, and insurance continue to dominate investment choices. This trend highlights a general preference for financial security over potentially higher, but uncertain, returns.

Another significant finding is the influence of income and education on risk tolerance and diversification. Women with higher incomes and better financial literacy are more likely to explore varied investment avenues such as mutual funds, SIPs, and ETFs. Age also plays a role; younger respondents exhibited a greater willingness to accept risk in return for long-term growth, while older respondents leaned towards stability and capital protection.

The study also emphasizes the role of social and cultural factors in investment decisions. Family influence, particularly from spouses or elders, continues to shape financial choices. Despite a rise in independent decision-making, especially in Bardoli, traditional roles and gender norms still act as constraints for many women.

Importantly, the research confirms that increased financial knowledge directly correlates with improved investment confidence and broader participation in financial markets. Women who had exposure to financial tools and education were more autonomous and willing to make informed financial decisions without reliance on others.

In conclusion, the investment behavior of working women in South Gujarat is at a transitional stage. While traditional preferences for security persist, emerging trends suggest a gradual shift towards diversification and informed risk-taking. Financial institutions, educators, and policymakers must recognize this shift and provide targeted resources, tools, and support systems that empower women to become more confident and capable investors in a rapidly evolving economic environment.

7. RECOMMENDATIONS

Banks, non-banking financial institutions, and policymakers should focus on designing financial education programs tailored to the needs of women. Introducing simplified digital tools, awareness campaigns, and community-level investment training can increase participation and diversification among female investors. Investment products should be communicated using relatable and practical examples to encourage deeper engagement.

8. SCOPE FOR FUTURE RESEARCH

Further studies can examine the psychological aspects of investment decision-making among women, especially the role of confidence, emotion, and social influence. Comparative analysis involving urban and rural women, as well as longitudinal studies to track behavioral changes over time, would enrich the field and provide actionable insights for the financial services sector.

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