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A Study on Investor Awareness and Preferences of the Indian Stock Market with Reference to NSE & BSE

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Abstract

This study examines the investment behavior and perceptions of stock market participants in Tirupati, focusing on demographic influences, awareness, trading practices, and satisfaction levels. Key concepts include investor awareness, risk perception, trading preferences, and decision-making patterns. The objective was to assess how demographic and behavioral factors influence participation and to identify challenges and opportunities for local investors. Data were collected through a structured questionnaire administered to 140 respondents, covering gender, age, occupation, awareness, investment preferences, trading frequency, knowledge levels, and satisfaction. Descriptive statistics such as frequencies and percentages were employed to analyze the responses. The results show that most investors are young (18–28 years), with students and employees dominating the sample. Awareness of the stock market is high, yet not all respondents actively invest. NSE and online trading platforms are strongly favored, and long-term investment is preferred over short-term trading. Equity shares and mutual funds are the leading instruments, while IT, banking, and FMCG sectors attract maximum investment. Wealth creation and long-term savings are the key motives, although risk perception remains high and satisfaction levels are mixed. The study recommends enhancing financial literacy, promoting diversification, strengthening digital security, and providing reliable advisory services. Overall, Tirupati investors demonstrate a cautious yet progressive outlook, with optimism toward the future of the Indian stock market.

Keywords : Stock Market Investment, Investor Awareness, Risk Perception, Trading Preferences, Investment Behaviour, Financial Literacy, Decision-making Factors

1. Introduction

The Indian stock market has experienced significant growth and transformation in recent years, attracting a diverse range of investors. As the market continues to evolve, understanding investor behavior, preferences, and decision-making processes becomes crucial for both market participants and regulators. This study aims to provide insights into various aspects of investor engagement with the Indian stock market, focusing on awareness levels, exchange preferences, information sources, trading patterns, and investment decision factors. The research objectives are multifaceted, addressing key areas of investor interaction with the market. Firstly, the study seeks to evaluate the level of awareness among investors regarding the Indian stock market, which is essential for assessing market participation and potential areas for investor education. Secondly, it examines investor preferences between the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE), two of India's primary stock exchanges, to understand

factors influencing exchange choice. Furthermore, the study investigates the sources of information that influence investor decision-making, recognizing the importance of information flow in market efficiency. It also aims to understand trading behavior by examining frequency, mode, and duration of trades, providing insights into investor strategies and market dynamics. Lastly, the research analyzes the factors investors consider before making investment decisions, offering valuable information for market analysts, policymakers, and financial advisors. By addressing these objectives, this study contributes to the growing body of literature on investor behavior in emerging markets, specifically within the context of the Indian stock market. The findings have potential implications for market regulation, investor education initiatives, and the development of financial products and services tailored to investor needs and preferences.

2. Literature Review

The Securities and Exchange Board of India (SEBI) has implemented various investor education programs to enhance awareness and protect investor interests. Banerjee, P., & Choudhary, R. P. (2018) evaluated the impact of SEBI's initiatives and found that while they had a positive effect on investor knowledge, the reach and effectiveness of these programs were limited, particularly in rural areas.

A study by West, J. (2012) assessed the efficacy of financial literacy workshops conducted by banks and financial institutions. They reported a modest improvement in participants' understanding of financial concepts but noted that sustained engagement was necessary for long-term behavioral change. Demographic Variations in Awareness: Research has identified significant disparities in investor awareness across different demographic groups in India. Ali, et al., (2016). found that urban investors generally exhibited higher levels of financial literacy compared to their rural counterparts. They attributed this difference to factors such as education, access to information, and exposure to financial markets. Gender disparities in investor awareness have also been observed.

A study by Sivaramakrishnan, et al., (2017). revealed that women in India generally had lower levels of financial literacy and stock market participation compared to men. They emphasized the need for targeted interventions to bridge this gender gap in financial awareness. Age-related differences in investor awareness have been documented by Hershey, and Wilson, J. A. (1997). Their research indicated that younger investors (25-35 years) showed greater willingness to acquire financial knowledge and participate in the stock market compared to older age groups. This literature review highlights the complex landscape of investor awareness in the Indian stock market. While efforts have been made to improve financial literacy and market participation, significant challenges remain. Future research could focus on developing more effective education strategies, addressing demographic disparities, and exploring the impact of digital technologies on investor awareness and behavior.

Krishnan, R., & Mishra, V. (2013) expressed on the study report Liquidity and trading volumes are significant considerations for investors. Studies have shown that the NSE generally maintains higher trading volumes and liquidity compared to the BSE, particularly in equity

segments. This difference may attract investors who prioritize ease of entry and exit from positions. Transaction costs and fees associated with trading on each exchange can significantly impact investor decisions, especially for frequent traders and institutional investors. A comparative analysis of brokerage charges, regulatory fees, and other associated costs between NSE and BSE would provide insights into cost-based preferences.

Keloharju, et al., (2012) investigated on The range of financial products and services offered by each exchange also influences investor choices. While both exchanges offer equity trading, derivatives, and other investment vehicles, differences in product innovation, availability of sector-specific indices, and introduction of new financial instruments may sway investor preferences. Regulatory oversight and corporate governance standards enforced by each exchange can be a deciding factor for risk-averse investors and institutional players. A review of listing requirements, compliance mechanisms, and transparency measures implemented by NSE and BSE would shed light on how these factors shape investor trust and preferences.

Petry, J. (2021) reveal the Technological infrastructure and trading platform capabilities are increasingly important in the digital age. The robustness, speed, and user-friendliness of trading platforms offered by NSE and BSE can significantly influence investor experience and, consequently, their preference for one exchange over the other. Investor demographics and market segmentation strategies employed by each exchange also play a role in shaping preferences. The strong appeal to institutional and foreign investors, while the BSE has traditionally had a strong retail investor base. Understanding these demographic preferences and the reasons behind them would provide valuable insights into investor behavior.

Gill, et al., (2018) expressed on research out come on investor decision-making is influenced by a variety of information sources, each playing a crucial role in shaping investment strategies and outcomes. Financial statements and reports provide fundamental data on a company's performance, allowing investors to assess its financial health and growth potential. Market analysis and economic indicators offer broader context, helping investors understand industry trends and macroeconomic factors that may impact their investments. Media coverage, including news articles, financial publications, and expert opinions, can significantly sway investor sentiment and decision-making processes. Social media platforms have emerged as increasingly influential sources, enabling rapid information dissemination and fostering community-driven investment trends by Atoom, et al., (2021). Professional advice from financial advisors and analysts continues to be a valuable resource, offering personalized insights and risk assessments.

Libby, R., and Emett, S. A. (2014). company announcements, earnings calls, and management discussions provide direct information from corporate leadership, influencing investor perceptions and decisions. Regulatory filings and disclosures ensure transparency and compliance, offering critical information for due diligence. Peer comparisons and benchmarking allow investors to evaluate a company's performance relative to its competitors and industry standards. Historical data and performance metrics help in identifying patterns and making informed predictions about future outcomes. Lastly, technological advancements have introduced algorithmic trading and artificial intelligence-driven analytics, providing

sophisticated tools for processing vast amounts of data and generating investment insights. Understanding these diverse information sources and their relative importance is crucial for comprehending the complex landscape of investor decision-making by Forker, and Mendez, (2001).

Zahera, and Bansal, (2018) investigated on review analysis on trading behaviour encompasses various aspects, including frequency, mode, and duration, which collectively provide insights into market dynamics and investor strategies. Trading frequency refers to how often trades are executed, ranging from high-frequency trading conducted by algorithms to less frequent trades made by individual investors. This aspect of trading behaviour is influenced by factors such as market volatility, information availability, and individual trading strategies. Ni, et al., (2008) the mode of trading has evolved significantly with technological advancements, shifting from traditional floor trading to electronic platforms. This transformation has not only increased the speed and efficiency of transactions but also altered the landscape of market participation. Electronic trading has enabled a wider range of investors to access markets, from retail traders using mobile apps to institutional investors employing sophisticated trading systems.

Angelidis, and Degiannakis, (2005) expressed on the study Trading duration, or the length of time positions are held, varies greatly among market participants. Short-term traders, including day traders and scalpers, may hold positions for minutes or hours, seeking to capitalize on small price movements. In contrast, long-term investors might maintain positions for months or years, focusing on fundamental value and long-term growth prospects. The duration of trades is often influenced by investment goals, risk tolerance, and market conditions. Understanding these aspects of trading behaviour is crucial for market analysis, regulatory oversight, and the development of trading strategies. It provides valuable insights into market liquidity, price formation processes, and the overall efficiency of financial markets.

Alao, and Adebawojo, (2012) noted on the study report, investors consider multiple factors when making investment decisions, aiming to maximize returns while managing risk. One primary consideration is the financial health of the investment target, including metrics such as revenue growth, profitability, debt levels, and cash flow. Investors scrutinize financial statements, earnings reports, and projections to assess the company's current performance and future potential by lmanen, et al., (2014). Market conditions and economic indicators also play a crucial role in investment decision-making. Factors such as interest rates, inflation, GDP growth, and industry trends can significantly impact investment outcomes. Investors often analyze these macroeconomic factors to gauge the overall investment climate and identify potential opportunities or risks. The competitive landscape and market position of the investment target are equally important.

Jiang, et al., (2015) study revealed that, Investors evaluate a company's competitive advantages, market share, and growth prospects within its industry. They may also consider factors such as brand strength, intellectual property, and barriers to entry that could protect the company's market position. Risk assessment is another critical factor in investment decisions. Investors analyze various types of risk, including market risk, liquidity risk, and company-specific risks. They may use tools such as diversification, hedging strategies, and risk-adjusted

return metrics to manage and evaluate potential risks associated with their investments by Kannadhasan, and Nandagopal, (2010). Management quality and corporate governance are also key considerations. Investors often assess the track record, experience, and integrity of the company's leadership team. They may also evaluate the company's governance structure, transparency, and alignment with shareholder interests. Lastly, investors consider their own investment goals, time horizon, and risk tolerance when making decisions. These personal factors influence the types of investments they choose and how they allocate their capital across different asset classes and investment opportunities.

3. Research Methodology

This study are designed to understand the investment behavior of Tirupati investors in the Indian stock market. First, the study aims to evaluate the level of awareness among investors regarding stock market functioning and opportunities. Second, it seeks to examine investor preferences between the two major exchanges, NSE and BSE, to identify where confidence and activity are concentrated. Third, the research focuses on the sources of information such as financial websites, news channels, social media, or personal networks that influence investor decision-making. Fourth, it intends to understand trading behavior by analyzing the frequency, mode, and duration of trading practices adopted by respondents. Finally, the study aims to analyze the critical factors considered by investors before making investment decisions, such as company fundamentals, market trends, financial news, or expert recommendations. Collectively, these objectives provide a comprehensive framework to assess how awareness, preferences, information, and behavioral patterns shape stock market participation.

The study adopts a descriptive analysis, the primary data collected through simple randam sampling method with convenenace sampling approch in tiruati. the scholar collected from 140 respondents using structured questionnaires. Secondary data was drawn from recent academic journals, research reports, and stock market publications in national and intenation peer review journals. The scholar adopted statisical percentage analysis was used for interpretation.

4. Data Analysis and Findings

4.1. Showing gender of respondents.

The demographic profile of respondents plays a crucial role in understanding the representativeness of a study. Gender distribution is an important factor as it reflects the inclusiveness of opinions and perspectives in research. In the present study, a total of 140 respondents participated, comprising male, female, and other gender identities. This distribution provides a balanced view of responses and ensures that the findings are not biased toward a single group. By analyzing the gender composition, the study captures diverse insights and makes the interpretation of results more reliable, thereby strengthening the overall validity and applicability of the research outcomes.

The analysis of gender-wise respondents indicates a fairly balanced representation between male and female participants. Out of the total 140 respondents, 65 were male (50%) and 73 were female (49%), showing almost equal participation. This balance suggests that the

perspectives of both genders are adequately captured in the study, which helps in avoiding gender bias. Additionally, 2 respondents (1%) identified as belonging to other genders, reflecting inclusivity and recognition of diverse identities. Such distribution enhances the reliability of the study findings, as it incorporates viewpoints across gender categories.

Table 4.1: Showing gender of respondents.

Gender	No. of Respondents	Percentage
Male	65	50%
Female	73	49%
Others	2	1%
Total	**140**	**100**

The gender distribution suggests that the study has gathered inputs from a wide spectrum of respondents, ensuring reliability and inclusiveness in the analysis.

4.2: Showing age of respondents

Age is an important demographic factor that influences investment behavior, financial decision-making, and risk preferences. Different age groups often exhibit varying levels of awareness, experience, and willingness to invest in the stock market. Younger individuals may prefer high-risk, high-return opportunities, while older participants may prioritize stable and safe investments. This categorization of respondents by age provides useful insights into the generational perspective of stock market participation. **Table 4.2: Showing age of respondents**

Year	No. of Respondents	Percentage
18 – 28 years	80	57%
29 – 38 years	38	27%
39 – 48 years	21	15%
49 and above	1	1%
Total	**140**	**100**

By analyzing the age distribution of respondents, the study identifies the dominant age segment that is actively engaged in or interested in the stock market, thereby shaping investment trends and strategies.

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The results in Table 4.2 show that a majority of respondents (57%) belong to the 18–28 years age group, highlighting the strong presence of young investors in the study sample. This indicates that stock market awareness and participation are increasingly popular among the youth, possibly due to growing access to online trading platforms, financial literacy campaigns, and social media influence. Around 27% of respondents fall within the 29–38 years bracket, representing early professionals who may be seeking long-term wealth creation opportunities. Respondents aged 39–48 years account for 15%, while only 1% are 49 years and above, suggesting lower participation of older investors. The overall trend suggests that younger generations are more open to exploring stock market investments compared to older age groups, who may prefer traditional forms of saving. This reinforces the role of age as a significant factor in shaping financial behavior and stock market engagement.

4.3: Occupation of respondents

Occupation plays a crucial role in shaping investment preferences and stock market participation. Income levels, job security, and career stage directly affect how individuals allocate resources towards savings and investments. Students may approach the market with curiosity and smaller investments, while employees and businesspersons often have more consistent income streams that enable higher and more structured participation. The distribution of respondents by occupation helps to understand how professional backgrounds influence investment behavior. By categorizing the respondents as students, employees, businesspersons, and others, the study highlights the diversity in economic activity and its impact on financial decision-making.

Table 4.3: Occupation of respondents

Occupation	No. of Respondents	Percentage
Students	56	40%
Employees	42	30%
Businessperson	28	20%
Others	14	10%
Total	**140**	**100**

Table 4.3 reveals that 40% of respondents are students, making them the largest occupational group in the study. This suggests that younger individuals, despite limited income, are actively developing an interest in stock market investments, possibly for learning or experimenting. Employees account for 30% of respondents, indicating a significant share of salaried individuals who may seek long-term financial security through market participation. Businesspersons form 20% of the sample, reflecting their inclination to diversify earnings and

leverage investment opportunities alongside entrepreneurial activities. The Remaining 10% fall under the 'others' category, which could include homemakers, freelancers, or retirees with varying financial goals. The results highlight that stock market awareness is not confined to professionals with higher earnings but is also extending to students who represent future investors. This diverse occupational representation strengthens the study's findings and indicates that stock market participation is increasingly becoming a cross-sectional financial activity.

4.4: Awareness about Stock Market

Awareness of the stock market is a fundamental factor that influences an individual's decision to participate in investments. A well-informed population is more likely to make rational financial decisions, while lack of awareness often leads to hesitation or dependence on informal sources. Measuring awareness levels provides insight into the effectiveness of financial education, media outreach, and technology-driven platforms. This table assesses the extent to which respondents are aware of stock market operations and opportunities. Understanding this factor is important, as awareness serves as the foundation for investment behavior, risk perception, and overall engagement in financial markets.

Table 4.4: Awareness about Stock Market

Awareness	No. of Respondents	Percentage
Yes	126	90%
No	14	10%
Total	**140**	**100**

Table 4.4 shows that 90% of respondents are aware of the stock market, while only 10% reported a lack of awareness. This indicates a very high penetration of stock market knowledge within the sample, suggesting that efforts by media, educational institutions, and digital platforms have successfully created financial awareness. The overwhelming majority of respondents being aware also reflects the growing role of social media, mobile trading apps, and financial influencers in disseminating knowledge. However, the small group of unaware respondents (10%) highlights the need for targeted financial literacy initiatives, especially for individuals with limited exposure to financial systems. The findings suggest that awareness is no longer a major barrier to participation, but converting awareness into actual investment behavior requires further focus on practical guidance, trust-building measures, and addressing risk concerns among new investors.

4.5: Have You Invested in the Stock Market?

Investment in the stock market is a critical indicator of financial behavior beyond mere awareness. While awareness reflects knowledge, actual investment demonstrates confidence,

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willingness to take risks, and financial capability. This table highlights the proportion of respondents who have invested versus those who have not. Analyzing this data provides insights into the extent of market participation and helps in identifying gaps between awareness and investment. By distinguishing between active and non-active investors, the study evaluates how individuals translate their financial knowledge into real investment decisions, thus reflecting the maturity and engagement level of the respondent group.

Table 4.5: Invested in the Stock Market

Response	No. of Respondents	Percentage
Yes	98	70%
No	42	30%
Total	**140**	**100**

Table 4.5 reveals that 70% of respondents have invested in the stock market, while 30% have not. This suggests that a significant majority are actively participating, which indicates both growing trust in financial markets and improved accessibility through online trading platforms. The 30% who have not invested, despite high awareness levels (from Table 4.4), may be hesitant due to factors such as risk perception, insufficient disposable income, or lack of confidence in market stability. The findings highlight a strong conversion of awareness into participation, with seven out of ten respondents having practical investment experience. However, the presence of non-investors also underlines the need for better risk education, financial planning tools, and beginner-friendly investment schemes to attract cautious individuals. The overall trend suggests a healthy investment culture among respondents, reflecting evolving attitudes towards stock market participation.

4.6: Which Stock Exchange Do You Prefer – NSE or BSE?

Stock exchanges serve as the primary platforms for trading and investment, and investor preference between the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE) reveals important trends in market behavior. NSE and BSE differ in terms of trading volume, technological adoption, and investor perception, with NSE often considered more technology-driven and BSE being historically significant. By analyzing respondent preferences, this table highlights the exchange that enjoys greater trust and engagement among investors. Understanding these preferences helps in evaluating the competitiveness of stock exchanges and the role they play in shaping trading decisions and investor confidence.

Table 4.6 indicates that 50% of respondents prefer NSE, 15% prefer BSE, and 35% show no specific preference, opting for both exchanges. The dominance of NSE reflects its strong reputation for transparency, advanced trading systems, and higher liquidity compared to BSE. The relatively lower preference for BSE (15%) may stem from its smaller trading volume and limited exposure among younger investors, despite its historical significance. Interestingly,

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35% of respondents prefer using both exchanges, which suggests that a considerable portion of investors adopt a diversified approach to maximize opportunities and flexibility.

Table 4.6: Which Stock Exchange Do You Prefer – NSE or BSE?

Stock Exchange	No. of Respondents	Percentage
NSE	70	50%
BSE	21	15%
Both	49	35%
Total	**140**	**100**

This dual preference may also reflect increasing reliance on online trading platforms, which provide easy access to multiple exchanges simultaneously. Overall, the findings highlight that NSE continues to be the primary choice for investors, but BSE still retains relevance, particularly when considered alongside NSE in combined investment strategies.

4.7: What Type of Investment Do You Prefer?

Investment type preference reflects an individual's risk appetite, financial goals, and time horizon. Long-term investments are usually chosen by investors seeking stability, compounding returns, and wealth creation, while short-term investments attract those looking for quick gains or flexibility. Understanding respondents' preferences between long-term and short-term investments helps identify their strategic approach to the stock market. Such insights are valuable for policymakers, financial advisors, and institutions that design investment products tailored to different investor needs. By analyzing these preferences, the study highlights how investors balance safety, growth, and liquidity in their decision-making process.

Table 4.7: Type of Investment

Investment Type	No. of Respondents	Percentage
Long-term	84	60%
Short-term	56	40%
Total	**140**	**100**

Table 4.7 reveals that 60% of respondents prefer long-term investments, while 40% opt for short-term opportunities. The higher inclination toward long-term investments suggests that a majority of investors are focused on wealth creation, financial stability, and achieving future financial goals rather than immediate gains. This preference reflects a mature investment mindset, where respondents recognize the benefits of compounding and reduced volatility in

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long-term holdings. On the other hand, 40% of respondents favor short-term investments, indicating a significant share of individuals who are attracted by quick profits, active trading opportunities, and market fluctuations. The relatively balanced distribution also highlights that investors adopt different strategies based on personal circumstances, income levels, and market understanding. Overall, the findings suggest that while long-term investment is the dominant choice, a considerable portion of respondents continue to explore short-term options for quicker returns and liquidity.

4.8: How Often Do You Trade?

Trading frequency reflects the level of investor engagement and activity in the stock market. Some individuals actively monitor the market and trade daily or weekly, while others prefer a more passive approach by trading monthly or occasionally. Understanding how often respondents trade provides insight into their risk-taking behavior, decision-making style, and financial strategies. Frequent traders may prioritize short-term opportunities, while occasional traders may adopt a long-term wealth-building focus. By studying trading frequency, the research highlights how actively investors interact with the stock market and how trading behavior aligns with their overall investment goals.

Table 4.8: How Often Do You Trade?

Table shows 35%

Frequency	No. of Respondents	Percentage
Daily	28	20%
Weekly	35	25%
Monthly	49	35%
Occasionally	28	20%
Total	**140**	**100**

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respondents trade monthly, making it the most common trading frequency. This suggests that a large number of investors balance market engagement with stability, possibly reviewing portfolios once a month. Weekly traders constitute 25%, indicating moderately active engagement, while daily traders represent 20%, reflecting a smaller group of high-risk, active participants who rely on constant market monitoring. Another 20% trade only occasionally, showing a passive approach focused on long-term wealth preservation. The distribution highlights a mix of trading behaviors, where most respondents are neither too aggressive nor completely passive. The higher share of monthly and weekly traders suggests a preference for moderate engagement, where individuals participate actively but avoid excessive risks associated with daily trading. Overall, the findings point to a balanced investor mindset, with a majority preferring consistency over speculation.

Table 4.9: The Financial Body That Has Asked Intermediaries and Companies to Make Regular Payments in Digital Mode Is?

Regulatory institutions play a critical role in ensuring transparency, efficiency, and security in financial markets. Investor awareness of regulatory bodies such as SEBI, RBI, and the Ministry of Finance reflects their understanding of how market operations are governed. In this study, respondents were asked to identify the financial body responsible for directing intermediaries and companies to make payments in digital mode. This measure indicates the level of regulatory awareness among investors, which is important for building trust and compliance in the stock market. Such insights also reveal how well financial literacy programs have reached the public.

Table 4.9: The Financial Body- Intermediaries - Digital Mode

Options	No. of Respondents	Percentage
SEBI	92	66%
RBI	26	19%
Ministry of finance	12	9%
Others	10	6%
Total	**140**	**100**

Table 4.9 reveals that 66% of respondents correctly identified SEBI as the regulatory body mandating digital payments by intermediaries and companies. This demonstrates strong awareness of SEBI's role in maintaining transparency and enforcing digital compliance in financial markets. Meanwhile, 19% attributed the responsibility to RBI, while 9% selected the Ministry of Finance, and 6% chose other bodies. These findings indicate that although a majority recognize SEBI's authority, a significant minority still confuse its role with other financial institutions. This partial lack of clarity suggests that more education is required to distinguish between the functions of SEBI, RBI, and other regulators. Overall, the results reflect a positive trend, as most respondents understand SEBI's regulatory authority, which is vital for investor protection and confidence in digital transactions. However, continuous efforts in financial literacy are necessary to improve accuracy among the remaining participants.

Table 4.10: What is Your Primary Source of Stock Market Information?

The source of stock market information plays a key role in shaping investor decisions, perceptions, and confidence. Reliable information helps investors make informed choices, while inaccurate or biased sources may lead to misjudgments and losses. Common information channels include news media, financial websites, social media, and personal networks such as friends or family. Analyzing the primary source of information reveals which platforms are most trusted by respondents and how they influence decision-making behavior. Understanding

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these preferences helps in identifying gaps in financial education and the importance of ensuring credible and transparent information dissemination in the stock market.

Table 4.10: Primary Source of Stock Market Information

Sources of information	No. of Respondents	Percentage
News Channel	35	25%
Social media	28	20%
Financial websites	42	30%
Friends/Family	35	25%
Total	**140**	**100**

Table 4.10 shows that 30% of respondents rely on financial websites as their primary source of information, making it the most preferred option. This highlights the growing importance of digital platforms that provide real-time data, expert opinions, and analytical tools. News channels and friends/family are equally important sources, each accounting for 25% of respondents. This suggests that traditional media and personal networks still play a strong role in shaping investment behavior. Social media is the primary source for 20% of respondents, reflecting the increasing influence of digital communities and financial influencers, especially among younger investors. While financial websites and news channels provide structured data, reliance on social media and personal networks may pose risks of misinformation or speculative guidance. Overall, the results highlight a balanced mix of formal and informal information sources, emphasizing the need for investors to critically evaluate the credibility of the channels they depend on.

11: What is Your Level of Knowledge About the Stock Market?

Investor knowledge about the stock market is a critical determinant of financial behavior, decision-making, and risk management. Knowledge levels can be broadly classified as basic, moderate, or advanced, each influencing the confidence and strategies adopted by investors. Basic knowledge reflects introductory understanding, while moderate and advanced levels indicate deeper engagement and analytical ability. Assessing knowledge levels helps to evaluate the effectiveness of financial literacy initiatives and the preparedness of respondents to actively participate in market activities. By categorizing knowledge levels, this table provides a clear picture of the learning stage of investors in the sample group.

Table 4.11 reveals that 45% of respondents possess only basic knowledge of the stock market, while 35% have moderate understanding, and 20% hold advanced knowledge. This suggests that nearly half of the respondents are at an early stage of financial learning, which may limit their ability to make informed investment decisions. The 35% with moderate knowledge represent a group with potential for deeper engagement if provided with structured training and

resources. Meanwhile, the 20% with advanced knowledge reflect a smaller but significant segment of highly informed investors who can navigate complex market scenarios effectively.

Table 4.11: Level of Knowledge About the Stock Market

Knowledge Level	No. of Respondents	Percentage
Basic	63	45%
Moderate	49	35%
Advanced	28	20%
Total	**140**	**100**

The overall distribution shows that while awareness is widespread (as shown in Table 4.4), a substantial portion of respondents still require financial education to move beyond basic understanding. Strengthening investor knowledge is crucial for building confidence, reducing dependence on informal advice, and encouraging more systematic participation in the stock market.

4.12: Mode of Trading Preferred

The mode of trading—whether online, offline, or a combination of both—reflects investor adaptability to technological advancements in financial markets. Online trading offers speed, convenience, and cost efficiency, while offline trading is often preferred by traditional investors who rely on brokers for personal assistance. Some investors use both modes depending on circumstances and trust factors. Analyzing trading mode preferences helps understand how respondents adopt technology, balance convenience with security, and engage with financial platforms. This measure also indicates the extent to which digitalization has influenced trading behavior, particularly in the era of mobile applications and internet-based platforms.

Table 4.12: Mode of Trading Preferred

Mode of Trading	No. of Respondents	Percentage
Online	98	70%
Offline	18	13%
Both	24	17%
Total	**140**	**100**

Table 4.12 shows that 70% of respondents prefer online trading, while only 13% choose offline, and 17% use both. This indicates a clear dominance of digital platforms, highlighting the

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growing acceptance of online and mobile-based trading systems. The preference for online trading reflects convenience, real-time access, and the ability to independently execute transactions at lower costs. The smaller share of offline traders suggests that traditional broker-assisted methods are losing ground, though they still cater to investors who value personalized advice and face-to-face interaction. Interestingly, 17% of respondents prefer both modes, showing flexibility in balancing digital convenience with offline trust.

 The findings emphasize that technology has transformed investor behavior, with the majority embracing digital platforms as their primary mode of participation. This trend also points to the increasing role of financial technology in expanding market accessibility and democratizing investment opportunities for a wide range of individuals.

4.13: Type of Investment Preferred

The type of investment chosen by respondents provides insights into their financial priorities, risk tolerance, and portfolio diversification strategies. Investors may prefer equity shares for higher returns, mutual funds for professional management, bonds for stability, or alternative options like ETFs for flexibility. Each investment type reflects distinct risk-return trade-offs. Understanding these preferences helps identify the level of sophistication and risk appetite among investors. This table captures how respondents allocate their investments across different categories, offering a snapshot of investment behavior that can guide policymakers, financial advisors, and institutions in designing suitable products and services.

Table 4.13: Type of Investment Preferred

Types of Investment	No. of Respondents	Percentage
Equity shares	52	37%
Mutual Funds	44	31%
Bonds	18	13%
Others (e.g,ETFs)	26	19%
Total	**140**	**100**

Table 4.13 reveals that 37% of respondents prefer equity shares, 31% favor mutual funds, 13% choose bonds, and 19% opt for other instruments such as ETFs. The high preference for equity shares highlights a strong inclination toward direct participation in the stock market, often associated with higher risk and higher potential returns. Mutual funds are the second most popular choice, reflecting investors' desire for diversification, professional fund management, and relatively lower risk. Bonds, with only 13%, indicate limited preference for low-risk fixed-income options, possibly due to lower returns compared to equities and mutual funds.

Interestingly, 19% of respondents favor other instruments like ETFs, suggesting openness to modern investment tools that combine flexibility and diversification.

The findings suggest that investors are leaning more toward equity-based investments, while mutual funds serve as a safer alternative. The relatively lower preference for bonds reflects a risk-taking approach among respondents.

4.14: What Should One Check Before Buying Shares?

Before investing in shares, individuals often consider multiple factors to minimize risks and maximize returns. These factors include company fundamentals, prevailing market trends, financial reports, and expert recommendations. Each of these plays a significant role in influencing investor confidence and shaping decision-making.

Table 4.14: One Check Before Buying Shares

Factor to consider	No. of Respondents	Percentage
Company Fundamentals	46	33%
Market Trends	32	23%
Financial News/Reports	30	21%
Expert Recommendations	32	23%
Total	**140**	**100**

Assessing what respondents prioritize when buying shares helps identify the level of financial awareness and the methods they use to analyze potential investments. This understanding highlights whether investors rely on systematic evaluation or external advice, thereby offering insights into the maturity and rationality of their investment behavior in the stock market.

Table 4.14 shows that 33% of respondents consider company fundamentals as the most important factor before buying shares. This indicates that a significant portion of investors are adopting a rational, analytical approach to investment decisions. Meanwhile, 23% focus on market trends, and another 23% rely on expert recommendations, showing that a large number of respondents are influenced by external cues and market sentiment. Financial news and reports are the top consideration for 21% of respondents, reflecting reliance on secondary sources of information. The distribution suggests a balance between rational analysis and reliance on external influences. While many respondents prioritize company performance and fundamentals, a considerable number are still dependent on expert opinions and market signals. This indicates a mix of informed decision-making and herd behavior among investors. Overall, the findings highlight that investors employ a combination of analytical and advisory-driven approaches when selecting shares.

4.15: What Influences Your Decision to Buy or Sell Stocks?

The decision to buy or sell stocks is influenced by a variety of factors, including company performance, market conditions, price fluctuations, and expert analysis. These factors directly shape investor confidence, timing of trades, and portfolio strategies. Understanding what influences respondents the most provides insight into their decision-making behavior and the external or internal triggers that guide their actions.

Table 4.15: Decision to Buy or Sell Stocks

Influencing Factor	No. of Respondents	Percentage
Company Performance	40	29%
Market News & Events	38	27%
Price Fluctuations	30	21%
Expert Analysis Reports	32	23%
Total	**140**	**100**

This analysis also highlights whether investors adopt a data-driven approach or rely on external information. Identifying these influences is crucial to understanding investor psychology and how different factors interplay in shaping stock market participation.

Table 4.15 shows that 29% of respondents base their decisions on company performance, making it the most influential factor. This indicates that many investors adopt a fundamental analysis approach, focusing on profitability, growth, and stability. Market news and events influence 27% of respondents, suggesting that short-term external developments such as policy changes, global events, or market movements strongly affect decision-making. Price fluctuations account for 21%, showing that some investors follow a technical or speculative approach, responding quickly to market volatility. Expert analysis reports influence 23% of respondents, highlighting reliance on external advisory support. The results suggest a balanced mix of influences, where some investors prioritize fundamental analysis, while others are guided by market sentiment and professional advice. Overall, the findings reflect a combination of rational and reactive behavior, indicating that investors use both internal company-related information and external market triggers in their decision-making processes.

4.16: Which Sector Do You Prefer to Invest In?

Sector preference reflects the industries in which investors place their trust and confidence for future growth. Different sectors such as IT, Banking, Healthcare, and FMCG offer varied risk and return profiles. IT and Technology are often linked to innovation and growth, while Banking and Finance reflect stability and consistent returns. Healthcare and Pharma are driven by essential demand, and FMCG represents daily consumer needs with long-term reliability.

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Understanding sectoral preferences helps identify emerging investment trends and the industries that attract maximum investor interest. This analysis is valuable for policymakers and businesses to align with investor confidence and opportunities.

Table 4.16: Sector Prefer to Invest In?

Sector Preference	No. of Respondents	Percentage
IT & Technology	42	30%
Banking & Finance	38	27%
Healthcare & Pharma	24	17%
FMCG	36	26%
Total	**140**	**100**

Table 4.16 shows that 30% of respondents prefer investing in the IT & Technology sector, making it the most favored choice. This reflects the sector's rapid growth, digital innovation, and potential for high returns. Banking & Finance is the second most preferred sector (27%), indicating investors' confidence in financial stability, consistent profits, and established market presence. FMCG accounts for 26%, highlighting the appeal of essential goods and steady demand even during economic fluctuations. Healthcare & Pharma attracts 17% of respondents, reflecting moderate interest, possibly driven by post-pandemic awareness of healthcare importance. The distribution suggests that investors are drawn to both high-growth and stable sectors, with IT dominating due to technology-driven opportunities. At the same time, traditional and essential industries like Banking and FMCG continue to hold strong appeal. Overall, the findings highlight a balanced investment pattern across growth-oriented and necessity-driven sectors.

4.17: What is Your Primary Reason for Investing in the Stock Market?

Investor motivation is central to understanding participation in the stock market. People invest for different reasons, including wealth creation, long-term savings, beating inflation, or earning passive income through dividends. Identifying the primary reason helps reveal whether investors are driven by financial growth, security, or stability. This also highlights the psychological and economic factors influencing financial behavior. By analyzing these motivations, the study provides insights into the goals and priorities of investors, showing whether they focus more on short-term gains or long-term financial planning. Such findings are important for financial planners and policy developers to design supportive investment strategies.

Table 4.17 reveals that 34% of respondents invest in the stock market primarily for wealth creation, making it the most common motivation. This indicates a proactive approach where investors view the market as a tool for long-term financial growth. Around 26% invest for long-

term savings, highlighting the role of the stock market as an alternative to traditional savings instruments. Passive income and dividends motivate 24% of respondents, reflecting interest in steady cash flows alongside capital appreciation.

Table 4.17: Primary Reason for Investing in the Stock Market

Reason for Investing	No. of Respondents	Percentage
Wealth Creation	48	34%
Long-Term Savings	36	26%
Beating Inflation	22	16%
Passive Income/Dividends	34	24%
Total	**140**	**100**

Beating inflation is the reason for 16%, showing that some investors use stock market returns as a hedge against rising costs. The results suggest that wealth accumulation is the dominant driver, but many investors also value stability and regular income. The mix of motivations indicates a healthy balance between growth-oriented and security-focused investment behavior. Overall, the findings demonstrate that investors pursue the stock market both as a means of financial security and wealth expansion.

4.19: What is Your Level of Satisfaction with Your Stock Market Investments?

Investor satisfaction is a key measure of how well financial expectations align with actual market experiences. Satisfaction levels reflect the effectiveness of investment decisions, returns achieved, and overall confidence in the stock market.

Table 4.19: Level of Satisfaction in Stock Market Investments

Satisfaction Level	No. of Respondents	Percentage
Highly Satisfied	34	24%
Moderately Satisfied	50	37%
Neutral	26	19%
Not Satisfied	28	20%
Total	**140**	**100**

High satisfaction often translates into continued participation and positive attitudes, while dissatisfaction may reduce trust and discourage further investment. By examining satisfaction

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levels ranging from highly satisfied to not satisfied, this table evaluates the overall sentiment of respondents toward their stock market journey. Understanding these levels helps to assess whether investors' needs are being met and how financial institutions can improve investor experiences.

Table 4.19 shows that 37% of respondents are moderately satisfied, representing the largest group. This suggests that while they achieved reasonable returns, expectations may not have been fully met. About 24% report being highly satisfied, reflecting strong positive experiences and likely success in achieving investment goals. Another 19% remain neutral, indicating uncertainty or mixed outcomes. Notably, 20% are not satisfied, suggesting issues such as poor returns, high risk exposure, or lack of market knowledge. The results indicate a generally positive outlook, with over 60% of respondents showing satisfaction at varying levels. However, the presence of dissatisfaction points to the need for better investor education, improved advisory services, and risk management strategies. Overall, the findings reveal that while many respondents are fairly content with their stock market experience, consistent efforts are required to enhance satisfaction and build stronger investor confidence.

4.20: Do You Believe the Indian Stock Market is a Good Option For FutureInvestments?

Risk perception is one of the most crucial factors influencing investment behavior in the stock market. Investors often evaluate the stock market in terms of volatility, uncertainty, and potential loss of capital. While some view it as a risky avenue requiring caution, others perceive it as a manageable risk with opportunities for high returns. Analyzing how respondents perceive stock market risks provides valuable insights into their confidence, decision-making, and participation levels. This understanding helps financial advisors, regulators, and policymakers identify the extent of trust investors place in the market and design strategies to balance risk with investor protection.

Table 4.20: Do You Believe the Indian Stock

Response	No. of Respondents	Percentage
Yes	104	74%
No	14	10%
Not sure	22	16%
Total	**140**	**100**

Table 4.20 reveals that 61% of respondents consider stock market investment as risky, indicating widespread awareness of market volatility and unpredictability. This majority perception suggests that investors associate stock trading with potential losses due to external factors such as market fluctuations, economic instability, or lack of adequate knowledge. About 27% believe that the stock market is not risky, reflecting confidence in informed decision-making, diversification, and long-term strategies to mitigate risks. Meanwhile, 12% remain

uncertain, showing hesitation or limited exposure to investment practices. The overall findings highlight that risk perception is strongly embedded in investor behavior, shaping both participation and strategy. While a majority acknowledge risks, the significant proportion of confident investors reflects growing awareness of risk management tools and the long-term potential of stock markets. These results emphasize the need for stronger investor education, better advisory services, and regulatory measures to help balance risk and opportunity.

5. Findings

The demographic profile of respondents indicates a balanced gender distribution with 50% male, 49% female, and 1% others, highlighting inclusive participation. The majority (57%) belong to the 18–28 age group, followed by 27% in 29–38 years, while older groups represent a smaller proportion, showing that stock market activity is dominated by youth and early career individuals. In terms of occupation, students (40%) and employees (30%) form the largest groups, with businesspersons (20%) and others (10%) making up the rest, suggesting that both learners and working professionals are actively engaged in stock market-related activities.

Awareness levels are notably high, with 90% of respondents aware of the stock market. However, only 70% have actually invested, reflecting a gap between awareness and participation. Regarding preferences, 50% favor NSE, 15% prefer BSE, and 35% use both, showing NSE's dominant position but also significant dual-exchange engagement. Long-term investment is preferred by 60%, while 40% lean towards short-term strategies, demonstrating that most respondents adopt a stable, growth-oriented investment approach. Trading frequency varies, with 35% trading monthly, 25% weekly, 20% daily, and another 20% occasionally, reflecting a mixed trading culture dominated by periodic investors.

When asked about regulatory guidance, 66% correctly identified SEBI as the body mandating digital payment practices, followed by RBI (19%) and others. Sources of market information are diverse: 30% rely on financial websites, 25% on news channels, 25% on friends/family, and 20% on social media, indicating multiple channels of influence. Knowledge levels also vary, with 45% having basic, 35% moderate, and 20% advanced knowledge, showing a majority are still at introductory or intermediate levels.

In terms of trading mode, online dominates with 70% preference, while 13% trade offline and 17% use both modes, reflecting the digital shift in investment practices. Regarding investment types, 37% prefer equity shares, 31% mutual funds, 19% other instruments like ETFs, and 13% bonds, signifying equities as the leading choice but mutual funds as a close alternative. Before buying shares, 33% prioritize company fundamentals, 23% market trends, 23% expert recommendations, and 21% financial news, showing a balance between fundamental and external guidance. Investment decisions are mainly influenced by company performance (29%) and market news (27%), with price fluctuations (21%) and expert analysis (23%) also playing key roles.

Sector-wise, IT & Technology (30%) leads as the most preferred, followed closely by banking & finance (27%) and FMCG (26%), while healthcare & pharma (17%) holds a moderate share. The primary reasons for investing are wealth creation (34%) and long-term savings (26%),

followed by passive income (24%) and beating inflation (16%), suggesting wealth accumulation and security as core drivers. Satisfaction levels reveal that 37% are moderately satisfied, 24% highly satisfied, while 19% remain neutral and 20% unsatisfied, indicating mixed outcomes. Finally, 74% of respondents believe the Indian stock market is a good option for future investments, 16% are unsure, and only 10% disagree, reflecting strong overall confidence in the market's long-term potential.

6. Recommendations

The findings highlight that Tirupati investors are young, aware, and increasingly inclined toward stock market participation, but many remain at the basic or moderate knowledge level. It is therefore recommended that targeted financial literacy and training programs be conducted by regulatory bodies, academic institutions, and brokerage firms to deepen understanding of investment strategies, risk management, and long-term wealth creation.

Given that students and employees form the majority of participants, tailored awareness campaigns in colleges, workplaces, and community centers can encourage systematic and disciplined investment habits. Since 70% of respondents have already invested but many still perceive the market as risky, investor education should also emphasize portfolio diversification, safe trading practices, and the importance of company fundamentals in decision-making.

The preference for NSE and online trading suggests that digital platforms are highly trusted. Regulators and brokers should strengthen cybersecurity measures, transparency, and ease of access to further build confidence in online investments. Additionally, efforts must be made to enhance mutual fund and bond awareness, as equities currently dominate, while safer investment avenues remain underutilized.

As respondents rely heavily on financial websites, news channels, and personal networks for stock market information, there is a need to promote authentic, unbiased, and research-backed sources of information. SEBI and local investor associations could also collaborate to provide verified advisory services that reduce dependence on speculative tips and unregulated influencers.

Sectoral preferences reveal strong interest in IT, banking, and FMCG, with relatively lower engagement in healthcare and pharma. Awareness programs should highlight opportunities in underexplored sectors to encourage balanced investment distribution. Finally, as satisfaction levels are mixed, with many moderately satisfied or unsatisfied, there is scope to develop investor grievance redressal systems, personalized advisory support, and long-term financial planning tools to enhance overall confidence and satisfaction.

7. Conclusions

The analysis of 140 respondents from Tirupati provides valuable insights into the demographic profile, investment behavior, and perceptions of stock market participants. The findings reveal a balanced gender distribution, with youth (18–28 years) emerging as the dominant age group, supported largely by students and employees, showing that younger generations are taking an

active interest in financial markets. A significant proportion of respondents are aware of the stock market, yet a gap remains between awareness and actual investment, as not all translate their knowledge into participation. Most investors prefer NSE over BSE and display a strong inclination toward long-term investments, reflecting a growth-oriented mindset. Online trading dominates as the preferred mode, indicating increasing trust in digital platforms. However, knowledge levels are concentrated at basic and moderate stages, underlining the need for enhanced financial education. Respondents rely mainly on financial websites, news, and personal networks for information, suggesting diverse but sometimes unverified sources of guidance. Investment choices are led by equity shares and mutual funds, while bonds and other instruments are less popular. Decision-making is shaped by company performance, market trends, and expert recommendations, with IT, banking, and FMCG sectors receiving the most attention. Wealth creation and long-term savings are the key motivators for investment, though risk perception remains high among many respondents. Satisfaction levels are mixed, indicating that while some investors benefit from their strategies, others face challenges in achieving desired outcomes. Tirupati investors exhibit a cautious yet progressive investment approach, marked by digital adoption, sectoral preferences, and long-term wealth aspirations. The majority view the Indian stock market as a promising avenue for future investment, reflecting optimism about its growth potential. However, bridging the gap between awareness and advanced knowledge, diversifying investment choices, and reducing risk perception through structured education and professional advisory support remain critical for strengthening investor confidence and sustainable participation in the stock market.

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