

Exploring Investment Patterns in Emerging Regions: Determinants of Investment Choices Among Scheduled Tribe Women Investors in Arunachal Pradesh

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Abstract—India's changing investment landscape, which includes economic reforms and regulatory changes, has made it necessary to learn about the investment patterns of different groups of investors, such as women who may have special needs. Scheduled tribe women in Arunachal Pradesh face unique challenges or influences that affect their investment choices based on their age, even though they are becoming more involved in the economy, and some are still financially dependent. A statistical analysis employing SPSS and hypothesis testing was conducted to understand the decision-making processes of scheduled tribe women investors investment patterns about their livelihoods. The study used purposive sampling methods to obtain data from a structured questionnaire with 250 respondents from East Siang, the Itanagar capital region, and Ziro. It also shows that women investors prefer the safety of principal factors in any investment options, as they are risk-averse to different financial instruments. The study results have implications for scheduled tribe investors and financial institutions, highlighting the need for customized financial education and investment options that meet the needs of women investors in the area.

Keywords: Age, Investment patterns, Scheduled tribe women, Risk-averse.

I. INTRODUCTION:

India's investment environment has changed significantly over the last few decades due to a combination of economic reforms and regulatory changes. The investment decision-making processes of women investors have undergone a collective transformation due to these factors, resulting in a more dynamic and diverse investment environment. Investment involves the careful allocation of funds into a venture that, upon thorough analysis, offers a significant level of assurance regarding both the principal amount and the expected returns, all within a specified timeframe. The assumption behind this investment is that a profit will be made. To ensure the security of the principal amount and the return on investment within the expected timeframe, investment strategies require a systematic decision-making process. The investment patterns are separated into short-term and long-term. Investment patterns encompass the ownership of a diverse portfolio comprising financial assets like bank deposits, bonds, and equities, along with real assets that fall within this classification. Investment choices ought to be made by cautious consideration and thorough examination to verify informed choices are made. The potential for financial loss inherent in investment is a constant factor, and the women investing lack control over any losses that may arise. Therefore, before making any investments, it is generally advisable to assess and analyze all of the risks associated with the situation. Women Investors can complicate their decision-making process significantly by exploring the various investment avenues at their disposal. Furthermore, numerous factors influence individuals in their investment choices, reflecting their financial patterns. The investment patterns of an individual women, while making decisions about investments, is significantly influenced by demographic characteristics. The elements encompass gender, age, education level, family size, annual income, and savings. In the context of India, the influence of these factors is significantly greater. This study aims to explore the various factors that affect investment patterns while also uncovering the fundamental motivations and considerations that guide individual investors. This paper will explore the investment patterns in addition to satisfaction level and age factor of women investors in Arunachal Pradesh.

II. LITERATURE REVIEW:

Previous research by various researchers helps me grasp the study's depth. For the research, I reviewed the following studies:

No	Author and Year	Research Objective	Sample	Research methodology	Result of the study
1	Nagpal (2009)	To identify the women's lifestyle characteristics how they influence their investment patterns towards various investment avenues.	300	Descriptive analysis,	The paper finds that the risk-taking capacity of an women investor is based on their investment decision factors, reflecting investment patterns
2	Rahede and	To analyze women investment practices and investing behavior	250	Descriptive analysis,	Numerous investment avenues exist in the market, and women tend to

	Ramba (2013)	at different stages of life cycle, and to understand what investors are looking for in investment prospects.		Friedman's test and Factor analysis	choose different options based on risk aversion guiding their investment decisions which reflects their investment patterns.
3	Bhusan (2014)	To investigate the level of knowledge about financial products among paid individuals, as well as their investment patterns	406	Descriptive studies	Participants understand and invest in conventional and secure financial products, while modern financial product awareness is low.
4	Xiu and Chou (2014)	To review the investment patterns and to present how behavioral finance is the emerging field in the area of investment decision making for women.	315	Descriptive analysis,	The perceptions of women investors do have a strong and significant impact on the financial decision-making of the investors thus implying that investment patterns
5	Senthil Kumar (2017)	To understand the pattern of saving and investment among 250 farmers in Pollachi.	250	Descriptive analysis	People who were more interested in banking and how it affected farmers' investment awareness were the main findings.

Source: Compiled from various academic studies.

III.OBJECTIVES OF THE STUDY:

- ✓ To study the satisfaction level with returns generated by the available investment avenues based on the investment pattern of scheduled tribe women investors.
- ✓ To analyze the factors considered before investment by scheduled tribe women investors in any investment avenue.

IV.RESEARCH METHODOLOGY:

This research is Exploratory and descriptive in nature. A standard questionnaire was provided to the targeted population as part of a field survey for the current study to gather data from scheduled tribe women investors of Arunachal Pradesh:

- **Targeted Population:** Scheduled tribe women investors.
- **Area of the study:** Three districts of scheduled tribe women investors of Arunachal Pradesh i.e., East Siang, Papumpare and Lower Subansiri, are included in the study.
- **Sampling unit:** From the three above districts, Pasighat, Itanagar capital complex (ICR), and Ziro are the sampling units for the study.
- **Sampling Techniques:** Purposive sampling technique.
- **Sample Size:** The current study included 250 (Two hundred and Fifty only) respondents.
- **Source of Data Collection:** Both primary and secondary sources by utilizing statistical packages for social science (SPSS).

IV.I Research Hypothesis:

Hypothesis 1: There is no association between the investment pattern and age.

V. ANALYSIS AND INTERPRETATION:

The analysis and interpretation are conducted in line with the study's goals, and the investment pattern determines how satisfied one is with the returns generated by the different investment channels. Additionally, women from Arunachal Pradesh's scheduled tribes, Age and related investment factors are considered before making any investments by using a hypothesis.

Objective 1: Returns generated by the available investment avenues based on the investment pattern.

Table 5.1 Returns generated by the available investment avenues based on the investment pattern

	N	Minimum	Maximum	Mean	Std. deviation	Rank
Mutual Fund	400	1	5	2.35	1.139	X
Equity shares	400	1	3	1.89	.884	XIV
Real Estates	400	1	5	3.80	1.221	IV
Chit funds	400	1	5	3.51	1.473	VII
National pension scheme	400	1	5	3.26	1.212	VIII
Public provident fund	400	1	4	2.56	.997	IX
Voluntary provident fund	400	1	3	1.08	.382	XV
Employee Provident Fund	400	1	5	3.64	1.126	VI
Bank deposits	400	4	5	4.49	.501	I
Post office deposits	400	4	5	4.25	.432	III
Insurance policies	400	4	5	4.37	.484	II
Company deposits	400	1	5	3.73	1.334	V
Commodities	400	1	3	2.18	.985	XII
Bonds	400	2	3	2.04	.196	XIII
Others	400	1	3	2.26	.499	XI
Valid N (listwise)	400					

Source: Field study, compiled by the author

Inferences: The table above illustrates the various avenues available for women from the scheduled tribes in the specified region of Arunachal Pradesh to make investments. The findings indicated that the majority of respondents to the survey allocated their funds into bank deposits, insurance policies, and post office deposits. These represent common assets characterized by low risk. The majority of respondents are knowledgeable about and have a favorable view towards these investment methods. Women respondents face challenges in making investments, as bonds, stocks, and voluntary retirement accounts are among the least utilized options. This scenario occurs as the data illustrates the ranking of these investment options by each individual. Historically, financial institutions primarily focused on men, operating under the assumption that women lacked confidence in financial matters. Recent societal changes, such as the decline of the traditional nuclear family and the emergence of women pursuing careers, have heightened women's awareness of financial services.

Objective 2: Factors considered before investment by scheduled tribe women investors in the investment avenue.

Hypothesis 1:

Null Hypothesis H0: There is no association between the investment pattern and age.

Alternative Hypothesis H1: There is an association between the investment pattern and age.

Table no:5.2 Age-groups * Factors considered before investing -Crosstabulation										
			Factors to Consider before Investing							Total
			Capital appreciation	liquidity	Maturity Period	Return on investment	Risk	Safety of principal	Tax benefits	
Age Groups	21- 30	Count	2	15	14	6	15	28	1	81
		% of Total	0.8%	6.0%	5.6%	2.4%	6.0%	11.2%	0.4%	32.4%
	31- 40	Count	8	14	33	8	26	12	0	101
		% of Total	3.2%	5.6%	13.2%	3.2%	10.4%	4.8%	0.0%	40.4%
	41 - 50	Count	5	13	3	1	4	39	3	68
		% of Total	2.0%	5.2%	1.2%	0.4%	1.6%	15.6%	1.2%	27.2%
Total		Count	15	42	50	15	45	79	4	250
		% of Total	6.0%	16.8%	20.0%	6.0%	18.0%	31.6%	1.6%	100.0%

Source: Field study, compiled by the author

Table no: 5.3 Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	54.167 ^a	11	.000
Likelihood Ratio	61.342	11	.000
Linear-by-Linear Association	17.268	1	.000
N of Valid Cases	250		

Source: Field study, compiled by the author

Inference: The Chi-Square test was performed at a 5% level of significance. The result of the Chi Square test is presented in table no.5.3 as the P-value is 0.000 less than 0.05 at a 5% level of significance and the degree of freedom is 11. Consequently, the null hypothesis is rejected.

VI. RESULTS AND DISCUSSIONS:

6.1 Findings of the study:

- A significant portion of investors falls within the age range of 31 to 40, and a notable number of scheduled tribe women engage in diverse financial product investments. Typically, assets are retained for a duration exceeding five years.
- The process of making investment decisions is crucial, and conventional investment approaches significantly influence female investors.
- Every individual investor develops a strong understanding of insurance, post office deposits, and bank deposits. Commodities, bonds, and voluntary provident funds frequently do not receive consideration as viable personal investment options.
- To minimize the risk of losses, women Investors from Arunachal Pradesh's tribal groups focus on safeguarding their principal and primarily allocate their resources to non-marketable assets. They consider themselves cautious in every investment situation.
- The survey indicates that women from scheduled tribes consider several factors: they prioritize the principal's safety, followed by evaluating the maturity length of any investment options, thirdly associated risks, cash liquidity, return on investment, capital appreciation, and lastly tax benefits.

6.2 Limitation of the study: The study's primary focus on a specific geographical region may result in an incomplete understanding of the intricate cultural and economic factors that shape the investment patterns of women investors in mainland India.

6.3 Future scope of research:

- Employing theories from behavioural finance to explore psychological factors and cognitive biases may enhance understanding of the investment decisions made by women investors beyond traditional economic frameworks.
- Expanding the sample size and broadening its scope beyond specific regions.

VII.CONCLUSION:

The study of Exploring the Investment Patterns in Emerging Regions with the Determinants of Investment Choices among Scheduled Tribe Women Investors in Arunachal has been undertaken to study the satisfaction level with returns generated by the available investment avenues based on the investment pattern of scheduled tribe women investors and also to considered age factors before making an investment by women investors in various investment avenue. The scheduled tribe women prefer to invest in bank deposits, insurance and post office deposits. Due to their investing patterns, women investors in the region are particularly drawn to traditional investment avenues, which have risk-averse traits. These traits could be applied singly or in combination to distinguish between different risk tolerance and investment decision-making levels among women. Financial institutions and policymakers must work together, they can create a strong regulatory framework that safeguards the interests of female investors, improves transparency, and reduces dangers like market manipulation and fraud.

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