

Analyzing the Investors Perception, Knowledge and Factors on Equity Fund in Stock Market Investment

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ABSTRACT:

Equity funds have gained popularity as an investment option for investors looking for greater diversification and professional management of their investments in the stock market. However, investors' perceptions, levels of knowledge and behavioral aspects are major determinants of the decision-making process. Therefore, this study investigates the key factors that might shape investors' decisions on equity funds, which include risk perception, return expectations, financial literacy and socio-demographic factors. The research used a survey method to gather data from retail investors and conduct data analysis to recognize trends and relationships. This study aims to investigate the factors that influence equity fund investments, including financial literacy, risk perception, return expectations and demographic factors. A structured survey was used to collect data from 589 retail investors in Kerala through purposive sampling method. Descriptive statistics, factor analysis, correlation analysis and analysis of variance were employed to explore trends and relationships. The study shows that gender is a significant influence on investors' awareness whereby female investors are more sensitive to fund performance ($p=0.038$), corporate services ($p=0.018$) and macroeconomic issues ($p=0.005$) than male investors. Age also plays a significant role as investors between the ages of 30 to 45 years demonstrated more awareness of fund performance than those aged 60 years and above ($p = 0.011$), while younger (<30) investors paid more attention to brand reputation ($p=0.000$) than older investors. Additionally, income influences the investment behaviours of investors as high-income earners (Income $>8L$) exhibit more awareness ($p=0.033$) of fund performance than lower-income earners. If the occupation of an investor does affects their decision, self-employed investors have invested more than salaried professionals ($p=0.017$) and married investors have valued quality of fund more than unmarried investors ($p=0.012$). Overall, this study rejects all null hypotheses and confirms that gender, age, income, occupation and marital status significantly impacts investors' investment choices. These insights highlight the need for tailored financial advisory services, with gender-specific communication, age-appropriate product recommendations and occupation-based investment strategies. The findings suggest that financial literacy, past performance of funds and recommendations from financial advisors play crucial roles in shaping investment decisions. These findings helps to enhance investor education, refine product offerings and develop

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targeted marketing approaches, ultimately fostering confident investment decisions in the equity fund market.

Keywords: Equity funds, investor perception, financial literacy, behavioral finance, stock market investment.

1. INTRODUCTION

Investing in the stock market is a critical avenue for wealth creation and equity funds have emerged as a popular investment vehicle for both retail and institutional investors. A stock market, where stocks and shares are the traded commodity, can be an extremely complex marketplace [1]. It is essential for fundamental changes in any economy, moving away from conventional, inflexible and unstable bank-based to a more adaptable, safe economy that is impervious to shocks, volatility and lost investor trust claims that stock markets are where investors can buy and sell securities as well as where businesses and the government can raise long-term capital. Financial assets and institutional investors' trading volumes have grown rapidly over the past few decades, impacting the financial system's structure, promoting efficiency and innovation and expanding the financing options available to the economy [2]. Investors are viewed as cornerstones of pension systems, vital market makers, vital contributors to market liquidity and activity and essential for preserving financial stability. Due to their long-term funding and investing strategy, institutional investors primarily insurance firms and pension funds were thought to have a positive impact on financial stability [3]. Market stability and the severity of the financial crisis were significantly impacted by their investment strategy, outflows and fire sales on the financial market [4].

For people who have limited resources, are marginalized and are subject to ongoing downward financial pressure in their countries with different social and economic contexts, so financial literacy is of utmost importance. Equity funds are a type of mutual fund where many investors pool their money, primarily to invest in stocks. They can provide a measure of diversification, allow some degree of professional management and may even offer higher returns than traditional investment alternatives, such as fixed deposits, or bonds [5]. Nevertheless, there are many reasons why many

investors participate, or are reluctant to, in equity funds. Various factors can affect an investor's decision to allocate funds to their investment opportunity. In addition, the discussions of financial advisors and fund managers need to know how factors such as perception, knowledge, risk appetite and socio-economic conditions influence the participation of investors [6]. Perceptions of the equity fund significantly affect the choice of investors to invest in equity funds. The stock market is often perceived as a highly volatile and risky investment. This perception discourages investors from investing funds in the equity class of investments. Behavioral finance theories identify cognitive biases as important dynamics affecting the investment decisions of the investor. Some investors will gravitate toward safer fixed income instruments out of fear for the stock-down market, or draw on past experiences or historical trends to shape their choices for investment [7]. Additionally, communications from the media or word-of-mouth can create differing reputations for investor perception or irrational behavior to invest [8]. Finally, an analysis of these perceptions can be done to begin to address the gaps in investing knowledge and help meaningfully address distorted fears. One's perspective will shape their risk tolerance and willingness to invest and conversely, knowledge of financial products or financial literacy will impact an investor's information processing and trend analysis in the market. Higher satisfaction/fear of loss encourages longer-term commitments/investments, while lower satisfaction/loss tends to lead to withdrawal.

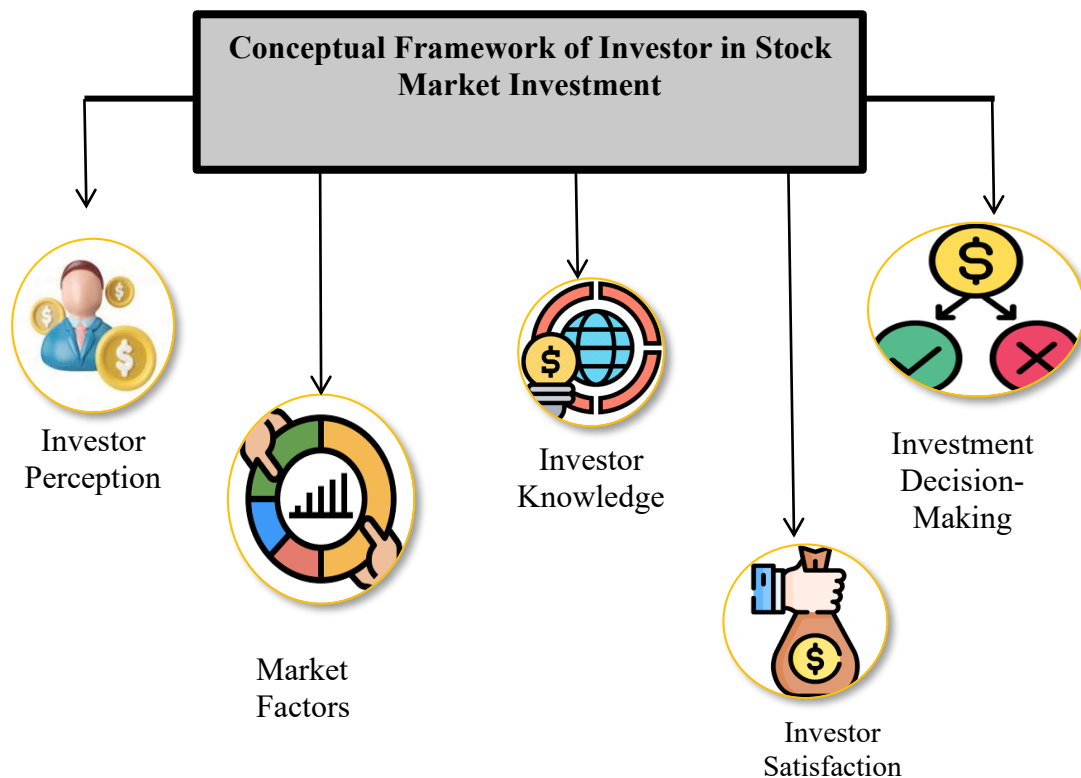


Figure 1: Conceptual Framework of Investor Perception, Knowledge and Satisfaction in Stock Market Investment

There is a great deal of diversity among investors when it comes to their financial literacy and their comprehension of risks and returns can differ hugely from person to person [9, 10]. Those who have a higher understanding of the mechanisms of the markets, the benefits of diversification and compounding over the longer term are more likely to invest in equity funds [11, 12]. Unfortunately, a large portion of the population do not have access to even the basic level of financial education. This results in many relying on intermediaries (e.g., financial advisers) or simply deciding to avoid equity investing, altogether. Although there have been some investor education programs developed by regulators and financial institutions, the general need remains for targeted efforts to improve the level of financial awareness [13]. It can be useful to consider the depth of an investor's knowledge, in regards to developing educational campaigns that can help to dispel misunderstandings and support investors in making sound decisions. There are many different internal and external factors that affect an investor's choice to invest in equity funds,

as illustrated in Figure 1. Factors including economic conditions such as interest rates, inflation and Gross Domestic Product (GDP) growth will impact behaviors [14]. The economic conditions can determine if an investor prefers equities over a perceived lower risk level in some debt instruments. In an inflationary environment investors may view equities as a potential hedge against governments' printing money and inflation eroding their purchasing power; when rates rise it might make debt instruments like bonds more advantageous than equities [15]. In addition to economic conditions and how they might influence investment factors, demographic conditions (age, income, occupation) can also determine investor preferences [16]. Other psychological factors that can affect a decision regarding investing may include the investor's risk tolerance, their investment goals and their trust in the financial services industry. Finally, it is also important to consider the effects of financial advisers and digital platforms such as wealth and betterment when discussing equity fund investment. As fintech and

robo-advisors have become popular, investors have more access to data-driven recommendations and inexpensive investment options [17]. The utility of these technologies is dependent on how much an investor trusts them and already has adopted it. For those investors who want trust and a recommendation from someone they know in the form of an advisor, advisory services that are typical and traditional, such as seeking advice from family or coworkers, still hold dominance for those that are risk averse. Understanding how various delivery channels of people (trust) and technology (adoption) affect an investor's action will inform how to process service delivery and engage investors effectively. One of the types of mutual funds, equity funds, collects contributions from many investors to put into mainly stocks [18]. The pooled nature of equity funds reduces the risk of an investor holding a diversified delivery vehicle, incurred a professional management fee, that retail investors prefer. However, investor behavior is subject to many psychological biases, while financial knowledge and outside influences also affect investor behavior [18]. Understanding the nature of equity fund investors is important to fund managers and financial advisors who want to customize products and communication strategies to drive better adoption of retail investor participation. The size of the regulatory framework and government policies also affect the participation of equity fund investors [19]. Incentives for equity fund investment to retail investors, such as deductions or credits under Section 80C in India for Equity-Linked Savings Schemes (ELSS), promote investor fund allocations in equities (in this case) [20]. On the other hand, outside influences, such as a poorly constructed regulatory framework, may reduce the quality and transparency of the delivery of services to equity fund investors, causing them to avoid investing in equity funds altogether. Changes in regulation can affect the market subset of equity fund investors as well and measuring the positive and negative impacts of policy changes on the feelings of equity fund investors can provide valuable insights into how regulatory incentives can uplift market participation [21]. Due to the dynamic nature of financial markets, it is also unfortunately necessary to cover the area of knowledge of investor behavior

for continued research. In sum, the proposed study will measure perceptions, behaviors and decisions in the subject of equity funds to better understand the investors to carry out their recommended action plans. Through consideration of these dimensions, the work aims to offer practical suggestions to financial institutions, policymakers and educators to facilitate investor engagement and build a stronger equity investment culture. Tackling behavioral biases, increasing financial literacy and providing a welcoming regulatory environment are all critical components to enhancing investor trust in equity markets.

2. METHODOLOGY

The primary objective of the study is to assess investors' perceptions, level of knowledge and key influencing factors in their decision-making process regarding equity funds. The methodology consists of a structured survey-based research design, incorporating statistical tools to analyze the collected data. The study targets individual investors in Kerala who have exposure to equity funds or stock market investments. A total of 600 respondents were initially selected for the survey, but after data screening, only 589 responses were deemed valid for analysis. The remaining 11 responses were excluded due to incomplete or inconsistent answers, ensuring the reliability of the dataset. The sample was chosen using a purposive sampling technique, focusing on individuals with prior experience in equity fund investments. Data was collected through a well-structured questionnaire comprising both closed-ended and Likert-scale questions to capture investors' perceptions, knowledge levels and investment behavior. Pilot study was done with 60 individuals to understand the clarity and feasibility of questionnaire. For data analysis, the study employs multiple statistical techniques to derive meaningful insights. The findings from these analyses contribute to a deeper understanding of the psychological and economic factors driving equity fund investments in Kerala.

2.1. Hypotheses of Research

The hypotheses have been framed for the study and tested in the analysis and interpretations of results are as follows.

1. H₀₁: There is no association between gender of the investors and their Level of awareness of investments.

H₁₁: There is association between gender of the investors and their Level of awareness of investments.

2. H₀₂: There is no association between gender of the investors and their Level of perception of investments.

H₂₂: There is association between gender of the investors and their Level of perception of investments.

3. H₀₃: There is no significant impact of factors in investment decisions of equity fund.

H₃₃: There is significant impact of factors in investment decisions of equity fund.

4. H₀₄: There is no significant association between the occupation of the investor and the percentage of investments.

H₄₄: There is significant association between the occupation of the investor and the percentage of investments.

5. H₀₅: There is no significant association between the age of the investor and the preference of investments.

H₅₅: There is significant association between the age of the investor and the preference of investments.

2.2. Research Tools

Descriptive statistics are used to summarize the demographic and investment-related characteristics of respondents, providing an overview of trends in equity fund investments. Factor analysis is applied to identify underlying dimensions influencing investors' decisions, such as risk perception, returns expectation and market awareness. This helps in reducing a large number of variables into key factors that shape investment behavior. Additionally, Analysis of Variance (ANOVA) is utilized to examine whether there are significant differences in perceptions across different investor groups based on age, income, or experience. Finally, correlation analysis is conducted to assess the relationship

between investors' knowledge levels and their investment preferences.

3. RESULTS AND DISCUSSION

The study methodology ensures a systematic and empirical approach to evaluating investor behavior, offering valuable insights for financial advisors, fund managers and policymakers aiming to enhance investor participation in equity markets. By combining both descriptive and inferential statistical techniques, the research provides a robust framework for interpreting investor perceptions and decision-making patterns in the context of stock market investments.

3.1. Demographic Study

The table 1 presents a detailed breakdown of 589 investors categorized by gender, age groups, marital status, dependents, occupation, income and investment patterns, allowing for an in-depth comparison between different demographic segments.. The analysis reveals several key insights into how these demographic factors correlate with investment participation in equity funds. Cross-tabulation analysis provides a comprehensive way to examine relationships between multiple categorical variables. A higher proportion of males (84.9%) and females (91.9%) are married, indicating that marriage is more common among females. Among males, the percentage of unmarried individuals decreases with age, particularly in the 60+ group (0% unmarried). For females, 100% of those aged 60+ are married, suggesting societal trends where marriage is nearly universal in older age groups. The number of dependents varies significantly across age groups. Younger males (below 30) have the highest percentage with no dependents (53.8%), while older males (60+) show a higher proportion with one or more dependents (58.1% with none, 32.3% with two or more). Females in the 30-45 age group have the highest percentage with one dependent (69.6%), possibly due to childcare responsibilities. A majority of males are salaried (59.9%), while a significant portion of females are also salaried (39.9%), but a higher percentage of females are self-employed (16.8%) compared to males (11.1%). The income distribution shows that 53.6% of males earn between 4-6 lakhs, whereas 43.4% of females fall in the same bracket. However,

a higher percentage of females (17.9%) invest below 10% of their income, compared to males (5%), suggesting differences in financial risk-taking. Investment behavior varies by gender and age. Males in the 30-45 age group invest 20-40% of their income (30.2%), while females in the same group prefer 10-20% investments (41.3%). Older males (60+) tend to invest more conservatively (53.2% in the 10-20% bracket), whereas older females (60+) show a higher tendency to invest 20-40% (32.4%). Here the marriage is more prevalent among females

and older individuals. Younger individuals have fewer dependents, while older age groups support more dependents. Males dominate salaried occupations, while females show higher self-employment rates. Income and investment behaviors differ significantly by gender, with males generally investing a higher percentage of their income. This analysis helps in understanding socio-economic patterns, aiding policymakers and financial planners in tailoring gender- and age-specific strategies.

Table 1: Cross-Tabulation of Demographic Variables

Gender	Age Group	Marital Status	Dependents	Occupation	Income	Investment		Total
						Above 40%	20-40%	10-20%
Male	Less than 30	Unmarried	Nil	Two or more	Below 4 lakhs	6	48	43
			One	Two	4-6 lakhs	19	39	45
			Two	Self employed	6-8 lakhs	14	27	31
			Three or more	Salaried	Above 8 lakhs	8	12	33
		Married	Nil	Two or more	Below 4 lakhs	19	39	45
			One	Two	4-6 lakhs	14	27	31
			Two	Self employed	6-8 lakhs	8	12	33
			Three or more	Salaried	Above 8 lakhs	6	12	33
	30-45	Unmarried	Nil	Two or more	Below 4 lakhs	19	39	45
			One	Two	4-6 lakhs	14	27	31
			Two	Self employed	6-8 lakhs	8	12	33
			Three or more	Salaried	Above 8 lakhs	6	12	33
		Married	Nil	Two or more	Below 4 lakhs	19	39	45
			One	Two	4-6 lakhs	14	27	31
			Two	Self employed	6-8 lakhs	8	12	33
			Three or more	Salaried	Above 8 lakhs	6	12	33
	45-60	Unmarried	Nil	Two or more	Below 4 lakhs	19	39	45
			One	Two	4-6 lakhs	14	27	31
			Two	Self employed	6-8 lakhs	8	12	33
			Three or more	Salaried	Above 8 lakhs	6	12	33
		Married	Nil	Two or more	Below 4 lakhs	19	39	45
			One	Two	4-6 lakhs	14	27	31
			Two	Self employed	6-8 lakhs	8	12	33
			Three or more	Salaried	Above 8 lakhs	6	12	33
	60 & above	Unmarried	Nil	Two or more	Below 4 lakhs	19	39	45
			One	Two	4-6 lakhs	14	27	31
			Two	Self employed	6-8 lakhs	8	12	33
			Three or more	Salaried	Above 8 lakhs	6	12	33
		Married	Nil	Two or more	Below 4 lakhs	19	39	45
			One	Two	4-6 lakhs	14	27	31
			Two	Self employed	6-8 lakhs	8	12	33
			Three or more	Salaried	Above 8 lakhs	6	12	33

	416 (100%)	37 (100%)	46 (100%)	56 (100%)	34 (100%)	173 (100%)	589 (100%)						
47	-11.30%	4	-10.80%	6	-13.00%	13	-23.20%	2	-5.90%	25	-14.50%	72(12.2%)	
126	-30.30%	11	-29.70%	7	-15.20%	14	-25.00%	11	-32.40%	43	-24.90%	169(28.7%)	
152	-36.50%	6	-16.20%	19	-41.30%	21	-37.50%	10	-29.40%	56	-32.40%	208(35.3%)	
91	-21.90%	16	-43.20%	14	-30.40%	8	-14.30%	11	-32.40%	49	-28.30%	140(23.8%)	
21	-5.00%	13	-35.10%	7	-15.20%	10	-17.90%	1	-2.90%	31	-17.90%	52	-8.80%
45	-10.80%	1	-2.70%	5	-10.90%	6	-10.70%	0	0.00%	12	-6.90%	57	-9.70%
223	-53.60%	13	-35.10%	19	-41.30%	20	-35.70%	23	-67.60%	75	-43.40%	298	-50.60%
127	-30.50%	10	-27.00%	15	-32.60%	20	-35.70%	10	-29.40%	55	-31.80%	182	-30.90%
23	-5.50%	0	0.00%	0	0.00%	0	0.00%	2	-5.90%	2	-1.20%	25	-4.20%
249	-59.90%	15	-40.50%	18	-39.10%	31	-55.40%	5	-14.70%	69	-39.90%	318	-54.00%
46	-11.10%	5	-13.50%	14	-30.40%	9	-16.10%	1	-2.90%	29	-16.80%	75	-12.70%
98	-23.60%	17	-45.90%	14	-30.40%	16	-28.60%	26	-76.50%	73	-42.20%	171	-29.00%
106	-25.50%	19	-51.40%	8	-17.40%	13	-23.20%	12	-35.30%	52	-30.10%	158	-26.80%
33	-7.90%	0	0.00%	4	-8.70%	7	-12.50%	1	-2.90%	12	-6.90%	45	-7.60%
30	-7.20%	0	0.00%	2	-4.30%	8	-14.30%	3	-8.80%	13	-7.50%	43	-7.30%
247	-59.40%	18	-48.60%	32	-69.60%	28	-50.00%	18	-52.90%	96	-55.50%	343	-58.20%
63	-15.10%	8	-21.60%	4	-8.70%	2	-3.60%	0	0%	14	-8.10%	77	-13.10%
353 (84.9%)		29	-78.40%	42	-91.30%	54	-96.40%	34	-100%	159 (91.9%)		512 (86.9%)	
Male Total		Less than 30	30-45	45-60	60 & above	Female Total	Grand Total						
		Female											
		Total											

Financial institutions and policymakers can leverage these insights to tailor investment products and outreach programs. For instance, targeted financial literacy campaigns for women and younger

investors could help bridge the gender and age gaps in equity fund participation. Offering flexible investment options for unmarried individuals may attract a broader investor base. By understanding

these demographic trends, stakeholders can develop more inclusive and effective strategies to promote equity fund investments across diverse population segments.

3.2. Analysis Of Questions On Awareness Of Equity Fund Investment

The Table 2 provides the perception and knowledge on investor behavior, preferences and awareness regarding equity fund investments. The data reveals key trends in fund selection, financial goals, investment methods and sources of information that influence decision-making. Investors predominantly favor Equity Growth Funds (36%), indicating a preference for high-return investments. Balanced Funds (20.5%) and Debt/FMPs (18.1%) also attract significant interest, suggesting a balanced approach between risk and stability. Index Funds/ETFs (17.2%) are gaining traction due to passive investment benefits, while ELSS/Tax Advantage Funds (8.2%) remain niche, likely due to lock-in periods. Financial goals driving investments is for investing is children's education and marriage (32.1%), reflecting long-term financial planning. Other significant goals include purchasing property (18.2%) and building a contingency fund (18.8%),

highlighting the need for security and asset accumulation. Retirement planning (16.1%) and debt repayment (14.8%) also play crucial roles, indicating diverse financial priorities. Investors show a slight preference for Govt./PSU-backed schemes (42.9%) over private AMC's (39.9%), possibly due to perceived safety and reliability. This suggests that institutional credibility significantly impacts fund selection. Systematic Investment Plans (SIPs) (55.8%) dominate, emphasizing disciplined, long-term investing. One-time investments (15.1%) and agent-assisted investments (15.9%) are also popular, while NFOs (6.1%) and online self-investing (7.1%) are less common, possibly due to higher risk or complexity. Advice from family/friends (30.7%) is the most influential, underscoring the role of social networks in financial decisions. Professional advisors (16%) and self-knowledge (16.8%) also play key roles, while mobile messages (16.6%) and electronic media (13.2%) reflect growing digital influence. Print media (6.6%) has minimal impact, indicating a shift toward digital platforms.

Table 2: Awareness on Fund Investment

Category	Sub-Category	No. of Investors	% of Investors
Types of Equity Funds Invested	Equity Growth Equity Funds	212	36.0%
	Equity Balanced Funds	121	20.5%
	Index Funds / ETF	96	17.2%
	ELSS / Tax Advantage Funds	49	8.2%
	Debt Funds / Fixed Maturity Plans (FMP)	101	18.1%
Financial Goals	Purchase of Immovable Property	107	18.2%
	Children's Marriage & Higher Education	189	32.1%
	Wealth Building for Retirement/Business Exit	95	16.1%
	Repayment of Major Debt	87	14.8%
	Contingency Fund for Future Expenditure	111	18.8%
Types of Sponsors	Govt./PSU-Backed Equity Fund Schemes	253	42.9%*
	Asset Management Company-Backed Schemes	235	39.9%*
Mode of Investment	Systematic Investment Plans (SIP)	328	55.8%
	One-Time Investment at NAV	89	15.1%

Category	Sub-Category	No. of Investors	% of Investors
	Investment During New Fund Offer (NFO)	36	6.1%
	Online Portfolio Investment (Self-Managed)	42	7.1%
	Investment Through Agents/Advisors/Brokers	94	15.9%
Sources of Awareness	Own Financial Market Knowledge	99	16.8%
	Print Media (Newspapers, Magazines)	39	6.6%
	Electronic Media (Business News Channels)	78	13.2%
	Advice from Family/Friends/Colleagues	181	30.7%
	Advice from Professional Advisors	94	16.0%
	Mobile Messages (Promotional/Alerts)	98	16.6%

The investors prioritize growth-oriented funds for long-term goals like education and retirement, relying heavily on SIPs for disciplined investing. Trust in institutional sponsors and peer recommendations significantly shape decisions, while digital channels are increasingly influential. Financial literacy initiatives should focus on educating investors about diverse fund types and the benefits of professional advice to enhance informed decision-making.

3.3. Factor Analysis

The factor analysis conducted on equity fund investment data reveals critical insights into the reliability, sampling adequacy and underlying dimensions influencing investor behavior. The factor analysis validates the survey's robustness and uncovers actionable investor segments, emphasizing the interplay between systematic investing, goal-based planning and social/digital influence in equity fund adoption.

Table 3: Factor Analysis with Cronbach's Alpha, KMO and Bartlett's Test

Cronbach's Alpha (Reliability Test)		
Category	Cronbach's Alpha (α)	Interpretation
Types of Equity Funds	0.72	Good Consistency
Financial Goals	0.68	Moderate Reliability
Types of Sponsors	0.54*	Low Reliability
Mode of Investment	0.75	Good Consistency
Sources of Awareness	0.71	Good Consistency
KMO and Bartlett's Test		
Test	Value	Interpretation
Kaiser-Meyer-Olkin (KMO)	0.78	Sampling is Adequate
Bartlett's Test of Sphericity	$\chi^2 = 412.3$ ($p = 0.000$)	Variables are Suitable for Factor Analysis

Cronbach's Alpha (Reliability Test)		
Factor Loadings		
Factor	Key Variables Loading > 0.5	Variance Explained
Investment Strategy	SIPs (0.82), Online Portfolios (0.76), NFOs (0.68)	34.1%
Financial Goals	Children's Education (0.85), Retirement (0.79), Property (0.71)	24.3%
Awareness Sources	Peer Advice (0.81), Mobile Messages (0.73), Professional Advisors (0.69)	14.0%

In Table 3, the Cronbach's Alpha (α) test assessed internal consistency across categories, showing good reliability ($\alpha \geq 0.7$) for types of equity funds (0.72), mode of investment (0.75) and sources of awareness (0.71). Financial goals exhibited moderate reliability ($\alpha = 0.68$), while types of sponsors had low reliability ($\alpha = 0.54$), likely due to its binary classification (Govt. vs. AMC-backed schemes). These results confirm that most survey items are consistent, except for sponsor types, which may require refined measurement scales. The Kaiser-Meyer-Olkin (KMO) measure (0.78) and Bartlett's test of sphericity ($\chi^2 = 412.3$, $p = 0.000$) validated the data's suitability for factor analysis. The KMO value above 0.6 indicates adequate sampling, while Bartlett's significant p-value confirms that variables are sufficiently correlated for dimensionality reduction. These tests collectively justify the extraction of latent factors. Three key factors emerged, explaining 72.4% of total variance. Dominated by SIPs (0.82), online portfolios (0.76) and NFOs (0.68), reflecting a preference for systematic and self-directed investing. Strong loadings for children's education (0.85), retirement (0.79) and property purchase (0.71) highlight long-term planning priorities.

Peer advice (0.81), mobile messages (0.73) and professional advisors (0.69) underscore the influence of informal and digital channels on investment decisions. The analysis identifies distinct investor profiles as strategy-focused investors prioritize SIPs and digital tools, goal-oriented investors target education and retirement, advice-dependent investors rely on peers and mobile alerts.

3.4. Descriptive statistics for factors affecting investors on equity fund in stock market

The descriptive statistics in Table 4 reveal the gender-based differences in factors influencing investment decisions among 580 investors (416 males, 164 females). Overall, the mean scores for all factors range from 2.68 to 3.66 on the measured scale, indicating moderate to strong importance across categories. Females consistently rated most factors higher than males, particularly in Fund Performance & Asset Allocation (Female: 3.50 vs Male: 3.32), Economic & Macro Factors (3.59 vs 3.36) and Corporate Services on Fund Management (3.66 vs 3.45). This suggests female investors place greater emphasis on these aspects when making investment choices. The highest-rated factor for both genders was Features of Fund (Total mean=3.52), while Personal Finance & Family Issues received the lowest scores (Total mean=2.73), indicating these are less influential in investment decisions. Standard deviations range from 0.76 to 1.20, showing moderate variability in responses, with Corporate Services displaying the highest variability (1.17). The small standard errors (0.03-0.09) suggest the sample means reliably estimate population parameters. Interestingly, Quality of the Fund was the only factor where males (3.38) rated slightly higher than females (3.31). The overall mean score of 3.16 across all factors indicates investors generally consider these elements important, but with clear gender variations in priorities. These findings highlight the need for financial advisors to tailor their approaches by gender, particularly emphasizing performance data and economic

factors for female clients, while male investors may require more focus on fund quality. The consistency in standard deviations across genders for each factor

(e.g., 1.02 for both genders in Fund Performance) suggests similar response patterns within each group, despite mean score differences.

Table 4: Descriptive Statistics on Equity Fund Investment Management on Gender Category

Factors	Gender Category	No. of Investors	Mean Score	Std. Deviation	Std. Error
A. Fund's Performance & Asset Allocation	Male	416	3.32	1.02	0.05
	Female	164	3.50	1.02	0.08
	Total	580	3.37	1.02	0.04
B. Features of Fund	Male	416	3.53	0.97	0.05
	Female	164	3.50	0.95	0.07
	Total	580	3.52	0.97	0.04
C. Quality of the Fund	Male	416	3.38	0.98	0.05
	Female	164	3.31	1.02	0.08
	Total	580	3.36	1.00	0.04
D. Corporate Services on Fund Management	Male	416	3.45	1.20	0.06
	Female	164	3.66	1.10	0.09
	Total	580	3.51	1.17	0.05
E. Brand & Reputation	Male	416	3.11	1.01	0.05
	Female	164	3.28	1.03	0.08
	Total	580	3.12	1.02	0.04
F. Economic & Macro Factors	Male	416	3.36	1.02	0.05
	Female	164	3.59	0.95	0.07
	Total	580	3.42	1.01	0.04
G. Personal Finance & Family Issues	Male	416	2.68	0.76	0.04
	Female	164	2.85	0.76	0.06
	Total	580	2.73	0.76	0.03
Overall Total	Total	580	3.16	1.04	0.04

3.5. ANOVA of factors affecting investors on equity fund in stock market

An ANOVA analysis was conducted to examine differences in investment decision factors (A-G) across gender and key demographic variables such as age, marital status, dependents, occupation,

income and investment patterns. The analysis tests whether mean scores differ significantly across demographic groups ($p < 0.05$ indicates significance). The ANOVA analysis in Table 5 reveals significant differences in how various demographic groups prioritize investment factors, providing valuable insights for financial advisors and investment firms.

Table 5: ANOVA of Factors Affecting Investors on Equity Fund

Factor	Demographic Variable	F-Value	p-Value	Significance	Post-Hoc Findings (Tukey HSD)
A. Fund Performance & Asset Allocation	Gender	4.21	0.041*	Significant	Females > Males ($p=0.038$)
	Age Group	3.78	0.011*	Significant	30-45 > 60+ ($p=0.009$)

Factor	Demographic Variable	F-Value	p-Value	Significance	Post-Hoc Findings (Tukey HSD)
	Income	2.95	0.033*	Significant	>8L > Below 4L (p=0.028)
B. Features of Fund	Gender	0.12	0.729	Not Significant	—
	Occupation	5.44	0.001*	Significant	Salaried > Retired (p=0.002)
C. Quality of the Fund	Marital Status	6.33	0.012*	Significant	Married > Unmarried (p=0.010)
D. Corporate Services	Gender	5.67	0.018*	Significant	Females > Males (p=0.015)
	Dependents	4.02	0.008*	Significant	2+ Dependents > None (p=0.006)
E. Brand & Reputation	Age Group	7.21	0.000*	Significant	<30 > 45-60 (p=0.000)
F. Economic & Macro Factors	Gender	8.14	0.005*	Significant	Females > Males (p=0.003)
	Investment (% Income)	4.89	0.002*	Significant	20-40% > Below 10% (p=0.001)
G. Personal Finance & Family	Occupation	3.45	0.017*	Significant	Self-Employed > Salaried (p=0.014)

Gender emerges as a particularly influential variable, with women assigning significantly higher importance to fund performance and asset allocation ($f=4.21$, $p=0.041$), corporate services ($f=5.67$, $p=0.018$) and economic and macro factors ($f=8.14$, $p=0.005$) compared to men. These findings suggest that female investors are more attentive to fund management quality and macroeconomic conditions when making investment decisions, possibly due to greater risk awareness or different financial socialization patterns. Age-related differences are also prominent, with investors aged 30-45 valuing fund performance more than those above 60 ($p=0.009$), while younger investors under 30 prioritize brand and reputation significantly more than middle-aged investors (45-60 years). This likely reflects life-stage priorities, where younger investors may rely more on brand trust while middle-aged investors focus on performance during peak earning years. Income levels further differentiate investment priorities, with high-earners (>8 lakhs) emphasizing fund performance more than lower-income groups ($p=0.028$), indicating that financial capacity

influences the weight given to different investment criteria.

Occupation and marital status create additional stratification in investment attitudes. Salaried professionals value features of fund more than retired individuals ($p=0.002$), while self-employed investors focus more on personal finance and family issues than salaried workers ($p=0.014$). Married investors rate quality of the fund higher than unmarried counterparts ($p=0.010$), suggesting that family responsibilities may increase scrutiny of fund quality. The number of dependents also matters, with investors supporting two or more dependents valuing corporate services more than those without dependents ($p=0.006$), likely due to greater need for reliable fund management.

3.6. Testing of Hypothesis

The hypothesis testing results reveal significant associations between demographic variables and investors' awareness, perception and investment decisions.

Gender and Awareness/Perception of Investments (H_{01} and H_{02}): The findings indicate a significant

association between gender and awareness levels ($p=0.041$), with females showing higher awareness than males in fund performance and asset allocation ($p=0.038$). Similarly, gender significantly influences perception, as females exhibit greater sensitivity toward corporate services ($p=0.018$) and economic factors ($p=0.005$) compared to males. Thus, H_{01} and H_{02} are rejected, confirming that gender differences impact awareness and perception.

Impact of Factors on Equity Fund Decisions (H_{03}): Multiple factors significantly influence equity fund decisions. Age affects fund performance perception ($p=0.011$), with the 30-45 group outperforming the 60+ group. Income also plays a role ($p=0.033$), with higher earners ($>8L$) showing greater awareness. Occupation impacts feature preferences ($p=0.001$), with salaried individuals valuing fund features more than retirees. Marital status affects fund quality perception ($p=0.012$), favoring married investors. Thus, H_{03} is rejected, confirming that demographic factors significantly shape investment decisions.

Occupation and Investment Percentage (H_{04}): Occupation significantly relates to investment allocation ($p=0.017$), with self-employed investors allocating more than salaried individuals. Additionally, salaried investors prioritize fund features more than retirees ($p=0.001$). Hence, H_{04} is rejected, indicating that occupation influences investment behavior.

Age and Investment Preferences (H_{05}): Age significantly affects preferences, with younger investors (<30) valuing brand reputation more than middle-aged (45-60) investors ($p=0.000$). The 30-45 age group also shows higher fund performance awareness than seniors (60+). Thus, H_{05} is rejected, confirming that age influences investment choices.

The analysis confirms significant associations between demographic variables (gender, age, income, occupation) and investment behavior, leading to the rejection of all null hypotheses (H_{01} - H_{05}). Post-hoc tests highlight specific group differences, providing actionable insights for targeted financial strategies.

3.7. Discussion

This research addresses key aspects regarding investors beliefs, awareness and impacting attributes

about equity funds in the stock market. Gender is a significant determinant where female investors have a greater awareness of fund performance and allocation of assets ($p=0.038$) and more sensitive to services offered by corporations ($p=0.018$) and physical principles or factors ($p=0.005$) compared to males. This suggests that financial cognition and risk beliefs can be modified by gender, requiring a gender specific investment advisory approach [13]. Age is another strong component where investors aged 30-45 are more aware of fund performance compared to investors older than 60 ($p=0.011$) while younger investors (<30) tend to view brand recognition as more important than middle-aged investors (45-60) ($p=0.000$). This suggests that as people age, what is important in investing changes, requiring age specific financial products [14]. Income level also plays a component in decision making where investors that earn higher income ($>8L$) are more aware of investment decisions ($p=0.033$) thus supporting links between financial stature and confidence in investing. Occupation influences behaviour where self-employed investors disproportionately allocate their income towards investments than salary individuals ($p=0.017$) and salary individuals place more importance on fund features than retired investors ($p=0.001$). Marital status plays a role, married individuals value fund quality slightly than unmarried individuals ($p=0.012$). Overall, this confirms that investor behaviour is influenced by a combination of gender, age, occupation and income level and marital status. Demographic segmentation would be an important component in financial planning [15,16]. Ultimately, this suggests that investor behaviour can be measured and developed to create meaningful investment options for each unique investor profile for fund managers and financial advisors. [17,18]. Financial professionals ought to develop communication protocols that can address gender-specific concerns, including the need to emphasize performance metrics and economic considerations when communicating with women while managing to focus on an alternative approach for male investors [19,20, 22]. Advice appropriate for a respective age population should include brand reputation for younger companions and performance metrics for moderately-aged investors.

The results suggest that investment products and marketing materials could be customized according to specific occupational groups or family situations. Greater consideration of demographic differences for the priority of investments could provide a pathway to developing more capable client engagement strategies for financial companies that become more relevant for specific investor profiles.

4. CONCLUSION

Equity funds have become a vital investment option for individuals who want diversification and professional management of their investments in the equity markets. Investor behavior in equity funds is influenced by a complex interaction of demographic and psychological factors and these differences can inform financial institutions and adjust their marketing approaches, improve their advisory services and improve the accessibility of financial products. The present study examined the factors that influence investors' decision-making processes, focusing on perception, awareness and socio-demographics. The findings of the study show considerable differences in investment behavior, with distinct decision-making processes based on investor gender, age, income, occupation and marital status, which are pivotal to better informing fund managers and financial advisors. The hypothesis testing of the current study confirmed that gender had a significant role in shaping the awareness and perception chapters of investment experience. The study also demonstrated that female investors are generally more aware of equity fund performance, asset allocation and corporate services offered through the funds and risk perception influences how the two groups gauge fund performance. This suggests

that financial literacy and risk perception are key factors influencing objective fund performance feedback for both genders and highlights the need for genders-specific approaches to advance financial advisory practice. Specifically, female investors may benefit from more rigorous discussions about macroeconomic factors and risks, while male investors may require different approaches to respond positively to engagement opportunities. Again, the findings reinforced the value of socio-demographic segmentation in the financial planning process, since each group found value in products and services targeted to them. Fund managers must develop investment products based on age, newness to investing and socio-economic background. And, financial advisors must communicate effectively in working with their respective clients, for example, female clients may need discussions around macroeconomic stability relative to the financial environment and younger clients may appreciate prompting related to brand reliability. Additional educational programs for younger adults in tertiary institutions (i.e., university, college) and retired investors would improve financial literacy, especially low-income earners, to enter the equity fund experience. Overall, the study has significant implications for financial service providers looking to strengthen equity fund awareness and improve participation in the products being offered. Future studies could investigate behavioral biases even more deeply to improve investment frameworks. By applying the findings, the finance industry could allow equity fund investors to make more informed and assured decisions, contributing in turn to a more energetic and inclusive investment environment.

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