

RETAIL EQUITY INVESTOR BEHAVIOUR IN THANJAVUR: A STUDY OF INVESTMENT DECISIONS, RISK PERCEPTION AND FINANCIAL AWARENESS

Kavya R¹, Dr. K. Raja Pranmalai², Dr.A.Rajesh³

¹PhD Research Scholar, Department of Rural Industries and Management, The Gandhigram Rural Institute (Deemed to be University), Gandhigram, Dindigul, Tamil Nadu. Email: kavyarajkumar29@gmail.com

²Senior Professor, Department of Rural Industries and Management, The Gandhigram Rural Institute (Deemed to be University), Gandhigram, Dindigul, Tamil Nadu

³Assistant Professor (T), Department of Rural Industries and Management, The Gandhigram Rural Institute (Deemed to be University), Gandhigram, Dindigul, Tamil Nadu. Email: rajesh2active@gmail.com

Abstract—Retail trading has been growing in India in recent years and is now becoming a much bigger and more important part of the equity trading market, thanks to digitalisation, low trading costs and improved access to market information. But the classical theory of finance, which posits that investors are rational, is coming under increasing scrutiny on the basis of empirical evidence that cognitive biases, emotions, and social influences play a role in the process, in addition to fundamentals. This study is aimed at examining the behaviour of retail equity investors, which includes the demographic factors, motives for investment decision making, risk tolerance and perception, investment preference and financial awareness among retail equity investors in Thanjavur district, Tamilnadu. The research design used was descriptive research design, and the data collected were primary data obtained by filling out a structured online questionnaire with 126 retail investors who were selected using a convenience sampling method, with the data in every questionnaire analyzed using percentage analysis. The findings show that the investor base is young and moderately educated and very active in the equity markets, with more than 90 per cent of respondents investing in equities at present and almost half aged between 21 and 30. Markets sentiment and peer influence were found to be the most significant factors influencing investment decisions, risk tolerance was primarily moderate or low, and a large percentage of investors (76.2%) had suffered losses at some point, indicating that there could be a disconnect with fundamental analysis and risk perception. The most common sources for investment information were the Internet and social media, and over half of the respondents said they were influenced by emotion when making an investment decision. The study finds that equity participation in Thanjavur is growing fast, but much faster than financial literacy, hence, a concerted multi-stakeholder financial-literacy initiative by investors, intermediaries and regulators is needed to encourage more disciplined and informed participation. The paper ends with practical suggestions for retail investors, financial institutions and policy makers and research avenues such as the usefulness of using inferential statistical methods in a larger and probability sample.

Keywords: Retail Investors; Equity Investment; Investor Behaviour; Behavioural Finance; Risk Perception; Financial Literacy; Thanjavur.

1. Introduction

Investment is one of the main elements of financial planning, as it allows people to increase their assets over time and also help in capital formation as well as economic growth. Equity has become an attractive route of investment for Indian households, given that it offers higher returns over other types of investments like bank deposits, gold and real estate. An equity investor buys shares of a listed company, and thus also shares in the dividends and capital appreciation of the company, and with that, also takes a greater risk of fluctuations in the market.

In the past ten years, the interest of retail investors in the Indian stock market has increased significantly, thanks to greater financial literacy, the increasing number of digital trading platforms and mobile apps, reduced transaction fees, and better access to market data. Historically, retail investors, who invest their own money as opposed to pooled institutional money, were on the sidelines of the liquidity of the market, but that's no longer the case in recent years. In reality, however, the classical finance philosophy of rational investors seeking to maximise return and minimise risk does not apply to everyone. In response to this, behavioural finance has arisen, which looks into the impact that cognitive biases, emotion and social interaction have on actual investment choices. Investor behavior can be explained as a product of a dialectical relationship of psychological factors like overconfidence, herding, loss aversion and anchoring and demographic and socio-economic factors like age, income, education and occupation. Knowing this behavior is important to many groups of people, as it can lead to investors identifying and changing irrational behaviors, as well as help advisors better serve their clients and help regulators create policies that facilitate informed participation and investor protection.

The present study is confined to the study of an historical and economically diversifying town Thanjavur which has a population group of salaried people, business people, professionals and students. While the newly discovered ease of digital technology and increased financial market awareness in the region are beginning to change investment behaviour, empirical research on retail investors specific to Thanjavur is limited, most studies being conducted in India in a national or metropolitan setting that do not reflect the dynamics of semi-urban markets like this one. This leaves a research gap: the income patterns, awareness and the culture of investing in a town like Thanjavur cannot be taken for granted to be similar to that of larger towns and cities, but local policy and outreach would benefit from evidence from this context.

On this backdrop, the study looks into the demographic characteristics of retail investors of Thanjavur, factors influencing the investment decision making process, risk perception levels and risk tolerance, investment preferences and market awareness level of the retail investors of Thanjavur. The goal is to build locally relevant knowledge and understanding which can drive better investment decisions by individuals, improve advisory service by intermediaries, expand financial literacy, and more focused policies.

The remaining paper is organised as follows. The literature review in section 2 is dedicated to the research aspect of behavioural finance and investor behaviour. The research methodology is explained in Section 3 which include the objectives, research design, sampling process, and limitation. The results are presented and discussed in Section 4 with the existing literature. The theoretical and practical implications of the findings are discussed in Section 5, while the recommended recommendations for different stakeholders are discussed in Section 6 leading to the conclusion of the paper in Section 7.

2. Review of Literature

There is a substantial literature on how the behaviour of investors and their behaviourally driven tendencies affect investment decisions that is, aside from rational calculation. Kahneman and Tversky (1979) created prospect theory, which revealed that investors experience the pain of a loss more strongly than the satisfaction of an equivalent gain, meaning that they tend to hang on to losing stocks for longer than would a rationally behaving investor. Shefrin (2000) built on this by introducing the idea of mental accounting, where investors will keep their money separately by source or purpose and may be less inclined to spend it on other investments. Baker and Nofsinger (2002) identified several biases and tendencies that cause retail investors to make decisions based more on emotion than on fundamentals, including overconfidence, anchoring and loss aversion.

The impact of demographic and socio-economic factors are also noted to have influence on investor behavior. Barber and Odean (2001) found that men trade more frequently and assume more risk than women, and that the increased trading activity would often lead to reduced returns due to higher transaction costs. These are also found in the Indian context with Sehgal and Singh (2012), Rajarajan (2003) and Chitra and Sreedevi (2011) reporting similar associations between age, income, education and risk tolerance, portfolio diversification and asset preference, respectively. Geetha and Ramesh (2011) and Shanmugasundaram and Balakrishnan (2010) studies specific to Tamil Nadu suggests that safety, liquidity and returns are the primary investment motives with a gradual shift towards equity investment due to the drop in trading costs and rise in mobile trading platforms.

The subject of risk perception has been the focus of much academic research, too. Lusardi and Mitchell (2007) related financial literacy to risk aversion and diversification of portfolio and Mittal and Vyas (2008) related high income with high willingness towards investing in equity. Lusardi and Mitchell (2007) found a relation between financial literacy and risk aversion and diversification of portfolio, and Mittal and Vyas (2008) found that higher income was linked to high willingness to invest in equity. Slovic (1987) and Weber, Blais, and Betz (2002) indicate that fear, familiarity, and personal experience all play significant roles in perceptions of risk; and related research indicates that overconfidence is

related to excessive risk taking. Another line of research is on information sources and awareness. Nagy and Obenberger (1994) also pointed out that informal information (tips from friends and family) is also important in addition to formal financial disclosures. Few studies have since followed up on the relationship between low awareness and low market participation; Al-Tamimi (2006) found the same relationship in the UAE, and other studies in recent years (Rakesh, 2014; Butt, Rehman, & Iqbal, 2011) suggest that investors are increasingly turning to digital platforms, financial news, and social media for information, leading to information overload and misinformation. Statman (1999) and Barberis and Thaler (2003) also contend that behavioural finance is not against market efficiency, but builds on it to explain anomalies such as over-trading and herding, which the classical theory cannot.

Overall, this literature provides a basis for asserting that investors' behaviour is shaped by psychological biases, demographic factors, and information availability, and that this has been observed in various settings, including developed markets. The situation of such dynamics in smaller semi-urban Indian towns which have different income levels, digital penetration and access to formal financial advice is comparatively untouched. Existing studies based on the Tamil Nadu context are also a tad dated when compared to the booming discount broking industry through apps since 2020. The present study is aimed to fill this gap as it provides contemporary locality specific evidence from Thanjavur.

Table A: Summary of Key Themes in the Literature

Theme	Representative Studies	Core Insight
Cognitive biases and heuristics	Kahneman & Tversky (1979); Shefrin (2000); Baker & Nofsinger (2002)	Losses are felt more strongly than gains; mental accounting and overconfidence distort decisions.
Demographic influences	Barber & Odean (2001); Rajarajan (2003); Sehgal & Singh (2012)	Gender, age, income, and education systematically affect trading frequency and risk tolerance.
Tamil Nadu-specific evidence	Geetha & Ramesh (2011); Shanmugasundaram & Balakrishnan (2010)	Safety and liquidity motives are gradually giving way to equity-oriented behaviour.
Risk perception	Lusardi & Mitchell (2007); Slovic (1987); Weber, Blais & Betz (2002)	Financial literacy, familiarity, and personal experience shape perceived risk.
Information sources and awareness	Nagy & Obenberger (1994); Al-Tamimi (2006); Rakesh (2014)	Informal and digital sources increasingly substitute for formal financial advice.

Table A: Thematic synthesis of the reviewed literature

3. Research Methodology

3.1 Objectives of the Study

1. To examine the socio-economic and demographic profile of retail investors in Thanjavur and their attitude towards equity investment.
2. To identify and discuss the factors influencing retail investors' investment decisions.
3. To assess the level of risk perception and risk tolerance among retail investors.
4. To understand retail investors' investment preferences with respect to equity and other financial instruments.
5. To evaluate investors' level of awareness, knowledge, and sources of information, and to examine how demographic factors (age, income, education, and occupation) relate to investment behaviour.

3.2 Research Questions

As per the above objectives the study aims to find the answers to the following questions: (i) What is the socio-economic and demographic profile of the retail equity investors in Thanjavur? (2) What are the most important factors of their investment decision? (iii) What is investors' perception of risk and what are their reactions to risk, and how do their self-reported risk tolerance levels relate to their actual investment behaviour (e.g. responses when prices fall)? (iv) What instruments and trading channels are investor's preferred and for how long? (v) What is the awareness of investors on the market risk and what are the most trusted sources of information? The answers to these questions are discussed descriptively by analyzing the percentage of the survey responses; in future research, the underlying data could be tested more formally using cross-tabulations and chi-square tests as described in Section 3.7.

3.3 Research Design and Data Collection

The study is descriptive in nature, which is not about establishing a causal relationship, but to describe the attitudes, preferences and behavioural tendencies of retail investors in Thanjavur. Structured questions were used for the collection of primary data using Google forms-a web-based survey. The instrument consisted of 30 closed-ended questions and it was divided into four sections, namely, demographic profile, factors influencing investment decision, risk perception and investment preference and awareness. A small number of respondents were invited to complete the questionnaire as a pilot test to ensure that the wording and options for responses were clear before sending the questionnaire to everyone. Secondary data was collected from academic journals, behavioural finance textbooks, and publications of the Securities and Exchange Board of India (SEBI), the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE), mostly to provide the context of the primary data but not to be directly used in the analysis.

3.4 Sampling Procedure and Sample Size

The study population consists of the retail investors who live in the town of Thanjavur and invest (or have expressed their interest in investing) in the equity markets. Because there is no complete sampling frame of retail investors in town, a convenience (non-probability) sampling method was employed and letters were sent until a working sample of 126 retail investors was achieved. With limited resources and how accessible the data is, this sample size is generally in line with similar descriptive studies of retail investor behaviour conducted in other towns and districts of India, which typically sample 100-150 individuals. But it should be interpreted as a representative sample rather than as a measure of the population.

3.5 Data Analysis Tools

Responses were coded and analysed by percentage and frequency analysis and presented in tabular and graphical form (if applicable). This can be appropriate for the descriptive purposes of research which are to describe the sample and to summarise the distribution of responses without making formal statistical hypotheses about the underlying population.

3.6 Reliability and Content Validity of the Instrument

In order to achieve content validity, the four parts of the questionnaire were based on constructs that have been previously validated in the behavioural-finance literature discussed in Section 2, namely the constructs of demographic profiling, decision factors, risk perception and awareness. Pre-testing with a limited number of respondents prior to the roll-out of the full survey helped to identify items that were unclear and to refine the wording of items, thereby contributing to face validity. Since, for most constructs, the questionnaire does not use multi-item scales, a formal internal-consistency statistic, such as Cronbach's alpha, was not computed; this is noted as a limitation in Section 3.7, and future versions of the questionnaire could benefit from multi-item scales for key constructs including risk tolerance.

3.7 Scope and Limitations of the Study

The study is limited to the town of Thanjavur and may not be applied to other towns in Thanjavur district. The study deals only with equity investment, though other vehicles of investment like mutual funds, bonds, gold and real estate are referred to just for the sake of comparison and not examined as much. The sample is a convenience sample and information is only representative for this area and time (January-April 2026) and not be viewed as an outgrowth for other regions or time periods.

There are a number of potential caveats that should be considered in interpreting the results. Firstly, convenience sampling may not be a representative sample of the larger population of retail investors in Thanjavur, and may be biased to attract those which are more comfortable with online questionnaires, thus favoring younger, more tech-savvy investors. Second, the analysis is based on percentage and frequency techniques and not inferential statistics; this is not an issue when the

study is descriptive, but it does limit the potential for the discussion to include statements about relationships between variables, such as the relationship between age and risk tolerance, which would be better corroborated with inferential statistics like the chi-square or correlation analysis. Studies who have the underlying respondent-level data could be appropriate to formally test such relationships. Third, the information is self-reported, and so is subject to the typical pitfalls of social-desirability bias and recall error - especially with regard to questions about losses and the role of emotion in decision-making. Last, financial terms in the questionnaire may not have been universally recognizable to all respondents, leading to some items being subject to measurement error for a portion of the items.

3.8 Ethical Considerations

The survey was optional and respondents were told what the study was about before they were asked to fill out the questionnaire. Personally, identifying information (names, contact details, account numbers etc.) was not collected and responses were analysed only in a general way. Respondents had the option to cancel at any time prior to submitting the form.

4. Results and Discussion

4.1 Demographic Profile

Demographic Variable	Category	Percentage
Age	21-30 years	47.6%
Gender	Male	65.1%
Gender	Female	34.1%
Education	Postgraduate	35.7%
Education	Undergraduate	30.2%
Occupation	Student	30.2%
Occupation	Salaried employee	23.8%
Monthly Income	Up to ₹20,000	34.1%

Table 1: Demographic Profile of Respondents (N = 126)

Demographic age is relatively young with almost 45% of the respondents aged between 21 and 30 years, a similar trend to the rest of the country with the younger investor population investing through mobile apps. The large gender divide in respondents to the survey (65.1% male, 34.1% female) confirms that there is still a long way to go in outreach efforts to women investors in the region, as noted by Barber and Odean (2001). The participation in equity seems to have a positive association with education, with postgraduates being the largest education group followed by undergraduates. Students are the largest group of people followed by salaried employees, and just over one-third of all of the respondents invest in equity markets and have a monthly income of under ₹20,000, indicating that low investment minimums on discount-broking apps have reduced the entry barrier for lower-income groups and students into the equity markets.

4.2 Investment Behaviour

Particulars	Category	Percentage
Currently invested in equity shares	Yes	90.5%
Investment experience	Less than 1 year	35.7%
Share of income invested in equities	11%-25%	39.7%
Primary investment goal	Dividend income	26.2%
Primary investment goal	Long-term wealth creation	25.4%
Trading frequency	Weekly	28.6%
Trading frequency	Daily	27.0%
Most influential decision factor	Market trends	27.8%
Check company fundamentals before investing	Sometimes	29.4%
Check company fundamentals before investing	Never	9.5%
Reliance on financial advisors	Yes	50.0%
Influence of peer opinions	Moderate influence	42.9%

Table 2: Investment Behaviour of Respondents (N = 126)

Overall, 90.5% of respondents are currently invested in equity shares, while 35.7% have been invested for under 1 year suggesting a significant uptick in the number of relatively new investors flowing into the market. The average level of equity exposure is moderately sized, at 39.7%, although some respondents do expose themselves to a greater extent, typically from 25% to 40%. The most popular investment goals are dividend income and long-term wealth creation, with approximately half of the sample indicating both; weekly and daily trading are nearly equally common with over half the sample indicating these, with the gap between stated intention and behaviour suggesting a lack of behavioural consistency between stated long-term investment goals and the more short-term investment objectives of trading weekly and daily; herding and short-termism are evident as stated goals: the former is cited by approximately 10 per cent of the sample, and the latter by almost as many. Close to 2 in 5 investors invest with little or no reference to company fundamentals, with 29.4% saying they check the fundamentals sometimes or never, and 9.5% saying they never. Market trends are the most cited influence on investment decisions, ahead of company fundamentals. Half of the respondents use financial advisors, and the other half make their decisions alone; 42.9% of the respondents indicate that the opinions of other people have a moderate influence on their decisions, which implies the importance of the social and herd effect mentioned in the literature review.

4.3 Risk Perception

Particulars	Category	Percentage
Self-rated risk appetite	Low risk taker	50.0%
Self-rated risk appetite	Moderate risk taker	33.3%
Self-rated risk appetite	High risk taker	16.7%
Reaction to falling prices	Hold investments	46.8%
Reaction to falling prices	Buy more (see as opportunity)	29.4%
Willingness to take more risk for greater returns	Yes	63.5%
Preferred stock category	Midcap stocks	44.4%
Experienced losses in equity investment	Yes	76.2%

Table 3: Risk Perception of Respondents (N = 126)

Half of the respondents (50.0%) say they are low risk takers, 33.3% moderate risk takers and only 16.7% high risk takers. This self-assessed caution exists in some balance with the fact that 63.5 percent do want to take additional risk for additional gain, with midcap stocks showing the highest level of preference because of their volatility as compared to large-cap stocks. It is reported in the behavioural-finance literature that there is an important difference between what people say they want to do and what they actually do in terms of risk aversion (Weber, Blais, and Betz, 2002), and there is a good reason to believe that what people say they want to do isn't necessarily what they actually do. For the majority of the sample, prices drops and 46.8% does not sell their investments and 29.4% sees a price drop as a good buying opportunity, indicating some level of composure during market corrections. Perhaps most impressively, 76.2% of respondents say that they have suffered losses in their equity investments in some instances; combined with a large percentage of investors who trade often and rarely or never check on the fundamentals of their investments (as discussed in Section 4.2), this implies that a significant portion of the sample is being exposed to investment risk that is out of line with their moderate to low levels of self-rated risk tolerance.

4.4 Investment Preferences

Particulars	Category	Percentage
Reason for preferring stocks over other assets	High expected return	31.7%
Reason for preferring stocks over other assets	Growth potential	30.2%
Invests across multiple asset classes	Yes	61.9%
Investment time horizon	Medium-term	54.8%
Preferred mode of trading	Mobile trading apps	34.1%
Preferred mode of trading	Online trading websites	34.1%

Table 4: Investment Preferences of Respondents (N = 126)

The two most common reasons for choosing stocks over other assets are high expectations for returns and growth potential (combined in about 60% of the responses). The fact that a majority of investors (61.9%) invest in several asset classes is

reassuring as it reflects risk-averse behaviour even among those who self-reportedly do not check the fundamentals, while 54.8% report a medium term investment horizon, meaning that most investors in the sample are not purely short-term speculators despite their high trading frequencies mentioned in Section 4.2. The trading channels that are more popular than mobile trading apps are online trading websites, with over two-thirds of respondents using these platforms for trading too, mirroring the overall trend of the growing popularity of trading through apps and the emergence of a low cost trading culture in India.

4.5 Awareness Level

Particulars	Category	Percentage
Self-assessed knowledge of equity markets	Excellent	10.3%
Self-assessed knowledge of equity markets	Average	46.8%
Awareness of stock market risks	Partially aware	52.4%
Awareness of stock market risks	Not aware at all	11.9%
Top source of investment information	Internet	46.0%
Top source of investment information	Social media	30.2%
Emotion influences investment decisions	Sometimes/Always	55.6%

Table 5: Awareness Level of Respondents (N = 126)

However, the number of respondents who think they know a lot about equity markets is modest (10.3%) with a large portion of the sample rating it as average (46.8%) and a significant share (as implied by the other categories) rating it as below average, so the perception of knowledge, despite the high level of market participation reported in Section 4.2, is not that high. Under two-thirds of respondents have a full understanding of the risks associated with their investments, with just over half (52.4%) only partially aware of the risks, and 11.9% saying they have no awareness at all. The internet and social networking sites were the two most mentioned sources of investment information, with more than half of the investment information cited from these sources combined – a concern that arises because investors may be presented with unverified information or promotional information, rather than vetted investment analysis as noted by Rakesh (2014) and Butt, Rehman, and Iqbal (2011). The literature review indicates that emotional behaviour is one of the key elements of investor decision-making, with more than half of the respondents (55.6%) stating that emotion sometimes or always influences their investments.

4.6 Integrated Discussion

Together, the five result tables paint a picture of a subset of investors who are young, engaged with technology, interested in equity markets, but perhaps more interested in the markets than in their underlying analysis and awareness of risk. The following 3 patterns exist. The first is a disconnect between self-reported risk and actual risk-taking; half of the sample describes itself as taking "little risk" but almost two-thirds is willing to take "more risk" for greater returns, and midcap stocks are the most popular choice, as found by Weber, Blais, and Betz (2002). Second, most information comes from informal and digital sources, with the internet and social media being the sources, consistent with the findings of Nagy and Obenberger (1994) and more recent literature on social-media based retail trading (Rakesh, 2014). Third, the high percentage of reported losses (76.2%) and the frequent trading and inconsistent fundamentals checking behavior indicate the presence of overconfidence and some herding behavior as described by Baker and Nofsinger (2002) and Kahneman and Tversky (1979): investors seem to trade more often than they should, given their risk profile, and do not always check the fundamentals; a significant number of investors report losses.

The following patterns help to fulfill the five objectives of the study. The demographic profile (Objective 1) uncovers a younger, moderately educated and male-dominated investor base, which is representative of the current wave of retail investors in India. Increased importance placed on market trends and peer influence as the main decision factors (Objective 2) over fundamentals-based analysis. Risk perception (Objective 3) is defined as the majority having a moderate to low self-rating but also having the risk-seeking behaviour and a high incidence of losses. Investment

preferences (Objective 4) are skewed toward diversification, medium-term investment horizons, and participation through payments made via the app that is geared toward growth and returns. Finally, awareness levels (Objective 5) are only average at best for most respondents, with formal financial education being replaced by informal digital sources. The findings also show that in Thanjavur as in India, the growth of market access has been faster than the growth of financial literacy and support the arguments advanced in the literature review for ongoing investor education as well as continued market expansion.

4.7 Summary of Key Findings

- The survey results indicate that equesty investing is a youthful and highly engaged investor group with over 90% currently invested in equities with nearly half aged 21-30.
- The sex disparity in equity participation is evident in the fact that about two times more male than female respondents were found.
- Market trends and peer opinion are the most influential factors in investment decisions, ahead of company fundamentals.
- The stated risk appetite is mainly low to moderate, although 63.5% are ready to accept more risk to gain higher returns, suggesting a mismatch between the level of risk stated and revealed.
- 76.2% of respondents have faced losses in equities, indicating fundamental analysis and risk management issues.
- The internet and social media are the top sources of investment information, even more than financial advisors and formal disclosures.
- 55.6% of respondents concede that emotions do affect their investments at times or always.
- There is some risk-taking behaviour, as the majority (61.9%) trade across asset classes and have a medium-term investment time horizon.

5. Theoretical and Practical Implications

In theory the results support the continued relevance of behavioural finance theories in the context of non-metropolitan markets, specifically prospect theory (Kahneman & Tversky, 1979) and the overconfidence and herding mechanisms described by Baker and Nofsinger (2002). There is a contradiction between self-evaluation and risk-seeking in this sample, which requires explicit modeling of the difference between the two risk preferences, rather than just self-reported risk preference.

In practice the outcomes are of an immediate relevance to three audiences. The retail investors themselves, who are not yet experienced at trading, but have increased their frequency of trading, and have not been properly trained to check on the fundamentals and have not yet learned how to manage risks, at least in the financial area, feel that there is a need for them to acquire basic information and training in financial-statement analysis and risk management, before engaging in more frequent trading. The critical use of internet and social media as information sources is a risk for a financial institution or broker, as investors can end up with unverified information, but an opportunity as well, because embedding credible educational content directly within the platform at the point of the investment decision could reach investors. High participation and only average self-assessed knowledge in a semi-urban centre like Thanjavur indicate that investor-education programs aimed at metros might need to be modified, in terms of language, channel and content, for smaller towns that see similar growth in retail participation.

6. Recommendations

The following recommendations are offered to enhance responsible investment behaviour and market participation, based on the findings of the study.

6.1 Recommendations for Retail Investors

- Define and enhance basic analytical skills, such as reading financial statements and evaluating business performance, industry position and growth potential prior to company investment.
- Don't come up with most of your information from market rumors, social media opinions, or from peers; verify most of your information with professional and reliable financial research.

- Practice good risk management: spread investment among a variety of holdings, position holdings correctly in relation to income, invest only funds that are not needed for essential expenses.
- Follow systematic investment plans (SIPs) and invest for a longer period to reap the benefits of compounding.
- Don't let fear, greed or short-term market changes influence your investment choices; stick to your investment objectives and strategies.
- To keep expanding knowledge of financial matters through investor-education initiatives, webinars, books and certified financial courses.

6.2 Recommendations for Financial Institutions and Stock Brokers

- Conduct investor-education sessions and financial-literacy workshops on a regular basis on topics such as equity investing, portfolio management, and risk assessment.
- Integrate learning materials, such as investment lessons, financial calculators and risk assessment tools, into the platforms and applications in which investors are already spending time.
- Deliver personalised investment advice according to the individual investor's personal financial objectives, knowledge and risk appetite, not just "product promotion".
- Increase the transparency on investment risk, brokerage fee, and other charges at the time of opening an account and investing in the accounts.
- Encourage research-related investment methods and discourage speculative, trend-chasing investment behaviours

6.3 Recommendations for Other Stakeholders and the Public

- Improve financial-literacy aspects of school, college and university courses to enable young people to be well-informed participants in the financial market.
- Considering the gender gap seen in this study, encourage more participation of women and other under-represented groups by targeting specific awareness and capacity building programmes.
- Hire more social media and digital platform investment monitoring staff to reduce misleading financial advice and investment fraud.
- Strengthen collaboration between the education sector, the financial sector and regulators in order to further financial inclusion and investor awareness in semi-urban towns like Thanjavur.
- Improve and boost investor protection and ease the grievance redressal process to foster investor confidence in the long term.

6.4 Recommendations for Future Research

- Run the study again with a larger and more representative sample so that a range of inferential techniques, such as chi-squares and correlation analysis, can be used to formally test relationships between demographic factors and investment behaviour.
- Carry out comparative analyses between districts or states to gain insights into regional variations in retail investor behaviour.
- Analyse the impact of financial-literacy interventions over time, based on pre- and post-intervention designs.
- Look into emerging technologies, such as AI-powered advisory tools and robo-advisors, and how they are affecting the retail investor's mindset.
- Carry out longitudinal studies on changes in investor behaviour in different market conditions.
- Together, these recommendations are designed to improve financial literacy, make better investment decisions based on evidence, reinforce sound risk-management techniques, and foster sustainable growth in retail equity investment, particularly in emerging markets like Thanjavur.

7. Conclusion

The current study looks at the retail equity investor behavior in the town of Thanjavur and provides some insights regarding the evolving trend in the equity market participation of the retail investment population at a semi-urban level in India. The statistics indicate that the equity investment is becoming increasingly popular for the younger generation, the educated and technologically savvy. This is largely due to the widespread trend of online trading platforms and financial information being available to the public. Despite being moderately to less risk-oriented investors for the most part, with the primary investment goal of long-term capital growth and dividend income, social media, peer opinions, and emotion still have a significant impact on investors' investment decisions. This highlights the continued importance of behavioural finance in the study of investor decision making, and sometimes in contrast to, and even in opposition to, the traditional theories of finance.

It is also revealed that, although the sample investors are active in the market, their level of financial knowledge is low, with only an average degree of investors being aware of investment risk, highlighting the importance of further attention to draw attention to fundamental analysis, diversification, and investment discipline. This participation needs to be accompanied by an increase in financial education, financial literacy and financial decision making on the part of the market if it's to translate into sustainable financial gains for investors instead of lost money and lost faith.

Study has added to the existing knowledge as it provides the empirical evidence from an environment where the study of retail investor behaviour has been limited so far, i.e. Thanjavur. The results have relevance for programme design for retail investors, financial institutions, financial education and financial inclusion policy makers, to foster responsible investing, stimulate investor protection and promote financial inclusion. To create a more confident and resilient investor community, one must invest in investor education, encourage evidence-based decision making and make investors more aware about risk management. Finally, the results indicate that along with the growth of market access, enhanced financial knowledge, behavioural awareness and investment discipline of investors will be crucial to the sustainable future of retail equity investment in Thanjavur and similar towns in India.

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