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A Study of Financial Planning Habits of Individual Investors

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Abstract
This study proposes to study nine financial habits demonstrated by individual investors while doing their financial planning as financial well-being is one of the most important goals to achieve in the life of any individual irrespective of how much or little wealth is possessed. This requires cultivating prudent financial planning habits aligned towards specific money goals.

Keywords
Financial planning, habits, money management, investor, financial goals, behavior, financial goals, Indore.

Introduction

"While money does not grow on trees, it can grow when we save and invest prudently and wisely"

No individual is born with skills and knowledge on investing and creating wealth for financial well-being. However, the journey of financial security starts with first step – developing right financial planning habits. Key to financial success lies in making a comprehensive financial plan covering- expenditure budgeting, devising a goal-oriented investment plan (short, medium and long goals) and making a succession plan to protect the interest of rightful heirs. The process of financial planning begins with knowing

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current financial position of what is owned (assets) and owed (liabilities). This activity can translate into a "Net worth Statement". Then next step is to budget monthly income and expenditure and assess the saving amount to add to further build and create wealth. A disciplined approach towards regularly monitoring the income and expenses will aid in reaching the desired financial goals. Third step is saving on the regular basis and devising a specific need-based investment plan based on risk appetite. Investment planning should also incorporate paying of liabilities to build a positive portfolio. Investment planning is a complicated and complex step in financial planning. Investment risk to some extend is mitigated through proper planning and diversification of investment portfolio into different asset class. A disciplined approach and prudent financial planning habits is essential to safe guard the financial security. This research study through a structured questionnaire has recorded financial planning habits of individuals.

Individuals may also seek advice of financial planning professionals versus self planning. This study aims to study the association of demographic factors and the choice of advice by investors through professional advisor or self planning.

Investment planning also requires keeping close watch on the investment performance to maximize wealth. Thus, monitoring the financial plan on a periodic basis is another important financial planning habit. The periodicity of reviewing the investment performance and changes in the investment portfolio may vary on individual basis but adequate frequency must be maintained. This study has tried to identify the investment monitoring habits of individuals.

Contingency planning is another important aspect of prudent financial and investment plan. Financial plan must incorporate action plan to protect the family from any unfortunate financial misfortune and thus planning for the rainy day. This aspect of financial plan involves setting aside money for uncertain and unpredictable events such as medical emergencies, loss in work etc which may derail the entire financial position and lead to financial crisis. The requirements of contingency reserves would depend on specific financial situation of the individuals. This research studies the contingency planning habits of the individuals.

After, comprehensive investment planning for wealth creation another step is towards the preservation and transfer of wealth to the rightful heir. Succession planning of the estate is often ignored or lacks financial awareness. This research dip sticks the succession planning habits of the individuals.

Personal financial planning is inevitable for individuals and it should be catered carefully and thoughtfully. Good financial planning habits aids in achieving the desired outcomes from the financial plan. However, often individuals suffer from many challenges in formulating and executing the financial plan. Many factors like demographic variables influence the behavior of the individuals and thus impacting their financial planning habits. This research aims to find relationship of the demographic variables with the financial planning habits of individuals. Many researches in the past have highlighted association of demographic variables on the attitude and behavior of the individuals. Individual's financial decisions are impacted by their goals, desires, biases and emotions and also largely by the level of their financial awareness and knowledge.

Literature Review

Individual's behavior towards financial planning have always been a keen area of research. This research studies the various theories and researches related to investor's behavior and choices ranging from neo-classical to contemporary. This section additionally explores many surveys done nationally and internationally on the financial planning habits and awareness of investors. The literature is reviewed from academic as well as real life scenario perspective to provide comprehensive insight to various interested groups.

Literature review has provided insight to researcher of many important facets of investor behavior and also helped in identifying the research gaps. Very less researches has been found on studying the individual investors' behaviors and habits related to financial decision making unlikely many studies have been carried out to understand the institutional investor pattern and behavior. Furthermore, many researches are focused on investor's behavior but less on studying their financial habits. Thus, this research will add value by identifying the financial planning habits and finding association of individual's demographic background like age, gender , marital status , qualifications etc with their habits.

Behavioral finance has opened new doors of understanding the financial behavior of individuals. It is well established fact that financial planning is affected by the cognitive and behavioral biases of the individuals. The psychological biases can adversely impact the quality of financial decisions and hinder the process of wealth maximization and preservation. More so over the social influence on the individual further complicates the process of financial planning. Individuals may suffer from group mentality or herd's behavior. Behavioral finance literature tries to identify the psychological and social factors affecting the individual's financial decision making. This research also tries to explore the relationship between demographic variables of individuals with their financial planning habits.

Warren, Stevens, & William (1990) deduced that individual investor decisions are largely based on lifestyle and demographic attributes. Karthikeyan (2001) found in the research conducted on small investor's perception on post office small saving scheme that there was significant difference in the awareness level of different category of age groups being studied. Older age group was found to be more aware than younger age group. Mayfield, Perdue & Wooten, (2008) explored the relationship of demographic factors and Big Five personality variable on investment goal for short term and long term .Also found that male are more active investors than female. Investors with prior investing experience were comfortable with short term investing however less influence of their experience on their long term investing has been observed. It was also deduced that short finance courses positively affected short term investing decisions versus had low impact on long term investing decisions. He further studied impact of psychological factors like investors who were open to new experiences against being risk averse were more likely to have both short term and long term investing perspective, anxious individuals were found to be less likely to engage in short term investing , extravert individuals were seen more likely to seek professional adviser services and be more active investor, more conscientious investors actively managed their portfolio, however these factors had low impact on their short term investing intentions.

Sultana S. T. (2010) study on Indian Investor behavior found that generally male take the responsibility of investment decisions ,tend to rely more on own decisions rather than relying on expert advice, are generally regular with investment decisions. Majority of respondents were found to rely on information from electronic media like T.V for their financial decisions.

Qawi R.(2010) deduced that higher income level investors monitored portfolio more frequently and considered fall in market prices as opportunity.

Many surveys on investor behavior are conducted at international level. A national survey conducted by KRC Research for CFP Board (2016) was on employed adults of American above age 25 years. Segmentation of respondent was done in four categories – Confident Savers, Tentative Savers, Stretched Worriers and Concerned Strivers. Nearly all Americans except Stretched Worriers felt saving money is extremely important but abilities of saving money varies. Early start of saving money provided positive outlook to their financial future but high percentage felt stretched thin on saving money. Friends and family was identified as the most important source of information for Stretched Worriers and Tentative Savers as against other two categories which preferred financial websites. Except Stretched Worriers, other categories preferred to seek professional advice. The risk taking capacity also differed with Stretched Worriers as most risk averse. Retirement planning decisions also varied depending on social security and employer sponsored plans to a great extend. Thus the finding of survey highlights the differences in saving behavior of individuals owning to their specific demographic conditions and behavioral traits.(CFP,2016)

CFP Board conducted Household Financial Planning Survey in 2013 on more than 1000 household of America. A Household Financial Planning Index (HPI) was developed on full range of financial planning activities and behaviors and Financial Preparedness Index (FPI) to dip stick the perception of progress towards meeting financial goals. Only 19% made comprehensive financial plan covering retirement and emergency plans, 38% made basic plan covering one or more specific goals but no comprehensive plan,33% made limited plan either covering expenditure plan or few investment goal, 10% were non-planner.FPI scores compared among different group correlate better planning to better preparedness. Degree of planning has proved to affect the confidence level with 53% of Comprehensive planner feeling very confident and 41% of Non-planners not confident. Demographic profile of household had effect on the financial behavior. Comprehensive planner more than 60% were male, mostly older in age, employed, married, with higher educational qualification whereas basic planner mostly basic educational qualification, younger segment of HPI though mostly employed and married. Limited planners were mostly found to be below average in educational qualifications, many unemployed, retired or worked part time, less likely to be married. Non-planners were mostly below average in terms of education, mix ages but higher proportion of above 65 years of age, high proportion of African-Americans and Hispanics. (CFP, 2013).

According to Fidelity Investments Money FIT Women study at Boston, women are eager to learn about financial planning. 92% of women wanted to learn more about financial planning. However, 80% of women refrain from talking about finances. Lack of confidence is a main reason for low involvement of women in financial planning. 82% are confident in managing day-to-day small financial matters but lacks confidence for long term financial planning. 60% of survey respondents worried about insufficient funds for retirement. However, women were found to possess strong financial habits like women at every income level contributed higher percentage of salaries towards retirement planning than males. Majority of women want face-to face financial support by financial professionals.

SEBI Investor Survey (2015) studied more than 50000 household across India. According to the data, households with similar education and income in urban areas tend to invest more in stock markets than those in rural areas. Among urban household, middle-income groups saved more as a percentage of their annual income than the highest income groups and education and occupation were identified as primary driver in their investment decisions. Their awareness towards company deposits was less than mutual fund and shares. However, they were more familiar to non-market saving schemes than market instruments. Rural household data could not find a clear relationship between education, income and/or occupation and investment decisions. They showed more awareness towards bank deposits, life insurance and post office savings.

Objectives

1: To identify financial planning habits of investors

2: To study association of demographic characteristics with the financial planning habits of investors.

Hypotheses

H1: Financial habits are independent of age

H2: Financial habits are independent of gender

H3: Financial habits are independent of qualifications

H4: Financial habits are independent of marital status

Research Methodology

Research methodology adopted aims to study financial planning habits of individuals and also find association of demographic profile of investor's to their financial planning habits. In this study, hypotheses of research problem are tested and appropriate techniques and tools are applied to the subject under study. The researcher mainly chooses a descriptive research methodology.

At a preliminary stage, the study is conducted based on structured questionnaire to do an exhaustive study of demographic profile of investors. The respondents were furnished with questions on their financial habits. The target population for the study is investors from Indore district in state of Madhya Pradesh, Central India. Data was collected from 257 respondents during the period from February to May 2017. Secondary data has been collected from various surveys done at national and international level and various financial websites. Earlier researches on investor behavior field have also been used as secondary source for the study.

Sampling Design

The target respondents include investors from varied backgrounds of age, qualification, occupation, income level, who are active investors and are involved in individual financial planning decisions. Judgmental sampling with a sample size of 257 respondents is used in the research.

Data Collection

The primary data for the study is collected through structured questionnaire probing into the financial habits of individual investors. The questionnaire consists of close-ended questions on the financial habits of individual. The responses are gathered online or physically through a hard copy. The data collection went for period of three months during the month of February 2017 to May 2017. Secondary data has been collected from research papers, web portals and financial surveys.

Data Analysis

The responses to the different questions have been represented using a tabular format. A test of chi-square and One-Way Anova has been done to examine whether there exist any dependency between financial habits and demographic factor of age, gender, qualification and marital status.

Data Analysis

Table 1. Demographic Profile of Investors

		Frequency	Percent
Age	Below 30 years	98	38.1
	30-45 years	112	43.6
	46-60 years	23	8.9
	Above 60 years	24	9.3
Gender	Male	166	64.6
	Female	91	35.4
Qualification	Below Graduate	23	8.9
	Graduate	75	29.2
	Post Graduate	159	61.9
Marital	Single	90	35.0
	Married	159	61.9
	Others	8	3.1
	Total	257	100.0

Findings

VA Age and Financial Habits

If there is any association between age and financial habits of the investors we apply chi-square test under null hypothesis $(Ho)_1$, ie. there is no effect of age on financial habits of investors against alternative hypothesis $(H1)_1$, ie. Age effect the financial habits of the investors.

The result of Chi square test shown below has a value less than .050 for financial habits related to choosing a mode used for investment and having a well planned succession plan at 5% level of significance (Table III) which means that there is a significant relation between age with respect to habit of choosing the investment mode and having a succession plan. The result of Chi square test shows a value higher than .050 for habits of making a financial plan, monitoring the financial plan, doing research before investment, making an expense plan and financial contingent plan, sharing the financial matters with family at 5% level of significance which means that there is no significant relation between age and these financial planning habits.

Table 2. Association between Age and Financial Habits of Investors

		Age				Total	Chi-Square Asymptotic Significance (2-sided)
		Below 30 years	**30-45 years**	**46-60 years**	**Above 60 years**		
Financial Plan	Yes	**47**	**62**	**12**	**13**	134	.755
	No	51	50	11	11	123	
Total		98	112	23	24	257	
Invest Monitor	Daily	11	11	1	4	27	.207
	Monthly	47	35	7	10	99	
	Quarterly	14	21	3	3	41	
	Occasionally	26	45	12	7	90	
Total		98	112	23	24	257	
Invest Research	Yes	65	67	11	12	155	.255
	No	33	45	12	12	102	
Total		98	112	23	24	257	
Invest Mode	Online	26	20	6	2	54	**.000**
	Offline	12	40	10	19	81	
	Both	60	52	7	3	122	
Total		98	112	23	24	257	
Invest Source	Self	69	75	11	14	169	.180
	Professional Advisor	29	37	12	10	88	
Total		98	112	23	24	257	
Expense Plan	Yes	56	59	11	10	136	.539
	No	42	53	12	14	121	
Total		98	112	23	24	257	
Emergence Plan	Yes	58	61	14	17	150	.508
	No	40	51	9	7	107	
Total		98	112	23	24	257	
Family Plan	Yes	74	83	16	18	191	.950
	No	24	29	7	6	66	
Total		98	112	23	24	257	
Succession Plan	Yes	39	62	15	19	135	**.002**
	No	59	50	8	5	122	
Total		98	112	23	24	257	

The habit of selecting the investment mode is dependent on age. Investor's below the age of 30 years have shown highest tendency to invest online (26% of population below the age of 30 years) or using both mode (61% of population below the age of 30 years) for investment. Age group above 60 years have shown lowest tendency to invest online (8% of the population above 60 years) or using both mode (13% of the population above 60 years). 46% of middle age group between 30-45 years have shown comfort with the habit of investing using both modes of investment and 18% using online mode. Among investors in age group of 46-60 years, 26% adopt online mode and 30% adopt both methods.

To test the effect of age on succession planning habits one-way ANOVA have been applied. There is significant difference between succession planning habits of age group below 30 years and age group above 60 years at the significance level of 5%. Higher percentage of investors in age group above 60 years has habit of planning for succession than age group below 30 years.

Table 3. Succession Plan

(I) Age	(J) Age	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Below 30 years	30-45 years	.156	.068	.100	-.02	.33
	46-60 years	.254	.113	.114	-.04	.55
	Above 60 years	.394*	.111	**.003**	.11	.68
Above 60 years	Below 30 years	-.394*	.111	**.003**	-.68	-.11
	30-45 years	-.238	.110	.135	-.52	.05
	46-60 years	-.139	.142	.762	-.51	.23

VB Gender and Financial Habits

If there is any association between gender and financial habits of the investors we apply chi-square test under null hypothesis $(Ho)_2$, ie. there is no effect of gender on financial habits of investors against alternative hypothesis $(H1)_2$, ie. Gender effect the financial habits of the investors.

The result of Chi square test shown below (Table IV) has a value less than .050 for financial habits related to doing market research before making an investment, choosing the mode used for investment, having a well planned expense plan and emergency plan at 5% level of significance (Table IV) which means that there is a significant relation between gender with respect to these habits of investors.

The higher percentage of males have shown habit of conducting market research before investment (65% of the total male population), making an emergency plan (64% of the total male population) but shown negative correlation towards habit of making expense plan than women (67% of the female population has made a expense plan as against 45% of the total male population). The higher percentage of female respondents have shown habit of using both modes of investment ie online and offline (57% of the female population choose both investment mode as against 42% of male population). No significant difference is observed in choosing online mode. The higher percentage of male population selected offline mode (36% of male population as against 21% of female population).

The result of Chi square test shows a value higher than .050 for habits of having a financial plan, monitoring the financial plan, sharing the financial matters with family and making a succession plan at 5% level of significance which means that there is no significant relation between gender and these financial planning habits.

Table 4. Association between Gender and Financial Habits of Investors

Financial Habits		Gender		Total	Asymptotic Significance (2 sided)
		Male	Female		
Financial Plan	Yes	90	44	134	0.221
	No	76	47	123	
Total		166	91	257	
Invest monitor	Daily	20	7	27	0.638
	Monthly	62	37	99	
	Quarterly	28	13	41	
	Occasionally	56	34	90	
Total		166	91	257	
Invest research	Yes	108	47	155	**0.025**
	No	58	44	102	
Total		166	91	257	
Invest mode	Online	35	19	54	**0.033**
	Offline	61	20	81	
	Both	70	52	122	
Total		166	91	257	
Invest Source	Self	107	62	169	0.553
	Professional Advisor	59	29	88	
Total		166	91	257	
Expense Plan	Yes	75	61	136	**0.001**
	No	91	30	121	
Total		166	91	257	
Emergency Plan	Yes	107	43	150	**0.007**
	No	59	48	107	
Total		166	91	257	
Family Plan	Yes	125	66	191	0.626
	No	41	25	66	
Total		166	91	257	
Succession	Yes	91	44	135	0.321
	No	75	47	122	
Total		166	91	257	

VC Qualification and Financial Habits

If there is any association between qualification and financial habits of the investors we apply chi-square test under null hypothesis $(Ho)_3$ ie. there is no affect of qualification on financial habits of investors against alternative hypothesis $(H1)_3$, ie. Qualification affects the financial habits of the investors.

Table 5. Association between Qualification and Financial Habits of Investors

		Qualification			Total	**Chi-Square Asymptotic Significance (2-sided)**
		Below Graduate	Graduate	Post Graduate		
F Plan	Yes	10	29	95	134	**.007**
	No	13	46	64	123	
Total		23	75	159	257	
Invest monitor	Daily	3	9	15	27	.464
	Monthly	8	23	68	99	
	Quarterly	5	16	20	41	
	Occasionally	7	27	56	90	
Total		23	75	159	257	
Invest research	Yes	14	39	102	155	.207
	No	9	36	57	102	
Total		23	75	159	257	
Invest mode	Online	9	14	31	54	.266
	Offline	6	23	52	81	
	Both	8	38	76	122	
Total		23	75	159	257	
Invest source	Self	16	46	107	169	.617
	Professional Advisor	7	29	52	88	
Total		23	75	159	257	
Expense Plan	Yes	13	37	86	136	.743
	No	10	38	73	121	
Total		23	75	159	257	
Emergence P	Yes	15	43	92	150	.781
	No	8	32	67	107	
Total		23	75	159	257	
Family plan	Yes	14	59	118	191	
	No	9	16	41	66	
Total		23	75	159	257	.232
Succession P	Yes	8	37	90	135	
	No	15	38	69	122	.118
Total		23	75	159	257	

The result of Chi square test shows a value higher than .050 for all financial habits except habit related to making a financial plan at 5% level of significance (Table V) which means that there is no significant relation between qualifications with respect to all financial habits of investors except to the habit of making financial plan. The one-way ANOVA has been applied to analyze the impact of qualifications on habit of making financial plan.

Table 6. Qualification and Financial Plan

(I) Qualification	(J) Qualification	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Below Graduate	Graduate	-.048	.117	.912	-.33	.23
	Post Graduate	.163	.110	.302	-.10	.42
Graduate	Below Graduate	.048	.117	.912	-.23	.33
	Post Graduate	.211*	.069	.007	.05	.37
Post Graduate	Below Graduate	-.163	.110	.302	-.42	.10
	Graduate	-.211*	.069	.007	-.37	-.05

It is deduced from the one- way ANOVA that there is difference between habit of making financial plan between graduates and post graduates. The higher percentage of post graduates (60% of the total post graduate made a financial plan as against 39% of the total graduate population) has the habit of making financial plan.

VD Marital Status and Financial Habits

If there is any association between marital status and financial habits of the investors we apply chi-square test under null hypothesis $(Ho)_4$, ie. there is no affect of marital status on financial habits of investors against alternative hypothesis $(H1)_4$, ie. Marital status affects the financial habits of the investors.

The result of Chi square test shows a value higher than .050 for all financial habits except habit related to making a succession plan and habit of choosing an investment mode at 5% level of significance (Table VII) which means that there is no significant relation between marital status of the investors with respect to their financial habits except to the habit of making succession plan and choosing the investment mode.

To understand the impact of marital status on habit of succession planning one way ANOVA have been applied.

There is a significant difference between financial habit of unmarried and married regarding the succession planning. Higher percentage of married (58% of the total married population has habit of having a succession planning as against 40% of total unmarried population) has habit of having succession plan.

Table 7. Association between Marital status and Financial Habits of Investors

		Marital			Total	**Chi-Square Asymptotic Significance (2-sided)**
		Single	Married	Others		
Fplan	Yes	42	88	4	134	.417
	No	48	71	4	123	
Total		90	159	8	257	
Invest Monitor	Daily	10	16	1	27	.209
	Monthly	43	53	3	99	
	Quarterly	10	31	0	41	
	Occasionally	27	59	4	90	
Total		90	159	8	257	
Invest Research	Yes	54	97	4	155	.822
	No	36	62	4	102	
Total		90	159	8	257	
Invest Mode	Online	25	29	0	54	**.000**
	Offline	10	68	3	81	
	Both	55	62	5	122	
Total		90	159	8	257	
Invest source	Self	61	101	7	169	.334
	Professional Advisor	29	58	1	88	
Total		90	159	8	257	
Expense Plan	Yes	51	79	6	136	.254
	No	39	80	2	121	
Total		90	159	8	257	
Emergency Plan	Yes	50	95	5	150	.789
	No	40	64	3	107	
Total		90	159	8	257	
Family Plan	Yes	68	120	3	191	.053
	No	22	39	5	66	
Total		90	159	8	257	
Succession P	Yes	36	93	6	135	**.008**
	No	54	66	2	122	
Total		90	159	8	257	

Table 8. Marital Status and Succession Planning

Dependent Variable	(I) Marital	(J) Marital	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Succession P	Single	Married	.185*	.065	.013	.03	.34
		Others	.350	.182	.134	-.08	.78
	Married	Single	-.185*	.065	.013	-.34	-.03
		Others	.165	.179	.625	-.26	.59

There is significant difference between habit of choosing investment mode with higher percentage of married using offline mode of investing (42% of the total married population choose offline mode as against 11% of unmarried population and 37% of others category). 61% of unmarried population choose both modes and 27% choose online showing highest preference towards online or both modes.

Limitations

(1) This study was conducted in Indore district so the results obtained reflect the financial planning habits of investors of this district only. The result cannot be generalized for other parts of the country.

(2) Sample size is was 257 respondents which may give a chance of sampling error.

(3) The responses of the sample population could be biased as they might be reluctant to share information about their financial planning habits.

Scope for Future Research

- The study is specific to Indore district and cannot be generalized to other parts of the country thus the similar study can be conducted for various other cities of the country and whole country as a whole.
- The study recognizes the existence of relationship/no relationship between demographic variables like age, gender, qualifications and marital status of investors with their financial planning habits. Further similar research can be directed towards other variables like income, occupation, family composition etc.

Conclusion

This study has helped in finding the relationship of demographic factors like age, gender, qualification and marital status on the nine different financial planning habits of the investors. It is deduced that habit of making a financial plan is independent of age, gender and marital status but is dependent on qualifications of the investor. Higher percentage of investors with post graduate qualifications has shown the habit of making the financial plan compared to below graduate and under graduates. The habit of investment monitoring is independent of the entire variables ie age, gender, qualification and marital status. The habit of doing market research before investment is independent of age, qualification and marital status but dependent on gender of the investor. The habit of choosing the investment mode is dependent on age, gender and marital status and independent on qualifications of the investors .The fifth habit of choosing the source of investment advice ie self or through professional advisor is independent of all the demographic variables under study ie age, gender, qualification and marital status.

The habit of expenditure budgeting and making an expense plan is independent of age, qualification and marital status but dependent on gender. Higher percentage of females is found to follow the habit of making an expense plan than males. The habit of having a emergency (contingency) plan is independent of age, qualification and marital status but dependent on gender. Males tend to make emergency plans more than females.

The habit of sharing financial information with spouse or family members is independent of age, gender, qualifications and marital status. 74% of the total respondents have demonstrated the habit of sharing the financial information with spouse or family members.

The habit of having a succession plan for the estate planning is independent on gender and qualification and dependent on age and marital status. The higher percentage of investors in age group above 60 years have the habit of making a succession plan compared to other age groups. The investors in age group below 30 years have the least habit of having a succession plan. The higher number of married investors has the habit of making a succession plan as compared to unmarried investors.

In this study, survey approach has been adopted using a structured questionnaire with 257 sample size. The study has been taken within the geographical area of Indore district in Madhya Pradesh State of Central India. Data analysis has been done through chi-square and One –Way Anova.

It has been found from the analysis that demographic characteristics of investors play a crucial role in their financial habits.

The results of the research paper would be useful in throwing light on the financial habits adopted by individuals, however the research focuses on investor's habit in a specific geographic area which cannot be replicated in totality to the investor's habits of other regions as geographical location may impact the investor's behavior.

This research can be useful and serves as important insight to investors, financial planning professionals and other stakeholders linked to financial planning.

The financial habits of investors is an continuous area of research as financial well-being of individuals is ultimately the financial well-being of the economy as a whole. Encouraging investors to adopt right financial habits can be facilitative to the prosperity of the society.

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