IMPACT OF DEMOGRAPHIC FACTORS ON INVESTMENT DECISIONS IN SECURITY MARKET

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ABSTRACT

The current study investigates the influence of demographic characteristics on behavioral finance in investing decisions. The information was gathered from 500 Mumbai-area individual investors who had made at least one investment in the stock market. Tables and graphs were used to assess the data, and SPSS 29 was used to test the hypothesis. Descriptive statistics are used to characterize the personal data provided by respondents. Using factor analysis, behavioral characteristics influencing individual investors' investment decisions in Mumbai are defined as behavioral factors. ANOVA is used to investigate the variance in the influence of various behavioral components on investment decisions based on an individual investor's demographic profile. According to findings, individual investors' herding behavior differs according to their age, employment experience, and yearly income, according to the ANOVA results. Individual trust in investors differs by gender and age. The anchoring of individual investors varies based on their degree and employment.
Keywords: demographic profile, investment decisions, security market, factors

INTRODUCTION

The study of sociological and psychological variables in connection to financial practitioners' behavior and its influence on the securities market is known as behavioral economics. It helps to understand why people buy and sell stocks without conducting scientific or technical analysis, as well as why they make financially irrational choices.

Daniel Kahneman & Amos Tversky created prospect theory in 1979, which is regarded as the foundation for creation of behavioral finance. Prospect theory is a branch of behavioral economic theory that examines how individuals select between options with knowing probability of outcome. Prospect theory posits that investors' decision-making processes are influenced by perceived values of profits & losses rather than likelihood of each result.

The "Prospect Theory" was a critique & alternative to "Expected Utility Theory." According to Expected Utility Theory, people should not pick between two choices. However, the prospect hypothesis indicates that investors have an affinity for particular options depending on their assessment of outcomes. Thus, if an individual is offered 2 options, one of which is described in terms ofpotential benefits & other in terms of potential losses. investment prospects theory, even if both choices reach the same economic conclusion, investors would choose the former. Prospect theory includes essential components such as mental accounting, regret aversion, risk aversion, and framing.

MENTAL ACCOUNTING

People have a tendency to keep different accounts for each choice, such as child care, entertainment, and so on. Such psychological accounts influence their shopping decisions. The term "mental accounting" refers to set of cognitive techniques used by people & families to arrange, analyze, & keep track of financial transactions. The following are the three most significant features of mental accounting. The first addresses how results are perceived & felt, as well as how choices are produced and evaluated. A second aspect of mental accounting is attribution of actions to specified tasks. The sources & uses of funds are identified in both real and mental accounting systems. Expenditures are categorized into categories, & spending is constrained by explicit as well as implicit budgeting. The frequency with which accounts are assessed is the third component of mental accounting. Individual investors have various budgets for education, food, travel, entertainment, and other expenses, which is referred to as mental accounting.

REGRET AVERSION

Investors seek to avoid the agony of regret that results from poor investing decisions. They either refuse to admit that their decision was incorrect or continue to make it. Regret can be caused by an omission (failure to act) or a commission (an act). Investors who have recently suffered losses may become overly cautious and decline fresh and enticing investment options. When excellent opportunities arise, regret aversion inhibits investors from modifying their typical investing plan. For example, an investor who consistently invests in bonds because to stock market volatility will not engage in the stock market even if good opportunities arise, & the shareholder will keep investing in bonds.

RISK AVERSION

Risk avoidance is the behavior of traders who attempt to reduce uncertainty when it is there. According to their risk tolerance, investors are classified as risk averse or risk takers. Risk-averse investors despise risk and want to invest in more secure channels that provide a regular rate ofreturn. Risk takers, on other hand, are investors that want to take risks and engage in more hazardous investments in order to increase their return.

FRAMING

The set of notions and theoretical viewpoints on how individuals, communities, and societies structure, interpret, and talk about reality is known as framing. The manner in which an issue or choice is communicated to investors influences their attitude to it. Framing is a psychological principle that argues that when same problem is framed in different ways, perspective of investors towards the problem, the chance of the problem occurring, and the probability of the result change. Individuals respond differently to decisions based on how the question is posed or "framed" to them.

OVER CONFIDENCE

Overconfidence is defined as an unjustified belief in one's intuitive thinking, judgements, & cognitive ability. Overconfidence may be classified into two types: prediction overconfidence

and assurance overconfidence. Over confidence in prediction occurs when an investor assigns too small confidence intervals for making an investment choice. For example, an investor may forecast a 10% divergence in expected return even though the entire stock market is down more than 20%. Certainty overconfidence occurs when investors are overly confident in their conclusions. Investors' hubris causes them to exaggerate both their own forecasting capabilities and the accuracy of the data available to them. Insecure investors believe that their own assessment of a security's value is more precise than expert assessment. They trade excessively because they believe they have superior information to others in the market. In some cases, an overconfident investor undervalues market risk, resulting in poor portfolio performance. Overconfident investors diversify their holdings and thereby take on greater risk.

REPRESENTATIVENESS

Under uncertainty, investors are more likely to trust that a business's history of exceptional success is "representative" of the general performance that it will continue to achieve in future. Investors tend to think that previous events will repeat themselves in the future and aim to acquire stocks that have done well in recent past while avoiding stocks that have performed poorly in recent past. Investors with a representativeness bias feel that the past may be utilized to forecast company's future success.

AVAILABILITY BIAS

Availability bias is a mental tool or rule of thumb that allows people to estimate likelihood of an event depending on how frequently that choice comes in their lives. People assume that publicly available thoughts, ideas, or images are objective markers of an occurrence. They rate likelihood of specific circumstances depending on how quickly they can recall memories or examples of similar occurrences from their memory. Most investors are affected by four types of availability bias: retrievability, categorization, a restricted range of experience, and resonance.

RETRIEVABILITY

The concepts that are more frequently remembered appear to be more credible to the individual. Traders make choices about investments based on publicly available facts and do not do study or due diligence to assess whether or not the choice to invest is sound.

CATEGORIZATION

Investors make investment decisions based on categorized lists in their memory, while other categories that are difficult to recall are neglected. For example, an investor may overlook potentially profitable investment possibilities that exist in the market since those prospects are not easily retained in their memory.

NARROW RANGE OF EXPERIENCE

Investors will select assets based on their limited life experience, such as the industry in which they work, the advice of individuals with whom they are acquainted, and so on. For

example, an investor who works in the banking industry may assume that only banking equities are suitable for investing.

RESONANCE

Investors may select investment avenues that are similar to their own personality or have qualities that are similar to their own conduct. Investors overlook potentially profitable investments because they do not relate to their personality.

ANCHORING

Anchoring is defined as an individual's inclination to connect or "anchor" their ideas to a reference point while making a decision, even if the concept has no logical significance to that decision. When making financial decisions, investors are bombarded with information. Instead of evaluating all information, the investor makes a choice based on a single number or fact and disregards all other relevant information. "Anchoring" refers to this unreasonable conduct. Because of anchoring, investors make judgments based on irrelevant numbers and information. For example, an investor may invest in a company's stocks that have dropped significantly in a short period of time. In this case, investor is anchored on a "high" that stock has previously attained & feels that a dip in price presents a chance to acquire stock at a discount.

OPTIMISM

Investors that are optimistic think that negative investments will not happen to them. Investors are too enthusiastic about markets, the economy, and the prospect for strong returns on their investments. Such omission can lead to poor portfolio performance because investors fail to consider the possibility of negative outcomes while making investing decisions. Investors may overinvest in their current business shares due to optimism bias, which leads them to believe that other firms are more likely to undergo an economic recession than their own. Investors with optimism bias believe they are obtaining market-like returns when, in fact, they should be worried about taxation, inflation, and other economic problems. Investors believe they are better than average investor due to a bias toward optimism.

HERDING

Individuals who herd tend to emulate rational or illogical activities of a bigger group. Individually, most people would have chosen different choices. A herd may emerge as a result of societal pressure to comply. People feel that following the organization is the best method to become a member. Another explanation for herding might be the general belief that such a vast group cannot possibly be wrong. Investors tend to follow in footsteps of other investors as a result of herding tendency. If there are more buy orders, investors will purchase, and if there are more sell orders, investors will sell. As a result, the market will change in accordance with the choices of the majority of investors.

Behavioral Finance incorporates psychology & sociology into financial theory. It has incorporated a behavioral component to finance in order to explain investor irrationality. Standard financial theories include Efficient Market Hypothesis (EMH) & Capital Asset Pricing Model (CAPM), which presume that investors act rationally. However, as time passed,

academics in both finance & economics began to notice anomalies & behavior that had been overlooked by Traditional Finance Theories. According to the study, investor's emotions & psychology impact his decision to acquire or sell the money invested in the avenue. illogical actions like these were described by behavioral finance, which integrated behavioral and cognitive psychology theory with conventional financial concepts to explain why people make illogical decisions.

Individual Traders: Individual investors can use this study as a resource to explore numerous behavioral elements that impact their investment decisions.

To Broking businesses: The research provides a solid foundation for South Gujarat Region broking businesses to forecast future stock market trends and deliver more credible recommendations to investors.

To Field of Behavioural Finance: When compared to other financial theories, notion of behavioral finance is relatively new. The current study is being conducted with intention of confirming usefulness of behavioral finance for investors in the Mumbai Region of Maharashtra while investing in equity or mutual funds.

The security market is critical in channeling savingsfrom those who have a surplus of money to those who have a shortage of money, so increasing the economy's potential to generate goods & services for society. However, it is critical for an investor to pick where to put their funds. Decisionmaking is described as process of selecting best option from a set of possibilities. Many scholars have contributed their knowledge of investment decisions. It is assumed that investors make sound judgments. Traditional finance theories hold that while making investment decisions, investors take into account numerous quantitative instruments such as beta, standard deviation, expected return, and so on. Demographic behavioral finance is a novel finance paradigm that tries to augment classic finance theories by integrating demographic aspects to explain why traders make irrational decisions.

Demographic finance investigates the mental and emotional challenges that individuals, financial professionals, and traders encounter while making investment decisions. V. Ricciardi (2005). The study'sgoal is to investigate influence of demographic characteristics on investing decisions in security market, with a focus on consumers in Mumbai region.

The research investigates the effect of demographic determinants in investing decisions with reference to Mumbai-area investors. Individual investors in the Mumbai region provided primary data on their investment decisions and the variables influencing them.

OBJECTIVES OF THE STUDY
- To study impact of demographical factors onbehavioral factors affecting investment decision.

RESEARCH HYPOTHESIS
1. **H01:** There is no statistically significant difference in effects of numerous behavioral characteristics on investing decisions across individuals with diverse demographic profiles.

2. **HA2:** There is a statistically significant difference in the effects of numerous behavioral characteristics on investing decisions across individuals with diverse demographic profiles.

RELATED LITERATURE REVIEW

Sabarinathan (2010) conducted a critical review of key changes in SEBI's regulationof the Indian securities market using secondary data that was collected articulately alongside the creation of Securities and Exchange Board of India (SEBI) through an act of Parliament in 1992, SEBI has come to implement a number of efforts for governing and growing the Indian investments marketplace, as well as enhancing its reliability and efficacy. Market capitalization, the number of listed enterprises, trading volumes, & turnover have all expanded dramatically as a result of SEBI initiatives. According to the research, India has one of world's most sophisticated new issue markets, and listed companies' disclosure responsibilities & accounting systems are comparable to best in world. The Indian security market, according to the assessment, is one of the safest and most efficient trading places in the world. The poll did, however, reveal that the Indian security industry is regularly plagued by fraud, which may be ascribed to weak compliance enforcement.

R. Singh(2010) investigated effect of globalization & capital market reforms on efficiency of Indian stockmarket. During twelve-year period from January 1991 to December 2002, stocks such as the BSE 200, Nifty, & Junior Nifty were studied. The results of runs test and correlation test demonstrate that the market is becoming more efficient. According to the study, efficiency grew in time following reformsbut declined marginally in subsequent periods.And volatility has diminished after a few years of changes, but ithas since risen. According to the report, there is a need for caution since the gains of globalization and reforms might be diminished by market inefficiencies and instability.

B. G. Srinivasa (2011) looked at the factors that influence investor decisions in the Indian stock market. The primary data is acquired from 200 investors. The significance of 25 factors selected from the literature and personal interviews was rated by respondents. To study how the variables interacted with one another, the factor analysis varimax technique of orthogonal rotation was applied.Accounting information, subjectivity, neutral information, advocate recommendation, & personal financial requirements were identified as the five elements that impact an investor's investment choice among the 25 variables studied.

Nupur Gupta (2011) compared the distribution of the Indian stock market to that of other Asian markets. This study discovered a relationship between Indian stock returns and those of five other Asian nations (Hong Kong, Indonesia, Malaysia, Japan, and Korea). According to the study, India's markets have a poor relationship with those of Hong Kong, Indonesia, Malaysia, and Japan, but a stronger link with the Korean market. The Indian stock market achieved the highest annualized growth rates in stock market returns, according to the report.

Jadhav (2011) investigated growth of the Indiansecurity business. According to the report, Indian capital markets have achieved great progress in terms of applying standard norms, broadening and extending capital markets in the post-liberalization period. The investigation uncovered various concerns with Indian capital markets, such as the presence of a significant number of illiquid securities, a low delivery ratio, a lack of depth in account holding, & a

concentration of trading with a few brokerage firms. According to research, transparency is also lacking in both primary & secondary markets. According to the research, markets have achieved tremendous stability, attracting international investors to participate in Indian markets, but there is potential for development in terms of promoting more transparency.

Jariwala Harsha (2012) contends that investors do not operate rationally in accordance with contemporary theories of investing behavior, and that a range of circumstances influence investment decisions. The study is founded on primary data obtained in the Gujarat towns of Vadodara and Ahmedabad .Simple sampling is used. For analysis, many analytical methodologies were applied, including factor analysis and ANOVA. Cronbach's alpha is 0.921 for the 36 elements impacting investing decisions. The score indicates that the item has a high level of consistency and that the variables are reliable for future testing. Eight characteristics were selected from 36 variables' using main component analysis: company image, personal financial status, advocate endorsement, track record, importance to the community, neutral information, economic considerations, and personality dynamics. The study revealed, using ANOVA, that educational qualification is an essential factor affecting investing decisions.

N. Geetha (2012) sought to ascertain influence of several demographic criteria on investment decisions, including gender, age, education, occupation, income, saving, family size, and so on. Numerous factors influence investment selection, including investment avenue priority, investment timeline, information source reach, and investing frequency. The primary research was conducted in Nagapattinam, Tamil Nadu, South India. According to the study, family size, yearly income, & annual savings have a high association with investment durations, while gender, age, education, & occupation have no significant relationship with investment periods. Gender, age, education, occupation, yearly income, & annual saving all have a substantial correlation with the investor's source of understanding, according to the study. There is no correlation between family size and source of awareness. According to the findings, there is a substantial association between all demographic characteristics and the frequency of investing.

Suman (2012) investigated individual investors' investing behavior in the stock market, focusing on individuals' attitudes and perceptions about the stock market. Data is gathered from a primary research of 50 Ambala District investors. The respondents were divided into groups based on their income, education, gender, and age. According to the study, several factors such as investor understanding, investment term, and so on influence investing behavior. The study found that investors incorporated their savings goals, influencing variables, and information sources while making investment decisions. The study suggests that investors are fully aware of stock market & that market movement influences investors' stock market investing patterns.

V. R. Palanivelu (2013) investigated preferred investment options among salaried persons in NamakkalTaluk, TamilNadu, India. The study is based on standardized questionnaires and personal interviews with salaried employees. The percentage & chisquare tests were used to assess data. According to the survey, a respondent's income level is an essential aspect that influences his or her portfolio. According to the report, stock brokerage firms should run an awareness program because a lot of people were informed of new stock market products.

Bhat (2013) investing and trading patterns of persons engaging in stock market in Jamnagar, Gujarat, India. The study utilizing ANOVA discovered that employment, age, and education influence an individual's decision to trade in stock market. According to the report, the

majority of investors seek more security and dependability in their investment channel. According to the report, investors who have adequate information and are prepared to accept some risk prefer to participate in the equities market. According to the survey, the fall in bank interest rates over the last several years is also one of the reasons why investors are shifting to other channels such as mutual funds, bonds, equities markets, and others such as land, gold, and construction.

Rehman (2013) looked on the stock selection habits among private investors in stocks in Pakistan. According to results of SEM, private equity investors' trading activity is unaffected by quality of firm's management team. According to the study, the industry or sector to which a firm belongs has a favorable & significant effect on equity investor decision making. The study found that an investor's understanding of a company's goods or services, or its operating location, had no effect on their selection. The visibility of a business in the media, market position, and source of recommendation all have a positive and significant impact on a buyer's choice.

S.Prakash (2013) examined investors' investing patterns in relation to several investment outlets. The attitude of investors toward investment is examined in terms of their financial requirements, investment purpose, and investment return time, readiness to incur risk & degree of safety for financial assets. The study revealed that the primary factors influencing investing patterns are diversification of risks, tax exemption, safety, skilled leadership, liquidity, flexibility, scheme selection, and affordability. According to the report, the most popular investment vehicles are bank deposits, gold, life insurance, a savings account schemes, mutual fund schemes, and real estate.

Shallu (2014) investigated Indian capital market as well as functions and responsibilities of SEBI as a market regulator. According to study, the stock market is the best place to invest since it allows investors to put their money into a diverse portfolio at the lowest possible cost and with the least amount of risk. According to the report, the Indian security market has grown significantly as a result of many reforms implemented by SEBI, and it is now conceivable to compare the Indian security market to international security markets. SEBI has purchased increased openness in the functioning of Indian capital market.

Madhvi (2014) investigated Indian stock market landscape in terms of its growth and inception tendency as witnessed by Indian investors. The study is based on secondary sources & aims to examine stock market circumstances as well as associated risk management techniques. According to the study, the stock market is quite volatile and fluctuates in terms of risk & return. According to study, insufficient knowledge leads to poor stock market returns, but perfection and vigilance lead to high and steady results. The findings suggest that more investor risk leads to higher return and vice versa. The study stated that stock market's future is very bright due to its edge over others and the availability of a wide range of risk management techniques.

B. Thulasipriya(2014) investigated investing habits of government employees in Coimbatore, Tamil Nadu, India. The study is based on primary data acquired using a closed-endedquestionnaire and evaluated using Chi-square test. According to the report, the majority of government staff chose investment safety above bigger returns. The study also demonstrates that various criteria such as education level, investor age, family size, and so on have an impact on investors' investing decisions. Using literature research, the study concludes that in any developing nation, individuals invest more in financial assets than in physical assets. However,

in India's early years following independence, individuals invested in physical goods rather than financial ones. However, physical and financial assets are now equally popular among Indian investors. According to the study, an investor's income effects their investing selection.

Dr.BabarajuK.Bhatt and ApurvaA.Chauhan (2015) investigated individual investors' behavior in the security market with a focus on Navsari investors. The research sought to discover behavioral characteristics and their impact on investing decisions. Regression study revealed that behavioral variables account for 48.9 percent of the variation in investing decisions. The survey also discovered that the majority of investors invest for long-term profit or consistent income. According to the report, the majority of investors choose both primary & secondary markets for investing, and they participate in the securities market on a regular basis. The investor's investing selection is heavily impacted by recommendations from relatives and friends, as well as guidance from their brokerage business.

Zobaida Khanam (2017) investigates the relationship between key demographic indicators and investor decisions, notably when different firms issue dividends on their stocks. There are similarities between the findings of this study and other investigations from other nations. This study, ideally, will assist the Bangladesh stock exchange in understanding responses of investors with various demographic profiles during dividend declaration.

S.Hemalatha (2019) seeks to discover attitudinal disparities in individual investors' perceptions of variables impacting investing decisions based on demographic profiles. The findings revealed that investment selection criteria differ according to gender, age, employment, internet usage, level of computer skills, & use of online trading.

Vikram and Devanshee Kothari (2020) focus on moderating influence of marital & gender status on retail investor penetration, views, purchasing & selling behavior in the Indian equity market. This study investigates effects of Moderating (MO) factors on retail investors' investing behavior in setting of Indian equity market. In this study, the independent variables were Investment Advisor and Online Trading, with gender and marital status serving as moderators.

The goal of Deavicris Ari Senda et al.'s (2020) study is to determine the impact of financial literacy level & demographic characteristics on investment decisions made by government employees at Kalibawang Community Health Center in Kulon Progo, Yogyakarta. In this study, the Chi Square test was used to examine data. According to the data, financial literacy has minimal influence on investment decisions. Among the demographic variables, only age, income, and investing experience have an influence on investment decisions. Other demographic factors, such as gender and education level, have minimal impact on investment decisions.

Dr. Vinod Sayankar et al. (2021) examine overconfidence and herding behavioral biases in investing decisions based on demographic considerations. Investors' investing decisions are heavily influenced by behavioralbiases. The goal of this study is to look at the influence of demographic factors including age, gender, and education on an investor's investment experience. Data was collected and analyzed from a sample of 100 IT professionals in Pune for this study.

DATA ANALYSIS AND INTERPRETATIONS

H0: There is no statistically significant variation in the influence of various behavioral factors on investment decisions across people with different socioeconomic backgrounds.

H1: There is a statistically significant difference in effects of numerous behavioral characteristics on investing decisions across individuals with diverse demographic profiles.

HERDING

Table 1 demonstrates that the significant values of herding with varying age, work experience, and yearly income are.001,.002, and.006, respectively, which are less than 0.05. As a result, the alternative explanation has gained acceptance. This indicates that herding varies according to an investor's age, employment experience, and annual income.

The significance of herdingwith various gender, married status, education, and occupation is.351,.885,.684, and.073, which is more than 0.05. As a result, null hypothesis isaccepted. This indicates that individual investors' gender, family situation, and professional background have no effect on herding.

OVERCONFIDENCE

Table 1 shows that value of significance of excessive trust with different genders and ages is.016 and.032, which is lessthan 0.05. As a result, alternative theory is accepted. This indicates that overconfidence varies depending on the gender & age of individual investors.

The significance of excessive trust with various marital status,education, occupation, work experience, & yearly income is.093,.857,.141,.436 and.212, which is morethan 0.05. As a result, null hypothesis isaccepted. It indicates that individual investors' overconfidence is unaffected by their marital status, academic background, job experience, or yearly earnings.

ANCHORING

Table 9 shows that the value ofsignificance of anchoring with various education & occupation is.017 &.002, which are both less than 0.05. As a result, the alternative theory is accepted. This means that anchoring varies depending on the education and career of individual investors.

Anchoring significance with varied gender, marital status, age, job experience, and yearly income is.535,.852,.365,.231 and.085 accordingly, which is more than 0.05. As a result, null hypothesis is accepted. This suggests that individual investors' anchor does not differ according on their gender, union status, age, job experience, or yearly income.

RISK AVERSE

Table 1 shows that the value of significance of risk aversion with varied marital status, age, profession, & yearly income is.045,.014,.022, and.017, which is less than 0.05. As a result, alternative theory is accepted. Individual individuals' risk aversion varies according to their marital status, age, employment, & annual income.

The significant value of risk aversion with varied gender, education, and job experience is.968,.722, and.676, which is more than 0.05. As a result, null hypothesis is accepted. This

suggests that individual investors' risk-taking behavior is unaffected by gender, education, or job experience.

MENTAL ACCOUNTING

Table 1 shows that value of significant of mental accounting with varied marital status, age,age, & occupation is.001,.043,.024 and.045, which is less than 0.05. As a result, alternative theory is accepted. It indicates that individual investors' analytical behavior varies depending on their gender, marital status, age, and employment.

The value of importance of mental accounting with various levels of education, job experience, and yearly income is.993,.224, and.206, which isgreater than 0.05. As a result, null hypothesis is accepted. It indicates that individual individuals' mental inventory does not differ based on their education, job experience, or yearly earnings.

AVAILABILITY

Table 1 shows that the value ofsignificance of availability with varied marital status is.018 which is less than.05. As a result, alternative theory is accepted. This suggests that individual investors' availability bias varies depending on their marital status.

The significance of unavailability with respect togender, age, education, occupation, work experience, & yearly income is.633,.201,.115,.226,.246, and.303, which is more than 0.05. As a result, null hypothesis is accepted. It indicates that individual investors' availability bias is unaffected by their gender, age, education, occupation, work experience, or yearly income.

MARKET RELATED KNOWLEDGE

The value of importance of market related knowledge with varied age, education, the occupation, & employment experienceis.025,.025,.002, and.011 accordingly, which is less than 0.05, as shown in table 1. As a result, the alternative theory is accepted. This means that individual investors' market expertise varies depending on their age, education, employment, and work experience.

The relevance of market related information varies with gender, married status, and yearly income and is greaterthan 0.05 in each case. As a result, null hypothesis is accepted. It indicates that individual investors' market expertise is unaffected by their gender, union status, or annual income.

OPTIMISM

Table 1 shows that value of significance of optimism with different occupations, work experience, & yearly income is.001,.002, and.031, all of which are less than 0.05. As a result, alternative theory is accepted. This indicates that optimism varies according to occupation, job experience, & annual income of investors as a whole.

The significance of optimismwith varied gender, married status, age, & education is.571,.298,.192, and.582, which is morethan 0.05. As a result, null hypothesis isaccepted. It indicates that individual investors' optimism is unaffected by their gender, marital status, age, or degree.

TABLE: 1 VALUE OF SIGNIFICANCE FOR ONE-WAY ANOVA

FACTORS	GENDER	MARITAL STATUS	AGE	EDUCATION	OCCUPATION	WORK EXPERIENCE	ANNUAL INCOME
Herding	.351	.885	.001*	.684	.073	.002*	.006*
Over-Confidence	.016*	.093	.032*	.857	.141	.436	.212
Anchoring	.536	.852	.365	.017*	.002*	.23	.085
Risk Averse	.968	.045*	.014*	.722	.022*	.678	.017*
Mental Accounting	.001*	.043*	.024*	.993	.045*	.224	.206
Availability	.633	.018*	.201	.115	.226	.246	.303
Market Related Knowledge	.953	.442	.025*	.025*	.002*	.011*	.098
Optimism	.571	.298	.192	.582	.001*	.002*	.031*

FINDINGS OF THE STUDY

- 39% of respondents said they "herd" while making investing decisions.
- 36.6% of respondents say they are not overconfident.
- 41.2% of respondents say they "anchor" while making investing decisions.
- 42.4% of respondents say they are risk averse.
- 32.4% of respondents said they do not make "mental accounts" while making investing decisions.
- 29.2% of respondents say their selection is influenced by availability.
- 54.2% of respondents believe they have market expertise.
- 39.6% of respondents are positive about the market.
- The importance of herding varies with age, job experience, & yearly income and is.001,.002, and.006, respectively. This means that herding differs according on the age, job experience, & yearly income of individual investors.
- The significance of overconfidence with varied gender & age is.016 and.032, indicating that overconfidence varies with gender & age of individual investors.
- The significance of anchoring with various education & occupation is.017 and.011, indicating that anchoring varies according to individual investors' education and occupation.
- The importance of risk aversion with different marital status, age, profession, and yearly earnings is.045,.014,.022, and.017, suggesting that risk aversion behavior differs with individual individuals' marital status, age, work, and yearly earnings.
- The importance of psychological accounting changes with gender, marital status, age, and job, and is.001,.043,.024 and 0.046, respectively, showing that individual individuals' mental accountancy behavior differs with gender, marital status, age, and profession.

CONCLUSIONS

The current study investigates the influence of demographic characteristics on behavioral finance in securities market investing decisions and is conducted on individual investors in Mumbai on their investment decisions and the factors influencing them. The current study shows that shareholders do not always act logically since they must deal with cognitive and emotional limitations. Behavioral factors are important in financial markets because they influence investors who make monetary choices.

According to findings, individual investors' herding behavior differs according to their age, employment experience, and yearly income, according to the ANOVA results. Individual trust in investors differs by gender and age. The anchoring of individual investors varies based on their degree and employment. Individual investors' risk aversion varies depending on their marital status, age, occupation, and annual income. Individual investors' mental accounting behavior varies by gender, marital status, age, and occupation. The availability bias of individual investors differs based on their marital status. Individual investors' market knowledge differs depending on their age, education, occupation, and work experience. Individual investors' levels of optimism vary according to their career, employment experience, and annual income.

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