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## Women entrepreneurs in Kerala and their investment behavior

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### ABSTRACT

*Quantum of investment has become one of the most significant determinants of rise of economy. The economic independence combined with the support they get from the members of their family has increased significance of women entrepreneurship. Economic development become meaningful when women enter into mainstreams. The present study is confined to various aspects of investment and investment avenues, factors influencing the investment behaviour of the women entrepreneurs, support from family, motivating factors and problems faced by them while investing their money. Majority of the respondents were married and they opt goodwill of the company, easy withdrawals and risk-free investments as their motivating factor for investment. There is no significant relationship between marital status of the women entrepreneurs and motivational factors for investment. Therefore, we conclude that majority of the respondents have their family member's support.*

**Keywords:** Investment, Women Entrepreneurs, Risk, Goodwill

### 1. INTRODUCTION

India, in its journey towards development, requires huge capital formation in the form of investments. For this, individual savings and investments has to be properly channelled. Investments aims at earning a return. Various yields in the form of dividend, interest, pension benefits and rent are received from Investment. Capital appreciation is also an outcome of investment. In our economy, income earned by individuals is a significant factor. The recipients of this income spend it on daily consumption. They try to save the rest as investments or savings. These savings must reach out to entrepreneurs for converting them into productive ventures. Having money is not all what is needed for investing, they should have proper knowledge and awareness on how to spend the amount.

### 2. INVESTMENT

Investment is converting money wealth into some tangible wealth. By investing, one commits his/her funds to assets in expectation of some future return or capital gain. Investment can be defined as commitment of funds that is expected to generate additional money. It is a vehicle into where funds are kept for generating proper return with an assumed risk. Keeping cash in idle form is not an investment, rather its value may be eroded by inflation. We can conclude, that investment is commitment of funds for larger inflow of funds in future.

There are various forms of investments that keeps tax level down by offering deductions in gross personal income. Unit Trust Certificate, Insurance plan, Life Insurance, and National Savings are some examples. Level of interest rates should also be considered while selecting sound investment plan. Introduction of various arrays of investment outlets would lead to growth and development of the country.

### 3. REVIEW OF LITERATURE

**Gërguri-Rashiti, S. and Rotabi, S. (2021)**, aims to define the role of women entrepreneurs in Gulf Cooperation Council (GCC) countries. The paper introduces trends as well as challenges faced by women entrepreneurs while they tend to start their own businesses, all kinds of support mechanism received by them and profile of women investors and entrepreneurs in the GCC. This paper also extends to impacts of Covid-19 pandemic on entrepreneurship, and ends by detailing useful recommendations on what actions needs to be considered in future for the upliftment of women entrepreneurship within GCC countries in general and in specific areas.

**Banu, J. and Baral, R. (2021)**, Explores the entrepreneurial attitude and path of women entrepreneurs in South India. It aims to provide qualitative and quantitative insights into the factors that influenced their career choice. Interviews were used to gather

primary data from 35 women entrepreneurs belonging to various sectors of Tamil Nadu state. Qualitative content analysis suggested a conceptual and clear framework reflecting all possible relationships. Career choice, rise and growth of their ventures and their physical and mental well-being were determined significant by a blend of personal attributes, strong support from family and institutions. The findings will help various state and central governments to provide incentives to encourage women-owned businesses to grow.

**Anderson, A. and Ojediran, F. (2021)**, The paper aims to review the literature on women's entrepreneurship in developing nations and emerging economies. This paper explains gendering differences of entrepreneurs and throw some light on what they can do.

**Roy, S., Mohapatra, S. and Banerjee, D. (2021)** The objective of the study is to explore the process of women entrepreneurship in our country from a social perspective. An interpretive approach was used to address the study objectives. It is based on an inductive method. Some non-economic antecedents that led women to start entrepreneurship ventures are explored using 33 in-depth interviews. Major findings stipulate entrepreneurship as a dynamic process. Both the changes in entrepreneur and her social surroundings are observed with time.

**Brajaballav Pal & Surabhi Mishra (2021)** This study is an investigation into the success factors of small and medium scale women owned and run businesses in India. The study also extends to find about the challenges encountered by female entrepreneurs, the factors that motivate women to start their own business perception of success factors and difference of attitude between educated and uneducated women entrepreneurs. The study relies on primary data collected through a questionnaire. 130 women entrepreneurs were identified as respondents. Statistical tools such as percentage, frequency, rank order, weighted average and standard deviation were used to analyse the data. T-test analysis was conducted to hypothetical analysis. The results shows that women consider personal attributes like skills, business ethics and good customer relation as the most crucial success factor to a business. The significant challenges include low self-esteem. Desire for economic independence acts as the motivating factor driving women to enter into entrepreneurship.

**Kappal, J.M. and Rastogi, S. (2020)**, The purpose of this paper is to point out the main factors that drive women entrepreneur's investment behaviour and decisions. The approach of qualitative enquiry was used and exploratory interviews were conducted to identify the determinants of the investment behaviour shown by women entrepreneurs. The results shows that they consider investment as a long-term instrument with low risk and quite conservative. Women entrepreneurs are ready to take business risk, but not for investments. The reasons are lack of time to investment awareness and knowledge.

**Edelman, L.F., Donnelly, R., Manolova, T. and Brush, C.G. (2018)**, This paper tends to spot the disparity between men- and women-led companies in equity funding. For this, a social identity perspective is used, complemented by insight. The angel group context is male-dominated, gender stereotypes may bias angels' interpretation of the signals sent by entrepreneurs, so that entrepreneurial ventures led by men are more favourably evaluated, thus excluding women entrepreneurs from funding. Findings suggest that angel investor's view women-led entrepreneurial ventures as having less legitimacy, even though we see no difference in actual legitimacy across ventures.

**Paluri, R.A. and Mehra, S. (2016)**, This paper identifies the leading factors influencing the financial attitudes of Indian women, then classifies them based on these attitudes. These clusters are then studied for their characteristics. The study was conducted in Nashik, India, period of 2014-2015. Convenience sampling was used to collect data. A reported questionnaire was administered for the survey. Results indicated that only one-third of the respondents didn't have any financial products. The most preferred financial products were fixed deposit schemes and insurance policies. Four clusters of women were identified as judicious, conservative, acquisitive and unsure consumers.

**Afrina, Sharmina, Nazrul Islam and Shahid Ahmed (2011)** The objective of the study is micro credit schemes for women in Bangladesh. Micro-credit programs have true-positive socio-economic impact on women borrowers of Bangladesh. This paper aims at deriving the major factors that leads to development of entrepreneurship among the rural women. Results indicate that the financial management skills are the most significant factor that has serious relationship with the upliftment of rural women entrepreneurship.

**Graham, J.F., Stendardi, E.J., Myers, J.K. and Graham, M.J. (2002)**, indicates past researches regarding gender differences in investment strategies. The paper pointed to two important differences, primarily female investors are more risk averse and secondary they have less confidence in their investment decisions compared to male investors. They Proposes that gender differences may account for the lower risk-taking tendencies among female investors as well as the tendency toward lower confidence levels.

#### **4. OBJECTIVES OF THE STUDY**

- To know the profile of the women entrepreneurs and point out the factors motivating the women entrepreneurs towards various investment avenues.
- To identify the problems faced by the women entrepreneurs while investing their savings.
- To analyse the relationship between marital status of the women entrepreneur and motivating factors for investment.

#### **5. RESEARCH METHODOLOGY**

Primary data and secondary data were used for the study. A structured questionnaire was administered for collecting primary data. Secondary data was collected from websites, articles collected from various journals, books, thesis etc. Sample size was limited to 100 respondents. Convenience sampling method is used because, it is cost effective and the information is readily available. Tables and Percentages were used for analysing data. Chi square test was used for testing hypothesis.

**6. ANALYSIS AND INTERPRETATIONS**

**Table 1: Marital Status of Women Entrepreneurs**

Particulars	Number	Percentage
Married	60	60
Single	40	40
Total	100	100

(Source: Primary Data)

More than half of the respondents, 60% are married. The rest of the respondents, 40% are single. Therefore, we conclude that majority of the respondents are married.

**Table 2: Problems faced while investing money**

Particulars	Number	Percentage
Cumbersome Procedure	30	30
Price Fluctuation	25	25
High rate of commission & Brokerage	25	25
Liquidation of Companies	20	20
Total	100	100

(Source: Primary Data)

30% of the respondents felt cumbersome procedure as the major problem faced while investing. 25% each have price fluctuations and high rate of commission and brokerage as their problem. The rest 20% face liquidation of companies.

**Table 3: Motivating Factors for Investment**

Particulars	Number	Percentage
Easy Withdrawals	18	18
Risk Free Investments	25	25
Non-interference of Brokers	26	26
Goodwill of the Company	31	31
TOTAL	100	100

(Source: Primary Data)

31% of the respondents have their motivating factor for investment as goodwill of the company. 18% of them have easy withdrawals and 25% risk free investments. The rest 26% have non-interference of brokers as the motivating factor and 18% prefer easy withdrawal as motivating factor.

**Table 4: Support from family members**

Particulars	Number	Percentage
Yes	80	80
No	20	20
TOTAL	100	100

(Source: Primary Data)

Majority of the respondents, 80% have support from family members while remaining 20% does not have it.

**7. TEST OF HYPOTHESIS**

H0: There is no significant relationship between marital status of the women entrepreneur and motivating factors for investment.

H1: There is significant relationship between marital status of the women entrepreneur and motivating factors for investment.

**Table 5: Observed Frequency Table**

Motivational factors \ Marital Status	Easy withdrawals	Risk free investments	Non- interference of brokers	Goodwill of the company	Total
MARRIED	8	14	17	21	60
SINGLE	10	11	9	10	40
TOTAL	18	25	26	31	100

(Source: Primary Data)

**Table 6: Expected Frequency Table**

Motivational factors \ Marital Status	Easy withdrawals	Risk free investments	Non- interference of brokers	Goodwill of the company	Total
Married	10.8	15	15.6	18.6	60
Single	7.2	10	10.4	12.4	40
TOTAL	18	25	26	31	100

(Source: Table 5)

**Table 7**

Calculated value	3.065
Level of significance	5%
Degree of freedom	3
Table value	7.815

(Source: Table 5 and 6)

**Interpretation:** From the above result the calculated value (3.065) of chi-square is less than table value (7.815). This suggests that the null hypothesis (H<sub>0</sub>) is accepted and alternative hypothesis (H<sub>1</sub>) is rejected. There is no significant relationship between marital status of the women entrepreneurs and motivational factors for investment.

## 8. FINDINGS AND SUGGESTIONS

Majority of the respondents were married and they opt goodwill of the company, easy withdrawals and risk-free investments as their motivating factor for investment. There is no significant relationship between marital status of the women entrepreneurs and motivational factors for investment. The most desirable result is that majority of the respondents have their family member's support.

Women should be encouraged to invest in more avenues and participate in the investment avenues which involving high risks and also returns. Women should recognize their financial independence and plan for the future to make it better. Woman entrepreneurs should be provided with adequate awareness regarding the consequences of considering only a few factors while investing. They must rather gain expertise and knowledge in studying the market and capital investments for better results.

## 9. CONCLUSIONS

Introduction of new avenues for investment haven't affected women entrepreneurs, they still prefer safe bank deposits. Their preference of investment is still owing to safety and security. Only very few entrepreneurs prefer investment on public issues, among which majority are less aware about changes in market values. A planned marketing approach is required here. Professional marketing of investments, covering customer awareness, offering all, a constant return and better value, constituting serious efforts to draw the backward sectors into the mainstream of economic development of the nation.

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