

Investors' Attitude on Stock Selection Decision

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Abstract

The globalization of financial markets provides a wide variety of market and investment options which increased the number of retail investors' in India. The research in Behavioral Finance is comparatively less in India, when compared to other foreign countries. The Stock Selection Process is considered very important in Behavioural Finance. Hence this paper aims at identifying the factors, influencing the stock selection decision including demographic factors. The factors that influence the stock selection decision are Return on Equity, Quality of Management, Return on Investment, Price to Earnings Ratio and finally, various ratios of the company. The study found that there is no significant difference in Fundamental and Market Factors, Earning Factors, Decision Making Factors, Industry Related Factors, Corporate Governance Factors, Positioning Factors, Image Building Factors, Goodwill Factors and Industry Competition Factors between their Educational Qualification, Occupation, Income Status in Stock Selection Decision. But under Gender, Male and Female had significant difference only in Positioning Factors and Marital Status, Fundamental and Market Factors, Industry related Factors and Corporate Governance Factors in Stock Selection Decision.

Keywords

Behavioral Finance, Stock Selection process, Retail Investor.

INVESTORS' ATTITUDE ON STOCK SELECTION DECISION

I. Introduction

Behavioural Finance assumes that information structure and the characteristics of market participants systematically influence individuals' investment decisions as well as market outcomes. The Behavioral Finance mainly focuses on how investors interpret and act on micro and macro information to make investment decisions. The Behavioral Finance is defined by Shleifer. A (1999) [12], as "a rapidly growing area that deals with the influence of Psychology on the behavior of financial practitioners". The globalization of financial markets has increased the participation and number of retail investors' over the past two decades by providing a wide variety of market and investment options. However, it makes their investment decisions process more complex.

The retail investors consider their investment needs, goals, objectives and constraints in making investment decisions, but it is not possible to make a successful investment decision at all times. Their attitude is influenced by various factors such as dividend, 'Get Rich Quickly' strategy, stories of successful investors, online trading, investors' awareness programme, experience of other successful investors etc. A better understanding of behavioral processes and outcomes is important for Financial Planners because an understanding of how investors generally respond to market movements should help Investment Advisors in devising appropriate asset allocation strategies for their clients [6]. It to be noted that there are many studies conducted in other countries, but to the best of the Researcher's knowledge, a comprehensive study covering Tamil Nadu has not been made. Further a study of this nature should be conducted at periodical interval as the

attitude of Investors' keep changing. Hence this study attempts to find out the factors influencing the stock selection decision of retail investors

II. Review Of Literature

A comprehensive review of Literature available on Behavioral Finance has been carried out [10]. Peter Roger Eiving (1970) identified those factors which motivated and guided the investment decisions of the common stock investors. The factors include (i) Income from Dividends (ii) Rapid Growth (iii) Purposeful Investment as a protective outlet of savings (iv) Professional Investment Management. Shanmugam (1990) examined the factors affecting investment decision and found that the investors are high risk takers. The investors possessed adequate knowledge of Government regulations, monetary and fiscal policy. Warren et al [13]. (1996) studied the lifestyle and demographic profiles of investors based on the value and types of investment holding. Krishnan and Booker (2002) [8] analyzed the factors influencing the decisions of investors who basically used analysts' recommendations to arrive at short-term decision to hold or to sell a stock. Merikas et al, (2000) [1] analyzed the factors influencing Greek investors' behaviour on the Athens Stock Exchange. The results indicated that individuals base their stock purchase decision on economic criteria combined with diverse other variables. Hussein A Hassan (2006) [6] identified the factors influencing the UAE investors' behaviour. Six factors were found as the most influencing factors on the UAE. The most influencing factors include corporate earnings, get rich quick, past performance of the stock. Kannadhasan. M (2006) [7] examined the factors that influence the retail investors' decision in investing. The decision of the retail investors are based on various dependent variables viz., Gender, age, marital status, educational level, income level, awareness, preference and risk bearing capacity. Glaser et al. (2009) [5] tested whether individual investor's sentiment was related to daily stock returns by using vector auto regressive models and Granger causality tests. They found out that there exists a mutual influence between sentiment and stock market returns, but only in the very short-run (one and two trading days). Sachithanatham et al. (2007) [11] studied the relationship between capital market reforms and amount of money invested by the investors. It was found that educative reforms and attractive reforms were statistically significant but they had negative influence over money invested by investors at the Capital Market.

From the above review, it is clear that there are some differences among the retail investors on the factors that influence investors' attitude towards investing in equity stocks.

III. Theoretical Framework

SPERTEL risks had influenced the value of equity shares (E. Bennet and M. Selvam, 2010) [4]. The market factors had influenced the stock selection decision of retail investors (E. Bennet, M. Selvam and G.Indhumathi, 2010) [3]. The market factors had influenced the attitude of retail investors towards investing in the equity stocks (E. Bennet and M. Selvam et al 2010) [2].

1. Objective of the Study

The main objective of the study is to analyze the investors' perception of the various factors that influence the Equity Stock Selection Decision.

2. Hypothesis of the Study

The study tested the following hypothesis.

H1 : The retail investors' firmly believe that many factors do influence their future investment. i.e Value of Equity Shares.

IV. Methodology of the Study

A. Sources of Data

The research design for the study is descriptive in nature. The Researchers depended heavily on primary data. The required data were collected from the retail investors living in Tamil Nadu during the period between May and September 2010 through a Structured Questionnaire.

B. Sampling Size and Procedure

The sample size covered 400 retail investors who were spread through ten different Investment Centers in Tamil Nadu. The important Investment Centers, where large number of investors is available, are identified for this study using Purposive Sampling Method. In order to collect referred information from the retail investors, the sampling design was carefully decided and properly chosen for the study. Totally ten important centers in Tamil Nadu were identified and those centers are Chennai, Coimbatore, Trichy, Madurai, Karaikudi, Kumbakonam, Hosur, Tirunelveli, Erode and Tiruppur. From each identified Investment Centre, five approved stock brokers were chosen and eight investors were contacted with the help of stock brokers. However, on a detailed scrutiny of the questionnaires, it was found that 25 of them had given incomplete information and hence those 25 responses could not be used for further analysis. Thus, this study was based on the responses by 375 selected respondents from the retail investors.

C. Variables

1. Dependent Variables: The respondents were asked to evaluate the importance of 29 variables which were culled from the literature and personal interviews with select investors and brokers, as important factors that influence the retail investors in Stock Selection Decision. There were seven choices against each of the 29 variables: "Strongly agree" for the variables which had strong influence on the value of equity shares and "strongly disagree" for the variables which did not have much influence on the Stock Selection Decision.

2. Independent Variables: The independent variables selected for this study are demographic characteristics, namely, gender, age, marital status, educational qualification, occupation, number of family dependants, domicile and annual income and they were measured on nominal scale.

D. Statistical Tools: The data collected were analyzed through the application of statistical tools such as independent sample T Test, One way ANOVA and Factor analysis.

E. Factor Analysis: Kaiser-Meyer-Olkin Measure of Sampling Adequacy was employed to examine the appropriateness of the data for Factor Analysis. It is to be noted that high values (between 0.5 and 1) indicate that the Factor Analysis

is appropriate. Further, Bartlett's Test of Sphericity is a test statistics used to examine the hypothesis that the variables are uncorrelated in the population.

IV. The Analysis of Factors that influence Stock Selection decision

The analysis for the purpose of this study is given below.

- The Results of Factor Analysis for factors influencing Stock Selection Decision.
- The Mean Value and the Standard Deviation of each statement that could possibly influence the Stock Selection Decision of retail investors.
- Gender of Sample Respondents and Influence on Stock Selection Decision
- Marital Status of Sample Respondents and Influence on Stock Selection Decision
- One way ANOVA with regard to Age of Sample Respondents and Influence on Stock Selection Decision
- One way ANOVA with regard to Educational Qualification of Sample Respondents and Influence on Stock Selection Decision
- One way ANOVA with regard to Occupation of Sample Respondents and Influence on Stock Selection Decision

Table - 1 reveals the reliability test and it is clear that the data used for the study were conducive for performance of Factor Analysis. The variables are significantly related to the population.

Table - 2 presents the results of Factor Analysis of factors influencing Stock Selection Decision of sample retail investors in Tamil Nadu. It is to be noted that factor loading for each item exceeded the minimum threshold level of 0.40 (Kim and Mueller, 1978; Noursis 1985).

To identify the level of significance of factors in each group, the Cronbach's Alpha was used. According to Cronbach's Alpha, nine factors were identified under Fundamental and Market Factors with five variables (Cronbach's Alpha of 0.825) and Earning Factors with three variables (Cronbach's Alpha of 0.820). There are three variables under Decision Making Factors with a factor loading of 0.690, three variables under Industry Related Factors, having Cronbach's Alpha of 0.676, four variables in Corporate Governance Factors with Cronbach's Alpha of 0.707, three variables in Positioning Factors with Cronbach's Alpha of 0.622, two variables in Image Building Factors with Cronbach's Alpha of 0.552, two variables in Good Will Factors, with Cronbach's Alpha of 0.584 and finally, two variables with Industry Competition Factors, with Cronbach's Alpha of 0.515.

Table 3 shows the Mean Value and Standard Deviation of each statement that could possibly influence the Stock Selection Decision of retail investors in Tamil Nadu. The average value of the top five highly influential factors, according to the sample retail investors, were Return on Equity with a mean value of 5.71, Quality of Management with a mean value of 5.58, Return on Investment with a mean value of 5.50, Price to Earnings Ratio with a mean value of 5.48, and various ratios of the company with a mean value of 5.40. According to sample retail investors, there were four factors with the lowest priority or which had low influence on the Stock Selection Decision. They were Recommendation by Analyst, Broker and Research Report with a mean value of 3.59, Recommended by Friend, Family

and Peer (4.46), Geographical Location of the company (4.51) and Social Responsibility (4.66).

A. Gender of Sample Respondents and Influence on Stock Selection Decision

The results of Descriptive Statistics on Gender of Sample Respondents and their influence on Stock Selection Decision are given in Table - 4. According to the mean score of Men Perception towards Fundamental and Market Factors, Earning Factors, Decision Making Factors, Industry Related Factors, Corporate Governance Factors, Positioning Factors, Image Building Factors, Goodwill Factors and Industry Competition Factors, these factors influence Stock Selection Decision of retail investors with the value of -7.17, - 2.00, -2.72, 0.03, 0.03, 0.05, 0.006, 0.02 and -4.73 respectively. The mean score for Women Perception towards Fundamental and Market Factors, Earning Factors, Decision Making Factors, Industry Related Factors, Corporate Governance Factors, Positioning Factors, Image Building Factors, Goodwill Factors and Industry Competition Factors that influence Stock Selection Decision of the retail investors were -1.95, 0.05, 0.08, -1.40, -9.25, -2.08, -8.12, -4.35 and 0.14 respectively. In order to identify the significant difference between the mean score of male and female, Independent T-test was employed. According to T statistics, the values of all independent variables were insignificant except the positioning factors. This clearly indicates that there was no significant difference between the gender with regard to the consideration of factors such as Fundamental and Market Factors, Earning Factors, Decision Making Factors, Industry Related Factors, Corporate Governance Factors, Image Building Factors, Goodwill Factors and Industry Competition Factors that influenced Stock Selection Decision. But the Positioning Factors alone had significant difference between genders in the Stock Selection Decision.

B. Marital Status of Sample Respondents and Influence on Stock Selection Decision

The results of Descriptive Statistics on Marital Status of Sample Respondents and their influence on Stock Selection Decision are shown in Table - 5. It is understood that the mean scores for Sample Investors' (Marital Status) perception towards Fundamental and Market Factors, Earning Factors, Decision Making Factors, Industry Related Factors, Corporate Governance Factors, Positioning Factors, Image Building Factors, Goodwill Factors and Industry Competition Factors which influenced the Stock Selection Decision were 0.08, 0.008, -0.008, -0.099, 0.068, 0.004, 0.019, -0.036 and -0.037 respectively. The mean scores for sample investors (Single) perception towards Fundamental and Market Factors, Earning Factors, Decision Making Factors, Industry Related Factors, Corporate Governance Factors, Positioning Factors, Image Building Factors, Good Will Factors and Industry Competition Factors which influenced the Stock Selection Decision was -2.21, -0.015, 0.013, 0.244, -0.163, -0.012, -0.057, 0.097 and 0.073 respectively. Independent T-test was employed in order to identify the significant difference between the mean score (Married and Single). According to T statistics, the values of all independent variables were insignificant except for Fundamental & Market Factors, Industry Related Factors and Corporate Governance Factors. This clearly indicates the fact that there is significant difference between the marital status with regard to the consideration of factors such as Fundamental and Market factors, Industry Related Factors and Corporate Governance Factors.

C. One way ANOVA with regard to Age of Sample Respondents and its Influence on Stock Selection Decision

Table 6 exhibits the results of One way ANOVA with regard to Age of Sample Retail Investors and factors influencing the Stock Selection Decision. The results of one way ANOVA between the age of respondents with regard to consideration of Fundamental and Market Factors, Earning Factors, Decision Making Factors, Industry Related Factors, Corporate Governance Factors, Positioning Factors, Image Building Factors, Goodwill Factors and Industry Competition Factors were analysed. It is understood that the mean square score of the respondents' age between the groups towards Fundamental and Market Factors, Earning Factors, Decision Making Factors, Industry Related Factors, Corporate Governance Factors, Positioning Factors, Image Building Factors, Good Will Factors and Industry Competition Factors were 2.74, 1.189, 0.505, 0.901, 0.248, 2.146, 0.566, 1.016 and 1.158 respectively. The result shows that there was no significant difference in Earning Factors, Decision Making Factors, Industry Related Factors, Corporate Governance Factors, Positioning Factors, Image Building Factors, Goodwill Factors and Industry Competition Factors between different age groups of sample investors in the Stock Selection Decision. But there was significant difference between the age groups in the case of Fundamental and Market Factors.

D. One way ANOVA with regard to Educational Qualification of Sample Respondents and Influence on Stock Selection Decision

The results of one way ANOVA with regard to Educational Qualification of Sample Retail Investors and factors influencing the Stock Selection Decision are provided in Table - 7. The mean square scores of the respondents' Educational Qualification between the groups towards Fundamental and Market factors, Earning Factors, Decision Making Factors, Industry Related Factors, Corporate Governance Factors, Positioning Factors, Image Building Factors, Goodwill Factors and Industry Competition Factors were 1.08, 1.366, 0.383, 1.528, 0.25, 0.534, 1.87, 1.192 and 0.404 respectively. The results of one way ANOVA between the Educational Qualification of respondents with regard to consideration of Fundamental and Market Factors, Earning Factors, Decision Making Factors, Industry Related Factors, Corporate Governance Factors, Positioning Factors, Image Building Factors, Goodwill Factors and Industry Competition Factors were analysed. The results revealed that there was no significant difference in Fundamental and Market factors, Earning Factors, Decision Making Factors, Industry Related Factors, Corporate Governance Factors, Positioning Factors, Image Building Factors, Goodwill Factors and Industry Competition Factors between their Educational Qualifications in the Stock Selection Decision.

E. One way ANOVA with regard to Occupation of Sample Respondents and Influence on Stock Selection Decision

Table - 8 shows the results of One Way ANOVA with regard to Occupation of Sample Retail Investors and factors influencing the Stock Selection Decision. It is understood that the mean square scores of the respondents' Occupation between the groups towards Fundamental and Market Factors, Earning Factors, Decision Making Factors, Industry Related Factors, Corporate Governance Factors, Positioning Factors, Image Building Factors, Goodwill Factors and Industry Competition Factors were 0.866, 0.986, 0.135, 0.398, 2.121, 1.718, 1.087,

1.003 and 0.565 respectively. The results of one way ANOVA between the Occupation Status of the sample respondents with regard to consideration of Fundamental and Market Factors, Earning Factors, Decision Making Factors, Industry Related Factors, Corporate Governance Factors, Positioning Factors, Image Building Factors, Goodwill Factors and Industry Competition Factors were analysed. The results revealed that there was no significant difference in Fundamental and Market Factors, Earning Factors, Decision Making Factors, Industry Related Factors, Corporate Governance Factors, Positioning Factors, Image Building Factors, Goodwill Factors and Industry Competition Factors between their Occupational Status in the Stock Selection Decision.

VI. Conclusion

It is found that majority of the sample retail investors in Tamil Nadu took into consideration all the 29 factors before selecting the stocks to invest. The analysis of this study reveals the fact that the average value of the five factors, namely, Return on Equity, Quality of Management, Return on Investment, Price to Earnings Ratio and various ratios of the company influenced the decision makers. Further, other five factors, namely, Recommendation by Analyst, Broker and Research Report, Recommended by Friend, Family and Peer, Geographical Location of the Company and Social Responsibility were given the lowest priority or which had low influence on the stock selection decision by the retail investors.

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Table 1 : KMO and Bartlett's Test (Reliability Test)

Variable	Kaiser-Meyer-Olkin Measure of Sampling Adequacy	Bartlett's Test of Sphericity			Result
		Approx. Chi-Square	Df	Sig.	
Factors influencing Stock Selection Decision	0.785	3.912	406	0.000	Significant

Table 2 : Results of Factor Analysis for Factors influencing Stock Selection Decision

Total variance of factors influencing Stock Selection Decision explained by two factors = 66.848	Factor 1: Fundamental and Market Factors	
	Item	Loading
	Various ratios of the company	0.758
	Familiarity with products and services	0.735
	Price to earnings ratio	0.711
	Rate of Dividend	0.625
	Major institutions currently buying the stock of the company	0.623
	Variance explained (%)	11.466
	Eigen Value	6.118
	Cronbach's Alpha	0.825
	Factor 2: Earning Factors	
	Item	Loading
	Return on Equity	0.761
	Return on Investment	0.732
	Quality of Management	0.701
	Variance explained (%)	8.332
	Eigen Value	3.095
	Cronbach's Alpha	0.820
	Factor 3: Decision Making Factors	
	Item	
	Recommended by friend, family, peer	0.771
	Expected stock split	0.738
	Business partners, customers, suppliers and competitors	0.677
	My satisfaction with the dividend paid by the company	0.588
	Variance explained (%)	8.302
	Eigen Value	2.018
	Cronbach's Alpha	0.690
	Factor 4: Industry Related Factors	
	Item	
	Sensitivity of Sales in particular Industry	0.736
	Stage in Industry Life Cycle	0.731
	Nature of competition in the Industry	0.657
	Variance explained (%)	8.282
	Eigen Value	1.752
	Cronbach's Alpha	0.676
	Factor 5: Corporate Governance Factors	
	Item	
	Social Responsibility of the Company	0.771
	Geographical location of the company	0.725
	Turnover ratio	0.657
	Institutional Ownership	0.523
Variance explained (%)	7.931	
Eigen Value	1.523	
Cronbach's Alpha	0.707	
Factor 6: Positioning Factors		
Item		
Competition from foreign firms	0.711	
Size of the Company	0.690	
Market share of the top few firms in the Industry	0.668	
Variance explained (%)	6.831	
Eigen Value	1.426	
Cronbach's Alpha	0.600	
Factor 7: Image Building Factors		
Item		
Quality of assets	0.627	
Media coverage of the stock	0.579	
Variance explained (%)	5.600	
Eigen Value	1.280	
Cronbach's Alpha	0.552	
Factor 8: Goodwill Factors		
Item		

	Brand Name	0.831
	Industrial Growth Rate	0.554
	Variance explained (%)	5.513
	Eigen Value	1.146
	Cronbach's Alpha	0.584
	Factor 9: Industry Competition Factors	
	Item	
	Threat of New Entrants in the Industry	0.827
	Number of firms existing in the Industry	0.462
	Variance explained (%)	4.591
	Eigen Value	1.027
	Cronbach's Alpha	0.515

Sources: Computed from Primary data

Table 3 : Mean Value and the Standard Deviation of variables that Influence the Stock Selection Decision of Retail Investors in India

Variables	Mean	Std. Dev
Recommendation by Analyst, Broker, Research Report	3.59	2.039
Recommended by Friend, Family, Peer	4.46	1.632
Geographical location of the company	4.51	1.565
Social responsibility of the company	4.66	1.613
My satisfaction with the dividend paid by the company	4.77	1.576
Business partners, customers, suppliers and competitors	4.82	1.501
Competition from foreign firms	4.9	1.451
Threats of new entrants in Industry	4.91	1.525
Expected stock split	4.92	1.53
Institutional ownership	4.92	1.415
Market share of the top few firms in the industry	5.01	1.537
Nature of competition in the industry	5.03	1.404
Brand Name	5.04	1.432
Size of the company	5.05	1.448
Industrial Growth Rate	5.08	1.437
Sensitivity of Sales in particular industry	5.08	1.372
Stage if Industry life cycle	5.1	1.39
Media coverage of the stock	5.11	1.421
Turnover Ratio	5.11	1.338
Number of firms existing in the industry	5.18	1.526
Familiarity with products and services	5.26	1.313
Rate of Dividend	5.28	1.367
Quality of Assets	5.3	1.276
Major institutions currently buying the stock of the company	5.31	1.373
Various ratios of the company	5.4	1.352
Price to earnings ratio	5.48	1.29
Return on Investment	5.5	1.191
Quality of Management	5.58	1.188
Return on Equity	5.71	1.133

Sources: Computed from Primary data

Table 4 : Gender of Sample Respondents and Influence on Stock Selection Decision

Variable		Mean	SD	T -Value	Df.	Sig. (two Tailed)	Decision
Fundamental and Market Factors	Male	-7.17	.952	-0.040	364	0.968	Insignificant
	Female	-1.95	1.18				
Earning Factors	Male	-2.00	0.97	-0.596	364	0.552	Insignificant
	Female	0.05	1.11				
Decision Making Factors	Male	-2.72	1.03	-0.842	364	0.4	Insignificant
	Female	0.08	0.87				

Industry Related Factors	Male	0.03	1.03	1.34	364	0.181	Insignificant
	Female	-1.40	0.86				
Corporate Governance Factors	Male	0.03	0.96	0.957	364	0.339	Insignificant
	Female	-9.25	1.12				
Positioning Factors	Male	0.05	1.01	2.02	364	0.04	Significant
	Female	-2.08	0.93				
Image Building Factors	Male	0.006	0.94	0.671	364	0.503	Insignificant
	Female	-8.12	1.21				
Goodwill Factors	Male	0.02	0.95	0.515	364	0.607	Insignificant
	Female	-4.35	1.12				
Industry Competition Factors	Male	-4.73	1.00	-1.43	364	0.154	Insignificant
	Female	0.14	0.96				

Sources: Computed from Primary data

Table 5 : Marital Status of Sample Respondents and Influence on Stock Selection Decision

Variable		Mean	SD	T -Value	Df.	Sig. (two Tailed)	Decision
Fundamental and Market Factors	Married	0.08	0.987	2.742	364	0.006	Significant
	Single	-2.21	1.001				
Earning Factors	Married	0.008	1.052	0.206	364	0.837	Insignificant
	Single	-0.015	0.889				
Decision Making Factors	Married	-0.008	1.006	-0.186	364	0.852	Insignificant
	Single	0.013	1.009				
Industry Related Factors	Married	-0.099	1.014	-3.058	364	0.002	Significant
	Single	0.244	0.937				
Corporate Governance Factors	Married	0.068	0.955	2.035	364	0.043	Significant
	Single	-0.163	1.101				
Positioning Factors	Married	0.004	1.013	0.143	364	0.886	Insignificant
	Single	-0.012	0.995				
Image Building Factors	Married	0.019	0.951	0.672	364	0.502	Insignificant
	Single	-0.057	1.108				
Goodwill Factors	Married	-0.036	1.039	-1.184	364	0.237	Insignificant
	Single	0.097	0.881				
Industry Competition Factors	Married	-0.037	0.988	-0.967	364	0.334	Insignificant
	Single	0.073	1.046				

Sources: Computed from Primary data

Table 6 : One way ANOVA with regard to Age of Sample Respondents and Influence on Stock Selection Decision

Variables		Sum of Squares	df	Mean Square	f	Sig.	Decision
Fundamental and Market Factors	Between Groups	10.959	4	2.74	2.793	0.026	Significant
	Within Groups	359.041	366	0.981			
	Total	370	370				
Earning Factors	Between Groups	4.755	4	1.189	1.191	0.314	Insignificant
	Within Groups	365.245	366	0.998			
	Total	370	370				
Decision Making Factors	Between Groups	2.019	4	0.505	0.502	0.734	Insignificant
	Within Groups	367.981	366	1.005			
	Total	370	370				
Industry Related Factors	Between Groups	3.604	4	0.901	0.9	0.464	Insignificant
	Within Groups	366.396	366	1.001			
	Total	370	370				
Corporate Governance Factors	Between Groups	0.99	4	0.248	0.245	0.912	Insignificant
	Within Groups	369.01	366	1.008			
	Total	370	370				
Positioning Factors	Between Groups	8.583	4	2.146	2.173	0.072	Insignificant
	Within Groups	361.417	366	0.987			
	Total	370	370				

Image Building Factors	Between Groups	2.264	4	0.566	0.563	0.689	Insignificant
	Within Groups	367.736	366	1.005			
	Total	370	370				
Goodwill Factors	Between Groups	4.065	4	1.016	1.016	0.399	Insignificant
	Within Groups	365.935	366	1			
	Total	370	370				
Industry Competition Factors	Between Groups	4.626	4	1.156	1.158	0.329	Insignificant
	Within Groups	365.374	366	0.998			
	Total	370	370				

Sources: Computed from Primary data

Table 7: One way ANOVA with regard to Educational Qualification of Sample Respondents and Influence on Stock Selection Decision

		Sum of Squares	df	Mean Square	f	Sig.	Decision
Fundamental and Market Factors	Between Groups	5.399	5	1.08	1.081	0.37	Insignificant
	Within Groups	364.601	365	0.999			
	Total	370	370				
Earning Factors	Between Groups	6.83	5	1.366	1.373	0.234	Insignificant
	Within Groups	363.17	365	0.9995			
	Total	370	370				
Decision Making Factors	Between Groups	1.916	5	0.383	0.38	0.862	Insignificant
	Within Groups	368.084	365	1.008			
	Total	370	370				
Industry Related Factors	Between Groups	7.638	5	1.528	1.539	0.177	Insignificant
	Within Groups	362.362	365	0.993			
	Total	370	370				
Corporate Governance Factors	Between Groups	1.251	5	0.25	0.248	0.941	Insignificant
	Within Groups	368.749	365	1.01			
	Total	370	370				
Positioning Factors	Between Groups	2.669	5	0.534	0.53	0.753	Insignificant
	Within Groups	367.331	365	1.006			
	Total	370	370				
Image Building Factors	Between Groups	9.35	5	1.87	1.893	0.095	Insignificant
	Within Groups	360.65	365	0.988			
	Total	370	370				
Goodwill Factors	Between Groups	5.96	5	1.192	1.195	0.311	Insignificant
	Within Groups	364.04	365	0.997			
	Total	370	370				
Industry Competition Factors	Between Groups	2.021	5	0.404	0.401	0.848	Insignificant
	Within Groups	367.979	365	1.008			
	Total	370	370				

Sources: Computed from Primary data

Table 8 : One way ANOVA with regard to Occupation of Sample Respondents and Influence on Stock Selection Decision

		Sum of Squares	df	Mean Square	f	Sig.	Decision
Fundamental and Market Factors	Between Groups	3.462	4	0.866	0.864	0.485	Insignificant
	Within Groups	366.538	366	1.001			
	Total	370	370				
Earning Factors	Between Groups	3.946	4	0.986	0.986	0.415	Insignificant
	Within Groups	366.054	366	1			
	Total	370	370				

Decision Making Factors	Between Groups	0.54	4	0.135	0.134	0.97	Insignificant
	Within Groups	369.46	366	1.009			
	Total	370	370				
Industry Related Factors	Between Groups	1.594	4	0.398	0.396	0.812	Insignificant
	Within Groups	368.406	366	1.007			
	Total	370	370				
Corporate Governance Factors	Between Groups	8.483	4	2.121	2.147	0.075	Insignificant
	Within Groups	361.517	366	0.988			
	Total	370	370				
Positioning Factors	Between Groups	6.871	4	1.718	1.731	0.142	Insignificant
	Within Groups	363.129	366	0.992			
	Total	370	370				
Image Building Factors	Between Groups	4.35	4	1.087	1.089	0.362	Insignificant
	Within Groups	365.65	366	0.999			
	Total	370	370				
Goodwill Factors	Between Groups	4.012	4	1.003	1.003	0.406	Insignificant
	Within Groups	365.988	366	1			
	Total	370	370				
Industry Competition Factors	Between Groups	2.261	4	0.565	0.563	0.69	Insignificant
	Within Groups	367.739	366	1.005			
	Total	370	370				

Sources: Computed from Primary data

Table 9 : One way ANOVA with regard to Income of Sample Respondents and Influence on Stock Selection Decision

Variables		Sum of Squares	df	Mean Square	f	Sig.	Decision
Fundamental and Market Factors	Between Groups	4.568	5	0.914	0.912	0.473	Insignificant
	Within Groups	365.432	365	1.001			
	Total	370	370				
Earning Factors	Between Groups	2.936	5	0.587	0.584	0.712	Insignificant
	Within Groups	367.064	365	1.006			
	Total	370	370				
Decision Making Factors	Between Groups	1.472	5	0.294	0.292	0.918	Insignificant
	Within Groups	368.528	365	1.010			
	Total	370	370				
Industry Related Factors	Between Groups	1.464	5	0.293	0.290	0.918	Insignificant
	Within Groups	368.536	365	1.010			
	Total	370	370				
Corporate Governance Factors	Between Groups	7.717	5	1.543	1.555	0.172	Insignificant
	Within Groups	362.283	365	0.993			
	Total	370	370				
Positioning Factors	Between Groups	7.774	5	1.555	1.567	0.169	Insignificant
	Within Groups	362.226	365	0.992			
	Total	370	370				
Image Building Factors	Between Groups	2.384	5	0.477	0.473	0.796	Insignificant
	Within Groups	367.616	365	1.007			
	Total	370	370				
Goodwill Factors	Between Groups	6.563	5	1.313	1.318	0.256	Insignificant
	Within Groups	363.437	365	0.996			
	Total	370	370				
Industry Competition Factors	Between Groups	5.678	5	1.136	1.138		Insignificant
	Within Groups	384.322	365	0.998			
	Total	370	370				

Sources: Computed from Primary data