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RESEARCH ARTICLE

What Investment Strategy Adopted By the Investors towards the Stock Markets & Corporate Sector? An Empirical Analysis

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ABSTRACT

Investors' are the back bone of every nation.This study examines investor behaviour in order to determine the best investment opportunities accessible in India. The investment strategy is a structured plan that guides an investor in selecting the best suitable investment portfolio for achieving their financial goals over a specified time period. Numerous opportunities for individual investors using a wide range of combination strategies have emerged in the rapidly developing financial services sector of return expectation, risk involves, safety measure, future needs, tax benefits, and time Period. Being aware of the available possibilities is where the question lies. Most people can see that the most popular investment options are stock market, real estate, fixed deposit, gold schemes, mutual fund, and pension schemes though there are a -plenty of other avenues in the market.Data was gathered via a structured questionnaire that was distributed to 225 respondents from various investment categories. Convenience sampling was employed. SmartPLS 3 is utilised to achieve Structure Equation Modelling (SEM), Reliability, Convergent, Discriminate Validity, and model fitness. The findings reveal that return expectation, risk involves, and tax benefits have a significant direct effect on financial system adoption. It also shows the significant effect of return expectation, risk involves, and tax benefits by investments consideration as a mediator for financial system adoption. It's potential that the data gathered may be valuable for both companies and investors interested in entering the Indian financial market.

INTRODUCTION

Investment entails an investor saving money and investing in many channels. The investor is someone who invests money in the hope of generating greater revenue in the future. In other words, an investor is someone who invests money. Usually, they want to minimise risk while increasing rewards. Certain investors are averse to risk and thus seek low-risk investment alternatives. Throughout India, investors come in a variety of forms; some are sole savers, while others are regular investors, window shoppers, and seasonal traders [1].

When it comes to today's society, money plays a significant role. One must put money into the future in order to get out of the current situation. Every human being must engage in the action of investing their hard-earned money[2]. There is a plethora of investing options available to savers. Investing in any of these options carries a unique set of risks and rewards. Investors hope to make more money while taking on less risks. When it comes to investment advice, financial advisors and consultants have many ideas [3]. Everyone investor, however, faces an enormous challenge when it comes to building the right portfolio. Financial instruments and other assets are included in the investing options. Investors' attitudes can change over the years and from individual to individual.

A person's wealth grows or decreases. The value of money decreases if it is left sitting around. It can only increase in value if it is placed in a savings or investment account and credited with interest. To put it another way, investment is the use of money to generate additional income. When you make an investment, you're hoping to see a profit [4]. Money invested, on the other hand, is a procurement made with the expectation that the value of the asset would rise in the future[5]. Within financial context, an investment is a monetary item that, once purchased, will offer future earnings or be sold at a higher price for profit. In simpler words, investing is the use of money to generate income [6].

Investments and savings are important factors in any economic growth of a country, and promoting savings and capital accumulation has been a central goal of all government policies. Personal Savings in India are related to the rise income and rampant inflation. Individual investors are now progressively lining up to invest in equity-oriented mutual fund schemes as a way to save money with banks and non-banking credit businesses [7]. Deposits in modest savings and life insurance policies as well as gold and silver bullion as well as provident funds are examples of investments[8]. Bank deposits and small savings accounts have low real interest rates because of the constant growth and fall in net financial savings. Households are choosing gold as a safe haven against inflation and weak market returns because of a lack of confidence in the stock market and a lack of employment growth[9]. The Indian financial market is known for its ferocity, responsiveness, and combativeness. Using anticipated utility theory as a framework, investment portfolio selections are seen as a compromise between immediate and deferred consumption [10]. Recent research on individual investor behaviour suggests that their decision-making is not driven by rationality, but rather impacted by many situations.

Every element of our life has been impacted by technological advancements. In today's world, investors can simply click on an investment to find out more about it. Certain companies have apps that allow investors to keep track of their investments [11]. People who save for retirement have received various tax benefits from the government, which means that when the money is withdrawn, no taxes are due [12]. However, there is a cap on the amount of money that can be deposited into the retirement account. Banks and other financial institutions offer a wide range of investment products in a competitive market[13]. The goal of this research is to determine which kind of investments are most popular with different types of investors, and to see if there are any disparities in their investing preferences across different socioeconomic groups.

2. Concept Development

What does "investment" mean? It means turning cash or money into a monetary object or a claim on future money in order to make money. In the stock market, the gain from an investment is called a return [14]. Capital gain or investment income, such as dividends, interest, or rental income, or a combination of the two, may be used to calculate the return. The predicted economic return is the value of the future returns discounted adequately. All of a company's historical returns are based on the amount of money it has made or earned over a given period of time[15]. In most cases, an investment will lead to the acquisition of an asset, which is also known as an investment. To make a profit, an asset must be accessible at a price that makes investment worthwhile. Otherwise, the asset's value will depreciate and the investor will lose money (or both). The determination of the level of risk that investor is willing to assume with their surplus funds lies solely within their discretion [16].

The way a country's financial system is set up has a direct impact on its economic progress. Investment is a key habit that can help the economy grow faster and more efficiently[17]. The basic goal is to use money and monetary assets to raise capital and then use it wisely to create a business [18]. The decision to invest is influenced by a wide range of circumstances. The investor's preference is a measure of how investors rank various investment options, starting with the one they want most and working their way down to the least. Economists have found that demographic parameters such as age, gender, education, occupation, annual income, geographic location, etc. influence investing decisions [19]. Age, time horizon, liquidity needs, portfolio size, income, taxes, and financial knowledge are just a few of the personal elements that could influence an investor's risk management abilities. In order to get a more balanced approach to achieving their goals, investors place their money in various investment vehicles.

The stated goal of investing is to increase one's net worth. In order to maximise their returns, investors must make rational decisions based on the available facts, making judgments without the influence of their sentiments[20]. Whether the stock market is soaring or dropping, investors' behaviour is associated with excessive excitement and overreacting. It is assumed by most investing and financial theories [21] that all relevant information is carefully considered before an investment decision is made. It is the purpose of this study to examine the elements that influence the actions of investors in the financial markets. Yield, risk, steady income, tax deductions, future prospects, present value, and volatility, among other considerations, all appear to impact investors' investing decisions. Additionally, this study piece examines how investors evaluate and act on various financial market data in order to make sound investment decisions [22].

3. LITERATURE REVIEW

Previously conducted research examined the activities and attitudes of investors regarding the financial markets. Comparable findings indicated that investors prefer short-term investments and base their judgments on the degree of risk considerations [23]. In addition, past research has shown that investors currently are well-equipped with current financial information [24]. Enhanced knowledge of financial system and the ability to interpret the information can help investors rush into risky investments for large profits by effectively managing their investments[25].

Each investor's approach toward risk and return expectations is unique, as is their behaviour [26]. Depending on the prevailing and internal financial situation, investors may have a distinct attitude and behaviour toward their investing inclinations. As far as investors' preferences are concerned, they are associated with the socioeconomic features that distinguish the most and least popular investment avenues for investors[27]. When it comes to making financial decisions, a person's socio-economic, demographic, and mental outlook all play a role. Investing preferences of investors in the City region are compared to demographic factors in order to determine the most and least favoured investment options [28]. Due to the complexity of the financial markets, each investor has unique financial requirements that are dictated by their objectives and level of risk tolerance. Consequently, household savings tend to be more risk-free.

There are three basic rules that every investor should adhere to when it comes to investing: employing a long-term perspective, selecting the best strategy to optimise returns, and allocating investable funds appropriately[24]. A person's demographics, way of life, and investment mindset must all be taken into consideration when implementing the aforementioned three investment concepts. How important is the individual's age, profession, or family income in deciding which investments to pursue? What role do the investor's recklessness, peer group, and conception of available options have in influencing his or her investment decision? All those involved in the financial industry, including advanced investors, specialists, consultants, professors, students, and product marketers, need to be cognizant of these variables. Investment psychology and personal preferences [29]. The both overall social and economic benefit from investment. This is a natural consequence of capitalism as it has evolved and the economy has grown. Aggregate investment authorised during this time is a key factor in determining aggregate demand and, by extension, employment levels for the overall economy. The quality of life and the economy's capacity to provide goods and services in the future are both affected by investments made now with an eye towards the future. Investing has the potential to increase personal wealth, which in turn can stimulate economic growth and prosperity [30]. The stated goal of investing is to increase one's net worth. In order to maximise their returns, investors must make rational decisions based on the available facts, making judgments without the influence of their emotions. In both rising and sinking stock markets, investors' behaviour is characterised by excessive excitement and overreaction. It is assumed by most investing and financial theories [31] that all relevant information is carefully considered before an investment decision is made. These findings are based on a thorough investigation into how investors in the capital market behave[32]. According to empirical studies, demographic variables have an effect on investors' investing decisions. In addition, this research looks at the process by which investors make good investment decisions by analysing and acting upon various types of capital market data [33] A Behavioural Approach to Investment Decision Making).

Investing behaviour is impacted by nine criteria, including safety, tolerance for risk, profitability, investment tenure, regular intervals return, share choice, long-term investment, futuristic returns, and investment dynamics, according to numerous research [34]. As a result, it may be stated that investors evaluated their returns and computed the inverse correspondence of time and return[35].

4. Hypothesis Development

Return expectation

Making money is your whole focus when it comes to investing. Investors, on the other hand, are always looking to make the most money feasible. This is why, before making any investment, you should have a basic sense of the potential return. asset-pricing implications based on investors' expectations of stock market return drivers. Fisher and Statman (2002), as well as Vissing-Jorgensen (2003) [36], examine the first several years of data from the same UBS/Gallup survey of mutual fund investors. According to these researches, respondents frequently expect the continuance of current results [37] Even though the average projections of the wealthier group were consistently lower throughout the examined period, Vissing-Jorgensen shows that their predicted returns follow the same temporal trend as those of the less wealthy.

H01: The return expectation towards financial system positively affects the investment decision.

Future needs

Several factors will determine the course of investment in the future, making it a complicated and multidimensional subject. In the context of investments with a longer time horizon, it stresses the importance of a different strategy. Sustainable development, ethical corporate practises, and combating climate change are just a few of the emerging concerns that investment treaties aim to address. This exemplifies the growing need for investments in India's electrical, road, and telecommunications infrastructure. Environmental issues, financial sustainability, and the knowledge-based economy are some of the long-term problems that are discussed, along with the need for innovative policies to address them. Social investment is also discussed in this context. In light of these findings, it is clear that new and long-term investment approaches are required to meet the problems of the future.

H02: The future Needstowards financial system positively affects the investment decision.

Risk involves

Investing involves making decisions about the use of your financial resources. Risk refers to the possibility that your financial well-being could be harmed as a result of unpredictability in your assets. Here's a reality check when it comes to risk: Investing in anything has some level of risk. If the market turns sour, stocks, bonds, mutual funds, and ETFs can lose all of their value. Bank and credit union certificates of deposit (CDs), which are among the safest investment options, also expose investors to the inflationary risk [38]. Those who may not earn enough money to keep up with the rising expense of lifestyle over time. It is common for the expected return on investment to be inversely proportionate to the risk level of that investment or asset type. Considering those who are willing to put their money on the line in risky investments should be rewarded for it is the reasoning behind this type of connection [39].

H03: The risk involves towards financial system positively affects the investment decision.

Safety measures

Finding an investment that is absolutely risk-free is challenging due to the abundance of options and the inherent uncertainty of the financial markets. Having said that, some types of assets are far more secure than others. Some examples of safe investment vehicles include money market accounts, municipal bonds, certificates of deposit (CDs), and Treasury Inflation-Protected Securities (TIPS). Also, because financial sector can't function without some kind of amount of potential faith, the legal system provides mechanisms for investors to cover their losses if that trustworthiness is manipulated in any way [40]. Nevertheless, this doesn't mean that there aren't precautions you can take to ensure your own safety when it comes to making an investment decision. This is especially true if you conduct the majority of your financial transactions on the internet. Making investments online is a risky business. Stock dealers, brokers, and internet brokerages all require permissions and licences in order to conduct their business. With this information, it should be easy for a legitimate financial agent to provide proof of an investment opportunity's validity. As a result, choosing a broker should be done with care [41]. Any type of financial transaction should never be conducted on a public computer due to the ease with which information gathering software can be hidden on them.

H04: The safety measuretowards financial system positively affects the investment decision.

Tax benefits

Regardless of their tax liability, every individual whose income exceeds the permitted basic exemption limit must submit an income tax return for the fiscal year. Additionally, you have a number of choices for reducing your income tax liability. For example, the public provident fund, health insurance, and life insurance [42]. "A penny saved is a penny gained". Tax planning is one of the strategies that might assist you in reducing your tax liability and increasing your income. The income tax act allows for deductions for a variety of investments, savings, and expenditures made by a taxpayer within a financial year.

H05: The tax benefits towards financial system positively affects the investment decision.

Time period

An investment timeline is the span of time during which an investor expects to hold an investment in order to accomplish a specified goal. Investments are often classified into two broad categories: stocks (which are riskier) and bonds (which are less hazardous) (less risky).An investor can take more calculated risks with a longer time horizon. An investor with a shorter time horizon might choose to take a more cautious approach with their portfolio. Due to the exponential growth of interest, a longer investment horizon can provide significantly more earnings than a short-term investment [43]. It is therefore critical to begin saving for retirement early—a small investment made now can create substantial returns if allowed to develop over several decades. You put all your money and hold it for a specified period of time. Additionally, it is referred to as the buy-and-hold investment approach. This investment approach is recommended for those who lack the time necessary to manage their money.

H06: The time periodtowards financial system positively affects the investment decision.

Investments consideration

Investing in the Indian stock market provides you with an abundance of options. You can invest in a wide range of asset classes, including equities, commodities, derivatives, currency trading, and more. Investing in the stock market gives you the opportunity to make money both short-term and long-term. Making wise stock market investments requires letting go of the herd instinct and making educated selections. Investing in the stocks of companies or industries that you are familiar with is highly recommended by financial advisors [44]. If you're thinking about investing in the stock of a company, make sure you do your homework thoroughly. This includes information on the company's revenue, debt-to-equity ratio, and earnings per share (EPS). You must keep abreast of changes in the economic climate and the stock market in order to seize the finest market opportunities and generate quick gains [45]. Don't throw all your money into the stock market at once, as well. Instead, you should solely invest your extra money [46].

H07: The investment serves as mediators between return expectationand financial system adoption.

H08: The investment serves as mediators between future needs and financial system adoption.

H09: The investment serves as mediators between risk involves and financial system adoption.

H10: The investment serves as mediators between Safety Measureand financial system adoption.

H11: The investment serves as mediators between tax benefits and financial system adoption.

H12: The investment serves as mediators between time periodand financial system adoption.

5. RESEARCH METHODOLOGY

The research methodology describes the study's strategy and provides direction for the researcher to follow for effective data collection and analysis. Details regarding the data source, sample size, sampling technique, and analytic tools are included in it. The initial data is used as the source. When an investigator collects information from survey takers face-to-face, they are using primary data. Primarily, the researcher used the convenience technique to gather data from 225 respondents in Delhi. Percentage analysis is a statistical method for examining data. Questions about the six investment selection factors (risk involved, return expectation, safety measure, tax benefits, future needs, and period) and general consumer knowledge make up the latter portion of the survey. In order to get responses from people in India, we built a Google Form. Using a "five-point Likert Scale" where 1 is "Strongly Disagree" and 5 is "Strongly Agree," we can gauge the level of satisfaction our clients get. Structure Equation Modelling (SEM), model fitness, and Convergent and Discriminant Validity are all accomplished with the help of Smart PLS 3.

Sampling plan

Data collection from large populations can be laborious, expensive, and difficult. Data collection from a representative cross-section of the population requires less effort and time. Selecting a subset of a population using a statistical procedure ensures that the results are representative of the whole. The process of choosing a representative subset of a population for statistical analysis is known as sampling. The following are the components of a sampling plan:

Sample units:

While our sample units were investors, it is obvious that sampling units are merely variables to be investigated.

Sample frame

The full list including the sample unit is referred to as the sample frame.

In this instance, our sample frame was the city of Delhi.

Sample size

While a larger sample size ensures more accurate results, it is not realistic to survey the entire target population or even a sizable section of them. Given the time and financial constraints of this experiment, the sample size was 225.

6. Findings

Preferences of alternative investment: Due to the abundance of investment opportunities available in the market, investors must exercise extreme caution while making investment decisions. The following table summarises the investment possibilities table-1.

Table-1: Preference of investments

Particulars	No. of Respondents	Percentage
Stock market	55	24.44
Real Estate	49	21.77
Fixed Deposit	18	8
Gold schemes	28	12.44
Mutual fund	51	22.66
Pension schemes	24	10.66
Total	225	100

Of 225 respondents in Table-1, 55 percent chose the stock market; 49 percent invested in real estate; 18 percent invested in fixed deposits; 28 percent invested in gold, and the remaining 51 percent invested in mutual funds; and the other 24 percent invested in pension plans. Investing money in the stock market is the most popular choice among investors because they seek a high rate of return, which is ranked number one.

Table-2: Reason for selecting their investment

Reasons for making Investment	No. of Respondents	Percentage
Return expectation	77	34
Risk involve	51	23
Tax benefits	37	16

Time value	29	13
Future potential	21	10
Safety measure	10	4
Total	225	100

According to the above table-2, out of 225 respondents, 34% invest for the purpose of return expectation, 23% invest for risk reduction, 16% invest for tax benefits, 13% invest for time value, 10% invest for future potential, and the remaining 4% invest for safety. The majority of respondents invest their money with the expectation of a high rate of return in table-2.

Table 3: Investment Avenues Based on Respondents Preference (Friedman's Test - Mean Rank Score)

Investment Avenues	Return expectation	Risk involve	Time value	Future potential	Safety measures	Tax benefits
Stock market	4.23	2.65	2.89	3.78	2.90	2.45
Real Estate	4.01	3.78	4.23	3.67	3.21	2.75
Fixed Deposit	2.58	3.43	3.20	2.09	3.65	3.07
Gold schemes	3.43	3.49	3.31	3.65	2.09	2.05
Mutual fund	3.90	4.18	4.02	3.98	2.43	2.74
Pension schemes	2.89	2.83	3.31	3.08	3.67	4.08

Researcher has applied Friedman's Mean Rank Score in table-3, in order to analyse various Investment avenues based on the given six parameters. The study reveals that in the return expectation (4.23) on investments which is enjoyed on stock market. Risk involve on mutual fund assets with 4.18. Time value occupies on real estate assets with 4.23. Future potential (3.98) where mutual fund which plays a major role. Safety measure belong to pension schemes with 3.67. Tax benefits enjoy on pension with 4.08 in table-3.

6.1 Measurement Model Evaluation

The measurements of convergent validity, internal consistency, and discriminant validity are used to test the measuring model in figure-1.

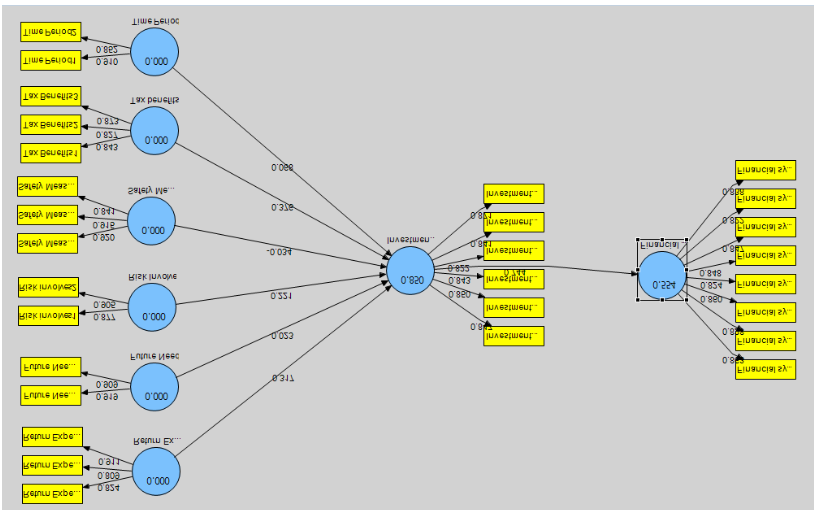

Figure-1: Measurement Model from SmartPLS 3.0

Table-4: Mean, Standard Deviation and Factor Loading

Construct	Item	Mean	SD	Loading
Return Expectation	Return Expectation1	3.710	0.977	0.857
	Return Expectation2	3.173	0.790	0.762
	Return Expectation3	4.20	1.068	0.881
Future Needs	Future Needs1	4.320	0.869	0.834
	Future Needs2	4.093	0.875	0.781
Risk involves	Risk involves1	4.110	0.933	0.794
	Risk involves2	3.432	0.991	0.851
Safety Measure	Safety Measure1	2.886	0.873	0.765
	Safety Measure2	3.765	0.742	0.818
	Safety Measure3	4.154	0.741	0.822
Tax Benefits	Tax Benefits1	2.986	0.891	0.785
	Tax Benefits2	3.870	0.923	0.919
	Tax Benefits3	3.432	0.753	0.853
Time Period	Time Period1	3.121	0.812	0.702
	Time Period2	3.032	0.945	0.790
Investments consideration	Investments consideration1	4.109	0.812	0.810
	Investments consideration2	4.213	0.782	0.854
	Investments consideration3	3.798	0.745	0.793
	Investments consideration4	3.423	0.815	0.855
	Investments consideration5	2.987	0.712	0.932
	Investments consideration6	3.690	0.750	0.831
Financial system adoption	Financial system adoption1	4.324	0.807	0.734
	Financial system adoption2	4.311	0.912	0.768
	Financial system adoption3	4.012	0.809	0.876
	Financial system adoption4	3.982	0.798	0.831
	Financial system adoption5	3.698	0.739	0.903
	Financial system adoption6	3.365	0.811	0.870
	Financial system adoption7	2.986	0.921	0.758
	Financial system adoption8	3.809	0.872	0.893

Investors' positive reactions to investment avenues are shown by mean values greater than 3, as shown in Table 4, which includes all components in each construct. In this study, the researcher utilized a five-point Likert scale that goes from "Strongly Disagree" (1) to "Strongly Agree" (5). Every component in every construct has a factor loading that is higher than the minimum requirement of 0.70. That is to say, the statements all provide a thorough justification of the theoretical assumptions they are based on.

6.2 Convergent Validity Result

The Cronbach Alpha, Rho, and convergent validity of the measurement model results of the present study are shown in Table-5 given below.

Table-5: Convergent Validity Result

Constructs	Cronbach's Alpha	Rho-A	Composite Reliability (C.R)	Average Variance Explained (AVE)
Return Expectation	0.817	0.818	0.921	0.764
Future Needs	0.823	0.822	0.924	0.752
Risk involves	0.876	0.877	0.901	0.762
Safety Measure	0.912	0.911	0.929	0.751
Tax Benefits	0.745	0.745	0.876	0.787
Time Period	0.806	0.807	0.896	0.843
Investments consideration	0.891	0.891	0.910	0.731
Financial system adoption	0.912	0.913	0.929	0.752

With Composite Reliability (C.R.) values greater than 0.7 and "Average Variance Extracted (AVE)" values greater than 0.5, as shown in Table -6, it is evident that all eight constructs meet the prescribed limit [47]. With values larger than 0.7, the "Cronbach's Alpha" and "rho-a" values confirmed internal consistency. This established that the constructions were valid and convergent [48].

6.3 Discriminant Validity Result

The Fornell-Larcker and cross-loading criteria were used to verify the discriminant validity. Discriminant validity shows "how well the measure is different from other things in the nomological net."

Table-6: Discriminant validity–Fornell-Larcker criterion

Constructs	Return Expectation	Future Needs	Risk involves	Safety Measure	Tax Benefits	Time Period	Investments consideration	Financial system adoption
Return Expectation	0.877							
Future Needs	0.761	0.894						
Risk involves	0.813	0.786	0.835					
Safety Measure	0.747	0.812	0.821	0.866				
Tax Benefits	0.809	0.752	0.761	0.784	0.855			
Time Period	0.812	0.775	0.765	0.736	0.718	0.921		
Investments consideration	0.802	0.812	0.784	0.790	0.813	0.789	0.881	
Financial system adoption	0.811	0.821	0.767	0.809	0.797	0.818	0.780	0.891

Table -6 represent Fornell-Larcker criterion, to achieve this result you taken the "square roots of Average Variance Extracted" of the available constructs. The values were as follows, return expectation (0.877), future need (0.894) , risk involve (0.835) , safety measure (0.866), tax benefits (0.855), time period (0.921), investment consideration (0.881) and financial system adoption (0.891) the values of which were higher than the correlations between all of the components. Therefore, the results met the Fornell-Larcker criterion for discriminant validity. [49].

Table-7: Discriminant validity–loading and cross-loading criterion

Constructs	Return Expectation	Future Needs	Risk involves	Safety Measure	Tax Benefits	Time Period	Investments consideration	Financial system adoption
Return1	0.919	0.662	0.718	0.709	0.720	0.758	0.816	0.780
Return2	0.921	0.642	0.737	0.748	0.685	0.708	0.755	0.744
Return3	0.834	0.569	0.693	0.620	0.717	0.695	0.760	0.690
Future1	0.650	0.857	0.661	0.727	0.560	0.625	0.690	0.730
Future2	0.753	0.915	0.708	0.811	0.781	0.636	0.586	0.805
Risk1	0.724	0.627	0.901	0.751	0.635	0.705	0.703	0.745
Risk2	0.719	0.734	0.872	0.605	0.788	0.683	0.743	0.602
Safety1	0.597	0.709	0.535	0.867	0.655	0.649	0.781	0.753
Safety2	0.686	0.742	0.704	0.853	0.699	0.741	0.794	0.711
Safety3	0.695	0.776	0.650	0.833	0.715	0.669	0.783	0743
Tax Benefits1	0.600	0.736	0.626	0.613	0.854	0.606	0.703	0.762
Tax Benefits2	0.651	0.767	0.669	0.575	0.867	0.602	0.669	0.798
Tax Benefits3	0.528	0.653	0.778	0.680	0.845	0.583	0.712	0.779
Time Period1	0.580	0.644	0.608	0.576	0.655	0.832	0.635	0.610
Time Period2	0.750	0.659	0.532	0.716	0.801	0.844	0.661	0.623
Investments 1	0.546	0.681	0.771	0.653	0.54	0.635	0.863	0.656
Investments 2	0.693	0.608	0.706	0.620	0.78	0.662	0.868	0.681
Investments 3	0.688	0.600	0.659	0.624	0.67	0.656	0.842	0.657
Investments 4	0.700	0.650	0.732	0.656	0.71	0.681	0.868	0.695
Investments 5	0.662	0.604	0.656	0.611	0.66	0.688	0.833	0.632
Investments 6	0.730	0.630	0.673	0.646	0.59	0.686	0.891	0.672
Financial system adoption1	0.788	0.703	0.749	0.738	0.739	0.69	0.783	0.841
Financial system adoption2	0.707	0.699	0.701	0.695	0.679	0.75	0.703	0.821
Financial system adoption3	0.732	0.734	0.718	0.717	0.632	0.657	0.71	0.813
Financial system adoption4	0.705	0.640	0.717	0.667	0.806	0.695	0.65	0.808
Financial system adoption5	0.739	0.747	0.720	0.837	0.695	0.725	0.61	0.921
Financial system adoption6	0.734	0.736	0.762	0.764	0.666	0.663	0.739	0.855
Financial system adoption7	0.702	0.783	0.681	0.766	0.669	0.728	0.733	0.844

Financial system adoption8	0.695	0.719	0.683	0.744	0.641	0.689	0.750	0.883

Table -7 represent the cross-loading criterion where all the constructs' loadings were greater than cross-loadings with other constructs over the columns. Hence, discriminant validity was obtained consistent with the cross-loading criterion [50].

6.4 Structural Equation Model

Verifying the accuracy of the results requires checking for multicollinearity in the structural model. The absence of multicollinearity was shown by VIF values ranging from 1.709 to 3.155 [51]. The next step was to check if the study's hypotheses held water by running the structural model through the bootstrapping procedure with 5000 resamples in figure-2.

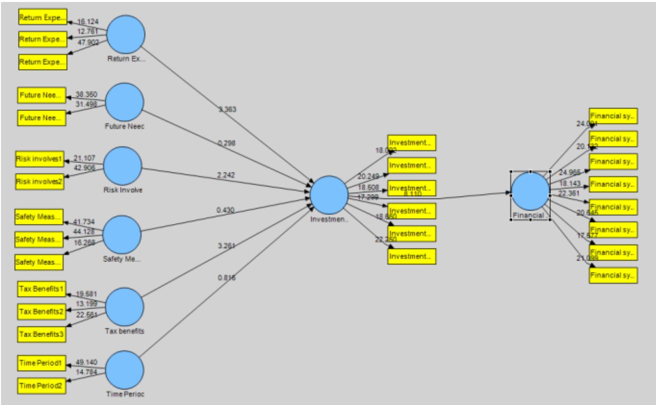

Figure-2: Structural Equation Model (SEM)

Whenever the t-values of the regression weights are greater than 1.96 in this PLS-SEM model, then every path is significant at the 5% level or higher, meaning that the estimated path parameter is also significant. The table below displays the outcomes of the SEM model.

Table-8: Direct impact of return expectation on financial system adoption

Hypothesis	Path	B	t-value	p-value	Result
H01	Return Expectation → Financial system adoption	0.364	3.353	0.03	Supported

Table-8 shows that hypotheses Ho1 was supported, and that return expectation was directly and positively related to financial system adoption (β = 0.364, t-value = 3.35, and $p < 0.001$).

Table-9: Direct impact of future Needs onfinancial system adoption

Hypothesis	Path	B	t-value	p-value	Result
H02	Future Needs →Financial system adoption	0.326	0.398	0.015	Not-Supported

Table-9 shows that hypotheses Ho2 was not supported. Future needs were not directly and positively related to financial system adoption (β = 0.326, t-value = 0.398, and p = NS).

Table-10: Direct impact of risk involves on financial system adoption

Hypothesis	Path	B	t-value	p-value	Result
H03	Risk involves →Financial system adoption	0.243	2.242	0.015	Supported

Table-10 shows that hypotheses Ho3 was supported, and that risk involve was directly and positively related to financial system adoption (β = 0.243, t-value = 2.242, and p <0.01).

Table-11: Direct impact of security measure on financial system adoption

Hypothesis	Path	B	t-value	p-value	Result
H04	Safety Measure→Financial system adoption	0.052	0.430	0.13	Not supported

Table-11 shows that hypotheses Ho4 was not supported, and that Safety Measure was not directly and positively related to financial system adoption (β = 0.052, t-value = 0.430, and p = N.S).

Table-12: Direct impact of tax benefits on financial system adoption

Hypothesis	Path	B	t-value	p-value	Result
H05	Tax Benefits →financial system adoption	0.217	3.268	0.034	Supported

Table-12 shows that hypotheses Ho5 was supported, and that Tax Benefits was directly and positively related to financial system adoption (β = 0.217, t-value = 3.268, and p < 0.001).

Table-13: Direct impact of time periodon financial system adoption

Hypothesis	Path	B	t-value	p-value	Result
H06	Time Period →financial system adoption	0.029	0.816	0.076	Not Supported

Table-13 shows that hypotheses Ho6 was not supported, and that Time Period was directly and positively related to financial system adoption (β = 0.029, t-value = 0.816, and p = N.S).

Table-14: Impact of independent variables and mediator role of investment decision on Financial system adoption

Hypothesis	Path	B	t-value	p-value	Result
H07	Return Expectation → investment decision→ Financial system adoption	0.258	3.068	0.032	Supported
H08	Future Needs → investment decision→ Financial system adoption	0.2183	3.101	0.029	Not Supported
H09	Risk involves → investment decision→ Financial system adoption	0.0252	0.411	0.011	Supported
H010	Safety Measure→ investment decision→ Financial system adoption	0.0218	0.820	0.076	Not supported
H011	Tax Benefits → investment decision→ Financial system adoption	0.148	2.277	0.045	Supported
H012	Time Period → investment decision→ Financial system adoption	0.014	0.312	0.087	Not supported

Table-14 shows that hypotheses H07, H08 and H011 were supported, while H09, H010, and H012 were not supported. Investment decision mediates the positive relationship between return expectation and financial system adoption ($\beta = 0.258$, t-value = 3.068, $p < 0.001$). on the other hand, Investment decision mediates the positive relationship between risk involves and financial system adoption ($\beta = 0.252$, t-value = 2.411, $p < 0.001$). similarly, Investment decision mediates the positive relationship between tax Benefits and financial system adoption ($\beta = 0.148$, t-value = 2.277, $p < 0.001$).

Investment decision mediates the lack of positive relationship between future needs and financial system adoption ($\beta = 0.2183$, t-value = 0.801, p= NS). on the other hand, Investment decision mediates the lack of positive relationship between Safety Measure and financial system adoption ($\beta = 0.0218$, t-value = 0.820, p= NS). similarly, Investment decision mediates the lack of positive relationship between tax Benefits and financial system adoption ($\beta = 0.014$, t-value = 0.312, p= NS).

7. DISCUSSION

According to the data gathered, it is clear that investor sentiment about the financial market has gradually shifted toward the favourable side. People are becoming more ready to invest, and financial market adoption has also expanded progressively.However, some Indians are wary of investing in the financial sector due to a poor impression of investment. Certain of them believe investing is highly hazardous, entails a high rate of return, and entails a variety of tax benefits as a result of some unforeseen movements in the financial market. For investors, risk and return are more important than future demands and time constraints when it comes to deciding what to engage in.

In the meantime, a lack of knowledge is another factor that causes some investors to be wary of entering the financial market. Contrary to popular belief, research has shown that today's youth are more knowledgeable about investing in the financial markets and more willing to explore the possibilities. They're always looking for new places to put their money in the hopes of making a profit. Numerous platforms are examined by respondents, indicating that they are aware of various financial investment opportunities. Additionally, the statistics indicated that young people chose to invest in the stock market, mutual funds, and real estate over gold schemes, national pension plans, and bank-issued fixed deposits. As a result, it is clear that young people are willing to take on the additional risk of financial involvement in order to reap the rewards.

8. CONCLUSION

Indians have long been recognised for their thriftiness and predilection for secure investments. Savings rates have consistently increased in post-independence India. The growth has been more noticeable in recent years. Somewhat on investment side, numerous new products have been launched to entice the public over the last couple of decades.

The Study demonstrates that investors' investing preferences vary among investment outlets. Investment Avenue's investor inclination is based on a variety of factors, including the level of risk, expected return, level of safety, duration, tax benefits, and the long-term potential of the investment. The majority of people invest in the financial market in order to reduce their exposure to risk and to generate regular profits. An investments channel for future needs for risk-averse investors is the stock market, mutual funds, gold schemes, real estate, pension schemes, fixed deposits, and so on.

The stock market, mutual funds, and real estate remain the most popular investment options among investors; fixed-income investments such as bank CDs, gold schemes, and traditional pension plans have seen a decline in popularity. Investing in a safe and secure investment is the most important factor in making this decision. Although a few individuals opt to invest in gold and pension funds, but they are unaware of their holdings' market value. A deliberate marketing strategy aimed at increasing consumer engagement, providing superior value to investors, and making every effort to integrate the rural sector into the forefront of country's economic development may be used. It is critical to continue promoting savings and investing habits among rural and urban investors in addition to enhancing the overall economy. The study's findings suggest that investors choose to invest exclusively in areas with minimal risk and a good rate of return. There is a wide range of investment options available to investors, but the stock market and real estate are two of the most popular options. The government should take suitable measures to encourage investors to invest in the aforesaid schemes because the majority of participants have not opted to put their fixed deposit and gold schemes and pension schemes.

9. Suggestions

Investors should have a well-thought-out investment strategy. It is a valuable source of income for investors. Investing even a small amount of money each month, making regular payments, increasing dividends, and planning for improved long-term returns are all features of the arrangement quills. Each investor needs to be aware of current stock market swings, return expectations, risk engagement, time value, tax benefits, economic concerns, and other aspects when examining and assessing their investment.

- Every investment must be risk-analysed by the investor.
- Return expectations for each investment must be evaluated by investors.
- It's important for investors to pay attention to the Time Value of Money.
- Investors should know exactly what they want to get out of their investments, whether they're looking at the long term or the short term.
- If you're planning to invest, you need to know about the tax consequences of doing so under Sections 80C and 80D of the 1961 Income Tax Act.
- Investors should be well-versed in the current state of the financial markets so that they can assess the potential impact on their portfolios.
- The investment channel will be chosen in accordance with the requirements of the investor.
- In order to make required adjustments in the event that a stock does not perform as expected, investors are advised to keep a close eye on their capital allocation.

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Data Availability

The data used to support the findings of this study are available from the corresponding author upon request

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