

## Role of Investors' Personality in selecting Investment Avenues - An Empirical Study in Pune City

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### Abstract

Each individual is unique in this world. This uniqueness is determined by their personality. Individuals Personality is identified by using their attitude, cognition and decision making style. All these factors are influenced by both psychological and psychographic factors. This article emphasizes the importance of personality traits and its influence on investor's investment decisions. To determine lifestyle and psychographics of sample respondents SRI International's Value and Lifestyles Program (VALS) survey is conducted. Further, findings of study reveals that certain demographic and investment variables have shown significant correlations with individual's investment personality factors. An overall finding suggests that individual's investment personality play a significant role of determining their investment.

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### I. Introduction

UNTIL THE DECADE of the 90's, most of the middle class Indians were paying little attention to managing personal finance during their working life span and only at the time of retirement they would consult their well wishers or advisors about some deposit schemes with banks or post office or companies which would ensure them regular monthly or quarterly returns. A very small percentage investors would experiment in stock markets or UTI schemes.

With the advent of the new millennium, needs have multiplied and changed and so have the solutions. Now a days, Investments have become a basic necessity for everyone. In our country there is a rapid growth in

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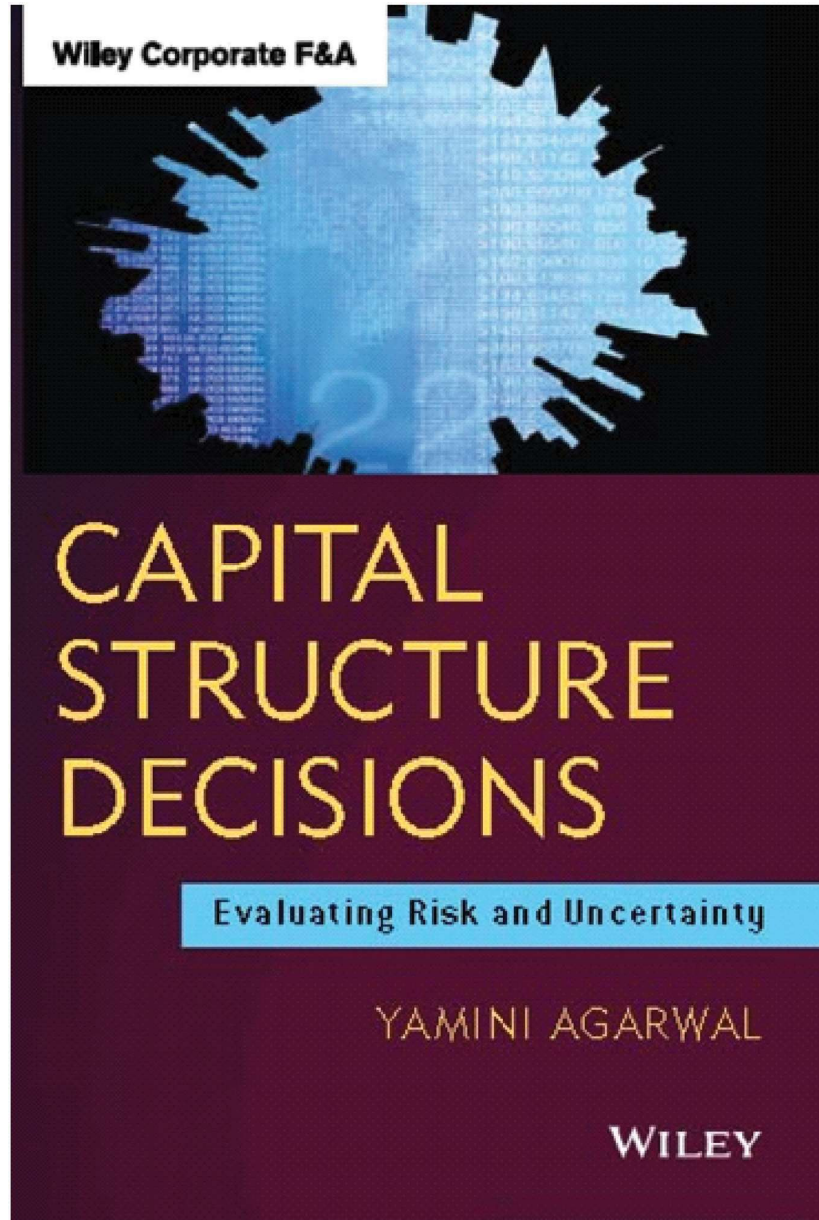
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Simultaneously, this study is also useful to investment analysts, broking firm, and investment managers to create awareness among their clients on successful investments in equity market. Finally, portfolio managers can use this study to design suitable product/services to meet their clients' needs. An overall conclusion of this study reveals that individual's investment personality significantly influences their investment decisions which later affect their investment success.

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