

# Study on Stock Market Awareness and Investment Behavior Among students

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## ABSTRACT

It is a study about college students opinion about investing in the stock market. Clearly investment is a big deal for nation's economy, especially in India. It is a great way to grow your wealth over time, but lots of students are hesitant to jump in it because they're not really sure what's going on. The research involves surveying undergrads from different courses, asking them about their knowledge, risk management and investment habits. Turns out, most students have heard of the stock capital market but not many actually invest in it. Most think they're just average when it comes to understanding and more into low-risk investments. The reasons for not investing? Is Fear of losing money, not enough knowledge, and just not feeling confident about . The study's conclusion is that students are interested, but need more financial education and hands-on experience to feel comfortable practice on investment decisions. If colleges could include stock market in their courses, that'd be awesome – students would be more involved about investing and, help the economy growth of nation

## I. INTRODUCTION

Investment is very important for the economic growth of a country, especially in developing nations like a India. When people invest their money into their businesses and industries, it helps the Development economy grow. Among different types of investment options, the stock market is considered at one of the best ways to build wealth over the long term and short term. However, whether a person chooses to invest in stocks depends generally on how much they understand about finance or the stock market, how they view risk, and how confident they feel about making investment decisions in finance. That is why studying stock market awareness among students is very important to gain the knowledge of finance.

The College life is a key stage of every young people to start forming their financial behaviors and attitudes. The knowledge and experiences they gain during this period can be highly influence their future in financial stability of people . If students learn about to saving and investing early, they are more likely to make better financial decisions later in life. Today, many young people show interest in options like the stock market, mutual funds and cryptocurrency. However, when it comes to investing directly into company shares, many are still backward, even though stocks have strong short term and long-term growth potential.

One major reason for this is a Delay in knowledge. Many students do not fully understand how the stock market works in real time , how prices alter, or how risks can be managed in finance . This may occurs due to a lack of understanding often creates fear and. Also uncertainty. As a result shown to students may avoid investing in equities altogether. Even though technology has made trading much easier through online platforms and mobile apps, accessibility alone does not guarantee participation. While students can

make now trade anytime and anywhere, confidence and awareness are still key factors in decision-making of in finance terms

In India, most households prefer traditional savings methods such as bank deposits, fixed deposits and government-supported savings schemes like Sukanya Samriddhi Yojana (8.2%), Senior Citizen Savings Scheme (8.2%), and Mahila Samman Savings Certificate (7.5%). A large percentage of total household savings is still kept future in safer conventional options for future. Although investing in stocks can offer more returns in the long run, many young grownup are not actively participating in the stock market in finance. This shows a clear gap between available opportunities and actual participants

Therefore, this study focuses on understanding about financial knowledge. how much university students know about the stock market and what factors influence their decision making to invest or not invest in equities. By examining their different types level of awareness, risk perception, and behavior change, the research aims to provide useful insights. This finding can help improve stock market education programs and encourage students to make informed and confident investment decisions in the future in to the stock market or financial knowledge.

**Keywords:** Stock Market Awareness, Investment Behaviour, Financial Literacy, Risk Tolerance, Student Investors, Investment Decision-Making, Behavioural Finance.

## II. METHODOLOGY

The present study examines stock market awareness and investment behavior among college students. Primary data was collected through a structured questionnaire developed using Google Forms. The survey targeted UnderGraduate and PostGraduate students. Convenience sampling was employed, and responses were gathered from students across different years of study. The questionnaire included close-ended questions covering demographic details, stock market awareness, investment practices, risk preferences, and attitude-based statements measured using a 5-point Likert scale.

The collected responses were automatically recorded and organized in spreadsheet format for analysis. Data analysis was conducted using basic descriptive statistical tools such as frequency distribution, percentage analysis, and mean score calculation for Likert-scale responses. The findings indicate different levels of awareness among students, with limited direct participation in equity markets despite growing exposure through digital platforms and social media. Risk perception and lack of detailed knowledge was a key factor influencing investment decision.

## III. REVIEW OF LITERATURE

1. “A Study on the Investors Awareness Level on Share Market Investment” published in History Research The research is empirical in nature and is based on primary data collected from 100 investors using convenience sampling. Statistical tools such as Weighted Average Score, ANOVA, Post Hoc Analysis, and Factor Analysis were used for data analysis.

The findings reveal that investors have the highest awareness of Equity investments, followed by Bonds and Mutual Funds, while Debentures and SIPs show comparatively lower awareness. Across all income groups, equity remains the most preferred and most recognized investment option. However, awareness levels for certain investment avenues significantly differ based on income. Factor analysis identified four major influencing factors: Diversification, Interest and Cost, Return and Period, and Inflation and Risk Elements. Among these, diversification was found to be the most important factor influencing investor awareness.

The study concludes that income plays a crucial role in shaping investment awareness and preferences. It recommends that regulatory authorities like the Securities and Exchange Board of India (SEBI) and the government should take steps to enhance financial literacy and promote investment awareness, especially among younger generations.

2. Libi et al. (2025) analyzed how financial habits and money management mistakes affect students' stock market choices, emphasizing the role of financial literacy in investment decision-making.

This study at how Financial literacy, and Behavioral Bias about the investing in the market. It shows how Students understand about, investing Money in Stock Market and how Behavior habits affect in Decision Making investment. In research as Done among learner in Nepal university students. Out of 200 person in that 177 person valid, responses Collected in the Data Survey? Conduct of use Statistics, regression analysis and Correlation.

The Study find that students can understand about the Stock Market Concepts or using smarter methods. Of Investment to in decision Making financial literacy have the highly positive impact on investment Choices.

It also know about the student are Sometimes influenced by Methods.

Methods Shortcut like emotions and thinking. These thinking pattern.

Doing slowly change of they judge risks.

And profits Ex:- Student Can expect more returns without analyzing about the Stock Facts

This Message For Study that of improve these financial Students should improve Knowledge & Make better investment decisions stock market. The paper Suggests adding Financial university education, Practical, training and stock Market in colleges to help students to learn More In real life of Stock

3. Bagyalakshmi and Valluvan (2025) conducted a study on how women at an arts and science college in Coimbatore approach investing in the stock market, highlighting gender-based differences in investment behavior and decision-making processes.

This research studies about the women. Faculty Members in arts and Science in Colleges t of invest in stock Market

The Study of people they Collected response of ho 100 member of women for the questions

It show that every Women prefer safe and long time term investment. More of them earn between 10000 and of the ₹15000 per month. Most of Student invested less than 50000 in Stock Markets.

In this research about the 52%. invested to Members got high return. However the friends, Family member often influenced of their investment decisions in stock market of they awareness

The most of people are Face issue like Difficulties in problem reported was delay in receiving return of amount

The Study Concludes that Investing reducing mainly Due to limited Financial Knowledge. The women receive proper education about the Stock market and training, their Confidence investment and more and they will be more investment knowledge.

4. Investment Awareness and Preferences Among College Going Students Towards the Stock Market  
Sayali R. Patil and Sudarshan D.

Jadhav explored how aware and interested UG and PG students are interested in investing online stock market. It helps investors become more confident in regarding stock market investments.

5. Myanmar Universities Research Conference 2020 This research paper Focuses on Finance students in place of Myanmar and tries to understand and getting Motivated of invest in the stock market

In research is based on the Theory of Planned Behavioral and includes 190 members of student.

The study looks at three main factors

- View point toward investing investing
- peer pressure, group pressure
- Confidence in their ability to invest

The research show that of all three Factors positively influenced by Students have the interest to investment in the Stock Market and awareness of stock market to people

Confidence is the second strongest factor. The student's feel capable and to learn Knowledgeable, and also more willing to participate.

The study concludes that improving learner mindset, and stock market Knowledge, Can Do more of their " participation in the & Financial market, which may also growth economic Development.

#### 6. Determinants of Interest and Behavior in Stock Investment (Study of Semarang University Students)

Evi looks into what drives scholars to invest in stocks. The study discovered that advantage and investment influence their involvement and pocket money don't seem to have a significant effect. Environment and interest also impact investment behavior

#### 7. Behavioral Finance and Investment Decision Making Among Students in Coimbatore City

Nikitha Hariharan et al. looked at how psychological affect against scholars investment choice. The study identifies common affect like over self reliant ,mentality and suggests that financial literacy could help make better investment choices.

#### 8. The study titled "Investment Awareness and Preferences Among College Students Towards the Stock Market" published in the ASEAN Journal of Educational Research and Technology (2022)

The main motive of the study was to analyze students' knowledge of stock market investment, their investment preferences, gender-wise participation, and satisfaction levels.

They found out that Female students invest more in the stock market than male students.

Students aged 18–23 invest more compared to those aged 23–28.

Postgraduate students invest more than undergraduate students. Most students are aware of stock market investments but have limited awareness about Bitcoin.

Students mainly invest for future contingencies rather than tax benefits.

Most investments are below ₹1000.

Online mode is the most preferred investment method.

Mutual funds are preferred more than currency investments.

Students show neutral satisfaction toward returns.

The study concludes that while awareness of stock market investment among students is relatively high, there is scope to improve knowledge, especially among male students and regarding cryptocurrency investments. The research suggests increasing financial literacy to enhance informed investment decisions among college students.

## IV. FINDINGS

The findings of the study clearly show that awareness of the stock market among students is very high. Out of 104 respondents, 87.5% students stated that they have heard about the stock market. This indicates that basic exposure to stock market concepts is common among students. However, when asked about

actual participation, only 56.7% students reported that they invest in the stock market. This shows a noticeable gap between awareness and real investment .

In terms of knowledge levels, the majority of students (53 respondents) rated their knowledge as “Average.” Around 20 students rated it as “Good,” while only 6 students considered their knowledge “Excellent.” On the other hand, 24 students rated their knowledge as “Poor” or “Very Poor.” These figures suggest that although students are aware of the stock market, many do not feel highly knowledgeable or fully confident about it.

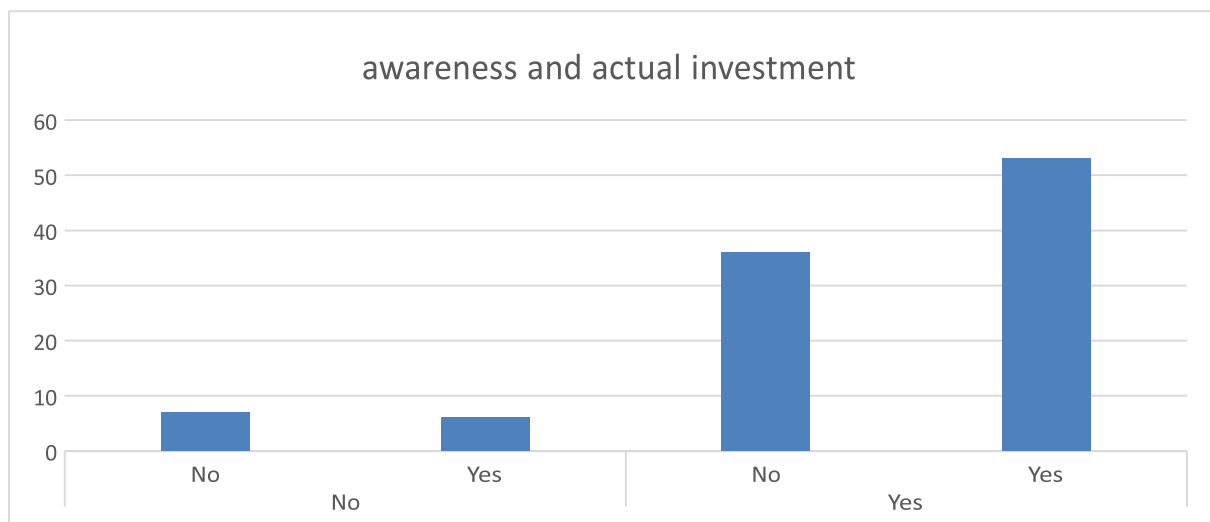
Regarding risk preference, 47% prefer moderate risk, 36% prefer low risk, and only 17% prefer high risk. This shows that most students take a balanced or cautious approach toward investing rather than engaging in high-risk strategies.

The average scores of attitude-related statements also provide useful insights. Students moderately agree that stock market investment helps in wealth creation with an average score 3.19 out of 5. They also show a positive intention to invest regularly in the future with an average score 3.0. However, their confidence in making investment decisions is slightly lower with average score 2.94 , indicating some hesitation or uncertainty. Social media influence has a relatively lower impact , suggesting that students do not rely entirely on online trends for investment decisions.

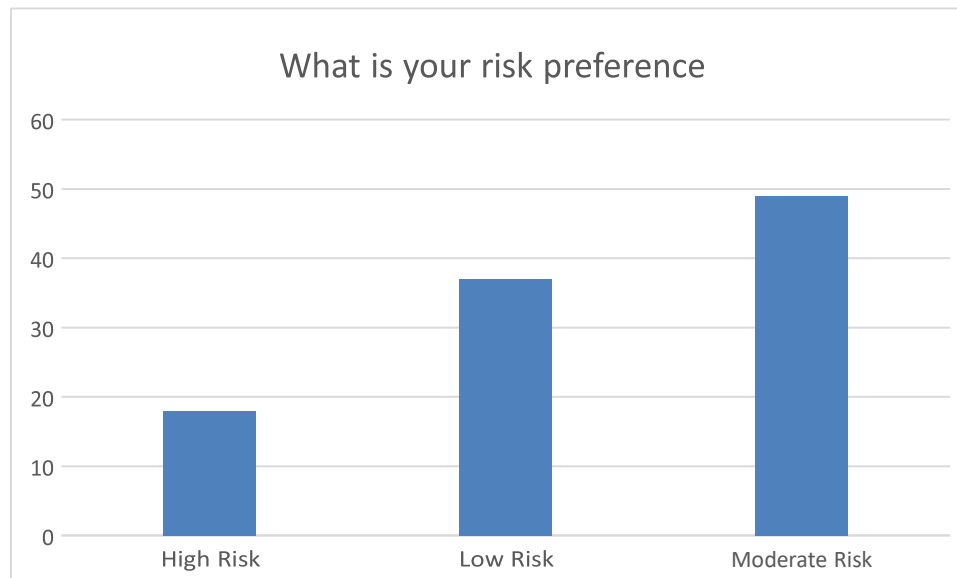
Importantly, the highest average score was for the statement that stock market education should be included in the college syllabus. This reflects a strong demand among students for structured financial education.

Overall, the findings suggest that while awareness and interest in stock market investment are high among students, their knowledge level and confidence remain moderate. With proper financial education and guidance, student participation and informed investment behavior can improve significantly.

Graphical Representation of difference between Awareness and Investment



Graphical Representation of Risk Preference of students in stock market



## VI.CONCLUSION

Investment is really important for a country to grow, especially like India that are still developing. When it comes to investing in the stock market it is the way to make money both present and in the future. But for students to get into the stock market they need to know about currency and be aware of what's going on in scholars life. They need to be okay with taking risks and be confident to making decisions regarding investment

A lot of UG and PG students are interested in online investment example like stocks and cryptocurrencies.. Not many of them invest money into the stock market. The reason is they do not know how it works. They are also scared of losing money and do not know on how to spend

In India most of them save there funds into bank or in government programs. This shows that there is a difference between what the financial market can offer them and how many of them are actually using it, especially young people.

Teaching university students about currency and the secondary market is really important. We need to help university scholars understand about the money and the stock market. If university students know about money and the stock market they will be able to make decisions taking into equity makets University scholars will feel more confident when they know about money and the stock market. This is good for university scholars. It is also good, for the nation.

The country will have an economy when university scholars know about funds

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