CHAPTER- III
RESEARCH METHODOLOGY

3.1 Introduction

Warren Buffet had said that, "risk originates from not knowing what we are doing". A study of investor's behavior towards investment decision is being undertaken in order to understand the level of awareness of different financial investment avenues and what factors investor consider while investing in financial investment avenues. Present study goal is to examine the behavior of the investor towards investment decision in the state of Haryana. For this purpose, A comprehensive reason of the strategy deemed in the research is provided by this particular chapter. The researcher put on equally secondary and primary procedure in gathering the information. The main data was collected by conducting a survey of 560 investors in Haryana. The secondary data studies were used to support the analysis of the primary data. Lastly, the researcher ensured the consistency of the data by testing the reliability and validity of the research.

3.2 Research Strategy

In the present study, the researcher is investigating about the investor perception and behavior pattern according to their belief. For this purpose , the researcher follows ontology paradigm through which the researcher assumes something or investigates about a certain belief (Dammak, 2015). As per the Kivunja& Kuyini (2017) opinion, this paradigm supports in investigation of the researcher belief. In addition to this, the researcher captures the responses of investors to investigate the motivating factors and

investing patterns in context to their investment decisions. For this purpose, the researcher used the positivism approach that represents the social reality which is external to the individuals and needs to be recognized (Remenyi, Williams, Money, & Swartz, 1998).

3.3   Research Design

Descriptive research is chosen to attain the research objectives as descriptive research studies which are concerned with describing the characteristics of particular individual or group. In this particular study researcher meant to discover the investors' behavior towards purchase choice in the state of Haryana. In the existing study, the researcher tries to analyze the effect of economic and demographic attributes of the investors in the purchase choice. Descriptive analysis allows the researcher in showing the normal pattern of the market division of the individuals. In addition, this research is used to identify the information on a particular set of characteristic or a particular issue. For the given study, the researcher identifies the perception of the investors regarding the role of financial brokers in investment market. Therefore, the researcher used descriptive research design is considered appropriate for the present study.

3.4   Source of Data

Specifics & figures collected together for analysis or reference are meant by information. Research information is the captured actual content normally recognized in the medical society as needed to verify research results. Research data is of two categories:

1)   Primary data

2)   Secondary data.

In this study both primary data and secondary data is used.

1) Primary data:

The primary data are the kind of data which are composed afresh and used initially and hence creative in nature. Primary data is composed through following tools of data collection:

Structured questionnaire: Structured questionnaire is being dispersed to respondents for collection of data.

2) Secondary data:

Secondary details indicate information which happen to be offered i.e., they reference the information that have been collected as well as examined by somebody else. Secondary data was composed through the following sources:

i. Internet

ii. Journal

iii. Books

iv. Magazines

v. Other secondary sources (e.g. previous Ph.D. thesis, M.Phil. Dissertations, Newspapers etc.)

Researcher had accessed several libraries for collecting the secondary data. Following are the names of the libraries:

- MDI Gurugram.

- CUH, GJU, KUK.

3.5 Study Universe

For any kind of research study to know the dedicated population is quite important thing. In present study respondents are selected from the area of Haryana. Haryana is among the 29 states in India, centrally located in northern part of the nation. It was carved from the former status of East Punjab on one November 1966 on linguistic or even in on cultural schedule. It's positioned 22nd in terminology of region with under 1.4 % (44,212 km2 (17,070 sq mi)) of India's ground area. Haryana has six administrative divisions. Researcher choose these six administrative divisions for collecting data i.e. Ambala, Karnal, Hisar,Rohtak, Gurugram, Faridabad.

Divisions	Districts
Ambala	Ambala, Kurukshetra, Panchkula, Yamuna Nagar
Faridabad	Faridabad, Palwal, Nuh
Gurgaon	Gurgaon, Mahendragarh, Rewari,
Hisar	Fatehabad, Jind, Hisar, Sirsa,
Rohtak	Jhajjar, Charkhi Dadri, Rohtak, Sonipat, Bhiwani
Karnal	Karnal, Panipat, Kaithal

3.6 Sampling Plan

Target Population

To examine the investment behavior towards the investment decisions in the state of Haryana, the researcher identified the investors who regularly capitalize their money in stocks, deposits, mutual funds as well as in other financial portfolios. Also, the researcher examined the behavior of the investors through their investment decisions.

Sample Size

A sample is a subcategory of a population that is adopted to illustrate the complete group as a total**.** The sample respondents of 560 were resulted, 480 were validated and the remaining was rejected due to incomplete information. The final samples of 480 were processed with the response rate of 91.85 per cent

Sampling Type

In the given study, the researcher approached to capture the investment patterns with regard to the investment decisions. For this purpose, the researcher identified the individuals who invested their funds as per the stock market, mutual funds or any other investment portfolio and such investors from each of the 6 divisions including Ambala, Gurgaon, Hisar and Rohtak,Karnal,Faridabad located in Haryana. In order to identify the investors, the researcher contacted the stock brokers in each of the 6 divisions to get access to the database of the registered investors. The sampling considered for the study is convenience sampling technique.

3.7 Period of the Study

For knowing the factors affecting of investors' behavior towards their investment decision in the state of Haryana and also study the investor's perception in the direction of their financial agent, the focus is on nine years data, i.e. from 2011 to 2019.

3.8 Data Collection Procedure

Questionnaire administration

Quantitative research strategy was adopted by the present investigation analysis. This particular quantitative information was collected from a close ended as well as

organized questionnaire. The questionnaire aided the researcher to capture the investor's views about the investment pattern, motivating factors and their perception regarding the role of financial brokers who were approached online. Further, the researcher also used the database of stock broker offices within Haryana and collected the names of the registered investors. As this data was collected from 560 investors, using a close ended questionnaire would be an appropriate decision because reduction in the influence of the researcher with increasing involvement of large number of respondents are ensured by this particular kind of questionnaire. The survey questionnaire included three sections. The first section captured information of the respondent that is demographic profile like gender, age, educational qualification, marital status, employment status, household income and the place of residence. The second section captured the motivating factors of the investors in taking the investment decisions. The last section captured the respondent's views in context to their investment patterns**.**

Pilot Study and Pre-Testing

An introductory investigation had been carried out through communicating 82 different stockholders of mutual fund and share market, banking sector, real state to recognize the significant variables concerning characteristic structures of different investment pattern. The information search, investors preference, investment decision and investors satisfaction are considered in the research instrument. The intent behind the pilot study is testing quality of the things in the questionnaire and also in order to verify the feasibility of the research. This initial investigation is directed in different

parts of Haryana. The convenience sampling method is applied to collect the responses from the investors.

Measurement of Variables

Likert scaling technique was adopted to measure the variables under awareness, attitude towards investment and motivational factors for investment and the perception of investor towards financial broker and investment pattern.

3.9 Data Analysis Methods

The following statistical tools are used in the study.

Percentage Analysis: Percentage calculation and analysis is among the fundamental statistical methods that are popular in interpretation as well as analysis of main information. It handles the quantity of investors respondents' reaction to a specific issue of portion delivered through the absolute. Basic proportions are utilized in the research to evaluate the variables in the research like demographic and economic factors, investment behaviour, level of awareness, and investment.

Cross Tabulation: Cross tabulation as per the research study is means to identify the inter relationship between variables. In the present research study cross tabulation is done for demographic and economic factors with preference of portfolio, demographic economic factors with level of awareness.

Chi-square Analysis: Chi-square examination is utilized in the research thoroughly to assess the connection between two variables. To find out the impact of demographic and economic factors on level of awareness, the Chi-square test is applied.

Garrett Ranking Techniques: To observe the most substantial factors which motivate and affects the respondents though making investment decisions, Garrett's ranking method was utilized. As per this particular technique, respondents are required to designate the ranking for each one of the elements as well as result of that positioning were changed into rating worth with the aid of the following formula:

Percent Position = 100(Rij-0.5)/ Nj

Where,

R_{ij} **= Rank given for the ith factor by the jth respondents**

N_j **= Number of factors ranked by the jth respondents.**

By referring the Garrett's dinner table, the job percentage believed is changed into scores. Next for every aspect the scores of every individual are included then imply values is regarded as the most crucial.

F Test ANOVA: Evaluation of Variance is a means to check the equality of three or maybe much more ways during a single moment by utilizing variances. This is used to analyse the variables in the study for analyzing the effect of various factors may be demographic and economic on the portfolio preference.

3.10 Selection of Investment Avenue

Given investment avenues had been sorted for the study:

1)   Fixed deposit/Recurring Deposit

2)   Debentures/Bonds/Corporate deposit

3)   Gold

4)   Mutual fund

5)   Shares

6)   Future and options

7)   NSC/PPF/PF

8)   Insurance policy

This research is being carried in order to find out investors behavior to investment decision in the state of Haryana along with the factors affecting the assortment of above asset avenues. Fundamental analysis of the above investment avenue is also being done by using a case study approach

3.11 Validity and Reliability of the Study

The researcher measures the credibility of the data by testing its validity and reliability(Fowler, 2009). In the present study, the researcher ensured that the inferences drawn from are appropriate. This is because the present study aimed to examine the investment behavior towards the investment decision in the state of Haryana. The inferences drawn through the frequency distribution assisted the researcher to capture the preference of the investment portfolios, stocks, priority given to the financial objectives and perceived advantages to invest to the stock market. Further, the study identified the attributes or influences that motivate the investors in taking their investment decisions. The questions had been framed to such a manner to acquire optimum understanding as well as worth every respondent's effect. Thus, the existing study utilized articles validity for describing the functions of research at an organized perspective. The researcher likewise guaranteed the evaluation produced is

applicable and correct to the subject of the analysis. Validity refers to the degree to which an instrument accurately measures what it intends to measures. For the purpose take different expert review, in relation to area or field

Table 3.1 Reliability Index

Scaled Items	Cronbach's Alpha	Number of Items
Level of Awareness	0.807	13
Pattern of investment	0.921	18
Attitude to invest	0.809	05