



A Study on Investment Decision

Part I - Demographic /Background Information

Name of the Investor

Gender

- Male
- Female

Age

- Below 25 Years
- 25 Years-35 Years
- 36 Years-45 Years
- 46 Years – 55 Years
- Above 55 Years

Marital Status

- Single
- Married

Locality / City / State

Education

- High School
- Under Graduate
- Graduate
- Masters Degree
- PhD Degree
- Others

Occupation

- Student
- Salaried
- Self Employed
- Retired

Salaried Individuals (Specify job title/designation/ Institution you are working at)

Please indicate your Gross Annual Income

- Under Rs 50,000



- Rs 50,000 - Rs 1,00,000
- Rs 1,00,000 to Rs 1,50,000
- Rs1,50000 to Rs 2,00000
- Rs 2,00,000- Rs 2,50,000
- Rs 2,50,000 and above

PART II

Portfolio Investment details of Individual Investors.

Investments in (Put a tick mark against the avenues in which you have made investment in)

- Shares
- Mutual Funds
- Bank Deposits
- Post Office Schemes
- Insurance Scheme
- Bonds and Debentures
- Real Estate
- Equity-linked saving schemes
- Gold
- Any other (Please Specify)

What is the distribution of investment across different investment avenues? (in percentages)

- Shares
- Mutual Funds
- Bank Deposits
- Post Office Schemes
- Insurance Scheme
- Bonds and Debentures
- Real Estate
- Equity-linked saving schemes
- Gold
- Any other (Please Specif



What are your investment objectives?

- Long term profit seeking
- Steady Income
- Short term profit seeking
- Others (Please Specify)



PART III - Behavioural Biases affecting Investment Decisions.

(Click only one option for each item)

Anchoring Bias	Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
You rely on the first piece of information offered when making investment decisions					
You consider the margin of safety while making investment decisions					
You rely on your previous experience in financial market for making your next investment decision					
You often fail to do enough research before investing; you proceed making investment based on single facts by ignoring important information					

Confirmation Bias	Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
You have a tendency to favour information that confirms to your pre-existing beliefs while making investment decisions.					
You gather /remember information selectively.					
You consider the emotionally charged issues for making investment decisions.					
You hold on to a particular investment whose price value has fallen down with a firm hope that the companies fortune will revive (improve in the future)					



Overconfidence Bias	Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
You believe that your skills and knowledge of investment avenues can help you to outperform in the financial market.					
You have an excessive degree of confidence in making investment decision					
You consider only a few successful investments in making investment decisions					
You trade excessively due to the confidence you have on your decision making ability					
You do not think of diversification of your portfolio because you have a tendency to invest too much in what you are familiar with					

Cognitive Dissonance Bias	Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
You have advised others to make long-term investment decisions while you yourself have landed up making short-term investment decisions.					
You are embarrassed in making investment decisions because you have two or more conflicting ideas and beliefs					
You tend to hold losing securities rather than selling it because you want to avoid the mental pain associated with admitting that you have made a bad decision.					



Social Proof Bias	Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
You make investment decision based on the suggestions given by relatives ,friends, neighbours and other reference group members					
You usually react quickly to the changes of other investor’s decisions and follow their reactions in making investment decisions.					
You design your portfolio of investments based on the social group you are associated with					

Regret Aversion Bias	Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
You have chosen making investment in fixed income security just to avoid regret in making risky investment.					
You have waited for a particular share/mutual fund scheme to reach a particular price to make investments					
You have sold profitable stock after holding it for a shorter period of time with the fear that the price may reduce in the future					
You are holding to an investments because you know that the prices will revert (change) soon					

Status Quo Bias	Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
You have not changed your portfolio of investment from many years, believing in the current state of affairs					
You have the risk taking capacity but alternatively					



invest only in fixed deposits, Govt Bonds ,Gold etc					
You hold on to securities that you have either inherited or purchased because you do not want to incur the transaction costs associated with selling the securities					

Gamblers Fallacy Bias	Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
You have brought certain stocks because their value has reduced drastically in the market and hence there are chances of revival in the future.					
You have sold certain stocks after their prices have gone up continuously because you fear that the prices may fall now					

Disaster Myopia	Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
You have become optimistic at certain times and ignored relevant information regarding investment decisions and hence increased the degree of risk in making investment decisions.					
You have incurred loss previously after having invested in an avenue; you have forgotten it after sometime and have invested in the same investment avenue again.					



Self Serving Bias	Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
You attribute success in making investment decisions to your own self and attribute failure to others or to other external factors.					
You appreciate yourself when you make profits from an investment in order to boost your self esteem					
You believe that your skills and knowledge of investment avenues can help you to outperform in the financial market and hence trade excessively.					
You fail to diversify your portfolio due to the overconfidence you have about your knowledge of a particular investment avenue.					

Mental Accounting	Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
You classify your money into different accounts based on investment objectives like money kept aside for post office deposit, money kept aside for investing in retirement schemes etc					
You are more interested in saving money in a low interest savings account instead of paying off high interest debt					
You have hesitated to sell investments that once generated significant gains but, over time, have fallen in price					



Availability Bias	Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
You choose investments based on the information available to you through advertising, suggestions from advisors, friends and ignore making a disciplined research in making investment decisions.					
You choose investments based on Categorical lists that you have in your memory and ignore the other investment avenues.					

Endowment Bias	Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
You hold onto securities that you have inherited; regardless of whether retaining those securities is financially wise or not					
You hold on to securities that you have either inherited or purchased because you do not want to incur the transaction costs associated with selling the securities.					
You hold on to securities that you have either inherited or purchased because you are familiar with the behavioral characteristics of these endowed investments					

Choice Paralysis Bias	Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
You are confused in making investment decisions due to availability of many investment options in the financial markets					
You are confused in making investment decisions due to information overload by media, internet, television and through interaction with people about investment avenues.					