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# Emerging Trends in Online Investment and Its Impact on Investor Behaviour: A Study among Retail Investors in Sirkali Town

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**Abstract**
The rapid growth of digital technology has transformed the way people save and invest. Online platforms have made shares, mutual funds, SIPs, bonds and ETFs more accessible to retail investors. In India, digital KYC, mobile applications and low-cost platforms have increased participation in financial markets.This study examines emerging trends in online investment and their impact on investor behaviour among retail investors in Sirkali Town, Mayiladuthurai District. It focuses on investment preferences, adoption factors, benefits, risks and behavioural changes. Primary data will be collected through a structured questionnaire and analysed using percentage analysis, descriptive statistics, chi-square, correlation and multiple regression. The study aims to provide insights into the influence of digital platforms on local investment decisions.
**Keywords:** Online Investment, Retail Investors, Investor Behaviour, Digital Investment, FinTech, Investment Decisions, Sirkali Town.

## INTRODUCTION

Investment is an important part of personal financial planning. Traditionally, people invested through banks, insurance companies, brokers and financial advisors. However, technological growth has shifted investment towards online platforms and mobile applications, allowing investors to complete KYC, buy mutual funds and shares, and monitor portfolios digitally.In India, the growing digital financial ecosystem has increased access to investment, especially among young and first-time investors. This trend is also reaching smaller towns and cities. Therefore, studying online investment behaviour at the local level is important. Sirkali, a Second Grade Municipality in Mayiladuthurai District, provides a suitable setting to study how retail investors are adopting digital investment platforms.

## STATEMENT OF THE PROBLEM

Online investment platforms have made investing easier, faster, and more accessible. Retail investors choose these platforms due to convenience, low transaction costs, easy access, information availability, and user-friendly applications. However, online investing also involves risks such as market volatility, misinformation, fraud, and emotional decision-making. Therefore, this study examines how retail investors in Sirkali use online investment platforms, the factors influencing their decisions, and their impact on investor behaviour.

## OBJECTIVES OF THE STUDY

1. To identify the emerging trends and investment preferences among retail investors using online investment platforms in Sirkali Town.
2. To examine the factors influencing the adoption of online investment platforms among retail investors in Sirkali Town.
3. To analyse the impact of online investment on the investment behaviour and decision-making of retail investors in Sirkali Town.

## RESEARCH QUESTIONS

The study attempts to answer the following questions:

- What are the major online investment products preferred by retail investors in Sirkali Town?
- How frequently do investors use online investment platforms?

- What factors influence investors to choose online investment platforms?
- Does convenience influence online investment adoption?
- Does financial knowledge influence online investment behaviour?
- What role do social media and online information play in investment decisions?
- Has online investment changed investors' investment frequency and risk-taking behaviour?

## HYPOTHESES OF THE STUDY

The following hypotheses can be tested:

H01: There is no significant relationship between demographic factors and online investment behaviour among retail investors in Sirkali Town.

H02: There is no significant relationship between factors such as convenience, trust, financial knowledge and online investment adoption.

H03: Online investment adoption has no significant impact on the investment decision-making behaviour of retail investors in Sirkali Town.

These null hypotheses can be tested using chi-square, correlation and regression analysis.

## REVIEW OF THE EMERGING TREND

India's investment environment has become increasingly digital. Mobile investment apps allow investors to access market information, manage portfolios, and trade easily. SIPs have also grown as digital platforms simplify regular investing. Discount brokers have reduced trading costs and made account opening easier. Social media provides quick financial information but also carries risks from unreliable sources. AI-based tools are increasingly used for investment suggestions, though investors should understand the risks before making decisions.

## RESEARCH DESIGN

The study uses a descriptive and analytical research design to examine investment patterns and online investment behaviour. It is conducted among **120 retail investors in Sirkali Town, Mayiladuthurai District, Tamil Nadu**. Convenience or purposive sampling is used, targeting individuals who have invested or attempted to invest through online platforms.

## DATA COLLECTION

**Primary data** will be collected through a structured questionnaire covering demographics, investment profile, online investment usage, influencing factors, investor behaviour, and perceived risks and benefits.**Secondary data** will be collected from SEBI and RBI reports, NSE/BSE publications, mutual fund reports, academic journals, government publications, and Sirkali Municipality records.

## STATISTICAL TOOLS FOR THE STUDY

The following statistical tools are suitable for the research:

| Tool | Purpose |
|---|---|
| Percentage Analysis | To analyse demographic and investment profiles |
| Mean & Standard Deviation | To measure respondents' perceptions |
| Chi-Square Test | To test association between categorical variables |
| Correlation Analysis | To measure relationships between investment factors |

## Proposed Data Analysis

### Percentage Analysis

### Age of Respondents

| Age Group | No. of Respondents | Percentage |
|---|---|---|
| Below 25 years | 12 | 24% |
| 26–35 years | 18 | 36% |
| 36–45 years | 11 | 22% |
| 46–55 years | 6 | 12% |
| Above 55 years | 3 | 6% |
| Total | 50 | 100% |

**Inference**: Out of 50 respondents, 36% belong to the 26–35 years age group, followed by 24% below 25 years. This indicates that younger and middle-aged respondents constitute a substantial proportion of the sample.

### Preferred Online Investment Avenue

| Investment Avenue | Respondents | Percentage |
|---|---|---|
| Mutual Funds | 15 | 30% |
| Stocks/Shares | 14 | 28% |
| Gold/Digital Gold | 8 | 16% |
| Fixed Deposits | 7 | 14% |
| Bonds | 4 | 8% |
| Cryptocurrency/Other | 2 | 4% |
| Total | 50 | 100% |

**Inference:** Mutual funds are the most preferred online investment avenue among the sample respondents, accounting for 30%, followed by stocks/shares at 28%.

### Mean and Standard Deviation

Suppose respondents rated the following statements on a 5-point Likert scale, where:

| Perception Statement | Mean | Standard Deviation |
|---|---|---|
| Online investment is convenient | 4.12 | 0.81 |
| Online investment saves time | 4.08 | 0.86 |
| Online platforms provide easy access to investment information | 3.94 | 0.91 |
| Online investment provides better investment opportunities | 3.82 | 0.97 |
| Online investment involves significant risk | 3.76 | 1.02 |
| Online investment platforms are secure | 3.68 | 1.05 |
| Online investment helps me make investment decisions | 3.88 | 0.93 |
| I am satisfied with online investment services | 3.90 | 0.89 |

**Inference:** The highest mean score is 4.12 for the statement that online investment is convenient. This

indicates a generally favourable perception of convenience among the respondents. The standard deviation values indicate some variation in respondents' opinions.

**Chi-Square Test**

Association Between Age and Online Investment Frequency

Null Hypothesis ($H_0$): There is no significant association between age and online investment frequency.

| Age Group | Low Frequency | Moderate Frequency | High Frequency | Total |
|---|---|---|---|---|
| Below 25 | 2 | 5 | 5 | 12 |
| 26–35 | 2 | 7 | 9 | 18 |
| 36–45 | 4 | 5 | 2 | 11 |
| 46–55 | 3 | 2 | 1 | 6 |
| Above 55 | 2 | 1 | 0 | 3 |
| Total | 13 | 20 | 17 | 50 |

Chi-Square Test Result

$\chi^2 = 10.84$

df = 8

p-value = 0.211 Since the p-value is greater than 0.05, the null hypothesis is accepted. Therefore, based on this illustrative sample, there is no statistically significant association between age and online investment frequency.The $\chi^2$ value above is an example; it should be recalculated from your actual 50 responses before using it in a thesis.

**Correlation Analysis**

Correlation can be used to examine the relationship between perception towards online investment and investor behaviour.

| Variables | Correlation (r) | Significance |
|---|---|---|
| Convenience and Investor Behaviour | 0.624 | Significant |
| Investment Awareness and Investor Behaviour | 0.681 | Significant |
| Expected Returns and Investor Behaviour | 0.573 | Significant |
| Perceived Risk and Investor Behaviour | -0.412 | Significant |
| Security Perception and Investor Behaviour | 0.518 | Significant |

**Inference:** The illustrative results indicate a positive relationship between convenience, investment awareness, expected returns, security perception, and investor behaviour. Perceived risk shows a negative relationship with investor behaviour. Correlation indicates association, not causation.

**FINDINGS OF THE STUDY**

The study is expected to identify the adoption and usage of digital investment methods among retail investors in Sirkali. Convenience, accessibility, and mobile apps may influence online investment choices. Investment behaviour may vary by age, income, occupation, and financial knowledge. Mutual funds and SIPs may be commonly used, while concerns about security, fraud, market volatility, and financial knowledge may remain. Final conclusions will be based on the actual survey results.

**SUGGESTIONS**

1. Improve financial literacy on risk, return, and diversification.
2. Use only regulated and reliable investment platforms.
3. Avoid unverified investment tips from social media.
4. Follow strong digital security practices.
5. Focus on long-term financial goals.
6. Conduct investor education programmes in smaller towns.

**LIMITATIONS OF THE STUDY**

- The research is restricted to Sirkali Town.
- The sample size may be limited to approximately 50 respondents.
- The study depends primarily on respondents' self-reported information.
- Convenience sampling may limit the generalisation of findings.
- Investor behaviour can change according to market conditions.
- The study focuses on retail investors and does not cover institutional investors.

**CONCLUSION**

Online investment has made financial products more convenient and accessible through mobile technology and digital platforms. The study of retail investors in Sirkali will examine factors such as convenience, trust, financial knowledge, security, and accessibility. Statistical tools will help analyse investor behaviour.