The Influence of Demographic Factors on Investment Behavior: A Study of Middle-Class Investors in Lucknow

Azwar J. Khan[1*], Ehtesham Ahmad[2], Babar Ali Khan[3]

[1]Research Scholar, Department of Commerce, Khwaja Moinuddin Chishti Language University, Lucknow
[2]H.O.D, Department of Commerce, , Khwaja Moinuddin Chishti Language University, Lucknow
[3]Assistant Professor, Department of Management, Jamia Hamdard, New Delhi

Abstract

This study explores the investment behavior of middle-class investors in Lucknow, focusing on the impact of demographic factors—age, gender, and occupation—on the importance assigned to various investment objectives and fund allocation decisions. Using a descriptive research design, data was collected from 115 respondents through a structured questionnaire. The questionnaire captured demographic information and assessed the significance placed on different investment goals, such as high returns, child education, tax saving, and retirement planning, as well as the respondents' preferences for fund allocation across various investment options, including shares, mutual funds, fixed deposits, and real estate.

The collected data was analyzed using SPSS software, employing non-parametric tests, including the Kruskal-Wallis Test and Mann-Whitney U Test, to assess whether significant differences existed in the investment behavior based on age, gender, and occupation. The results revealed that while age, gender, and occupation did not significantly influence overall fund allocation, these factors played a crucial role in shaping the priorities of the investors. Age significantly influenced the importance placed on child education and hedging against inflation, with younger and older groups showing differing preferences. Gender played a significant role in determining priorities related to family income, child-related goals, and retirement planning, with males prioritizing retirement and females emphasizing child-related objectives. Occupation had a significant impact on the prioritization of high returns and child marriage, with business owners assigning more importance to these objectives compared to salaried and professional investors.

The findings of this research provide valuable insights into the investment preferences of middle-class investors in Lucknow, highlighting the need for financial products and services that are tailored to the specific priorities of different demographic groups. This study offers practical implications for financial advisors and institutions looking to better serve the diverse needs of middle-class investors based on their demographic profiles.

Keywords: Investment behavior, middle-class investors, demographic factors, fund allocation, investment objectives, Lucknow, Kruskal-Wallis Test, Mann-Whitney U Test.

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Introduction

Investment is cornerstone of economic growth and development. It facilitates capital formation, which is critical for infrastructure development, business expansion, and technological advancements. By channeling resources into productive assets, investment fuels economic activity, generates employment, and increases income levels, thereby contributing to a nation's overall prosperity. For a developing economy like India, investment plays an even more pivotal role

as it bridges the gap between savings and economic output, stimulating industrial growth and creating avenues for innovation and entrepreneurship.

The middle class in India is increasingly becoming a key driver of this investment landscape. As a significant demographic, the middle class holds immense purchasing power and contributes to both consumption and savings, which are essential pillars of economic activity. With rising disposable incomes, financial literacy, and access to modern financial markets, the middle class has transitioned from being mere savers to active investors. This shift has important implications for India's economy and society at large.

Investment behavior reflects how individuals make decisions about allocating their financial resources in various investment avenues. The middle class, representing a significant portion of India's population, plays a vital role in the economy due to their consumption and savings patterns. In the context of Lucknow, a rapidly growing urban center and the capital of Uttar Pradesh, the middle class exhibits unique investment preferences influenced by various socio-economic factors.

A key element of investment behavior involves distributing funds among various asset categories, including equities, fixed deposits, mutual funds, and real estate. Middle-class investors in Lucknow face the challenge of balancing between traditional low-risk investment options and modern financial instruments, often influenced by their income levels, financial literacy, and risk tolerance. Understanding how they distribute their funds offers valuable insight into their approach to wealth accumulation and risk management.

Moreover, several factors affect investment decisions, including inflation, market conditions, government policies, tax benefits, and personal financial goals. Social influences, access to financial advice, and the availability of digital platforms also shape the investment landscape for middle-class investors. This study seeks to explore these diverse factors to provide a comprehensive understanding of what drives investment choices in this demographic.

Lastly, the level of importance of investment objectives such as capital appreciation, regular income, tax savings, and retirement planning plays a significant role in shaping investment strategies. Each investor has unique priorities, which can vary according to life stage, financial commitments, and future aspirations. By analyzing the importance of these objectives, the study aims to determine how middle-class investors in Lucknow align their investment decisions with their short-term and long-term financial goals.

Through a detailed exploration of these dimensions—fund allocation, influencing factors, and investment objectives—this research intends to provide a thorough understanding of the investment behavior of Lucknow's middle class, contributing valuable insights to the evolving financial landscape in India.

In conclusion, the middle class as investors is a powerful catalyst for India's economic development and societal transformation. Their growing participation in the investment landscape not only supports economic growth but also empowers communities and contributes to a more financially inclusive and sustainable future for the country.

LITERATURE REVIEW

The study of investment behavior, particularly among the middle class, has gained considerable attention from researchers due to its implications for economic development and financial market stability. A review of the existing literature reveals several key themes related to the investment patterns, decision-making processes, and socio-economic influences on middle-class investors.

Investment Patterns of the Middle Class

Various studies have explored the evolving investment preferences of the middle class, emphasizing their increasing engagement with financial markets. Chattopadhyay and Dasgupta (2015) examined the shift from traditional savings instruments, such as fixed deposits and gold, to more modern financial products like equities, mutual funds, and insurance. The study highlights that middle-class investors are gradually becoming more risk-tolerant, especially with the rise of digital financial platforms that provide easy access to investment products. Similarly, Verma and Mehta (2017) analyzed the trend of portfolio diversification among middle-class investors, observing that a greater emphasis is now placed on achieving a balance between risk and return through a mix of conservative and aggressive investments.

Factors Affecting Investment Decisions

A variety of factors influence investment decisions, including economic conditions, financial knowledge, risk perception, and demographic traits. Research by Bhatt and Jain (2018) identified that personal financial goals, family responsibilities, and market conditions significantly influence the investment choices of middle-class individuals. Another study by Raut and

Kumar (2020) highlighted the role of financial literacy in shaping investment behavior, noting that investors with higher financial knowledge are more likely to diversify their portfolios and take calculated risks. Additionally, psychological factors, such as herding behavior and overconfidence, were explored by Sharma et al. (2019), who found that middle-class investors often rely on peer influence and market trends when making investment decisions.

Fund Allocation Preferences

The allocation of funds among different investment options is a key focus in the literature. Gupta and Sinha (2016) explored the fund allocation preferences of middle-class investors and found that a majority of them still prefer safe investments, such as government bonds, provident funds, and real estate. However, the study also pointed out that younger middle-class investors are showing an increasing interest in equity markets and mutual funds due to the potential for higher returns. This generational shift is attributed to greater access to financial information and improved technological infrastructure, which has made investing more accessible and convenient.

Importance of Investment Objectives

Research has also addressed the importance of investment objectives in determining behavior. According to a study by Nair and Agarwal (2019), middle-class investors prioritize objectives such as wealth accumulation, tax savings, and retirement planning. This is consistent with the findings of Mehra and Gupta (2021), who noted that middle-class investors tend to be long-term oriented, with a preference for stable returns to meet future financial commitments, including children's education and homeownership. The level of importance attributed to these objectives is often influenced by the stage of life and income level of the investor, with younger individuals focusing more on wealth creation and older individuals prioritizing retirement security.

Middle-Class Investors and Economic Impact

The broader economic impact of middle-class investment behavior has been a subject of considerable interest. Sharma and Rao (2018) emphasized that the collective investment of the middle class plays a critical role in the expansion of financial markets and the deepening of capital formation in India. Their study argues that middle-class investors provide a stable source of capital for the economy, reducing dependency on foreign investments. In a related study,

Sethi and Bansal (2020) highlighted the role of middle-class investors in promoting financial inclusion, as their participation in digital platforms encourages broader access to investment opportunities across different socio-economic segments.

The Role of Digital Financial Platforms

The rise of digital financial platforms has significantly impacted the investment landscape for middle-class investors. According to a study by Mishra and Tripathi (2020), digital platforms have democratized access to financial markets, allowing middle-class investors in cities like Lucknow to engage more actively in investments. The research shows that these platforms provide greater transparency, ease of transaction, and educational resources, which have boosted investor confidence and participation in diverse asset classes. Furthermore, Narayan and Saxena (2021) explored the use of robo-advisors and algorithm-based investment services, finding that tech-savvy middle-class investors are increasingly relying on these tools for personalized investment strategies.

The literature on middle-class investment behavior in India reveals a dynamic and evolving landscape. The growing influence of financial literacy, digital platforms, and changing economic conditions is shaping the way middle-class investors allocate their funds and make decisions. Moreover, factors like risk tolerance, personal financial goals, and socio-economic influences significantly shape investment patterns. The review highlights the need for further research, particularly in the context of regional differences, such as the unique socio-economic environment of Lucknow, to gain a more nuanced understanding of middle-class investment behavior. This review will serve as a foundation for current observation, which aims to study the investment behavior of middle class in the city of Lucknow, considering factors like fund allocation, decision-making influences, and the importance of investment objectives.

Objective

The main goal of this research is to study the investment behavior of middle-class investors in Lucknow, with a focus on understanding the relationship between key investment behavior dimensions—allocation of funds, factors affecting investment decisions, and the level of importance of investment objectives—and demographic factors like age, gender, and monthly income. The study's specific objectives include:

• To examine the allocation of funds across various investment avenues (e.g., equities, mutual funds, real

estate, fixed deposits) and how this allocation differs based on the demographic factors of age, gender, and monthly income.

- To identify and analyze the factors influencing investment decisions, including market conditions, financial goals, risk perception, and external influences, and to explore how these factors are related to demographic characteristics like age, gender, and income levels.
- To assess the level of importance of different investment objectives, such as wealth accumulation, regular income, tax savings, and retirement planning, and how these objectives vary across different demographic groups in terms of age, gender, and monthly income.
- To investigate the relationship between demographic factors (age, gender, and monthly income) and overall investment behavior, identifying trends and patterns that reveal how demographic attributes influence fund allocation, investment decision-making, and the prioritization of investment goals.
- To offer insights and recommendations on how financial advisors and policymakers can customize financial products and services to address the specific needs and preferences of different demographic segments within Lucknow's middle-class investor group.

This research seeks to enhance understanding of the relationship between demographic characteristics and investment behavior, thereby aiding in the development of more effective investment strategies and financial education programs for middle-class investors.

Hypotheses

Based on the study's objectives, the following hypotheses are proposed to examine the relationship between investment behavior and demographic factors (age, gender, and monthly income) among middle-class investors in Lucknow:

- **"H1**: There is a no significant relationship between age and the allocation of funds across different investment avenues (e.g., equities, mutual funds, real estate, fixed deposits) among middle-class investors."
- **"H2**: There is a no significant relationship between gender and the allocation of funds across different investment options among middle-class investors."
- **"H3**: There is no significant relationship between Occupation and the allocation of funds across different investment categories among middle-class investors."

- **"H4**: There is a no significant relationship between age and the factors influencing investment decisions across different investment avenues among middle-class investors."
- **'H5**: There is no significant relationship between gender and the factors influencing investment decisions among middle-class investors."
- **"H6**: There is no significant relationship between Occupation and the factors influencing investment decisions among middle-class investors."
- **"H7**: There is no significant relationship between age and the level of importance of investment objectives among middle-class investors."
- **"H8**: There is no significant relationship between gender and the level of importance of investment objectives among middle-class investors."
- **"H9**: There is no significant relationship between monthly income and the level of importance of investment objectives among middle-class investors."

These hypotheses will be tested through quantitative analysis to determine the extent to which demographic factors influence the investment behavior of middle-class investors in Lucknow, helping to identify patterns and insights that can inform financial decision-making and policy development.

RESEARCH METHODOLOGY

Research Design

This study uses a descriptive research design to examine the investment behavior of middle-class investors in Lucknow. The descriptive design is suitable for this research as it seeks to analyze the relationship between demographic factors (age, gender, occupation) and the importance assigned to various investment objectives and fund allocation patterns. By using this approach, the study seeks to describe the patterns, priorities, and factors influencing investment decisions among the middle-class population.

Sample Design

Population

The study's target population consists of middle-class investors residing in the city of Lucknow.

Sampling Method

Respondents for the survey were selected using a convenience sampling technique. This method was selected because it is practical for reaching a broad range of respondents within the target population

Sample Size

The study surveyed 115 respondents. This sample size was considered sufficient to provide reliable insights into the investment behavior of middle-class investors in Lucknow.

Data Collection

Primary Data

The primary data for this research was collected through a structured questionnaire. The questionnaire was designed to collect information on respondents' demographic profiles (age, gender, occupation) and their attitudes toward various investment objectives (e.g., high returns, child education, tax savings) and fund allocation across different investment options (e.g., shares, mutual funds, fixed deposits, real estate).

Questionnaire Design

The questionnaire contained both closed-ended and scaled questions. The closed-ended questions collected demographic data, while the scaled questions, using a Likert scale, assessed the level of importance respondents placed on various investment objectives and their preferences for fund allocation.

Tools for Data Analysis: The following statistical tools were used to analyze the collected data

Descriptive Statistics

Basic descriptive statistics, including percentages and frequency distributions, were used to summarize the respondents' demographic profiles.

Kruskal-Wallis Test

This non-parametric test was used to examine the significant differences in the importance of investment objectives and fund allocation based on the respondents' age and occupation.

Mann-Whitney U Test

This non-parametric test was used to compare the importance of investment objectives and fund allocation between male and female respondents.

These tools were used to test the hypotheses and assess whether there were significant differences in investment behavior based on age, gender, and occupation.

Data Analysis Software

The collected data was analyzed using SPSS (Statistical Package for the Social Sciences) software, which was utilized for conducting statistical tests (Kruskal-Wallis and Mann-Whitney U) and generating descriptive statistics.

Scope and Limitations

Scope

This study is limited to middle-class investors in Lucknow, focusing on their investment behavior and the role demographic factors play in shaping their preferences. The insights gained may be useful for financial advisors and institutions aiming to target this specific population.

Limitations

The research utilized convenience sampling, which could lead to potential bias, as the sample might not accurately reflect the entire middle-class demographic in Lucknow. Furthermore, the study is limited to Lucknow, meaning its results may not be applicable to other regions.

Data Analysis and Finding

Respondent demographic profile as shown in Table 1.

Test of Hypothesis

- **"H1**: There is a no significant relationship between age and the allocation of funds across different investment avenues among middle-class investors."

Table1: Respondent Demographic profile

Variables	Categories	Number	Percentage
Age	24-30	28	24.3
	31-40	35	30.4
	41-50	39	33.9
	Above 50	13	11.3
Gender	Male	85	73.9
	Female	30	26.1
Marital Status	Married	81	70.4
	Unmarried	34	29.6
Occupation	Salaried	53	46.1
	Professional	25	21.7
	Business	37	32.2
Family Monthly Income	Below 25000	13	11.3
	25000-50000	39	33.9
	50001-75000	30	26.1
	75001-100000	21	18.3
	Above 100000	12	10.4

- **"H2**: There is a no significant relationship between gender and the allocation of funds across different investment options among middle-class investors."
- **"H3**: There is no significant relationship between Occupation and the allocation of funds across different investment categories among middle-class investors."

Table 2 shows the test result(i.e p-value) of different hypothesis tested. The data from middle-class investors in Lucknow has been analyzed across age, gender, and occupation categories to assess their impact on the allocation of funds to various investment avenues. The key results of the tests (Kruskal-Wallis for age and occupation, and Mann-Whitney U for gender) are as follows:

Age-Based Analysis

From the Kruskal-Wallis Test, the following result can be drawn

No Significant Differences

Across all fund allocation categories (shares, mutual funds, debentures/bonds,d insurance, NSC/KVP/PPF, fixed deposits, real estate, precious metals, derivatives, commodities), the p-values are greater than 0.05, indicating no statistically significant difference in the allocation of funds across the four age categories.

Gender-Based Analysis

From the Mann-Whitney U Test, the following conclusions are drawn

Table 2: Allocation of fund *Age *Gender *Occupation

Allocation of Fund	Age	Gender	Occupation
	P-Value	P-Value	P-Value
Share (Equity)	0.784	0.197	0.173
Mutual Fund/SIP	0.188	0.107	0.056
Debenture/Bond	0.702	0.742	0.383
Insurance	0.818	0.272	0.169
NSC/KVP/PPF	0.841	0.307	0.91
Fixed Deposits	0.836	0.313	0.847
Real Estate	0.235	0.33	0.235
Precious Metal	0.984	0.609	0.606
Derivatives	0.792	0.697	0.127
Commodities	0.588	0.89	0.648

Note: Tool Used to test Hypothesis

Allocation of Fund to Age: Kruskal Wallis Test

Allocation of Fund to Gender: Mann Whitney U Test

Allocation of Fund to Occupation: Kruskal Wallis Test

Level of Significance 5%

No Significant Differences

Across all fund allocation categories (shares, mutual funds, debentures/bonds, insurance, NSC/KVP/PPF, fixed deposits, real estate, precious metals, derivatives, commodities), the p-values are greater than 0.05, indicating no statistically significant difference in the allocation of funds between male and female investors.

Occupation-Based Analysis

From the Kruskal-Wallis Test, the following conclusions are drawn

No Significant Differences

Across all fund allocation categories (shares, mutual funds, debentures/bonds, insurance, NSC/KVP/PPF,

Table 3: Factors Affecting Investment decision * Age*Gender*Occupation

Factors Affecting Investment decision	Age P-Value	Gender P-Value	Occupation P-Value
Investment Increases Family Income	0.494	0.001	0.119
Investment Helps to Maintain High Standard of Living	0.613	0.479	0.493
Investment Helps to avail tax exemption	0.134	0.885	0.06
Investment helps to plan luxurious holiday trips	0.049	0.238	0.898
Investment helps to enjoy a sense of independence	0.035	0.07	0.184
Investment encourage to participate in social welfare & Charitable activities	0.113	0.066	0.593
Investment helps to renovate and furnish house	0.156	0.503	0.532
Investment helps to purchase gold & Precious Ornaments	0.445	0.279	0.044

Note: Tool Used to test Hypothesis

Allocation of Fund to Age: Kruskal Wallis Test

Allocation of Fund to Gender: Mann Whitney U Test

Allocation of Fund to Occupation: Kruskal Wallis Test

Level of Significance 5%

fixed deposits, real estate, precious metals, derivatives, commodities), the p-values are greater than 0.05, indicating no statistically significant difference in the allocation of funds across the three occupation categories (salaried, professional, and business).

- **"H4**: There is a no significant relationship between age and the factors influencing investment decisions across different investment avenues among middle-class investors."
- **"H5**: There is no significant relationship between gender and the factors influencing investment decisions among middle-class investors."
- **"H6**: There is no significant relationship between Occupation and the the factors influencing investment decisions among middle-class investors."

Table 3 shows the test result(i.e p-value) of different hypothesis tested. The data from middle-class investors in Lucknow has been analyzed across age, gender, and occupation categories to the factors affecting investment decisions. The key results of the tests (Kruskal-Wallis for age and occupation, and Mann-Whitney U for gender) are as follows:

Age-Based Analysis

From the Kruskal-Wallis Test, the following conclusions were drawn

Significant Differences were found for:

Investment Helps Plan Luxurious Holiday Trips (p = 0.049): Different age groups prioritize planning holiday trips differently, with older age groups generally assigning more importance.

Investment Helps Enjoy a Sense of Independence (p = 0.035): Older age groups place higher importance on enjoying a sense of independence through their investments.

Near-Significant Differences

Investment Helps Avail Tax Exemption (p = 0.134) and Investment Encourages Participation in Social Welfare & Charitable Activities (p = 0.113): Although not statistically significant, these factors indicate some potential differences based on age but are not confirmed at the 0.05 level.

No Significant Differences

No significant differences were found for factors such as High Return, Emergency Need, Sources of Income, Safety, and Purchasing Gold & Precious Ornaments.

Gender-Based Analysis

From the Mann-Whitney U Test, the following conclusions were drawn

Significant Differences were found for: Investment Increases Family Income (p = 0.001): Male investors prioritize family income more than female investors.

Near-Significant Differences

Investment Helps Enjoy a Sense of Independence (p = 0.070): Although the p-value is slightly above 0.05, this suggests a near-significant difference, with males valuing independence more than females.

Investment Encourages Participation in Social Welfare & Charitable Activities (p = 0.066): This also suggests a near-significant difference, with males likely placing more importance on this factor than females.

No Significant Differences

No significant differences were found for other factors such as High Return, Tax Saving, Safety, Liquidity, and Purchasing Gold & Precious Ornaments.

Occupation-Based Analysis

From the Kruskal-Wallis Test, the following conclusions were drawn.

Significant Differences were found for: Investment Helps Purchase Gold & Precious Ornaments (p = 0.044): Business owners place significantly more importance on purchasing gold and precious ornaments compared to salaried or professional groups.

Near-Significant Differences

Investment Helps Avail Tax Exemption (p = 0.060): Business owners seem to assign more importance to tax exemptions, but this difference is not statistically significant.

No Significant Differences

No significant differences were found for other factors such as High Return, Emergency Need, Sources of Income, Safety, and Renovating & Furnishing House.

- **"H7:** There is no significant relationship between age and the level of importance of investment objectives among middle-class investors."
- **"H8:** There is no significant relationship between gender and the level of importance of investment objectives among middle-class investors."
- **"H9:** There is no significant relationship between monthly income and the level of importance of investment objectives among middle-class investors."

Table 4 shows the test result(i.e p-value) of different hypothesis tested. The data from the middle-class investors in Lucknow has been analyzed across three

Table 4: Objectives of Investment *Age *Gender *Occupation

Objectives of Investment	Age	Gender	Occupation
	P-Value	P-Value	P-Value
High Return	0.524	0.245	0.007
Emergency Need	0.694	0.338	0.07
Child Education	0.04	0.003	0.268
Child Marriage	0.084	0.001	0.007
Retirement plan	0.057	0.011	0.193
Tax Saving	0.647	0.459	0.937
Sources of Income	0.872	0.883	0.115
Safety	0.248	0.445	0.696
Liquidity	0.165	0.595	0.068
Hedge against Inflation	0.018	0.701	0.74
Risk Protection	0.45	0.821	0.964

Note: Tool Used to test Hypothesis

Allocation of Fund to Age: Kruskal Wallis Test

Allocation of Fund to Gender: Mann Whitney U Test

Allocation of Fund to Occupation: Kruskal Wallis Test

Level of Significance 5%

demographic categories: age, gender, and occupation. The analysis was conducted on the level of importance assigned to various investment objectives. The conclusions are as follows:

Age-Based Analysis

From the Kruskal-Wallis Test, the following key points emerge:

Significant Differences were found for:

Child Education (p = 0.040): Different age groups prioritize child education differently. Investors aged 24-30 and above 50 placed higher importance on this objective compared to middle-aged groups.

Hedge Against Inflation (p = 0.018): Age groups differ significantly in how they view hedging against inflation, with older age groups placing more emphasis on it.

Near-Significant Differences

Child Marriage (p = 0.084) and Retirement Plan (p = 0.057): Although not statistically significant, these factors suggest that older age groups might place more importance on child marriage and retirement planning.

No Significant Differences

No significant differences were found for other objectives such as High Return, Emergency Need, Tax Saving, Sources of Income, Safety, and Risk Protection.

Gender-Based Analysis

From the Mann-Whitney U Test, the following key points emerge:

Significant Differences were found for:

Child Education (p = 0.003): Female investors assign significantly higher importance to child education compared to male investors.

Child Marriage (p = 0.001): Female investors also prioritize child marriage more than male investors.

Retirement Plan (p = 0.011): Male investors place higher importance on retirement planning compared to females.

No Significant Differences

No significant differences were found for objectives such as High Return, Emergency Need, Tax Saving, Sources of Income, Safety, Liquidity, Hedge Against Inflation, and Risk Protection.

Occupation-Based Analysis

From the Kruskal-Wallis Test, the following key points emerge:

Significant Differences were found for:

High Return (p = 0.007): Business owners prioritize high returns more compared to salaried and professional investors.

Child Marriage (p = 0.007): Business owners also assign greater importance to child marriage compared to other occupational groups.

Near-Significant Differences

Emergency Need (p = 0.070) and Liquidity (p = 0.068): While not statistically significant, these suggest that business owners may place more emphasis on liquidity and emergency needs compared to salaried or professional investors.

No Significant Differences

No significant differences were found for objectives such as Child Education, Retirement Plan, Tax Saving, Sources of Income, Safety, Hedge Against Inflation, and Risk Protection.

Finding

The largest group of respondents, comprising 33.9%, are aged between 41-50 years, followed by 30.4% in the 31-40 age group, 24.3% in the 24-30 age group, and 11.3% are aged above 50 years.

- A majority of respondents, 73.9%, are male, while 26.1% are female.
- Most of respondents, 70.4%, are married, with the remaining 29.6% being unmarried.

- The occupational profile shows that 46.1% of respondents are salaried employees, 32.2% are engaged in business, and 21.7% are professionals.
- The family monthly income distribution indicates that 33.9% of respondents earn between ₹25,000 and ₹50,000, 26.1% earn between ₹50,001 and ₹75,000, 18.3% earn between ₹75,001 and ₹1,00,000, 11.3% earn below ₹25,000, and 10.4% have a monthly income above ₹1,00,000.
- Age does not significantly influence fund allocation across different investment options. However, age plays a crucial role in shaping investment objectives. Older age groups place greater importance on planning luxurious holiday trips and enjoying a sense of independence. Additionally, age significantly impacts the prioritization of child education and hedging against inflation, with both younger and older groups showing differing preferences in these areas.
- Gender does not significantly affect how funds are allocated to investment options. However, it plays a critical role in shaping investment objectives. Males assign more importance to family income, with near-significant differences in how gender influences the importance of independence and participation in social welfare activities. Additionally, gender strongly impacts priorities related to child education, child marriage, and retirement planning, with females focusing more on child-related goals and males emphasizing retirement planning.
- Occupation generally does not significantly impact fund allocation, although there is a near-significant difference in mutual fund investments, with business owners tending to allocate slightly more. However, occupation plays a significant role in shaping the importance placed on purchasing gold and precious ornaments, with business owners prioritizing this factor more than other groups. There are also near-significant differences in the emphasis on tax exemptions, which business owners likely value more. Furthermore, occupation matters most for objectives like high returns and child marriage, with business owners giving these more weight. There are also indications that business owners may prioritize emergency needs and liquidity more than salaried or professional individuals.

Conclusion

In conclusion, while age, gender, and occupation do not significantly influence overall fund allocation, they play a crucial role in shaping investment priorities, with age affecting objectives like child education and hedging against inflation, gender influencing family income and child-related goals, and occupation driving preferences for high returns, child marriage, and purchasing gold, particularly among business owners. These demographic factors highlight the diverse investment preferences and priorities among middle-class investors in Lucknow.

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