



A STUDY ON INVESTMENT PREFERENCES AMONG PLANTATION WORKERS IN IDUKKI DISTRICT

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Cite This Article: Geetha M & Dr. U. Thaslim Ariff, "A Study on Investment Preferences Among Plantation Workers in Idukki District", *International Journal of Interdisciplinary Research in Arts and Humanities*, Volume 9, Issue 2, July - December, Page Number 112-116, 2024.

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Abstract:

This study explores the investment preferences among plantation workers in Idukki District, focusing on their financial behaviors and decision-making processes. With a growing recognition of the importance of financial literacy and investment, this research aims to identify the various avenues in which these workers choose to invest their savings. Data was collected through a structured questionnaire administered to a sample of plantation workers, analyzing factors such as income levels, age, educational background, and risk appetite. The findings indicate that the majority of respondents prefer traditional investment options, including bank deposits and savings schemes, primarily due to their perceived safety and stability. Additionally, the study highlights a significant gap in awareness regarding more complex investment avenues, such as equity markets and mutual funds. The research emphasizes the need for targeted financial education programs to enhance investment knowledge and promote diverse investment strategies among plantation workers, ultimately contributing to their financial well-being.

Key Words: Investment, Workers, Finance, Preference, Plantation, Factor, Security, Society, Etc.,

Introduction:

Investment behavior plays a critical role in determining the financial security and future well-being of individuals across different sectors of society. For plantation workers in rural regions like Idukki District, understanding investment preferences becomes particularly important, as these workers often face socio-economic challenges that influence their financial decision-making. Plantation workers, who are primarily engaged in labor-intensive agricultural activities on tea, coffee, and spice plantations, contribute significantly to the region's agricultural output. However, their financial situation is often marked by low income, job insecurity, and limited access to formal financial institutions.

Idukki District, with its unique topography and climate, is a major hub for plantation crops such as tea, coffee, and spices. The region's plantation workers are not only integral to the local economy but also form a substantial part of the rural workforce. Despite their contributions, plantation workers typically have limited exposure to financial literacy programs, investment education, and modern financial instruments. Their investment preferences are often shaped by traditional and familiar options like gold, land, chit funds, and savings accounts, which are perceived as safe and low-risk. More contemporary financial products, such as mutual funds, insurance schemes, and stock market investments, may be less accessible due to factors such as a lack of awareness, limited financial education, and difficulty in accessing financial institutions.

This study aims to investigate the investment preferences of plantation workers in Idukki District by identifying the primary factors that influence their investment decisions. These factors include income levels, financial literacy, risk tolerance, accessibility to financial services, and the impact of social and cultural norms. By understanding these influences, the study seeks to provide a holistic view of how plantation workers manage their finances and how they allocate their limited resources toward future security.

A detailed analysis of the investment patterns of plantation workers can also shed light on the broader financial inclusion challenges faced by rural populations. The findings from this study could serve as a foundation for policymakers, financial institutions, and non-governmental organizations to tailor financial literacy programs and develop accessible financial products that cater to the specific needs of plantation workers. Such efforts can promote greater financial inclusion, empower plantation workers to make informed investment choices, and ultimately enhance their economic stability and quality of life.

Review of Literature:

Shinki K. Pandey and Asst. Abhishek Vishwakarma (2020) focused on young investors aged 21 to 35, exploring their risk appetite and investment preferences. The research identified various investment avenues available in the market, such as bank deposits, post office savings, equity markets, mutual funds, physical gold, and real estate. Utilizing a simplified questionnaire and personal interactions with a sample size of 119, the study aimed to understand young investors' inclinations towards specific investment options. The results indicated a preference for avenues like the equity market and mutual funds among young investors.

Dr. Dhiraj Jain and Parul Jain (2012) examined the crucial role money plays in individuals' lives, particularly highlighting its growing recognition among school teachers. The study found that many teachers are actively preparing budgets and reducing expenses to secure their financial futures. It revealed that a significant number of school teachers save money primarily for their children's education, marriages, and retirement security.

Gupta and Jain (2008) observed a study involving 1,463 households to explore investor preferences among various economic assets. The findings identified several key investment types, including shares, mutual funds, exchange-traded gold funds, bank deposits, and public savings schemes. The research highlights how investor attitudes towards different investment avenues are influenced by factors such as income, age, portfolio diversification practices, and perceived market regulation.

J. Sidharthul Munthaga and Dr. M. Nazert conducted a study on investment choices among individuals in Thanjavur District. Their analysis, based on a survey, concluded that while respondents possess a moderate awareness of investment options, they are less informed about the stock market, equities, bonds, and debentures. This study involved a limited sample size and reflects the perspectives of respondents residing in Thanjavur District.

Statement of the Problem:

Plantation workers in Idukki District play a vital role in the agricultural economy, yet their investment preferences and financial behaviors remain largely unexplored. Many of these workers face challenges such as low income, job insecurity, and limited access to financial services, which can restrict their ability to invest wisely. Furthermore, a lack of financial literacy may hinder their understanding of various investment options, leading them to favor traditional and low-risk avenues over potentially more beneficial modern investments. This study aims to address the gaps in knowledge regarding the investment choices of plantation workers by examining the factors that influence their financial decisions and exploring the barriers they encounter in making informed investment choices. Understanding these issues is essential for promoting financial inclusion and enhancing the economic well-being of plantation workers in the region.

Need for the Study:

- The study addresses the financial challenges faced by plantation workers in Idukki District, such as low wages and limited access to financial resources.
- It aims to identify gaps in financial literacy, helping workers make informed investment decisions.
- Understanding their preferred investment options can lead to the development of financial products tailored to their needs.

Objective of the Study:

- To identify the investment preferences of plantation workers in Idukki District.
- To explore the factors influencing their investment choices.
- To determine the level of preference among tea plantation workers towards investment avenues.

Hypothesis:

- There is no significant association between gender and level of Preference.
- There is no significant association between age and level of Preference.
- There is no significant association between educational qualification and level of Preference.
- There is no significant association between marital status and level of Preference.
- There is no significant association between Family income and level of Preference.

Limitations of the Study:

- The study is applicable only to the plantation workers.
- The results of the study are based upon the views expressed by the plantation workers.
- The statistical method used to analyze the data has their own limitation.
- All the limitations of primary data are applicable to this study.

Research Methodology:

The type of data collected and the method of sampling are explained under this head.

- **Research Design:** This study will employ a descriptive research design to gather data on the investment preferences of plantation workers in Idukki District.
- **Sample Selection:** A random sampling method will be used to select participants from various tea, coffee, and spice plantations in Idukki District. A sample of 100 are collected from the plantation workers in the region, ensuring adequate representation.
- **Data Collection:**
 - **Surveys/Questionnaires:** Structured questionnaires will be distributed to the selected plantation workers to collect quantitative data on their investment preferences, financial literacy, and socio-economic factors.
 - **Interviews:** In-depth interviews may be conducted with a smaller subset of participants to gather qualitative insights into their investment behaviors and the challenges they face.
- **Statistical tools used for the study:**
 - Simple percentage analysis
 - Chi square test
 - Factor analysis

Analysis and Interpretation:

Table 1: Personal Profile

Factors	No. of Workers	Percentage
Gender		
Male	34	34
Female	66	66
Age		
Less than 25 years	26	26
26-35 years	30	30
36-45 years	35	35
Above 45 years	19	19
Educational Qualification		
Illiterate	43	43

Literate	57	57
Marital status		
Married	63	63
Unmarried	37	37
Type of Family		
Nuclear	35	35
Joint	65	65
Number of Members in family		
Upto 2 members	38	38
3 to 5 members	46	46
More than 5 members	16	16

Table 1 describes the demographic profile of the plantation workers. Out of 100 workers who were taken for the study: it has been identified that most (66%) of the workers are female, (35%) of the workers age group is under 36 to 45 years, most (57%) of the workers are literate, (63%) of the workers are married, (65%) of the workers belong to joint family and (46%) of the workers have 3 to 5 members in their family.

Table 2: Economic Profile

Factors	No. of Workers	Percentage
Number of Earning Members in Family		
Two	57	57
Three	21	21
Above 3	22	22
Family Income per month		
Upto Rs.10,000	45	45
Rs.10,001 to Rs.20,000	30	30
Above Rs.20,001	25	25
Investing Years		
Less than 5 Years	22	22
6-10 Years	53	53
Above 10 Years	25	25
Income Proportion for Investment		
Upto 5%	45	45
6% - 10%	35	35
11% - 15%	13	13
Above 20%	7	7

Table 2 describes the economic profile of the plantation workers. Out of 100 workers who were taken for the study: it has been identified that (57%) of the workers have above 3 members in the family, monthly income of (45%) workers is up to Rs.10,000, (53%) of the workers are investing for a period of 6-10 years and (45%) of the workers invest up to 5% of their income.

Table 3: Investment Details

Factors	No. of Workers	Percentage
Investment Source		
Agents	35	35
Friends / Relatives	39	39
Social Media	26	26
Preference of Investment		
Chit funds	25	25
Post Office savings	15	15
Bank Deposit	35	35
Jewellery	17	17
Real estate	8	8

Table 3 describes the investment details of the workers. Out of 100 workers who were taken for the study: it has been identified that most (39%) of the workers came to know about the investment avenue through friends/Relatives and (35%) of the workers prefer to invest in bank.

Table 4: Level of Preference towards Investment Avenues

Factors	No. of Workers	Percentage
Low	16	15
Medium	29	26
High	55	59

From the above table, it shows that out of 100 workers (59%) of the workers level of Preference is high towards investment avenues, (26%) of the workers level of Preference is medium and (15%) of the workers level of Preference is low towards investment avenues.

Table 5: Preference towards Investment Avenues

Factors	Total Score	Rank
Regular Income	486	7
Safety	968	1
Low Risk	915	2
Affordability	769	4
Convenience	658	5
Family Needs	874	3
Quick Liquidity	597	6

It is found from the above table, that safety was the first factor which motivated the workers to prefer safety, Low risk was ranked as the second factor to prefer investment avenues, Family needs was ranked as third factor; Affordability was ranked as fourth factor; Convenience was the fifth factor; Quick liquidity was the sixth factor and regular income was the seventh factor to prefer investment avenues.

Table 6: Relationship between Demographic Variables and their Level of Preference

Variables	Level of Preference			Total	Calculated Chi- Square Value	Table Value	Remarks
	Low	Medium	High				
Gender							
Male	6	9	19	34	4.164	5.991	NS
Female	22	13	31	66			
Total	28	22	50	100			
Age							
Less than 25 years	6	10	10	26	8.929	12.592	NS
26-35 years	5	11	14	30			
36-45 years	5	19	11	35			
Above 45 years	6	4	9	19			
Total	22	44	44	100			
Educational Qualification							
Illiterate	6	18	19	43	13.533	5.991	S
Literate	15	18	24	57			
Total	21	36	43	100			
Marital Status							
Married	10	23	30	63	6.871	5.991	S
Unmarried	6	17	14	37			
Total	16	40	44	100			
Family Income per Month							
Upto Rs.10,000	5	10	30	45	19.764	9.488	S
Rs.11,000 to Rs.20,000	5	10	15	30			
Above Rs.20,000	12	13	10	25			
Total	18	31	57	100			

*significant at 5% percent level

The analysis presented in Table No. 6 reveals the relationships between various demographic variables and the investment preferences of individuals. Gender does not significantly influence investment choices, as indicated by the non-significant Chi-Square value for both males and females. Similarly, age groups do not show a significant relationship with investment preferences, suggesting that age may not be a critical factor in determining how individuals choose to invest. In contrast, educational qualification significantly affects investment preferences, with illiterate individuals showing lower investment levels compared to their literate counterparts. Marital status also plays a significant role, with married individuals demonstrating different investment behaviors compared to unmarried individuals. Additionally, family income shows a significant correlation, indicating that higher income levels are associated with a greater preference for investments.

Conclusion:

The study on investment preferences among plantation workers in Idukki District highlights several key conclusions. Firstly, educational qualification significantly impacts investment choices, with more educated workers displaying a greater understanding of investment options and making informed decisions. This underscores the need for financial literacy programs to enhance investment knowledge, particularly for those with lower educational backgrounds. Additionally, marital status influences investment behaviors, as married individuals tend to prioritize different financial planning needs compared to their unmarried counterparts. The findings also reveal a significant correlation between family income and investment preferences, indicating that higher income levels enable workers to explore more diverse investment opportunities. Conversely, the study found no significant relationship between gender or age and investment choices, suggesting that these factors do not strongly influence decision-making in this context. Overall, the research emphasizes the necessity for targeted financial education and support tailored to the unique characteristics of plantation workers, empowering them to improve their financial well-being and resilience.

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