

STOCK-MARKET AS AN INVESTMENT PLATFORM AMONG BUSINESS COLLEGES GRADUATES

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Citation:

Gupta, V., Srivastava, S., & Ratan, R. (2023). Stock-market as an investment platform among business colleges graduates. *Economics, Finance and Management Review*, (2), 70–75. <https://doi.org/10.36690/2674-5208-2023-2-70-75>

Received: May 27, 2023

Approved: June 29, 2023

Published: June 30, 2023



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Abstract. The stock market reveals the economic condition of the country. Without investors investing in the stock exchange, there would be no existence of a stock market. A stock-market is a public entity for the trading of company stock and derivatives at an agreed price; these are securities listed on a stock exchange as well as those only traded privately. This research is intended to be a valuable source of knowledge, the public, educational institutions, and potential investors. The purpose of this study is to assess business college students' knowledge of stock market products, investment avenues, institutions, and services. The objective is to evaluate the perception of the business college students on the role of the media and other means in spreading stock-market knowledge. The data was collected through the questionnaire using an online survey. The study involves a quantitative method and the data is computed and tested using SPSS 25. The tools used for analyzing the data were descriptive tools and ANOVA. According to the findings, Colleges have a low level of awareness about SM products and investment/saving opportunities. The respondents agree that stock-market modules should be introduced, seminars should be conducted at all educational levels, etc. The study revealed that the students of business colleges are aware of the stock market as an investment platform, so they prefer and are interested in investing in SM. With the responses to the awareness of stock-market processes and institutions, the average awareness of the students is high, which indicates that the students among three business colleges have knowledge of SM risk and return. Moreover, it reveals that they are aware of the SM process, which indicates that the students are capable of investing in the future. Furthermore, the students are not that aware of the SM products and investment/saving avenues, but overall, the students are a little more aware of SM products than the investment/saving avenues.

Keywords: awareness, business college graduates, stock-market.

JEL Classification: A22, G14, G17

Formulas: 0; **fig.:** 0; **tabl.:** 2; **bibl.:** 23

Introduction. A stock-market, or equity market, is a public entity for the trading of company shares or stock and derivatives at an agreed price; these are securities listed on a stock exchange as well as those only traded privately. In general, the stock-market reveals the economic condition of the country. Without investors investing in the stock exchange, there would be no existence of a stock market. The stock market's clients are business people, retired officers, and other private and public employees.

Even as researchers' boast of the success of crowd funding, this research shows that young entrepreneurs are struggling to gain investors' trust (Kuensel, 2020).

Despite the availability of various types of investment avenues, the purpose of this research is to determine whether or not business college students are aware of stock markets and are active participants in stock markets.

Literature review. A number of studies have been conducted around the world to assess people's knowledge of financial matters, products, insurance, and stock markets.

Adebayo et al. (2003) revealed that youths have a negative attitude toward investment. They discovered that factors like good leadership, adequate dissemination of information, and financial assistance from the government could encourage the youth's participation towards investment in the Nigerian stock market.

Akhter and Sangmi (2015) stated that undergraduate students do not possess an adequate level of stock-market awareness and the analysis indicates that the respondents have a moderate level of literacy.

Thapa (2018) concluded that the students would like to have knowledge and experience of crypto currencies, mutual funds, bonds, and stocks. Students should understand the stock market and have ample experience, ideas, and business skills to become good investors in the future.

A limited number of studies have been conducted on the stock-market scenario in Bhutan. Wangmo et al. (2018) revealed that 65% of the respondents were aware of the stock market and that the major key challenges of RSEBL were lack of active public participation, lack of active participation from the companies, low frequency of trade, and liquidity problems. They also stated that Bhutanese people are still new to the concept of the stock market and choose financial institutions to invest their money in instead.

Although there are many studies carried out throughout the world on stock-market awareness, in Bhutan there are a limited number of studies on the stock market and none in the area pertaining to the younger generation. Thus, this research has been undertaken to fill this gap and make a modest contribution to the stock-market of Bhutan.

A well-developed financial market attracts investments by recognizing and financing lucrative business opportunities, etc. The stock market is one of the key players in a well-developed financial system. Pauldo (2005) states that stock markets, due to their liquidity, enable firms to acquire much needed capital quickly. Thus, the stock market also plays a crucial role in the nation's developmental process. The stock market is relatively small, illiquid, and stocks are thinly traded; the stock market is not vibrant. While it has the potential to be one of the cornerstones of the developmental process, it has not developed to its full scale of operation. Therefore, this study will seek to ascertain whether it is imputed to the dullness of the market.

Aims. Research objectives of article are:

- a) to measure the level of awareness of business college student on stock-market products, investment avenues, terms, institutions and services;
- b) to evaluate the perception of these business college students on the role of media and other means in spreading stock-market knowledge.

Research hypothesis:

H01= The undergraduate students do not possess adequate level of SM awareness.

H02= The level of awareness among the sample group does not differs significantly.

Significance of the study. This research is intended to be a valuable source of knowledge, the public, educational institutions, and potential investors. Benefit not only from the discovery of the student's participation in the stock-market but also gain the ability to make suggestions to the concerned authorities to develop the market. It will be able to see how to increase public understanding of the organisation and its services. This research would also assist the incorporating the results of this study into their plans and policies.

Methodology. The quantitative descriptive analysis method was used in this study since it helped in the generation of numerical data that could be converted into usable statistics. The study's goal is to determine the level of stock market knowledge among B.Com. and B.A. students. The Taro Yamane formula has been used to get the sample size of the known population. The sample is 303. The respondents were asked to rank their level of awareness on a five-point scale. The study involves a quantitative method and the data is computed and tested using SPSS 25. The tools used for analyzing the data were descriptive tools and ANOVA.

Data interpretation and analysis. Males account for the majority of respondents (53.8%), followed by females (44.6%), and 1.7% fall into another category. The maximum number of respondents were 2nd year students with 51.5% and the rest were 3rd year students. The majority of respondents (73.6%) are under the age of 23, 26.1% are between the ages of 24 and 29, and 0.3% are over the age of 29. The majority of respondents are B.Com., Finance with 34.7%, followed by Accounting with 24.8%, BBA Marketing was 22.4%, HRM was 11.6% and General Management was 6.6%.

The analysis has been discussed under the following main heads.

1) *Awareness of Stock-market as an Investment Platform* – The stock market will be a good investment platform for students as they will learn to invest and go into the real world with financial activities (Thapa, 2018). Therefore, this study is to find the level of awareness of the stock market as an investment platform among the business college students.

Stock-market awareness is high, with a combined mean of 3.80. The average awareness of the stock market's variables is very high, with the mean score of the variable ($X = 4.11$). The students are aware of SM, know the importance of SM, and are aware that SM is good for financial planning since it gives more income.

2) *Awareness of Stock-market Process and Institutions* - The students may know about the existence of a stock exchange in the country. It is important to know the risk involved in shares, their return, and their processes before investing in the stock market. The descriptive tools (combined mean) are used to analyse this dimension. The respondents' awareness of stock-market processes and institutions is high (mean = 3.27).

3) *Awareness on Stock-market Products and Investment/Saving Avenues* - The combined mean is used to measure the awareness of stock-market products and investment/saving avenues. Awareness of stock-market products and

investment/saving avenues is low. Therefore, the awareness level of SM products and investment/saving avenues is low. The research done by Akhter and Sangmi (2015) also reveals that the awareness regarding stock-market products or instruments is also low.

The awareness of various aspects of stock-market discussed in preceding pages has been summarized in Table 1. The result of analysis indicates that the respondent has moderate level of awareness (the combined mean score of all dimensions being 2.77 with SD 0.86).

H01: The undergraduates' students do not possess adequate level of stock-market awareness.

Table 1. Overall Stock-market Awareness

	College 1		College 2		College 3		Combined Mean	Combined SD
	X	SD	X	SD	X	SD		
Awareness on Stock-market as An Investment Platform	3.76	0.98	3.61	0.94	4.02	0.95	3.80	0.96
Awareness on Stock-market Process and Institutions	3.37	1.19	3.16	1.17	3.25	1.23	3.26	1.19
Awareness on Stock-market Products/Instruments	1.28	0.43	1.22	0.41	1.27	0.44	1.26	0.43
Combined Mean and SD	2.81	0.87	2.61	0.84	2.85	0.88	2.78	0.86

Note: X = Mean; SD = Standard Deviation

Overall, the calculated mean value of stock-market awareness is 2.78. The average awareness as per the measurement scale is 3, and thus this is below the average scale. At the 0.05 percent level of significance, the computed value is less than the critical value. Hence, the null hypothesis is rejected, and it is concluded that the literacy level of undergraduates from business colleges on the stock market is less than moderate and thus not adequate. It is found that results are moderate with mean values falling below average 3 on the scale, with the mean of the samples 1, 2, 3 and 4 being 3.80, 3.26, 1.26, and 2.77. Similarly, in the research conducted by Akhtar and Sangmi (2015), it was found that the students of India (Jamu and Kashmir) also did not possess an adequate level of stock-market awareness.

Table 2. ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.620	2	.310	1.792	.168
Within Groups	51.88	300	.173		
Total	52.50	302			

H02: Awareness level among the sample group does not defer significantly is shown in table 2.

The significant value is more than the significant level of 0.05 per cent, it is concluded that the business college students are not significantly different from one another. This means that the awareness level the students are almost at par and that there are no huge differences in their knowledge on stock market.

4) *Media and Other Strategies to be used to raise stock-market awareness in the society.* In today's world, the media plays a vital role in promoting and marketing products, so in the case of the stock market, the media is the way to promote stock-

market information and create awareness in society. Increased media coverage leads to raised attention, which in turn makes the stock market more attractive to the investment community (Strycharz, Strauss, & Trilling, 2017). The respondents agree with the media strategies as shown to them, showing a mean score of 4.09. The respondents agree that stock-market modules should be introduced, seminars should be conducted at all educational levels, etc. Therefore, it indicates that other strategies need to be implemented to increase the awareness of SM in society by introducing stock-market modules ($X = 4.18$).

Results:

1. The majority of the respondents were 2nd year students with 156 respondents.
2. Most of the respondents are majoring in B. Com, Finance with 34.7%.
3. The students are aware of SM, know the importance of SM, aware that SM is good for financial planning since it gives more income.
4. Awareness on Stock-Market Products and Investment/ Saving Avenues is low with the combined mean of 1.26.
5. The respondents agree that stock-market modules should be introduced, seminars should be conducted at all educational levels.

Discussion. Based on the respondents' opinion the following recommendations are given:

1. It should introduce stock-market as a module in business institutions to encourage active trading among the youths.
2. It should conduct awareness campaign through information technology and conduct seminars, practical workshops and training programs to educate the public.
3. The present study focused only on three variables and took stock-market as the only investment avenue, future researchers can also focus on other related variables and awareness on other investment avenues such as banking sectors.

Conclusion. The study revealed that the students of business colleges are aware of the stock market as an investment platform, so they prefer and are interested in investing in SM. With the responses to the awareness of stock-market processes and institutions, the average awareness of the students is high, which indicates that the students among three business colleges have knowledge of SM risk and return. Moreover, it reveals that they are aware of the SM process, which indicates that the students are capable of investing in the future. Furthermore, the students are not that aware of the SM products and investment/saving avenues, but overall, the students are a little more aware of SM products than the investment/saving avenues.

Author contributions. The authors contributed equally.

Disclosure statement. The authors do not have any conflict of interest.

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