IJARSCT
International Journal of Advanced Research in Science, Communication and Technology
International Open-Access, Double-Blind, Peer-Reviewed, Refereed, Multidisciplinary Online Journal
ISSN: 2581-9429
Volume 6, Issue 9, April 2026
Impact Factor: 8.2

Analyzing the Motive behind Individual Investment Decisions: A Behavioral Approach

Jatin Drall
jatindrall2004@gmail.com

Abstract: *The decision-making process regarding investment has long been seen in rational terms according to which people are supposed to be rational to bring the maximum returns. Nevertheless, behavioural finance disputes such a belief showing that psychological, emotional, and social dynamics make a significant impact on the manner in which individuals invest. This paper examines the motivation and consumption behaviour of individual investments among the investors of a major financial services organisation located in Delhi. The study deals with the influence of demographic elements, emotional biases, and technological tools to the investment behaviour and risk perception. The research design was descriptive and the data were obtained by use of a structured questionnaire with 82 individual investors. Chi-square and correlation analysis were statistical measures used to analyse the connection between learning, sentiments and contentment with the results of investments. The result has shown that the majority of investors represent the middle-income, middle-career demographic population and favour low or moderate risk investments (mutual funds and fixed deposits). Emotions such as fear, greed and herd behaviour influence decision making heavily at times to the extent of overshadowing the rational examination. Another important determinant was technology, and convenience and levels of confidence were affected by the mobile trading platforms. The paper has concluded that the behaviour of Indian investment is not an amalgamation of rationality, but a mixture of psychology, culture, and technology. This study provides practical suggestions to financial organisations and advisors to develop investor-focused educative initiatives and behavioural instruction frameworks that can promote investment decision makers and financial success.*

Keywords: Behavioural Finance; Investment Decisions; Investor Psychology; Financial Literacy; Risk Tolerance; Delhi.

I. INTRODUCTION

Investment decision-making was traditionally viewed as a rational decision-making process in which the amount of risk and the earning are evaluated to maximize wealth. Nevertheless, there are recent behavioural finance research findings that show that the majority of investors do not act rationally owing to their emotions, prejudices, and psychological interests. The financial decision-making turbo brought by fear, greed, overconfidence, and herd behaviour is usually prevalent and the consequences of its results cannot be fully attributed to the traditional finance theories.

This trend has been promoted in India due to increasing financial literacy, access to the Internet, and economic growth that promotes a broader existence in financial markets. However, despite access to more information, investors often base investment decisions (learned through the market, peer pressure, gut feelings) as opposed to using data analysis. This tendency is especially marked in the metropolitan cities, such as Delhi where the financial services have become well exposed, the behaviour of investors is not consistent or rational.

The paper is directed to assimilating the motivation of investment choices of individual investors in terms of a financial services firm based in Delhi. It focuses on the impact of demographic factors, emotional factors, and technology tools on investor tastes and satisfaction. The study also examines the role that behavioural patterns play in determining how much risk an investor will accept as well as the effect of digital trading on the confidence people have on decision making.

IJARSCT
International Journal of Advanced Research in Science, Communication and Technology
International Open-Access, Double-Blind, Peer-Reviewed, Refereed, Multidisciplinary Online Journal
ISSN: 2581-9429
Volume 6, Issue 9, April 2026
Impact Factor: 8.2

Combining the ideas of behavioural finance with the real-life investor behaviour, this research will help to understand how the Indian investors make financial decisions in the time of digital revolution. The knowledge will assist financial advisory and institutions to develop behaviourally informed policies that will foster rational decision-making and will sustain financial wellness among urban investors.

II. LITERATURE REVIEW

The study of behavioural finance has grown to become a field with importance in the explanation of non-rational financial models by investors. There is increasing evidence on the cognitive and emotional variables in motivation of investment.

Kahneman and Tversky (1979).The Prospect Theory with the assumption of levelling gains and losses in an asymmetrical manner to cause loss aversion and risk averseness when there are gains and risk-seeking when there is a loss has been widely applied, and was introduced by This is a fundamental theory in which behavioural biases were formed.

Barber and Odean (2001) had providedEvidence that due to overconfidence individual investors tend to over trade and many times, the net returns decrease as a result. They discovered that the retail investors overrate the extent to which they can forecast the price movements leading to poor performance.

As stated by Shiller (2003), collective emotions and social contagion affect markets, which also adds to the speculative bubbles and the market volatility. His work raised the psychological aspect of mass behaviour in the market.

In their study, Raut et al. (2020) used the Theory of Planned Behaviour in India and found that previous experience in investment and financial literacy were the great contributors to intentions and actual investment. They stressed that social influence and perceived power are the important factors of behaviour formation.

According to Mahmood et al. (2024), researchers discovered that the biases in behaviour that influence the asset decisions of investors are overconfidence, anchoring, and herd behaviour. It was found that financial literacy mitigated the effect of these in order to minimize errors in making decisions based on bias.

Islam et al. (2024) discussed the issue of the influence of behavioural biases on financial risk-taking and found that overconfidence and representativeness bias promote risk appetite, and loss aversion dampens risk appetite. The research came to the conclusion that the psychological comfort of investors to risk is changed under varying market conditions.

Naveed et al. (2024) tested how risk tolerance mediates between financial literacy and the well-being of an investor. The results showed that literate investors are more resilient and stable to volatility and have a higher degree of emotional stability, which implies the significance of the knowledge-based confidence.

Almansour (2023) reviewed the topic of behavioural variations within the Saudi equity market and found out that herding, loss aversion, and anchoring have a direct impact on portfolio diversification. The research suggested the use of digital nudges and awareness interventions to help eliminate errors caused by bias.

Grohmann et al. (2018) discovered that in urban Asia, greater financial literacy is associated with a disciplined financial behaviour. Nevertheless, the absence of knowledge about diversification of risks and long-term perspective makes irrational investment decisions.

Bhutto et al. (2025) investigated the herding and disposition effects and discovered that the biases make investors hold assets that are losing too long and these biases make people invest their money on the most popular trends thus performance of portfolios. Behavioural therapies were proposed to curb such inclinations.

Among the aspects of the herding tendencies, Shantha (2019) noted that the behaviour of learning and interpreting feedback highly influenced them. The investors who consider the past errors will have more independent decisions as opposed to their counterparts who are dependent on the recent results.

Hossain et al. (2024) affirmed that positivity and regret avoidance were the prevalent elements among investors in the emerging market. They established that focusing little attention to trade, and depending on rumours or tips, are factors that are contributing to irrational trade and low diversification.

IJARSCT
International Journal of Advanced Research in Science, Communication and Technology
International Open-Access, Double-Blind, Peer-Reviewed, Refereed, Multidisciplinary Online Journal
ISSN: 2581-9429 Volume 6, Issue 9, April 2026 Impact Factor: 8.2

According to Kwak (2024), who compared pre-pandemic and post-pandemic investor behaviour, retail investors were found to conduct attention-based trading, which was driven by trade in visible stocks, not fundamentals. There was increased speculative behaviour due to emotional impulses and social media exposure.

Kishor and Singh (2022) examined the influence of uncertainty on the investment trend in India in the COVID-19 pandemic. They have found out that the loss aversion was magnified during the economic shocks that made the investors to prefer the low risks assets such as fixed deposits.

Raza et al. (2025) have performed a systematic review of behavioural biases and have concluded that biases mediated with each other. They are instead rendered in clusters, i.e. overconfidence with herding or loss aversion with regret that are dependent on market cycles.

Al-Darwish et al. (2025) discovered that financial literacy increases the positive influence on the quality of investment decisions but increases the risk of overconfidence in cases when the risk awareness is not provided. The paper proposed the use of humility and calibration practice during investor education.

Wilkinson and Wong (2025) examined trade conduct in New Zealand at the time of COVID-19 and discovered that the technological convenience and immediate updates invoked an impulsive trade. This underscores why decision-aid systems are needed in mobile apps.

Personality traits were also correlated with investment intentions by Honold et al. (2025), where the younger and more extroverted investors exhibited greater speculative behaviour, which is motivated by social identity formation and the attractiveness to innovations instead of rational arguments.

Summary of the Review

In all these studies, one tendency is apparent: cognitive biases, emotions, social influence, and exposure to technologies affect investor behaviour in a significant manner. Most investors (regardless of geography) have behavioural deviances which influence their portfolio performance. In the Indian studies, more specifically, it is noted that demographic elements like age, income and education further interplay with the psychological inclination to influence investment motivations.

Despite the increased financial literacy and access to computers, biases still cause people to make decisions- particularly when vulnerable markets are addressed. According to the literature review, there is a significant gap in studies carried out to combine behavioural factors with technology-driven investment environment mainly in urban Indian settings like Delhi. This gives a good explanation of the current research where an attempt is made to examine the psychological and emotional incentives behind an individual investment behaviour in a digitalized financial ecosystem.

III. STATEMENT OF THE PROBLEM

Ideally the decision making process of an investment is usually thought of as being rational as people behave rationally to make the most of the returns. But that is not the case according to real world observations- the decisions made by the investors can be biased by emotions, social and other factors that cannot be explained by the traditional financial theories. In the emerging economies such as India, where the population of retail customers is swelling, more frequent adoption of online trading platforms, as well as a range of financial literacy, also complicate such choices. However, irrespective of technical as well as informational progress, behavioural biases like overconfidence, herd behaviour and loss aversion are still apparent with many investors.

Such trends result in unstable investment ratios, wrong distribution of funds, and dissatisfaction with results. Hence, it will be important to examine the psychological reasons, emotional impacts, and demographic differences that determine the decisions of individuals to make investments. This study will find a gap in the available literature by targeting investors related to a financial services organization located in Delhi and investigate the combined impact of the area of behavioural finance and digital interaction on investment behaviour within an Indian urban setting.

ISSN: 2581-9429 Volume 6, Issue 9, April 2026 Impact Factor: 8.2

IV. RESEARCH METHODOLOGY

Research Design

The researcher takes descriptive and analytical research design as a method of studying the impact behavioural and psychological variables have on retail investor investment decision-making within the city of Delhi. It is a blend of both quantitative and qualitative data with quantitative data using a structured questionnaire given and qualitative information on or during the internship working in a company based in Delhi in the financial services company. It is this combination of methods that enables a holistic explanation of the behavioural motives as well as investment patterns.

Objectives

To identify demographic and psychological factors influencing investment choices.
To assess the effect of emotions and behavioural biases on investment behaviour.
To examine how digital trading platforms affect investor confidence and decision-making.

Population and Sample

The target market consists of individual investors who are linked with a financial services firm located in Delhi. Convenience sampling will be used to survey 82 respondents. The sample included the participants of different ages, income, and educational levels, which guaranteed the fact that there was sufficient diversity in behavioural and demographic traits.

Data Collection Method

The primary data got were collected by use of a questionnaire on Google Forms having 25 structured questions that were split into three sections namely, demographics, behavioural factors, and the use of the app. Majority of the responses were based on a five-point Likert-scale to get the degree of agreement. The promoter was a pilot-tested instrument to make sure it is clear and consistent. Journals, reports and company records provided secondary data that helped to enhance the analysis.

Tools and Techniques of Analysis.

The gathered data were analysed by descriptive (frequency, percentage, and mean) and inferential statistics (Chi-square and Rank correlation by Spearman). The tests contributed to find correlation between the demographics variables, behavioural biases, and level of satisfaction in investment.

Reliability and Validity

Web-based construction of questionnaires was based on known behavioural finance constructs. Internal reliability was measured using Cronbach alpha and an alpha of greater than 0.70 was used to utilize consistency. Valuation by professionals was done to guarantee adequacy and relevance of the content.

Ethical Considerations

The respondents voluntarily took part in the study with a signed consent. All answers were anonymous and could not be employed in relation to any other activity. The information that may have contained sensitive information and information that pertained to the company was omitted in order to keep the information confidential.

Limitations

The research is based on convenience sampling, which reduces the scope of generalization.
Behavioural responses are self-reported, and this may bring about bias.
The cross-sectional model captures short term behaviour, rather than long term trends.

DOI: 10.48175/IJARSCT-33251

IJARSCT
International Journal of Advanced Research in Science, Communication and Technology
International Open-Access, Double-Blind, Peer-Reviewed, Refereed, Multidisciplinary Online Journal
ISSN: 2581-9429
Volume 6, Issue 9, April 2026
Impact Factor: 8.2

These limitations notwithstanding, the research offers helpful understanding of the pattern of behavioural financial decision making of the investors in Delhi, which features the psychological, emotional and digital influences of contemporary investment choices.

V. DATA ANALYSIS AND INTERPRETATION.

The responses obtained to 82 respondents underwent a statistical life cycle assessment based on descriptive and inferential statistics to determine trends in behaviourand psychological determinants that affect the decision made towards investment. The adoption of the demographic effect, emotional aspects, risk-taking behaviours, and the impact of online settings were analysed.

Descriptive Overview

The matter of age also played a major role in the samples used as the largest group represented middle-career generation professionals with steady income. Most investors were male (63 percent) and the majority of them were either postgraduate or professionals. There was an urban and financially literate investor base indicated by the income profile with more than two-thirds having a monthly income exceeding 50,000. The majority of the investors stated that they had moderate and low-risk tolerance and held low-volatility mutual funds and fixed deposits.

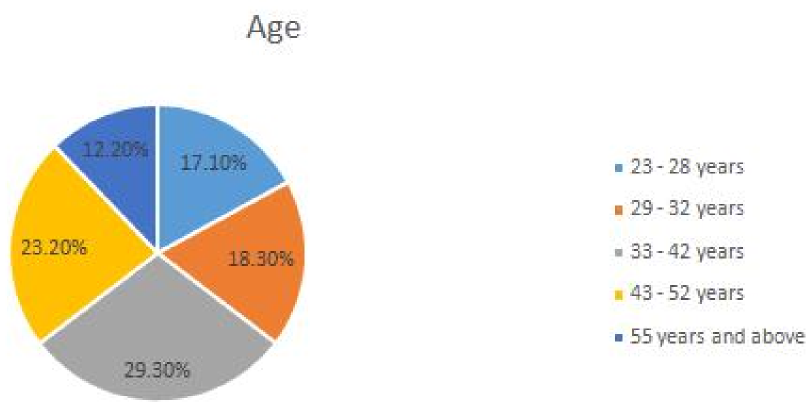

Figure 1Age-wise Distribution of Respondents
Source: Primary data (Survey of investors, 2025)

Interpretation:

As reflected in Figure 1, the modal age group is 33 - 42, with 29.3% representation, followed by the 43 - 52 age range, which has 23.2%. This suggests that most response in mid-career are within the range of 33 - 52. This figure indicate that the greatest category of investors are mid-career professionals which does makes sense, as this group is likely to possess greater financial resources and capability to invest.

.

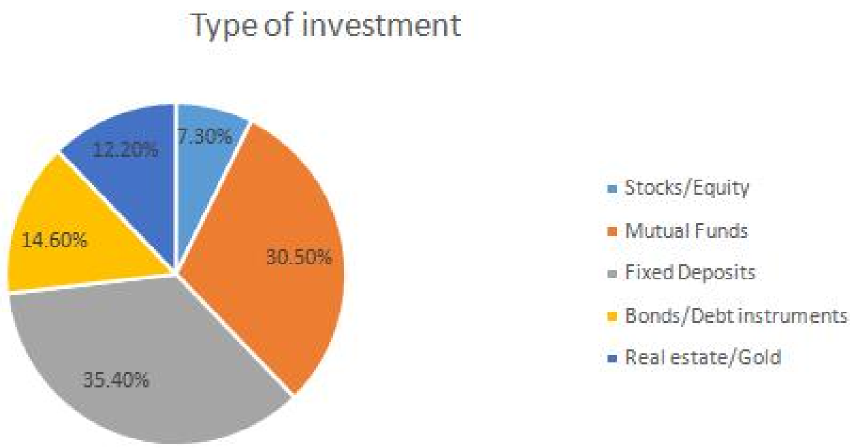

Figure 2 Type of Investment Preferred by Respondents
Source: Primary data (Survey of investors, 2025)

Interpretation:
Investors still preferred fixed deposits (35.4 percent) and mutual funds (30.5 percent) and only 7.3 percent preferred direct equity, confirming that people in Delhi are risk-averse and prioritize minimal risk and steady returns over higher returns.

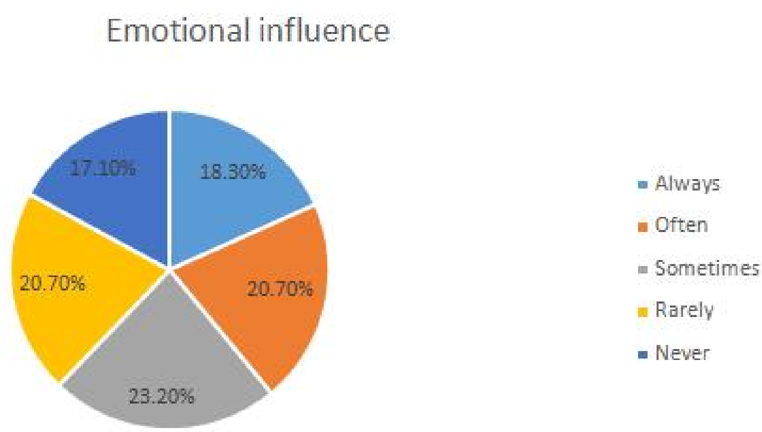

Figure 3 Extent to Which Emotions Affect Investment Decisions
Source: Primary data (Survey of investors, 2025)

Interpretation:
Figure 3 suggests almost 62% of investors confirmed emotions like fear, greed, or excitement during the investment process are present at least “sometimes” or more often. This supports the behavioral finance theory which states emotions, regardless of education or experience, play a major role in finances.

IJARSCT
International Journal of Advanced Research in Science, Communication and Technology
International Open-Access, Double-Blind, Peer-Reviewed, Refereed, Multidisciplinary Online Journal
ISSN: 2581-9429
Volume 6, Issue 9, April 2026
Impact Factor: 8.2

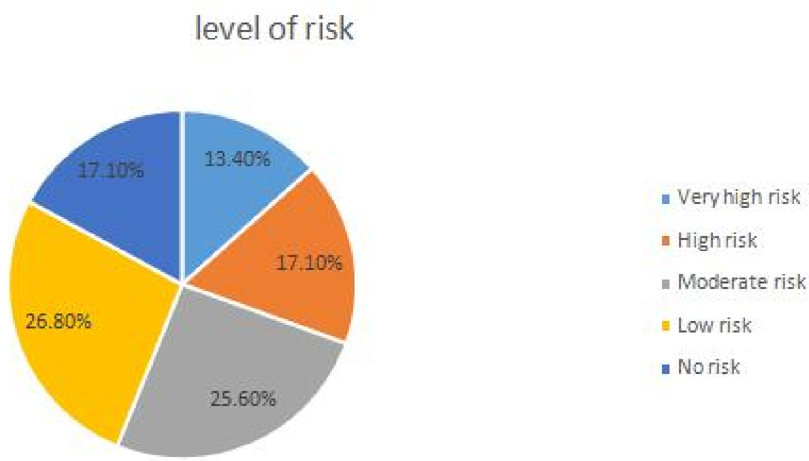

Figure 4 Level of Risk Willingness among Respondents
Source: Primary data (Survey of investors, 2025)

Interpretation:

Figure 4 illustrates that most of the investors show moderate and low risk tolerance with 26.8% of the respondents willing to accept low risk and 25.6% ready to take a moderate risk. High-risk and very-high-risk investors collectively constitute only 30.5% of the sample. This data suggests that investors in delhi are risk averse and suspicious of opportunities that might put their capital to aggression for profit and instead, choose stability and preservation of capital. This behaviour is in alignment with the conservative leaning of the mid-career demographic who prefer to use the capital for dependable returns as a family and long term financial strategy instead of speculation.

Statistical Analysis

Two principal inferential statistical tests were used, the Chi-square test and the Spearman rank correlation which were done with a 5% level of significance.

(a) Chi-square Test

Purpose: To investigate whether the level of education will have any significant impact on the emotional appeal as a factor on investment decision-making.

Table 1. Chi-square Test Education Level versus Emotional Influence on Investment Decision.

Education Level	Sometimes	Always	Rarely	Never	Often	Total
Graduate degree	4	3	3	0	1	11
Professional qualification (CA, CFA, etc.)	3	7	7	6	6	29
Postgraduate degree	5	4	3	7	6	25
Other	7	1	4	1	4	17
Total	19	15	17	14	17	82

Source: Primary data (survey of investors, 2025)

X^2 Tests

	Value	df	P
X^2	15.3	12	0.226
N	82		

Source: Primary data (survey of investors, 2025)

IJARSCT
International Journal of Advanced Research in Science, Communication and Technology
International Open-Access, Double-Blind, Peer-Reviewed, Refereed, Multidisciplinary Online Journal
ISSN: 2581-9429 Volume 6, Issue 9, April 2026 Impact Factor: 8.2

Null Hypothesis (H_0):The level of education and the emotional impact on investment decision are not significantly related.
Test Result: $\chi^2 = 15.3$; df = 12; p = 0.226
Interpretation: The p-value is greater than 0.05 and this gives H0.
It means that the level of education has no substantial impacts on the effects of emotions on investment behaviour. That is, even very well-educated investors can succumb to behavioural biases or fear, or greed

(b) Spearman's Rank Correlation
Aim: To analyse the correlation regarding investors' satisfaction with their investment results and their corresponding risk appetite.

Table 2. Spearman's Rank Correlation between Risk Willingness and Investment Satisfaction

		Satisfaction with investment decisions	Risk willingness
Satisfaction with investment decisions	Spearman's rho	-	
	df	-	
	p-value	-	
Risk Willingness	Spearman's rho	-0.072	-
	df	80	-
	p-value	0.521	-

Note * p < .05, ** p< .01, *** p < .001

Spearman's rho (ρ): -0.072
P-value: 0.521
Interpretation: The outcome is that there is weak and statistically insignificant relationship between risk tolerance and investment satisfaction. In this way, risk preference is not a sole measure of investor satisfaction which means that other factors defining the level of investor satisfaction include psychological comfort, expectations and advisory experience.

Interpretative Summary
The demographic outcome of the statistics indicates behavioural determinants that cross demographic lines. As much as education and experience may help in eliminating them, emotional overdrive and thinking biases never fade away. The results indicate that the confidence and satisfaction of the investors depends on subjective emotions and short-term returns more than objective analysis of the risk-return trade-offs.
Also, digital trading applications became an influential force of behaviour. Although the majority of the respondents appreciated convenience and ability to monitor their portfolio, constant reminders and their accessibility seemed to promote quick-level decisions. The analysis supports the idea that technology heightens the biases in behaviour where there is no financial discipline and literacy.
All in all, the evidence indicates that financially aware Delhi investors are of moderate level of financial awareness but they are still controlled by psychological factors instead of rational thinking. It shows that more behavioural awareness, investor education, and better advisory models should be used in financial service firms.

VI. FINDINGS AND DISCUSSION

Considering the behaviour of investors and the reasons that lead to their decision-making was analysed through the respondents who are related to a financial services company based in Delhi, it was found that there were several interesting trends. The results are evidence of interaction between demographical variables, behavioural biases, emotional impact, and technology to influence investment decision-making.

Demographic and Brands Investment.
Most investors were between 33-42 years and were professional middle-aged earners with high-income levels. Most of the respondents had a postgraduate or professional qualification, but this educational privilege did not always crack down to making rational decisions. There was a tendency towards moderate-risk financial products (mutual funds, fixed deposits, and recurring deposits) that had a preference, thus demonstrating that even informed investors have a focus on financial security, as opposed to high-reward investments.

Impact of Emotions and Prejudices in Behaviour.
Results of the Chi-square test revealed that the individual education did not have any significant relationship with emotional influence ($p = 0.226$). This validates the fact that a certain emotional bias both in the bad times (fear when markets were down) and in the goodtimes (greed when market was up) affects both the experienced and the inexperienced investors. About two-thirds of the interviewees acknowledged that they were at times or frequently driven by emotions when making investment decisions. Behavioural biases including herding bias, the bias of losses and an overconfidence bias was widely prevalent, which means that the majority of investors tend to follow the social trends, or their peers, rather than make decisions based on analytical research.

Risk Attitude and Satisfaction of Investment.
The outcomes of the Spearman correlation ($r = -0.072$, $p = -0.521$) showed that the risk willingness does not have significant correlation with the general contentment with the choice of investment. This means that it does not necessarily mean that the investor satisfaction is associated with an increase in risk-taking. Rather, emotional stability, clarity of goals, and perceived control over the results of an investment are directly related to the level of satisfaction. Relatively higher satisfaction was also noted on the investors who had moderate risk preferences as compared to those who adopted excesses or minimal risks.

Role of Digital Platforms
Mobile trading applications were a source of portfolio monitoring and trading to a significant percentage of respondents. Although facilitating convenience and access to information, these platforms served as the stimulus to impulsivity by sending notifications constantly and having the option of trading pretty fast. This observation can also be related to the modern behavioural finance literature that reveals the exaggeration of psychological biases due to technology in cases of financial discipline being poor.

Behavioural Finance as a Forward Moving Lens.
The initial evidence on the whole confirms the hypothesis that the behavioural finance model is a better theory that explains the true investor behaviour than the rational classical models. With the development of financial education and technology, psychological reasons are still predominant when it comes to decision making by investors. Logic is usually overridden by emotions and cognitive shortcuts and social influences, resulting in uneven performance on an investment basis.

VII. SUMMARY OF DISCUSSION

Overall, the research confirms that the behaviour of investors in the urban financial setting of Delhi is linked to the average level of financial literacy, emotion aroused decision-making tendencies, and unselective adoption of digital technologies. The interaction of the biases of behaviour and the electronic mediums propose that investors need behaviourally conscious financial consultancy services that put emphasis in emotional restraint, risk cognizance, and disciplined investing.

The findings also underscore the need to incorporate behavioural knowledge into the systems of offers of advice on investments. Investors may be encouraged to buy long-term and work towards greater financial well-being through the

IJARSCT
International Journal of Advanced Research in Science, Communication and Technology
International Open-Access, Double-Blind, Peer-Reviewed, Refereed, Multidisciplinary Online Journal
ISSN: 2581-9429 Volume 6, Issue 9, April 2026 Impact Factor: 8.2

inclusion of psychological education and feedback and decision support tools in financial institutions and their advisors.

VIII. CONCLUSION

The article, titled the Motive of the individual investment decisions: Behavioural based analysis: With the reference to a financial services company based in Delhi, aimed to comprehend the influence of emotions, psychology and technology on the behaviour of investors in an urban setting in India. The study proves that investment choices stop being rational and profoundly depend on behavioural and emotional elements irrespective of demographic and education level.

The statistical test endorsed that education fails to significantly moderate the emotional influence in making financial decisions as indicated by the Chi-square ($p = 0.226$). This implies that overconfidence, herding, and pertaining to loss sensitiveness cognitive biases can befall even financial savvy investors. Equally, the Spearman correlation test between the risk willingness and investment satisfaction revealed that risk willingness and the investment satisfaction had a weak and insignificant correlation ($r = -0.072$; $p = 0.521$), which points to the fact that investor satisfaction is not solely a variable dependent on risk appetite. Rather, emotional restraint, clarity of goals and the sense of security are more likely causes of satisfaction than the aggressive pursuit of risk.

The results support the increasing applicability of behavioural finance in the explanation of the investor decisions particularly in an emerging economy such as India. Conventional finance is based on rationality, whereas the actual investor is involved in decision making based on market sentiment, peer pressure and psychology comfort. The ends of the entry or exit point of investments are usually determined by emotional rather than analytical thinking.

The other important lesson learned during this research is the two-sided aspect of technology. Due to digital trading applications that have democratized the process, people can now access it more and at a flexible time. They have increased impulsivity, however, they have increased impulsivity as well because investors respond sharply to fluctuations and announcements in the market. Cognitive biases and emotional responses are increased through continuous exposure to live markets data. Thus, though finTech tools make trading more efficient, they can cultivate short-termism and dangerous trading without supporting them with financial discipline and education.

On the whole, this research comes to the conclusion that an investment process is a complex mental combination of psychological perception, emotional reaction, and a situation. The awareness of behaviour is therefore a necessity to the investors but it would also be the advisors and policymakers seeking to illustrate financial stability and long-term wealth creation.

IX. SUGGESTIONS

Due to the results, the actionable recommendations to the investors, financial institutions and policymakers are as follows:

Improve Financial Advisory with Behavioural Education:

Behavioural finance is one of the elements that a financial advisor ought to incorporate in their relationships with clients. Knowing triggers and how to think is a way in which investors can make deliberate and consistent decisions.

Investor Consciousness and Educational Trainings:

Conferences and forums should also be conducted regularly on issues such as perception of risks, emotional investing and financial discipline especially in cities such as Delhi where digital trading is prevalent.

Design Solutions on the Digital Platform:

Fintech firms ought to add what can be referred to as behavioural guardrails, including trade confirmation pop-ups or reflection prompts, which would remind an investor to take a moment when placing trades in an impulsive manner.

Publication of Goal-Based Investing:

Emotional urges can be matched to the long-time goals through encouraging investors to have financial targets. Emotional reactivity is likely to diminish when the investment plans are pegged to quantifiable objectives.

IJARSCT
International Journal of Advanced Research in Science, Communication and Technology
International Open-Access, Double-Blind, Peer-Reviewed, Refereed, Multidisciplinary Online Journal
ISSN: 2581-9429
Volume 6, Issue 9, April 2026
Impact Factor: 8.2

Conclusively, this paper confirms that mind-set is just as vital in making an investor successful as knowledge of the market. The ability to identify and deal with behavioural biases can make significant differences in the performance of investors and in market efficiency. Financial institutions and advisers have had to transform themselves into behavioural coaches, who will help investors begin to make rational, goal-oriented decisions rather than continue to play product distributors.

Connecting behavioural knowledge to the financial advisory sector, the digital design and policy making will be able to contribute significantly to creating a stronger, less stressed and more psychologically cognizant investing population in India.

X. FUTURE RESEARCH SCOPE

Despite the fact that the current study serves as a solid information source on the motivation of investors in Delhi in terms of their behaviours, there are still a number of prospects that can be exploited further.

The current study had its limitations in the sample size and geographic coverage of one financial services company based in Delhi. Research that is to be conducted in the future can take a comparative multi-city or multi-company design in which one can study the behavioural patterns that may vary across geographical regions, marketing segment or category of investors.

The longitudinal studies could be carried out to determine the behaviour of investors with time, especially in times when the market is volatile or changing economically. The greater order of statistical methods of structural equation modelling (SEM), regression analysis or machine-learned sentiment analysis can be utilized in order to capture behavioural, emotional, and technological relationships with greater accuracy.

Besides, the role of upcoming finTech innovations, including robo-advisory platforms, algorithmic trading, and artificial-intelligence-based recommendations, in investor psychology and quality of decisions, can be investigated by future researchers. The application of neuro-finance instruments (biometric or eye-tracking device) could also be a valuable addition to the study that would give a deeper insight into how cognitive and emotional reaction affects investment timing and risk-taking measurement.

Lastly, it would be beneficial to extend the population range to the younger Gen-Z investor generation, women investors, and rural participants to increase the application of the knowledge of behavioural finance to the Indian population. This sort of research would help in policy making, investor education, as well as creation of digital financial systems, which are inclusive but also psychologically informed.

REFERENCES

[1]. Barber, B. M., & Odean, T. (2001). Boys will be boys: Gender, overconfidence, and common stock investment. The Quarterly Journal of Economics, 116(1), 261–292.

[2]. Bhutto, A., Hussain, S., & Raza, M. (2025). Herding and disposition effects among equity investors: Behavioural evidence from emerging markets. Journal of Behavioural Finance and Economics, 14(1), 33–47.

[3]. Grohmann, A., Klühs, T., & Menkhoff, L. (2018). Does financial literacy improve financial behaviour? Cross-country evidence from urban Asia. Journal of Economic Behaviour& Organization, 150, 337–356.

[4]. Honold, M., Meier, S., & Park, J. (2025). Personality traits and speculative investment intentions in young investors: A behavioural perspective. International Review of Behavioural Finance, 9(2), 120–136.

[5]. Hossain, M., Rahman, K., & Alam, M. (2024). Behavioural biases and regret avoidance in emerging markets: Evidence from the Dhaka Stock Exchange. Asian Journal of Economics and Finance, 11(4), 44–56.

[6]. Islam, M., Qureshi, R., & Khan, N. (2024). Behavioural biases and financial risk-taking: An empirical investigation of individual investors. Journal of Behavioural and Experimental Finance, 34, 100743.

[7]. Kahneman, D., & Tversky, A. (1979). Prospect theory: An analysis of decision under risk. Econometrical, 47(2), 263–291.

DOI: 10.48175/IJARSCT-33251

[8]. Kishor, N., & Singh, S. (2022). Investor behaviour and loss aversion during COVID-19: Evidence from India. Indian Journal of Finance and Economic Studies, 9(3), 55–66.
[9]. Kwak, H. (2024). Attention-driven trading and speculative tendencies among post-pandemic retail investors. Finance Research Letters, 59, 104512.
[10]. Mahmood, S., Ahmed, R., & Rauf, A. (2024). Anchoring, herding, and overconfidence: Behavioural determinants of asset allocation decisions. International Journal of Behavioural Accounting and Finance, 7(1), 22–39.
[11]. Naveed, A., Javed, M., & Latif, S. (2024). Financial literacy, risk tolerance, and investor well-being: Evidence from emerging markets. Journal of Behavioural Studies in Finance, 8(2), 45–59.
[12]. Raut, R., Das, N., & Kumar, R. (2020). Behavioural intentions and financial literacy: Application of the theory of planned behaviour in investment decisions. International Journal of Management and Applied Research, 7(4), 409–421.
[13]. Raza, M., Bhutto, A., & Hussain, S. (2025). A systematic review of behavioural biases and their interactions across market cycles. Journal of Behavioural Economics and Policy, 10(1), 11–27.
[14]. Shantha, R. (2019). Learning behaviour, feedback interpretation, and herding tendencies among investors. Asian Journal of Economics and Behavioural Studies, 9(2), 89–101.
[15]. Shiller, R. J. (2003). From efficient markets theory to behavioural finance. Journal of Economic Perspectives, 17(1), 83–104.
[16]. Al-Darwish, A., Ahmed, H., & Younis, S. (2025). Financial literacy, risk awareness, and overconfidence among investors in developing economies. Journal of Financial Education and Practice, 12(1), 78–94.
[17]. Almansour, M. (2023). Behavioural biases and portfolio diversification: Evidence from Saudi equity markets. International Journal of Behavioural Finance and Economics, 6(3), 64–79.
[18]. Wilkinson, L., & Wong, K. (2025). Technological convenience and impulsive trading behaviour: Evidence from New Zealand during COVID-19. Pacific-Basin Finance Journal, 82, 102497.