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**INVESTMENT PATTERN & IMPACT OF SOCIAL MEDIA
ON INVESTMENT DECISION OF PEOPLE ON THE STOCK
MARKET IN SIKKIM STATE**

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A DISSERTATION
Presented to Department of ECONOMICS,
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In Partial Fulfillment of requirements of award of the Degree of
BACHELOR
OF
SCIENCE
(B.SC) ECONOMICS
2019-22

Name of the Supervisor

HOD

Declaration

*I hereby declare that this dissertation titled “**Investment pattern & impact of social media on investment decision of people on the stock market in Sikkim state**” does not contain information of a commercial or confidential nature, or include personal information other than which would be in the public domain unless the relevant permission has been obtained.*

This dissertation was submitted in partial-fulfilment of the requirements for award of Bachelor’s Degree in ECONOMICS at SRM University, Sikkim

I also declare that this representation has not been previously published or submitted as a project report for the award of any other degree.

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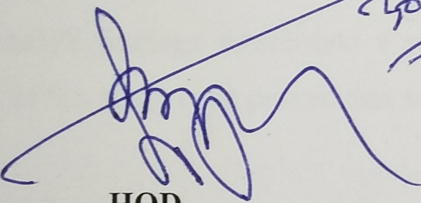
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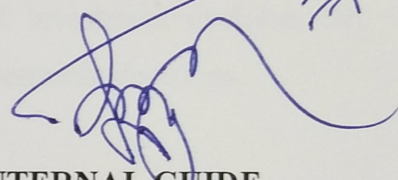
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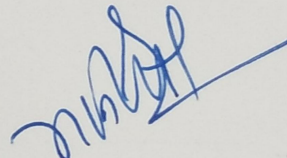
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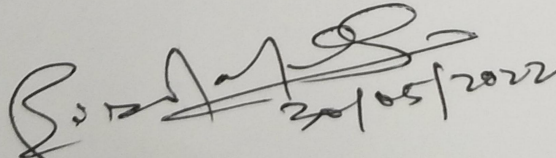
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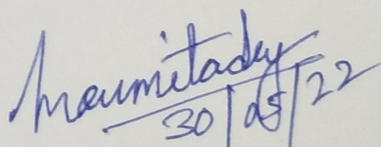
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INTERNAL GUIDE


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INTERNAL EXAMINAR


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ABSTRACT

Social media, which has experienced rapid growth and is now a fundamental part of everyday life, is recognized as key to predicting future outcomes, leading to several studies exploring this subject. Despite this, there is not a great deal of research on how the content on social media affects other real-life time-dependent events. The primary purpose of this research is to examine social media and to see if it has an impact on investment decisions. The study aimed first to establish whether there is a relationship between online social media and investor decision making, then it proceeds with investigating what factors affect investors' investment decisions and choices when they want to invest.

The research aimed to study the impact of social media on investment decisions. The study uses a quantitative method, and the data is collected from questionnaires, followed by an analysis using Microsoft Excel and SPSS.

This study's findings established a relationship between social media and investment decision, the results of this study have proven that social media does have an impact on investment decisions.

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CHAPTER-1

INTRODUCTION & BACKGROUND

1.1 INTRODUCTION

Social media being one of the digital media forms has brought people from different corners of the world networking, communicating and eliminating the demarcation between different democracies. Social meaning the people's interaction and media being the medium of networking, knowing, reviewing and sharing, Social media has different forms. There are Social-Media networking like Facebook, Instagram, LinkedIn, WhatsApp, Snapchat and so on. Social news, Microblogging, Media-sharing, Bookmarking sites and community blogs are also the few other forms of Social-media.

Since it's a relatively new technology, there's little research to establish the long-term consequences, good or bad, of social media use. However, multiple studies have found a strong link between heavy social media use and increased mental illness such as depression, anxiety, loneliness, self-harm, and even suicidal thoughts.

SOCIAL MEDIA AND ITS IMPACT ON PEOPLE

The impact of social media applications has triggered a discussion of the "new communication democracy". It is a tech breakthrough that has wrought fundamental change throughout society. Social networking enables individuals to create and share content, build long-lasting relationships and far-reaching communications and even escape reality. Today, we can send data from one end of the world to the other in a matter of seconds, use pictures, video, and text to share our real lives, our genuine identity. The rise of the media has made personal stories go public; local issues become global. It has brought benefits also in diversifying the flow of information in our life, and new technologies are continuing to gain ground every day, transforming our communication practices and possibilities.

SOME FACTS ABOUT SOCIAL MEDIA

- The average time a user spends on social media per day is 2 hours and 24 minutes.

- The number of apps that social media users check averagely reaches up to 8, including social networks and messaging apps.
- 4.57 billion people around the world use the internet; mostly for using social media (3.5 billion people).
- The word most used social platforms are Facebook, YouTube, WhatsApp, Facebook, Messenger, WeChat, and Instagram.
- 73% of marketers believe social media is effective in their business.
- 54% of internet users search social media to find their favorite products.
- 49% of consumers trust influencers' recommendations to buy from a brand.
- In 2019, the number of active stories in Instagram reached 500 million.
- 91% of social media users access the social channels via mobile devices like smartphones and tablets.

1.2 BACKGROUND

The internet has its roots in the 1960s and 1970s when various private and public organizations were working to try and find ways to get computers to communicate with one another. In a sense, this can be considered as the beginning of social media. However, it wasn't until the 1980s, and really the 1990s, that personal computers became more normal, which set the stage for the emergence of social media.

Additionally, the emergence of blogging and the bulletin board system in the 1990s helped user in the age of online social networking sites. The idea that an average person could log on to the internet and write about what they were thinking, feeling, and doing, and that these posts could be read by anyone at any time, and responded to, helped people begin to understand the full significance of the internet.

1.3 STATEMENT OF THE PROBLEM

The rapid growth and involvement of social media in everyday life has been acknowledged, and social media analytics has developed into a popular research topic. Many researches did study the impact of social media on investment decisions. However, we did not find a study that focuses on finding out if there

is an impact of social media on investments decision in Sikkim state. Thus, this study is an attempt to fill this knowledge gap.

1.4 RESEARCH QUESTIONS

The research questions are:

- Does social media affect the decision of investors?
- What is the relationship between information from social media and investment decisions?

1.5 RESEARCH OBJECTIVES

1. To understand the impact of social media on decision making of investors of Sikkim
2. To know whether the available social media content related to financial investments as been an advantage or disadvantage.

1.6 SCOPE OF THE STUDY

This research primarily focused on investor behavior in relation to social media in Sikkim. The findings will help to understand whether content on social media can be beneficial or not.

1.7 CONCEPTUAL AND OPERATIONAL DEFINITIONS

- **Social media:** refers to the means of interactions among people in which they create, share, and/or exchange information and ideas in virtual communities and networks.
- **The stock market:** refers to the collection of exchanges and other venues where the buying, selling, and issuance of shares of publicly held companies take place.
- **Trader:** A trader is a person who buys and sells financial instruments (such as stocks, currencies or commodities) in a financial market.
- **Investor:** An investor is any person or other entity (such as a firm or mutual fund) who commits capital with the expectation of receiving financial returns.

1.8 SUMMARY OF THE CHAPTERS

Chapter-1 of the study is about Introduction and Background which also includes statement of the problem, research questions, research objectives, scope of the study and conceptual and operational definitions.

Chapter-2 of the study is about Review of Literature

Chapter-3 of the study is about Research Methodology which also includes research design, sources of data, period of the study, statistical tools and limitation.

Chapter-4 of the study is about Results & discussion

Chapter-5 of the study is about Findings, Conclusion & Suggestions

CHAPTER-2

REVIEW OF LITERATURE

2.1 REVIEW

This chapter will review the detail study of other researches on Impact of social media on investment decision.

Shakerin Ismail, Radha K. Nair, Rahana Sham and Siti Norida Wahab, (Oct. 2018) in their study entitled “Impact of online social media on investment decision in Malaysia” have examined in their research where their main objective was to study the investment decision in Malaysia and it focused on several impacts of online social media towards the investment decision of investors in Malaysia. Moreover, the findings supported all hypotheses as proposed, where the P-value and significance value are all less than 0.05. Therefore, it showed that the independent variables have significant Impact on the dependent variable which is investment decision.

Ekta Ashokkumar Mistri and Dr. Gurudutta P. Japee, (July- Sept. 2020) in their study entitled “Analyzing the role of social media in investment decision with special reference to South Gujarat” have examined in their research where their objective was to analyze the role of social media in investment decisions which means changes in investment pattern after the enhancement of role of social media to a greater extent. Moreover, the finding rejected the null hypothesis. So, it is concluded that there exists a significant relationship between gender of respondents and frequency of using social media.

Dr. S. Kavitha, R.Bhuvaneswari, (January 2019), in his study entitled “A study on factors involving the usage of social media on investment decision making with reference to investors of selected stock broking houses in Coimbatore” have examined in his research where his main objective was to analyze the factors, namely Company news, Industry performance, Market updates, Economic factors and Investor sentiment which persuading the social media usage among the equity investors in Coimbatore District, Tami Nadu, India. Moreover, out of the five independent variables, Company News, Economic Factors and Investor Sentiment have much influenced the dependent variable Investment decision making as it is statistically significant at the 5% level.

Naresh Reddy Bollampelly, (August 2016), in his study entitled “Understanding role of social media in investor reactions” have examined in his research where his main objective was to understand the reasons and establish a connection as to what is expected and how to deal with such situations. Moreover, the survey results from investors from different countries, age groups and Investment experience. In a question on how they get their news feed, less than 5% said that they received their news from traditional sources, which means the 55% of people from financial news sites and the 40% from social media websites read from non-traditional sources.

Dr. Sahel Ali Al Atoom , Dr. Khaled Khalaf Alafi , Dr. Mazen Mohammad Al-Fedawi (2021), in their study entitled “The effect of social media on making investment decisions for investors in Amman Financial Market” have examined in their research where their objective was to identify the impact of social media on making investment decisions for investors in Amman Financial Market, by reviewing the most important economic and financial data and information that can be transferred by the new media, identify the most important and most new media influencing the decisions of investors in Amman Financial market, and identify the impact of new media on investors’ decision making in Amman Financial market. Moreover, the study reached a set of results, the most important of which are:

- Investors in Amman Financial market use social media with (60%) and specialized websites with (40%) to obtain economic and financial information and data that helps them in making and rationalizing their investment decisions.
- There is a statistically significant effect of new media applications and forms represented by specialized websites and social media on investment decision-making and rationalization.

Sharda Kumari (June 2017) in her study entitled “Impact of social media on biases of Individual Investor’s decision making”, have examined in her research where the objective was to understand and state whether social media is creating a sense of biases in the minds of retail investors and to study and learn different factors governing social media investment information and its effect on the investors. Moreover, it was observed that 55% of the people bank on information provided by news channels and only 20% on social media platforms amongst which 90% consider social media as a source of information for investment purposes.

Yavana Rani S, Prenana. M (June 2017), in their study entitled “Social media influence on the investment decisions among the youth adults in India”, have examined in their research where the objective was to know the extent of social-media impact on the investment decisions taken by the young adults, to know the top preferred investment option by the young adults to know the social-media role in understanding the conceptual details as perceived by the young investor and to know whether the available social media content related to Financial investments as been an advantage or disadvantage. Moreover, the analyzed data shows that 92.4% of the respondents have come across financial investment content on social media networking platforms and 32% of them have been influenced to learn more about the topic and 10% have been directly influenced to invest according to the suggested investment option as portrayed by the social media creator. Around 57% of the respondents say that the hype created over or by the social media influences ones’ investment decisions.

Safa Khalil Abu-Taleb and Fredrick Nilsson (October 2021), in their study entitled “Impact of social media on investment decision a quantitative study which considers information online, online community behaviour and firm image” have examined in their research where their objective was to examine social media and to see if it has an impact on investment decisions. The study aimed first to establish whether there is a relationship between online social media and investor decision making, then it proceeds with investigating what factors affect investors’ investment decisions and choices when they want to invest. The study also aimed to add knowledge in the behavioral finance field. Moreover, the findings established a relationship between social media and investment decision and these three independent variables positively correlate with the dependent variable (investment decision). In other words, the results of this study have proven that social media does have an impact on investment decisions.

Tricha Hinojosa, Shazia Miller, Andrew, Swanlund, Kelly Hallberg, Megan Brown and Brenna O’Brien (2010), in their study entitled “The impact of the stock market game on financial literacy & mathematics” have examined in their research where their objective was to study the impact of stock market game on

student investor and student academic from grade 4 to 10. Moreover, they found and playing stock market game had positive impact on student in learning math and concept related to saving and investing.

Jeet Singh and Preeti Yadav (2016), in their study entitled “A Study on the Factors Influencing Investors Decision in Investing in Equity Shares in Jaipur and Moradabad with Special Reference to Gender” have examined in their research where their objective was to identify factor influencing the investor and that motivates the investors to invest in shares. Moreover, they found at both male and female investor invested in high rate paying stock, Male studied daily report, and current financial position where as female investor looks for more securities in investment, both of them accepted recommendation from a trusted and reputed stock brokers.

Md. Hossen Miazee, Professor A. N. M. Shareef and Md. Nazmul Hasan (2014), in their study entitled “Fundamentals Knowledge of Investor and Its Influence on Investment in Capital Market- A Study from Dhaka Stock Exchange” have examined in their research where their objective was to measure the basic financial literacy and its effect to the stock market participants of DSE. Moreover, they found the total investors in DSE in 2010 and 2014, they found that most investor had no financial advisor, they wanted high return in short term and they took high risk for no reason.

2.2 SUMMARY

The main objective of their studies was to examine the relationship between social media and investment decision of investors on the stock market. However, their finding shows a positive impact of social media on decision making of investors, which means the financial related contents that are available on social media, has been beneficial to the investors.

CHAPTER-3

RESEARCH METHODOLOGY

3.1 RESEARCH DESIGN

This research focuses on investment pattern and impact of social media on investment decision of individuals investing in the stock market in Sikkim state. The study is descriptive and analytical in nature.

3.2 SOURCES OF DATA

The study is entirely based on primary data which are collected from the investors in Sikkim state, a certain set of questions were asked to respondents to understand their investment behavior. For this study data were collected from 60 respondents.

3.3 PERIOD OF THE STUDY

This research has been carried out from December 2021 to May 2022.

3.4 STATISTICAL TOOLS

The charts, table, diagrams, analysis and interpretation of data were obtained with the help of Microsoft Office Excel and *Statistical Package for the Social Sciences (SPSS)*.

From the analysis of the collected data we determined:

- Frequencies
- Cross tabulation
- Bar charts
- Pie chart

3.5 LIMITATIONS OF THE STUDY

The answer drawing from the analysis is applicable to this state only.

The research aimed to study the impact of social media on investment decision of investors in Sikkim. However, due to the shortage of time, majority of the data are taken from Gangtok district only.

CHAPTER-4

RESULTS & DISCUSSION

To have a detail understanding on the impact of social media and the investment pattern and to meet the objectives, the results and discussions has been conducted.

This chapter results and discussion is divided into two parts:

1. Profile of the respondents
2. Investment pattern of the respondents

4.1 PROFILE OF THE RESPONDENTS

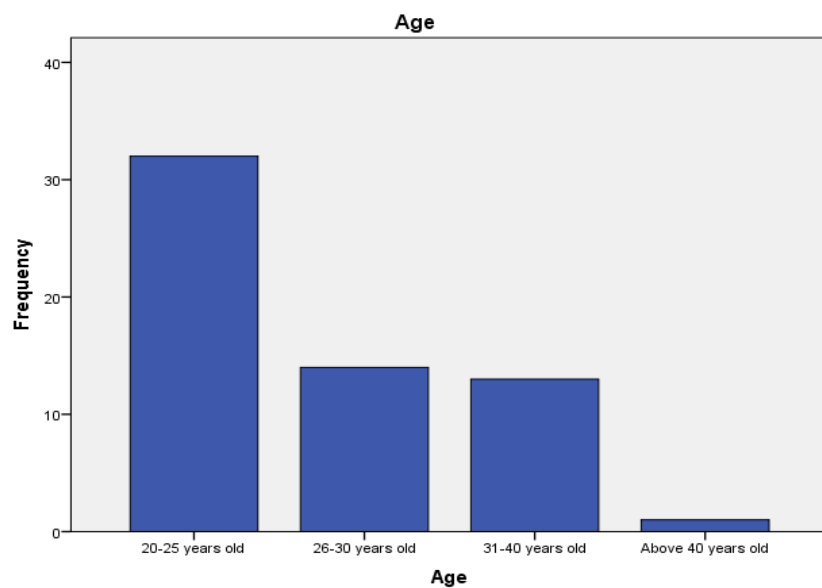


Figure 1: Age

Table 1: Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20-25 years old	32	53.3	53.3	53.3

	26-30 years old	14	23.3	23.3	76.7
	31-40 years old	13	21.7	21.7	98.3
	Above 40 years old	1	1.7	1.7	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

Out of 60 respondents majority of the respondents (53.3%) who are investing in the stock market are between 20-25 years of age, followed by (23.3%) are between 26-30 years old,(21.7%) are between 31-40 years old, (1.7%) are above 40 years old, as shown in **figure 1.** and **table 1.**

Table 2: Region

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Rural	9	15.0	15.0	15.0
	Urban	51	85.0	85.0	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

Table 2 shows that out of 60 respondents 51 respondents (85%) are from urban region and only 9 respondents (15%) are from rural region.

Table 3: District

		Frequency	Percent	Valid Percent	Cumulative Percent
Most	Valid				
	Gangtok	51	85.0	85.0	85.0
	Geyzing	3	5.0	5.0	90.0
	Namchi	1	1.7	1.7	91.7
	Pakyong	5	8.3	8.3	100.0
	Total	60	100.0	100.0	

of the

Source: Primary data, through the questionnaires

respondents are from the East Sikkim, Gangtok (85%), followed by Pakyong (8.3%), Geyzing (5%) and Namchi (1.7%), as shown in **table 3**.

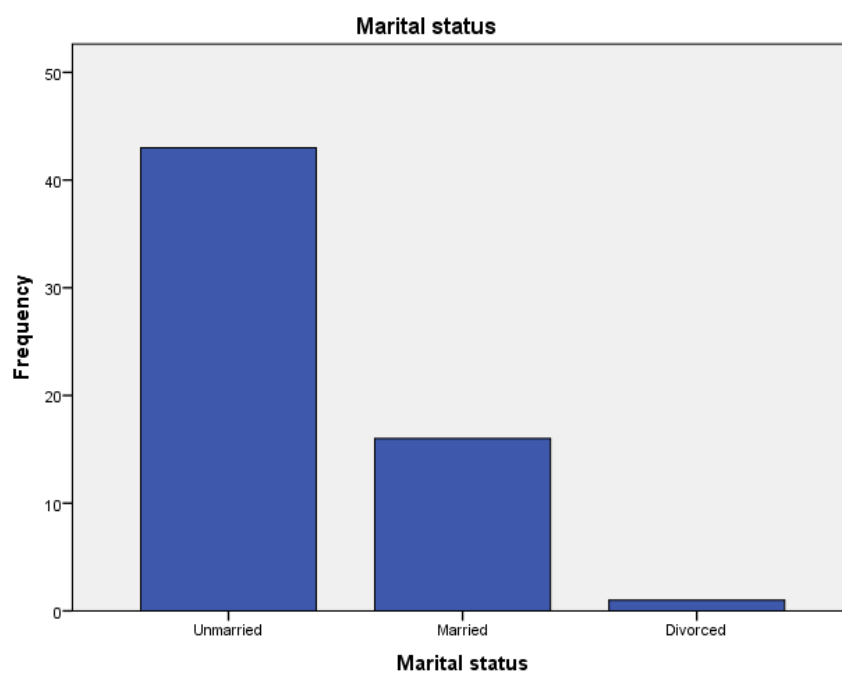


Figure 2: Marital status

Table 4: Marital status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Unmarried	43	71.7	71.7	71.7
	Married	16	26.7	26.7	98.3
	Divorced	1	1.7	1.7	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

Out of 60 respondents (71.7%) are unmarried, 25.7% are married and 1.7% are divorced, as shown in **figure 2** and **table 4**.

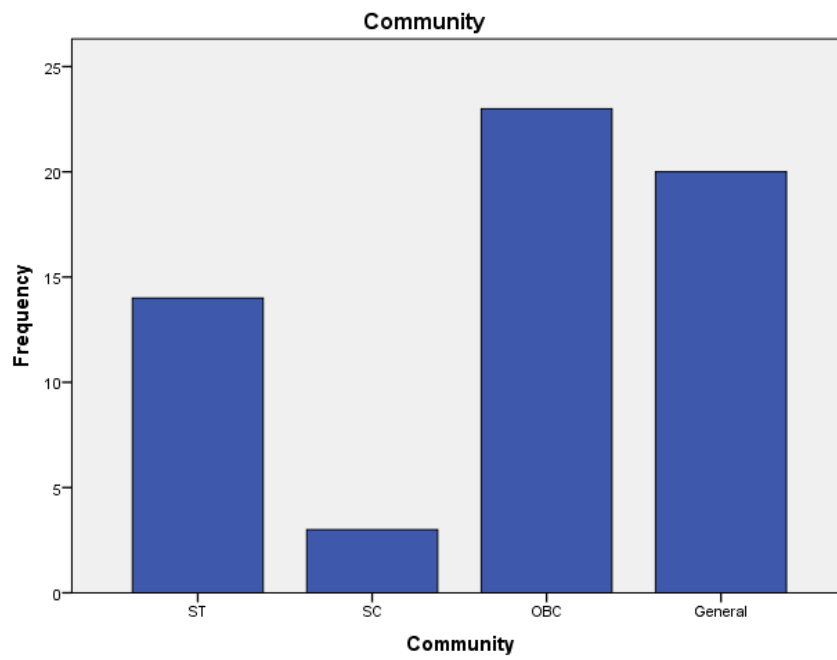


Figure 3: Community

Table 5: Community

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	ST	14	23.3	23.3	23.3
	SC	3	5.0	5.0	28.3
	OBC	23	38.3	38.3	66.7
	General	20	33.3	33.3	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

Majority of the respondents comes under OBC category (38.3%), (33.3%) under General category, (23.3%) under ST and (5%) under SC, as shown in **Figure 3 and Table 5**.

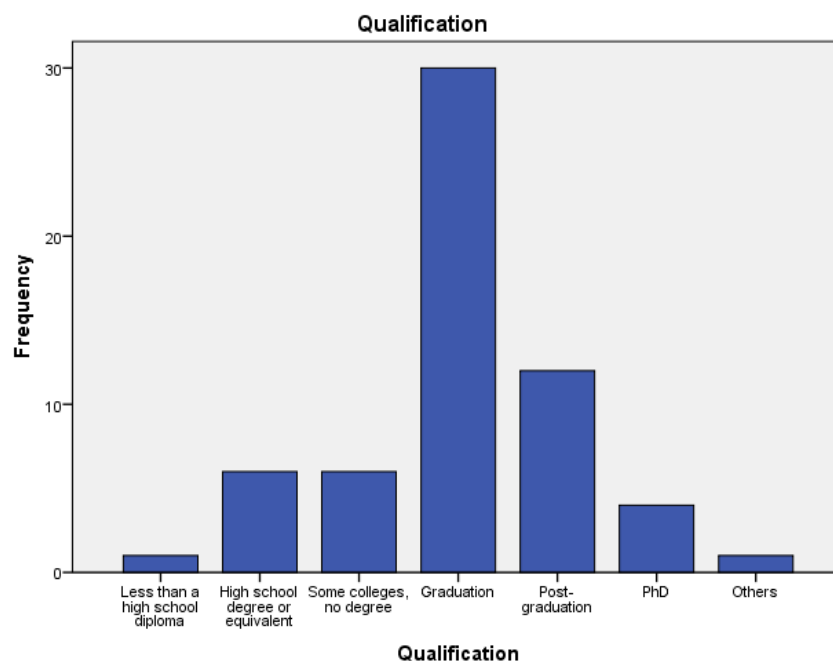


Figure 4: Qualification

Table 6: Qualification

		Frequenc y	Percent	Valid Percent	Cumulative Percent
Valid	Less than a high school diploma	1	1.7	1.7	1.7
	High school degree or equivalent	6	10.0	10.0	11.7
	Some colleges, no degree	6	10.0	10.0	21.7
	Graduation	30	50.0	50.0	71.7
	Post-graduation	12	20.0	20.0	91.7

	PhD	4	6.7	6.7	98.3
	Others	1	1.7	1.7	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

Figure 4 and **table 6** shows, the number of investors whose qualification is graduation are higher (50%), followed by post-graduation (20%) and investors with other degree are comparatively lower. 10% investors have high school degree, another 10% have done colleges but doesn't have a degree and only 6.7% have a PhD degree, the remaining 1.7% has less than a high school diploma and another 1.7% has other degree.

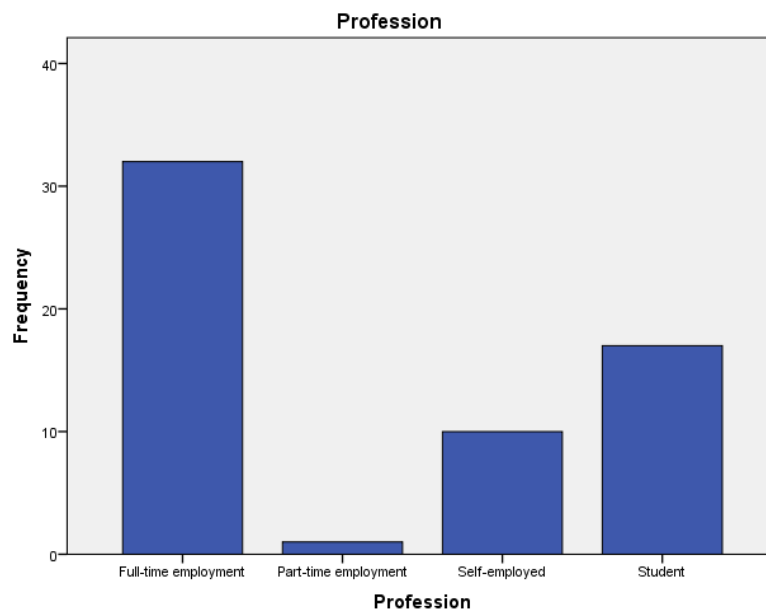


Figure 5: Profession

Table 7: Profession

		Frequency	Percent	Valid Percent	Cumulative Percent

Valid	Full-time employment	32	53.3	53.3	53.3
	Part-time employment	1	1.7	1.7	55.0
	Self-employed	10	16.7	16.7	71.7
	Student	17	28.3	28.3	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

Figure 5 and **table 7** shows that the majority of the investors are full-time employed (53.3%), followed by students (28.3%), Self-employed (16.7%), Part-time employed (1.7%)

Table 8: Monthly Income

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0-9,999	20	33.3	33.3	33.3
	10,000-24,999	24	40.0	40.0	73.3
	25,000-44,999	10	16.7	16.7	90.0
	>50000	6	10.0	10.0	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

Majority of the investors (40%) who invest in the stock market have an income between 10,000-24,999rs, (33.3%) investors have an income between 0 – 9,999rs

(16.7%) investors have an income between 25,000 – 44,999rs and only (10%) investors have an income of more than 50,000rs as shown in **table 8**.

4.2 INVESTMENT PATTERN OF THE RESPONDENTS

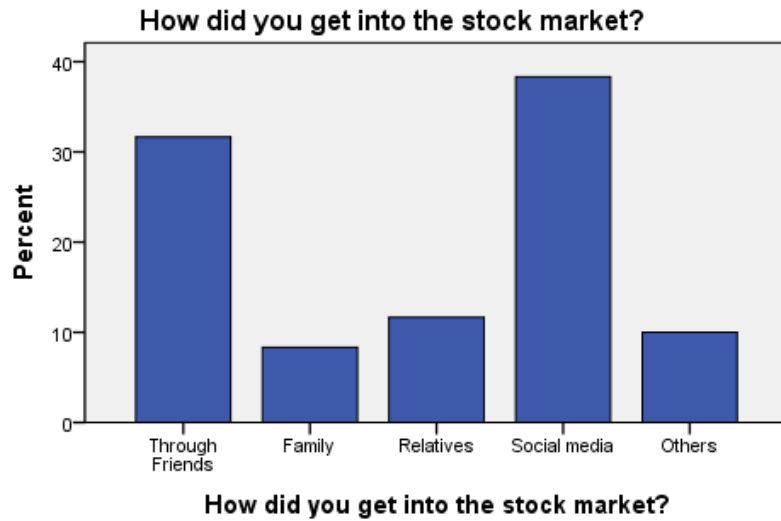


Figure 6: How did you get into the stock market?

Out of 60 respondents (38.3%) 23 respondents have entered the stock market through Social media, (31.7%) 19 respondents have entered through friends (11.7%) 7 respondents have entered through relatives (10%) 6 respondents have entered through other sources Only (8.3%) 5 respondents have entered through family, as shown in **Figure 6**.

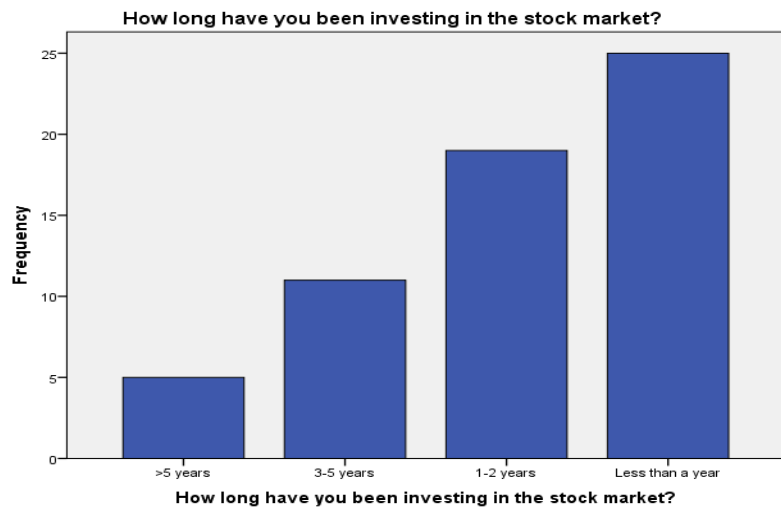


Figure 7: How long have you been investing in the stock market?

Table 9: How long have you been investing in the stock market?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	>5 years	5	8.3	8.3	8.3
	3-5 years	11	18.3	18.3	26.7
	1-2 years	19	31.7	31.7	58.3
	Less than a year	25	41.7	41.7	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

Due to the Covid-19 pandemic, work from home culture has been promoted and people have also started looking into opportunities in the financial market. Hence, it can be seen in **figure 7 and table 9** that the majority of the respondents (41.7%) have started investing less than a year ago.

(31.7%) investors have been investing in the stock market for about 1-2 years,

(18.3%) investors have been investing for about 3-5 years

Only (8.3%) investors have been investing for more than 5 years.

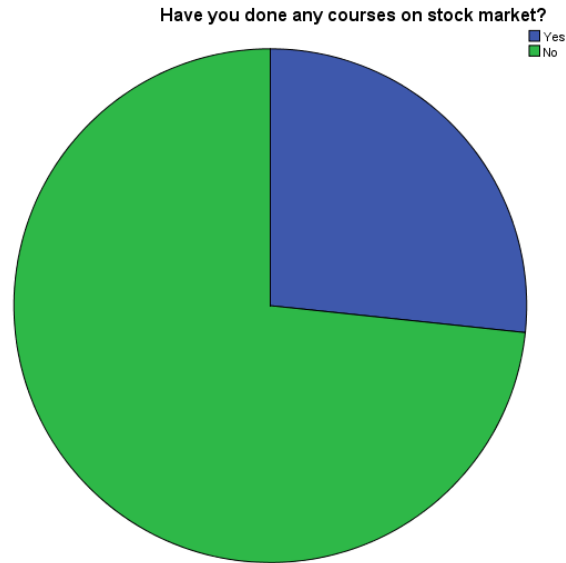


Figure 8: Have you done any courses on stock market?

Table 10: Have you done any courses on stock market?

		Frequency	Percent	Cumulative Percent
Valid	Yes	16	26.7	26.7
	No	44	73.3	100.0
	Total	60	100.0	

Source: Primary data, through the questionnaires

Figure 8 and **Table 10** shows that only 26.7% of the investors have done courses on stock market and 30% of them have rated 3 out of 5 to the courses they have enrolled.



Figure 9: Are you a trader or an investor?

Table 11: Are you a trader or an Investor?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Trader	2	3.3	3.3	3.3
	Investor	54	90.0	90.0	93.3
	Both	4	6.7	6.7	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

Out of 60 respondents 90% of the respondents are investors, only 3.3% respondents are trader and 6.7% are trader as well as investors as shown in **figure 9** and **Table 11**.

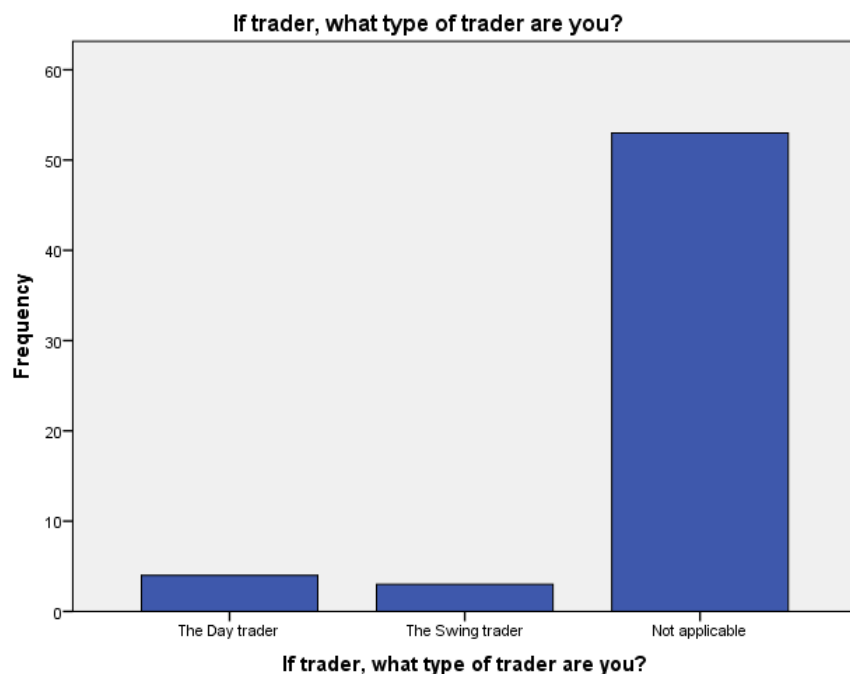


Figure 10: If trader, what type of trader are you?

Table 12: If trader, what type of trader are you?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	The Day trader	4	6.7	6.7	6.7
	The Swing trader	3	5.0	5.0	11.7
	Not applicable	53	88.3	88.3	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

According to **Figure 10** and **Table 12**, 6.7% respondents are Day trader and 5% respondents are swing trader, remaining 88.3% are investors.

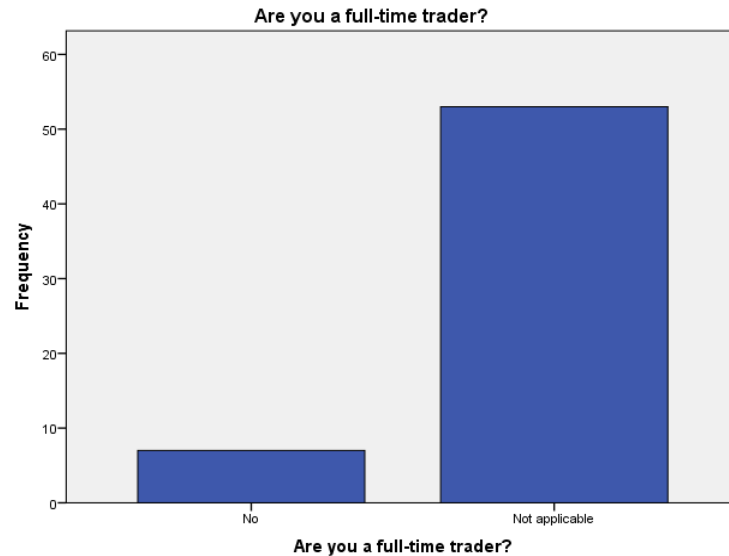


Figure 11: Are you a full-time trader?

Table 13: Are you a full-time trader?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	7	11.7	11.7	11.7
	Not applicable	53	88.3	88.3	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

Figure 11 and **Table 13** shows that there is no full time trader. However, 10% of the respondents thought about being a full-time trader (see **Table 14**)

Table 14: If no, have you thought about being a full-time trader?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	6	10.0	10.0	10.0
	No	1	1.7	1.7	11.7
	Not applicable	53	88.3	88.3	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

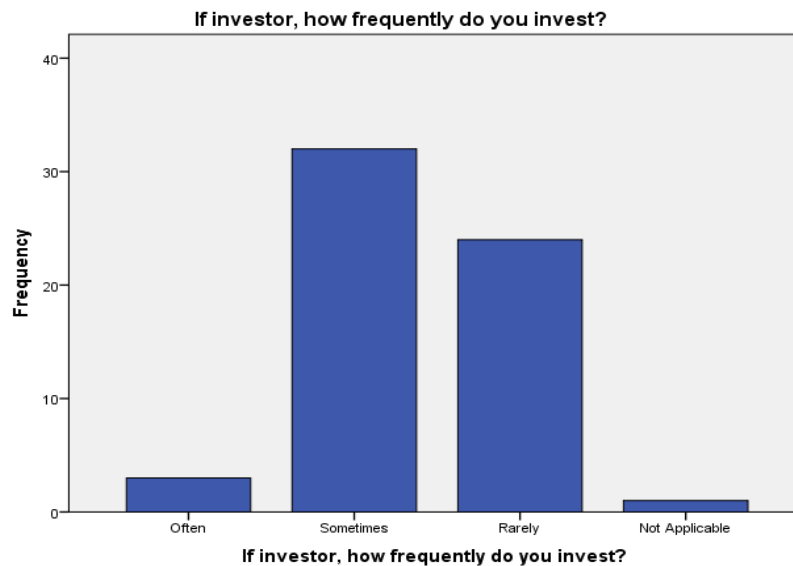


Figure 12: If investor, how frequently do you invest?

Table 15: If investor, how frequently do you invest?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Often	3	5.0	5.0	5.0
	Sometimes	32	53.3	53.3	58.3

	Rarely	24	40.0	40.0	98.3
	Not Applicable	1	1.7	1.7	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

Out of 60 respondents majority of the investors (53.3%) invest sometimes, (40%) invest rarely and (5%) invest often, as shown in **Figure 12** and **Table 15**.
Remaining (1.7 %) are traders.

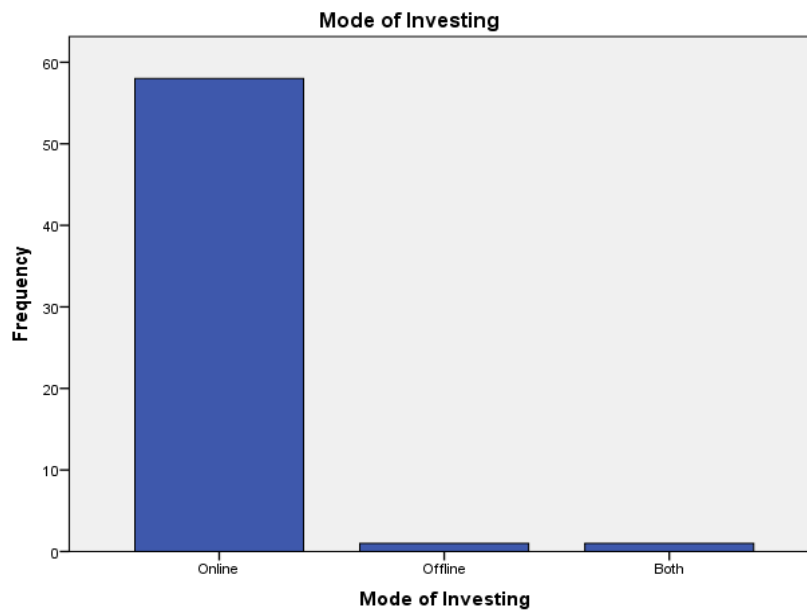


Figure 13: Mode of Investing

Table 16: Mode of Investing

	Frequency	Percent	Valid Percent	Cumulative Percent

Valid	Online	58	96.7	96.7	96.7
	Offline	1	1.7	1.7	98.3
	Both	1	1.7	1.7	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

Majority of the respondents (96.7%) invest online and only (1.7 %) invest offline and another (1.7%) invest online as well as offline, as shown in **Figure 13** and **Table 16**.

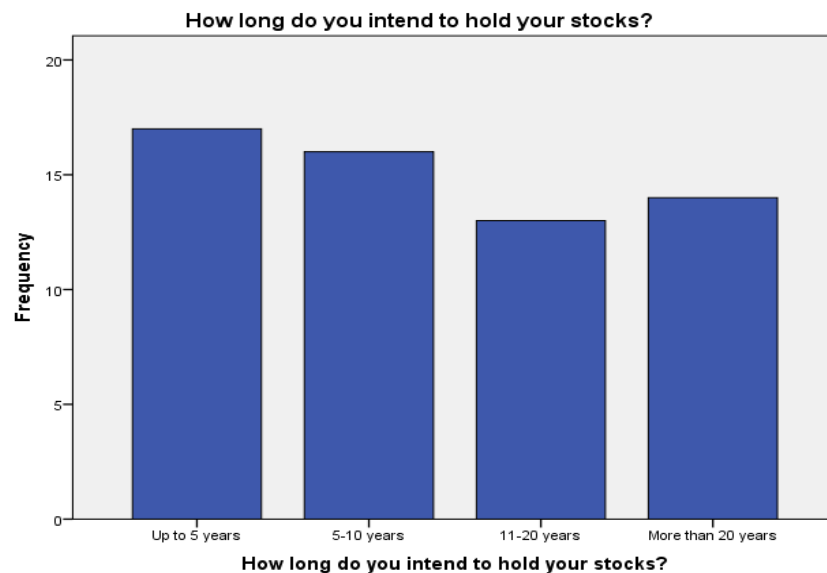


Figure 14: How long do you intend to hold your stocks?

Table 17: How long do you intend to hold your stocks?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Up to 5 years	17	28.3	28.3	28.3

	5-10 years	16	26.7	26.7	55.0
	11-20 years	13	21.7	21.7	76.7
	More than 20 years	14	23.3	23.3	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

Table 17 and **Figure 14** shows:

28.3% investors want to hold their stocks for about 5 years

26.7% investors want to hold their stocks for 5-10 years

23.3% investors want to hold their stocks for more than 20 years

21.7% investors want to hold their stock for 11-20 years

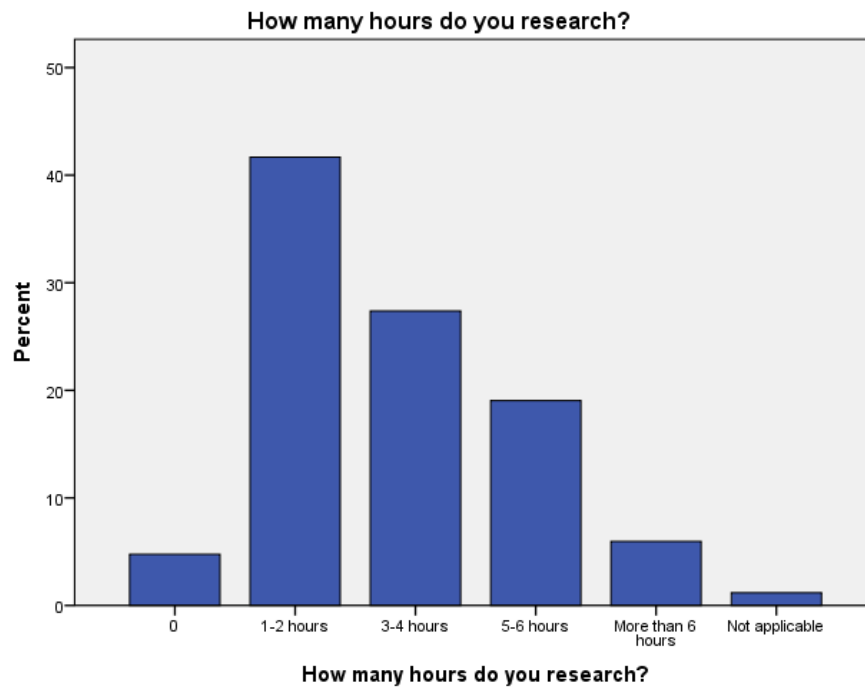


Figure 15: How many hours do you research?

Table 18: How many hours do you research?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	4	4.8	4.8	4.8
	1-2 hours	35	41.7	41.7	46.4
	3-4 hours	23	27.4	27.4	73.8
	5-6 hours	16	19.0	19.0	92.9
	More than 6 hours	5	6.0	6.0	98.8
	Not applicable	1	1.2	1.2	100.0
	Total	84	100.0	100.0	

Source: Primary data, through the questionnaires

Majority of the respondents (41.7%) spend 1-2 hours consuming financial information before making investment decisions, (27.4%) spend 3-4 hours, (19%) spend 5-6 hours, (6%) spend more than 6 hours. As shown in **Figure 15** and **Table 18**.

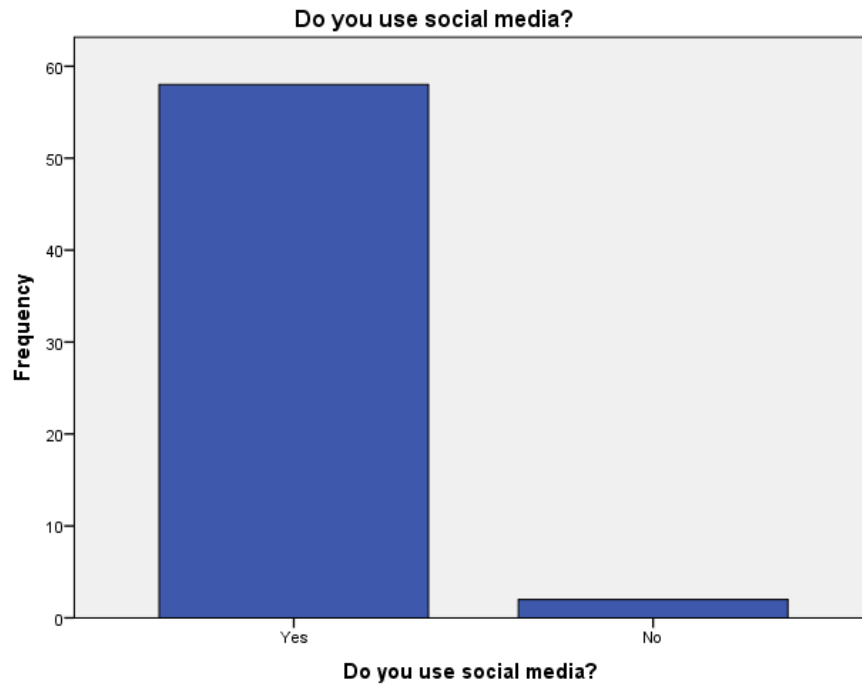


Figure 16: Do you use social media?

Table 19: Do you use social media?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	58	96.7	96.7	96.7
	No	2	3.3	3.3	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

Out of 60 respondents majority of the respondents (96.7%) use social media, only (3.3%) of respondents don't use social media, as shown in **Table 19** and **Figure 16**.

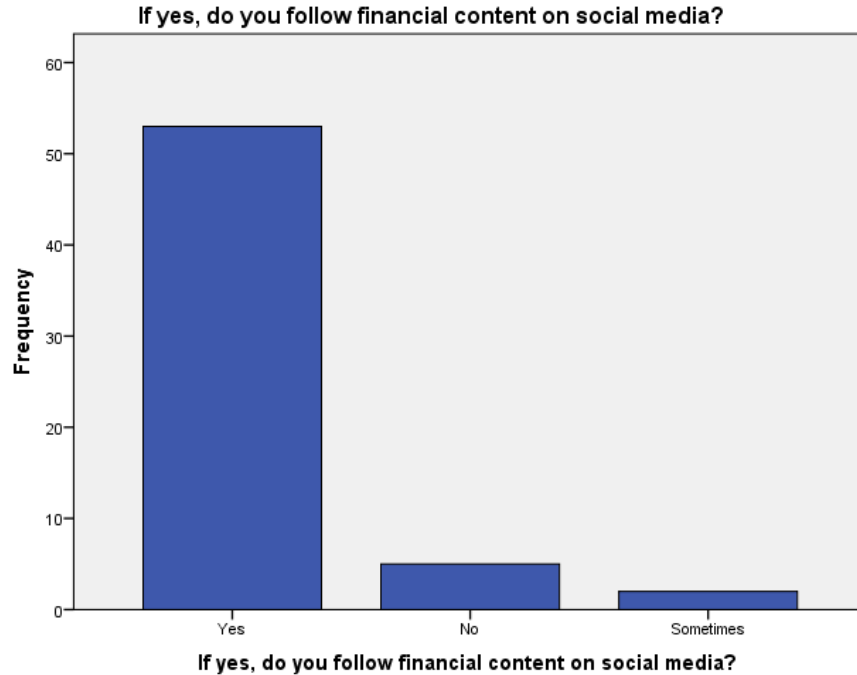


Figure 17: If yes, do you follow financial content on social media?

Table 20: If yes, do you follow financial content on social media?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	53	88.3	88.3	88.3
	No	5	8.3	8.3	96.7
	Sometimes	2	3.3	3.3	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

88.3% respondents who use social media follow financial content on social media

8.3% doesn't follow financial content on social media at all

3.3% respondents follow sometimes. As shown in **Figure 17** and **Table 20**.

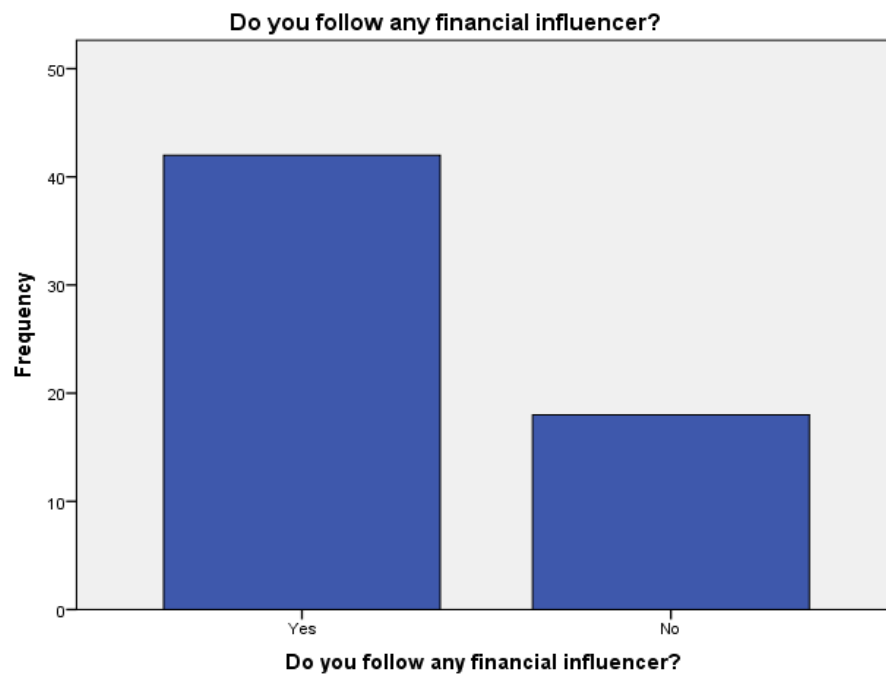


Figure 18: Do you follow any financial influencer?

Table 21: Do you follow any financial influencer?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	42	70.0	70.0	70.0
	No	18	30.0	30.0	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

70% respondents who use social media follow financial influencers on social media

30% respondents use social media but don't follow financial influencers. As shown in **Figure 18** and **Table 21**.

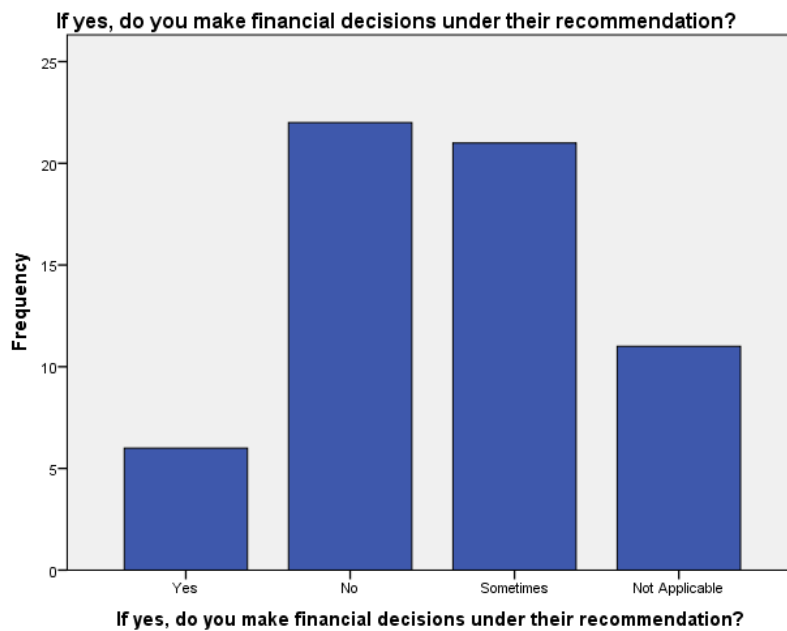


Figure 19 If yes, do you make financial decisions under their recommendation?

Table 22: If yes, do you make financial decisions under their recommendation?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	6	10.0	10.0	10.0
	No	22	36.7	36.7	46.7
	Sometimes	21	35.0	35.0	81.7
	Not Applicable	11	18.3	18.3	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

10% respondents who follow financial influencers make financial decisions under their recommendation.

36.7% respondents doesn't make financial decisions under their recommendation

35% respondents make financial decisions sometimes under their recommendation.

As shown in **Figure 19** and **Table 22**.

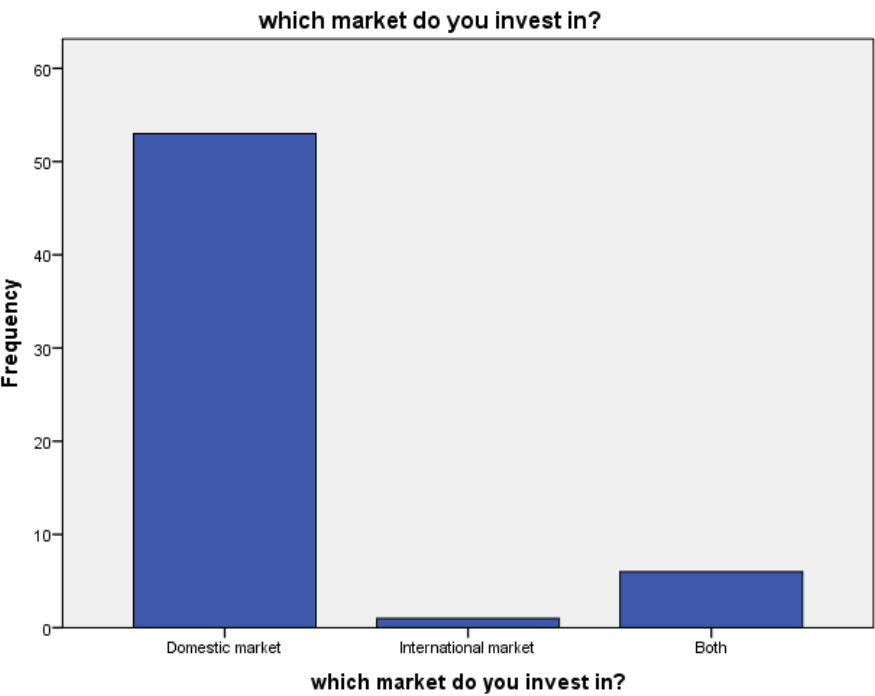


Figure 20: which market do you invest in?

Table 23: which market do you invest in?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Domestic market	53	88.3	88.3	88.3
	International market	1	1.7	1.7	90.0
	Both	6	10.0	10.0	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

Majority of the people are investing in the domestic market (88.3%), only a few (1.7%) are investing in international market and (10%) respondents are investing in both market, as shown in **Figure 20** and **Table 23**



Figure 21: Apps you use for investing and trading?

Table 24: Apps you use for investing and trading

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Groww	9	15.0	15.0	15.0
	Zerodha	22	36.7	36.7	51.7
	HDFC securities	3	5.0	5.0	56.7
	Upstox	20	33.3	33.3	90.0
	Angel One	2	3.3	3.3	93.3

	Others	4	6.7	6.7	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

Majority of the investors are using Zerodha (36.7%), followed by Upstox (33.3%), Groww (15%), others (6.7%), HDFC securities (5%), Angel one (3.3%), as shown in **Figure 21** and **Table 24**.

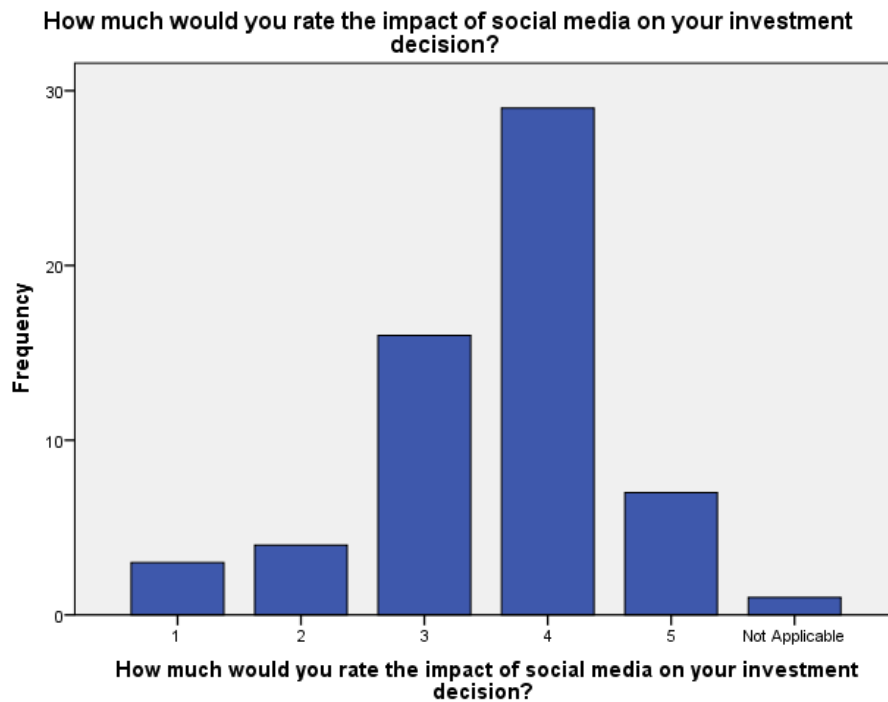


Figure 22: How much would you rate the impact of social media on your investment decision?

Table 25: How much would you rate the impact of social media on your investment decision?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	3	5.0	5.0	5.0
	2	4	6.7	6.7	11.7

	3	15	25.0	25.0	36.7
	4	29	48.3	48.3	85.0
	5	7	11.7	11.7	96.7
	Not Applicable	2	3.3	3.3	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

Figure 22 and **Table 25** shows that 48.3% investors have rated 4 out of 5 to the impact of social media on their investment decision, 25% rated 3 out of 5, 11.7% rated 5 and only 11.7% rated 1 and 2 out of 5, which shows there is a great role of social media on people's investment decision.

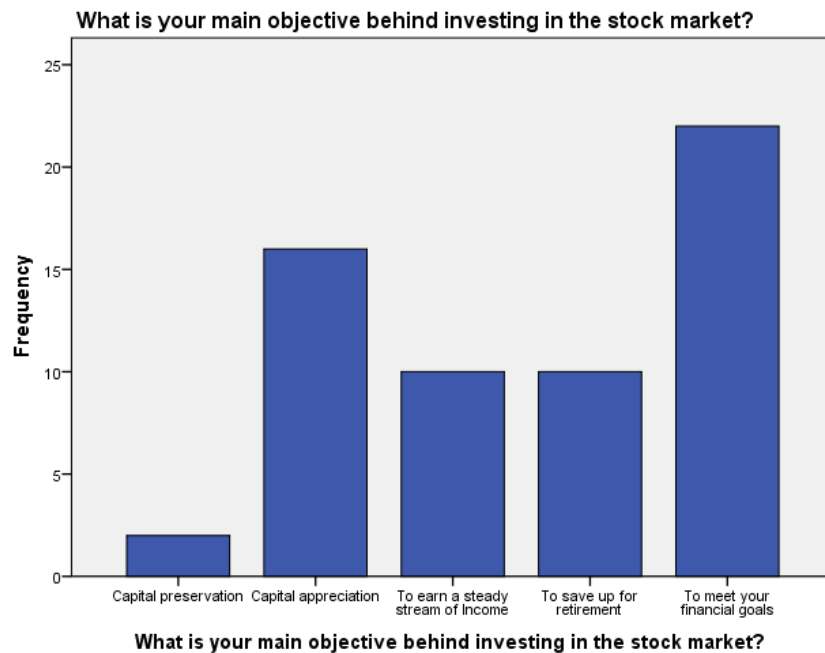


Figure 23: What is your main objective behind investing in the stock market?

Table 26: What is your main objective behind investing in the stock market?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Capital preservation	2	3.3	3.3	3.3
	Capital appreciation	16	26.7	26.7	30.0
	To earn a steady stream of Income	10	16.7	16.7	46.7
	To save up for retirement	10	16.7	16.7	63.3
	To meet your financial goals	22	36.7	36.7	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

36.7% of investors' objective behind investing in the stock market is to meet financial goals.

26.7% of investors' objective behind investing is capital appreciation.

16.7% of investors' objective is to earn a steady stream of income.

Another 16.7% of investors' objective is to save up for retirement.

3.3% of investors' objective is capital preservation, as shown in **Figure 23** and **Table 26**.

Table 27: What is your ROI per month?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	3	5.0	5.0	5.0
	Up to 3%	3	5.0	5.0	10.0

	3-5%	15	25.0	25.0	35.0
	6-10%	32	53.3	53.3	88.3
	11-15%	4	6.7	6.7	95.0
	Above 15%	1	1.7	1.7	96.7
	Not Applicable	2	3.3	3.3	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

Majority of investors (53.3%) claims to make 6-10% profit on average per month

(25%) are making 3-5% profit on average per month,

(6.7%) investors are making 11-15% profit on average per month

(5%) investors are making up to 3%

Another (5%) investors are not making profit at all

Only (1.7%) investors are making above 15% profit on average per month, as shown in **Table 27**.

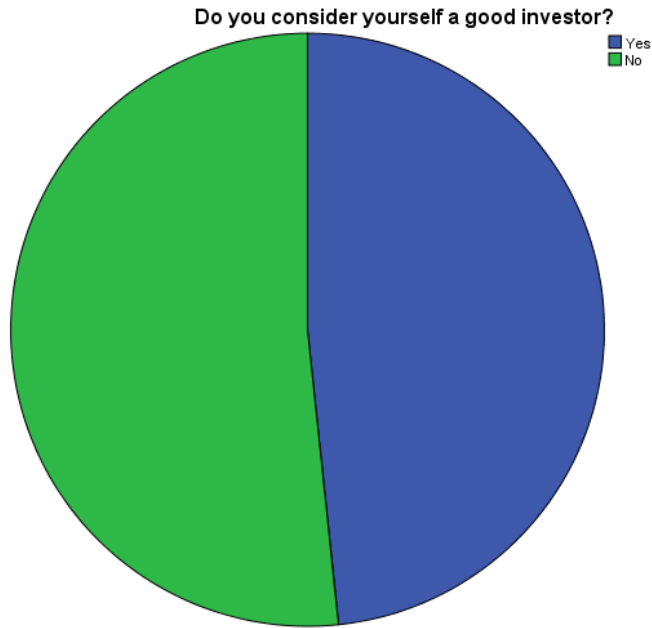


Figure 24: Do you consider yourself a good investor?

Table 28: Do you consider yourself a good investor?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	29	48.3	48.3	48.3
	No	31	51.7	51.7	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

Out of 60 respondents majority of the respondents (51.7%) don't consider themselves a good investor, only 48.3% respondents consider themselves a good investor, as shown in **Figure 24** and **Table 28**.

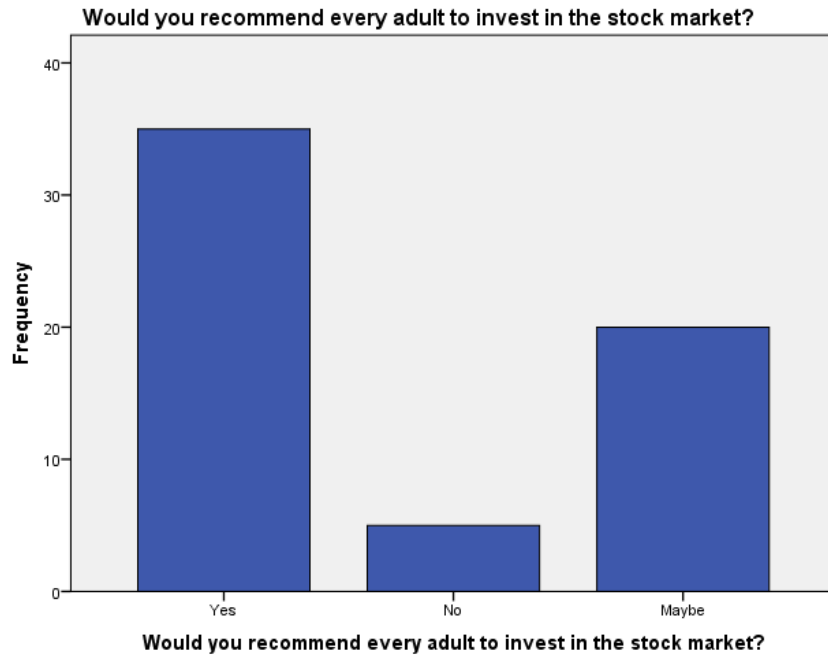


Figure 25: Would you recommend every adult to invest in the stock market?

Table 29: Would you recommend every adult to invest in the stock market?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	35	58.3	58.3	58.3
	No	5	8.3	8.3	66.7
	Maybe	20	33.3	33.3	100.0
	Total	60	100.0	100.0	

Source: Primary data, through the questionnaires

Out of 60 respondents 58.3% respondent recommends every adult to invest in the stock market, 8.3% respondent doesn't recommend every adult to invest in the stock market and 33% might recommend every adult to invest in the stock market, as shown in **Figure 25** and **Table 29**.

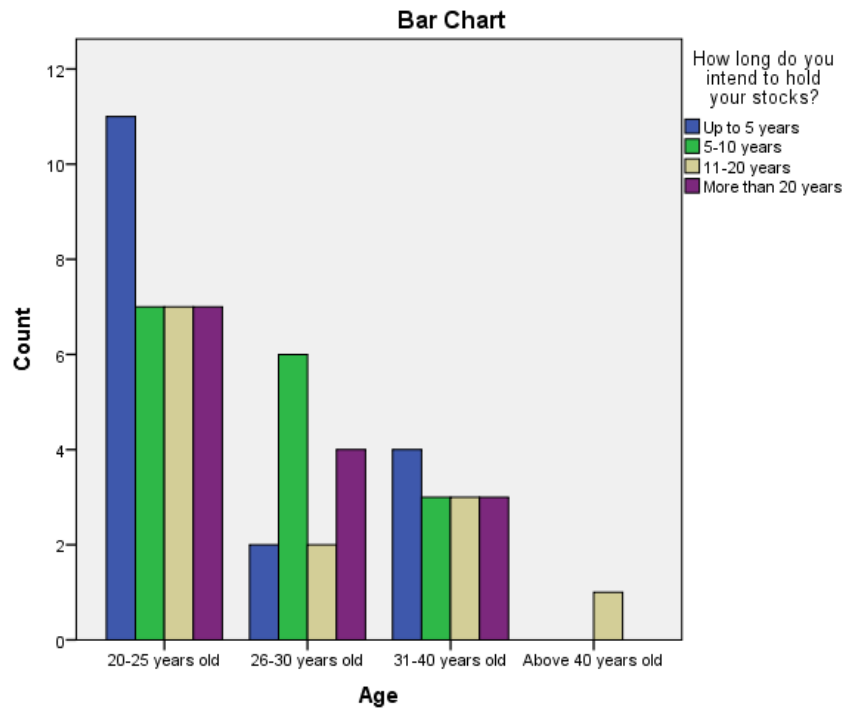


Figure 26: Cross tabulation between “Age” and “How long do you intend to hold your stocks?”

Table 30: Cross tabulation between “Age” and “How long do you intend to hold your stocks?”

		How long do you intend to hold your stocks?				Total
		Up to 5 years	5-10 years	11-20 years	More than 20 years	
Age	20-25 years old	11	7	7	7	32
	26-30 years old	2	6	2	4	14
	31-40 years old	4	3	3	3	13
	Above 40 years old	0	0	1	0	1

Total	17	16	13	14	60
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Source: Primary data, through the questionnaires

Figure 26 shows that:

Majority of the investors aged between 20-25 years old have intention to hold stocks for about 5 years.

Majority of the investors aged between 26-30 years old have intention to hold stocks for 5-10 years.

Majority of the investors aged between 31-40 years old have intention to hold stocks for about 5 years.

Investors whose age is more than 40 have intention to hold stocks for 11-20 years.

Table 31: Cross tabulation between “Age” and “If yes, do you follow financial content on social media?”

		If yes, do you follow financial content on social media?			Total
		Yes	No	Sometimes	
Age	20-25 years old	31	0	1	32
	26-30 years old	13	1	0	14
	31-40 years old	8	4	1	13
	Above 40 years old	1	0	0	1
Total		53	5	2	60

Source: Primary data, through the questionnaires

All the investors aged between 20-25 years old follows financial content on social media.

Majority of the investors aged 26-30, 31-40 and above 40 years old also follows financial content on social media, as shown in **Table 31**.

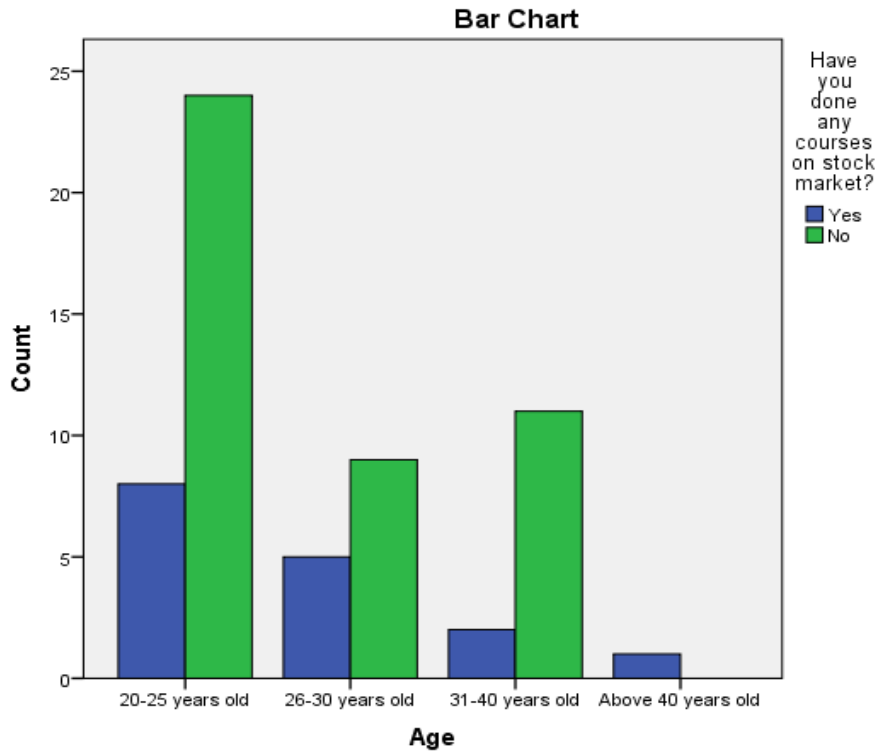


Figure 27: Cross tabulation between “Age” and “Have you done any courses on stock market?”

Table 32: Cross tabulation between “Age” and “Have you done any courses on stock market?”

		Have you done any courses on stock market?		Total
		Yes	No	
Age	20-25 years old	8	24	32
	26-30 years old	5	9	14
	31-40 years old	2	11	13
	Above 40 years old	1	0	1
Total		16	44	60

Source: Primary data, through the questionnaires

The **figure 27 and table 32** shows, only 8 out of 32 investors of age group of 20-25 have done courses on stock market,

Only 5 out of 14 investors of age group 26-30 have done courses on stock market

Only 2 out of 13 investors of age group 31-40 have done courses on stock market

This shows that most of the investors in Sikkim do not have enough knowledge about the stock market.

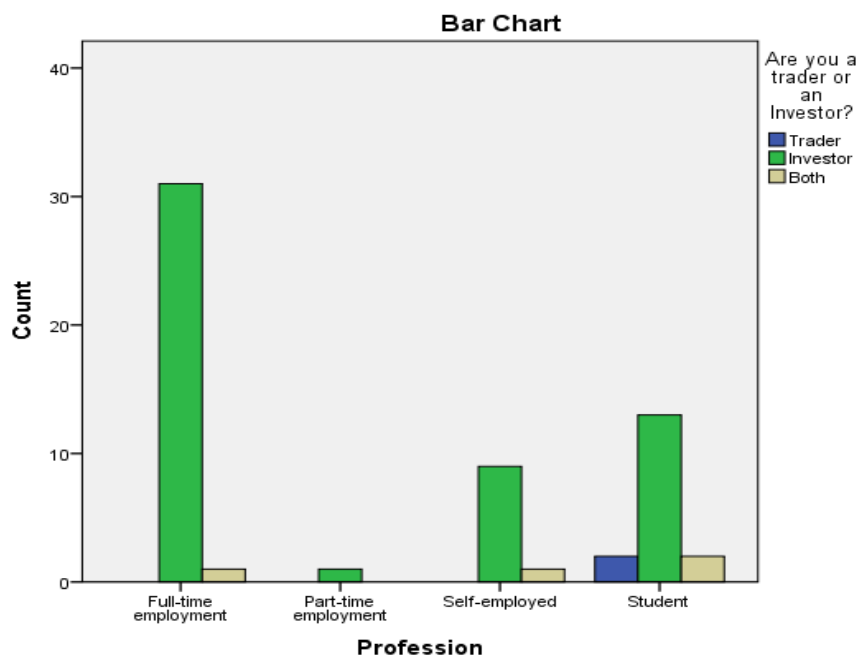


Figure 28: Cross tabulation between “Profession” and “Are you a trader or an Investor?”

Table 33: Cross tabulation between “Profession” and “Are you a trader or an Investor?”

		Are you a trader or an Investor?			Total
		Trader	Investor	Both	
Profession	Full-time employment	0	31	1	32
	Part-time employment	0	1	0	1
	Self-employed	0	9	1	10
	Student	2	13	2	17
Total		2	54	4	60

Source: Primary data, through the questionnaires

Majority of the investors are full-time employed.

Majority of the traders are students, as shown in **Figure 28** and **Table 33**.

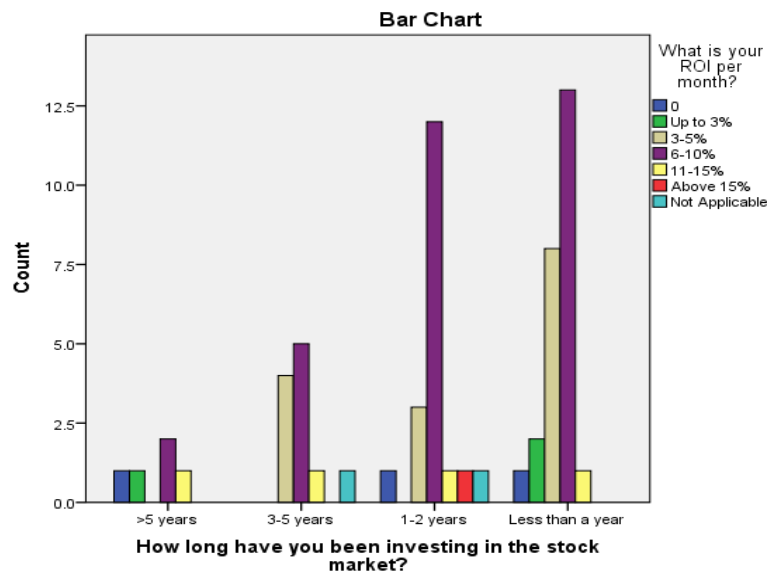


Figure 29: Cross tabulation between "How long have you been investing in the stock market?" and "What is your ROI per month?"

Table 34: Cross tabulation between "How long have you been investing in the stock market?" and "What is your ROI per month?"

		What is your ROI per month?							Total
		0	Up to 3%	3-5%	6-10%	11-15%	Above 15%	NA	
How long have you been investing in the stock market?	>5 years	1	1	0	2	1	0	0	5
	3-5 years	0	0	4	5	1	0	1	11
	1-2 years	1	0	3	12	1	1	1	19

	Less than a year	1	2	8	13	1	0	0	25
Total		3	3	15	32	4	1	2	60

Source: Primary data, through the questionnaires

Majority of people who have been investing in the stock market for over 5 years is making 6-10% profit per month.

People who have been investing in the stock market for less than a year have been making 0-15% profit, as shown in **Table 34**.

Table 35: Cross tabulation between “How long have you been investing in the stock market?” and “How much would you rate the impact of social media on your investment decision?”

		How much would you rate the impact of social media on your investment decision?						Total
		1	2	3	4	5	NA	
How long have you been investing in the stock market?	>5 years	0	1	2	1	0	1	5
	3-5 years	1	3	2	5	0	0	11
	1-2 years	1	0	6	11	1	0	19

	Less than a year	1	0	6	12	6	0	25
Total		3	4	16	29	7	1	60

Source: Primary data, through the questionnaires

Majority of people who have been investing in the stock market for over 5 years rated 3 out of 5 to the impact of social media on their investment decision.

Majority of people who have been investing in the stock market for less than a year to 5 years rated 4 out of 5 to the impact of Social media, as shown in **Table 35**.

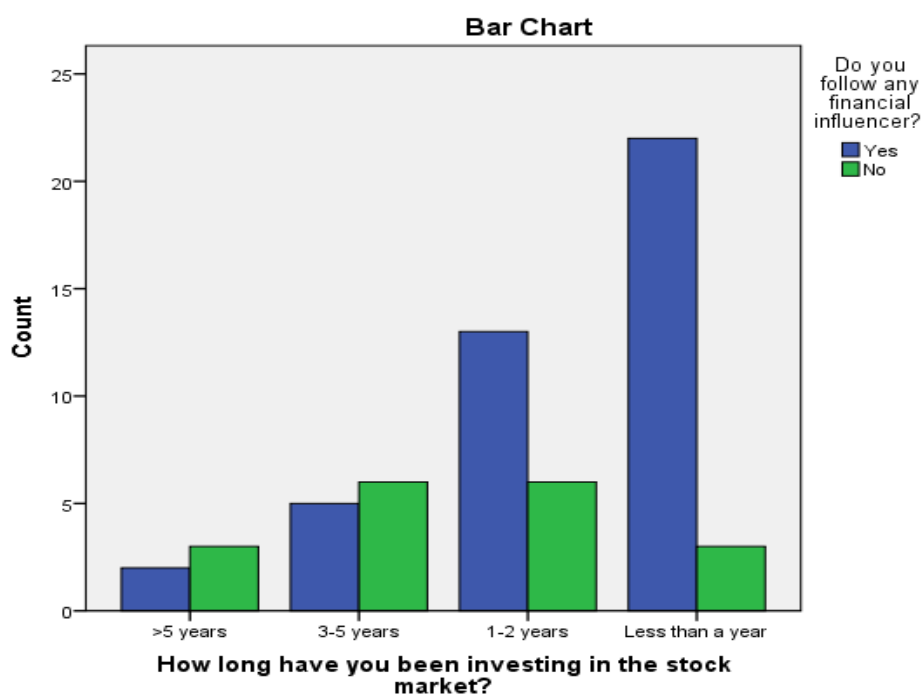


Figure 30: Cross tabulation between “How long have you been investing in the stock market?” and “Do you follow any financial influencer?”

Table 36: Cross tabulation between “How long have you been investing in the stock market?” and “Do you follow any financial influencer?”

		Do you follow any financial influencer?		Total
		Yes	No	
How long have you been investing in the stock market?	>5 years	2	3	5
	3-5 years	5	6	11
	1-2 years	13	6	19
	Less than a year	22	3	25
Total		42	18	60

Source: Primary data, through the questionnaires

Majority of respondents who have been investing in the stock market for less than a year are following financial influencer, whereas the investors with more experiences are not following any financial influencer, as shown in **Figure 30**.

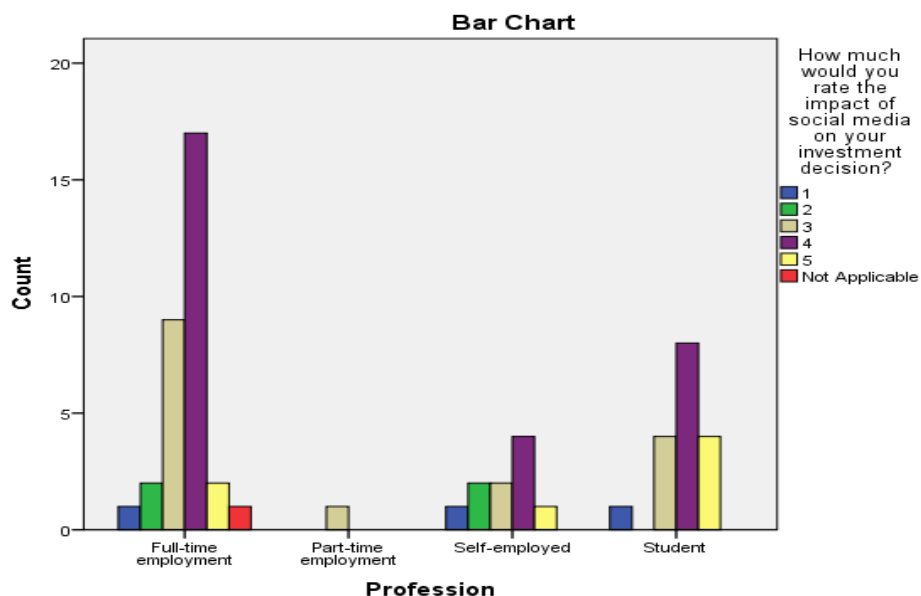


Figure 31: Cross tabulation between “Profession” and “How much would you rate the impact of social media on your investment decision?”

Table 37: Cross tabulation between “Profession” and “How much would you rate the impact of social media on your investment decision?”

Profession	How much would you rate the impact of social media on your investment decision?						Total
	1	2	3	4	5	Not Applicable	
Full-time employment	1	2	9	17	2	1	32
Part-time employment	0	0	1	0	0	0	1
Self-employed	1	2	2	4	1	0	10
Student	1	0	4	8	4	0	17
Total	3	4	16	29	7	1	60

Source: Primary data, through the questionnaires

Out of 60 respondents majority of the full-time employed (17 respondents) have rated 4 out of 5 to the impact of social media on their investment decision.

Majority of the students (8 respondents) have also rated 4 out of 5 to the impact of social media but some students (4 respondents) have rated 5 out of 5 to the impact of social media, as shown in **Figure 31 and Table 37**.

CHAPTER 5

FINDINGS, CONCLUSION AND SUGGESTIONS

5.1 FINDINGS

Some of the major findings are as follows:

1. It has been found that social media not only has an impact on investment decisions but also has a great impact on bringing people into the stock market.
2. Most of the investors have never enrolled in any course related to the stock market, which shows the lack of knowledge among the investors.
3. Most of the investors' objective behind investing in the stock market is to meet their financial goals.

5.2 CONCLUSION

The purpose of the study were to examine the impact of social media on decision making of investors of Sikkim and to know whether the available social media content related to financial investments has been advantage or disadvantage. The objectives of the study have been met and we came to know that there is a significant relationship between financial content on social media and investment decision. The findings show that most of the respondents have less than one year experience and also does not have enough knowledge about the stock market. However, many investors follow financial content on social media to create their bias and it has been beneficial to them to some extent. The most common objective of investors' behind investing in the stock market is to meet the short term financial goal.

5.3 SUGGESTIONS

The study proposes the following suggestions:

- 1.** Every investor should enroll themselves in courses related to stock market to enhance their skills and knowledge.
- 2.** Investors should use content on social media only for confluence and should not rely solely on it for decision making.

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