

## **Investigating the individual factors on purchasing the stock share**

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**ABSTRACT :** *The present paper investigates the effect of the individual factors on the individuals' intention and decision in relation to purchasing Tehran stock shares. The paper would evaluate the effect of the factors such as gender, working background, age, academic education level, field of study and on the individuals' intention and decision in relation to purchasing the stock share. One sample t-test is used to test the hypotheses. After the hypotheses test, it was recognized that there is a meaningful relationship between the individual factors and the individuals' intention and decision in relation to purchasing the stock shares. The variables of gender, working background, age, marital status, academic education level, field of study and have direct effect on individuals' intention and decision in relation to purchasing stock shares.*

**KEYWORDS** - Investing, Individual Factors, Decision-Making.

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### **I. INTRODUCTION**

#### ***1.1. Statement of the Problem***

Reaching the long-term and consistent Economic growth requires optimized equipping and allocating of resources at national level. This important issue would not be easily possible without the help of the financial markets specially the effective and expanded investment market. In a sound economy, the existence of an effective financial network has a fundamental role in the suitable distribution of the capital and the financial resources (Stephen P. Robbins, Timothy A. Judge ,2010). Capital market has been defined as an available investing tool, both for major investors and also the public in a way that the people can invest their in hand cash which has no profit for them in the stock market. This matter, on one hand, makes profit for and satisfies the investor; on the other hand, at national level, by reducing the cash maintenance and increasing the growth rate of the physical capitals, increases the Economic growth, at least in long-term. When people tend to purchase the shares, express a kind of behavior. A lot of factors such as the individual factors affect the individuals' purchasing behavior. The individual factors have an exclusive effect on human beings' movements and actions and form the individuals' behavior. Investigating the individuals' factors on their intention and decision in the stock market can solve many ambiguities about the purchasing behavior of the share holders. Therefore, the present paper investigates the effect of the individuals' factors on the intention and decision of the people in relation to purchasing the shares in the stock market (Saleh A, Abbas ,2002).

#### ***1.2. Importance and Necessity of the Research***

Analysts in order to be able to present an accurate analysis of the individual's purchasing behavior need to recognize all the affecting factors on the individual's intention and decision in regard to purchasing the stock shares. The present paper can help the analysts to recognize the affecting factors on individual's behavior regarding the stock share purchase. The recognition of the affecting individual factors regarding the investment in the stock market helps the analysts to take more accurate actions for absorbing the investors to the stock market. And, besides paying attention to other Economic and financial variables, pay more attention than before to the individual factors of the people as important and effective factors on individuals' decision about buying the stock shares. Also, the financial programmers can benefit these research findings as it can be a great help for them in complying the solutions and equipping and allocating the financial sources (Saleh A, Abbas, Saeedi, M. Reza ,2007).

#### ***1-3-2. Effective Factors on Purchasing Decision-Making Process***

Successful marketing begins with the knowing how and why of the buyer's behavior. The purchasing decision-making process is influenced by different factors which are shown below (Roosta and et al., 2006).

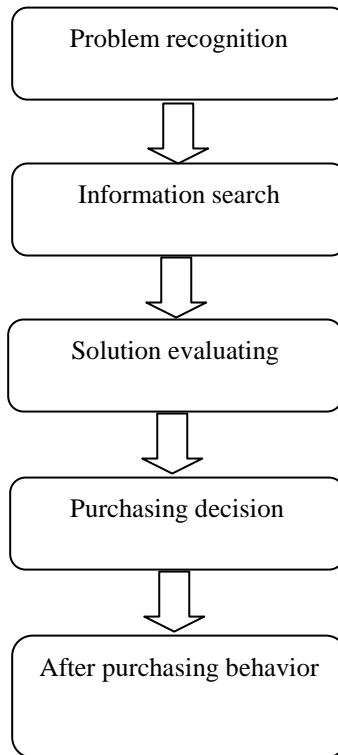


Figure 1. The purchasing decision- making process

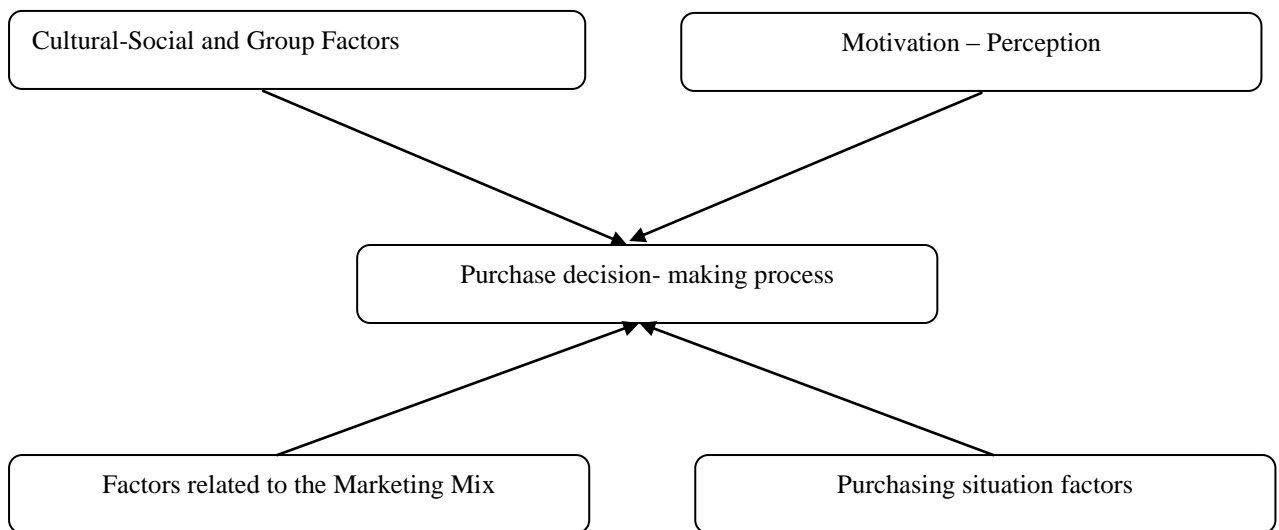


Figure 2. The effective factors in purchase decision-making process

## II. Research Methodology

Statistical population included all the stakeholders is the Tehran Stock Exchange, The research hypotheses tested by using the Regression and Coefficient method.

## III. Data analysis

The Regression results show that all the independent variables have a direct and meaningful effect on the individuals' intention for investigation. This result considering the resulted Sig. is less than the research error. It is worth mentioning that in order to investigate the amount of the relationship and the co efficiency of the research variables, the Partial Coefficient as well as Bivariate Coefficient method is used. As a whole, it can be concluded that considering the different tests, all the research hypotheses are approved by the possibility of 95 percent of certainty (Table 1).

Table 1: Summary Results of regression and correlation

Research variables	Fisher statistics	Pearson correlation coefficient	Sig
Field of Study	6.24	0.271	0.022
Level of Education	7.11	0.312	0.017
Work experience	6.09	0.117	0.015
Age	8.12	0.421	0.00
Gender	6.92	0.158	0.028
Marital status	7.23	0.314	0.011

#### IV. Conclusion

The present paper is presented in the framework of one general hypothesis and seven additional hypotheses which after the investigation, all the additional hypotheses were approved. Consequently, the general hypothesis was approved, too. In other words, the research findings indicate that there is a meaningful relationship between the individual factors and the intention and decision of the individuals in regard to purchasing the shares in the stock market. In other words, the gentlemen, more than ladies, go to the stock market for purchasing and by increasing the work experience, getting older, increasing the educational level, more Economics related field of study, more investments and theological beliefs, they move more for investing in the stock market and taking action to purchase the shares. The reason in which the people with the said features participate more in the stock market is that the people gain different experience and capabilities by increasing their work experience, aging makes the people to have the experience and enough time for being present in the stock market, higher level of education increases the people's knowledge in different fields, the people whose field of study is related to Economics and investment get familiar with different ways of investing and the people who pay attention to the should help the development of the Islamic country and participate in the improvement of the country. All the people with the said features, comparing to those without that features, go more for investing in the stock market and act to purchase the shares.

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