



FACTORS AFFECTING PARTICIPATION IN THE STOCK MARKET AMONG EMPLOYED PEOPLE IN VIJAYAWADA

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ABSTRACT :

Participation in the securities market is one possible route through which households can take part in long-term economic growth. Nevertheless, many Indian households continue to depend mainly on familiar savings options such as bank deposits, gold, insurance and property. This paper examines the conditions that may encourage or discourage employed people in Vijayawada, Andhra Pradesh, from investing in shares, mutual funds and exchange-traded funds. It brings together household-finance research, behavioural-finance concepts and Indian market evidence to develop a framework around six broad influences: financial knowledge, perceived risk, demographic and financial circumstances, institutional trust, social influence, and digital access and transaction costs.

The paper uses a descriptive and quantitative research design. Secondary material is reviewed to establish the wider context, while a structured questionnaire is proposed for a future survey of employed residents or workers in Vijayawada. The planned instrument uses five-point agreement scales and includes questions about investment participation, reasons for non-participation and respondents' information sources. The proposed analysis includes descriptive statistics, reliability assessment, tests of association and regression techniques. Since primary responses have not yet been collected, the paper does not present city-level survey results as established findings. Instead, it identifies the evidence currently available, explains the relationships that the survey is intended to test and provides a format for reporting results after data collection.

The secondary literature suggests that awareness and actual investment are not the same. Knowledge gaps, concern about losses, uncertainty about intermediaries, family responsibilities and difficulty evaluating online advice can all affect a person's decision. The paper argues that responsible participation is more likely to be supported by practical financial education, transparent services, realistic understanding of risk and accessible investor protection than by promotional messages alone.

Keywords: stock market participation, employed individuals, financial literacy, risk perception, investor trust, behavioural finance, digital investment, Vijayawada

1. Introduction

Households make financial choices throughout their working lives. They decide how much income to spend, how much to save, which risks to accept and which financial products fit their needs. For employed people, a regular salary can make planned saving easier, but a steady income does not automatically lead to participation in the stock market. Many people continue to prefer options they know well, especially when they are uncertain about how securities work or how investment values may change over time.

Stock market participation can take several forms. An individual may purchase shares directly or gain exposure to the market through mutual funds and exchange-traded funds. These forms of participation should be distinguished from frequent trading. A person who invests a modest amount through a long-term mutual fund plan is participating in the market even if they rarely monitor daily prices. By contrast, active short-term trading can involve different levels of risk, knowledge and behaviour. This distinction is important because the objective of financial inclusion should not be interpreted as encouraging everyone to trade frequently; it should be helping people make informed choices that suit their circumstances.

Researchers have long discussed the stock-market participation puzzle: although investment theory often suggests that households could benefit from holding some equity as part of a diversified portfolio, a substantial share of households do not hold stocks at all. Studies by Mankiw and Zeldes (1991), Haliassos and Bertaut (1995) and Campbell (2006) show that actual household choices cannot be explained by expected returns alone. Learning costs, limited information, uncertainty, personal circumstances and trust also matter.

India provides a useful setting for examining this issue. The number of people opening market accounts has grown, supported by mobile applications, lower-cost brokerage services and broader access to financial information. However, national evidence cited in this paper indicates that household participation remains much lower than general awareness of securities products. This difference raises a practical question: what prevents people who have heard of shares or mutual funds from considering them as part of their financial plans?

Employed people are an important group for such research. They may have recurring income and access to banking services, workplace information and retirement-related savings arrangements. At the same time, rent or housing costs, family commitments, debt, uncertainty about future expenses and a preference for protecting principal can limit the money available for market-linked investments. Decisions can also be shaped by the experiences of colleagues and relatives, online investment content and the perceived reliability of brokers and regulators.

Vijayawada is the local focus of this paper. As a commercial and educational centre in Andhra Pradesh, it includes people working across government, private organisations, banking, education, healthcare, trade and other services. A city-level study can help identify whether the factors discussed in broader research are relevant to this particular employed population. The present paper therefore reviews existing evidence, develops research questions and hypotheses, and proposes a survey-based method for studying participation in Vijayawada.

2. Statement of the Problem

The central issue is the difference between having the financial capacity to save and choosing to participate in the securities market. Some employed individuals may avoid market-linked products because they associate shares with sudden losses, find investment terminology difficult to understand or are unsure whether online information is dependable. Others may believe that a demat account or mutual fund requires a large initial amount, or they may find account-opening and verification procedures confusing. These perceptions can influence behaviour even when low-cost investment options are available.

There is also a contrasting concern. Easier digital access and continuous online content can bring new investors into the market before they have developed a clear understanding of risk. The cited SEBI study of individual equity futures and options traders reported substantial losses among individual participants during FY2022–FY2024. This evidence does not mean that every form of investing is unsuitable; rather, it highlights the importance of distinguishing informed, long-term investing from complex or leveraged trading.

National reports describe broad participation patterns, but those figures do not explain the motivations of employed people in a particular city. Without local evidence, it is difficult to determine which barriers deserve the most attention in Vijayawada. The problem addressed here is therefore to identify the factors associated with participation and non-participation among employed people in the city and to propose a method for assessing their relative importance.

3. Review of Literature

3.1 Household decisions and the participation puzzle

Mankiw and Zeldes (1991) examined differences between households that held stocks and those that did not, helping establish household stock ownership as an important question in finance. Haliassos and Bertaut (1995) explored why stock ownership was uncommon despite the potential benefits predicted by standard models. Their work suggested that risk aversion and transaction costs alone did not fully explain non-participation. Information, education and the effort required to understand the market were also relevant.

Vissing-Jorgensen (2002) considered the role of participation costs, including the time and effort required to become informed. Even when direct financial fees are low, the perceived cost of learning can be significant for a person who is unfamiliar with investment products. Campbell (2006) further argued that household financial decisions can be affected by costly mistakes and that limited resources or education may make those mistakes harder to avoid. Together, these studies support a broad view of participation that includes both financial and non-financial barriers.

3.2 Financial literacy and product awareness

Financial literacy refers to the ability to understand and use financial concepts, while awareness simply means that a person knows a product exists. The distinction is important: someone may recognise the term “mutual fund” but not understand diversification, fees, volatility or the difference between a market-linked investment and a bank deposit. Van Rooij, Lusardi and Alessie (2011) found a relationship between financial literacy and stock market participation in Dutch household data. Lusardi and Mitchell (2014) reviewed wider evidence connecting financial knowledge with saving, retirement planning and investment decisions.

Indian research has also identified gaps in financial knowledge among working adults. Agarwalla and colleagues (2015) examined financial literacy among young working people in urban India and reported weaknesses in concepts such as inflation, compounding and risk diversification. These findings are relevant to employed respondents because having a salary does not necessarily mean that a person has received practical education about investment choices. A local survey should therefore measure knowledge and confidence directly rather than assuming that education or income is a complete substitute for financial literacy.

3.3 Perceived risk and behavioural influences

Investment decisions are influenced not only by calculations but also by how people experience uncertainty. Prospect theory, developed by Kahneman and Tversky (1979), explains why losses can carry more psychological weight than comparable gains. An employed person who relies on savings for family expenses may be especially uncomfortable with the possibility that an investment could decline in value just when money is needed. This may encourage a preference for products perceived as stable, even where the long-term return potential differs.

Behavioural finance also examines overconfidence, herding, anchoring and mental accounting. Kumar and Goyal (2015) reviewed behavioural biases in investment decision-making and identified several patterns that can affect choices. Barber and Odean (2001) discussed the relationship between overconfidence and trading behaviour. These ideas suggest that risk perception should not be measured only by asking whether respondents consider shares risky. Researchers should also explore their tolerance for fluctuations, preference for capital protection and tendency to follow recent market stories or other people's decisions.

3.4 Trust in markets and intermediaries

Trust can affect participation independently of financial knowledge. A person may understand how shares and mutual funds work but still hesitate if they doubt the fairness of the market, fear misuse of personal information or do not know how to resolve a complaint. Guiso, Sapienza and Zingales (2008) found that trust in the stock market and financial intermediaries was related to the likelihood of stock ownership. For the present study, trust includes confidence in regulated exchanges, brokers, fund providers and the accuracy of information available to retail investors.

Online information makes this question more complex. Investment information may come from regulated institutions, professional advisers, news organisations, family members or social media creators. These sources do not necessarily have the same qualifications or incentives. A survey should therefore distinguish general use of online platforms from trust in specific types of advice, rather than treating all digital information as equally reliable.

3.5 Family, friends and workplace influence

Financial choices are often discussed within families and social networks. Hong, Kubik and Stein (2004) reported that social interaction was associated with stock market participation. Brown and colleagues (2008) examined community effects on stock ownership, while Kaustia and Knüpfer (2012) studied how peers' investment performance could affect market entry. These studies suggest that people may learn about investments through others, gain confidence from positive experiences or avoid participation after hearing about losses.

For employed people, colleagues may be particularly influential because they share workplace experiences and may discuss salary, saving and investment products. Social influence can have positive or negative effects. It may encourage someone to learn about diversified investing, but it may also lead to imitation, unrealistic expectations or decisions based on incomplete information. The proposed questionnaire includes family, peer and social-media influence to capture these different pathways.

3.6 Indian market evidence and changing access

The SEBI-Kantar Investor Survey 2025, as cited in the secondary sources used for this paper, reported that approximately 9.5 percent of Indian households participated in securities-market products, while 63 percent were aware of at least one such product. The reported figures also show differences between urban and rural participation and between awareness of different product categories. The gap between awareness and participation reinforces the need to study barriers beyond simple recognition of product names.

The same survey material identifies concerns including limited knowledge, fear of loss, lack of trust and perceived complexity. These barriers may overlap: a person who does not understand volatility may be more worried about loss, while someone who distrusts online advice may be less willing to learn through digital channels. A useful local study should therefore examine the factors together rather than treating each one as completely separate.

SEBI's 2024 analysis of individual equity derivatives traders reported that more than 93 percent of individual traders incurred losses over FY2022–FY2024. This finding relates specifically to the equity derivatives segment and should not be generalised to all stock-market participation or all mutual fund investors. It nevertheless supports the need to include questions that distinguish long-term investment from intraday and futures-and-options activity. NSE statistics cited in the paper also indicate strong growth in registered investors and trading accounts, demonstrating that access has expanded even though participation remains uneven.

3.7 Summary of the literature

The reviewed studies point to a multi-factor explanation of stock market participation. Knowledge helps people understand products; risk attitude affects whether they are comfortable with uncertainty; income and family commitments influence their capacity to invest; trust affects their willingness to use financial institutions; social networks shape information and confidence; and digital access and costs influence how easily they can act. However, the relative influence of these factors may differ across populations. This supports a focused survey of employed people in Vijayawada.

4. Research Gap

A considerable part of the foundational literature on stock ownership comes from developed economies. Although its concepts are useful, differences in financial infrastructure, household saving patterns, income security and access to investment services mean that the findings should not automatically be assumed to apply in the same way to every Indian city.

Indian national surveys and exchange statistics provide valuable measures of awareness, account growth and broad participation, but they do not necessarily explain the choices of one occupational group within a particular location. Smaller local studies often concentrate on preferred saving instruments or general investment preferences. The present study instead focuses on the decision to participate or not participate and combines financial

literacy, risk perception, trust, demographic circumstances, social influence and digital access in one proposed framework.

A further need arises from the rapid expansion of mobile-based investing and online financial content. These developments can lower practical barriers while also exposing new investors to unreliable information or high-risk trading messages. The proposed Vijayawada survey is intended to provide local evidence on how these factors relate to participation among employed people. Its contribution will depend on collecting and analysing primary data; until then, its local relationships remain questions to be tested rather than confirmed findings.

5. Objectives of the Study

1. To describe the level of stock-market awareness and participation among employed people in Vijayawada.
2. To identify the main reasons respondents give for investing or choosing not to invest.
3. To examine the relationship between financial literacy and participation in market-linked products.
4. To assess how perceived risk, fear of loss and investment attitudes are associated with participation.
5. To study whether participation differs across demographic and employment characteristics, including age, education, occupation and income.
6. To evaluate the association of trust, family and peer influence, and digital accessibility with participation.
7. To develop practical suggestions that support informed and responsible financial decision-making.

7. Hypotheses

The following null hypotheses are proposed for empirical testing. They should be evaluated only after valid survey data have been collected and prepared for analysis.

Code	Null hypothesis
H1	Financial literacy and awareness are not significantly associated with stock-market participation.
H2	Perceived risk and fear of loss are not significantly associated with stock-market participation.
H3	Trust in markets, brokers and regulators is not significantly associated with stock-market participation.
H4	Participation is not significantly associated with demographic and employment characteristics such as age, education, occupation and income.
H5	Family, peer, workplace and social-media influence is not significantly associated with participation.
H6	Digital accessibility and perceived entry costs are not significantly associated with participation.

8. Research Methodology

8.1 Research approach and design

The study is designed as a descriptive, cross-sectional quantitative investigation supported by a review of secondary material. The descriptive component will summarise respondents' profiles, awareness, investment status and stated barriers. The analytical component will test whether the proposed explanatory factors are associated with participation at the time of the survey. Because data are collected at one point in time, the design can identify associations but cannot by itself establish that a factor causes a person to invest.

8.2 Study area and target population

The proposed study area is Vijayawada, Andhra Pradesh. The target population comprises employed people aged 21 to 60 who live or work in the city and receive employment income from government or private organisations or work as professionals employed by an organisation. Students and self-employed individuals are excluded to keep the target group focused on employed respondents. The eligibility criteria and study location should be stated clearly in any survey invitation.

8.3 Sampling plan and proposed sample size

The proposed sampling approach is convenience sampling supported by purposive outreach across employment sectors. Responses may be collected from government employees, private-sector employees, banking and finance staff, educators, healthcare workers and other employed groups. A target of approximately 150–200 completed questionnaires is proposed for an initial analysis. This is a planning target, not a guarantee that every model will have adequate statistical power. The final sample size should be reviewed in light of the number of predictors, response distribution, missing data and the intended regression model. Since convenience sampling is non-probability sampling, the findings should not be presented as representative of every employed person in Vijayawada.

8.4 Data sources

Primary data are intended to come from a structured questionnaire administered in person and through an online form. The instrument will collect basic demographic information, current participation status, product types, investment experience, reasons for non-participation and opinions about the proposed explanatory factors. Secondary information is drawn from published academic studies and the reports listed in the references, including SEBI–Kantar survey material, SEBI’s analysis of individual equity derivatives traders and NSE investor statistics cited in the source draft.

8.5 Questionnaire and measurement

Most attitude statements will use a five-point Likert response format: 1 = Strongly Disagree, 2 = Disagree, 3 = Neither Agree nor Disagree, 4 = Agree and 5 = Strongly Agree. Questions about actual participation will be treated separately from attitude scores. The questionnaire should use plain language, avoid leading statements and make clear that respondents are not required to disclose account numbers, exact portfolio values or other unnecessary personal information. Two open-ended questions will invite respondents to describe the main perceived benefit of investing and the biggest obstacle they face.

8.6 Pilot testing and reliability

Before the main survey, the questionnaire is proposed to be pilot-tested with about ten people who broadly match the eligibility criteria. The pilot should check whether questions are understandable, whether response options cover common situations and how long the form takes to complete. Feedback can be used to revise ambiguous wording. Internal consistency of multi-item scales may then be assessed using Cronbach’s alpha. A value around 0.70 is often used as a practical reference, but it should not be treated as proof that a scale is valid; the number of items and the meaning of the construct also matter.

8.7 Data preparation and analysis

After collection, responses should be checked for eligibility, duplicate submissions, missing values and inconsistent answers. Categorical variables can be summarised using frequencies and percentages. Continuous or scale-based measures can be described using means and standard deviations when appropriate, alongside distributions that show how responses are spread. Chi-square tests may be used to examine associations between categorical demographic variables and participation, provided the expected cell counts are suitable. Independent-samples t-tests or one-way ANOVA may be used for comparisons of scale scores across groups where their assumptions are reasonably met.

Correlation analysis can describe the direction and strength of relationships between factor scores, but correlation alone does not establish causation. Binary logistic regression is a possible method when the outcome is coded as participant versus non-participant. The model can estimate the association of each predictor with participation while controlling for other included variables. Multiple regression may be appropriate for a continuous outcome, such as a carefully defined participation-intensity measure, if its assumptions and measurement are suitable. The analysis may be carried out in SPSS, JASP or Python. Hypothesis tests are planned at a 5 percent significance level, with effect sizes and confidence intervals reported where possible rather than relying only on p-values.

8.8 Ethical considerations

Participation in the survey should be voluntary. Respondents should be informed of the study purpose, the approximate time required and how their answers will be used. The questionnaire should avoid collecting direct identifiers unless they are genuinely necessary and approved for the project. Results should be reported in aggregate form, and no individual response should be presented in a way that reveals a respondent’s identity. Data should be stored securely and used only for the stated academic purpose.

9. Variables and Conceptual Framework

Variable type	Measures proposed
Dependent variable	Current participation in direct shares, mutual funds or ETFs, coded participant/non-participant. Additional measures may describe product type, experience and approximate share of savings invested.
Main explanatory variables	Financial literacy and awareness; perceived risk and fear of loss; trust in markets and intermediaries; social influence; digital accessibility and perceived costs.
Control variables	Age, gender, education, employment sector, monthly income, years of work experience and number of family dependents.

The conceptual framework assumes that the decision to participate is related to a combination of knowledge, attitudes, resources, relationships and access. Greater financial literacy, trust and practical accessibility are expected to be positively associated with participation. Higher fear of loss is expected to be negatively associated with participation. Social influence may operate in either direction, depending on whether respondents receive balanced information or feel pressure to imitate others. Demographic and employment characteristics are treated as potential correlates and control variables rather than as

explanations that automatically determine behaviour.

Factor group	Expected relationship	Hypothesis
Financial literacy and awareness	Expected positive association	H1
Risk perception and fear of loss	Expected negative association when higher scores mean greater fear	H2
Trust in markets and intermediaries	Expected positive association	H3
Demographic and income characteristics	Direction may vary by characteristic	H4
Family, peer and online influence	May be positive or negative depending on influence quality	H5
Digital accessibility and entry costs	Easier access and lower perceived costs are expected to be positive	H6

10. Secondary Evidence and Discussion

This section summarises selected national indicators reported in the secondary sources used for the paper. These figures provide context for the research question; they are not results from the proposed Vijayawada survey.

Indicator cited in the source material	Reported value
Indian households participating in securities-market products, SEBI–Kantar 2025	About 9.5% (approximately 3.21 crore households)
Households aware of at least one securities product	63%
Awareness of mutual funds/ETFs and equities	53% and 49%, respectively
Households holding mutual funds/ETFs and direct equity	6.7% and 5.3%, respectively
Participation in urban and rural India	15% and 6%, respectively
Households preferring capital preservation to high returns	Nearly 80%
Aware non-investors reportedly intending to invest within a year	About 22%
NSE unique investors cited as of 31 May 2026	More than 13.1 crore
NSE trading accounts cited for June 2026	More than 26 crore
Individual equity F&O traders reported as loss-making during FY2022–FY2024	More than 93%; average loss reported at about Rs. 2 lakh

The figures above should be checked against the original publications before final submission, especially where the paper relies on press coverage of a survey or exchange statistic. Different indicators may use different definitions and reference dates. The number of trading accounts is not the same as the number of unique people who invest, and awareness of a product is not equivalent to ownership of that product.

10.1 Financial literacy and awareness

The reported gap between awareness and participation suggests that simply hearing about securities products does not necessarily help a person make an investment decision. Practical knowledge may be more relevant: understanding volatility, diversification, fees, investment horizons and the difference between investing and trading. In the proposed local survey, the literacy items should therefore assess understanding of basic concepts rather than only asking whether respondents have heard of shares or mutual funds. If a relationship is observed, the analysis should still consider that literacy may be related to education, income and access to advice.

10.2 Risk perception and the fear of loss

The preference for capital preservation reported in the national survey is consistent with the possibility that many households place a high value on stability. For employed people with family commitments, a fall in investment value may be particularly concerning if the money is intended for near-term expenses. However, perceived risk is not necessarily the same as actual risk, and different products carry different risk profiles. Survey questions should avoid implying that all market products are equally risky or that every investor should participate. The objective is to understand how risk perceptions relate to decisions.

10.3 Trust and information quality

Trust can be influenced by personal experience, public information about misconduct, the transparency of fees and confidence in complaint-resolution processes. The growing volume of online investment content adds another dimension: respondents may receive advice from sources with different levels of expertise and different incentives. Investor education should help people check registration status, understand product documents and recognise that social-media popularity is not evidence of reliability. The proposed survey can examine which sources respondents use, but source use should not be interpreted as proof that the information is accurate.

10.4 Income, employment and household responsibilities

Income may affect whether a person has money available after essential expenses, but its relationship with participation is unlikely to be identical for everyone. Education, job stability, debt obligations, dependents and financial goals may also matter. A respondent with a moderate salary and low expenses may have more flexibility than a higher-income respondent with large commitments. For this reason, the proposed analysis includes several demographic and work-related variables rather than using income as the only measure of financial capacity.

10.5 Social influence and online communities

Family members, friends and colleagues can make investment products easier to understand by sharing their experiences. They can also unintentionally spread misleading conclusions, particularly when a discussion focuses on a recent gain without describing risk or loss. Social influence should therefore be measured as a possible source of information and pressure, not automatically treated as beneficial. The inclusion of social-media use in the questionnaire may help distinguish learning from imitation, although a short survey cannot fully establish the quality of the advice received.

10.6 Digital access, convenience and costs

Mobile platforms can make account opening, information access and small recurring investments more convenient. At the same time, users may encounter complex terms, multiple charges, frequent prompts to trade or difficulty comparing products. Accessibility therefore includes more than owning a smartphone or having internet access. It also includes whether the process is understandable, whether costs are transparent and whether investor education is available in a language the respondent understands. In Vijayawada, the survey can ask respondents whether they find digital investment services easy to use and whether perceived cost or complexity discourages them.

10.7 Primary survey results: reporting template

The following tables are placeholders for the future analysis. No local sample statistics, significance values or hypothesis decisions are supplied because primary data have not been provided. These cells should be completed only after the questionnaire has been administered and the data have been analysed.

Factor scale	Mean score	Standard deviation	Cronbach's alpha
Financial literacy and awareness	To be calculated	To be calculated	To be calculated
Risk perception	To be calculated	To be calculated	To be calculated
Trust in markets and intermediaries	To be calculated	To be calculated	To be calculated
Social influence	To be calculated	To be calculated	To be calculated
Digital accessibility and cost	To be calculated	To be calculated	To be calculated

Hypothesis/test	Statistic or estimate	p-value / confidence interval	Decision after analysis
H1: Literacy and participation	To be calculated	To be calculated	Pending data
H2: Risk perception and participation	To be calculated	To be calculated	Pending data
H3: Trust and participation	To be calculated	To be calculated	Pending data
H4: Demographics and participation	To be calculated	To be calculated	Pending data
H5: Social influence and participation	To be calculated	To be calculated	Pending data
H6: Access/cost and participation	To be calculated	To be calculated	Pending data

11. Practical and Theoretical Implications

11.1 Practical implications

- Employers and human-resources teams may consider offering neutral financial-literacy sessions that explain basic investment terms, diversification, fees, risk and long-term planning. Providing material in both Telugu and English could improve accessibility for employees with different language preferences.
- Financial service providers should make charges, product features, risks and complaint channels easy to find. Clear explanations can help customers compare alternatives without relying only on promotional claims.
- Regulators, exchanges and investor-education organisations can continue to provide accessible educational material and clear warnings about complex products. Information should help people distinguish long-term investing from high-risk or leveraged trading.
- Investors should match financial decisions to their goals, time horizon, ability to tolerate losses and need for emergency savings. No single product is suitable for every person, and participation should not be treated as an obligation.

- Community and workplace education can address common misconceptions, including the belief that all stock-market participation requires frequent trading or that past gains guarantee future performance.

11.2 Theoretical implications

The proposed framework connects household finance with behavioural finance and the Theory of Planned Behaviour. Financial literacy represents knowledge and understanding; risk perception and trust reflect attitudes and confidence; family and workplace influence reflect subjective norms; and digital accessibility and perceived costs relate to perceived control. Demographic and employment factors may shape several of these elements at once. Examining them in one model can provide a more complete picture than analysing investment preference through demographic characteristics alone.

12. Limitations of the Study

- The proposed sample is restricted to employed people living or working in Vijayawada, so findings may not apply to self-employed people, students, retirees or workers in other locations.
- Convenience sampling may over-represent people who are easier to reach or more interested in financial topics. The sample should not be described as fully representative of the city.
- Self-reported answers may be affected by imperfect recall, misunderstanding or a desire to present one's financial behaviour favourably.
- The secondary evidence is national or broader in scope and cannot be used as a substitute for local survey results.
- A cross-sectional design can identify associations but cannot establish causal direction or show how behaviour changes over time.
- The proposed questionnaire uses a limited set of items for each factor. The reliability and validity of these measures must be assessed after the pilot and main survey.
- Statistics taken from secondary summaries or media reports should be verified against the original institutional publications before the paper is finalised.

13. Directions for Future Research

Future studies could compare employed people across Vijayawada and other cities in Andhra Pradesh or Telangana to determine whether local access, occupation and saving practices are associated with different participation patterns. Researchers could also compare salaried and self-employed respondents, examine differences across employment sectors or follow the same respondents over time to understand whether participation changes as income, family responsibilities or market conditions change.

A further extension would evaluate the effectiveness of financial education. For example, a study could assess respondents' knowledge before and after a short educational session and examine whether their understanding of diversification, fees and risk improves. Research could also investigate how Telugu-language resources affect comprehension, or compare the perceived reliability of professional advice, institutional information and social-media content. Any such work should use an appropriate design and avoid assuming that a change in knowledge automatically produces a change in investment behaviour.

14. Conclusion

This paper examines why employed people may choose to participate or not participate in the stock market, with particular attention to Vijayawada. The literature indicates that investment decisions are not determined by income or awareness alone. People also consider the possibility of loss, their understanding of financial products, confidence in institutions, family responsibilities, the experiences of people around them and the convenience of accessing investment services.

National evidence cited in the paper points to a substantial difference between awareness of securities products and household participation. It also shows why the type of participation matters: the growth of access should be accompanied by clear information and an understanding of risk, particularly where complex trading products are concerned. These national figures provide context, but they do not establish the behaviour of employed people in Vijayawada.

The proposed questionnaire and analytical plan provide a structured way to investigate the issue locally. Once primary responses are collected, the study can assess which factors are most closely associated with participation in the sample and whether the proposed hypotheses are supported. Until then, the expected relationships should be treated as propositions rather than confirmed local findings. The broader practical message is that responsible participation is best supported through clear financial education, transparent services, accessible processes and informed individual choice—not by encouraging market entry without regard to a person's goals or circumstances.

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