

Recent Elevation of Mutual Funds – A Study on Human Ecology Perception

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Abstract — The encroachments in technology have shrunk numerous barriers in the path of business, benefiting both businesses and consumers by augmenting their spending experiences. The upsurge of digital advertising within financial service sectors has abridged the process for mutual fund companies to connect with a broader assortment of investors and has also made it much more convenient for potential investors regarding the accessibility of information. Against this background, the primary aim of this paper is to explore the influence of Digital Marketing on investors' Mutual Fund Investment Decisions and subsequently determine the key demographic factors that affect online investments.

Keywords — Digital Marketing, Mutual fund Investment, demographic factors, Investment Decisions, Return on Investment.

1. Introduction

The swift progress in technology has prepared the digital environment for nearly all sectors, and the financial services sector is no different. It is essential for the mutual fund sector to adopt digital strategies to achieve a competitive advantage. Given that customer retention is crucial for every business, it is vital to offer seamless and convenient services by delivering valuable information at the touch of a button. Mutual fund companies need to utilize digital media marketing to promote their financial products through content marketing on social media platforms such as Facebook, Twitter, Google Plus, etc., to enable real-time marketing with decreased costs and time.

It has been determined that there are two methods to promote a product. First, there is the emotional advertisement, and subsequently, there is the rational one. Advertisements that provoke powerful emotional reactions from their audience are referred to as emotional advertisements. Only data and statistics regarding the product are conveyed in rational advertisements. When it involves making a purchasing decision, individuals who are more analytical and logical are more inclined to be influenced by emotional advertising, while those who are more nurturing and empathetic are more apt to be swayed by rational advertising. Factors such as exclusivity, enjoyment, family, popularity, and protection, adhering to tradition, youthfulness, openness, modesty, etc., are linked to the emotional appeal of advertisement. The rational appeals of advertising illustrate effectiveness, convenience, sophistication, technological use, safety, and productivity in a product.

2. Objectives of the Study

- To comprehend the significance of Digital Marketing in decisions regarding Mutual Fund investments.

- To examine the influence of emotive advertising on investment choices in mutual funds.
- To investigate the Demographic Attitude that affect Online Mutual Fund Investments.

3. Literature Review

Bisht (2022) Mutual funds collect capital from multiple investors to invest in securities such as stocks, bonds, and various other assets. The employment of digital marketing is essential for mutual funds to engage with potential investors, educate them about investment opportunities, and cultivate trust. This strategy offers a comprehensive framework for digital marketing in the realm of mutual funds, which includes buyer personas, marketing strategies, implementation, and customer engagement.

Shantanu Kurup (2022) Mutual funds leverage expert management, diversification, an extensive array of products, liquidity, and affordability to simplify saving and investing, making them accessible and cost-effective. The mutual fund sector constitutes one of the most rapidly expanding segments of the Indian economy, with significant potential for sustainable growth in the long term. The marketing of mutual funds is characterized as distinct from other forms of product marketing.

Kim (2020) According to the findings, consumers' perceptions of financial information in advertisements are positively influenced when financial disclosures are included. By incorporating disclosures in mutual fund advertising, it is indicated that companies can gain from consumers' favorable perceptions of them. Researchers uncovered consumers' latent heterogeneity along with emotional and rational appeals in advertising texts for sustainable marketing. Kotler (2017) Promoting a product through celebrity endorsements is a tactic employed by marketers to associate the product's value with the

celebrity's personal brand. Content analysis conducted in the Indian mutual fund industry examined various dimensions of mutual fund advertisements.

Ballantine (2005) It has been suggested that heightened levels of interactivity in an online shopping environment may empower consumers with greater control over their shopping experience and additionally enhance the frequency of visits to the retailer's online store through the application of search engine optimization.

3.1 Hypothesis for Testing

- H_{0a}: Demographic of the respondents does not influences digital marketing buying decision in Mutual Fund
- H₁: Demographic the respondents influences digital marketing buying decision in Mutual Fund
- H_{0b}: Emotive advertisement does not impact investment decision in mutual funds.
- H_{2b}: Emotive advertisement impacts investment decision in mutual funds.

4. Data Analysis and Interpretation

The demographics of the respondents from Kancheepuram district are illustrated in table 1, including gender, age, marital status, income, occupation, qualification, and the number of earning members in the household. The data revealed that the majority of respondents are male, specifically 67%, while females represent only 33%, of which approximately 62% are single and 36% are married. Most of the responses come from younger respondents in the age range of 20 years to 30 years, accounting for 53%, with 27% falling within the 40 years age bracket. Nearly 35% of the respondents have an income of up to Rs. 40,000 per month, 28% earn up to Rs. 20,000, and 20% make up to Rs. 60,000. The majority of respondents are postgraduates working in the private sector, with at least two earning members in their families.

Table 1: Cronbach's alpha of factors	
Construct	Cronbach's Alpha
Emotive Advertisement (EA)	.856
Digital Marketing (DM)	.866
Demographic Attitude (DA)	.898

This is the initial aspect to consider when conducting an exploratory factor analysis in SPSS: the data must be categorized. A Cronbach's alpha score of 0. 7 is deemed acceptable in this phase, according to the technical terminology. For data, a score of 0. 7 is regarded as good, and any value exceeding 0. 7 is viewed as excellent. For the three factors in question, it is feasible to achieve a

Cronbach's alpha value that surpasses the required acceptable value (0. 856, 0. 866, and 0. 989). Subsequently, we proceed to the second phase, factor analysis, which follows the acceptance of the data we have collected.

Table 2: Reliability Analysis - Emotional Advertisement						
Items	Factor loadings	Mean	SD	Eigen value	Variance explained	Cronbach's Alpha
I anticipate that the products displayed in advertisements differ from those available in the market.	.737	2.04	0.98	8.350	42.522	.856
I take pleasure in viewing advertisements.	.763	3.99	1.04			
A well-known celebrity featured in the advertisement draws my attention more.	.760	3.04	1.05			
MFs that are presented in advertisements are more secure to invest in.	.719	2.05	1.19			
I make investments in MFs after considering advice from family and friends.	.770		1.16			

4.1 ANOVA Test

The ANOVA Test for the statements on Ease of Use, Online Trust, Information Efficiency, E-Reviews, Information Accuracy, Social Media Marketing, E-Mail Marketing, Mobile Apps, Blogs and Online Investment Decision as against demographic factors like Gender, Occupation, Marital Status, Educational Qualification and Income revealed a significant difference for statements mentioned in the table 4. It is clear from the result that there is significant impact of Occupation and Marital Status on Online Mutual Fund Investment.

5. Conclusion

Numerous elements affect investment decisions, including the demographic profile of investors, economic indicators within the country, various analytical tools,

expert recommendations, family/friends' suggestions, and other factors. Moreover, the current study aims to explore celebrity influence as one of the elements affecting investment decisions. Given that celebrities have a significant presence in the lives of their audiences, they can influence them in numerous ways.

According to the research, they are interested in determining whether celebrity endorsements affect investment decisions regarding mutual funds. The study's results indicate that both emotional and rational advertising significantly influence attitudes, which subsequently affect investment decisions. Additionally, our research revealed a partial mediation effect of celebrity endorsement between emotional, rational advertising, and attitude, which aligns with earlier studies.

The study's findings suggest that celebrities are merely fulfilling their roles to promote awareness about the industry and its offerings. When making investment choices, investors should consistently consider various analytical methods, such as technical and fundamental analysis of financial assets.

Furthermore, celebrities are linked not just with branded products and services; they also play a crucial role in enhancing a company's value. Investors are drawn to buy stock based on the perceived reliability of the endorsers without performing prior due diligence. This phenomenon can guide brand and advertising strategies, potentially increasing the return on investment of marketing efforts for their companies as a result.

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