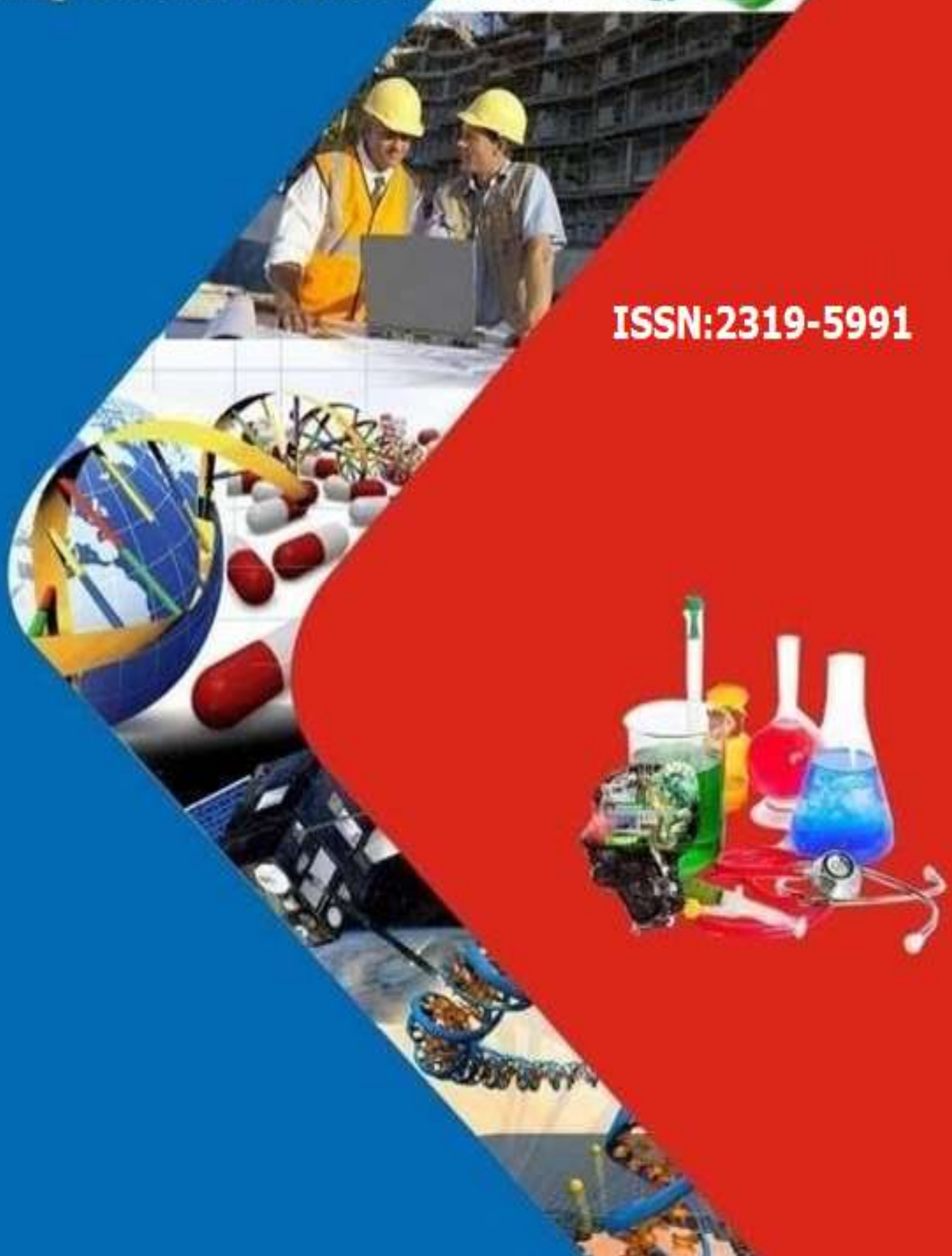
International Journal of Engineering Research and Science & Technology

IJERST



ISSN:2319-5991

www.ijerst.org

E-mail: editor@ijerst.org or ijerst.editor@gmail.com

ISSN 2319-5991 www.ijerst.com
Vol. 21, Issue 2, 2025

A STUDY AND PREFERENCE OF INVESTORS FOR INVESTMENT IN MUTUAL FUNDS AT FRANKLIN TEMPLETON

Terala Rachana, II MBA Student, Malla Reddy Engineering College (Autonomous), Secunderabad, Hyderabad.
Email Id: teralarachana123@gmail.com
Dr. K. Maddiletti, Associate Professor, Department of MBA, Malla Reddy Engineering College (Autonomous), Secunderabad.
Email Id: maddiletik12@gmail.com

ABSTRACT

This study aims to analyse the preferences and investment behaviour of investors in mutual funds offered by Franklin Templeton. It focuses on understanding the factors influencing investors' choices, such as risk appetite, return expectations, fund types, and investment objectives. The research investigates demographic variables affecting investment decisions and assesses investor satisfaction with Franklin Templeton's services and product offerings. Data was collected through structured questionnaires from a representative sample of investors, followed by statistical analysis to identify key trends and preferences. The findings provide valuable insights for fund managers to tailor investment products that meet investor needs and enhance their investment experience.

Key Words: Franklin Templeton, Investment Behavior, Investor Satisfaction, Mutual Fund, Risk Tolerance, Return Expectations, Systematic Investment Plan (SIP).

INTRODUCTION:

Investment is a crucial aspect of personal financial planning, aimed at wealth creation and achieving long-term financial goals. Among various investment avenues, mutual funds have gained significant popularity due to their professional management, diversification benefits, and relatively lower risk compared to direct stock investments. Mutual funds pool money from multiple investors and invest in diversified portfolios of securities such as stocks, bonds, and money market instruments. This collective investment mechanism offers an accessible and convenient way for individual investors to participate in the financial markets. financial landscape and the increasing investor awareness regarding diversified investment options.

REVIEW OF LITERATURE:

1. **Singh, V., & Meena, R. (2025). The Growing Popularity of Systematic Investment Plans (SIPs):**
   SIPs are increasingly preferred due to their disciplined approach and convenience for small investors.
2. **Kumar, P., & Singh, A. (2024). Role of Technology in Mutual Fund Investments.**
   Digital platforms and mobile apps have increased mutual fund accessibility, especially among millennials, changing investment behavior.
3. **Malhotra, D., & Singh, H. (2023). Behavioral Finance in Mutual Fund Selection.**
   The paper explores cognitive biases affecting investor decisions, including herd behavior and overconfidence, impacting mutual fund investment patterns.
4. **Gupta, N., & Kaur, S. (2022). The Role of Demographics in Mutual Fund Investments.**
   The study shows age, income, and occupation significantly influence mutual fund preferences, with younger investors leaning towards equity funds.

ISSN 2319-5991 www.ijerst.com
Vol. 21, Issue 2, 2025

NEED AND IMPORTANCE

The mutual fund industry in India has witnessed rapid growth in recent years due to rising investor awareness, increasing disposable incomes, and the expanding availability of diverse financial products. Franklin Templeton, being one of the prominent players in this industry, offers a wide range of schemes aimed at catering to various investor needs. However, with growing competition from numerous asset management companies, understanding investor preferences has become critical for maintaining and enhancing market share.

SCOPE OF THE STUDY

This study focuses on understanding the preferences and investment behavior of individual investors in mutual funds managed by Franklin Templeton. It covers various aspects such as factors influencing scheme selection, investor awareness, risk tolerance, and satisfaction with the fund performance and services provided by Franklin Templeton. The research encompasses all types of mutual fund schemes offered by Franklin Templeton, including equity funds, debt funds, hybrid funds, and other specialized funds, aiming to capture a comprehensive understanding of investor preferences.

OBJECTIVES OF THE STUDY

1. Demographic profile of investors investing in Franklin Templetons' mutual funds.
2. Key factors influencing investors' preferences for selecting mutual fund schemes.
3. Investor awareness and knowledge about various mutual fund products offered by Franklin Templeton.

SOURCES OF DATA

PRIMARY DATA:

Primary data is collected using a structured questionnaire designed to capture relevant information such as demographic details, investment objectives, factors influencing fund selection, risk appetite. The questionnaire includes both closed-ended and Likert scale questions for quantitative analysis.

SECONDARY DATA:

Secondary data is obtained from company reports, financial publications, research papers, and credible websites to understand the broader mutual fund industry context and Franklin Templeton's market position.

RESEARCH DESIGN:

DESCRIPTIVE RESEARCH:

Equity mutual funds and Systematic Investment Plans (SIPs) are the most popular mutual fund schemes, particularly among young professionals between the ages of 25 and 40, who are willing to take moderate to higher risks and frequently seek long-term capital appreciation. The mutual fund industry is changing quickly, and understanding what motivates investors to favour particular funds helps business match their strategies with investor's expectations.

ANALYTICAL RESEARCH:

According to the data, the type of mutual funds are selected is greatly influenced by the factors such as age, income level and financial objectives. The study also reveals that financial literacy and investment knowledge have a big impact on decision making. Higher financial literacy increases the likelihood that investors will assess funds using risk ratios and performance indicators. Investment choices are influenced by a variety of interconnected demographic behavioural and finance factors in addition to personal preferences. This emphasizes the significance of Franklin Templeton taking a more data-driven, segmented approach to investor interaction and product design.

TOOLS AND TECHNIQUES FOR ANALYSIS:

The data collected was analysed using:

1. Microsoft Excel
2. Percentage Analysis
3. SPSS
4. Correlation Analysis
5. Chi Square test in SPSS Tool

ISSN 2319-5991 www.ijerst.com
Vol. 21, Issue 2, 2025

6. ANOVA in SPSS Tool

LIMITATIONS THE OF STUDY

1. The study is conducted on a limited number of respondents, which may not fully represent the entire population of Franklin Templeton mutual fund investors.
2. The research focuses on investors from a specific region or city, limiting the generalizability of the findings to other areas.
3. The data collection and analysis are carried out within a fixed timeframe, which may restrict a deeper longitudinal understanding of investor behavior.

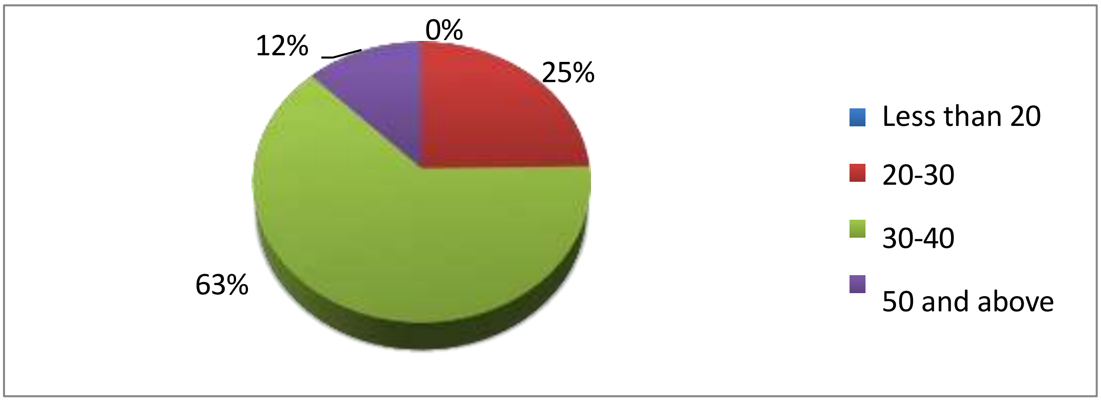
DATA ANALYSIS & INTERPRETATION

The data collected from 105 respondents regarding, preferences of investors to invest in Mutual Funds at Franklin Templeton and it has been analyzed using statistical tools such as percentage analysis, graphical representation, and descriptive statistics. Below are the key tables with interpretations.

Table: 1 Age group of the Respondents

Age Group	No. of Respondents	Percentage
Less than 20	0	0
20-30	26	25%
30-40	66	63%
50 and above	13	12%
Total	105	100

Chart: 1 Age group of the Respondents



Interpretation:

From the above table it is interpreted that the 63% respondents are fall in the age category of 30-40 years, 25% in 20-30 years and 2% in 50 and above. Majority (63%) of the respondents are 30- 40 age group.

Table: 2 Gender of the Respondents

Gender	No. of Respondents	Percentage
Male	74	70%
Female	31	30%
Total	105	100

ISSN 2319-5991 www.ijerst.com
Vol. 21, Issue 2, 2025

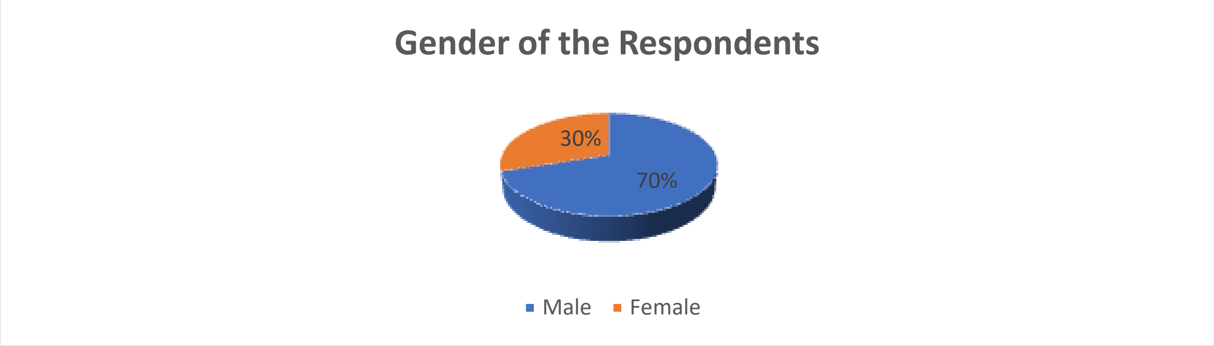


Chart: 2 Gender of the Respondents
Interpretation:
From the above table it is interpreted that the 70% respondents are male and 30% respondents are female. Majority (70%) of the respondents are male.

Table: 3 Occupation of the Respondents

Occupation	No. of Respondents	Percentage
Government employee	13	12%
Private employee	36	34%
Business	43	42%
Other (retired, agriculture etc.)	13	12%
Total	105	100

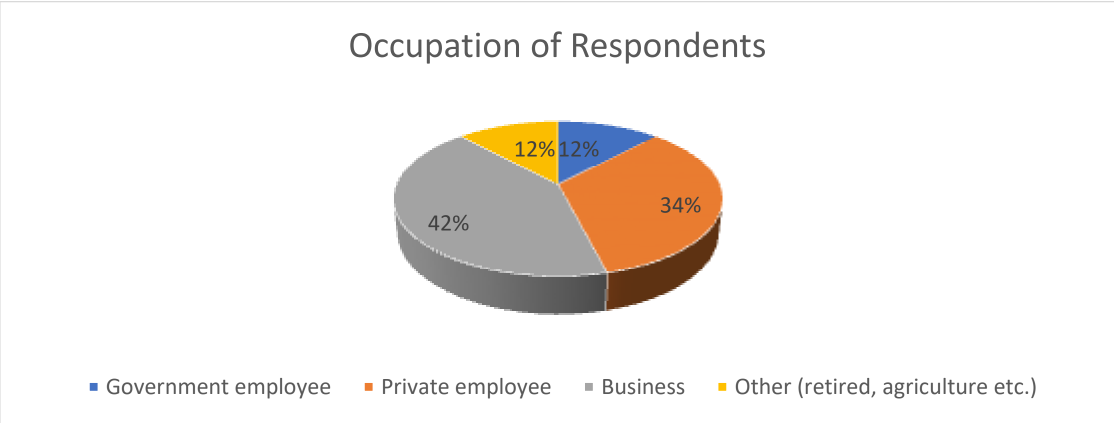


Chart: 3 Occupation of the Respondents Interpretation
From the above table it is interpreted that the 42 % of respondents are in business, 34% in private employee, 12% in government employee and 12% in other (retried, agriculture etc.)

Table: 4 Monthly income of the Respondents

Monthly Income	No. of Respondents	Percentage
Less than Rs.50000	51	49%
Rs.50000-Rs.100000	42	40%
More than Rs.1 lakh	12	11%

ISSN 2319-5991 www.ijerst.com
Vol. 21, Issue 2, 2025

Total	105	100

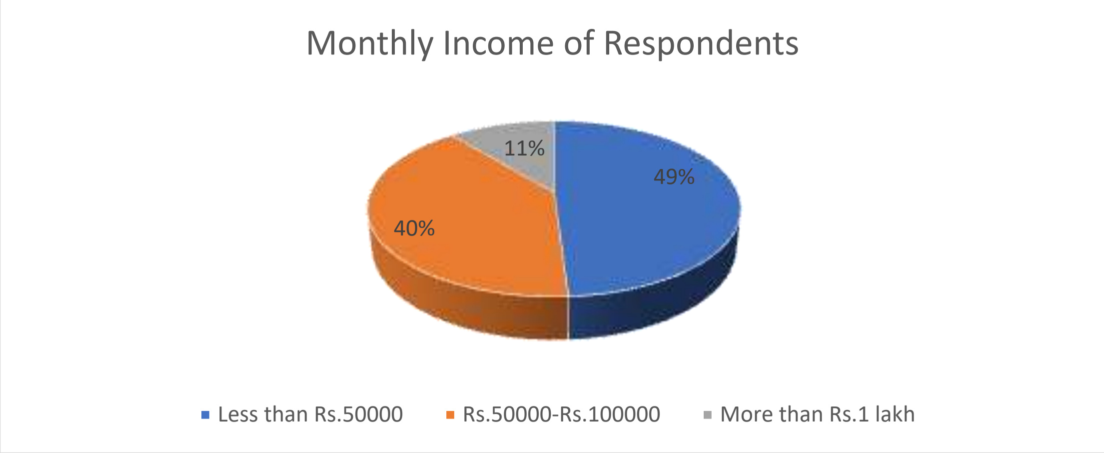


Chart: 4 Monthly income of the Respondents

Interpretation

From the above table it is interpreted that the 49% of the respondents are falls in monthly income category of less than Rs.50000, 40% in Rs.50000- Rs.100000 and 11% in more than Rs.1 lakh.

Majority (49%) of the respondents are falls in monthly income category of less than Rs.50000

Table: 5 Annual savings of the Respondents

Annual Savings	No. of Respondents	Percentage
Less than Rs.50000	60	57%
Rs.50000-Rs.100000	36	34%
More than Rs.1 lakh	09	9%
Total	105	100

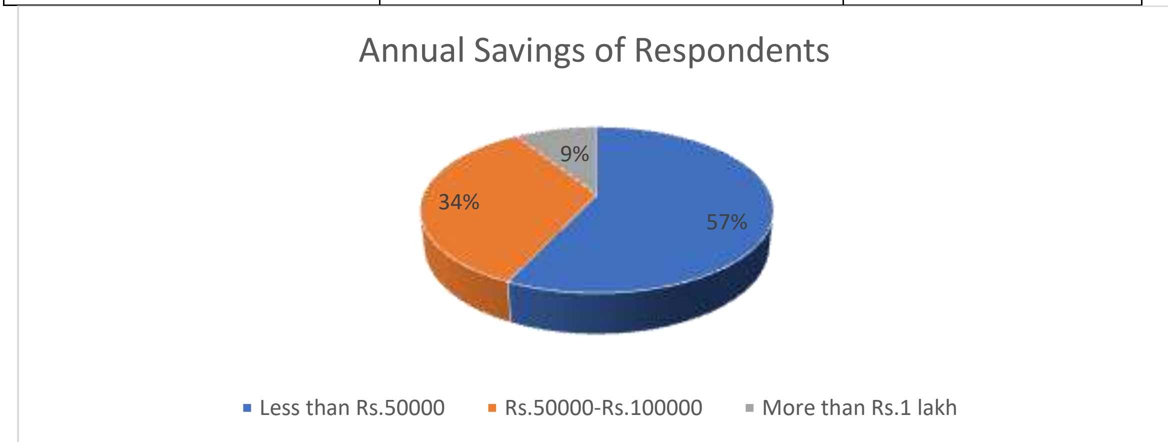


Chart: 5 Annual savings of the Respondents

Interpretation

From the above table it is interpreted that the 57%of the respondents are says annual saving less than Rs.50000, 34% in Rs.50000-Rs.100000 and 9% in more than Rs.1 lakh. Majority (55%) of the respondents are saying annual saying is less than Rs.50000.

Table: 6 Source of awareness of the Mutual Funds

ISSN 2319-5991 www.ijerst.com
Vol. 21, Issue 2, 2025

Source of Awareness	No. of Respondents	Percentage
Newspaper& magazine	19	18%
Internet	45	43%
Television	19	18%
Relatives and friend	22	21%
Total	105	100

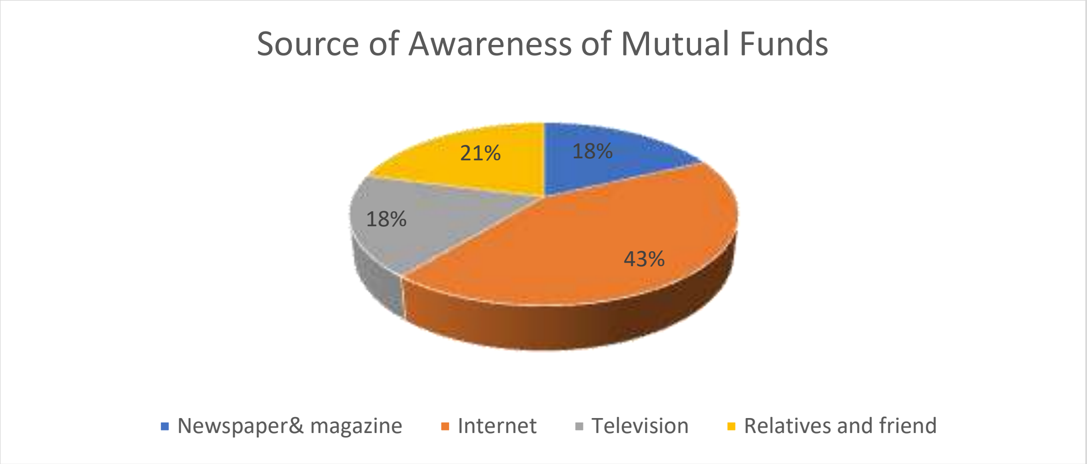


Chart: 6 Source of awareness of Mutual Funds

Interpretation

From the above table it is interpreted that the 43% of the respondents are aware of the mutual fund investment through internet, 21% through relatives and friends, 18% from newspaper& magazine and 18% in television. Majority (43%) of the respondents are aware of the mutual fund investments through internet.

Table: 7 Method of purchase of Mutual Fund unit

Purchase	No. of Respondents	Percentage
Direct purchase	64	61%
Through brokers	41	39%
Total	105	100

ISSN 2319-5991 www.ijerst.com
Vol. 21, Issue 2, 2025

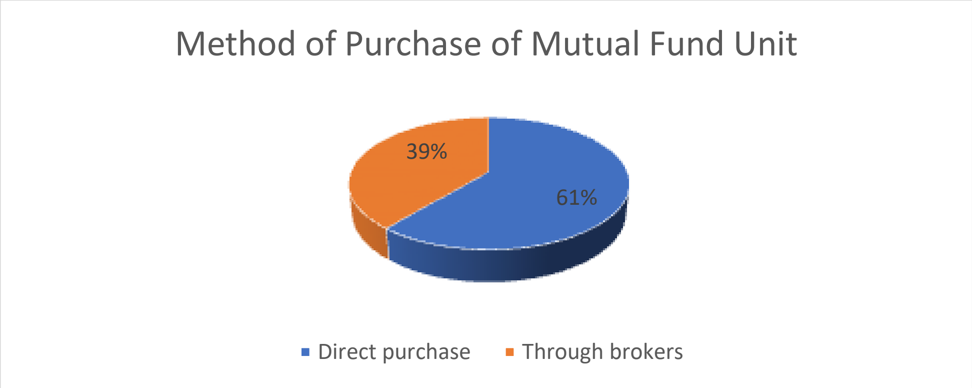


Chart: 7 Method of purchase of Mutual Fund unit

Interpretation

From the above table it is interpreted that the 61% of the respondents are purchasing the mutual fund units directly and 39% are purchasing through brokers. Majority (61%) respondents are purchasing the mutual fund units directly.

Table: 8 Aware of risk involved in Mutual Fund investment

Aware of Risk	No. of Respondents	Percentage
Yes	92	88%
No	13	12%
Total	105	100

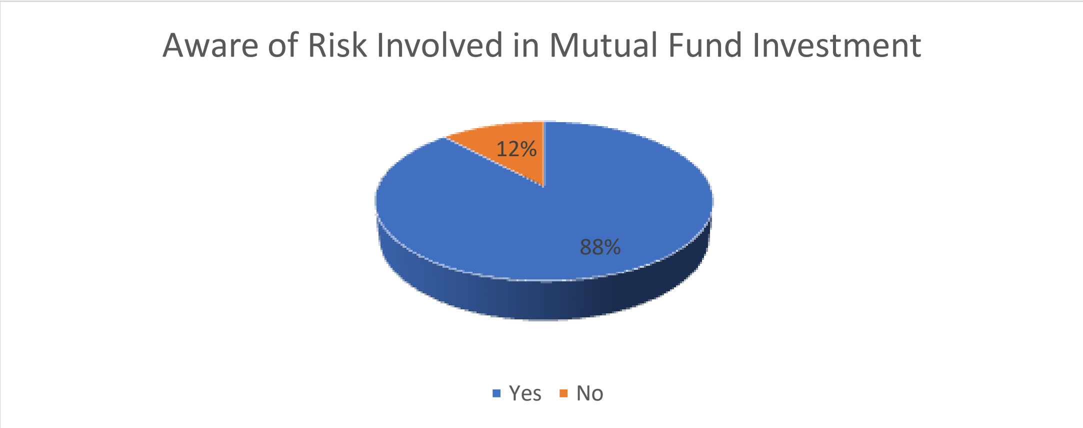


Chart: 8 Aware of risk involved in Mutual Fund investment

Interpretation

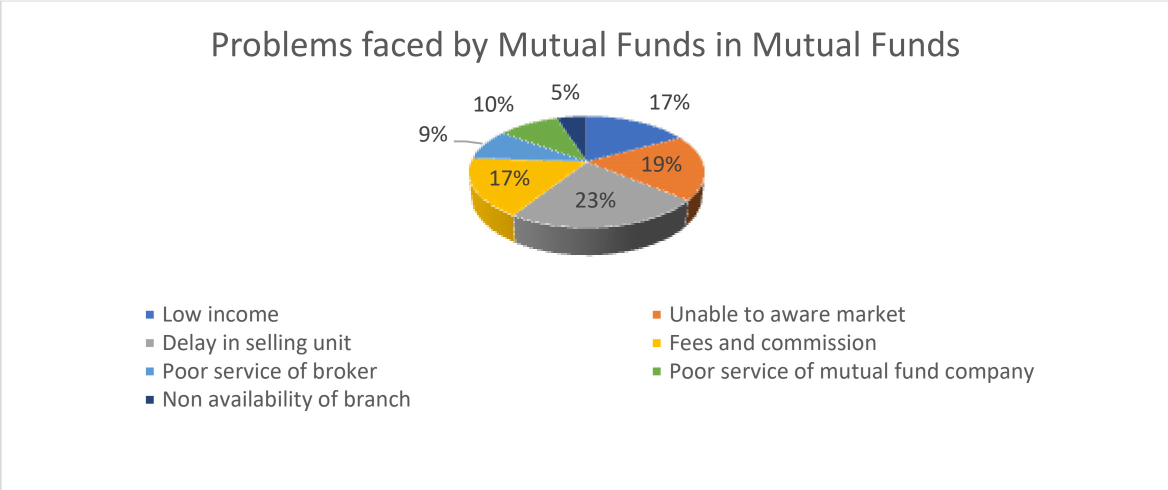
From the above table it is interpreted that the 88% of the respondents are aware of the risk involved in the mutual fund investment, and remaining 12% of the respondents are not aware of the risk involved in mutual fund.

Table: 9 Problems faced by investors in Mutual Fund

Problem Faced	No. of Respondents	Percentage
Low income	18	17%
Unable to aware market	20	19%

ISSN 2319-5991 www.ijerst.com
Vol. 21, Issue 2, 2025

Delay in selling unit	24	23%
Fees and commission	18	17%
Poor service of broker	9	9%
Poor service of mutual fund company	11	10%
Non availability of branch	5	5%
Total	105	100



Interpretation:
From the above table it is interpreted that the 23% of the respondent's problem is there is a delay in selling unit, 17% regarding fees and commission, 19% is the investors are unable to aware of market.17% is due to low income of investors, 9% is due to poor service of broker, 10% is due to poor service of mutual fund company and 5% in non-availability of branch.

Table: 10 Mode of investment

Mode of Investment	No. of Respondents	Percentage
One time investment	46	44%
Systemic investment plan	59	56%
Total	105	100

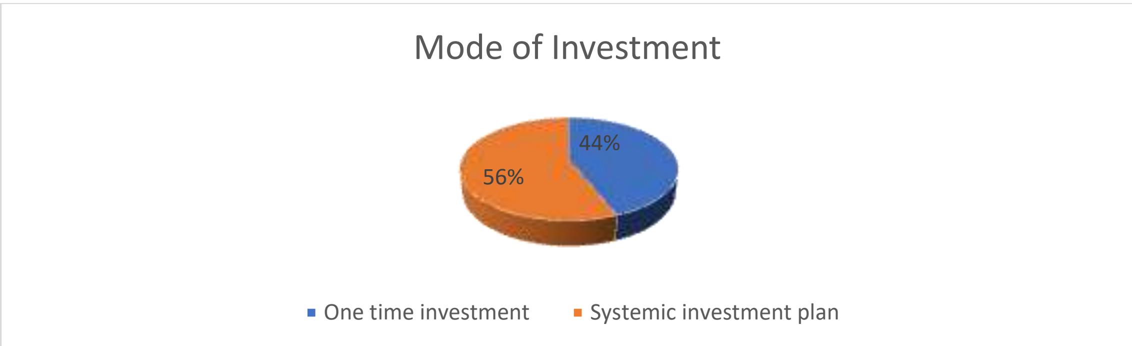


Chart: 10 Mode of investment

Interpretation:
From the above table it is interpreted that the 56% of the respondents are invest in mutual fund systematically, and 44% of respondents are one-time investors.

ISSN 2319-5991 www.ijerst.com
Vol. 21, Issue 2, 2025

Majority (56%) of the respondents are investing in mutual fund systematically.

Hypothesis Testing:
Test 1: Chi Square Test
Objective:
To test whether there is a significant relationship between Problems faced by investor in mutual fund and good opinion to invest in mutual fund.
Null hypothesis (H0) -There is no association between the problems faced by investor in mutual fund and good opinion to invest in mutual fund

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Problem faced by investor * good opinion to invest in mutual fund	105	100.0%	0	0.0%	105	100.0%

	Value	df	Asymp. Sig.(2-sided)
Pearson Chi-Square	16.308[a]	18	.571
Likelihood Ratio	19.275	18	.375
N of Valid Cases	105		

a. 20 cells (71.4%) have expected count less than 5. The minimum expected count is 0.14.

Interpretation:
Since p value is higher than 0.05, we accept null hypothesis. There is no significance difference between the problem faced by investor in mutual fund and good opinion to invest in mutual fund.

ISSN 2319-5991 www.ijerst.com
Vol. 21, Issue 2, 2025

Test 2: ANOVA Testing

Objective: To learn about the association between the age and Monthly Income

Null hypothesis (H0) - There is no association between Age Group and Monthly Income.

	Sum of squares	df	Mean square	F	Sig.
Between groups	.793	3	.397	.499	.609
Within groups	81.168	102	.769		
Total	81.962	105			

Interpretation:

Since p value is higher than 0.05, we accept null hypothesis There is no significance difference between age group and Monthly income.

FINDINGS

- 63% of the respondents are falling in the age category of 30- 40 years saying that majority of the investors belonging to young age.
- 70%of the respondents are male.
- 42% of the respondents are holding their occupation as business are in majority to invest in mutual funds.
- 49% of the respondents are falling in the monthly income category of less than Rs.50000 are showing more interest to invest in Mutual Funds
- 57% of the respondents are saying that their annual savings are less than Rs.50000.
- 43% of the respondents are aware of the mutual fund investment through internet.
- 61% of the respondents are purchasing the mutual fund units directly.
- 88% of the respondents are aware of the risk involved in the mutual fund investment.
- 23%of the respondent's problem is due delay on selling unit.
- 56% of the respondents are investing in mutual funds systematically (SIPs)

SUGGESTIONS

- The investor should keep an eye on the performance of scheme and other good schemes which are available in the market.
- Efforts should be made to encourage or enhance online dealing of mutual funds. This will save time and cost. They can effortlessly sell or purchase any number of funds whenever they want.
- The mutual fund industry must also help people in mobilizing their savings in such a way that they can get maximum benefits out of them.
- Once they invested in mutual fund, they need returns and if is not giving proper returns to then again it is affecting the interest of the investors to invest in mutual fund.
- They should provide more information about their investment product and services mean they should also concentrate on promotion of their schemes.

CONCLUSION

The minds of the investing public look for investments are safe and that it will earn good returns. This study conducted was regarding the factors influencing the investor's perception

ISSN 2319-5991 www.ijerst.com
Vol. 21, Issue 2, 2025

towards mutual fund investment. It is highlighted that investors of middle-income level agrees that regular income and liquidity of the investment plays a vital role. It can be perceived that high risk leads to high returns in the investment.

REFERENCES

Books:

1. **Investment Analysis and Portfolio Management** – Prasanna Chandra
2. **Security Analysis and Portfolio Management** – S. Kevin
3. **Financial Management** – I.M. Pandey
4. **Indian Financial System** – Bharati V. Pathak
5. **Mutual Funds in India** – Jaspal Singh

Journals:

1. **International Journal of Research in Finance and Marketing (IJRFM)**
2. **Indian Journal of Finance**
3. **Journal of Financial Services Marketing**
4. **Journal of Behavioural Finance**
5. **South Asian Journal of Management**
6. **International Journal of Management Studies**

Websites:

1. www.amfiindia.com – Association of Mutual Funds in India
2. www.sebi.gov.in – Securities and Exchange Board of India
3. www.nseindia.com – National Stock Exchange
4. www.moneycontrol.com – Financial news, mutual fund performance
5. www.valueresearchonline.com – Mutual fund research and ratings
6. www.economictimes.indiatimes.com – Business and investment news