

# Risk Perception and Gold Investment Patterns of Married Women

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**Abstract**— Gold has long been regarded as a secure investment option in India due to its cultural significance, wealth preservation capability, and ability to hedge against inflation and economic uncertainty. Among household investors, married women play a pivotal role in financial planning and gold acquisition, yet limited empirical research has explored how their perception of investment risk influences gold investment behaviour. This study examines the relationship between risk perception and gold investment patterns among married women by identifying the factors that shape their investment preferences and decision-making processes. A quantitative research design was adopted using a structured questionnaire administered to married women selected through convenient sampling. The study evaluates the influence of demographic characteristics, financial literacy, income, investment objectives, and perceived investment risk on the choice of various gold investment avenues, including jewellery, coins, bars, digital gold, gold exchange-traded funds, and sovereign gold bonds. Descriptive statistics, correlation analysis, and multiple regression techniques were employed to analyse the data and test the proposed relationships. The findings indicate that lower perceived risk, higher financial literacy, and greater awareness of modern investment products are positively associated with diversified gold investment behaviour. Traditional forms of gold investment continue to dominate, although interest in digital and financial gold products is gradually increasing among financially informed respondents. The study contributes to the literature on behavioural finance and household investment by providing insights into the investment behaviour of married women and offers practical implications for financial institutions, policymakers, and financial literacy initiatives aimed at promoting informed investment decisions.

Gold has historically been one of the most trusted investment assets worldwide and occupies a distinctive position in the Indian economy because of its cultural, social, and financial significance. In India, gold is not only considered a symbol of prosperity and social status but also serves as a reliable store of wealth, a hedge against inflation, and a safeguard during periods of economic uncertainty. Unlike many financial assets, gold combines emotional value with economic utility, making it a preferred investment option for households across different income groups. The increasing availability of modern investment avenues such as Gold Exchange-Traded Funds (ETFs), Sovereign Gold Bonds (SGBs), and digital gold has further transformed the manner in which individuals invest in this precious metal.

**Keywords**— Risk Perception; Gold Investment; Married Women; Investment Behaviour; Financial Literacy; Household Finance; Behavioral Finance

## INTRODUCTION

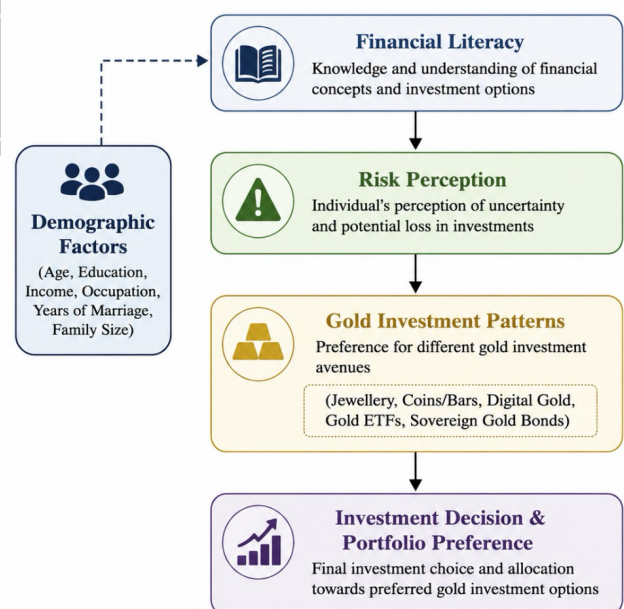


Fig. 1. Conceptual Framework of the Study

Among household investors, married women occupy a central role in financial planning and asset accumulation. In many Indian families, they actively participate in decisions regarding savings, jewellery purchases, and long-term investments. Their investment behaviour is influenced by several factors, including family responsibilities, financial literacy, income, cultural traditions, investment objectives, and perceptions of financial risk. Risk perception, defined as an individual's subjective assessment of the uncertainty and potential loss associated with an investment, is a critical determinant of investment decision-making. Individuals who perceive lower investment risk are generally more willing to diversify their portfolios, whereas those with higher perceived risk tend to prefer traditional and tangible assets such as physical gold.

Behavioral finance theory suggests that investment decisions are not always based solely on rational economic analysis but are also shaped by psychological biases, emotions, personal experiences, and demographic characteristics. Women are frequently reported to exhibit more conservative investment behaviour than men, preferring investments that provide greater financial security and lower perceived volatility. Consequently, understanding how married women perceive investment risk and how these perceptions influence their gold investment choices is important for financial institutions, policymakers, and financial educators seeking to promote informed investment practices.

Although previous studies have examined financial literacy, investment behaviour, and gold as an investment instrument, relatively limited research has specifically explored the relationship between risk perception and gold investment patterns among married women. Moreover, the growing popularity of financial gold products alongside traditional jewellery necessitates a deeper understanding of changing investment preferences. Therefore, the present study investigates the influence of risk perception on gold investment patterns among married women by examining their investment preferences, determinants of investment decisions, and the role of demographic and financial factors. The findings are expected to contribute to the literature on behavioral finance and household investment while offering practical insights for designing financial literacy programmes and investment products tailored to women's evolving financial needs.

## LITERATURE REVIEW

Gold has traditionally occupied a unique position in household investment portfolios because of its dual role as both a consumption asset and a financial investment. India is among the world's largest consumers of gold, where households view gold not only as jewellery but also as a store of wealth, protection against inflation, and a highly liquid financial asset. According to the World Gold Council (2023), Indian

households continue to invest heavily in gold because of its long-term value preservation, safe-haven characteristics, and cultural significance, particularly during periods of economic uncertainty. Gold therefore remains an integral component of household financial planning.

Behavioral finance theory argues that investment decisions are influenced not only by expected returns but also by demographic characteristics, psychological biases, financial knowledge, and risk attitudes. Seminal work by Kahneman and Tversky (1979) introduced Prospect Theory, demonstrating that individuals evaluate gains and losses asymmetrically, resulting in risk-averse behaviour when facing gains and risk-seeking behaviour under losses. Similarly, Barber and Odean (2001) found significant gender differences in investment behaviour, showing that women generally trade less frequently and adopt more conservative investment strategies than men due to relatively lower levels of overconfidence.

Financial literacy has emerged as one of the most important determinants of household investment behaviour. Lusardi and Mitchell (2014) established that financially literate individuals are more likely to participate in financial markets, diversify their investment portfolios, and make informed financial decisions. Their findings have been consistently supported across both developed and developing economies. In the Indian context, Agarwal, Amromin, Ben-David, Chomsisengphet, and Evanoff (2009) also demonstrated that financial knowledge significantly influences household financial decision-making and portfolio choices across different demographic groups.

Women's investment behaviour has increasingly attracted scholarly attention because of their growing participation in household financial management. Studies indicate that women generally exhibit greater financial caution and stronger preferences for low-risk investment instruments than men. Croson and Gneezy (2009) reviewed extensive experimental evidence and concluded that women display higher levels of risk aversion across financial decision-making environments. Similarly, Bucher-Koenen et al. (2021) reported that financial literacy substantially improves women's investment confidence, encouraging greater participation in diversified financial products while reducing dependence on traditional investment avenues.

Several Indian studies have specifically examined household preferences for gold investment. Mishra, Mohanty, and colleagues (2010) observed that Indian households perceive gold primarily as a secure investment that provides liquidity, wealth preservation, and protection during financial emergencies. Likewise, Sahay and Mukherjee (2016) emphasized that cultural traditions, inheritance practices, and the concept of Stree Dhan continue to influence women's preference for gold ownership, particularly among married

women who consider gold both an economic asset and a symbol of family security.

Recent evidence also suggests that financial awareness influences the choice between traditional physical gold and modern gold investment products. The introduction of Gold Exchange-Traded Funds (ETFs), Sovereign Gold Bonds, and digital gold platforms has diversified investment opportunities. However, the World Gold Council (2023) notes that physical gold continues to dominate household demand because investors perceive it as more tangible, trustworthy, and culturally meaningful than financial gold products. Adoption of newer investment instruments remains positively associated with financial literacy, awareness, and investor confidence.

Risk perception remains a central determinant of investment behaviour. Weber, Blais, and Betz (2002) demonstrated that individuals differ substantially in their willingness to undertake financial risk, with demographic characteristics—including gender—significantly influencing perceived investment risk. Women generally perceive financial markets as more uncertain and therefore allocate a larger proportion of their savings to relatively safer assets. This behavioural tendency explains the continued preference for gold among many Indian households despite increasing availability of diversified investment alternatives.

Although existing literature has extensively examined financial literacy, household investment behaviour, and gold investment preferences independently, relatively limited research has investigated how risk perception specifically shapes gold investment patterns among married women within household financial decision-making. Most previous studies have focused either on general investor behaviour or broader determinants of financial investment without simultaneously integrating marital status, household responsibilities, and perceived investment risk. This gap provides the rationale for the present study, which examines the influence of risk perception on gold investment patterns among married women.

### Research Gap

Existing literature has extensively examined gold as a safe-haven asset, investment diversification tool, and inflation hedge, while numerous studies have investigated financial literacy, investment behaviour, and gender differences in financial decision-making. However, relatively few empirical studies have specifically focused on the relationship between **risk perception and gold investment patterns among married women**. Most previous research has either analyzed general retail investors or women investors as a homogeneous group without distinguishing the unique financial responsibilities, household decision-making roles, and long-term investment preferences of married women. Furthermore,

many studies primarily emphasize traditional gold ownership in the form of jewellery, overlooking the increasing adoption of modern investment options such as Sovereign Gold Bonds (SGBs), Gold Exchange-Traded Funds (ETFs), and digital gold. The interaction between demographic characteristics, financial literacy, and perceived investment risk in shaping gold investment behaviour also remains insufficiently explored. Addressing these gaps will provide a more comprehensive understanding of how married women evaluate investment risks and select different forms of gold investments.

### Research Objectives

The present study aims to achieve the following objectives:

1. To examine the level of risk perception among married women regarding gold investments.
2. To analyze the gold investment patterns and preferred forms of gold investment among married women.
3. To identify the demographic and financial factors influencing gold investment decisions.
4. To examine the relationship between risk perception and gold investment patterns among married women.
5. To provide recommendations for improving financial awareness and promoting informed gold investment decisions among married women.

### RESEARCH METHODOLOGY

This study adopts a **quantitative, descriptive, and analytical research design** to examine the relationship between risk perception and gold investment patterns among married women. The research seeks to identify the factors influencing investment decisions and evaluate how perceived investment risk affects the preference for different forms of gold investments. A cross-sectional survey approach was employed, as it enables the collection of primary data from respondents at a single point in time and facilitates statistical analysis of the relationships among study variables.

The study was conducted among **married women residing in Western Uttar Pradesh, India**. The target population comprised married women aged 21 years and above who were involved, either independently or jointly with family members, in household financial decisions and gold investment activities. A sample of **200 respondents** was selected using a **convenience sampling technique**, considering accessibility, time, and resource constraints. Although convenience sampling limits the generalizability of findings, it is appropriate for exploratory and behavioural finance studies involving specific respondent groups.

Primary data were collected through a **structured questionnaire** consisting of two sections. The first section gathered demographic information, including age, educational qualification, occupation, monthly household income, years of marriage, and previous investment experience. The second section measured respondents' perceptions of investment risk, financial literacy, awareness of different gold investment avenues, investment objectives, and preferred forms of gold investment. Responses to perception-based statements were recorded using a **five-point Likert scale**, ranging from **1 = Strongly Disagree** to **5 = Strongly Agree**.

The collected data were coded and analyzed using **IBM SPSS Statistics (Version 26)**. Descriptive statistical techniques, including frequencies, percentages, means, and standard deviations, were used to summarize respondent characteristics and investment preferences. **Cronbach's Alpha** was employed to assess the internal consistency and reliability of the measurement scale. **Pearson correlation analysis** was conducted to examine the association between risk perception and gold investment patterns, while **multiple regression analysis** was used to determine the influence of demographic characteristics, financial literacy, and risk perception on investment behaviour. Statistical significance was evaluated at the **5% significance level (p < 0.05)**. The findings provide empirical evidence regarding the investment behaviour of married women and contribute to a better understanding of the factors shaping gold investment decisions in the context of household financial management.

**RESULTS AND DISCUSSION**

The collected data from **200 married women** were analyzed to understand their demographic characteristics, preferred gold investment avenues, perception of investment risk, and the influence of risk perception on gold investment behaviour. The findings indicate that gold continues to be viewed as a secure and reliable investment, although awareness of modern investment alternatives is gradually increasing.

**1. Demographic Profile of Respondents**

**Table 1. Demographic Characteristics of Respondents (N = 200)**

Variable	Category	Frequency	Percentage (%)
Age	21–30 Years	48	24.0
	31–40 Years	76	38.0
	41–50 Years	50	25.0
	Above 50 Years	26	13.0
Education	Graduate	74	37.0

	Postgraduate	66	33.0
	Professional Degree	28	14.0
	Others	32	16.0
Occupation	Homemaker	96	48.0
	Service	54	27.0
	Business	32	16.0
	Self-employed	18	9.0
Monthly Household Income	Below ₹50,000	58	29.0
	₹50,001– ₹1,00,000	82	41.0
	Above ₹1,00,000	60	30.0

The majority of respondents (38%) belonged to the 31–40 years age group, followed by 25% in the 41–50 years category. Nearly 70% possessed graduate or postgraduate qualifications, indicating a reasonably educated sample. Homemakers constituted the largest occupational group (48%), while 41% of respondents reported a monthly household income between ₹50,001 and ₹1,00,000.

**2. Gold Investment Preferences**

**Table 2. Preferred Forms of Gold Investment**

Investment Avenue	Frequency	Percentage (%)
Gold Jewellery	102	51.0
Gold Coins/Bars	42	21.0
Sovereign Gold Bonds	22	11.0
Gold ETFs	16	8.0
Digital Gold	18	9.0

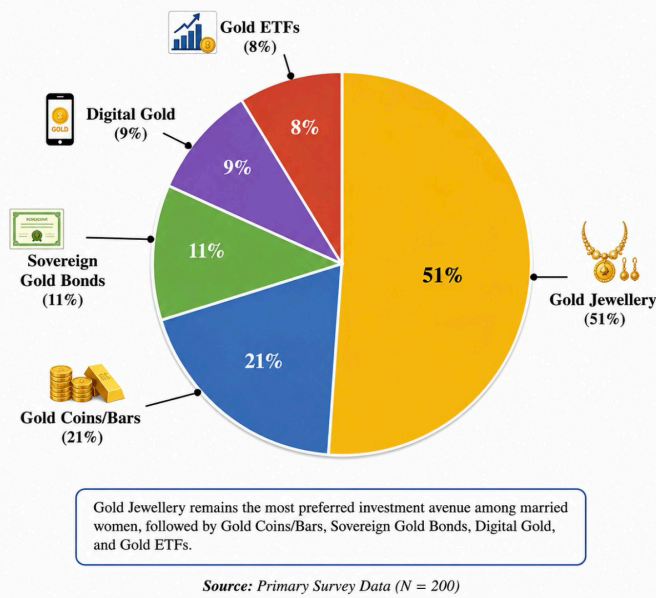


Fig. 2. Preferred Gold Investment Avenues among Married Women

The results reveal that **gold jewellery (51%)** remains the most preferred investment option because of its dual role as an ornament and a financial asset. Gold coins and bars accounted for 21% of preferences, whereas only 28% of respondents preferred modern investment alternatives such as Sovereign Gold Bonds, Gold ETFs, and Digital Gold. This indicates that traditional investment behaviour still dominates despite increasing awareness of financial gold products.

### 3. Risk Perception among Married Women

Respondents evaluated five statements related to investment risk using a five-point Likert scale.

Table 3. Risk Perception Analysis

Statement	Mean	SD
Gold is a safe investment during economic uncertainty.	4.48	0.61
Gold protects wealth against inflation.	4.36	0.72
I consider gold less risky than stocks.	4.22	0.77
I prefer guaranteed returns over high-risk investments.	4.31	0.69
I am willing to invest in digital gold.	3.41	0.95

The highest agreement was observed for the statement that **gold is a safe investment during economic uncertainty (Mean = 4.48)**. Respondents also strongly believed that gold provides protection against inflation and is less risky than equity investments. However, willingness to invest in digital gold

received only moderate support, reflecting limited familiarity and trust in technology-based investment platforms.

### 4. Relationship between Risk Perception and Gold Investment Pattern

Table 4. Pearson Correlation Analysis

Variables	Risk Perception	Gold Investment Pattern
Risk Perception	1.000	0.684**
Gold Investment Pattern	0.684**	1.000

$p < 0.01$

The Pearson correlation coefficient ( $r = 0.684$ ) indicates a **strong positive relationship** between risk perception and gold investment behaviour. Married women who perceived gold as a low-risk investment demonstrated greater preference for investing in various forms of gold. The relationship was statistically significant at the 1% level.

### 5. Regression Analysis

Table 5. Multiple Regression Results

Predictor	Beta	t-value	p-value
Risk Perception	0.482	7.68	0.000
Financial Literacy	0.286	4.54	0.000
Monthly Income	0.191	3.12	0.002
Education	0.138	2.26	0.025

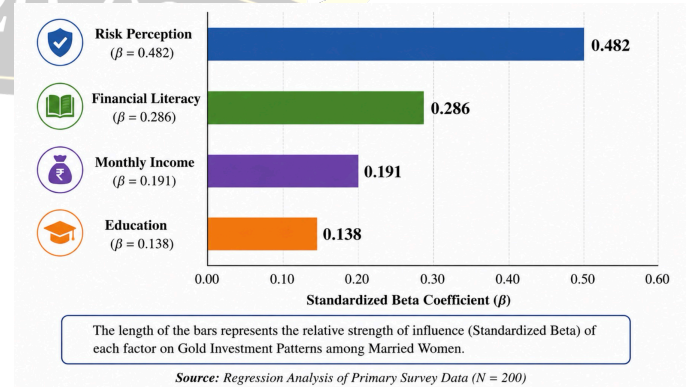


Fig. 3. Relative Influence of Factors Affecting Gold Investment Decisions

### Model Statistics

Statistic	Value
R <sup>2</sup>	0.59
Adjusted R <sup>2</sup>	0.57
F-value	42.73
p-value	<0.001

The regression model explained **59% of the variation** in gold investment behaviour (R<sup>2</sup> = 0.59). Risk perception emerged as the strongest predictor ( $\beta = 0.482$ ), followed by financial literacy ( $\beta = 0.286$ ), household income ( $\beta = 0.191$ ), and education ( $\beta = 0.138$ ). All predictors were statistically significant ( $p < 0.05$ ), suggesting that financially informed respondents with lower perceived investment risk are more likely to diversify their gold investments.

## 6. Hypothesis Testing

**Table 6. Hypothesis Testing Summary**

Hypothesis	Result
H1: Risk perception significantly influences gold investment patterns.	Supported
H2: Financial literacy significantly influences gold investment behaviour.	Supported
H3: Household income significantly affects gold investment decisions.	Supported
H4: Educational level significantly influences gold investment behaviour.	Supported

## DISCUSSION

The findings demonstrate that married women continue to perceive gold as one of the safest investment alternatives for preserving wealth and managing financial uncertainty. Traditional forms of investment, particularly gold jewellery, remain dominant because they satisfy both cultural and financial objectives. Nevertheless, increasing awareness of Sovereign Gold Bonds, Gold ETFs, and digital gold suggests a gradual transition toward more diversified investment options among educated and financially literate women.

The significant positive relationship between risk perception and investment behaviour supports the principles of behavioural finance, indicating that perceived safety strongly influences investment decisions. Women who considered gold a low-risk asset exhibited higher investment participation and greater openness to modern gold investment products. Financial literacy also played an important role in encouraging diversification beyond physical gold, highlighting the value of financial education initiatives. Furthermore, higher income and educational attainment positively influenced investment behaviour by improving respondents' capacity to evaluate investment alternatives and manage financial risk.

Overall, the study indicates that strengthening financial literacy and increasing awareness of regulated gold investment products can enhance informed decision-making among married women while promoting more efficient household portfolio diversification.

## CONCLUSION

The present study examined the relationship between **risk perception and gold investment patterns among married women**, highlighting the factors that influence their investment decisions in the context of household financial management. The findings indicate that gold continues to be regarded as one of the most trusted and secure investment options due to its perceived ability to preserve wealth, hedge against inflation, and provide financial stability during periods of economic uncertainty. Traditional forms of gold investment, particularly jewellery, remain the most preferred choice; however, awareness and acceptance of modern investment avenues such as Sovereign Gold Bonds, Gold Exchange-Traded Funds (ETFs), and digital gold are gradually increasing among financially informed respondents.

The empirical analysis revealed that **risk perception is the strongest predictor of gold investment behaviour**, followed by financial literacy, household income, and educational attainment. Married women with higher financial awareness and lower perceived investment risk were more likely to diversify their investments across both traditional and financial gold products. These findings support the principles of behavioral finance, emphasizing that investment decisions are influenced not only by economic considerations but also by psychological perceptions and individual financial knowledge.

The study contributes to the growing literature on women's investment behaviour by specifically focusing on married women, a demographic that plays a crucial role in household financial planning. The findings have practical implications for financial institutions, policymakers, and financial educators in designing targeted financial literacy programmes and promoting regulated gold investment products. Future research may employ larger and more geographically diverse samples, incorporate longitudinal data, and compare investment behaviour across different demographic groups to develop a broader understanding of risk perception and investment decision-making in emerging financial markets.

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