**COMMERCE EDUCATION IN THE DIGITAL ERA AND SYSTEMATIC** **INVESTMENT PLANS: UNDERSTANDING MIDDLE-CLASS INVESTOR** **BEHAVIOUR IN AMRAVATI CITY**

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**ABSTRACTS**

This research paper explores the impact of digital commerce education on the adoption of Systematic Investment Plans (SIPs) among middle-class households in Amravati City. It examines how digital learning shapes financial decision-making and investment behaviour. A sample of 100 respondents was selected using random sampling, with data collected through structured questionnaires and online surveys. The study employed a descriptive research design, integrating quantitative and qualitative methods to assess trends, financial knowledge, and digital education's role in shaping investment choices. Statistical tools like SPSS and Excel were used to analyse data, applying percentage analysis and chi-square tests to determine relationships between commerce education and SIP adoption. The findings show that digital commerce education enhances financial awareness, fostering greater trust in and participation in SIPs. However, barriers such as limited personalized guidance and digital accessibility still affect widespread adoption. The study concludes that strengthening technology-driven financial education can boost investor confidence and encourage systematic investing.

 **Keywords:** Systematic Investment Plans (SIP), Middle-class Households, Investor Behaviour

**INTRODUCTION**

In the modern financial landscape, Systematic Investment Plans (SIPs) have emerged as a popular investment option, especially among middle-class households. SIPs offer a disciplined and convenient approach to investing in mutual funds, allowing individuals to build wealth gradually with small, regular contributions. With increasing financial awareness and digital advancements, more investors are exploring SIPs as a preferred alternative to traditional savings methods like fixed deposits and recurring deposits.

This study aims to analyse the perception of middle-class investors in Amravati City regarding SIPs, identifying the key factors influencing their adoption and the reasons behind their preference for SIPs. The research also explores how financial literacy, risk appetite, and accessibility to investment platforms impact investment decisions. By understanding investor behaviour, this study seeks to provide insights for financial institutions, policymakers, and educators to enhance awareness and promote SIPs as an effective wealth-building strategy for middle-class households.

**REVIEW OF LITERATURE**

**(Gupta, 2021)**“Investor perception towards systematic investment plans in India.” Systematic Investment Plans (SIPs) have gained popularity as a disciplined investment approach, especially among middle-class households. According to a study by Gupta and Sharma (2021), SIPs provide an affordable and structured way of investing in mutual funds, reducing the impact of market volatility through rupee-cost averaging. The study highlights that middle-class investor prefer SIPs due to their flexibility, lower risk compared to lump-sum investments, and long-term wealth creation potential. However, the study also points out that a lack of financial literacy and risk perception significantly influences SIP adoption rates.

**(Iyer, 2019)**“Determinants of systematic investment plan adoption among middle-class investors.” examined the key factors affecting SIP investments among middle-class households in urban and semi-urban areas. The findings revealed that tax benefits, long-term wealth creation, and the convenience of online investment platforms were major determinants in SIP adoption. However, the study also noted that many middle-class investors hesitate to invest in SIPs due to concerns over market fluctuations and uncertainty about returns.

**(Mehta, 2020)“**The impact of financial literacy on systematic investment plan adoption among Indian households.” Discussed that, financial literacy plays a crucial role in shaping investor behaviour and preferences. A study by Mehta and Verma (2020) found that investors with higher financial awareness are more likely to invest in SIPs due to a better understanding of market risks and expected returns. The research emphasized that financial education programs significantly impact SIP adoption, as many middle-class investors still rely on traditional savings methods due to misconceptions about market-linked investments. The study suggests that financial institutions and policymakers should enhance SIP awareness campaigns to promote informed investment decisions.

**RESEARCH PROBLEM & OBJECTIVE OF THE STUDY**

 This research problem focuses on the perception and investment behaviour of middle-class families in Amravati City regarding Systematic Investment Plans (SIPs). It looks at their opinions about SIPs and how these opinions affect their decisions to invest money. The study also wants to find out why many people choose SIPs over other traditional options like fixed deposits or real estate. Another important part of the research is to see how much people know about finance, especially through digital learning, and how that knowledge helps them understand and use SIPs. Even though financial awareness is growing, some people still avoid SIPs. Overall, the study will help us better understand what encourages or stops middle-class families in Amravati from investing in SIPs**.**

* + 1. To analyse the perception of middle-class households in Amravati City towards Systematic Investment Plans (SIPs).
		2. To identify the key reasons why middle-class investors, prefer SIPs over traditional investment options.
		3. To examine the impact of financial literacy on the adoption of SIPs among middle-class households.

**RESEARCH METHODOLOGY**

 The research methodology of this study involves a well-defined sampling approach targeting middle-class households in Amravati City who either invest or have the potential to invest in Systematic Investment Plans (SIPs). The sample universe includes salaried employees, self-employed individuals, and small business owners who represent the middle-income group. A non-probability purposive sampling technique is adopted to carefully select respondents based on specific criteria such as income level, investment awareness, and willingness to participate in the study. To ensure meaningful and statistically relevant insights into SIP adoption and investor perception, the study includes a total of 100 respondents.

**DATA ANALYSIS AND INTERPRETATION**

The primary reasons middle-class investors prefer SIPs over traditional investment options include higher returns compared to FDs/RDs, offering better growth potential. Flexibility in investment amount allows small, periodic investments. Tax benefits make SIPs attractive. Risk diversification reduces financial risk, while long-term wealth creation helps secure future financial stability.

 **1.** What is the primary reason you prefer SIPs over traditional investment options?

(Select all that apply).

  Higher returns compared to FDs/RDs

  Flexibility in investment amount

  Tax benefits

  Risk diversification

  Long-term wealth creation

**Graph No: 1.** What is the primary reason you prefer SIPs over traditional investment options?

(Select all that apply).

%

0

5

%

10

%

15

%

20

%

%

25

30

%

35

%

%

40

45

%

Higher

returns

compared

to

FDs/RDs

Flexibility

in

investment

 amount

Tax

benefits

Risk

diversification

Long-term

wealth

creation

Percent

41

%

10

%

25

%

10

%

14

%

 The graph shows that 41% of respondents invest in SIPs for higher returns compared to FDs/RDs, while 25% value tax benefits. Long-term wealth creation attracts 14% of investors, and 10% each invest for flexibility and risk diversification. Overall, higher returns and tax benefits are the main reasons for SIP investments, with other factors also playing a role.

2. How would you describe your overall perception of Systematic Investment Plans (SIPs)?

The question "How would you describe your overall perception of Systematic Investment Plans (SIPs)?" aims to gauge the respondents' general attitude towards SIPs. Data analysis will categorize responses into positive, neutral, and negative perceptions, helping to understand the level of trust and satisfaction among middle-class households in Amravati regarding SIPs.

**Table No: 1. How would you describe your overall perception of Systematic Investment Plans (SIPs)?**

|  |  |
| --- | --- |
|  | How would you describe your overall perception of Systematic Investment Plans (SIPs)? |
|   |   | Percent  | Valid Frequency  | Cumulative Percent  |
| valid | Very Positive,  | 34.00  | 34  | 34.00  |
| Positive,  | 39.00  | 39  | 73.00  |
| Neutral  | 15.00  | 15  | 88.00  |
| Negative,  | 8.00  | 8  | 96.00  |
| Very Negative  | 4.00  | 4  | 100.00  |
| Total  | 100  | 100  |   |

Graph No: 2. How would you describe your overall perception of Systematic Investment Plans (SIPs)?

0.00

5.00

10.00

15.00

20.00

25.00

30.00

35.00

40.00

Very

Positive,

Positive,

Neutral

Negative,

Very

Negative

Percent

34.00

39.00

15.00

8.00

4.00

34.00

39.00

15.00

8.00

4.00

Percent

The chart provides the distribution of respondents' perceptions of Systematic Investment Plans (SIPs):

 From the above data analysis, it is clear that most middle-class families in Amravati City have a good opinion about Systematic Investment Plans (SIPs). A total of 73% of the people (34% very positive and 39% positive) think SIPs are a good and safe way to invest. About 15% remain neutral, while only 12% have a negative view. This suggests growing popularity, though some still need more information and guidance.

**FINDING, SUGGESTION & CONCLUSION**

 The study highlights that middle-class households in Amravati City are increasingly adopting Systematic Investment Plans (SIPs) over traditional investment options due to higher returns, flexibility, tax benefits, risk diversification, and long-term wealth creation. The preference for SIPs indicates a shift towards structured and disciplined investing, emphasizing the need for greater financial awareness and informed decision-making. Financial institutions and policymakers should focus on enhancing investor education, promoting SIP benefits, and designing customized investment plans to cater to diverse income groups.

 The findings also suggest that risk diversification and tax incentives play a crucial role in shaping investor behaviour, reinforcing the importance of financial literacy programs. By addressing key investor concerns and offering tailored solutions, financial service providers can encourage long-term participation in SIPs, fostering financial security and wealth accumulation. Strengthening trust and accessibility in SIP investments will further contribute to the growth of the mutual fund industry among middle-class households.

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