Investors Sentiment and Understanding of Mutual Funds Investment in India: A Study

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Abstract: Mutual fund industry is an emerging sector in India. People are open towards investment in mutual funds due its diversification and multiple schemes. This paper examines individuals' experiences and perceptions regarding investments in mutual funds in India through primary data. Investors have demonstrated a strong preference for investments in mutual funds. The poll indicated that mutual fund investors have a thorough comprehension of current market trends and news via various social networking platforms. The market sentiment plays a pivotal role in framing the investment decision. They take timely decisions and experience good returns on their investments with proper disclosure of risks involved in multiple schemes. However, there still uprises a need of fund manager or Portfolio Management Services (PMS) to effectively manage the funds for individual investors. At the same time only a small section of people is open to mutual funds investment due to lack of proper awareness and still prefer traditional methods of investment.

The survey infers that investors are increasingly investing in mutual funds and are getting good and consistent returns. They are aware of the market dynamics and trends.

Keywords: Mutual Funds, Social Networking sites, customer sentiment, fund manager, risks and rewards, Experience.

1 Introduction

The Indian mutual fund sector assumes a critical function within the capital market framework. As of January 2025, the Indian mutual fund sector was managing an average asset portfolio of ₹68,04,761 crores under its aegis (AAUM) [1]. The assets under management of the Indian Mutual Fund Industry have escalated from ₹ 11.81 trillion to ₹67.25 trillion over a decade spanning 2015 to 2025, thus achieving a five-fold augmentation.[1] The significant benchmark of ₹10 Trillion (₹10 Lakh Crore) in assets under management was attained for the inaugural occasion in May 2014.[1] Within a mere span of three years, the assets under management had more than doubled, surpassing ₹ 20 trillion (₹20 Lakh Crore) in August 2017 for the first time.[1] The total number of folios as on January 31 2025 stood at 22.92 crore (229.2 million), while the number of folios

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under Equity, ELSS and Balanced schemes, wherein the maximum investment is from retail segment stood at 18.22 crore (182.2 million). [1]

This is apparent from the above data that mutual fund industry is expanding at a tremendous rate and shows the increasing investors interest in mutual funds' investments.

The emergence of Web 2.0 has facilitated the capacity for individuals to engage in discourse and disseminate their perspectives on a wide array of topics through mediums such as blogs, forums, and digital social networks. Participants may deliberate on contemporary issues, express dissatisfaction regarding a transaction they have undertaken, or articulate their political viewpoints[1]. This phenomenon has significantly influenced individuals' economic behaviors, particularly in relation to global stock market investments. Individuals have exhibited heightened interest in market news and are inclined to analyze price trends. A positive event is associated with an upward trend line, whereas a negative event corresponds to a downward trend line across the various funds[2]. Consequently, the practice of sentiment analysis on social media platforms, possesses numerous applications and has evolved into a formidable instrument for comprehending user sentiments.

While it is indisputable that news significantly affects stock market valuations, the collective sentiment and psychological state of the public also occupy a critical position. Empirical evidence from psychological research substantiates that emotions and information in conjunction exert a substantial influence on human decision-making processes[3].Behavioral finance has also supported the fact that financial decisions are largely driven by emotion and mood .Thus, it seems valid to believe that attitude and public mood might influence stock market values just as much as news.

The forecasting and evaluation of mutual funds' performance constitutes an essential component for investors and financial institutions in contemporary financial markets; however, concurrently identifying the most advantageous funds for investment presents significant challenges. Investing money into the market carries a number of risks because the value of the company's shares is largely based on its performance and earnings in the marketplace, and it can fluctuate based on a number of variables like supply and demand, government regulations, and microeconomic indicators[4].

Despite having higher risk than other investing options, mutual funds offer a larger return on investment. As a result, selecting the appropriate funds for investing is a challenge for investors. To help investors make the right decision, an effective recommendation system and an explanation for it are therefore needed[5]. Here arises a need for effective recommendation system cum fund manager cum Portfolio Management Services (PMS).

The survey tries to identify the investors understanding and experiences in the mutual funds selection and their investments returns. A set of queries undermining this basic investment criterion for understanding the investors behavior and interests in the market news and its absorption have been formulated. These queries try to identify the major prerequisites of the investors before investing in the mutual funds.

2 Literature Review

In the research , the author[6] examined the influence of diverse demographic variables on investors' perceptions regarding mutual funds. The investigator evaluated several elements utilizing a ranking scale, which are pertinent to the selection of mutual funds as an investment medium. Their findings indicated, "A significant number of respondents remain perplexed about mutual funds and have yet to develop a definitive stance towards them for investment purposes. Analysis of demographic characteristics revealed that gender, income level, and educational attainment greatly influence investor opinions regarding mutual fund investments. Conversely, the lifespan in years and profession among the demographic variables were found to have minimal impact on individuals' opinions towards mutual funds[7].

The study [8] examined various demographic factors and their influence on investors' attitudes toward mutual funds. The authors underscored the advantages that mutual funds offer to investors. The participants in the study were drawn from Delhi NCR, representing diverse demographic backgrounds, and the research findings indicated that a significant number of investors still lack confidence in investing in mutual funds and experience apprehension during the investment process. A notably poor level of awareness among investors regarding the fundamental principles governing the mutual fund industry was identified as the primary cause of this behavior.

According to the authors [9], it has been observed that if the growth rate of mutual fund quantities continues to exhibit moderation, or if there is a reduction in the total number of funds, it is anticipated that the expense ratios associated with mutual funds will likely decline, a phenomenon attributable to the considerable asset sizes of the funds that remain active.

This study [10]undertook an analysis of mutual fund investments to examine the behavioral patterns exhibited by investors. The researchers investigated the perspectives of investors concerning various issues, including the distinct categories of mutual fund schemes, the principal motivations for engaging in mutual fund investments, the influence of financial advisors and brokers in the decision-making process, as well as investors' perceptions regarding the multiple factors that attract their attention during mutual fund investments and the diverse exceptional resources available for information. They discerned several deficiencies in the services provided by mutual fund institutions during the marketing of mutual fund policies, thereby presenting a significant challenge to the Indian mutual fund sector.

This research [11]investigated multiple dimensions of the fund selection behavior exhibited by individual investors in the context of mutual fund investments within the metropolitan area of Mumbai. It has been posited that the most advantageous course of action for an individual who is constrained by time, lacks requisite knowledge, or possesses insufficient experience to make informed decisions regarding their financial assets is to invest in mutual funds. The mutual fund market in India remains in a developmental phase, with potential opportunities to penetrate semi-urban markets that extend beyond urban centers. Furthermore, rural regions have yet to be tapped as viable markets.

The study [12]examined the preferences and requirements of investors pertaining to mutual fund investments, while also scrutinizing the predominant factors influencing the purchasing decisions related to mutual funds. The authors conclude that numerous elements influence investors' decisions regarding mutual fund investments, particularly their purchasing behavior, the credibility of sources deemed reliable by investors during the investment process, and a predominantly positive disposition towards market investments.

The investigation[13]focused on the perceptions of investors regarding the risk-return tradeoff associated with mutual fund services. A cohort of 100 current mutual fund investors was examined to discern significant deficiencies within the prevailing framework for mutual funds, subsequently extending this analysis to explore the necessity of reevaluating existing mutual fund services through the lens of "Investor Oriented Service Quality Arrangements" (IOSQA). Further, the authors articulated that "IOSQA delineates seven C's, encompassing Communication, Confidence, Credibility, Commitment, Concern, Competence, and Continuous improvement (CI), which must be cultivated to guarantee customer satisfaction. The Investor Oriented Service Quality Arrangement (IOSQA) represents a prescriptive strategy aimed at harmonizing investor expectations with the actions of Asset Management Companies (AMCs) to achieve comprehensive satisfaction."

2.1 Purpose of the Study

The major objective of the research are as follows:

1. To know about the investors basic understanding of investment in mutual funds.
2. To tap investors experiences of trading in mutual funds and how the social networking sites and news have impacted their sentiments and investment decisions.
3. To know investors investment preferences in mutual funds versus shares.
4. To know investors experiences of risks and rewards in mutual funds.

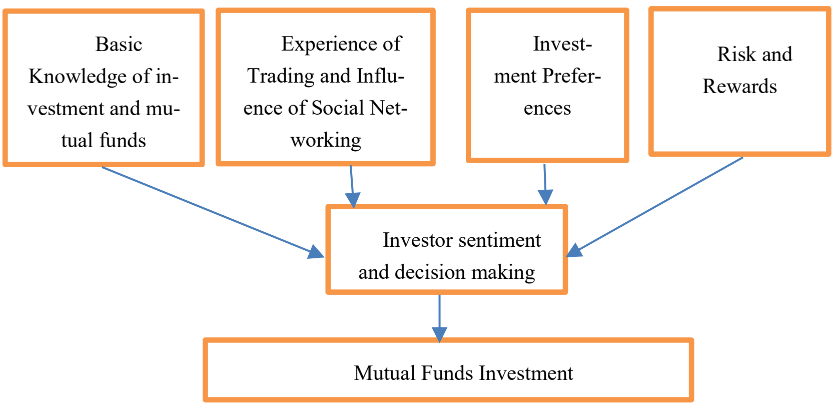

Fig. 1. Investment decision by an Investor

As shown in Figure 1 this survey aims to understand the investors understanding of investment in mutual funds in India through a simple set of queries. The idea is to identify their experiences, user-friendliness towards funds investment. Also to understand the basic sentiment of investors based upon their access to various social media platforms (Twitter, LinkedIn) and news. This sentiment plays a pivotal role in decision making of individuals and their opinion framing towards investment. Moreover, this study aims to know the investors preferences and choices between shares or the mutual funds. Lastly, this survey also tries to identify the experiences of the investors of the risks and rewards involved in the mutual funds.

2.2 Research Methodology

This survey is descriptive research that measures the responses of investors in terms of their understanding of mutual funds in India and underlying factors that affect their investment decisions and choices. The survey tries to capture the actual investors behavior in terms of their market knowledge and news-based reaction and investment decisions.

3 Data Collection

For the objective of data acquisition, an online survey instrument was administered. The survey was disseminated to approximately 350 individuals. A total of 130 responses were obtained, with 119 valid samples are utilized for the research objectives. Here the snowball sampling method was used. In India people are still reluctant to share their financial information's and only few have specific knowledge about the mutual funds. People still prefer the traditional methods of investment and stocks and funds are associated with vulnerabilities of the market.

A 20-statement questionnaire was created to gauge investors' experiences. The statements were created using a five-point Likert scale, with 1 denoting strongly disagree and 5 denoting strongly agree. The validity and reliability of the generated scale were examined using Cronbach's alpha, which was *0.882015.*

3.1 Respondents Profile

Demographic and Social profile of the sample

Tables 1-3 illustrate the demographic characteristics of the respondents (number of responses) in relation to their age, educational qualification and professional occupation.

Table 1. Age of the Respondents

Category	Age Group (Years)	Number of Responses	Percentage (%)
Category I	21-30	25	19.2
Category II	**31-40**	**65**	**50**
Category III	41-50	29	22.3
Category IV	51-60	7	5.4
Category V	61 and above	4	3.1
Total		130	100

(Source: Survey Data)

The table 1 bring out that 19% respondents fall under 21-30 years, 50 % are 31-40 the investors come under the category II and age group of 31-40 years. Investors in this age group are capable of making appropriate investing decisions. They are more sensitive towards the market turbulences and aware of the various schemes offered by multiple funds. Around 22% respondents fall under 41-50 years of age and only around 9% are 51 years and above in age.

This can be represented pictorially using the chart in Figure 2.

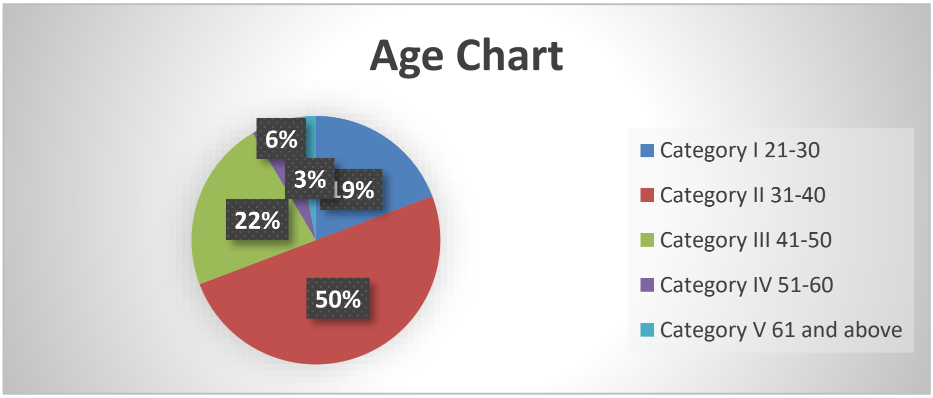

Fig. 2. Age of Respondents

Table 2. Educational Qualifications of Respondents

Educational Qualification	Number of Responses	Percentage (%)
Below Graduate	1	1
Graduate	39	30
Post Graduate	**88**	**68**
Others	2	2
Total	130	100

(Source: Survey Data)

Table 2 shows that almost 68% of the respondents have postgraduate degrees, indicating high levels of education. It shows that the respondents are well-educated, have steady jobs, and are aware of the many viewpoints on mutual fund investing. Apart from this 30% respondents are graduates and the remaining 3% are miscellaneous.

Table 3. Profession of Respondents

Profession	Number of Responses	Percentage (%)
Service	**92**	**71**
Business	13	10
Self Employed	11	8
Others	14	11
Total	130	100

(Source: Survey Data)

Table 3 shows that every respondent is in the age range where they are both employed and employable, as well as mutual fund investors. About 29% of the participants work in business and other occupations, while the majority of 71% are employed in service.

3.2 Analysis of Components

The data gathered from the 119 respondents across 20 distinct statements was systematically examined. The information pertaining to these 20 statements has been categorized into four components, as presented in the subsequent Table 4.

Table 4. Survey Items

S.No	Sr. No of Ques - tion	Compo-nent	Statements Details	Total No of Statements for each component
1	1A	Basic Understanding of Investment in Mutual Funds	Mutual Funds present a more accessible avenue for investment when compared to shares.	5
2	1B		The presence of fund managers is essential for the proficient management of investment portfolios.	
3	1C		Mutual Funds offer multiple schemes and choices	
4	1D		Mutual Funds give consistent Return on Investment	
5	1E		Unit Values of Mutual Funds fluctuate with stock markets	
6	2A	Investors Experience of trading	Online Transactions for buying and selling of Mutual funds help to handle the investment easily	5

7	2B	**in Mutual Funds**	The evaluation and ranking of Mutual Funds by various financial institutions facilitate the streamlined selection of appropriate funds.	
8	2C		Small amount of money is required to invest in Mutual funds than stocks	
9	2D		Social Networking sites (Twitter, Facebook, LinkedIn etc.) give an open platform to discuss the market behaviour and sentiment	
10	2E		Any important global "news" and "event" has an impact on the Indian Stock Market.	
11	3A	**Investments in Mutual Funds versus Shares**	Mutual Funds provide a more extensive diversification of assets in comparison to equities.	5
12	3B		The selection of Mutual Funds is comparatively less complex than that of individual shares.	
13	3C		Mutual Funds present a more secure entry point into the stock market as opposed to direct investments in equities.	
14	3D		Monitoring the performance of Mutual Funds is less cumbersome than tracking individual stocks.	
15	3E		The processes of entry and exit within Mutual Funds are notably convenient.	
16	4A	**Investors experience of Risks and Rewards in Mutual funds**	Investing in Mutual Funds typically yields superior returns compared to alternative investment vehicles.	5
17	4B		The returns generated by Mutual Funds align closely with prevailing market inflation rates.	
18	4C		The risks associated with Mutual Funds are significantly lower than those entailed in direct stock investments.	
19	4D		Mutual Funds achieve enhanced returns through effective diversification strategies.	
20	4E		Mutual Funds have enabled investors to select schemes that align with their preferences by providing detailed disclosures regarding the risk and return profiles of each option.	

The questionnaire was constructed utilizing a 5-point Likert scale. Each question is accompanied by five response options delineated below, with points assigned accordingly[7]. Thus, points are allocated, and the cumulative scores are computed and analyzed as given in Table 5.

Table 5. Likert Scale Points and Score

Scale	Points	Score
Strongly Agree	5	401-500
Agree	4	301-400
Neutral	3	201-300
Disagree	2	101-200
Strongly Disagree	1	0-100

[1](Kothari and Garg,2019)

In the sections below the survey is analyzed using the data obtained.

1. Basic Understanding of Investment in Mutual Funds

The respondents tend to strongly agree that mutual funds' investments are easy as compared to investing in shares (highest Likert points). They agree that the fund manager effectively manage their funds. The respondents strongly agreed that mutual funds offer multiple schemes and choices. Also, they agree that mutual funds give consistent return on investments. It is observed that respondents strongly agree that units' prices of the mutual funds fluctuate with stock market as given in Table 6 and Table 7.

Table 6. Number of responses' Basic Understanding of Investment in Mutual Funds'

Likert Scale	1A	1B	1C	1D	1E
Strongly Agree	40	36	32	14	30
Agree	60	51	71	61	75
Neutral	15	22	14	26	14
Disagree	4	10	2	17	0
Strongly Disagree	0	0	0	1	0

As per the calculations Average Likert Scale is 399: {(**414**+395+412+359+413)/5} in Table 7.

Table 7. Likert Scores of 'Basic Understanding of Investment in Mutual Funds'

	1A			1B			1C			1D			1E		
LS	**NR**	**%**	**LP**	**NR**	**%**	**LP**	**NR**	**%**	**LP**	**NR**	**%**	**LP**	**NR**	**%**	**LP**
Strongly Agree	40	34	168	36	30	151	32	27	134	14	12	59	30	25	126
Agree	60	50	202	51	43	171	71	60	239	61	51	205	75	63	252
Neutral	15	13	38	22	18	55	14	12	35	26	22	66	14	12	35
Disagree	4	3	7	10	8	17	2	2	3	17	14	29	0	0	0
Strongly Disagree	0	0	0	0	0	0	0	0	0	1	1	1	0	0	0
		100	**414**		**100**	**395**		**100**	**412**		**100**	**359**		**100**	**413**

Abbreviations: LS: Likert Scale, NR: Number of Responses, %: Percentage of Responses, LP: Likert Points)

2. Investors Experience of trading in Mutual Funds

As per the survey data in Table 8 and Table 9, it is evident that respondents strongly agree that online transactions help in the buying and selling of mutual funds easily. Moreover, they agree that ranking of the mutual funds by various agencies help in the easy fund selection. Respondents agreed that a small amount of money is requires to invest in mutual funds. Another point of agreement is that social networking sites (Twitter, Facebook, LinkedIn etc.) give an open platform to discuss the market behavior and sentiment. Another strongly agreed point by the respondents is that any important global news and event has an impact on the Indian Stock market. This item had the highest Likert point and shows the importance of any global event over the stock market and funds.

Table 8. Number of responses 'Investors *Experience of trading in Mutual Funds'*

Likert Scale	2A	2B	2C	2D	2E
Strongly Agree	46	26	26	18	51
Agree	60	66	64	59	55
Neutral	12	20	24	26	11
Disagree	1	6	5	15	2
Strongly Disagree	0	1	0	1	0

As per the calculations Average Likert Scale is 402: {(427+392+393+366+**430**)/5} in Table 9.

Table 9. Likert Scores of 'Investors *Experience of trading in Mutual Funds '*

		2A			2B			2C			2D			2E	
LS	**NR**	**%**	**LP**	**NR**	**%**	**LP**	**NR**	**%**	**LP**	**NR**	**%**	**LP**	**NR**	**%**	**LP**
Strongly Agree	46	39	193	26	22	109	26	22	109	18	15	76	51	43	214
Agree	60	50	202	66	55	222	64	54	215	59	50	198	55	46	185
Neutral	12	10	30	20	17	50	24	20	61	26	22	66	11	9	28
Disagree	1	1	2	6	5	10	5	4	8	15	13	25	2	2	3
Strongly Disagree	0	0	0	1	1	1	0	0	0	1	1	1	0	0	0
		100	**427**		**100**	**392**		**100**	**393**		**100**	**366**		**100**	**430**

Abbreviations: Refer Table 7

3. Investments in Mutual Funds versus Shares

As per the data in Table 10 and Table 11 respondents agree that mutual funds offer better diversifications than shares. Also, they have agreed that mutual funds are easy to choose from the shares. Respondents also agree that mutual funds are safer (safe entry) into the stock market than the direct investments. The respondents agreed that tracking of the mutual funds' performance is easy than stocks. Lastly, they also agreed that entry/exit in mutual funds is very convenient as apparent by its highest Likert point in the category.

Table 10. Number of responses 'Investments *in Mutual Funds versus Shares,*

Likert Scale	3A	3B	3C	3D	3E
Strongly Agree	30	22	30	19	25
Agree	52	67	62	58	55
Neutral	29	20	19	23	31
Disagree	8	9	8	19	7
Strongly Disagree	0	1	0	0	1

As per the calculations Average Likert Scale is 402: {(427+392+393+366+**430**)/5} in Table 11.

Table 11. Likert Scores of 'Investments *in Mutual Funds versus Shares*'

	3A			3B			3C			3D			3E		
LS	**NR**	**%**	**LP**	**NR**	**%**	**LP**	**NR**	**%**	**LP**	**NR**	**%**	**LP**	**NR**	**%**	**LP**
Strongly Agree	30	25	126	22	18	92	30	25	126	19	16	80	25	21	105
Agree	52	44	175	67	56	225	'62	52	208	58	49	195	55	46	185
Neutral	29	24	73	20	17	50	19	16	48	23	19	58	31	26	78
Disagree	8	7	13	9	8	15	8	7	13	19	16	32	7	6	12
Strongly Disagree	0	0	0	1	1	1	0	0	0	0	0	0	1	1	1
		100	**387**		**100**	**384**		**100**	**396**		**100**	**365**		**100**	**381**

Abbreviations: Refer Table 7

4. Investors experience of Risks and Rewards in Mutual funds

As per the data in Table 12 and Table 13 respondents agree that superior returns are earned by investing in mutual funds. Also, they have agreed that returns from mutual funds are in pace with the market inflation. Respondents also agreed that risks involved in mutual funds are much less than direct investments in stocks. The respondents agreed that mutual funds get superior returns by proper diversifications. Lastly, they also agreed that mutual funds have allowed to choose a scheme suitable by disclosing risks and return profile of each scheme suitably.

Table 12. Number of responses *'Investors experience of Risks and Rewards in Mutual funds'*

Likert Scale	4A	4B	4C	4D	4E
Strongly Agree	16	17	23	23	19
Agree	53	72	65	69	74
Neutral	33	25	21	23	24
Disagree	15	5	10	4	2
Strongly Disagree	2	0	0	0	0

As per the calculations Average Likert Scale is 382: {(355+385+385+393+393)/5} in Table 13.

Table 13. Likert Scores of' *Investors experience of Risks and Rewards in Mutual funds'*

		4A			4B			4C			4D			4E	
LS	NR	%	LP	NR	%	LP	NR	%	LP	NR	%	LP	NR	%	LP
Strongly Agree	16	13	67	17	14	71	23	19	97	23	19	97	19	16	80
Agree	53	45	178	72	61	242	65	55	218	69	58	232	74	62	249
Neutral	33	28	83	25	21	63	21	18	53	23	19	58	24	20	61
Disagree	15	13	25	5	4	8	10	8	17	4	3	7	2	2	3
Strongly Disagree	2	2	2	0	0	0	0	0	0	0	0	0	0	0	0
		100	**355**		**100**	**385**		**100**	**385**		**100**	**393**		**100**	**392**

Abbreviations: Refer Table 7

3.3 Mean and Standard Deviation of Responses

In Table 14, the data has been compiled for the mean and Z-scores of the 20 statements. In case if the mean is lower, the investors experiences of investing in mutual funds will also be low and vice-versa. It is apparent that majority of the items have mean score greater than or equal to four. This indicates that all items are suitably agreed by the investors who have participated in the survey.

The items for 2A and 2E with the highest mean in the range strongly infer that online transactions and global "news" or "event" pose a significant impact on the decision making of an investor.

All the above statements are again analyzed by "Z Statistics" method. Using Z Test statistics formula below, the observed value of Z-statistics has been calculated for the sample mean.

$$z = \frac{\bar{x} - \mu}{\sigma/\sqrt{n}} \tag{1}$$

where,

- $\bar{x} = sample\ mean$
- $\mu = population\ mean$
- σ=population standard deviation
- $n = sample\ size$

Table 14. Mean, standard Deviation, and Z score

S.No	Sr. No of Question	Mean	Standard Deviation	Standard Error	Z Test
1	1A	4.246154	0.75909847	0.069586	-5.22804
2	1B	4.130769	0.90608345	0.083061	-5.21656
3	1C	4.238462	0.66328024	0.060803	-6.40961
4	1D	3.823077	0.90202168	0.082688	-5.68565
5	1E	4.261538	0.59301777	0.054362	-7.43896
6	2A	**4.369231**	0.66984858	0.061405	-6.01305
7	2B	4.069231	0.81126174	0.074368	-5.11179
8	2C	4.130769	0.76401298	0.070037	-6.9065
9	2D	3.876923	0.91152264	0.083559	-5.66738
10	2E	**4.315385**	0.70478105	0.064607	-4.88157
11	3A	4.138462	0.86534223	0.079326	-6.30068
12	3B	4.030769	0.83999993	0.077003	-6.07439
13	3C	4.130769	0.82395804	0.075532	-5.7365
14	3D	3.876923	0.93114401	0.085358	-5.44951
15	3E	4.053846	0.86264505	0.079079	-6.10049
16	4A	3.869231	0.93212939	0.085448	-6.53386
17	4B	4.061538	0.70578231	0.064699	-7.18558
18	4C	4.061538	0.82643972	0.07576	-6.13651
19	4D	4.146154	0.71867166	0.065881	-7.32065
20	4E	4.046154	0.65027032	0.05961	-6.55411

Thus, for the Q1A, the Z value is -5.22804 and we find that we have met the criterion of statistically significance at the 0.05 level. Similarly, for Q1B the Z value is -5.21656, Q1C the Z value is 6.40961, Q1D the Z value is -5.68565 and Q1E the Z value is -7.43896. For Q2A the Z value is -6.01305, Q2B the Z value is -5.11179, Q2C the Z value is -6.9065, Q2D the Z value is -5.66738 and Q2E the Z value is -4.88157. For Q3A the Z value is -6.30068, Q3B the Z value is -6.07439, Q3C the Z value is -5.7365, Q3D the Z value is -5.44951 and Q3E the Z value is -6.10049. For Q4A the Z value is 6.53386, Q4B the Z value is -7.18558, Q4C the Z value is -6.13651, Q4D the Z value is -7.32065 and Q4E the Z value is -6.55411.
In the table 14 the standard error is particularly low for all items taken for survey and it is also an important measure in significance tests or in examining hypothesis.
In this way, all the z value, standard error has been calculated for all the statements and the result is statistically significant at the 0.05 level (Kothari and Garg,2019).

Hence as per the table 14 value of the z test indicate that the null hypothesis is violated and all the items listed in the survey tend to agree to what we have listed in the survey. The values obtained infer to the results obtained and 20 statements are agreed in all respects as given by the respondent's responses.

4 Limitations of the Study

Reluctance of the investors since they are not aware of the market dynamics and thereby mutual funds' performance. People take mutual funds a less reliable investment option that is less user-friendly. In the digital era also sometimes, the crucial information is not disclosed well in time and the market turbulences are dynamic in nature. This leads to sudden ups and downs in the share market and stock prices. This abruptness leads to risky nature of the market and makes people less trustworthy to invest.

Another limitation of the study is that the sample size is small. This is attributed by the fact that people are still reluctant to share their financial information or still prefer traditional investment methods. They still find mutual funds less reliable. Moreover, sometimes the personal biases of the respondents or the investors sentiments may affect the research. Lastly, mutual funds management need a fund manager or PMS to handle the funds.

5 Conclusion and future scope

Mutual funds provide an accessible, secure, and reliable means of engagement in the capital markets. For individuals lacking the expertise required for direct stock market investments, mutual funds serve as an optimal instrument for market participation. This survey tries to enumerate the major factors in understanding the investment behavior and sentiment of investors to invest in mutual funds.

Consequently, the survey was undertaken involving a sample of 119 investors to gain insights into their experiences with mutual fund investments. The investigation delineates the perspectives of investors regarding their mutual fund investments in pan India. The findings indicate that investors possess a fundamental understanding of mutual fund investments. The participants' experiences with mutual fund investments are reported to be acceptable, particularly in terms of the convenience offered. The investors find mutual funds as user-friendly (multiple schemes and options, consistent returns, safe entry/exits, proper disclosures etc.). Also, the survey infers that availability of social media platforms and global news have served important role in their sentiment framing and thereby investment decisions. The online transactions also aid in easy funds management. However there still arises a need of potential fund manager who guides the investor and maintains their portfolios.

This study can further be taken over a larger sample size. The number of parameters(queries) can be reduced to subsequent quantity using dimension deductions so that the major components can be identified that actually affect the investment decision of the investor to invest in the mutual funds. Moreover, other technical indicators may also be added in the survey queries to clearly understand the investors behaviors and investment pattern which may subsequently help to minimize the investor-market gap. This may allow an enhanced market participation by more investors.

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