

Investigating the Relationship of Age, Annual Income, and Education on Women's Investment Behavior in the Arab Region

Authors : Razan Salem

Abstract : This study aims to investigate the investment behavior of Arab women (in regards to their herding behavior, risk tolerance, confidence and investment literacy levels). This study aims to investigate the relationship between three demographic factors (age, income, education) and the investment behavior of Arab women. On average, women in the Arab region face several obstacles that limit them from fully participating in stocks investments. In the context, this study focuses on extending the existing literature to include Arab women individuals and their investment behaviors. To achieve the study's objective, the researcher distributed 600 close-ended online questionnaires to a sample of Arab male and female individual investors in both Saudi Arabia and Jordan. The researcher used quantitative statistical methods (frequency distribution along with the Kruskal-Wallis H Test and the Mann-Whitney U Test) to analyze the 550 questionnaire respondents. The findings indicated that only age, educational level, and annual income level are associated with the investment behavior of Arab women, where age is only negatively associated with their financial risk tolerance levels. Additionally, income level is positively associated with Arab women's confidence and investment literacy levels, while educational level is only associated positively with their investment confidence levels. According to annual income, Arab women with lower incomes have lower confidence and investment literacy levels. The limited income level might prevent the sample Arab women from investing in the financial information and advisors that may help in improving their investment literacy levels. Furthermore, Arab women with lower educational levels have lower investment literacy levels and thus, this may limit their stock investments. Overall, the study contributes to the existing literature by focusing directly on examining the investment behavior of Arab women and its association with age, annual income, and education. Generally, there are scarce existing studies that investigate the association of demographic factors with the investment behavior of women only in regards to their herding behavior, risk tolerance, investment confidence, and investment literacy levels (combined), especially Arab women investors.

Keywords : Arab region, demographic factors, investment behavior, women investors

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