United International Journal of Multidisciplinary Research (UIJMR)
An International Peer-Reviewed and Refereed Multidisciplinary Journal
ISSN: 3048-6726 www.uijmr.in Impact Factor: 6.934 (SJIF) Vol-2,Issue-4 ,(November),2025

Personality Traits and Investment Behaviour Among Investors in Haryana: An Empirical Study Based on Behavioural Finance

Priti Tanwar[1], Dr. Karan Singh[2]
[1]Research Scholar, Department of Social Science (Economics), Baba Mastnath University, Asthal Road, Rohtak, Haryana
[2]Professor, Department of Social Science (Economics), Baba Mastnath University, Asthal Road, Rohtak, Haryana

Article Received:20-10-2025 Article Modified:20-11-2025
Article Accepted:24-11-2025 Article Published:26-11-2025
DOI:10.37854/UIJMR.2026.3.1.268

Abstract

Investment behaviour is shaped not only by income, market knowledge and expected return, but also by psychological tendencies, risk perception, emotional control and socio-cultural context. Behavioural finance argues that investors are not always fully rational decision-makers; rather, they are influenced by personality traits, emotions, social expectations and information-processing limitations. The present paper examines the relationship between personality traits and investment behaviour among investors in Haryana. The study is based on a structured questionnaire administered to 550 investors from urban, semi-urban and rural regions of Haryana, including Gurgaon, Faridabad and Karnal. The study uses the Big Five personality framework and investment preference indicators to examine whether personality traits significantly influence investment choices. Descriptive statistics, reliability analysis, correlation analysis and multiple linear regression were applied. The findings show that the personality trait items recorded moderate-to-high mean scores ranging from 3.33 to 3.62, while investment preference items remained narrowly distributed between 3.47 and 3.52. Reliability analysis confirmed very high internal consistency, with Cronbach's Alpha values of 0.983 for Personality Traits and 0.981 for Investment Preferences. However, correlation analysis indicated weak associations between personality trait indicators and investment preference items. Multiple regression analysis showed that personality traits explained only 1.0 percent of the variance in investment behaviour, with $R^2 = 0.010$, $F = 0.5411$ and $p = 0.861$. Therefore, the study fails to reject the null hypothesis and concludes that personality traits do not significantly influence investment behaviour among the surveyed investors in Haryana. The study contributes to behavioural finance by presenting a context-specific null finding and argues that personality-

United International Journal of Multidisciplinary Research (UIJMR)
An International Peer-Reviewed and Refereed Multidisciplinary Journal
ISSN: 3048-6726 www.uijmr.in Impact Factor: 6.934 (SJIF) Vol-2,Issue-4 ,(November),2025

based investor profiling should be combined with income, education, occupation, family norms, cultural environment and digital financial access.

Keywords: Behavioural finance, personality traits, Big Five model, investment behaviour, Haryana investors, risk tolerance, investor psychology, financial advisory.

1. Introduction

Investment decision-making has traditionally been explained through rational financial theories, where investors are assumed to select investment alternatives by comparing expected return, risk, liquidity and long-term wealth maximization. However, actual investment behaviour often differs from this rational model. Investors may avoid profitable opportunities because of fear, prefer traditional assets because of familiarity, react emotionally to market volatility, or follow family and peer advice rather than formal financial analysis. Behavioural finance therefore emerged as an important field that integrates psychology with finance and explains how emotions, biases, personality traits and contextual conditions shape financial decisions.

Personality traits are relatively stable psychological characteristics that influence how individuals perceive risk, process uncertainty and respond to financial opportunities. The Big Five personality framework—Openness, Conscientiousness, Extraversion, Agreeableness and Neuroticism—is widely used to examine individual differences in financial behaviour. Jiang (2024) found that Big Five traits correlate with investors' beliefs about stock markets, risk preferences and social interaction tendencies, with neuroticism and openness being particularly important for equity investment behaviour. This indicates that personality traits may influence how investors evaluate financial markets, interpret uncertainty and choose between safe and risky assets.

Recent studies in behavioural finance also suggest that personality traits may influence investment behaviour directly or indirectly through risk tolerance, investor sentiment, behavioural biases or digital financial literacy. For example, Manku et al. (2026) argued that retail investors' investment behaviour emerges from the interaction of stable personality dispositions, risk preferences and competency-based moderators such as digital financial literacy. Similarly, Kamath et al. (2023) examined Indian retail investors and argued that investor

United International Journal of Multidisciplinary Research (UIJMR)
An International Peer-Reviewed and Refereed Multidisciplinary Journal
ISSN: 3048-6726 www.uijmr.in Impact Factor: 6.934 (SJIF) Vol-2,Issue-4 ,(November),2025

behaviour and investment decisions are guided by psychological characteristics and investor sentiment. These studies indicate that personality traits may be relevant to investment decision-making, but they may not always operate independently.

In the Indian context, investment behaviour is especially complex because financial decisions are shaped by income level, education, occupation, household structure, family expectations, cultural values, risk-bearing capacity and access to formal financial institutions. This is particularly relevant in Haryana, where urban financial centres, semi-urban transition zones and rural agrarian areas coexist. Investors in Gurgaon or Faridabad may have greater exposure to digital investment platforms and formal financial products, whereas investors in rural and semi-urban regions may continue to rely on gold, land, savings deposits, insurance products or family-based financial advice. Therefore, personality traits may influence investment behaviour, but this influence may be weakened or modified by socio-economic and cultural realities.

The present study examines this issue using empirical data collected from 550 investors across Haryana. The uploaded empirical chapter states that the questionnaire was administered to investors across key regions of Haryana and was structured to examine the relationship between personality traits and investment behaviour, along with economic-cultural context, urbanization and financial advisory utility. The same chapter notes that Section B of the questionnaire measured Big Five personality traits, while Section C focused on investment behaviour, making the dataset suitable for examining personality-investment relationships.

The central research question of the paper is: Do personality traits significantly influence investment behaviour among investors in Haryana? The study tests this question using descriptive statistics, reliability testing, correlation analysis and multiple regression analysis. Unlike several behavioural finance studies that report strong relationships between personality traits and investment behaviour, the present study finds a weak direct relationship. This makes the paper important because null findings also contribute to theory. They help identify the limits of personality-based explanations and suggest the need for broader investor-behaviour models that include social, economic, cultural and technological variables.

2. Literature Review

Behavioural finance explains investment behaviour by combining financial theory with psychology. Traditional finance assumes that investors make rational choices based on available

United International Journal of Multidisciplinary Research (UIJMR)
An International Peer-Reviewed and Refereed Multidisciplinary Journal
ISSN: 3048-6726 www.uijmr.in Impact Factor: 6.934 (SJIF) Vol-2,Issue-4 ,(November),2025

information, but behavioural finance shows that investors often make decisions under emotional, cognitive and social influences. Investor psychology becomes particularly important in uncertain markets because uncertainty increases the role of perception, fear, confidence and personal judgement. Therefore, behavioural finance provides a useful theoretical foundation for studying personality traits and investment choices.

The Big Five model is one of the most widely used frameworks for studying personality. Openness reflects curiosity, imagination and willingness to explore new experiences. Conscientiousness reflects discipline, responsibility and planning ability. Extraversion represents sociability, assertiveness and active engagement. Agreeableness reflects trust, cooperation and social sensitivity. Neuroticism represents anxiety, emotional instability and sensitivity to stress. In financial decision-making, these traits may affect risk perception, portfolio choice, reaction to market volatility and reliance on advice.

Jiang (2024) examined personality differences and investment decision-making and reported that Big Five personality traits are associated with investors' beliefs, risk preferences and social-interaction tendencies. The study also found that investors with high neuroticism and low openness tend to allocate less investment to equities. This finding supports the view that personality may affect risk-taking in market-linked investments. In contrast, individuals with higher openness may be more willing to explore equities, mutual funds or new financial products.

In India, Kamath et al. (2023) examined the effect of Big Five personality traits on short-term and long-term investment decision-making with investor sentiment as a mediator. The study found that neuroticism significantly affected investor sentiment, extraversion positively affected long-term decision-making, and openness influenced both short-term and long-term investment decisions. This suggests that personality traits may shape investment behaviour in multiple ways, either directly or through psychological channels such as sentiment and confidence.

Baker, Kathpal and Akhtar (2024) studied Big Five personality traits, investment biases and financial literacy among Indian investors. Their study used survey data from 475 individual investors in India and structural equation modeling. They found that extroversion was particularly vulnerable to behavioural biases, while overconfidence bias strongly affected Indian investors. They also found that financial literacy moderated the relationship between some

personality traits and risk aversion. This is important because it shows that personality traits alone may not fully explain financial behaviour; financial literacy can modify how traits are expressed in investment decisions.

Thapa (2025) studied Big Five personality traits, financial literacy and investment decisions among 400 retail investors in Nepal. The results showed that openness, conscientiousness, agreeableness and neuroticism positively affected investment decisions, while extraversion did not have a significant effect. The study also found that financial literacy strengthened the relationship between openness and investment decisions. This finding is particularly relevant for South Asian contexts because it indicates that personality traits may require supportive financial knowledge to translate into investment action.

Manku et al. (2026) examined Big Five personality traits, risk tolerance and investment decision behaviour among retail investors in Mumbai and Navi Mumbai. The study reported that openness and neuroticism emerged as important personality predictors of investment behaviour, risk tolerance was a strong determinant of investment decisions, and digital financial literacy moderated both the risk tolerance–investment pathway and the personality–investment pathway. This supports the idea that personality traits may not operate in isolation; instead, digital competence and risk tolerance may determine whether traits influence actual investment behaviour.

Gender-specific studies also indicate that personality traits may influence investment-related risk perception. Manzoor, Jan and Shafi (2023) examined women retail investors in the Indian stock market using PLS-SEM and Artificial Neural Network approaches. Their results showed that Big Five personality traits significantly affected risk perception among women retail investors, with neuroticism emerging as the most influential predictor in the ANN model. This suggests that personality-investment relationships may vary according to gender, region and investor segment.
Overall, the literature shows that personality traits can influence investment behaviour, but the relationship is not uniform. Some studies report strong direct effects, while others emphasize the role of financial literacy, investor sentiment, risk tolerance, gender and behavioural biases. The present study contributes to this literature by examining whether personality traits directly predict investment behaviour among investors in Haryana. The findings differ from many previous studies because the direct relationship is statistically weak. This difference may be explained by the regional character of the sample, where investment behaviour may be shaped

United International Journal of Multidisciplinary Research (UIJMR)
An International Peer-Reviewed and Refereed Multidisciplinary Journal
ISSN: 3048-6726 www.uijmr.in Impact Factor: 6.934 (SJIF) Vol-2,Issue-4 ,(November),2025

more strongly by income, family norms, occupation, education and access to financial services than by personality alone.

3. Research Objectives and Hypothesis

The main objective of this paper is to examine the relationship between personality traits and investment behaviour among investors in Haryana. The specific objectives are:

To describe the demographic profile of investors included in the study.

To examine the descriptive pattern of Big Five personality trait indicators.

To examine the descriptive pattern of investment preference indicators.

To test the internal consistency of the personality and investment behaviour scales.

To analyze the relationship between personality traits and investment preferences.

To assess whether personality traits significantly predict investment behaviour.

To discuss the implications of the findings for personality-based financial advisory services.

The hypothesis tested in this paper is:

H0: Personality traits do not significantly influence investment choices among investors in Haryana.

H1: Personality traits significantly influence investment choices among investors in Haryana.

4. Research Methodology

4.1 Research Design

The study follows a quantitative, descriptive and empirical research design. It is based on primary data collected through a structured questionnaire. Since the data were collected at one point in time, the study is cross-sectional in nature. The design is appropriate because the purpose of the research is to examine relationships between personality trait indicators and investment behaviour indicators using statistical tools.

4.2 Study Area and Sample

The study was conducted in Haryana and included 550 investors from urban, semi-urban and rural areas. The sample covered key regions such as Gurgaon, Faridabad and Karnal. The uploaded empirical chapter states that the sample included investors from different age groups, gender groups, educational levels, occupational categories, income brackets and residence types. This diversity strengthens the representativeness of the sample and allows the study to examine investor behaviour across different socio-economic settings.

United International Journal of Multidisciplinary Research (UIJMR)
An International Peer-Reviewed and Refereed Multidisciplinary Journal
ISSN: 3048-6726 www.uijmr.in Impact Factor: 6.934 (SJIF) Vol-2,Issue-4 ,(November),2025

Table 1: Demographic Profile of Respondents

Demographic Variable	Category	Frequency
Age	Below 25	118
Age	26–35	104
Age	36–45	100
Age	46–60	123
Age	Above 60	105
Gender	Male	394
Gender	Female	156
Education	Below 10th	116
Education	10th–12th	110
Education	Graduate	117
Education	Postgraduate	89
Education	Professional/Technical Degree	118
Residence	Rural	184
Residence	Semi-Urban	190
Residence	Urban	176

As shown in Table 1, the sample was demographically diverse. The age groups were fairly balanced, with the highest number of respondents in the 46–60 age group and the below-25 age group. The gender profile showed a higher proportion of male respondents. The educational profile included both highly educated and less formally educated investors. Residence type was almost evenly distributed across rural, semi-urban and urban categories. This balanced spatial distribution is important because investment behaviour in Haryana cannot be understood by studying only urban investors.

4.3 Instrument and Measurement

The questionnaire included sections on demographic profile, personality traits, investment behaviour, economic and cultural context and urbanization perception. For the present paper, the focus is on personality traits and investment preferences. Personality traits were measured using ten Likert-scale items coded PT_1 to PT_10. Investment behaviour was measured through ten Likert-scale items coded IB_1 to IB_10. The uploaded chapter states that the Big Five personality traits were assessed using ten items measured on a five-point Likert scale, where 1 represented “Strongly Disagree” and 5 represented “Strongly Agree.”

United International Journal of Multidisciplinary Research (UIJMR)
An International Peer-Reviewed and Refereed Multidisciplinary Journal
ISSN: 3048-6726 www.uijmr.in Impact Factor: 6.934 (SJIF) Vol-2,Issue-4 ,(November),2025

4.4 Data Preparation

Responses were checked for completeness and consistency. Missing values were minimal, and reverse-coded items were recoded where required. Composite scores were created by averaging relevant items. Personality Score was calculated using PT_1 to PT_10, while Investment Score was calculated using IB_1 to IB_10. Mild outliers were retained because they represented genuine behavioural variation rather than data-entry errors. The uploaded chapter confirms that the dataset was cleaned, variables were grouped by constructs, Likert-scale items were recoded where necessary, and outliers were examined before advanced analysis.

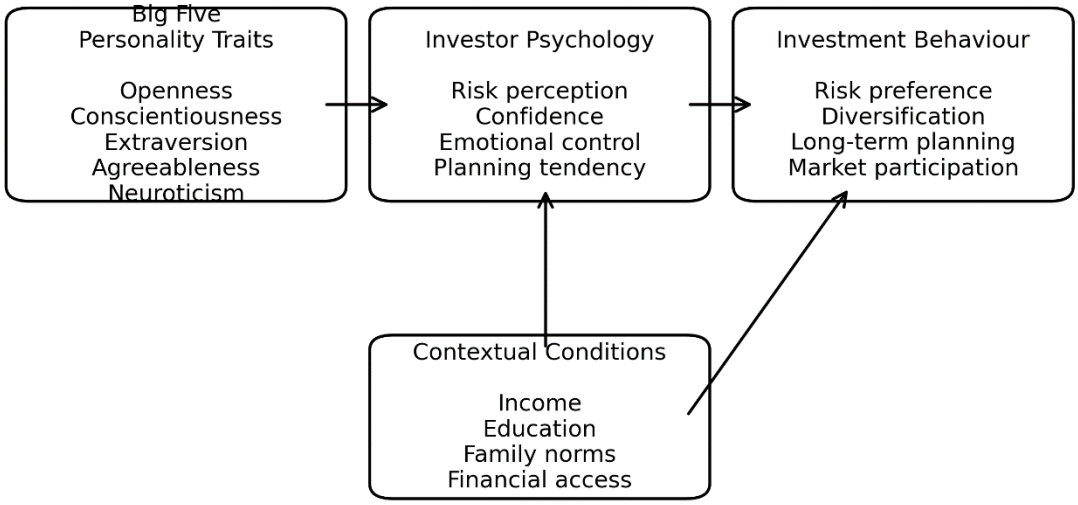


Figure 1: Conceptual Framework of Personality Traits and Investment Behaviour

As shown in Figure 1, the conceptual model assumes that Big Five personality traits influence investor psychology, which may further influence investment behaviour. However, contextual conditions such as income, education, family norms and financial access may also shape investment decisions. Therefore, the empirical model tests whether personality traits alone significantly predict investment behaviour.

5. Data Analysis and Findings

5.1 Descriptive Analysis of Personality Traits

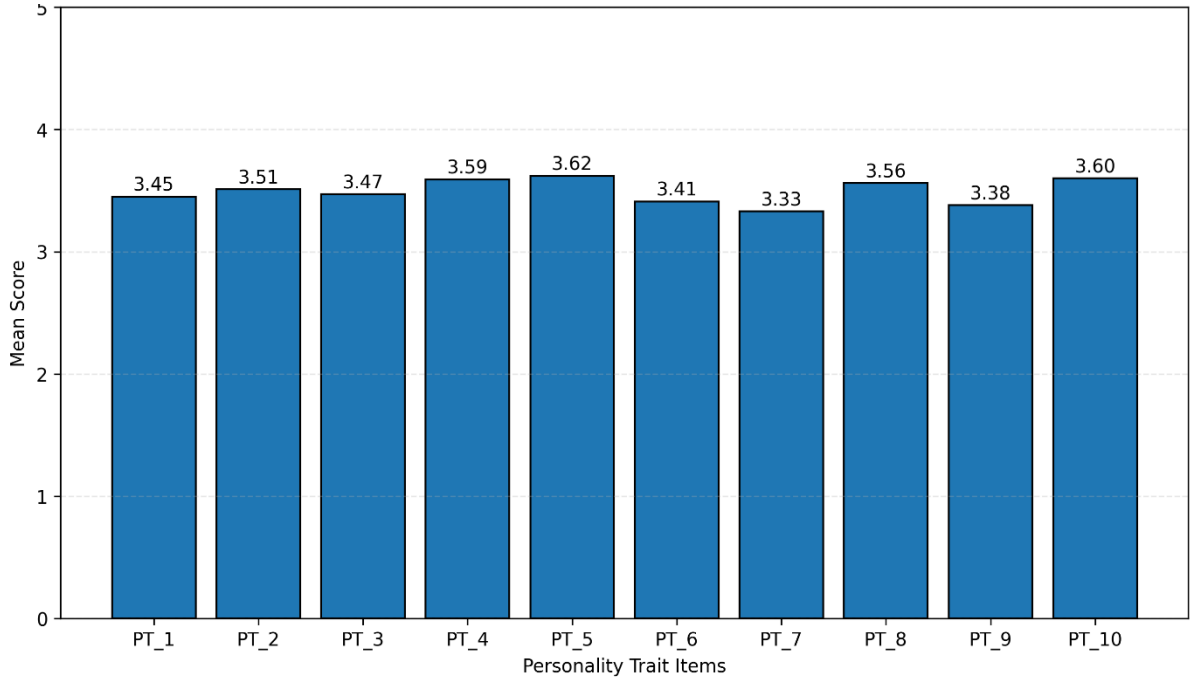
The descriptive statistics for personality trait items are presented in Table 2. The mean values range from 3.33 to 3.62, indicating moderate-to-high agreement with personality-related statements. Standard deviations range between 0.67 and 0.73, showing moderate response variation.

United International Journal of Multidisciplinary Research (UIJMR)
An International Peer-Reviewed and Refereed Multidisciplinary Journal
ISSN: 3048-6726 www.uijmr.in Impact Factor: 6.934 (SJIF) Vol-2,Issue-4 ,(November),2025

Table 2: Descriptive Statistics of Personality Trait Items

Item	Mean	Standard Deviation	Minimum	Maximum
PT_1	3.45	0.68	2.0	5.0
PT_2	3.51	0.71	2.0	5.0
PT_3	3.47	0.70	2.0	5.0
PT_4	3.59	0.72	1.0	5.0
PT_5	3.62	0.69	2.0	5.0
PT_6	3.41	0.67	2.0	5.0
PT_7	3.33	0.70	1.0	5.0
PT_8	3.56	0.72	2.0	5.0
PT_9	3.38	0.73	1.0	5.0
PT_10	3.60	0.71	2.0	5.0

As shown in Table 2, none of the personality trait items recorded an extremely low mean score. PT_5, PT_10, PT_4 and PT_8 recorded comparatively higher means, indicating that respondents showed moderate levels of personality characteristics linked with disciplined, expressive or stable behavioural tendencies. PT_7 and PT_9 recorded comparatively lower mean values, but they remained above the neutral midpoint.



United International Journal of Multidisciplinary Research (UIJMR)
An International Peer-Reviewed and Refereed Multidisciplinary Journal
ISSN: 3048-6726 www.uijmr.in Impact Factor: 6.934 (SJIF) Vol-2,Issue-4 ,(November),2025

Figure 2: Mean Scores of Personality Trait Items

Figure 2 visually presents the mean scores of personality trait items. The figure shows that the personality profile of the respondents is moderately balanced and not strongly polarized. This balanced pattern may partly explain why the direct statistical relationship between personality traits and investment behaviour was weak.

5.2 Descriptive Analysis of Investment Behaviour

The descriptive statistics of investment preference items are presented in Table 3. The mean values range from 3.47 to 3.52, showing a very narrow distribution. This indicates that respondents generally reported balanced investment behaviour rather than highly conservative or highly aggressive investment tendencies.

Table 3: Descriptive Statistics of Investment Preference Items

Item	Mean	Standard Deviation	Minimum	Maximum
IB_1	3.48	0.73	1.0	5.0
IB_2	3.52	0.74	2.0	5.0
IB_3	3.50	0.77	2.0	5.0
IB_4	3.48	0.74	2.0	5.0
IB_5	3.48	0.75	1.0	5.0
IB_6	3.51	0.72	2.0	5.0
IB_7	3.50	0.73	2.0	5.0
IB_8	3.47	0.74	2.0	5.0
IB_9	3.49	0.71	2.0	5.0
IB_10	3.50	0.70	2.0	5.0

As presented in Table 3, the investment behaviour scores are tightly clustered. IB_2 recorded the highest mean score of 3.52, while IB_8 recorded the lowest mean score of 3.47. This narrow range suggests that the respondents were neither extremely risk-averse nor extremely risk-seeking. Instead, they reflected a moderate investment profile, possibly combining traditional investment preferences with growing interest in modern financial instruments.

United International Journal of Multidisciplinary Research (UIJMR)
An International Peer-Reviewed and Refereed Multidisciplinary Journal
ISSN: 3048-6726 www.uijmr.in Impact Factor: 6.934 (SJIF) Vol-2,Issue-4 ,(November),2025

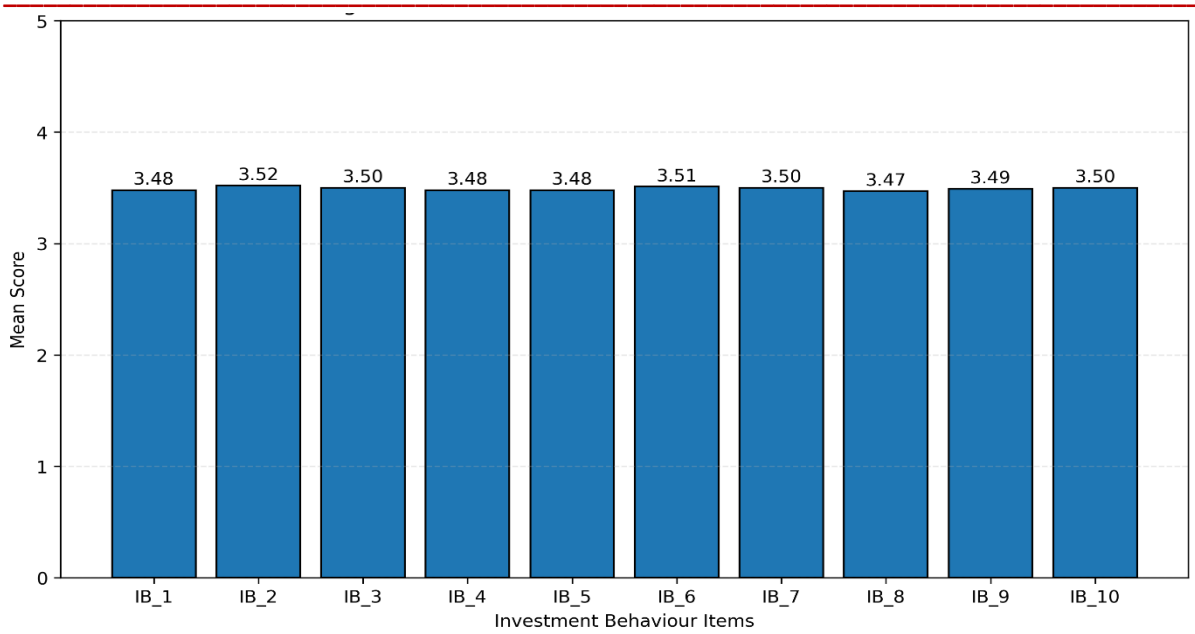


Figure 3: Mean Scores of Investment Preference Items

Figure 3 supports the findings shown in Table 3. The investment preference items appear almost equal in mean value, suggesting that investment behaviour among respondents is relatively stable across different indicators. This pattern also explains why personality traits may not strongly predict variation in investment behaviour.

5.3 Reliability Analysis

Reliability testing was conducted using Cronbach's Alpha. The results are presented in Table 4. The uploaded chapter reports that all five constructs had Cronbach's Alpha values above 0.980, with Personality Traits and Urbanization Perception at 0.983, Investment Preferences and Cultural Context at 0.981, and Economic Context at 0.980.

Table 4: Reliability Statistics for Core Constructs

Construct	Number of Items	Cronbach's Alpha
Personality Traits	10	0.983
Economic Context	10	0.980
Cultural Context	10	0.981
Urbanization Perception	10	0.983
Investment Preferences	10	0.981

United International Journal of Multidisciplinary Research (UIJMR)
An International Peer-Reviewed and Refereed Multidisciplinary Journal
ISSN: 3048-6726 www.uijmr.in Impact Factor: 6.934 (SJIF) Vol-2,Issue-4 ,(November),2025

As shown in Table 4, the questionnaire demonstrated very high internal consistency. The two most important constructs for the present paper—Personality Traits and Investment Preferences—recorded Cronbach's Alpha values of 0.983 and 0.981 respectively. These values indicate that the items under each construct are strongly related and suitable for further statistical analysis. However, very high alpha values may also suggest that some items are closely similar. Future studies may use more differentiated Big Five sub-scales to capture the independent role of each personality dimension.

5.4 Validity of the Instrument

The uploaded empirical chapter reports that Exploratory Factor Analysis produced four clear factors with eigenvalues greater than 1, cumulatively explaining 73.5 percent of variance. It also reports strong CFA fit indices, including CFI = 0.961, TLI = 0.953, RMSEA = 0.045 and SRMR = 0.039, indicating good construct validity. The chapter further reports that personality trait items loaded between 0.64 and 0.81, while investment preference items loaded between 0.68 and 0.83. These findings support the validity of the instrument and confirm that the questionnaire was suitable for examining the personality-investment relationship.

5.5 Correlation Analysis

Pearson correlation analysis was used to examine the linear association between personality trait items and investment preference items. The uploaded chapter states that most correlations between personality trait indicators and investment preference indicators were weak and statistically insignificant, generally below 0.15. A few items showed minor positive or negative associations, but these values were not strong enough to establish a meaningful relationship. This suggests that although personality traits may have theoretical relevance, their direct statistical connection with investment preferences is weak in this sample.

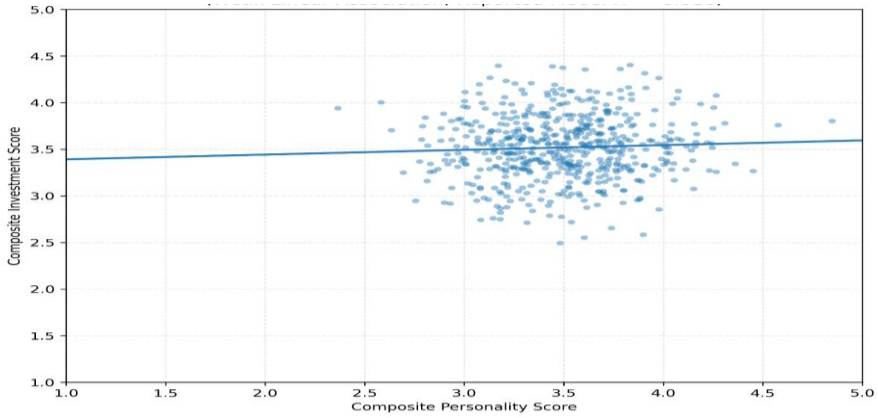


Figure 4: Personality Score vs. Investment Score

United International Journal of Multidisciplinary Research (UIJMR)
An International Peer-Reviewed and Refereed Multidisciplinary Journal
ISSN: 3048-6726 www.uijmr.in Impact Factor: 6.934 (SJIF) Vol-2,Issue-4 ,(November),2025

As shown in Figure 4, the scatter plot of Personality Score and Investment Score shows a weak linear association. The trend line is nearly flat, indicating that investment behaviour does not increase or decrease substantially with personality score. This visual result supports the correlation findings and prepares the basis for regression analysis.

5.6 Regression Analysis

Multiple linear regression analysis was conducted using the ten personality trait items as independent variables and Investment Score as the dependent variable. The uploaded empirical chapter reports that the regression model produced a very low R^2 value of 0.010, meaning that personality traits explained only 1.0 percent of the variance in investment behaviour. The F-statistic was 0.5411 and the p-value was 0.861, showing that the model was not statistically significant.

Table 5: Regression Summary: Personality Traits Predicting Investment Behaviour

Model Indicator	Value
Dependent Variable	Investment Score
Independent Variables	PT_1 to PT_10
R^2	0.010
F-statistic	0.5411
p-value	0.861
Model Interpretation	Not statistically significant

As presented in Table 5, personality traits did not significantly predict investment behaviour among the surveyed investors. The very low R^2 indicates negligible explanatory power. The uploaded chapter further reports that none of the individual personality variables had statistically significant p-values; for instance, PT_3 had a coefficient of -0.0168 with $p = 0.209$, and PT_9 had a coefficient of 0.0141 with $p = 0.293$. Therefore, the regression findings confirm that personality traits alone are not reliable predictors of investment behaviour in this dataset.

6. Hypothesis Testing

The hypothesis tested in the study was:

H0: Personality traits do not significantly influence investment choices among investors in Haryana.

H1: Personality traits significantly influence investment choices among investors in Haryana.

United International Journal of Multidisciplinary Research (UIJMR)
An International Peer-Reviewed and Refereed Multidisciplinary Journal
ISSN: 3048-6726 www.uijmr.in Impact Factor: 6.934 (SJIF) Vol-2,Issue-4 ,(November),2025

The correlation analysis showed weak associations between personality trait indicators and investment preference indicators. The regression analysis showed that personality traits explained only 1.0 percent of the variance in investment behaviour, with $R^2 = 0.010$ and $p = 0.861$. Since the p-value is greater than 0.05, the null hypothesis cannot be rejected. Therefore, the study accepts H0 and concludes that personality traits do not significantly influence investment choices among investors in Haryana.

This finding does not mean that personality traits are irrelevant. Rather, it shows that personality traits do not have a strong direct statistical effect when examined alone. Personality may still influence communication style, advisory preference, confidence, fear of loss and trust in financial products. However, investment behaviour in Haryana appears to be shaped by a wider combination of factors such as income stability, occupation, education, family norms, financial literacy and access to digital platforms.

7. Discussion

The findings of this study make an important contribution to behavioural finance. Many behavioural finance studies assume that personality traits directly influence investment behaviour. However, the present study shows that this relationship may be weak in specific socio-economic contexts. Although the personality trait scale and investment preference scale were highly reliable, the actual relationship between the two constructs was statistically weak.

There are several possible explanations for this finding. First, investment behaviour in Haryana may be strongly influenced by economic capacity. A respondent may be open to new investment opportunities, but if income is irregular or savings are limited, the person may still prefer low-risk instruments. Farmers, daily wage earners and small business owners may prioritize liquidity and safety over risk-taking, regardless of personality type. Similarly, government employees and salaried workers may invest more systematically because of income stability, not necessarily because of personality traits.

Second, family and cultural norms may reduce the direct role of individual personality. In many Indian households, financial decisions are not purely individual. Investment choices may be discussed with parents, spouses, relatives or community members. In such cases, even an investor with high openness or extraversion may follow conservative family preferences. This

United International Journal of Multidisciplinary Research (UIJMR)
An International Peer-Reviewed and Refereed Multidisciplinary Journal
ISSN: 3048-6726 www.uijmr.in Impact Factor: 6.934 (SJIF) Vol-2,Issue-4 ,(November),2025

may weaken the direct statistical relationship between personality traits and investment behaviour.

Third, digital financial access may be creating convergence among investors. Mobile banking, mutual fund apps, UPI systems, online insurance platforms and social media-based financial content have increased exposure to similar financial products across urban and semi-urban spaces. As access improves, differences in investment behaviour may be shaped less by personality and more by platform availability, trust and financial literacy.

Fourth, personality may influence investment behaviour indirectly rather than directly. Previous studies have shown that investor sentiment, risk tolerance and financial literacy may mediate or moderate the relationship between personality and investment decisions (Kamath et al., 2023; Manku et al., 2026; Thapa, 2025). The present study focused on direct predictive influence. Therefore, future studies may test whether personality traits influence risk tolerance first, and whether risk tolerance then influences investment behaviour.

The findings also have theoretical importance. They suggest that behavioural finance models should not overemphasize personality traits as independent predictors. Instead, investment behaviour should be understood through a layered model where personality interacts with socio-economic background, cultural pressure, financial literacy and technological access. This is especially important in emerging regions such as Haryana, where traditional financial practices and modern investment platforms coexist.

8. Practical Implications

The findings have practical implications for investors, financial advisors, banks, investment platforms and policymakers.

For investors, the study suggests that self-awareness is useful but not sufficient. Investors should understand whether they are naturally cautious, confident, anxious or exploratory, but they should not make investment decisions based only on personality. They should also assess income stability, emergency fund needs, investment horizon, liquidity requirement and financial goals.

For financial advisors, the study suggests that personality profiling can be useful for communication and relationship-building, but not as a stand-alone investment-prediction tool. Conservative clients may require reassurance, risk explanation and gradual exposure to

United International Journal of Multidisciplinary Research (UIJMR)
An International Peer-Reviewed and Refereed Multidisciplinary Journal
ISSN: 3048-6726 www.uijmr.in Impact Factor: 6.934 (SJIF) Vol-2,Issue-4 ,(November),2025

diversified instruments. Aggressive clients may require guidance against overconfidence and excessive risk-taking. Balanced clients may benefit from mixed portfolios. However, advisors must combine personality profiling with financial capacity, income source, family obligations and investment knowledge.

For financial institutions, the study supports the development of hybrid investor-profiling systems. Banks, mutual fund distributors, insurance firms and digital platforms should combine psychological profiling with demographic and economic data. A short risk questionnaire may not fully capture investor behaviour in Haryana. Institutions should include questions on income regularity, family involvement, education, digital comfort and preferred investment horizon.

For policymakers, the findings suggest that financial literacy programs should be contextualized. Since personality traits alone do not explain investment behaviour, public financial education should address structural barriers such as lack of awareness, fear of market-linked products, gender gap in financial participation, rural trust deficit and limited understanding of digital tools. Financial literacy programs in Haryana should use local language, community-based examples and region-specific investment awareness modules.

9. Theoretical Contribution

This study contributes to behavioural finance literature in three important ways. First, it provides empirical evidence from Haryana, a region that includes urban, semi-urban and rural investment environments. This regional focus adds contextual value to behavioural finance research, which often focuses on stock-market participants in urban or metropolitan settings.

Second, the study presents an important null finding. While many studies show significant links between personality traits and investment behaviour, this study finds weak direct influence. This indicates that personality traits may not always predict investment choices, especially when socio-economic and cultural factors are strong.

Third, the study supports a contextual behavioural finance framework. Instead of viewing personality as a direct cause of investment behaviour, the findings suggest that personality is one part of a wider decision-making system. In Haryana, investment behaviour appears to emerge from the interaction of psychological traits, economic condition, family norms, occupation, education and access to financial services.

United International Journal of Multidisciplinary Research (UIJMR)
An International Peer-Reviewed and Refereed Multidisciplinary Journal
ISSN: 3048-6726 www.uijmr.in Impact Factor: 6.934 (SJIF) Vol-2,Issue-4 ,(November),2025

10. Limitations of the Study

The study has some limitations. First, it is cross-sectional, so it cannot measure changes in investment behaviour over time. Second, personality traits were measured through ten indicators, which may not fully capture each Big Five trait separately. Third, investment behaviour was measured through self-reported responses, which may be affected by social desirability bias. Fourth, the study is limited to Haryana and may not be generalizable to all Indian states. Fifth, the regression model examined direct effects only and did not test mediating variables such as risk tolerance, financial literacy, investor sentiment or behavioural biases.

11. Scope for Future Research

Future research may use a larger multi-state sample to compare investment behaviour across different Indian regions. Researchers may use standardized Big Five inventories such as BFI-10, BFI-44 or NEO-FFI to measure personality more precisely. Future studies may also apply structural equation modeling to test indirect effects through risk tolerance, investor sentiment, digital literacy and financial literacy. Gender-specific studies may be useful because the present sample had fewer female respondents. Longitudinal research can also examine whether personality traits influence investment behaviour during changing market conditions, such as market crashes, inflationary periods or stock-market booms.

12. Conclusion

The present paper examined the relationship between personality traits and investment behaviour among 550 investors in Haryana. The study used Big Five personality trait indicators and investment preference items measured through a structured questionnaire. Descriptive analysis showed moderate-to-high personality trait scores and balanced investment behaviour scores. Reliability analysis confirmed strong internal consistency, with Cronbach's Alpha values of 0.983 for Personality Traits and 0.981 for Investment Preferences.

However, correlation analysis showed weak associations between personality traits and investment preferences. Multiple regression analysis further showed that personality traits explained only 1.0 percent of the variance in investment behaviour, with a statistically non-significant model. Therefore, the study concludes that personality traits do not significantly influence investment choices among investors in Haryana when examined as direct predictors.

United International Journal of Multidisciplinary Research (UIJMR)
An International Peer-Reviewed and Refereed Multidisciplinary Journal
ISSN: 3048-6726 www.uijmr.in Impact Factor: 6.934 (SJIF) Vol-2,Issue-4 ,(November),2025

The findings do not reject the importance of personality in behavioural finance. Instead, they suggest that personality traits should be treated as one part of a broader investor-behaviour framework. In Haryana, investment decisions appear to be shaped by a combination of personality, income, education, occupation, family norms, cultural expectations and financial access. Therefore, financial advisory systems should combine personality-based insights with socio-economic and contextual profiling. Such an integrated approach can support more realistic investor segmentation, better financial advice and more inclusive financial literacy programs.

References

- Baker, H. K., Kathpal, S., & Akhtar, A. (2024). The Big 5 personality traits and investment biases: The role of financial literacy. Review of Behavioral Finance, 17(1), 172–197.
- Jiang, Z. (2024). Personality differences and investment decision-making. Journal of Financial Economics.
- Kamath, A. N., Kumar, S., & Singh, R. (2023). Impact of personality traits on investment decision-making: Mediating role of investor sentiment in India. Investment Management and Financial Innovations.
- Manku, A. S., Channale, D., & Shengale, S. (2026). Big Five personality traits, risk tolerance, and investment decision behaviour: Examining the moderating role of digital financial literacy among retail investors in India. International Journal of Economic Practices and Theories.
- Manzoor, A., Jan, A., & Shafi, M. (2023). Big-Five personality traits and risk perception of women retail investors in the Indian stock market: A PLS-SEM and ANN approach. Indian Journal of Science and Technology, 16(26), 1958–1966.
- Thapa, A. (2025). Big Five personality traits, financial literacy and investment decision. Journal of Nepalese Management and Research, 7(1), 81–96.