

**The impact of socioeconomic status, awareness, and savings on  
investor's perception towards investment decisions in Colombo Stock  
Exchange (CSE): With special reference to Kandy district, Sri  
Lanka**

**T.J.B.E. Jayalath and A.L.M. Jameel**

*Department of Accountancy and Finance, Faculty of Management Studies,  
Rajarata University of Sri Lanka, Mihintale*

*Corresponding author: bhashini49@gmail.com*

**Abstract**

The perception of investors plays an important role when making investment decisions in the stock exchange. It is an attitude or opinion of investors. Many research studies have proved that perception may act as mediators among financial transactions. Through the extant literature, the previous studies identified that socioeconomic status, awareness and savings were mostly the impacts to the investor's perception towards investment decision and it is convinced that very few studies had been carried out in Sri Lankan context regarding the perception of investors. Therefore, this study aims at examining the impact of socioeconomic status, awareness and savings on investor's perception towards investment decision in CSE. To achieve this aim, investors in Kandy district was used as population. But total number of individual investors in Kandy district is unknown. Therefore 60 individual investors were selected as the sample by using convenient random sampling method. A structured questionnaire was used to collect the data and independent and dependent variables were measured through 20 questions by using Likert's scale. Hypotheses were set to seek the influence on the perception of investors towards investment decision in CSE and correlation and multiple regression techniques were used to test the hypotheses. The findings of this study revealed that socioeconomic status has a significant positive and savings has a significant negative impact on the perception of investors towards investment decision in CSE. But awareness has an insignificant positive impact on the perception of investors towards investment decision in CSE. Findings support the investors of CSE to identify the how above factors affect to perception they are useful for the financial advisors to advise their clients for the better. And also, the government can develop programs to make the other investors using the findings. Therefore, this study recommended that investors improve the capability of investing in CSE to earn a higher return than other investments.

***Keywords:*** Awareness, perception of investors, savings, socio-economic status