Investment Behaviour of Doctors and Engineers Towards Mutual Funds: A Comparative Study of Belagavi City, India

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Abstract

Despite rising financial literacy and the expansion of mutual fund products in India, many high-income professionals continue to favour conventional instruments such as fixed deposits, gold, and real estate. This study examines the investment behaviour of two prominent professional groups doctors and engineers towards mutual funds in Belagavi, a rapidly developing Tier-2 city in Karnataka, India. Using a quantitative, descriptive research design, primary data were collected from 203 respondents (98 doctors and 105 engineers), selected through purposive sampling and a structured questionnaire administered both online and offline. Descriptive statistics, cross-tabulation, Chi-square tests of association, and Spearman rank correlation were employed to analyse demographic influences, awareness levels, perception, risk preference, and decision-making factors. Results indicate that while awareness of mutual funds is high (86.2%), active participation remains moderate (51.7%). Gender, age, income, and employment type significantly influence investment behaviour, whereas profession alone does not. Doctors allocate a higher proportion of income to mutual funds and adopt longer investment horizons, while engineers monitor their investments more frequently. Risk preference significantly shapes allocation, monitoring frequency, and investment horizon, and liquidity together with past fund performance emerged as the strongest behavioural drivers. The findings offer practical implications for asset management companies, financial advisors, and policymakers seeking to expand mutual fund penetration among professional segments in emerging urban markets.

Keywords: Mutual Funds; Investment Behaviour; Financial Literacy; Risk Preference; Professional Investors

Introduction

Personal financial management the disciplined handling of income, expenditure, saving, and investment underpins long-term financial security and the achievement of individual life goals. While saving alone provides a buffer against unforeseen contingencies, idle funds are gradually eroded by inflation and therefore cannot generate substantial wealth. Investment, by contrast, allows capital to grow through returns generated by productive assets such as equities, bonds, and mutual funds, enabling individuals to pursue financial independence and resilience against economic fluctuations.

Among the various instruments available to Indian investors, mutual funds have emerged as one of the most efficient and professionally managed avenues for wealth creation. By pooling capital from numerous investors and allocating it across diversified portfolios of equity, debt, and money-market instruments, mutual funds provide risk diversification and professional management even to investors with modest

capital. Relative to traditional alternatives, fixed deposits typically yield returns that fail to outpace inflation, while real estate demands substantial capital outlay and offers limited liquidity. Mutual funds, in comparison, combine reasonable returns with liquidity, flexibility, and transparency, and a growing range of schemes caters to varying risk appetites and financial objectives. Rising financial literacy, digital investment platforms, and the regulatory oversight of the Securities and Exchange Board of India (SEBI) have further accelerated the growth of the industry.

Notwithstanding these advantages, a considerable segment of high-income Indian professionals including doctors and engineers continues to favour conventional investment avenues over mutual funds. Several explanations have been advanced for this pattern. Conventional instruments are widely perceived as safer and more predictable. The demanding schedules typical of medical and engineering professions leave limited time for active market monitoring, reinforcing a preference for familiar, low-effort options. Furthermore, market-linked instruments are frequently associated with unpredictability, and a combination of limited financial literacy, loss aversion, and distrust of market intermediaries sustains the preference for traditional assets, even where mutual funds could plausibly generate comparable or superior returns over a shorter horizon.

This study investigates these behavioural patterns within the specific context of Belagavi, a Tier-2 city in Karnataka characterised by an expanding professional class and a developing financial ecosystem. Doctors and engineers were selected as the focal groups because both possess considerable disposable income and high educational attainment, yet typically follow distinct career trajectories and financial orientations. Physicians, who are often self-employed or engaged in private practice, tend to prioritise liquidity and financial stability, whereas engineers, generally employed within corporate structures, may gravitate towards structured or employer-linked savings mechanisms while remaining comparatively cautious about market-based instruments.

Accordingly, this study sets out to examine and compare the investment behaviour of doctors and engineers in Belagavi with specific reference to mutual funds, and to identify the demographic, psychological, and experiential factors awareness, risk perception, financial literacy, and professional context that shape their investment decisions. In doing so, the study contributes to a nuanced understanding of how well-educated, high-earning professionals in economically emerging urban centres engage with market-linked financial instruments.

Background of the Study

Investment decisions are shaped by an interplay of personal, psychological, and contextual factors. Financial literacy an individual's understanding of investment products and market mechanisms strongly influences the choice between complex instruments such as mutual funds and simpler alternatives such as fixed deposits, gold, or real estate, with higher financial literacy consistently associated with greater participation in market-linked investments (Fong, 2025). Risk tolerance similarly conditions investment choice: individuals with lower risk appetite tend to favour stable, guaranteed-return instruments even when market-linked alternatives offer superior potential yields (Noviarini, 2021). Age and life stage also matter, as younger investors are typically more willing to explore market-linked products, while older individuals tend to prioritise capital preservation (Bonsang, 2015). Income level and liquidity needs exert a further influence: while higher earnings expand the range of feasible investment options, an immediate need for liquidity can still push investors towards conventional instruments (Kumar, 2025). Finally, psychological biases including herd behaviour, overconfidence in familiar choices, and loss aversion often impede the adoption of newer or less familiar investment products (Ahamed, 2024). For time-constrained professionals such as doctors and engineers, limited opportunity for active market engagement compounds these tendencies, reinforcing reliance on established, low-effort investment avenues.

The Indian mutual fund industry has expanded considerably over the past two decades, propelled by rising investor awareness, digital distribution platforms, and robust regulatory oversight by SEBI (Kale, 2012). Indian mutual funds are broadly categorised into equity funds (oriented towards long-term capital growth), debt funds (investing in government securities, bonds, and money-market instruments for greater safety), and hybrid funds (blending equity and debt exposure to balance risk and return). Despite the availability of these options and their potential for higher risk-adjusted returns relative to fixed deposits over comparable horizons, many professionals remain hesitant, owing to perceived market volatility and unfamiliarity with the underlying instruments.

Literature Review

The investment behaviour of individuals has been extensively examined across demographic groups, national contexts, and time periods, with prior research consistently linking risk perception, demographic characteristics, financial literacy, and behavioural tendencies to investors' preferences for mutual funds and other financial instruments.

Kale (2012) examined the Indian mutual fund industry and identified persistent challenges alongside emerging opportunities, arguing that limited financial literacy among retail investors continues to constrain broader market participation and that greater transparency and product innovation are required to strengthen the industry. Rathnamani (2013), studying investor preferences in Trichy, found that mutual funds are increasingly regarded as a safe and rewarding investment avenue that not only offers diversification and professional management but also channels household savings into capital markets. Jatana and Barodawala (2015), in an empirical study of Indian investors, identified monetary returns as the dominant determinant of mutual fund investment decisions, alongside regulatory policy, customer service, promotional activity, and perceived market risk, indicating that both financial and non-financial considerations shape investor choice.

Demographic determinants of investment behaviour have received particular attention. Shinde and Zanvar (2015), analysing 670 investors in Pune, found that age, education, and income significantly shape risk tolerance and investment preference, concluding that demographic profiling should inform personalised financial advice. Dahiya and Chaudhary (2016) similarly reported that income, tax considerations, and perceived safety strongly influence the investment behaviour of the salaried class across mutual funds, equities, and insurance products. Narsis (2022) extended this line of enquiry, showing that age, gender, education, occupation, and income jointly shape investor attitudes towards risk, safety, and return, with implications for the design of investor-specific financial strategies.

Fund-selection behaviour has also been examined cross-nationally. Amiri and Gil-Lafuente (2016), applying factor analysis and multinomial logistic regression across investors in Iran, Malaysia, Turkey, and the United States, identified seven determinants of mutual fund selection fund characteristics, reputation, investment flexibility, performance, popularity, transparency, and non-cash benefits and classified investors into five behavioural segments ranging from professional to cautious. Sharma (2019), studying 100 investors in Delhi/NCR, identified fund characteristics, credibility, convenience, performance, and fund-family reputation as the principal drivers of investor decisions, underscoring the importance of transparency and investor engagement for fund houses. Gaurav, Ray, and Pradhan (2023), focusing specifically on corporate professionals, identified risk perception, return expectations, tax benefits, diversification, liquidity, and professional management as key determinants, noting that this segment increasingly regards mutual funds as a balanced vehicle combining growth and safety.

The psychological and cognitive dimensions of investment behaviour have received growing attention in recent literature. Ahamed (2024) demonstrated that social comparison orientation shapes financial

management behaviour, with individuals who frequently benchmark themselves against others tending towards emotionally driven, less rational financial decisions. Bonsang (2015) linked risk attitude to cognitive ageing, finding that older investors become progressively more risk-averse, favouring capital preservation over growth. Noviarini (2021) established that financial literacy and risk tolerance jointly predict more effective debt management and more consistent retirement saving, while Fong (2025) showed that higher financial literacy improves both investment participation and the self-directed management of pension assets. Kumar (2025), examining mutual fund performance during the COVID-19 pandemic, found that fund management quality, diversification, and sectoral allocation were central to risk-adjusted performance persistence amid market volatility.

Collectively, this body of research indicates that investment behaviour whether among salaried employees, corporate professionals, or the general investing public is shaped by an interaction of demographic characteristics, financial literacy, psychological orientation, and fund-specific attributes such as reputation, transparency, and performance. Investors across contexts appear to seek a balance between return, safety, and convenience, with regulatory trust and product transparency reinforcing confidence in market-linked instruments. As the Indian mutual fund industry continues to expand, understanding these behavioural and demographic dimensions remains central to improving investor engagement, product design, and financial advisory practice.

Research Gap

Although national-level studies provide valuable insight into general patterns of investment behaviour, direct comparative research on the investment choices of doctors and engineers remains scarce. Fewer studies still examine these dynamics at the city level, particularly within rapidly developing Tier-2 cities such as Belagavi, where expanding urbanisation, rising professional incomes, and improving access to financial products intersect with entrenched conventional investment habits. Understanding why financially capable, well-educated professionals continue to favour traditional instruments despite the comparable or superior return potential of mutual funds over shorter horizons remains both a scholarly and a practical imperative. This study addresses this gap by offering a comparative, city-level analysis of mutual fund investment behaviour among doctors and engineers in Belagavi, with a view to informing targeted strategies by financial advisors and asset management companies to address the behavioural, attitudinal, and informational barriers to mutual fund adoption within these professional segments.

Problem Statement

Despite possessing high incomes and strong educational qualifications, doctors and engineers in Belagavi remain underexamined in empirical research on mutual fund investment behaviour. Many professionals within these occupations continue to favour conventional instruments such as fixed deposits, gold, and real estate, even where mutual funds could offer comparable or superior returns within a shorter time frame. This pattern highlights the need to investigate the underlying demographic, informational, and psychological factors that shape investment decisions within these professional groups, and to understand how professional background specifically influences key investment choices such as scheme selection, risk perception, investment horizon, and reliance on financial advice.

Research Objectives

1. To evaluate the influence of demographic factors on investment decisions among doctors and engineers in Belagavi city.
2. To analyse the mutual fund investment habits of doctors and engineers in Belagavi city.
3. To examine the perception of doctors and engineers in Belagavi city regarding mutual funds.

4. To determine the factors influencing mutual fund investment decisions among doctors and engineers in Belagavi city.

Hypotheses

Five sets of hypotheses were formulated in line with the study objectives and questionnaire structure, addressing professional differences in awareness and behaviour, perception, risk preference, and decision-making factors.

H1 — Awareness and Behaviour

H_{01}: There is no significant difference in awareness and investment behaviour towards mutual funds between doctors and engineers.

H_{11}: There is a significant difference in awareness and investment behaviour towards mutual funds between doctors and engineers.

H2 — Perception

H_{02}: There is no significant difference in perception of mutual funds between doctors and engineers.

H_{12}: There is a significant difference in perception of mutual funds between doctors and engineers.

H3 — Risk Preference

H_{03}: Risk preference has no significant influence on investment behaviour towards mutual funds. H_{13}: Risk preference has a significant influence on investment behaviour towards mutual funds.

H4 — Decision-Making Factors

H_{04}: Return, tax benefit, liquidity, and professional advice do not significantly influence investment decisions.

H_{14}: Return, tax benefit, liquidity, and professional advice significantly influence investment decisions.

Research Methodology

Research Design

The study adopts a quantitative, descriptive research design aimed at analysing the investment behaviour of doctors and engineers towards mutual funds, with particular attention to preferences, patterns, and influencing factors.

Population and Sample Design

The target population comprises practicing doctors and engineers residing and working in Belagavi city, Karnataka, India, selected on the basis of three considerations: (i) professional relevance, given the generally stable, higher-income profile of both groups and their significance as potential mutual fund investors; (ii) geographic focus, Belagavi being a Tier-2 urban centre exhibiting growing financial awareness and expanding investment opportunity; and (iii) comparative relevance, enabling analysis of investment behaviour across two professional groups with differing educational and income trajectories.

Sampling Frame and Method

The sampling frame comprised registered doctors and engineers in Belagavi city, drawn from local professional associations, government directories, and recognised professional networks. Purposive sampling was employed as the primary sampling technique, with the population divided into two strata by profession (doctors and engineers) and further sub-stratified by age, experience, and income bracket. This design improves representational balance and estimation precision

Sample Size Determination

The sample size was determined using the standard formula for an initial sample size under a 95% confidence level, error margin is 7%, population proportion is 50%.

Step 1 — Initial sample size: $n_0 = (Z^2pq) / e^2$, where Z = 1.96, p = 0.5, q = 0.5, and e = 0.07 (7% margin of error), giving $n_0 = (1.96^2 \times 0.5 \times 0.5) / 0.07^2 \approx 196$.

The final sample size was therefore fixed at **203** respondents, distributed equally across the two strata.

Data Collection

Primary data were collected through a structured, self-administered questionnaire comprising closed-ended items, 5-point Likert-scale measures, and one open-ended question, distributed through both online (Google Forms) and paper-based channels to maximise reach. Secondary data were drawn from peer-reviewed journals and academic databases (e.g., ScienceDirect and institutional library resources) to support the theoretical framing and contextual interpretation of the primary findings. The questionnaire instrument, comprising demographic items and adapted Likert-scale constructs on awareness, perception, risk preference, and decision-making factors (adapted from Rathnamani, 2013; Sharma, 2019; Mahmood, 2024; Sourirajan, 2021; Annapurna, 2024; Quang et al., 2023; Kumari, 2024), is provided in the Appendix.

Data Analysis Techniques

Descriptive statistics (frequencies, percentages, and mean values) were used to summarise demographic profiles and Likert-scale responses, supported by graphical representation (bar charts, pie charts, and histograms). Inferential analysis employed the Chi-square test of association to examine categorical relationships between demographic and behavioural variables, and Spearman rank correlation to assess the association between risk preference and investment behaviour. All analysis was conducted in Microsoft Excel.

Data Analysis and Results

The achieved sample marginally exceeded the planned target of 194 (Section 7.4), with a final usable sample of **N = 203** (98 doctors, 105 engineers) after data collection closed. All descriptive, cross-tabulation, and hypothesis-testing results reported below are based on the achieved sample of 203.

8.1 Demographic Profile of Respondents

Table 2 *Demographic Profile of Respondents (N = 203)*

Category	n	%
Gender		
Male	126	62.1%

Category	n	%
Female	77	37.9%
Age Group		
Below 30	123	60.6%
31–40	37	18.2%
41–50	25	12.3%
Above 50	18	8.9%
Profession		
Doctors	98	48.3%
Engineers	105	51.7%
Employment Type		
Private	133	65.5%
Self-employed	70	34.5%
Monthly Income		
₹50,001–₹1,00,000	158	77.8%
₹1,00,001–₹1,50,000	19	9.4%
Above ₹1,50,000	26	12.8%

The sample is predominantly male (62.1%) and below 30 years of age (60.6%), with an almost even split between doctors (48.3%) and engineers (51.7%). Most respondents are privately employed (65.5%) and earn between ₹50,001 and ₹1,00,000 monthly (77.8%).

Mutual Fund Awareness and Participation

Table 3 ***Mutual Fund Awareness and Current Participation***

Measure	n	%
Awareness of mutual funds		
Yes	175	86.2%
No	28	13.8%
Current mutual fund investment		
Yes (Investors)	105	51.7%
No (Non-investors)	98	48.3%

Awareness of mutual funds is high (86.2%), yet active participation remains considerably lower (51.7%), indicating a meaningful awareness–action gap.

Investor Habits (Investors Only, n = 105)

Table 4 summarises review frequency, income allocation, investment horizon, and product choice among current investors, including their use of Systematic Investment Plans (SIPs), a facility allowing periodic, fixed-amount investment into a mutual fund scheme.

Table 4 ***Investment Habits Among Current Investors (n = 105)***

Item	n	%
Review frequency		
Weekly	21	20.0%
Monthly	56	53.3%
Quarterly	14	13.3%
Annually	14	13.3%
Income allocation		
Below 5%	7	6.7%
5–10%	56	53.3%
11–15%	14	13.3%
16–20%	14	13.3%
Above 20%	14	13.3%
Investment horizon		
< 1 year	7	6.7%
1–3 years	28	26.7%
3–5 years	7	6.7%
> 5 years	63	60.0%
Fund type used (multi-select)		
SIP	77	73.3%
Equity funds	35	33.3%
Debt funds	7	6.7%
Hybrid funds	0	0.0%

Among investors, monthly review is most common (53.3%) and 5-10% of income is the modal allocation band. Long-term horizons dominate, with 60.0% investing for more than five years, and Systematic Investment Plans (SIPs) are the most widely used product (73.3%).

Non-Investor Responses (Non-Investors Only, n = 98)

Table 5 ***Non-Investor Responses (n = 98)***

Item	n	%
Main reason for not investing		
Lack of awareness	35	35.7%
Fear of risk/loss	21	21.4%
Prefer traditional investments	7	7.1%
Insufficient income	35	35.7%
Willingness to invest in future		
Yes	63	64.3%
Maybe	35	35.7%

Item	n	%
Belief: mutual funds riskier than traditional options		
Yes	49	50.0%
No	21	21.4%
Not sure	28	28.6%
Would invest with proper guidance		
Yes	49	50.0%
No	14	14.3%
Maybe	35	35.7%
Motivators to invest (multi-select)		
Better awareness	28	28.6%
Financial advice	63	64.3%
Higher returns	70	71.4%
Government incentives	14	14.3%
Peer influence	7	7.1%
Preferred alternative investment		
Fixed deposits	49	50.0%
Real estate	28	28.6%
Gold	14	14.3%
Savings	7	7.1%

Lack of awareness and insufficient income are cited equally as the dominant barriers to investment (35.7% each), yet a majority of non-investors (64.3%) express willingness to invest in future, motivated primarily by expectations of higher returns (71.4%) and access to financial advice (64.3%).

Cross-Tabulation Analysis

Table 6 ***Profession and Preferred Investment Avenues***

Profession	Fixed Deposits	Gold	Real Estate	Savings A/C	Stock Market
Doctors	34	11	7	10	36
Engineers	36	24	7	4	34

Both professions show a strong inclination towards fixed deposits and the stock market, with engineers displaying comparatively greater interest in gold and doctors marginally favouring equities.

Table 7 *Profession and Awareness of Mutual Funds*

Profession	Not Aware	Aware
Doctors	9	89
Engineers	19	86

Awareness is high across both professions, with a marginally larger unaware segment among engineers.

Table 8 ***Profession and Current Investment Behaviour***

Profession	Not Investing	Investing
Doctors	41	57
Engineers	57	48

Doctors are more likely than engineers to convert awareness into active investment, whereas engineers display greater reluctance to invest despite comparable awareness.

Table 9 ***Awareness and Investment Status***

Awareness Status	Not Investing	Investing
Not aware	28	0
Aware	70	105

All investors fall within the aware category, confirming awareness as a necessary (though not sufficient) precondition for participation.

Table 10 ***Gender and Current Investment***

Gender	Not Investing	Investing
Female	49	28
Male	49	77

Non-investor counts are similar across genders, but male investors substantially outnumber female investors, pointing to a possible gender gap in risk appetite or financial autonomy.

Table 11 ***Age Group and Current Investment***

Age Group	Not Investing	Investing
Below 30	65	58
31–40	20	17
41–50	11	14
Above 50	2	16

Middle-aged and older respondents show relatively higher investment participation, while respondents below 30 are more likely to be non-investors, suggesting a cautious stance among younger adults and stronger pre-retirement adoption of mutual funds.

Table 12 ***Employment Type and Current Investment***

Employment Type	Not Investing	Investing
Private	56	77
Self-employed	42	28

Privately employed respondents show a higher proportion of investors, whereas self-employed respondents show a higher proportion of non-investors, possibly reflecting income volatility or a preference for alternative investment vehicles among the self-employed.

Table 13 ***Profession and Income Allocation Among Investors***

Profession	**11–15%**	**16–20%**	**5–10%**	**Above 20%**	**Below 5%**
Doctors	6	10	24	14	3
Engineers	8	4	32	0	4

Doctor investors are distributed across both moderate and higher allocation brackets, while engineer investors are concentrated in the 5–10% range, indicating a comparatively more conservative allocation strategy.

Table 14 ***Profession and Investment Horizon Among Investors***

Profession	**1–3 Years**	**3–5 Years**	**< 1 Year**	**> 5 Years**
Doctors	6	4	7	40
Engineers	22	3	0	23

The majority of doctor investors adopt horizons exceeding five years, consistent with long-term wealth accumulation, while engineer investors are more evenly split between medium- and long-term horizons.

Table 15 ***Non-Investors and Reasons for Non-Participation***

Profession	**Fear of Risk/Loss**	**Insufficient Income**	**Lack of Awareness**	**Prefer Traditional Investments**
Doctors	8	18	13	2
Engineers	13	17	22	5

Insufficient income and lack of awareness dominate as barriers among non-investor doctors, while lack of awareness and a stronger preference for traditional investments are more pronounced among engineers.

Hypothesis Testing

Table 16 ***Profession-Wise Differences in Awareness and Investment Behaviour (H1)***

Aspect	Doctors (mean code)	Engineers (mean code)	p
Awareness vs Participation	—	—	< .001
Mutual Fund Awareness	—	—	.1018
Current Investment Status	—	—	.1024
Allocation (% Income)	3.14	2.25	.0006
Monitoring Frequency	2.49	1.85	.0015

H_{01} is rejected for awareness-vs-participation ($p < .001$), income allocation ($p = .0006$), and monitoring frequency ($p = .0015$), indicating significant profession-based differences in these aspects: doctors allocate

a higher proportion of income to mutual funds and monitor their investments differently from engineers. H_{11} is not rejected for basic mutual fund awareness (p = .1018) or current investment status (p = .1024), indicating no significant difference between the two professions on these measures. Overall, the results provide partial support for H_{12}, contingent on the specific behavioural aspect examined.

Table 17 ***Chi-Square Test Results for Perception of Mutual Funds (H2)***

Group	p	Significance (α = .05)	Interpretation
Investors	.9844	Not significant	No perception difference
Non-investors	.0666	Not significant	No perception difference

For both investors and non-investors, p-values exceed .05, and H_{02} is therefore not rejected. Doctors and engineers hold statistically indistinguishable perceptions of mutual funds, regardless of investor status.

Table 18 ***Spearman Rank Correlation Between Risk Preference and Investment Behaviour (H3, Investors Only)***

Outcome	Spearman's ρ	p
Allocation category	−.250	.0103
Monitoring frequency (lower code = more frequent)	−.424	< .001
Investment horizon	.231	.0178

All three correlations are statistically significant, leading to rejection of H_{03} in favour of H_{13}. Risk preference is negatively associated with allocation category and (inversely coded) monitoring frequency, and positively associated with investment horizon, indicating that investors' risk orientation meaningfully shapes how much they allocate, how often they monitor, and how long they remain invested. All three correlations are small-to-moderate in magnitude by Cohen's (1988) convention, and should be interpreted as indicative rather than strongly deterministic relationships.

Table 19 ***Association Between Decision-Making Factors and Income Allocation (H4, Investors Only)***

Factor	M (1–5 scale)	p (association with allocation)
Liquidity and flexibility	4.067	.0118
Advice from financial advisors	3.867	.2320
Past performance of the mutual fund	3.600	.0193
Tax benefits	3.467	.0572

H_{04} is rejected for liquidity and flexibility (p = .0118) and past fund performance (p = .0193), indicating that both significantly influence allocation decisions. H_{04} is not rejected for advice from financial advisors (p = .2320) or tax benefits (p = .0572, marginally above the conventional .05 threshold), indicating no statistically significant influence on allocation at the .05 level. The tax-benefit result should nonetheless be interpreted cautiously given its proximity to the significance threshold, and may warrant replication with a larger sample.

Discussion

The findings indicate a pronounced awareness–participation gap: although 86.2% of respondents are aware of mutual funds, only 51.7% actively invest, corroborating prior evidence that awareness is necessary

but insufficient for market participation (Kale, 2012; Fong, 2025). This gap aligns with the cross-tabulation finding that all current investors are drawn from the “aware” segment, while none of the “unaware” respondents invest, reinforcing awareness as a structural precondition rather than a guarantee of participation.

Consistent with prior demographic research (Shinde & Zanvar, 2015; Narsis, 2022), gender, age, income, and employment type were found to significantly shape investment behaviour, while profession alone was not. This suggests that broad occupational identity is less predictive of mutual fund engagement than the demographic and structural conditions such as income stability and employment type that accompany it. The observed gender gap, wherein male investors substantially outnumber female investors despite comparable non-investor counts, echoes prior findings on gendered risk appetite and financial autonomy, and points to a specific opportunity for targeted outreach.

Where profession did matter was in the finer-grained behavioural aspects captured under H1: doctors allocate a larger share of income to mutual funds and adopt markedly longer investment horizons (60% investing for more than five years), consistent with the relatively stable, cash-generative nature of private medical practice, while engineers monitor their investments more frequently, potentially reflecting a more analytically engaged, corporate-influenced approach to portfolio management. This nuanced pattern refines the broader finding of Gaurav et al. (2023) that corporate professionals view mutual funds as a balanced growth-and-safety instrument, suggesting that even within similarly resourced professional groups, occupational context shapes not whether but how individuals engage with mutual funds.

The absence of a significant perception gap between doctors and engineers (H2) is notable, indicating that differences in behaviour are not attributable to differing attitudes towards mutual funds as a product category, but rather to differences in circumstance, liquidity needs, and monitoring style. This is consistent with the view that behavioural intention and actual financial behaviour can diverge substantially even where underlying attitudes are similar (Ahamed, 2024).

The significant associations between risk preference and allocation, monitoring frequency, and investment horizon (H3) reinforce the centrality of risk tolerance in shaping portfolio behaviour (Noviarini, 2021), while the prominence of liquidity and past performance as significant decision-making factors (H4) relative to the non-significant influence of financial advisor input and tax benefits suggests that this investor segment relies more heavily on directly observable fund characteristics than on external advisory input, a pattern that has implications for how financial intermediaries position their advisory services to this population.

Limitations of the Study

This study is subject to several limitations. First, the findings are geographically confined to Belagavi city and may not generalise to other regions with differing economic or financial-literacy profiles. Second, the study focuses exclusively on doctors and engineers, excluding other high-income professional groups that may exhibit different investment behaviours. Third, resource and time constraints limited data collection to selected areas within the city, which may not fully capture the diversity of the target population. Finally, as with all self-reported survey data, the findings may be subject to response bias, with some participants potentially providing socially desirable rather than fully accurate responses.

Scope for Future Research

Future research could extend this study by incorporating additional professional groups such as lawyers, academicians, and business owners to enable broader cross-occupational comparison. Longitudinal designs tracking investment behaviour over time would help disentangle life-stage effects from cohort effects within the observed age-related patterns. Further, qualitative or mixed-methods approaches could

probe the psychological mechanisms underlying the observed awareness participation gap in greater depth, while replication across other Tier-2 and Tier-3 Indian cities would help establish the generalisability of the demographic and professional patterns identified here.

Conclusion

This study demonstrates that doctors and engineers in Belagavi exhibit strong awareness of mutual funds, yet only about half translate this awareness into active investment. Demographic factors gender, age, employment type, and income significantly shape participation, while profession alone does not. Among investors, doctors allocate larger shares of income to mutual funds and adopt longer investment horizons, while engineers monitor their investments more frequently but more conservatively. Non-investors display substantial latent willingness to invest, indicating considerable untapped potential that could be unlocked through targeted financial education and simplified entry pathways. Risk preference significantly shapes allocation, monitoring behaviour, and investment horizon, and liquidity together with past fund performance emerge as the most influential decision-making factors, outweighing financial-advisor input and tax considerations. Collectively, these findings offer both theoretical insight into professional investment behaviour in an emerging Tier-2 urban context and practical guidance for financial advisors and asset management companies seeking to expand mutual fund penetration among high-income professional segments in India.

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Appendix A: Survey Instrument

The structured questionnaire comprised four sections: (A) Demographic Details gender, age group, profession, employment type, and monthly income (adapted from Rathnamani, 2013; Sharma, 2019); (B) Investment Awareness and Behaviour preferred investment avenues, awareness of mutual funds, and current investment status (adapted from Mahmood, 2024; Sourirajan, 2021); (C) items administered to current investors only, covering fund type held, review frequency, income allocation, investment horizon, and Likert-scale batteries on perception, risk preference, and decision-making factors (adapted from Annapurna, 2024; Quang et al., 2023; Mahmood, 2024; Sourirajan, 2021; Kumari, 2024); and (D) items administered to non-investors only, covering reasons for non-participation, willingness to invest in future, risk beliefs, and motivating factors. The complete instrument is available from the author upon request.