

## **A Study on Investor's Attitude Toward Post Office Saving Schemes with Special Reference to Thrissur District**

*Discipline: Commerce*

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**Abstract** - With numerous investment choices available, individuals must select the most beneficial options. Effective planning requires a comprehensive understanding of available investment opportunities and their alignment with financial objectives. Investment decisions influence capital formation and economic growth, making them pivotal for personal and societal development. This study examines investor attitudes toward post office saving schemes in Thrissur District, focusing on awareness, motivational factors, and challenges. Post office saving schemes, offering safety, attractive returns, and tax benefits, remain a significant investment avenue for small savers.

**Keywords:** Investment, savings, capital formation

### **1. Introduction**

Savings and investment are critical for future financial security and meeting unforeseen expenses. People tend to save and invest to achieve financial independence and uplift their standard of living. Savings play a key role in poverty alleviation and economic development, serving as a reliable source of capital formation.

Post office saving schemes are tailored to encourage small savings and provide a secure, accessible, and tax-efficient investment option. These schemes cater to small savers by offering high interest rates, safety, and liquidity. This study explores investor attitudes toward these schemes, levels of awareness, motivating factors, and perceived challenges in Thrissur District.

### **2. Review of Literature**

Holasagi (2018) highlighted that investors are motivated to choose postal saving schemes for their safety, regular returns, and accessibility. He emphasized the need to create awareness among rural populations regarding these schemes.

Vembu (2018) found that rural women favor post office investments due to the proximity of post offices. He noted that many investors opt for these schemes primarily for tax benefits.

Bhagyashree Teli (2017) observed that while recurring deposits and post office savings deposits are widely recognized, awareness of other schemes remains limited. Increasing awareness could boost deposits in these lesser-known schemes.

Ravindran (2016) revealed that post offices offer diverse financial services, including mutual funds, postal insurance, and small savings schemes. He recommended targeted advertisements to attract more women investors.

### **3. Research Gap**

Despite the relevance of post office saving schemes, limited recent studies have explored investor attitudes, especially in Thrissur District. This study aims to fill this gap by analyzing motivational factors, satisfaction levels, and challenges faced by investors.

### **4. Objectives of the Study**

- 1) To identify motivational factors influencing investment in post office saving schemes.
- 2) To assess satisfaction levels regarding these schemes.
- 3) To examine the challenges investors face when using post office saving schemes.

### **5. Methodology**

The study population comprised investors in post office saving schemes within Thrissur District. Data were collected using an online questionnaire distributed to 100 investors, with 50 valid responses analyzed. A ranking method was employed to identify key motivational factors and challenges.

### **6. Sampling**

The population for this study includes all investors who make their investments in office savings schemes in the Thrissur district in Kerala. Sample units were selected from Irinjalakuda, Kodungallur and Mala. The sample size of the study was finalized to 50. The questionnaires were floated online among the investors. A total of 100 completed questionnaires were received back. Among that, 50 valid questionnaires were considered for analysis. To find out the most important factor that influences the investors in making post office savings schemes and to identify the major problems faced by the investors, ranking method was used.

**Table:1**  
**Profile of Respondents**

Gender	Frequency	Percent
Male	31	62
Female	19	38
Age-wise classification of the respondents		
Below 30	19	38
30-40	12	24
40-50	10	20
Above 50	9	18
Others	6	9
Monthly Income (INR)		
10,000 – 20,000	21	42
20,000 – 30,000	16	32
Above 30,000	13	26
Total	50	100

(Source: Survey data)

**Table: 2**  
**Satisfaction of respondents about post office saving schemes**

Satisfaction About Post Office Scheme	Number	Percentage
Highly satisfied	12	24
Satisfied	15	30
Neutral	16	32
Dissatisfied	7	14
Highly dissatisfied	0	0
Total	50	100

(Source: primary data)

**Table: 3**  
**Motivation factors influencing to invest in post office saving scheme**

Motivation factors		5	4	3	2	1	Total weight	weighted score	Rank
Risk free investment	f	15	17	10	4	4	50	3.70	3
	fx	75	68	30	8	4	185		
Promote saving	f	18	16	10	6	0	50	3.92	1
	fx	90	64	30	12	0	196		
Easy accessibility	f	8	17	17	4	4	50	3.66	4
	fx	40	68	51	20	4	183		
Child's education & marriage	f	11	12	18	8	1	50	3.48	6
	fx	55	48	54	16	1	174		
Return	f	14	15	12	5	4	50	3.60	5
	fx	70	60	36	10	4	180		
Tax benefit	f	17	12	13	6	2	50	3.72	2
	fx	85	48	39	12	2	186		

*(Source: Primary data)*

Motivation factors	Total weight	Weighted mean	Rank
Risk free investment	185	3.70	3
Promote saving	196	3.92	1
Easy accessibility	183	3.66	4
Child's education & marriage	174	3.48	6
Return	180	3.60	5
Tax benefit	186	3.72	2

Interpretation: The above table it is clear that respondents choose that savings as first rank (3.92) and child's education & marriage as least rank (3.48) based on motivation factor of investors towards post office saving schemes.

**Table: 4**  
**Major problem of the respondents about the post office scheme**

Major problems		5	4	3	2	1	Total weight	Weighted mean	Rank
Inadequate information	f	15	12	14	5	4	50	3.58	4 4
	fx	75	48	42	10	4	179		
Problem of liquidity	f	11	21	10	6	2	50	3.66	1 1
	fx	55	84	30	12	2	183		
Problem of technology related services	f	15	10	15	6	4	50	3.52	5 5
	fx	75	40	45	12	4	176		
Poor awareness	f	14	17	10	5	4	50	3.64	2 2
	fx	70	68	30	10	4	182		
Mode of payment	f	11	16	14	5	4	50	3.50	6 6
	fx	55	64	42	10	4	175		
Lengthy formalities and processing time	f	14	13	15	6	2	50	3.62	3 3
	fx	70	52	45	12	2	181		

(Source: Primary data)

Major problems	Total weight	Weighted mean	Rank
Inadquate information	179	3.58	4
Problem of liquidity	183	3.66	1
Problem of technology related services	176	3.52	5
Poor awareness	182	3.64	2
Mode of payment	175	3.50	6
Lengthy formalities and processing time	181	3.62	3

Interpretation: The above table show that the first rank of the problem of respondents is liquidity (3.66), second rank is poor awareness (3.64), third rank is lengthy formalities (3.62), fourth rank is inadequate information (3.58), fifth rank is technology (3.52) and sixth rank is delay in processing (3.50).

### Findings

- 62percentage of respondents are male and rest 38 percentage are female.
- 38 percentage of the respondents belongs to the age group of below 30, 24 percentage in the group 30-40, 20 percentage represent the age group 40-50 and 18 percentage of respondents belongs to the age group of above 50.
- 42 percentage of the total sample respondents' monthly family income lies between 10000 and 20000, 32 percentage of the respondent's monthly income lies between

20000 and 30000 and 26 percentage of the respondents' monthly family income is above 30000

- 32 percentages of the respondents have neutral satisfaction about the investment, 30 percentages of respondents has satisfied with scheme, 24 percentage of respondent are highly satisfied, 14 percentages of respondents are dissatisfied and there is no highly dissatisfied with post office scheme.
- The first motivation factor that influence respondents to select the schemes is that savings and second motivation factor is tax benefit.
- The major problems of the respondents regarding the post office saving scheme is liquidity and the second is that poor awareness of the investors.

### Conclusion

The present study on reveals that most of investors are satisfied with the post office saving schemes. Nowadays postal department has to equip itself by improving its service and saving schemes to satisfy the investors. The study identify that the investors have a great faith and positive attitude towards post office savings schemes because of there is no complicated procedures in making the investments. There are various financial activities introduced. The post office should provide more facilities and offer better schemes for attract a greater number of investors. The Income of the investors also influences them for selecting the Savings and investment Schemes.

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