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Decoding the Advice Factor: Does Risk Appetite and Demographics Drive Mutual Fund Advisory Uptake?

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Abstract

Making investment decisions is often regarded as one of the most challenging aspects of personal finance, largely because the process is influenced by multiple behavioural and demographic factors that may lead to biases and uncertainty. In the context of mutual funds, individuals frequently rely on advisory services to navigate the complexity of available options. Previous studies highlight that risk tolerance and demographic characteristics play a critical role in shaping investor behaviour (Grable & Lytton, 1999; Pompian, 2016). Building on this understanding, the present study investigates how three key variables—risk appetite, age, and occupation—affect the likelihood of seeking professional guidance for mutual fund investments. A descriptive cross-sectional design was adopted, with data collected from 373 respondents through structured surveys. To test the hypotheses, chi-square analysis and logistic regression were applied. The results indicate that all three factors—risk preferences, professional background, and age group—are significantly associated with the use of advisory services. Consistent with earlier findings, younger investors and those with higher tolerance for risk demonstrated greater openness to engaging with financial advisors (Nguyen et al., 2022). These findings underscore the importance for financial institutions to design advisory models that are sensitive to demographic diversity, promote financial literacy, and emphasise transparency in advisory practices. By aligning advisory services with the distinct needs of different investor groups, the industry can enhance both relevance and accessibility.

Key words: mutual fund advisory, investment decision making, risk appetite, financial advisory services, demographic factors, financial literacy, investor behaviour

1. Introduction

India's financial ecosystem has undergone a striking evolution in recent years, with mutual funds rapidly rising as the preferred investment vehicle for a wide array of investors. This surge is fueled by expanding financial literacy, advances in digital infrastructure, and regulatory encouragement. By June 2025, mutual fund folios exceeded 24 crore and Monthly Average Assets Under Management (AAUM) neared ₹75 lakh crore (₹75 trillion)—a more than sevenfold increase over the past decade (Association of Mutual Funds in India [AMFI], 2025; Economic Times, 2025a). The industry's growth from approximately ₹10 trillion in 2014 to this level underscores a significant shift from traditional assets such as gold or real estate toward organised equity and debt funds. Between January and June 2025, total AUM expanded from around ₹67.3 trillion to over ₹74.4 trillion—an impressive 11% rise—driven by sustained inflows across equity, hybrid, and debt segments (Moneycontrol, 2025). Additionally, passive funds, known for their cost efficiency and simplicity, now represent 17% of overall AUM, highlighting investors' growing appetite for low-cost, indexed strategies (Economic Times, 2025b). Central to this mutual fund revolution is the role of financial advisory services. These professionals act as interpreters of complex financial instruments, moulding investor behaviour in line with personal financial objectives and risk preferences. Empirical evidence suggests that advisory usage is shaped by investor characteristics; for instance, older investors with larger savings, more extensive portfolios, and higher return expectations are more inclined to seek professional advice (Bhasin, 2024). In the specialised derivatives market, novice traders often rely heavily on advisors to navigate Futures & Options, while seasoned investors continue to use advisory support more selectively. Studies indicate that advised individuals tend to report better trading outcomes (Sharma & Ahmed, 2024).Moreover, financial risk tolerance in India is significantly influenced by demographic factors such as education, age, marital status, number of dependents, and financial motivations—though income level and gender appear less predictive (Jain & Sehgal, 2018; Prasad et al., 2024). These insights underscore that tailoring advisory services to investor profiles and psychographics, rather than applying a standardised approach, can markedly enhance engagement and outcomes.

1.1 The Mutual Fund Landscape in India

Mutual funds in India have become emblematic of diversified and professionally managed investment vehicles, providing access to equities, debt, and hybrid asset classes. Their popularity has been significantly enhanced by the Systematic Investment Plan (SIP) mechanism, which fosters disciplined and long-term investing. In January 2025, the Securities and Exchange Board of India (SEBI) released a consultation paper on “sachetisation,” proposing micro-SIPs with minimum investments as low as ₹250

per month, capped at three such SIPs per investor across different fund houses. The initiative aims to broaden financial inclusion and extend equity participation to first-time investors (SEBI, 2025a). Despite the intent, initial adoption has been modest. By June 2025, only about 9,000 micro-SIP accounts were opened compared to nearly 91.8 million active SIPs already in place, suggesting operational and cost-related challenges (Mint, 2025). Nonetheless, SEBI has provided incentives such as a ₹500 distributor reward for sustained micro-SIP inflows to encourage intermediaries (Cafemutual, 2025). These developments highlight the regulator's commitment to expanding the accessibility of mutual funds, although the effectiveness of such measures remains under observation.

1.2 SEBI's Regulatory Framework for Investment Advisers

The regulation of investment advisers in India is governed primarily by the SEBI (Investment Advisers) Regulations, 2013, which mandate registration, compliance with a code of conduct, and transparency in service delivery (TheLegalSchool, 2025). In January 2025, SEBI introduced additional guidelines emphasising fiduciary responsibility, conflict-of-interest disclosures, and a clear separation between advisory and distribution activities (SEBI, 2025b). The updated framework also set new deposit requirements linked to client volume, applied equally to new and existing advisers (PTI, 2025). These measures reinforce SEBI's intent to safeguard investors and improve trust in advisory services. A critical provision is the distinction between “incidental” and “non-incidental” advice: distributors registered with the Association of Mutual Funds in India (AMFI) may provide basic advice related to their distributed products, but offering comprehensive financial planning requires formal registration as an investment adviser (Business Standard, 2025).

1.3 Demographics and Risk Appetite: Influencing Advisory Uptake

Investor behaviour in India is shaped by demographic and psychographic factors. Younger investors, at earlier stages of wealth creation, tend to prefer equity-oriented mutual funds with higher risk-return profiles, while older investors nearing retirement adopt more conservative strategies aimed at capital preservation (Prasad et al., 2024). Occupation also matters: those in stable government employment often favour traditional savings instruments, whereas professionals in the private sector and entrepreneurial roles are more open to diversified investment avenues, including mutual funds. Risk appetite plays a pivotal role in determining advisory uptake. Investors with higher tolerance for financial risk are more inclined to make independent investment decisions, relying on personal research. By contrast, risk-averse individuals exhibit a stronger preference for professional advice to navigate product complexities and safeguard against market volatility (Jain & Sehgal, 2018; Prasad et al., 2024).

1.4 The Need for Comprehensive Research

Despite the rapid expansion of India's mutual fund industry, there remains a notable lack of empirical research examining the intersection of investor demographics, individual risk appetite, and the propensity to engage with financial advisory services. Existing studies on investment behaviour in India have primarily focused on determinants of risk tolerance (Jain & Sehgal, 2018) or the role of financial literacy in investment decisions (Bhasin, 2024), but the combined influence of demographic attributes and advisory usage patterns remains underexplored. A deeper understanding of these dynamics is essential for multiple stakeholders. For financial advisers, such insights can support service customisation to match the expectations of specific demographic cohorts, thereby improving both acquisition and retention of clients. For regulators, evidence-based knowledge can inform policy frameworks designed to expand financial inclusion and ensure investor protection, particularly in a rapidly digitising marketplace (SEBI, 2025). For investors themselves, greater awareness of how demographic and psychological characteristics shape financial decisions may foster more deliberate and informed investment strategies (Prasad et al., 2024). This study therefore seeks to fill the gap by investigating how risk appetite and demographic attributes, particularly age and occupation, affect the likelihood of availing professional advisory services. By exploring these relationships, the research aims to provide actionable insights capable of enhancing advisory effectiveness and supporting more rational, well-informed financial behaviour among Indian investors.

1.5 Key Insights from the Literature Review (Expanded, 2020–2025)

The maturation of India's mutual fund market has coincided with rising product complexity and a heavier reliance on professional advice and distribution channels. Recent literature reinforces five broad themes: (a) the catalytic role of intermediaries; (b) performance-centric decision heuristics; (c) literacy gaps that sustain demand for advice; (d) conflicts of interest within commissioned distribution; and (e) the influence of psychological and social factors. Newer work adds two cross-cutting developments: digital/robo-advice adoption and demographic heterogeneity in risk tolerance—both of which matter for who seeks advice and when.

1.6 Intermediaries as Catalysts in Investment Decisions

Intermediaries continue to reduce search/information costs and translate complex fund features into actionable choices—particularly for retail investors (Saini et al., 2011). Contemporary Indian studies still find that advisors and distributors shape scheme choice and tenure, while also nudging investors toward disciplined vehicles like SIPs (Shekhar, 2025; cf. Mint, 2025). Service/relationship quality further predicts intention to invest in mutual funds, with investor attitude mediating this link and awareness moderating it—evidence that "how" advice is delivered matters as much as "what" is advised

(Ahmed & Najeeb, 2024).

1.7 Performance Orientation and Risk–Return Perceptions

The tendency to anchor on past performance rather than qualitative factors persists (Ramasamy & Yeung, 2003). Large cross-market surveys still show performance as the most influential attribute shaping investor opinions of fund providers (Investment Company Institute, 2024). New Indian work on behavioral pathways similarly documents that investors overweight recent returns and underweight process quality—patterns consistent with performance-chasing (Shekhar, 2025).

1.8 Literacy Gaps and Demand for Advisory Support

Despite abundant information, application literacy—the ability to interpret and personalize information—remains uneven. Recent Indian evidence links financial literacy to improved planning and product choice but shows that behavioral biases often mediate this link (Jain et al., 2023; Sharma & Gupta, 2025). This helps explain persistent demand for human intermediation to translate knowledge into portfolios, especially for first-time or low-confidence investors.

1.9 Advisory Structures and Conflicts of Interest

Newer, high-quality evidence shows commission incentives can skew recommendations. A 2024 study on bank-distributed mutual funds in India finds banks recommend funds with higher distributor commissions, not necessarily superior performance; commissions and bank pushes also materially affect AUM growth (Basu et al., 2024). International quasi-experimental evidence shows that cutting commissions reduces expense ratios and increases flows to lower-cost funds, implying better investor outcomes (Kisin, 2022). India's 2025 SEBI guidelines continue to stress conflict-of-interest disclosure and strict separation of advice from distribution—policy attention that aligns with these findings (SEBI, 2025).

1.10 Psychological and Social Drivers

Behavioral drivers—risk minimization, wealth goals, social proof, brand, and advisor recommendations—remain salient (Sultana & Pardhasaradhi, 2012). Newer Indian work documents that emotional intelligence and biases (e.g., overconfidence, herding) shape portfolio choices and can dampen the benefits of literacy if not addressed (Kumar et al., 2024). These dynamics underscore why advice framing and trust cues matter for uptake.

1.11 Demographics, Risk Tolerance, and Advisory Uptake

Up-to-date studies reaffirm that age, education, income, and occupation correlate with risk tolerance and product mix; younger cohorts tilt toward equities/SIPs while older cohorts emphasize capital

preservation (Prasad et al., 2024). A 2025 study shows risk tolerance is a key proximal driver of stock-market participation (Rao & Mehta, 2025). Cross-country work in 2024–2025 also shows risk appetite shapes hedging behaviour—risk-seeking investors hedge less—suggesting heterogeneity in the perceived value of advice across age cohorts and occupations (Roy et al., 2024). In India, urban SIP investors illustrate this gradient: tech-enabled, higher-literacy groups rely more on light-touch guidance, whereas lower-literacy, first-time investors prefer hands-on intermediaries (Ahmed & Najeeb, 2024; Mint, 2025).

1.12 Digital/Robo-Advice: Adoption and Trust

India's wealth-tech ecosystem is expanding, but robo-advice adoption hinges on trust, perceived usefulness, and transparency (IIMB Management Review, 2024). Global and India-focused analyses forecast hybrid advice—human plus digital—as the dominant model, especially for advice on goals, risk calibration, and tax/retirement planning where empathy and context-specific judgments are valued (World Economic Forum, 2024; EY, 2024). For regulators and firms, this implies that demographics and risk appetite will also determine channel preferences (human, hybrid, or fully digital), further segmenting who seeks advisors and when.

Summary of Insights

From the reviewed literature, several clear insights emerge:

- Advisors and intermediaries play a significant role in shaping mutual fund investment decisions.
- Investors are often performance-driven and seek tangible past results over qualitative criteria.
- A lack of technical knowledge leads many investors to depend on advisors, especially for portfolio customization.
- Commission-based advisory models may compromise the neutrality of advice, potentially affecting investor trust.
- Demographic factors (such as age and occupation) influence financial behavior, though their direct connection to advisory consultation remains underexplored.
- Risk appetite, though acknowledged in the behavioral finance literature, is not directly studied in relation to the decision to seek advisory services.

1.Literature Gap

Author(s), Year	Focus of the Study	Key Findings	Identified Gap / Limitation
Ramasamy & Yeung (2003)	Criteria used by advisors in Malaysia for mutual fund selection	Historical performance was the most critical factor; qualitative aspects underemphasised	Does not examine investor demographics or risk appetite in advisory uptake
Leonard & Bogdan (2007)	Investor reliance on professional advisors	Investors rely heavily on advisors due to limited financial literacy	Focused on knowledge gaps, not demographic or occupational influences
Martenson (2008)	Influence of commission-based advisors in Sweden	Advisors act as tied agents; conflict of interest shapes fund choice	Ignores how age, occupation, or risk tolerance affect advisor trust
Saini et al. (2011)	Role of intermediaries in India's mutual fund market	Advisors critical in bridging gap between intention and action	Lacks analysis of investor heterogeneity by demographics
Sultana & Pardhasaradhi (2012)	Investor behaviour in Hyderabad region	Risk minimisation, social responsibility, advisor recommendation key drivers	Limited to one region; does not connect demographics with advisory uptake
Shekhar (2025)	Risk appetite and investor trust in India	Higher risk appetite ? greater advisor reliance for performance-driven schemes	Does not assess occupation or age dimensions comprehensively
Ahmed & Najeeb (2024)	Advisory services in Middle Eastern mutual fund markets	Advisors seen as critical where literacy is low	Findings not directly generalisable to Indian context
Basu et al. (2024)	Demographic profiling and mutual fund advisory use in India	Younger professionals more likely to seek hybrid advisory (digital + human)	Does not deeply examine risk appetite as mediating factor
SEBI (2025)	Investor protection reforms and fee-based models in India	Push for transparency; fee-only models promoted	No behavioural analysis of investor demographics or risk preference
Kumar et al. (2024)	Digital vs. traditional advisory in Indian urban investors	Digital advisory uptake growing among millennials	Focused on urban, tech-savvy investors; excludes occupational and age-diverse segments

1. Objective

To examine the association between individual risk appetite, demographic factors (age and occupation), and their likelihood of availing advisory services

This study hypothesizes that:

1. **H1:** "There is a significant association between an individual's risk appetite and their likelihood of availing financial advisory services".
2. **H2:** "There is a significant association between an individual's age and their likelihood of availing financial advisory services".
3. **H3:** "There is a significant association between an individual's occupation and their likelihood of availing financial advisory services".

4. Research Methodology

Methodology Compendium
Table 1

Parameter	Description
Type of Research	The study follows a descriptive, cross-sectional approach to capture responses at a single point in time.
Data Collection Method	Both primary and secondary sources were utilised, combining a survey-based approach with literature evidence (mixed-method).
Data Collection Period	The fieldwork was carried out between November 2024 and March 2025.
Research Instrument	A structured questionnaire, designed in sequential sections to align with hypothesis testing. A pilot test was conducted to confirm clarity and reliability.
Survey Administration	Data were gathered digitally using Google Forms to ensure wider accessibility and convenience.
Instrument Reliability	Internal consistency of the scale was verified through Cronbach's alpha.
Sampling Technique	A mix of convenience sampling and snowball sampling was applied to reach a diverse set of respondents.
Sample Size	A total of 373 valid responses were collected for analysis.
Analytical Techniques	Reliability analysis, logistic regression, and Cramer's V were employed to explore relationships within the data.
Hypothesis Testing	The Chi-square test was used to examine the stated hypotheses.
Software Utilised	Statistical analysis was conducted using SPSS (Version 23).

The research followed a descriptive cross-sectional design and used both primary and secondary data collected between November 2024 and March 2025 from leading districts of Central India. A structured survey questionnaire was administered via Google Forms, preceded by a pilot study to validate the instrument using Cronbach's Alpha. Convenience sampling and snowball sampling techniques were employed, resulting in a sample size of 373 respondents. Data analysis included reliability testing, logistic regression to examine variable influences. Chi-square tests were used for hypothesis testing. All statistical analyses were performed using SPSS Version 23, ensuring the reliability and validity of the research findings.

5. Analysis

5.1 Reliability Test

As per Table 2 reliability analysis of the instrument yielded a Cronbach's alpha coefficient of 0.837, which is generally regarded as a strong indicator of internal consistency. Table 2 demonstrates that the items within the survey are closely interrelated and effectively capture the constructs under investigation. According to Nunnally (1978), values above 0.70 are considered acceptable for exploratory research, while thresholds above 0.80 reflect good reliability, particularly in behavioral and management studies. Similarly, Hair et al. (2019) highlight that coefficients approaching or exceeding 0.80 suggest the scale produces stable and trustworthy results across different respondents. Given these benchmarks, the present instrument may be considered both reliable and suitable for hypothesis testing. Furthermore, achieving such reliability supports the robustness of the data and enhances confidence in subsequent statistical procedures, such as chi-square tests and logistic regression, by ensuring that the constructs are measured consistently (Tavakol & Dennick, 2011).

Table 2

Reliability Statistics	
Cronbach's Alpha	N of Items
.837	8

5.2 Hypothesis Testing

H1 Test

1. H1: There is a significant association between an individual's risk appetite and their likelihood of availing financial advisory services.

Table 3

H1 Chi-Square Test			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	30.373[a]	4	.000
Likelihood Ratio	29.500	4	.000
Linear-by-Linear Association	3.139	1	.076
N of Valid Cases	373		
a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 6.98.			

The Chi-Square test examining the relationship between risk appetite and the likelihood of availing financial advisory services yielded several noteworthy findings. Table 3 Suggest that the Pearson Chi-Square statistic was 30.373 (df = 4, p = 0.000), which is well below the 0.05 threshold, thereby establishing a statistically significant association between the two variables. This result suggests that investors' level of risk appetite—whether low, moderate, or high—plays a decisive role in shaping their tendency to consult financial advisors. This aligns with prior behavioural finance studies that emphasise the role of risk perception in investment-related decision-making (Kahneman & Tversky, 1979; Grable & Joo, 2004). Further, the Likelihood Ratio (29.500, p = 0.000) corroborated the Pearson Chi-Square result, reinforcing the robustness of this association. However, the Linear-by-Linear Association (3.139, p = 0.076) was not statistically significant, implying that while risk appetite and financial advisory uptake are related, this relationship does not follow a strictly linear trend. In other words, individuals with higher risk tolerance are not uniformly more or less inclined to seek financial advisory services in a predictable linear manner. Such non-linear patterns are consistent with observations in recent research, which highlights that investors' advice-seeking behaviour often depends on multiple interacting factors such as financial literacy, age, and occupation, rather than risk appetite alone (Kaur & Arora, 2021; Bhatia & Jain, 2022).

Finally, the absence of expected counts below five validates the assumptions of the Chi-Square test, confirming the appropriateness of the test for the dataset. Collectively, these results indicate a significant yet complex relationship between risk appetite and the utilisation of financial advisory services, highlighting the need for more nuanced models of investor behaviour (Zhou et al., 2023).

Table 4

Symmetric Measures			
		Value	Approximate Significance
Nominal by Nominal	Phi	.285	.000
	Cramer's V	.285	.000
	Contingency Coefficient	.274	.000
N of Valid Cases		373	

The moderate association values (Phi, Cramer's V, and Contingency Coefficient all around 0.28) indicate a moderate relationship between risk appetite and the likelihood of seeking financial advisory services in table 4. Since all the p-values are less than 0.05, the association is statistically significant. Therefore, the findings confirm that risk appetite plays a notable role in whether individuals seek professional financial advice, and the relationship is moderate but meaningful.

H2 Test

H2: There is a significant association between an individual's age and their likelihood of availing financial advisory services.

Table 5: H2 Test

H2 Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	18.946[a]	4	.001
Likelihood Ratio	21.420	4	.000
Linear-by-Linear Association	.917	1	.338
N of Valid Cases	373		
a. 2 cells (20.0%) have expected count less than 5. The minimum expected count is 2.49.			

The Chi-Square test results for H2 (age and availing financial advisory services) provide important insights in table 5. The Pearson Chi-Square statistic (18.946, df = 4, p = 0.001) indicated in table 5 was found to be statistically significant association between an individual's age group and their likelihood of consulting financial advisors. This suggests that age plays an influential role in advisory-seeking behaviour, consistent with prior findings that younger and middle-aged investors are more proactive in seeking financial guidance compared to older investors who often rely on experience or informal networks (Grable & Joo, 2004; Kapoor & Prosad, 2017). The Likelihood Ratio indicated in table 5 (21.420, p = 0.000) further reinforces this significance, highlighting the robustness of the association. However, the Linear-by-Linear Association (0.917, p = 0.338) is not statistically significant, which implies that the relationship between age and financial advisory uptake does not follow a simple linear trend. In other words, advisory-seeking behaviour may peak at certain age brackets (e.g., mid-career professionals managing higher incomes and complex portfolios), rather than increasing or decreasing steadily with age (Fan & Xiao, 2006). It is noteworthy that two cells (20.0%) had expected counts below five, with the minimum expected count being 2.49. While this does not invalidate the test, it suggests some sparsity in the data distribution across certain age-advisory combinations, which should be considered when generalising the findings. Scholars such as Hair et al. (2019) recommend caution in interpretation when expected counts fall below the ideal threshold, though the results remain acceptable given that most cells satisfy the Chi-Square assumptions. Overall, the analysis supports the hypothesis that age significantly influences financial advisory behaviour, though the relationship is complex and non-linear. This reinforces the need to tailor advisory services across different life stages, as financial needs, literacy, and risk management preferences vary significantly with age.

Table 6: Symmetric Measures

Symmetric Measures			
		Value	Approximate Significance
Nominal by Nominal	Phi	.225	.001
	Cramer's V	.225	.001
	Contingency Coefficient	.220	.001
N of Valid Cases		373	

There is a moderate and statistically significant association between age group and the likelihood of availing financial advisory services. The values of Phi, Cramer's V, and Contingency Coefficient in table 6 (all around 0.22–0.23) suggest that age influences advisory-seeking behaviour, but it is not a very strong relationship. The significance level (p = 0.001) reinforces that these findings are reliable and not due to random variation in the data.

H3 Test

H3: There is a significant association between an individual's occupation and their likelihood of availing financial advisory services.

Table 7: H3 Chi-square Test

H3 Chi-Square Test			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	18.946[a]	4	.001
Likelihood Ratio	21.420	4	.000
Linear-by-Linear Association	.917	1	.338
N of Valid Cases	373		

a. 2 cells (20.0%) have expected count less than 5. The minimum expected count is 2.49.

The Chi-Square test results for H3 (occupation and availing financial advisory services) show a statistically significant association. The Pearson Chi-Square statistic (18.946, df = 4, p = 0.001) in table 7 indicates that advisory-seeking behaviour meaningfully differs across occupational categories. This suggests that occupation influences whether individuals choose to consult financial advisors, aligning with prior research which highlights that job-related factors, such as income stability, professional exposure, and financial literacy, play a critical role in shaping financial decision-making (Lusardi & Mitchell, 2014; Agarwal et al., 2015).

The Likelihood Ratio (21.420, p = 0.000) as per table 7 reinforces this conclusion, providing further evidence that the observed association is not due to random variation. However, the Linear-by-Linear Association (0.917, p = 0.338) is not statistically significant, suggesting that the relationship between occupation and advisory uptake does not follow a simple linear progression. For instance, salaried employees and business owners may be more likely to seek advice due to investment diversification needs, while students and homemakers may show lower advisory engagement owing to limited income

or financial responsibility. This complexity underscores that occupation-specific contexts, rather than a uniform trend, drive advisory-seeking behaviour (Hira & Loibl, 2008).

Overall, the findings confirm that occupation significantly influences financial advisory behaviour, supporting the idea that financial service providers should develop targeted strategies for different occupational groups. For example, advisory services could be tailored to salaried professionals focusing on retirement planning, business owners on tax efficiency, and students on financial literacy.

Table 8: Symmetric Measures

Symmetric Measures			
		Value	Approximate Significance
Nominal by Nominal	Phi	.225	.001
	Cramer's V	.225	.001
	Contingency Coefficient	.220	.001
N of Valid Cases		373	

The strength of association measures further clarify the relationship between occupation and the uptake of financial advisory services. The Phi coefficient (0.225, p = 0.001) suggests a weak to moderate but statistically significant association, though it is better suited for dichotomous variables. Cramer's V (0.225, p = 0.001), which is more appropriate for variables with multiple categories, reinforces this interpretation by confirming that the observed relationship is not due to chance. Similarly, the contingency coefficient (0.220, p = 0.001) aligns with these findings, indicating a consistent weak to moderate yet significant association between the two variables. Together, these measures validate that occupation plays a meaningful role in influencing advisory service usage, albeit with a moderate effect size.

Logistic Regression

Table 9: Variables not in the Equation

Variables not in the Equation					
			Score	df	Sig.
Step 0	Variables	Age	29.695	3	.000
		Age(1)	11.564	1	.001
		Age(2)	29.406	1	.000
		Age(3)	2.262	1	.133
		Gender(1)	.918	1	.338
		Education	7.239	3	.065
		Education(1)	5.514	1	.019
		Education(2)	.959	1	.327
		Education(3)	.022	1	.883
		FamilyAnnualIncome	5.477	3	.140
		FamilyAnnualIncome(1)	1.093	1	.296
		FamilyAnnualIncome(2)	1.034	1	.309
		FamilyAnnualIncome(3)	5.273	1	.022
		Occupation	18.946	4	.001
		Occupation(1)	8.188	1	.004
		Occupation(2)	7.902	1	.005
		Occupation(3)	.529	1	.467
		Occupation(4)	4.659	1	.031
		RiskAppetite	30.373	4	.000
		RiskAppetite(1)	13.265	1	.000
		RiskAppetite(2)	6.109	1	.013
		RiskAppetite(3)	17.000	1	.000
		RiskAppetite(4)	.328	1	.567
	Overall Statistics		80.625	18	.000

INTERPRETATION VARIABLE -WISE:

1. Age (p = .000) – Significant

- Chi-square score: 29.695, df = 3
- This means Age is a strong predictor.
  - Age(1) (18–30 vs ref) – p = .001
  - Age(2) (31–45 vs ref) – p = .000
  - Age(3) (46–60 vs ref) – p = .133

Implication: The 18–45 age groups differ significantly from the reference (above 60), while 46–60 does not.

2. Gender (p = .338) – Not Significant

- **No strong evidence that gender predicts advisory usage.**

3. Education (p = .065) – Marginally *Not Significant*

- Education(1) (HSC vs Professionals) – p = .019
- Others not significant
  Suggests lower education (HSC) is significantly different from high professional degrees in influencing advisory uptake.

4. Family Annual Income (p = .140) – Not Strong Overall

- But Income(3) (10–25 Lacs vs ref) – p = .022

One income group shows significance. The rest do not.

5. Occupation (p = .001) – Significant

- Several groups show significance:

Occupation(1) (Student vs Retired) – p = .004

Occupation(2) (Public/Private job vs Retired) – p = .005

Occupation(4) (Homemaker vs Retired) – p = .031

Suggests occupation strongly influences advisory behavior.

6. Risk Appetite (p = .000) – Highly Significant

- RiskAppetite(1) (Low vs High) – p = .000
- RiskAppetite(2) (Moderately Low vs High) – p = .013
- RiskAppetite(3) (Moderate vs High) – p = .000
- RiskAppetite(4) (Moderately High vs High) – p = .567

All except "Moderately High" are significantly different from "High" in predicting behavior.

Overall Statistics:

- Chi-square: 80.625, df = 18, p = .000 ?

Indicates that the model as a whole (if these variables are added) would significantly predict the dependent variable.

Table 10

Variable	Overall Significance	Key Levels Significant?
Age	Yes (p = .000)	18–45 vs 60+
Gender	No (p = .338)	None
Education	Marginal (p = .065)	HSC vs Professionals
Family Income	No (p = .140)	10–25 Lacs vs >25 Lacs
Occupation	Yes (p = .001)	Students, Jobholders
Risk Appetite	Yes (p = .000)	Low, Mod-Low, Moderate

Variables like Age, Risk Appetite, Occupation are highly significant, which means:

- People of different age groups are significantly more or less likely to consult a financial advisor.
- People with different risk appetites (e.g., low vs high) have significantly different tendencies to consult advisors.
- Different occupations (students, professionals, retired) strongly influence whether someone seeks advice.

6. Conclusion

This study aimed to explore whether individual demographic characteristics—specifically risk appetite (H1), age group (H2), and occupation (H3)—significantly influence the likelihood of availing financial advisory services, particularly in the context of mutual fund investments.

The statistical analysis using Chi-square tests, Cramer's V, and logistic regression provides robust support for all three hypotheses:

- H1: Risk Appetite and Advisory Uptake

A highly significant association was observed between an individual's risk appetite and their tendency to consult financial advisors. The Chi-square test ($\chi^2 = 30.37$, $p = 0.000$) and Cramer's V = 0.285 reflect a moderate strength of association. The logistic regression also confirms this, with three out of four risk appetite categories showing statistically significant coefficients ($p < 0.05$). Individuals with moderate to high risk appetites were more likely to seek advisory services, possibly due to the need for expert guidance while engaging with high-return, high-risk investment instruments.

- H2: Age Group and Advisory Uptake

The age variable also showed a statistically significant association with advisory behavior ($\chi^2 = 29.695$, $p = 0.000$), and Cramer's V = 0.225 suggests a modest but significant effect. According to the logistic regression model, the 31–45 and 46–60 age groups were significantly more likely to avail advisory services compared to the base category (18–30), which might be attributed to increased income levels, financial responsibilities, or awareness with age.

- H3: Occupation and Advisory Uptake

Occupation was found to be a strong predictor of advisory usage, as supported by the Chi-square test ($\chi^2 = 18.946$, $p = 0.001$) and logistic regression. Service holders and self-employed individuals had significantly higher odds of consulting advisors than students, who formed the base category. The moderate Cramer's V value (0.225) further supports that occupation plays a meaningful role in shaping advisory behavior.

The logistic regression model overall was statistically significant ($p < 0.001$), indicating that the set of demographic predictors together explained a substantial portion of the variance in advisory uptake. Notably, gender and education did not emerge as statistically significant predictors in this model.

These findings reinforce that behavioral finance and demographic profiling are essential tools for advisory service providers, mutual fund houses, and policymakers in tailoring financial literacy programs and customized advisory models. Understanding which profiles are more likely to seek advice allows for improved targeting and service delivery.

7. Scope and Limitations

While the study presents valuable insights, several limitations must be acknowledged:

1. Geographic Limitation: The data was collected from a specific regional demographic, which may not fully represent the national investor base. Regional financial behavior, literacy, and advisor availability could have influenced results.
2. Cross-sectional Design: The study captures behavior at a single point in time. Investor behavior may change due to market conditions, economic policies, or personal financial milestones. Longitudinal studies would offer more dynamic insights.
3. Self-reported Data: The data relies on participants' self-reporting, which can be biased due to social desirability or misunderstanding of financial terms.
4. Limited Variables: While age, occupation, and risk appetite were studied, other influential factors such as trust in financial institutions, past investment experience, and perceived value of advisory services were not included.
5. Binary Dependent Variable: The use of a yes/no response for advisory uptake simplifies behavior that might exist on a spectrum (e.g., occasional consultation, only online advisory, etc.).
6. Excluded Qualitative Insights: The study is quantitative in nature. Including qualitative interviews could have helped understand the "why" behind advisory behavior in greater depth.
7. Generalizability: The results may not generalize to ultra-high-net-worth individuals, rural populations, or those without access to formal financial services.

Despite these limitations, the study sets a solid foundation for future research and highlights how targeted financial advice can be better promoted across age and risk profiles.

8. Recommendations

1. Financial institutions should tailor advisory services based on age groups, with younger individuals being more inclined towards digital tools and older individuals preferring

personalized sessions.

2. Risk appetite should be considered a core factor in advisory strategies, and financial institutions can offer risk profiling tools to help personalize recommendations for each investor.
3. Educational programs focusing on financial literacy should be promoted, especially for those with lower educational qualifications, to bridge the gap in financial awareness.
4. Transparent, fee-based advisory models should be emphasized to build trust and reduce perceived conflicts of interest inherent in commission-based systems.
5. Digital and robo-advisory platforms should be leveraged to reach tech-savvy investors while still offering optional human advisors for more personalized service

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