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Behavioural Biases, Socio-demographic Factors and Investment Outcomes: A Systematic Literature Review with Future Research Directions

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Jaspreet Kaur [1] & Anu Singh Lather[2]

[1]School of Management, Dr. B.R. Ambedkar University Delhi, Delhi, India.
Email: *jaspreetkaur.shimla@gmail.com* (corresponding author)

[2]Dr. B.R. Ambedkar University Delhi, Delhi, India.
Email: *anusinghlather@gmail.com*

Abstract

Investment is highly important to build long-term wealth and ensure economic growth. Traditional financial theories always assumed investors to be rational decision-makers, but in reality individuals tend to make decisions which do not target only high returns, but show deviations from optimum outcomes. These are termed as suboptimal decisions which arise mainly due to behavioural biases affecting investors. Existing Behavioural Finance (BF) studies show that there are various reasons for these biases, including socio-demographic factors, which are also highly instrumental in affecting investors' decision-making abilities. Though there are many empirical studies verifying these relationships, there is a lack of comprehensive systematic literature reviews (SLRs) that synthesise the findings on the relationship between socio-demographic factors and investment decisions. The present review attempts to address this gap by proposing a holistic framework to understand the relationship between behavioural biases, socio-demographic factors and investment outcomes. This study adopts a SLR protocol based on PRISMA 2020 guidelines, aiming to develop thematic patterns and determine future research directions. The methodology

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consists of qualitative content analysis of 70 selected articles to develop these relationships, rather than statistical data. The findings reveal that overconfidence bias and risk aversion are highly prominent in the existing literature, with their effects varying significantly due to investor demographics, especially gender and age. This review also highlights that while other biases are influenced by factors like profession and marital status, these variables are yet under-researched. Additionally, the study explores the developing role of social dynamics, including religious and social affiliations, in financial decision-making. The findings from our study reveal that there exists a significant gap in the existing research on the relationship between behavioural biases and socio-demographic factors like profession, marital status, and social dynamics, which represent prospective areas for future study. Our findings are a theoretical contribution to BF literature and offer practical insights for investors and wealth management practitioners.

Keywords: Behavioural finance, financial decision-making, socio-demographic factors and investment behaviour

Introduction

Investment is highly important for individuals as well as institutions to build long-term wealth, which in turn leads to economic growth at the macro level. Traditional theories in finance, like the Efficient Market Hypothesis and the Capital Asset Pricing Model, were based on the assumption that investors always make rational decisions, but in reality, individuals tend to make suboptimal investment decisions. This is where the study of behavioural finance (BF) started emerging, to make sense of the reasons behind these deviations. In mid-1900s, BF emerged as a separate field, conceptualised and developed by both psychologists and economists, such as Daniel Kahneman, Amos Tversky, and Richard Thaler, among others. Thaler (2018) proposed that the increasing complexity of modern-day life highlights the need for a deeper understanding of BF to improve decision-making. Understanding BF cannot only help investors make better investment choices but also assist financial advisors in better understanding their clients. Thus, analysing the influence of behavioural factors on financial decisions is instrumental for building individual as well as national wealth.

Despite nearly seven decades of extensive research, authors like Chakraborty (2024) still advocate the need for a more integrated approach to BF research due to its complex and multifaceted nature. Pompian (2012) advocates that understanding investors' irrational behaviour is relevant in current times, particularly for individual investors. A bibliometric study of BF articles by Dhingra et al. (2024) highlight that the influence of behavioural biases on investment decisions is a key research area. Pompian (2012) also suggests that by understanding these biases and their impact on investment outcomes, we can better determine financial success.

Prior research shows that various socio-demographic factors affect investors' cognitive and

risk-taking abilities. Korniotis and Kumar (2008; 2010) empirically verify the role of socio-demographic factors, such as gender, income, education, wealth, and ethnicity, in cognitive abilities that further affect investment decisions. While the association between demographics and behavioural biases has been a widely researched topic, limited studies examine the effect of specific biases on investment decisions across different demographic groups. Also, the few existing studies exhibit contrasting results in these relationships. This explains that a systematic review exploring this relationship can be highly valuable for retail investors, wealth management professionals, and other participants in financial markets, helping them make better investment decisions and ultimately improving individual economic well-being.

Table 1: Review of Reviews

Gaps in existing review studies	**Description**	**Relevant review studies**
Narrow Focus on Biases and Lack of Contextual Synthesis	Recent, high-rigor systematic reviews have often adopted a narrow focus either concentrated solely on one bias like Overconfidence (Singh et al., 2024), or on a limited set of classical biases (Raut and Das, 2015). Some studies noted the frequency of socio-demographic occurrence without forming an axial link between varied demographic factors and specific biases that affect investment outcomes(Idris, 2025; Kiruthika, 2025).	Singh et al. (2024); Raut and Das (2015); Idris (2025); Kiruthika, (2025)
Exclusion of Behavioural Biases or socio-demographic factors Investment Outcome	Existing review studies focused on investment outcomes, including the effects of socio-demographic factors but excluding the explicit role of behavioural biases and heuristics in explaining these relationships (Gupta and Sharma, 2022; Dhanagare et al., 2023; Rahmah and Purnamasari, 2023). Conversely, research that does focus on biases often fails to analyze them within a detailed socio-demographic context (Samal and Mohapatra, 2019; Iram et al., 2020; Katenova and Schmunkamp, 2025).	Dhanagare et al., (2023); Gupta and Sharma (2022); Iram et al. (2020); Samal and Mohapatra (2019); Katenova and Schmunkamp (2025)

Gaps in existing review studies	Description	Relevant review studies
Lack of Integrated Behavioural Context and Disjointed Scopes	The majority of existing reviews suffer from disjointed scopes. Some reviews merely track research trends (citations, publication years) without analyzing the socio-demographic context of the findings Iram et al., (2020). Newer studies addressing AI and FinTech often omit the socio-demographic link, focusing primarily on the technological and cognitive aspects (Katenova, et al., 2025). TS and Mayya (2024) do not show any explicit linkage between specific behavioral biases and socio-demographic factors. Siddiqui (2018) focused specifically on Socially Responsible Investing (SRI) limiting the demographic influence to a specialized field, thus preventing generalization across investor types.	Siddiqui (2018); Iram et al., (2020); Katenova and Schmunkamp (2025); TS and Mayya (2024)
Absence of Contemporary Context	Many reviews lack contemporary relevance (Zahera and Bansal, 2018; Raut and Das, 2015), thereby missing the emergence of recent developments that alter the relationship between demographics and investment behavior.	Zahera and Bansal, 2018; Raut and Das, 2015

Source: Created for the Study

Most existing research does focus on establishing correlations between socio-demographic factors and biases. While some review studies have consistently acknowledged socio-demographic factors and investment behaviour, significant gaps persist. It is evident from Table 1 that prior review studies in this context suffer from a critical methodological bifurcation, creating a major gap for integrated research. The review of reviews clarifies that, on the one hand, recent high-rigour systematic reviews have adopted a narrow focus on single cognitive biases or a limited set of classical heuristics. On the other hand, reviews concentrated on broader investment outcomes frequently exclude the explicit role of behavioural biases or conversely, studies that focus on

biases often lack a detailed socio-demographic context. Furthermore, existing reviews suffer from disjointed scopes, with some merely tracking trends without analysing the demographic context, others limiting the demographic context to specialised fields, and most importantly, many studies lack contemporary relevance.

Hence, there is a lack of comprehensive systematic literature reviews (SLRs) that synthesise the findings on the influence of socio-demographic factors on investor susceptibility to behavioural biases and investment outcomes. Thus, this study aims to fill that gap by creating a holistic, evidence-based framework. By focusing on demographics, our study challenges the 'one size fits all' assumption of the rational investor with the aim to identify clear patterns in the given context. The novelty of this SLR lies in its specific approach towards retail investors, which is lacking in the existing literature, which dilutes the findings by joining them with institutional investors (Calzadilla et al., 2021). To our knowledge, no other study has approached the domain with this method. The present study is aimed at filling this gap by adopting an SLR approach framework provided by existing studies (Tranfield et al., 2003; Moher et al., 2009) and reporting with PRISMA 2020 guidelines (Page et al., 2021). Around 70 sources have been referred to for this study, which include journal references (58 references from 56 journals), books as a collection of research articles (5 articles from 1 book), textbooks (3 articles from 3 books), 1 news article, and university publication thesis (3 articles from 3 theses). This study employs a structured review utilising a deductive content analysis (DCA) and qualitative synthesis approach based on the outline provided by Varsha et al. (2024).

Conceptual Foundations of Behavioural Finance

BF operates on the principle that people are not always rational in their financial decisions, especially when outcomes are uncertain (Fortes, 2018). Pompian (2012, p.27) explains: 'behavioral finance is about understanding how people make financial decisions, both individually and collectively. By understanding how investors and markets behave, it may be possible to modify or adapt to these behaviors in order to improve financial outcomes'. What guides BF is the focus on the natural tendency of the decision-makers to a certain disposition, which guides them in other decisions in life and also while making judgements regarding financial investment decisions (Sahi et al., 2013). These suboptimal financial decisions can also impact investors' wealth, corporate performance, and the efficiency of capital markets (Baker and Nofsinger, 2010). Thaler (2015) points out that people often 'misbehave' by deviating from standard economic models of savings and investments, leading to behavioural factors influenced by supposedly irrelevant factors (SIF). Similarly, Statman (2010) observes that specific cultural factors can lead to unique behaviours, such as the strong herding tendency which has been observed among Chinese investors.

As determined by conventional financial theories, wealth is not the only predictor of an individual's willingness to take financial risks. Prior BF studies validate that investor decisions are influenced by their individual characteristics, like gender, age, income, marital status, and education. Campbell (2006) advocates that demographics such as age, income, education, and race, as well as individual attitudes, also play a significant role in investment decisions. This is because different demographic groups face varying levels of difficulty when making financial choices (Yang, 2013) as an outcome of investors' cognitive abilities and emotions (Polkovnichenko, 2010; Korniotis and Kumar, 2010), which further influence decisions related to portfolio design and diversification (Polkovnichenko, 2010; Singh et al., 2023). In a similar context, a study by Korniotis and Kumar (2008) using data from the 2005 Survey of Health, Aging, and Retirement in Europe (SHARE), which was administered in 11 European countries, found a strong correlation between cognitive abilities and demographic variables of individuals like age, income, and religious activities, highlighting their influence on financial decisions. Similarly, demographic variables of Indian investors like gender, age, work experience, education, and marital status have been shown to affect their investment decisions (Gakhar, 2019; Chandra, 2017).

Additionally, the fields of economics and finance are now recognising the importance of social dynamics in decision-making (Nosenzo and Görges, 2020). For instance, Williamson (2010) opines that social dynamics such as religion and cultural norms can also affect individual and institutional investment preferences. Economist Robert Shiller notes, as quoted by Thaler (2015), that stock prices in markets are often influenced by social forces, even in situations where there is no apparent economic reason for market volatility. It is, however, observed from the above studies that the relationship between socio-demographic factors and behavioural biases is complex. Certain existing studies find correlations among these variables, while others do not. The empirical studies in this context find contrasting results with respect to the direction of these correlations. Hence, there is a need for a SLR to explore these relationships further to be able to outline the directions for future research.

Research Methodology

The present study adopts a SLR methodology, which is suitable to achieve the objective of the research. Moher et al. (2009, p. 123) define a systematic review as 'a review of a clearly formulated question that uses systematic and explicit methods to identify, select, and critically appraise relevant research, and to collect and analyze data from the studies that are included in the review'.

SLR is considered an ideal approach for synthesising conceptual knowledge in a complex field like BF. This SLR provides a clear roadmap for summarising the existing literature and identifying future research directions. In order to ensure objectivity, the current review strictly follows the

Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) 2020 guidelines (see Figure 1; Moher et al., 2009; Page et al., 2021).

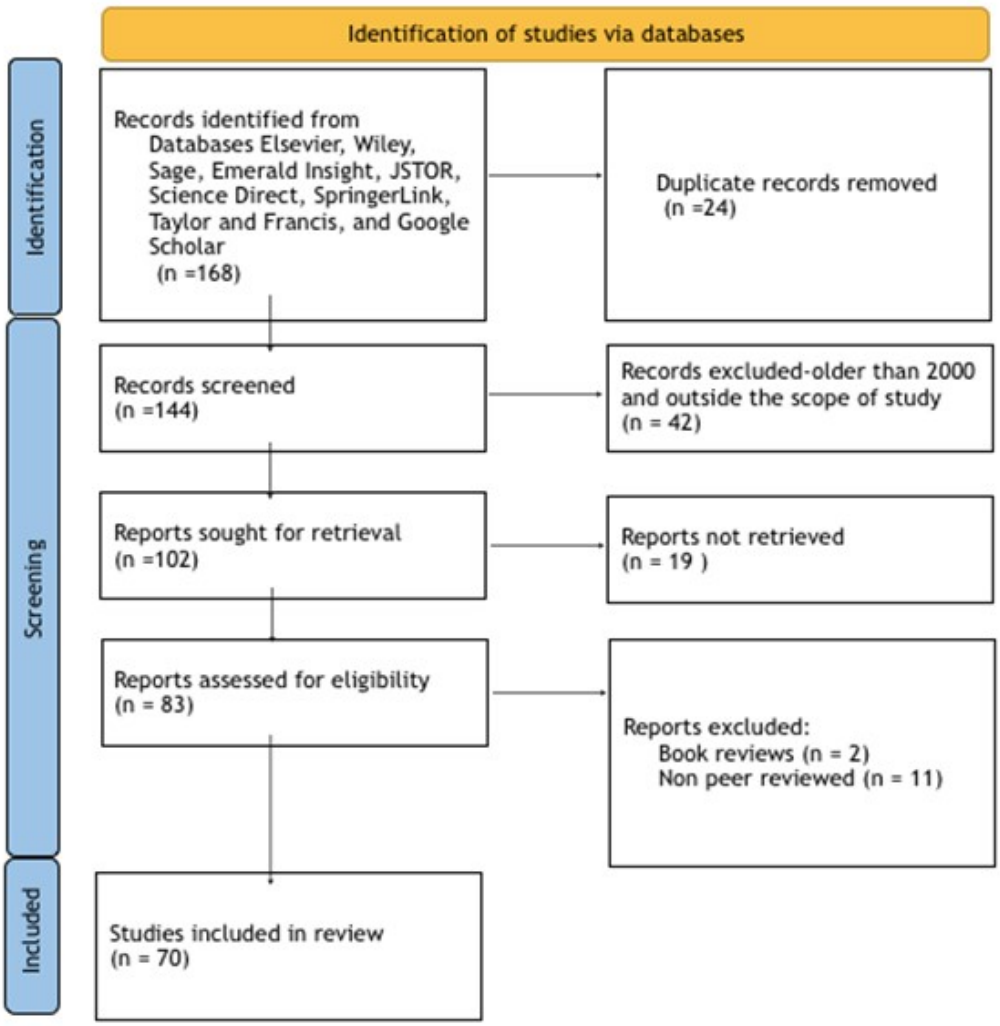


Figure 1: PRISMA Flow Diagram: Review Protocol for Selecting Relevant Literature

Note: Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) flow diagram for systematic reviews as per PRISMA guidelines 2020 (Moher et al., 2020). Template provided by https://www.prisma-statement.org/prisma-2020-flow-diagram.

The present review adheres to PRISMA protocol, ensuring the transparency of the SLR process, thereby enhancing the study's validity and reliability (Bihari et al., 2022; Tang, 2019). This systematic inclusion of relevant research, while strictly excluding irrelevant findings, is perfect for uncovering patterns and trends in the current body of research (Davis et al., 2014).

Research Objective

To address the fragmented nature of the existing literature, the primary objective of this systematic review is;

'To develop a comprehensive integrative framework of socio-demographic influences on investor behavior, aiming to identify critical theoretical gaps and establish a forward-looking research agenda.'

This study moves beyond a simple inventory of factors to systematically synthesise the conceptual structure of the literature, constructing a consolidated model that maps the antecedents (demographics) and outcomes (biases, decisions) that explain these relationships. The research objective provides an outline to clearly state the following research questions to be addressed with the present study.

Research Questions

- *Research Question 1:* How has the scholarly literature on socio-demographic factors in BF evolved, and what is its underlying conceptual structure?
- *Research Question 2:* What are the primary mechanisms driving the relationship between socio-demographic influences and investor behaviour, in existing research?
- *Research Question 3:* What are the most significant theoretical gaps and avenues for future research with respect to the influence of socio-demographic factors on investment outcomes and susceptibility towards biases?

Review Protocol

The present study adopts a three-stage SLR protocol to ensure precision and reliability. As per the protocol, the review process comprises three phases, which include planning the review, conducting the review, and disseminating the findings (Tranfield et al., 2003; Valcanover, 2020). The planning stage involves outlining the research questions and defining specific inclusion and exclusion criteria. Additionally, in order to ensure a comprehensive SLR, we adhered to the guidelines provided by Varsha et al. (2024) to develop and validate a protocol to specify inclusion/exclusion criteria, search terms, and coding strategy before conducting the main research. This was followed by a structured search and selection of relevant articles as per

PRISMA 2020 guidelines (see Figure 1). In order to reduce the possibility of researcher bias in selecting the data and improve the study's reliability, both researchers independently screened the literature, assessed study quality, and coded the data. A pilot study was then conducted to enhance the clarity of the review procedure. Finally, the literature was analysed via deductive coding to draw conclusions and outline directions for future research.

Data Extraction

The data for the present study were extracted using a systematic process for selecting relevant studies from databases by using specific keywords and predefined inclusion/exclusion criteria. We focused on studies in the field of BF that have examined investor behaviour through a socio-demographic lens. Though many researchers tend to use all databases, it often increases the complexity of data cleaning and integration (Bihari et al., 2022). Therefore, we strategically selected databases that offered the most suitable, highly cited, and English-language articles for our study, ensuring comprehensiveness and efficiency. In order to ascertain the study quality before synthesis, a quality assessment was conducted, where it was ensured that the researchers incorporated quality journals, majorly, using indexing in suitable databases or journal rankings in approved lists (Brereton et al., 2007; Varsha et al., 2024).

Search Strategy

Inclusion Exclusion criteria

Based on our established review protocol, this study systematically adhered to a multi-stage screening process. This involved a systemised search across the selected databases, followed by a filtering process, initially by title and abstract, then by a full-text quality evaluation, thus finalising the relevant scholarly articles for inclusion. The initial search was conducted across various databases, including Elsevier, Wiley, Sage, Emerald Insight, JSTOR, Science Direct, SpringerLink, Taylor and Francis, and Google Scholar. To ensure an exhaustive search, the researchers used a backward search from references of included articles and a forward search checking articles that cited key identified papers to compile a comprehensive list of literature (Webster and Watson, 2002). The inclusion of grey literature, such as conference proceedings, theses, and reports, was appropriately, based on the high relevance of these sources to meet the study's objective (Kitchenham and Charters, 2007).

The search queries were built by dividing the research questions into conceptual domains such as 'behavioral biases' and 'socio-demographics' and using the boolean operators 'AND' to join domains and 'OR' for synonyms, like 'investor behavior and socio-demographic factors', 'social and demographic factors in behavioral finance' and 'socio-demographic factors and "behavioral biases" or "investor behavior". When similar references were found in repeated searches with no

additional results, the search was terminated (Levy and Ellis, 2006). The inclusion and exclusion criteria adopted followed the PRISMA 2020 guidelines. Articles written only in the English language and those published before the year 2000 have been included from selected databases. Additionally, relevant local and global studies, and only peer-reviewed articles and published conference proceedings, have been considered. Non-peer-reviewed articles, articles from book reviews, and articles outside the scope of the research have been excluded. A summary of all articles included is provided in Appendix A3.

Data Analysis

The study followed systematic procedures to analyse and synthesise literature, moving beyond simple categorisation, to establish conceptual relationships between socio-demographic factors and behavioural biases and identify research gaps for future studies (Sandelowski et al., 2007). This included the following process based on guidelines provided by Varsha et al. (2024):

The primary unit of analysis was the sentence and the paragraph, which was necessary for accurately distinguishing the relationships between a socio-demographic factor and a specific behavioural bias or an investment outcome. The coding approach employed a deductive strategy, grounded in the established theoretical constructs of BF, i.e., biases and the explicit variables defined by the research questions (Research Question 1-Research Question 3).

The conceptual coding was managed and organised using Qualitative Data Analysis (QDA) software – NVIVO – to systematically manage the 70 full-text documents. The process included an initial coding of statements, which were then reviewed to ensure conceptual consistency. The initial codes were combined according to emerging patterns, based on theoretical foundations, to derive the deductive codebook.

To ensure the reliability of our coding results, the second researcher independently coded seven of the included articles (10% of the final sample). Both researchers, then, reconciled any initial coding discrepancies. After reaching an agreement, we achieved an inter-rater reliability score of 0.82 (measured by Cohen's Kappa). This score demonstrates excellent reliability in applying our deductive codebook. The results of this process are detailed in Appendix A2.

Data Synthesis

The data in the present review was analysed with a structured process based on DCA and quantitative synthesis, which ensured that every finding and future direction is traceable back to the reviewed literature, thereby maintaining transparency. A qualitative analysis was conducted based on the established framework and process to achieve this (Valcanover, 2020; Bihari et al., 2022). Tables 2 and 3 outline the content analysis of the reviewed literature. Table 2 summarises the direct output of our Deductive Conceptual Content Analysis, operationalised through axial

coding (as detailed in the methodology). Subsequently, Table 3 details the qualitative and conceptual evidence, mapping the consistent associations between specific socio-demographic factors and their corresponding behavioural biases.

Results and Analysis

The synthesised findings explored the relationship between various socio-demographic factors and investor behaviour, providing evidence to inform practice and policy and suggesting directions for future research. The SLR provides a 'Qualitative Synthesis', which determines, assesses, and synthesises all available research pertinent to the specific research query using a systematic methodology, focusing on synthesising thematic links (patterns between demographics and biases), rather than statistical data (Varsha et al., 2024).

The review was directed at a DCA involving a quantifiable qualitative coding using Quality Data Analysis software NVIVO, followed by a DCA comprising two parts: conceptual content analysis and relational content analysis (Calzadilla et al., 2021).

Deductive Content Analysis

The analysis is derived on the basis of direct quotes from the articles to illustrate the conceptual point. The DCA constitutes conceptual content analysis followed by relational content analysis. Conceptual content analysis gives a list of socio-demographic factors that have been used often in the 70 articles on the basis of frequency count of references. Relational content analysis provides the relationship between socio-demographic factors and their influence on investor behaviour, comprising behavioural biases and investment outcomes.

Conceptual Content Analysis

The process involved compiling a list of codes from previous research in the field to prepare an initial coding list, supplemented with newfound codes to get a final coding list. This is provided in Appendix A1 with counts of the number of references from the studies reviewed.

The coding table (see Appendix A1) presents a segment of the coding results from a SLR focusing on socio-demographic determinants of investor behaviour. It summarises the frequency with which key concepts appeared across the 70 analysed studies. The behavioural biases (core) category, with 136 total references in 68 documents, is the most prominent area of study, driven primarily by risk aversion/propensity (36 references). The socio-demographic factors category is close behind (128 references), with gender being the most frequently coded factor (49 references), followed by age (41 references). Conversely, biases like the disposition effect and anchoring and adjustment exhibit the least occurrences (11 and 8 references, respectively), indicating these have a low concentration in the existing literature. Similarly, religiosity and social norms are

less prominent in the sample studies (14 and 9 references, respectively). The initial coding was followed by deducing a synthesised codebook to provide a structured and transparent framework for the qualitative synthesis of the literature, which is summarised in Table 2.

Table 2: Deductive codebook: Conceptual Content Analysis

Code Name	**Code Hierarchy**	**Definition & Coding Instruction**	**Purpose in SLR Analysis**
Gender	II. Socio-Demographics	Empirical finding on gender differences in financial behavior, risk, or bias susceptibility.	Quantify Gender's prominence as a primary filter for financial decisions.
Age	II. Socio-Demographics	Findings related to age (younger, middle-aged, older) impacting investment decisions or bias intensity.	Track age-related patterns, such as direct relationship with biases or inverse relationship with risk-taking.
Bias - Overconfidence	I. Behavioral Biases	Explicit measure of investors overestimating their skills or information accuracy.	Identify Overconfidence as the core driver of risk propensity and excessive trading.
Bias-Herd Mentality	I. Behavioral Biases	Tendency to follow the actions of the majority or base decisions on market consensus rather than independent analysis.	To analyze the effect of demographic factors on conforming behavior.
Bias-Disposition Effect	I. Behavioral Biases	Tendency to prematurely sell winning investments while holding onto losing ones for too long.	Explore this bias's effects and contrast its prevalence with Overconfidence.
Social Dynamics	III. Social Dynamics	Discussion of non-traditional factors, such as religious beliefs, cultural norms and social stigma, influencing financial decisions.	To map the emerging and under-researched role of social influence on financial behavior

Code Name	Code Hierarchy	Definition & Coding Instruction	Purpose in SLR Analysis
Outcome-Diversification /Risk propensity	IV. Investment Outcomes	Discussion of portfolio breadth, asset allocation and tendency towards over and under-diversification.	Link biases (overconfidence, herd) and demographic factors (age, gender, income) to suboptimal portfolio design, via axial coding.

The deductive codebook constitutes the behavioural and socio-demographic factors, synthesised to enable the Relational Content Analysis:

Socio-demographic Factors (Gender, Age) Gender has emerged as the primary socio-demographic factor that holds prominence in influencing behaviours like overconfidence and risk-taking, followed by age.

Behavioural Biases (Overconfidence, Herd Mentality and Disposition Effect). These biases are the core conceptual focus areas. The overconfidence bias can be defined as the key driver of risk propensity and excessive trading across demographics.

Social Dynamics This code is less prominent in the sample studies, yet essential to map the role of social influence on financial behaviour. Investment Outcomes (Diversification, Risk Propensity). This code links specific behaviour biases, like herd mentality and overconfidence, and demographic factors, like age and income, which result in suboptimal financial outcomes, such as under diversification or risk aversion.

Axial Coding Axial coding is the process of primarily linking the biases to social and demographic factors to establish their causal relationships, described in the relational content analysis.

Relational Content Analysis

The codes derived from the Conceptual Content Analysis were subject to a further analytical process of establishing formal relationships between categories, termed as Axial Coding. This enabled the synthesis of the diverse empirical findings to develop a Relational Content Analysis. Consequently, we did not merely summarise findings but formally deduced five conceptual themes. These themes organise the observed variance in how socio-demographic characteristics affect different financial decisions, such as portfolio design, risk tolerance, and susceptibility to behavioural biases. The analysis structure, as summarised in Table 3, was finalised to systematically present the prevalence and intensity of specific biases across demographics and the contingent relationships between under-researched factors and investment outcomes.

Table 3: Relational Content Analysis of Socio-demographic determinants of Investment Behavior

Theme	Socio-demographic factor(s)	Outcome	Supporting literature
Demographic influence on portfolio size and strategy	Age and income	Younger and higher income people prefer investing in stocks and Mutual Funds, while older and low income groups invest in FD and Real Estate Younger individuals with low income have under-diversified portfolios	Statman (2010);Rebello and Das (2017); Saxena and Sheikh (2019); Shinde et al., (2024);Goetzmann and Kumar, 2008)
	Income	Higher Salary leads to efficient investment decisions	Agnew et al., 2003
	Gender	Total investment is affected by gender Males hold comparatively bigger trading portfolio	Gakhar (2019) Barber et al., (2009);Chandra et al. (2017)
	Occupation	Middle aged freelancers and IT professionals have less diversified portfolios	Yurttadur and Ozcelik (2019); Shaik et al. (2022)
Differential impact of overconfidence across demographics	Gender	Males are more overconfident than females for all decisions including investments	Glaser and Weber (2010) ; Statman (2010); Phan and Zhou(2014); Baker et al., 2019
		Females are found to be more overconfident	Phan and Zhou (2014)
	Income and age	middle aged investors with low income are more overconfident	Kumar and Goyal (2016); Yurttadur and Ozcelik, 2019)
	Income	High income Investors are more overconfident	Graham et al. (2005) Elizabeth et al. (2020);Shinde et al., (2021)

Theme	Socio-demographic factor(s)	Outcome	Supporting literature
Overconfidence, risk propensity, and demographic disparity	Gender and Age	Young individuals and males have higher risk propensity due to Overconfidence	Baber and Odean (2001); Statman (2010); Glaser and Weber, (2010); Chandra et al. (2017); Hala et al. (2020); Iamin (2025)
		Females and older individuals have low risk taking propensity due to low confidence	Baber and Odean (2001); Pompian and Longo (2005); Arano et al. (2010); Statman (2010); Baker et al. (2019); Elizabeth et al. (2020)
Interplay between behavioral biases and demographics in financial decision-making	Gender	Males are more prone to Mental Accounting, Herd bias	Lee et al., (2013); Benartzi and Thaler (2007) Phan and Zhou (2014)
		Females are more prone to Anchoring and adjustment bias, and Ambiguity effect Herd bias Disposition effect	Lee et al., (2013); Raj (2025); Oreng et al. (2021)
	Age	Increasing investment experience, as an outcome of age, lowers tendency towards certain behavioral biases, but due to investment experience older individuals are particularly more prone to Familiarity Bias Self attribution bias Disposition effect Middle aged people are more prone to Availability bias .	Hala et al. (2020); Lee et al., (2013); Phan and Zhou (2014); Gakhar and Prakash (2017); Saivasan and Lokhande (2022)Mishra and Metilda (2015) Elizabeth et al. (2020) Yurttadur and Ozcelik, (2019)

Theme	Socio-demographic factor(s)	Outcome	Supporting literature
	Profession and occupation	Different professions and occupations have been shown to cause disparity in different biases such as: Familiarity Bias Anchoring Bias Overconfidence Bias Regret Aversion Herd mentality bias	Agnewet al. (2003); Dhar and Zhu (2006); Uslu Divanoğlu and Bağcı (2018); Gakhar (2019); Yurttadur and Ozcelik, (2019); Elizabeth et al. (2020); RC (2021); Saivasan and Lokhande (2022)
The influence of social dynamics and affiliations on investment decisions	Religion and religiosity	These factors have shown to affect investment decisions of retail investors and private equity by making them risk averse or loss averse, but also bring possibility of improving investment decision efficacy by way of reduced stress, improved reasoning and analytical ability	Statman (2010); Gao, Wang, and Zhao (2017); Wang et al. (2017); Misra et al (2019); Chircop et al., 2020); Pradhan (2021)
	Social affiliations, norms, and social values	Social dynamics do impact investment decisions, but in varied ways based upon individual affiliation to groups, group norms, social stigma and judgement.	Statman (2010); (Arona et al., 2010); (Booth and Nolen, 2012); (Calderón 2018); Yurttadur and Ozcelik, 2019)

Demographic Influence on Portfolio Size and Strategy. The present review indicates that investor portfolio size and diversification strategy are significantly determined by socio-demographic characteristics. The prominence of gender, followed by age, in the existing studies determines that gender, age, and marital status are key factors towards portfolio size and strategy, with women and unmarried individuals consistently investing less and holding smaller trading portfolios than their counterparts (Barber et al., 2009; Chandra et al., 2017; Gakhar, 2019). Furthermore, under-diversified and suboptimal portfolios are typically an outcome of biases like overconfidence, herd bias, and local bias, including heuristics like the simple 1/n rule. Studies claim that these biases are demonstrably influenced by socio-demographic factors such as age, income, education, wealth, and job tenure (Agnew et al., 2003; Goetzmann and Kumar, 2008).

Investment preferences are different with respect to age and income. Studies show that younger, higher-

income investors are more inclined towards investment in the stock market because they are less focused on guaranteed returns, whereas middle-aged and older individuals tend to favour less diversified and conservative options, such as fixed deposits and real estate (Rebello and Das, 2017; Yurttadur and Ozcelik, 2019; Shinde et al., 2024). Additionally, financial literacy plays a significant role in reducing financial errors and attracting Indian investors toward mutual funds (Saxena and Sheikh, 2019), but both young and old investors often have lower financial literacy than middle-aged investors (Statman, 2010).

Differential Impact of Overconfidence Across Demographics. A consensus across several studies indicates that overconfidence bias shows a positive correlation with multiple demographic factors, including gender, age, investment experience, past returns, and management qualifications (Lin, 2011; Hala et al., 2020). Specifically, this bias is often prevalent in males and higher-income investors due to a generalised greater confidence in their stock market knowledge and financial abilities (Graham et al., 2009; Glaser and Weber, 2010; Statman, 2010; Lin, 2011; Baker et al., 2019; Elizabeth et al., 2020).

However, the existing literature exhibits crucial contrasting results that introduce nuance to this association. Phan and Zhou (2014) conclude that females are more susceptible to overconfidence and excessive optimism. Furthermore, some contrasting findings show that middle-aged, lower-income investors are also prone to overconfidence, as they perceive themselves as being more knowledgeable and competent than expected (Kumar and Goyal 2016; Yurttadur and Ozcelik, 2019).

Overconfidence, Demographic Factors and Risk Propensity. Prior studies claim that overconfidence bias directly influences an investor's willingness to take risks (Ainia, 2019; Iamin, 2025). Investor overconfidence can bring two-fold results. On the one hand, it can be advantageous by lowering investors' susceptibility to the disposition effect (Oreng et al., 2021). On the other hand, overconfidence has an adverse impact on investment outcomes, leading to unrealistic expectations, vulnerability to irrational behaviour, riskier choices, and significant financial mistakes (Barber and Odean, 2001; Chandra et al., 2017).

There exist variations in high-risk asset investments across different gender and age groups, where males and younger investors are generally more inclined to invest in high-risk assets like stocks, as they are more confident in their ability to select winning stocks and aim for maximum returns (Glaser and Weber, 2010; Statman, 2010; Gakhar, 2019). On the contrary, certain studies claim that women tend to be more risk-averse (Glaser and Weber, 2010; Statman, 2010; Arano et al., 2010). They are generally less confident in their stock-picking skills and hold more realistic expectations, which leads them to prefer safer and more conservative investments (Barber and Odean, 2001; Pompian and Longo, 2005; Statman, 2010).

Interplay between Behavioural Biases and Demographics in Financial Decision-Making. Shinde et al. (2024) reveal that behavioural biases affect different demographic groups in unique ways. Many studies claim that as investors gain more experience, often with age, their biases, especially overconfidence, tend to decrease, as longer participation in financial markets leads to greater expertise and fewer errors (Lee et al., 2013; Phan and Zhou, 2014; Gakhar and Prakash, 2017; Iamin, 2025), but with a flip side that cognitive abilities can decline with age, which can negatively impact investment performance (Bushra et al., 2024).

Other biases also have a multifaceted relationship with demographics. Disposition bias is less prevalent in

males, mature and wealthier individuals, and professionals compared to females, those with less wealth, or those in other occupations (Dhar and Zhu, 2006; Lin, 2011; Elizabeth et al., 2020). Herd mentality is influenced by the moderating effect of occupation and gender, with women being more susceptible according to some studies (Elizabeth et al., 2020; RC, 2021; Raj, 2025) and males being more prone to herd behaviour as per Phan and Zhou (2014). Familiarity bias and availability bias are affected by age, being more common in middle-aged individuals with low income (Yurttadur and Ozcelik, 2019; Saivasan and Lokhande, 2022). Mental accounting bias has been shown to be higher in males, whereas anchoring and adjustment bias is significantly more prevalent in females (Lee et al., 2013).

Profession and occupation also play a significant role in behavioural biases affecting investment decisions. For instance, Saivasan and Lokhande (2022) found a clear disparity in anchoring and adjustment and familiarity biases based on employment type. Similarly, Gakhar (2019) opines that an investor's optimism is often shaped by their profession and work experience. Additionally, specific professional groups exhibit different financial behaviours. For example, mid-level employees are more likely to overinvest in their employer's stock, though this tendency decreases with higher salaries and is also less common among corporate division workers (Agnew et al., 2003). Both public and private sector employees are influenced by mental accounting, framing, and peer effects when saving for retirement (Benartzi and Thaler, 2007). Studies like Uslu Divanoğlu and Bağcı (2018) show that behavioural differences exist within a single sector where public and private bank employees exhibit similar preferences for rate of return and risk level, but their investment knowledge varies. Furthermore, a study of Indian IT professionals found that they prefer traditional and safe investments like bank deposits and insurance (Shaik et al., 2022).

Influence of Social Dynamics and Religious Affiliations on Investment Decisions. Existing studies have empirically examined the relationship between social dynamics (like religion and social affiliations) and investment decisions, yet this research remains scant. Social dynamics have been shown to influence retail decisions in different ways. For instance, Statman (2010) claims that decisions on mortgage payments can be driven by social stigma rather than financial logic, where people are more likely to default when their neighbours do, regardless of their home's value. Similarly, a study by Arona et al. (2010) reveals that social norms within a marriage affect retirement asset allocation, where joint decision-making among family members influences individual choices. Also, when the potential for a large gain is highlighted as a social reward, men are more likely to shift from a safe to a risky investment, even if the expected value remains the same (Booth and Nolen, 2012). Furthermore, the valuation of certain assets, including cryptocurrencies, gold, and real estate, is associated with the perception of their value by other social groups (Swaminathan et al., 2012; Calderón, 2018). Yurttadur and Ozcelik (2019) find that older investors are more susceptible to social support in the form of peer recommendations.

Table 4: Comparison of Existing Prominent and Neglected Research Areas based on Reference Frequency from Codes

Concept Type	Prominent Research	Research Neglect
Behavioral Biases	Risk Aversion / Propensity (36 references)	Disposition Effect (11 references)

Concept Type	Prominent Research	Research Neglect
	Overconfidence (Primary analytical filter)	Anchoring and Adjustment (8 references)
Socio-Demographic Factors	Age (41 references)	Religiosity / Social Affiliation (14 references)
	Gender (Primary analytical filter)	Profession / Occupation (17 references)
Synthesis Goal	To quantify the effects of Gender and Age on established biases.	To link low-prevalence biases (e.g. disposition) to established demographic filters and prevalent biases to under-researched demographics (e.g. profession). To study the influence of social dynamics on financial decisions.

Religiosity and religious affiliations have been shown to affect investment outcomes at macro as well as micro levels. Wang et al. (2017) propose that countries characterised by certain religious affiliations have a greater percentage of investors who are loss averse. This behaviour is also observed in institutional investors, where high religiosity has been shown to influence venture capitalists and hedge fund managers to adopt a risk-averse or loss-averse approach, though this can provide positive outcomes, like more diversified portfolios (Gao, Wang, and Zhao, 2017; Chircop et al., 2020). However, for retail investors, the direct impact of religiosity is less apparent, though existing research suggests that religious and non-religious investors share some values and differ in others, which directly influences their investment choices (Statman, 2010; Pradhan, 2021). According to Misra et al. (2019), the benefit of religiosity may be indirect, as it can reduce stress, enhance reasoning, and improve analytical abilities, potentially helping investors control emotional interference and make better financial choices.

Table 5: Research Gap and Future Research Directions

Category	Research gap	Future research direction
Overconfidence bias	Studied mainly in light of gender, age and income	Explore connection of overconfidence with other demographic factors,like marital status and profession
Overconfidence bias	Other biases such as mental accounting, loss aversion, disposition effect, herd mentality, representativeness, status quo, still unexplored	Core biases apart from overconfidence, such as mental accounting, loss aversion, disposition effect, self-attribution, representativeness, and status quo,

Category	Research gap	Future research direction
		should be researched from socio-demographic lens
Demographic factors	Gender, age and income effects are extensively explored	Investigate other demographic factors, like profession and occupation, marital status.
Social Factors	Under-researched area in context of investor behavior	The field of behavioral finance should include studies on the nascent, yet critical role of social dynamics in shaping investor behavior
Demographic factors	Contemporary issues unexplored	Impact of demographic factors should be studied in light of contemporary issues like influence of social media and neural responses.

Conclusion

The present study is valuable as it moves beyond individual observations and presents a synthesised framework for understanding how socio-demographic factors influence investor behaviour. While existing literature addresses this topic, there are still significant gaps. As evident in Table 1, prior studies in this context either have a narrow focus on biases and/or socio-demographic factors or lack an integrated approach towards this relationship. This is what led to establishing an 'axial link' between varied socio-demographic factors and specific biases that drive investment outcomes in the present study. Hence, this review's contribution lies in its objective and methodology aimed at a qualitative analysis, synthesising the most significant findings from empirical studies.

The central research objective of this study, 'to develop a comprehensive integrative framework of socio-demographic influences on investor behavior, aiming to identify critical theoretical gaps and establish a forward-looking research agenda', has been achieved.

Hence, this study has extensively reviewed the contradictory literature to conclude that while many studies confirm a link between demographics and investment behaviour, other research also suggests that factors like gender, marital status, and income have minimal impact on outcomes like trading frequency or risk tolerance (Chandra et al., 2017; Saxena and Sheikh, 2019; Gakhar, 2019).

The data in Table 2, which depicts the Conceptual Content Analysis, confirmed that the impact of demographic variables, which are highly influential towards behavioural biases and investment outcomes, is complex. It can be concluded that gender and age emerged as the most frequently studied and influential demographic factors, followed by occupation and investment experience (Feng and Seasholes, 2008; Phan and Zhou, 2014; Baker et al., 2019; Bhattacharjee et al., 2021; Raj, 2025).

The complete results of Relational Content Analysis are listed in Table 3, which establishes that socio-demographic factors primarily influence an investor's risk perception, with overconfidence bias as the main driver (Pompian and Longo, 2005). This finding supports the argument that advisors must consider demographics as relevant influences alongside personality types. However, the analysis reveals a paradox, where women, despite being commonly found to be more risk-averse and investing less, often make better overall investment choices (Agnew, 2006; Charness and Gneezy, 2012).

Table 4 summarises a comparative analysis based on the provided coding summaries, focusing on the key concepts of research prominence and neglect, which drive the directions for future research. This comparative table is the product of the Qualitative Gap Analysis via Neglect Quantification. It converts the low-frequency codes and analytical voids identified in the synthesis into concrete, evidence-based recommendations for future research.

Directions for Future Research

This review synthesises current research by identifying distinct areas that require focus in future empirical studies to advance BF theory. Table 5 demonstrates a clear pattern of these gaps in current literature, highlighting the future research directions. The present study determines that future studies should expand the socio-demographic factors and investment decisions framework. It depicts that while overconfidence bias has already been extensively examined in relation to gender, age, and income, there exists limited research that explores its connection to other important demographic variables like marital status and profession. Hence, future studies should not only delve deeper into overconfidence but also explore other core behavioural biases, including mental accounting, loss aversion, disposition effect, self-attribution, representativeness, and status quo. Although these are well-established concepts, their specific influence, when analysed through the lens of socio-demographic factors, remains an under-researched topic. The study proposes that more research is needed to understand the impact of demographic factors, like marital status and profession, on behavioural biases. This aligns with Pompian and Longo's (2005) opinion that identifying the susceptibility of different investor groups to specific biases would allow financial professionals to better understand clients' behavioural tendencies, leading to improved investment outcomes.

The findings indicate that the influence of social dynamics on financial behaviour is significant but has only recently begun to be explored. There is a need to integrate social and innate traits in this context. Gao, Wang, and Zhao (2017) propose that the link between religiosity and finance remains a largely unexplored field of study. However, in highly religious countries, it is crucial to include religiosity as a factor when studying financial decisions (Pradhan, 2021). Just as a person's internal locus of control can be linked to investment biases, other individual innate traits should also be explored (Lather et al., 2020).

This review also highlights the findings which show that there is a lack of empirical studies across different contexts and contemporary issues. Studies advocate that investor behaviour research should be extended to emerging and developing markets to explore the effects of diverse socio-demographic factors on investment behaviour (Singh et al., 2023; Hoffman and Post, 2014; Bihari et al., 2022). Kumar (2025) proposes that future research should also be extended to include the influence of demographic factors on financial decisions in light of contemporary factors, like social media influence and neural responses, to evaluate

emotional reactions in investors.

This study provides a theoretical and practical contribution by addressing a critical gap in BF research. Unlike prior systematic reviews that have a narrow focus and lack an integrated behavioural context, this research provides a comprehensive Qualitative Synthesis to outline the relationship between a broad set of socio-demographic factors and major behavioural biases. The study goes beyond identifying research gaps to propose a conceptual framework that quantifies the areas of prominence and neglect that require focus in future studies. By identifying under-researched biases and specific demographics, this study provides directions for academicians, investors and wealth management professionals, thereby ensuring that future research is focused on areas with the highest potential for theoretical and societal impact.

Limitations

Despite our best attempts, this work is constrained by the fundamental limitation of all review studies, where it lacks the appraisal of the quality of evidence in a formal sense, like empirical studies. Consequently, this research is restricted to providing only a qualitative descriptive analysis of the available literature rather than a quantitative meta-analysis of effect sizes. While the DCA was robust for confirming theoretical links, it prioritised known concepts like overconfidence. As a result, certain aspects not covered by the initial codebook may have been ignored. Furthermore, the generalisability of the findings is constrained by the heterogeneity of the reviewed articles that span diverse geographical contexts and asset classes, causing an inability to draw uniform comparisons across all socio-demographic factors. Despite these inherent constraints, the chosen method was deemed most appropriate for achieving the objective of systematically mapping the conceptual framework and identifying thematic voids in the given domain.

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Yang, A. S. (2013). Decision making for individual investors: A measurement of latent difficulties. *Journal of Financial Services Research*, *44*, 303-329.

Yurttadur, M., & Ozcelik, H. (2019). Evaluation of the financial investment preferences of individual investors from behavioral finance: The case of Istanbul. *Procedia Computer Science*, *158*, 761-765.

Zahera, S. A., & Bansal, R. (2018). Do investors exhibit behavioral biases in investment decision making? A systematic review. *Qualitative Research in Financial Markets*, *10*(2), 210-251.

Appendix-A

Full Codebook (NVIVO)

Code Name (Node)	References (Total Coded Segments)	Documents (Studies Cited)
I. Behavioural Biases (Core)	**136**	**68**
- Overconfidence Bias	42	31
- Risk Aversion / Propensity	36	23
- Herd Mentality / Bias	21	14
- Disposition Effect	11	7
- Mental Accounting Bias	10	6
- Anchoring & Adjustment	8	5
- Other Biases (e.g., Status Quo, Familiarity)	8	8
II. Socio-Demographic Factors	**128**	**65**
- Gender (Male/Female)	49	31
- Age	41	29
- Income / Wealth	21	12
- Profession / Occupation	17	9
III. Social Dynamics / SIFs	**23**	**18**
- Religiosity / Social Affiliation	14	9
- Social Norms / Peer Effects	9	7
IV. Investment Outcomes	**20**	**15**
- Portfolio Diversification	10	8
- Trading Frequency	5	5
- Investment Performance	5	4

This table simulates the granular coding values assigned by two independent reviewers to seven articles, demonstrating the IRR process and the operationalisation of the deductive codebook for specific analytical linkages.

Coding Detail: Bivariate Analysis and Reliability Check (7-Article Subset)

Article (Document)	**Reviewer**	**Code Applied: GENDER _Influence**	**Code Applied: BIAS _Overconfidence**	**Code Applied: Outcome _Diversification**	**Agreement (✓, ×)**
Barber & Odean (2001)	Rater 1	Male vs. Female differences found	High (Linked to excessive trading)	Yes (Under-diversification linked to trading)	✓
	Rater 2	Male vs. Female differences found	High (Linked to excessive trading)	Yes (Under-diversification linked to trading)	✓
Kumar & Goyal (2016)	Rater 1	No Gender effect found	Low/Middle Income are more prone	Yes (Portfolio errors)	×
	Rater 2	No Gender effect found	Middle Age is more prone	Yes (Portfolio errors)	×
Yurttadur & Ozcelik (2019)	Rater 1	No Gender effect found	Low Education linked to Overconfidence	Yes (Less diversified portfolios)	✓
	Rater 2	No Gender effect found	Low Education linked to Overconfidence	Yes (Less diversified portfolios)	✓
Phan & Zhou (2014)	Rater 1	Males prone to Herd Bias	Females prone to Overconfidence	No mention of diversification	✓
	Rater 2	Males prone to Herd Bias	Females prone to Overconfidence	No mention of diversification	✓
Raj (2025)	Rater 1	Age & Gender combined effect	Moderate (Age reduces effect)	Yes (Trading Frequency is outcome)	✓
	Rater 2	Age & Gender combined effect	Moderate (Age reduces effect)	Yes (Trading Frequency is outcome)	✓
Benartzi & Thaler (2007)	Rater 1	No Gender mentioned	Low (Focus on 1/n heuristic)	Yes (Focus on 1/n heuristic)	✓
	Rater 2	No Gender mentioned	Low (Focus on 1/n heuristic)	Yes (Focus on 1/n heuristic)	✓
Statman (2010)	Rater 1	Male focus (Stock Picking)	Moderate (Linked to risk-taking)	No (Focus on risk/emotion)	×

Article (Document)	Reviewer	Code Applied: GENDER _Influence	Code Applied: BIAS _Overconfidence	Code Applied: Outcome _Diversification	Agreement (✓, ×)
	Rater 2	Male focus (Stock Picking)	Moderate (Linked to risk-taking)	Yes (Portfolio structure)	×

Notes on Discrepancy Resolution

Kumar & Goyal (2016): The initial disagreement on the specific demographic factor was resolved in consensus by recording the code as 'Age and Income' since both factors were reported in the study, ensuring both observations contributed to the final data synthesis.

Statman (2010): The disagreement on the Outcome_Diversification code was resolved by Rater 2, yielding, as Rater 1 justified, that the study's primary context was emotional risk, not portfolio structure, thereby maintaining the integrity of the most restrictive code.

The specific disagreements are where the consensus meetings occur to reconcile the final code assigned to the article, which is captured by the overall Cohen's Kappa of 0.82.

Table 8: Summary of 70 reviewed articles with their major findings significant for the present study

S. No.	Article Reference	Major Finding
1	Ainia, N. S. N., & Lutfi, L. (2019). The influence of risk perception, risk tolerance, overconfidence, and loss aversion towards investment decision making. *Journal of Economics, Business, & Accountancy Ventura*, *21*(3), 401-413.	While risk perception has a negative effect, risk tolerance and overconfidence have a positive effect on investment decision-making. Loss aversion is found to have no effect on investment decision-making.
2	Agnew, J., Balduzzi, P., & Sunden, A. (2003). Portfolio choice and trading in a large 401 (k) plan. *American Economic Review*, *93*(1), 193–215.	Higher salaries and job tenure lead to more efficient portfolio choices in retirement planning (moving beyond the 1/n heuristic).
3	Agnew, J. R. (2006). Do behavioral biases vary across individuals? Evidence from individual level 401 (k) data. *Journal of financial and Quantitative Analysis*, *41*(4), 939–962.	Analysing the past performance of investment outcomes, women have demonstrated that to have made better investment choices than men.
4	Altikulaç, S., Bos, M. G., Foulkes, L., Crone, E. A., & Van Hoorn, J. (2019). Age and gender effects in sensitivity to social rewards in adolescents and young adults. *Frontiers in behavioral neuroscience*, *13*, 171.	The specific nature of benefits derived from social interactions is highly nuanced and changes significantly, depending on the demographic group, forming a basis for behavioural differences.

S. No.	Article Reference	Major Finding
5	Arano, K., Parker, C., & Terry, R. (2010). *Gender-based risk aversion and retirement asset allocation. Economic Inquiry,* 48(1), 147155.	Women tend to be more risk-averse than men when planning for retirement.
6	Baker, H. K., & Nofsinger, J. R. (2010). Behavioral finance: an overview. *Behavioral finance: Investors, corporations, and markets*, 1–21.	Suboptimal decisions can highly impact the personal wealth of retail investors and the corporate performance and efficiency of capital markets for institutional investors.
7	Baker, H. K., Kumar, S., Goyal, N., & Gaur, V. (2019). How financial literacy and demographic variables relate to behavioral biases. *Managerial Finance*, *45*(1), 124–146.	Occupation and investment experience as an outcome of age, are highly influential demographic factors affecting investment decisions. Males exhibit greater confidence in their stock market knowledge, leading to higher overconfidence bias.
8	Barber, B. M., & Odean, T. (2001). Boys will be boys: Gender, overconfidence, and common stock investment. *The quarterly journal of economics*, *116*(1), 261–292.	Overconfidence is the most important bias which leads to unrealistic expectations, more prominent in younger individuals and males. Also, men are more inclined to invest in high-risk assets and aim for maximum returns.
9	Barber, B. M., Lee, Y. T., Liu, Y. J., & Odean, T. (2009). Just how much do individual investors lose by trading?. *The Review of Financial Studies*, *22*(2), 609–632.	Larger portfolio size is positively related to an investor's gender and age. Males hold comparatively larger trading portfolios than females.
10	Benartzi, S., & Thaler, R. H. (2007). Heuristics and biases in retirement savings behavior. *Journal of Economic perspectives*, *21*(3), 81–104.	Both public and private sector employees are swayed by mental accounting, framing, and peer effects when saving for retirement. The 1/n rule heuristic is prominently present in their portfolio allocation decisions.
11	Bhattacharjee, J., Singh, R., & Kajol, K. (2021). Risk perception in respect of equity shares: A literature review and future research agenda. *DLSU Business and Economics Review*, *30*(2), 101–119.	The main determinants of risk perception include demographic factors, emotional reactions, economic crisis, framing effects, loss aversion, and heuristics. They lead to different impacts on investment outcomes, such as portfolio choice, market-linked investment, entrepreneurial success, and retirement planning.

S. No.	Article Reference	Major Finding
		The study finds a direct link between investment experience with age, and overconfidence bias.
12	Bihari, A., Dash, M., Kar, S. K., Muduli, K., Kumar, A., & Luthra, S. (2022). Exploring behavioural bias affecting investment decision-making: a network cluster based conceptual analysis for future research. *International Journal of Industrial Engineering and Operations Management*, *4*(1–2), 19–43.	The study suggests that future researchers conduct a comparative analysis of different investors to observe the varying effects of demographic factors on investment decisions and behavioural biases.
13	Booth, A., & Nolen, P. (2012). Salience, risky choices and gender. *Economics Letters*, *117*(2), 517–520.	Social dynamics influence investment decisions; for instance, men are more likely to shift from a safe to a risky investment when the potential for a large gain is highlighted.
14	Bushra, B., Srivastav, S., & Kapoor, S. (2024). Impact of gender, age, and education on investors' behavior: an empirical study of Delhi-NCR. *International Journal of System Assurance Engineering and Management*, 1–15.	Age and gender precisely affect investment decisions, where cognitive abilities decline with age, which can negatively impact investment performance.
15	Calderón, O. P. (2018). Herding behavior in cryptocurrency markets. Ithaca: Cornell University Library. Retrieved via arXiv.org, *arXiv:1806.11348*.	Behavioural factors influence the investment in cryptocurrency markets as well, mainly because the information and advice for this asset class is available online through news and social media. Hence, the valuation of such high-risk assets is tied to the social perception of their value by a specific group, leading to herd mentality.
16	Campbell, J. Y. (2006). Household finance. *The journal of finance*, *61*(4), 1553–1604.	Equity preference changes with total wealth of investors, where it holds little importance for the middle class, but constitutes the largest share in the portfolio only for wealthier households. Wealth is not the only predictor of an individual's willingness to take financial risks; rather, demographics such as age, income, education, and race, as well as individual attitudes, also play a significant role.

S. No.	Article Reference	Major Finding
17	Chakraborty, J. (2024) Heuristics and Prospect Theories on Investors' Decision-Making Process: Concepts and Research in the Global Context. *IMI Konnect-An International Journal*, 12 (4).	Despite extensive research, there is still a need for a more integrated approach to behavioural finance research due to its complex and multifaceted nature.
18	Chandra, A., Sanningammanavara, K., & Nandini, A. S. (2017). Does individual heterogeneity shape retail investor behaviour?. *International Journal of Social Economics*, *44*(5), 578–593.	Young individuals and males have a higher risk propensity due to Overconfidence bias in retail investments.
19	Charness, G., & Gneezy, U. (2012). Strong evidence for gender differences in risk taking. *Journal of economic behavior & organization*, *83*(1), 50–58.	Women have overall less investments than men because they are found to be more risk-averse.
20	Chircop, J., Johan, S., & Tarsalewska, M. (2020). Does religiosity influence venture capital investment decisions?. *Journal of Corporate Finance*, *62*, 101589.	High religiosity often leads to a more risk-averse investment approach for financial professionals.
21	Dhar, R., & Zhu, N. (2006). Up close and personal: Investor sophistication and the disposition effect. *Management science*, *52*(5), 726–740.	Disposition effect is less prevalent in wealthier individuals and professionals as compared to other occupations.
22	Dhingra, B., Yadav, M., Saini, M., & Mittal, R. (2024). A bibliometric visualization of behavioral biases in investment decision-making. *Qualitative Research in Financial Markets*, *16*(3), 503-526.	The study highlights the significant influence of behavioural biases on investment decisions as a key research area via a bibliometrics study of existing behavioural finance articles.
23	Elizabeth, J., Murhadi, W. R., & Sutejo, B. S. (2020). Investor behavioral bias based on demographic characteristics. *Advances in Economics, Business and Management Research*, *115*, 6–12.	Overconfidence bias is influenced by gender and income. While the disposition effect and loss aversion are influenced by age, the herding behaviour bias is influenced by occupation and gender, with women being more susceptible to herding.
24	Fortes Felix, L. F. (2018). Essays in Behavioral Finance: Biases in investment decisions and their impact across asset classes. [PhD-Thesis - Research and graduation internal, Vrije Universiteit Amsterdam].	The main premise of behavioural finance is that people systematically make irrational decisions when outcomes of those decisions are unknown. Most behavioural finance studies focus on stocks, whereby studies linking behavioural biases to asset class level

S. No.	Article Reference	Major Finding
		and across asset class investment strategies are relatively small, with focus only on momentum.
25	Feng, L., & Seasholes, M. S. (2008). Individual investors and gender similarities in an emerging stock market. *Pacific-Basin Finance Journal*, *16*(1–2), 44–60.	Males and females exhibit similar behaviour in the degree of home bias, their portfolio performances. They also exhibit no significant difference in trading intensity, but after controlling for factors such as the number of stocks held and the number of trading rights.
26	Gakhar, D. V., & Prakash, D. (2017). Investment Behaviour: A Study of Relationship between Investor Biases and Myers Briggs Type Indicator Personality. *Opus: HR Journal*, *8*(1).	When comparing investors on the basis of personality type, overconfidence in particular diminishes in more mature investors as their experience grows.
27	Gakhar, D. (2019). Role of optimism bias and risk attitude on investment behaviour. *Theoretical Economics Letters*, *9*(4), 852-871.	Risk-taking attitude is affected by the personality of individuals. Investment in different risk instruments is different based on different demographic factors like gender, age group, marital status, and workplace activity, but overall, all investors prefer to invest equally in a safe investment mode. Total investment is affected by gender.
28	Gao, L., Wang, Y., & Zhao, J. (2017). Does local religiosity affect organizational risk-taking? Evidence from the hedge fund industry. *Journal of Corporate Finance*, *47*, 1–22.	High religiosity in financial professionals, especially fund managers, often leads to a more risk-averse investment approach.
29	Glaser, M., & Weber, M. (2010). Overconfidence. *Behavioral finance: Investors, corporations, and markets*, 241–258.	Males are generally more overconfident than females, mainly in all aspects, including investment decisions.
30	Goetzmann, W. N., & Kumar, A. (2008). Equity portfolio diversification. *Review of Finance*, *12*(3), 433-463.	Under-diversified portfolios are an outcome of overconfidence, herd bias, and local bias, observed more among younger, low-income, less-educated investors, who prefer to invest in FD and Real Estate.
31	Graham, J. R., Harvey, C. R., & Huang, H. (2009). Investor competence, trading frequency, and home bias. *Management science*, *55*(7), 1094–1106.	Investor wealth affects their investments via biases, where high-income investors are found to be more overconfident.

S. No.	Article Reference	Major Finding
32	Hala, Y., Abdullah, M. W., Andayani, W., Ilyas, G. B., & Akob, M. (2020). The financial behavior of investment decision making between real and financial assets sectors. *The Journal of Asian Finance, Economics and Business*, *7*(12), 635–645.	Overconfidence is positively correlated with several demographic factors, including gender, age, investment experience, past returns, and management qualifications.
33	Hoffmann, A. O., & Post, T. (2014). Self-attribution bias in consumer financial decision-making: How investment returns affect individuals' belief in skill. *Journal of Behavioral and Experimental Economics*, *52*, 23–28.	Empirical findings suggest that investors exhibit higher self-attribution bias, but there is a need to investigate investor behaviours in emerging and developing markets, for retail and institutional investors, and across diverse socio-demographic factors.
34	Iamin, G. (2025). Are crypto-investors overconfident? The role of risk propensity and demographics. Evidence from Brazil and Portugal. *The Journal of Risk Finance*, *26*(1), 147–173.	Overconfidence diminishes in more mature investors as their experience grows. Hence, risk propensity is directly related to age.
35	Jayakumar, T., & Verma, A. (2021). Indic religiosity scale: Developing and validating an Indian religiosity scale. *Journal of Management, Spirituality & Religion*, *18*(1), 35–56.	Developed an Indic religiosity scale under the premise that religiosity can be included as a way to explain human behaviour in various managerial situations.
36	Korniotis, G. M., & Kumar, A. (2008). Superior information or a psychological bias? A unified framework with cognitive abilities resolves three puzzles. *Unpublished manuscript, University of Texas*.	Analysed data from the 2005 wave of the Survey of Health, Ageing, and Retirement in Europe (SHARE), containing direct and standardised measures of cognitive abilities and demographic variables such as age, income, wealth, education, gender, and a social network proxy, including religious activities, verifying a correlation between these variables
37	Korniotis, G. M., & Kumar, A. (2010). Cognitive abilities and financial decisions. *Behavioral finance: Investors, corporations, and markets*, 559–576.	Empirically verify that there exists a strong correlation between cognitive abilities and demographic variables like age, income, and religious activities.

S. No.	Article Reference	Major Finding
38	Kumar, S., & Goyal, N. 2016. Evidence on Rationally Biases in Investment Decision Making. *Qualitative Research in financial Market*. Vol. 8 : 270–287. doi: 10.1108/QRFM-052016-0016	Actual investors are far from being rational with their demographic factors affecting investment decisions. Middle-aged investors with low/middle income are more overconfident.
39	Kumar, A. (2025). Digital Dynamics and Neural Risk Investigating Investor Stress in Pune's Stock Market. *Vidhyayana-An International Multidisciplinary Peer-Reviewed E-Journal-ISSN 2454-8596*, *10*(4).	Demographic factors' impact on investment decisions in light of contemporary factors like, influence of social media and neural responses should be explored, which can evaluate behavioural responses of older and amateur investors with their emotional reactions.
40	Lather, A. S., Jain, S., & Anand, S. (2020). An empirical examination of the impact of locus of control on investor behavioral biases. *International Journal of Management (IJM)*, *11*(1).	Individual personality aspects like locus of control have been empirically found to affect investor biases; hence, other demographic variables should be tested for the same.
41	Lee, K., Miller, S., Velasquez, N., & Wann, C. (2013). The effect of investor bias and gender on portfolio performance and risk. *The International Journal of Business and Finance Research*, *7*(1), 1-16. Retrieved via http://SSRN.com	Mental accounting bias is higher in males but anchoring and adjustment bias, and herd bias are significantly more prevalent in females.
42	Lin, H.W. 2011. Elucidating rational investment decisions and behavioral biases: Evidence from the Taiwanese stock market. *African Journal of Business Management*, *5*(5), 1630–1641.	A comparison of relative differences of certain biases reveals that male and female investors significantly differ in disposition effect, herding and tendency of overconfidence.
43	Mishra, K. C., & Metilda, M. J. (2015). A study on the impact of investment experience, gender, and level of education on overconfidence and self-attribution bias. *IIMB Management Review*, *27*(4), 228–239.	Increasing investment experience (with age) lowers the tendency towards overconfidence and overtrading.
44	Misra, R., Srivastava, S., & Banwet, D. K. (2019). Do religious and conscious investors make better economic decisions? Evidence from India. *Journal of Behavioral and Experimental Finance*, *22*, 64–74.	Religiosity does affect investment decisions, but the exact direction of impact is not quite obvious. However, religiosity can improve analytical abilities and control emotional interference, thus indicating better decisions.

S. No.	Article Reference	Major Finding
45	Nosenzo, D., & Görges, L. (2020). Measuring social norms in economics: why it is important and how it is done. *Analyse & Kritik*, *42*(2), 285–312.	In the contemporary setting, the fields of economics and finance are increasingly recognising the importance of social dynamics in decision-making.
46	Oreng, M., Yoshinaga, C. E., & Eid, W. (2021). Disposition effect, demographics and risk taking. *RAUSP Management Journal*, *56*(2), 217–233.	Overconfidence in investors can lead to a lower susceptibility to the disposition effect.
47	Phan, K. C., & Zhou, J. (2014). Factors influencing individual investor behavior: An empirical study of the Vietnamese stock market. *American Journal of Business and Management*, *3*(2), 77–94.	Empirically, it was found that males are more prone to herd behaviour, while females are more susceptible to overconfidence and excessive optimism when investing in stocks.
48	Polkovnichenko, V. (2010). Individual investor portfolios. *Behavioral Finance: Investors, Corporations, and Markets*, 539–557.	Demographic factors can affect an investor's cognitive abilities and emotions, influencing decisions related to portfolio diversification.
49	Pompian, M. M., & Longo, J. M. (2005). Incorporating behavioral finance into your practice. *Journal of Financial Planning*, *18*(3), 58.	Women are generally less confident and subsequently prefer safer investments.
50	Pompian, M. M. (2012). *Behavioral finance and wealth management: how to build investment strategies that account for investor biases*. John Wiley and Sons.	Textbook on behavioural finance, covering explanations of varied aspects of the field, including an exhaustive explanation of behavioural heuristics and biases, and social and demographic factors.
51	Pradhan, A. (2021). Quantitative model for impact of behavioral biases on asset allocation decisions: a case study of investors in UAE. *Journal of Asset Management*, *22*(7), 573–580.	Religious beliefs directly affect an individual's portfolio decision regarding multi-asset allocation.
52	Purkayastha, S. (2008). Investor profiling and investment planning: An empirical study. *The IUP Journal of Management Research*, *7*(12), 17–40.	Age does impact the risk appetite of an investor. But the sample studied reveals that investors tend to invest in average-risk mutual funds, irrespective of their demographics and risk tolerance.
53	Raj, G. (2025). Biases and investment decision: an analysis of demographics using PLS-MGA. *International Journal of Accounting & Information Management*.	The combined effect of age and gender moderates the influence of biases on investment decisions. Herd bias is influenced by occupation and gender,

S. No.	Article Reference	Major Finding
		with women being more susceptible.
54	RC, G. (2021). Effect of Socio-demographic Factors (Age, Occupation and Education) on Behavioral Biases of Individual Investors' Decision-making-Evidence from The Colombo Stock Exchange. *International Journal of Accountancy*, *1(2),* 1–19	Profession and occupation play a significant role in investment decisions, where an investor's occupation moderates the effect of herding on their decisions.
55	Rebello J. and Das S. (2017, April 12). Indian middle-class families steadily moving towards investing in financial assets. The Economic Times. Retrieved from https://economictimes.indiatimes.com/wealth/save/indian-middle-class-families-steadily-moving\-towards-investing-in-financial-assets/articleshow/58136476.cms?from=mdr	A 2017 report by the Economic Times found that many young investors are moving toward equity markets because they are not focused on guaranteed returns, yet some young investors are wary of the stock market due to past losses.
56	Sahi, S. K., Arora, A. P., and Dhameja, N. (2013). An exploratory inquiry into the psychological biases in financial investment behavior. *Journal of Behavioral Finance*, *14*(2), 94–103.	Individuals have a natural tendency towards a certain disposition that guides them in other decisions in life, and also while making judgements regarding financial investment decisions.
57	Saivasan, R., & Lokhande, M. (2022). Influence of risk propensity, behavioural biases and demographic factors on equity investors' risk perception. *Asian Journal of Economics and Banking*, *6*(3), 373–403.	Familiarity bias varies with age. There is a clear disparity in anchoring, familiarity, and experiential biases based on employment type.
58	Saxena, K., & Sheikh, R. (2019). Impact of demographic variables on mutual fund investment behaviour: an empirical study. *Journal of the Gujarat Research Society*, *21*(16), 957–969.	There is no significant link between demographic factors like age, gender and income on investors' portfolio and trading frequency.
59	Shaik, M. B., Kethan, M., Jaggaiah, T., & Khizerulla, M. (2022). Financial literacy and investment behaviour of IT professional in India. *East Asian Journal of Multidisciplinary Research*, *1*(5), 777–788.	Indian IT professionals prefer traditional, safe options like bank deposits and insurance, thereby demonstrating Status Quo bias.
60	Shinde, A., Khan U. A., Raja, S., George, F., Gootam, S., Sharma,, R., (2024). Understanding Salaried Investors' Behavioral Patterns: An Analysis of Stock Market and Alternative Investment Avenues in Pune, India.	Younger and higher income investors are more likely to invest in stocks and mutual funds; income groups invest in FD and Real Estate.

S. No.	Article Reference	Major Finding
	International Journal of Innovative Research in Advanced Engineering. 11 (1), 233–239	
61	Singh, A., Kumar, S., Goel, U., & Johri, A. (2023). Behavioural biases in real estate investment: a literature review and future research agenda. *Humanities and Social Sciences Communications*, *10*(1), 1–17.	Demographic factors significantly influence investors' decisions related to portfolio design. Similar studies are needed in other markets across diverse socio-demographic factors to generalise these findings.
62	Statman, M. (2010). *What Investors Really Want: Discover What Drives Investor Behavior and Make Smarter Financial Decisions*. McGraw-Hill Companies, Incorporated.	The book revolves around practical aspects related to what investors actually want, away from what theories describe. In the context of socio-demographic factors, religious and non-religious investors are found to differ in values, which influences their choices. Also, males are more overconfident, and younger investors are more comfortable taking risks.
63	Swaminathan, H., Lahoti, R., & Suchitra, J. Y. (2012). Gender asset and wealth gaps: Evidence from Karnataka. *Economic and Political Weekly*, 59–67.	Indian investors exhibit a strong affinity towards physical assets, where, in the financial year 2024, two-thirds of Indian household wealth was still invested in gold and real estate as compared to only one-third in the United States.
64	Thaler, R. H. (2015). *Misbehaving: The making of behavioral economics*. WW Norton & Company.	This book covers various aspects of evolution and development of the field of behavioural finance from the author's study and experimentation. Individual aspects affecting saving and financial decisions, and the need for related studies, are advised for future research.
65	Thaler, R. H. (2018). Nudge, not sludge. *Science*, *361*(6401), 431–431	The increasing complexity of modern life highlights the need for a deeper understanding of this field to improve decision-making.
66	Uslu Divanoğlu, S., & BAĞCI, D. H. (2018). Determining the factors affecting individual investors' behaviours. *International Journal of Organizational Leadership*, *7*, 284–299. Retrieved via http://ssrn.com	Public and private bank employees prioritise similar factors (rate of return and risk level), but their investment knowledge and preferences vary.

S. No.	Article Reference	Major Finding
67	Wang, M., Rieger, M. O., & Hens, T. (2017). The impact of culture on loss aversion. *Journal of Behavioral Decision Making*, *30*(2), 270–281.	Countries with certain religious affiliations tend to have a greater percentage of investors who are loss-averse.
68	Williamson, R. (2010). The role of culture in finance. *Behavioral Finance: Investors, Corporations, and Markets*, 629–645.	Social dynamics such as religion and cultural norms can also affect investment preferences and institutional development.
69	Yang, A. S. (2013). Decision making for individual investors: A measurement of latent difficulties. *Journal of Financial Services Research*, *44*, 303N329.	Investors' decisions are influenced by their individual characteristics, like gender, age, income, marital status, and education, because different demographic groups face varying levels of difficulty when making choices.
70	Yurttadur, M., & Ozcelik, H. (2019). Evaluation of the financial investment preferences of individual investors from behavioral finance: The case of Istanbul. *Procedia Computer Science*, *158*, 761–765.	Middle-aged freelancers tend to be regret-averse and hold less diversified portfolios. Middle-aged investors are more prone to Availability bias.

About Authors:

Ms. Jaspreet Kaur is a research scholar at Dr. B.R. Ambedkar University Delhi working in the area of 'Behavioural Finance'. Prior to this, she worked as Assistant Professor at IMS Unison University, Dehradun, and Lecturer at St. Bede's College, Shimla. Jaspreet is a graduate in Commerce (Hons.) from IP College for women, Delhi University and an MBA from H.P. University. She has published two papers in peer-reviewed journals and one chapter in a book published by Bloomsbury Publishing. She has received 2 awards for 'best paper'; one at a National Conference in 2017 and the second at The International Conference by INDAM at K.J. Somaiya Institute of Management, in September 2025.

Prof. Anu Singh Lather, an eminent academician with diversified experience and rigorous research knowledge, is the Vice Chancellor of Dr. B.R. Ambedkar University Delhi (AUD). Prior to joining AUD, Prof. Lather was Pro Vice Chancellor of DTU, Delhi. She holds various other positions such as, an honorable member of The Academic Council at Pondicherry University and GGS Indraprastha University, Member of The Board of Management-University of Delhi, The Board of Management and Finance Committee of Netaji Subhas University of Technology, among others. She has supervised 20 Ph.D scholars and published 230 research papers. She has been conferred with various awards for her excellence in research by national and international forums like GGS Indraprastha University, Delhi, Indian Achievers Forum in collaboration with Singapore Chambers of Commerce and Thai Chambers of Commerce, and

University of Debrecen, Hungary, among others.

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