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## A Comprehensive Study on Wealth Management Strategies and Investment Avenues

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### Abstract

This research paper delves into the concept of wealth management, its significance, and the various investment avenues available to individuals seeking financial growth and security. The study explores the evolving landscape of wealth management, the role of financial planners and wealth managers, the impact of life and wealth cycles, and the different types of asset allocation. The paper also examines the challenges and opportunities of wealth management in India, highlighting key players in the industry. Furthermore, the research employs a mix of primary and secondary data to analyze the awareness and knowledge levels among individuals regarding wealth management and investment options. The findings provide insights into the preferences, risk tolerance, and factors influencing investment decisions. The paper concludes by discussing potential disruptions in the wealth management sector and proposes considerations for adapting to changing market dynamics.

**Keywords:** Wealth management, investment avenues, financial planning, asset allocation, risk profiling, equity market, mutual funds, life insurance etc.

### Introduction

#### Research Objective

1. To know the awareness among individual for Wealth Management.
2. To figure out the popular source of investment avenue.
3. Percentage up to which individuals is ready to save at how much risk.
4. To highlight benefits of wealth management as means of asset distribution and wealth generation.

#### Research Design

Table 1: Research Design

Research Instruments	Questionnaire & Personal Interview
Sample Area	Individual equal and above the age young
Type of Questionnaire	Structured
Statistical Charts used	Pie Charts, Column & bar Graphs
Sampling Technique	Convenient Sampling

#### Sample Size

Sample of 50 are selected by applying the logic of collecting small percentage of the

Total Population who has knowledge about the subject. The respondents belong to different groups.

#### Data Collection

Keeping in view the nature of requirement of the study to collect all relevant information regarding the conceptual study on Customer's Satisfaction on Wealth Management. Data is collected through primary as well as secondary source.

#### Sources of Data

**Primary Data:** Questionnaire was used to collect primary data from respondents. The questionnaire was structured type and contained questions relating to different dimension of Wealth Management. In order to gather necessary data, the researcher considered the use of Questionnaire for consumers in most suitable way.

**Secondary Data:** Secondary data was collected from the existing data sources catalogues, internet Magazine, Case studies, newspapers journals, articles are. The information is collective and has been consolidated in a meaningful manner for the purpose.

#### Limitation

The limitations of the study are those characteristics of design

or methodology that impacted or influenced the interpretation of the findings from your research,

- i). Sample size may not complete representative the universe.
- ii). Completely relying on the data provided by individual through questionnaire.
- iii). A failure to use a random sampling technique significantly limits the ability to make broader generalizations from results.
- iv). Less geographical reach.
- v). Man Power constraint.
- vi). Lack of face to face communication as large number of survey is done through Google forms.
- vii). Lack of time to study the border concept.

### Demographic Analysis

Demographics are characteristics of a population. Characteristics such as race, ethnicity, gender, age, education, profession, occupation, income level and marital status, are all typical examples of demographics that are used in surveys.

Asia Pacific Wealth Report 2018 conducted Capgemini delves into activity of High Net Worth Individuals (HNIs) in Asia region as a whole, it highlights the role Wealth Management firms play in the investment and growth activity of individuals during an especially favorable and booming economic phase witnessed around the world as of FY2017/FY2018. Therefore highlights a shift in possible business model disruption in the ongoing fee structure within wealth management firms to a more Hybrid-Modular fee structure whereby the HNIs would pay only for the firm features that they use during the entire Wealth Manager-Client engagement process. Lastly, the research highlights a possible disruption on the cards, wherein a Big Tech technology company like Alibaba, Tencent, Amazon or Google could possibly capture the market share from incumbents due to lack of transparency in fees and a certain keen interest from the HNIs community as a whole especially India, Indonesia and China to allocate funds to tech titans when they enter the Wealth Management business in future

Velmurugan *et al* (2015) concludes that investment done in various investment avenues with the expectation of capital appreciation and short and long term earnings. The basic idea behind investment of all government, private, self-employed and retired person in this study is to utilize the surplus money in favorable plans so that the money will be rolled back as well as it will give high returns also, When a common man thinks about investment he will never go for any risky plan. In the present scenario the share and gold market is highly uncertain and unpredictable, so the investor should analyze the market cautiously and then make investment decision.

Wyman *et al* (2014) says that digital is a threat to established participants in wealth management. Younger, technologically-savvy investors have a greater comfort level with self-directed investing than the older generation of today, These investors have also grown up in a world where young companies routinely disrupt older companies and often create entirely new industries. As a result, the next generation of investors is likely to have a greater openness to directing their savings to entities that rely on new models and different technologies-all at lower cost-than established wealth managers. But there are also digitally-oriented opportunities for established wealth managers to deepen their connection with investors through the use of enhanced communications platforms, while also improving the overall investor experience. Significantly,

technology can also be harnessed to reduce operating costs-savings that can be passed along as lower fees to investors.

Nayak (2013) in his report says that there has been a significant change in the levels and density of savings pattern of the rural households because of the increase in saving opportunities available with a convenient bar. The increase in the financial institutions like banks, micro finance institutions, SHGs and other local banks provided an opportunity to the rural people to save more. The increase in awareness among the people for their future security as through the unforeseen cases like sudden death of a family member, medical emergency and any other financial crisis, education of their children, marriage of a family member has made people inclined to save. The degree of change in savings as compared to urban communities of the rural households are not much but still has brought a revolution in the pattern of savings of the rural households.

Schroder (2013) analyzes the responses to a represent survey of wealth advisors on private wealth management practices, and compares the advisors' views to academic research in household finance. This study demonstrates that many wealth managers do not apply novel insights proposed by financial economists when advising their investors. Many practitioners focus on managing only the market risk exposure of their investors' portfolios. Although financial research has stressed the importance of incorporating human capital, planned future expenditures and the investment time horizon into the investor's asset allocation, these aspects are neglected by most practitioners.

Cognizant Reports (2011) published a report which says that India's wealth management services sector is largely fragmented, which isn't surprising given the industry is still in its early days. Most organized players have so far focused mainly on the urban segment, leaving untapped about one-fifth of India's high net worth individuals (HNW1) population. While early entrants and established local players have gained trust with potential investors, firms looking to enter the market will need to invest heavily in brand-building exercises to convey their trustworthiness. Hence, it is recommended that firms take a long-term view while evaluating potential return on investment. The overall outlook and trends in India indicate a huge potential for growth for new and established wealth management firms.

Lucarelli *et al* (2011) in this paper proposes a theoretical framework which sets alternative business models (BMs) in the wealth management industry, testing them with experimental data. Our "map" of business models arises when wealth managers (WMs) potentially make a mix of business process standardization/customization, together with 'make or buy choices', after an external and internal strategic analysis has been carried out. Operational data support that our business models map can be a reliable instrument both to describe and to guide the strategic position of WMs.

Sharma (2008-2010) concluded that Indian investors are very conservative and less risk taker. They prefer to invest their money into safe securities even they know that they will get the less return on the investment and may be possible that they could not cover up the inflation rate but still they prefer to invest in these securities. This is not because they all are risk averse or they don't want to get more return but it is because of lack of knowledge and lack of expertise services in small cities. Investors are not getting the expert's services because they are not aware of such kind of services.

Nita *et al* (2009) examines the features of private banking business focusing on the substantial growth in private banking

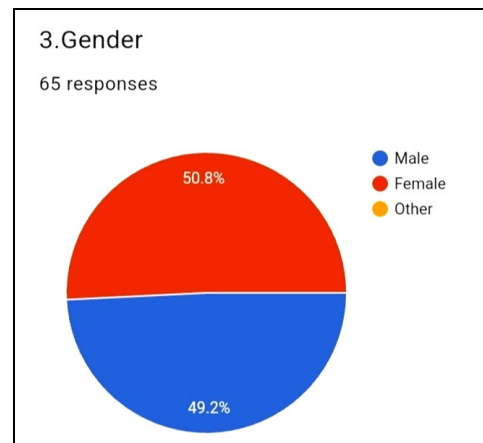
over the last decade as commercial banks have targeted up market high net worth individuals. The accumulation of wealth has prompted the development of private banking services for high net worth individuals, offering special relationships and investment services. Private banking is about much more than traditional banking services of deposits and loans. ‘these kinds of services include: Protecting and growing assets in the present, providing specialized financing solutions, planning retirement and passing wealth on to future generations.

Pang *et al* (2009) says that wealth management strategies for individuals in retirement, focusing on trade-offs regarding wealth creation and income security Systematic withdrawals from mutual funds generally give opportunities for greater wealth creation at the risk of large investment losses and income shortfalls. Fixed and variable life annuities forgo bequest considerations and distribute the highest incomes. A variable annuity with guaranteed minimum withdrawal benefit (VA GMWB) somewhat addresses both income need and wealth preservation. Mixes of mutual funds and fixed life annuities deliver solutions broadly similar to an even more flexible than a VA GMWB strategy.

Caselli *et al* (2005) explains the segment of banking services that focus on families and family-owned businesses, within the private banking business, by examining synergies among the various financial integrated activities and by offering ideas on how to develop new business opportunities.

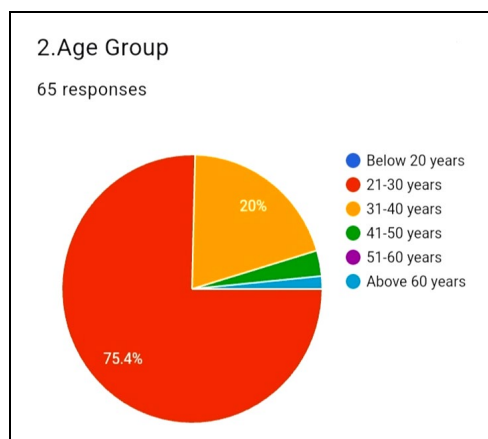
- There are 74.4% of respondents between Age Group 21-30 i.e. 49 respondents in this age group.
- There are 20% of respondents between 31-40 age group i.e. 13 respondents are between 31-40 age group.
- The age group between 41-50 there are 3.1% of respondents i.e. 2 respondents between 41-50 age group.
- There are no respondents in the age group between 51-60.
- Lastly, in the age between above 60 years there are 1.5% of respondents i.e. 1 respondents above 60 years age group.

**Q. 3) Gender**



**Fig 2:** Percentage of respondent of different gender

- Q. 1) Name.....**  
**Q. 2) Age Group:**



**Fig 1:** Percentage of respondent of different age groups

**Table 2:** Table shows Percentage of respondent of different age groups

Particular	Respondents	Percentage
Below 20 years	---	---
21-30 years	49	75.4%
31-40 years	13	20%
41-50 years	2	3.1%
51-60 years	---	---
Above 60 years	1	1.5%
Total	65	100%

**Analysis & Interpretation**

- There are total 65 respondents, in the Age Group of less than 20 years there are no respondents.

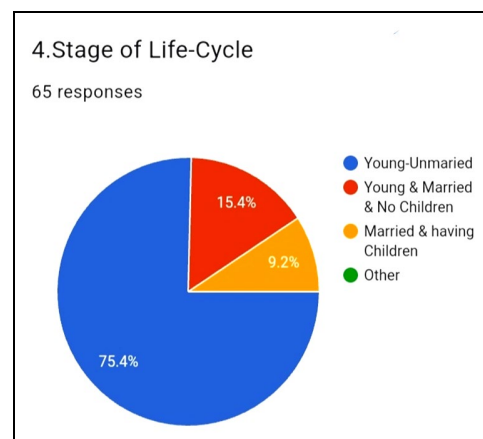
**Table 3:** Table shows Percentage of respondent of different gender

Particular	Respondents	Percentage
Male	33	50.8%
Female	32	49.2%
Other	---	---
Total	65	100%

**Analysis & Interpretation**

- The above diagram shows that 50.8% of respondents were Male i.e. there are was 33 males out of 65 respondents.
- The above diagram shows that 49.2%of respondents were Female i.e. there are was 32 Females out of 65 respondents.
- And lastly from other gender there were no respondents.
- More respondents were male according to the survey.

**Q. 4) Stage of Life-Cycle:**



**Fig 3:** Percentage of respondent of different stages of life cycle

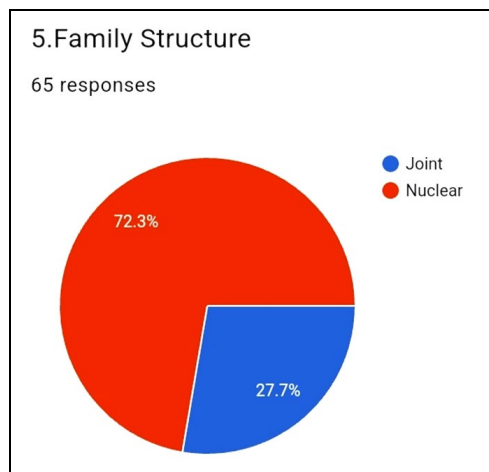
**Table 4:** Table shows Percentage of respondent of different stages of life cycle

Particular	Respondents	Percentage
Young-unmarried	49	75.4%
Young & married & no children	10	15.4%
Married & having children	6	9.2%
Other	—	—
Total	65	100%

**Analysis & Interpretation**

- The above pie chart shows that 75.4% are Young-Unmarried i.e. 49 respondents are Young-Unmarried.
- There are 15.4% of respondents belongs to Young & Married & No Children Stage of Life-Cycle i.e. 10 respondents are Young & Married & No Children.
- In the Stage of Life-Cycle Married & having Children are 9.2% of respondents i.e. 6 Respondents are Married & having Children.
- And from Other Stage of Life-Cycle there were no respondents.
- More respondents were from Young-Unmarried Stage of Life-Cycle according to the survey.

**Q. 5) Family Structure**



**Fig 4:** Percentage of respondent of family structure

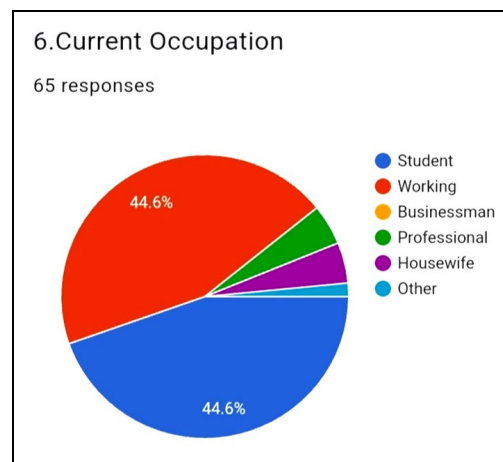
**Table 5:** Table shows Percentage of respondent of family structure

Particular	Respondents	Percentage
Joint	18	27.7%
Nuclear	47	72.3%
Total	65	100%

**Analysis & Interpretation**

- The above pie chart is about the Family Structure likewise Joint, Nuclear etc.
- There are 27.7% of respondents are from Joint family structured i.e. 18 respondents are from the Joint family structure.
- And there are 72.3% of respondents are belongs to the Nuclear family structure i.e. 47 Respondents are from the nuclear structured family.
- Most of respondents are from the Nuclear Family Structure according to the survey.

**Q. 6) Current Occupation**



**Fig 5:** Percentage of respondent of current occupation

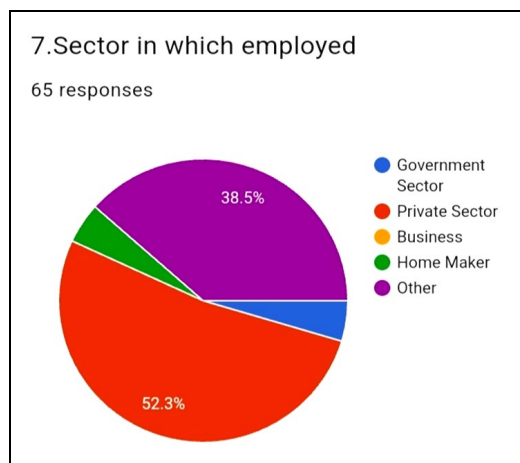
**Table 6:** Table shows Percentage of respondent of current occupation

Particular	Respondents	Percentage
Student	29	44.6%
Working	29	44.6%
Businessman	—	—
Professional	3	4.6%
Housewife	3	4.6%
Other	1	1.5%
Total	65	100%

**Analysis & Interpretation**

- As per the survey, there were 44.6% of respondents are students i.e. 29 respondents are students out of 65 respondents.
- And there were same number of respondents from Students & Working. 44.6% of respondents are students i.e. 29 respondents are students out of 65 respondents.
- And there were no respondents from Businessman.
- There are 4.6% of respondents of Professional i.e. 3 respondents are professional out of 65 respondents.
- The above pie chart shows that 4.6% of respondents are Housewife i.e. 3 respondents are housewife out of 65 respondents. Which is same like the responses from the Professional Occupation.

**Q. 7) Sector in which Employed:**



**Fig 6:** Percentage of respondent of sector in which employed

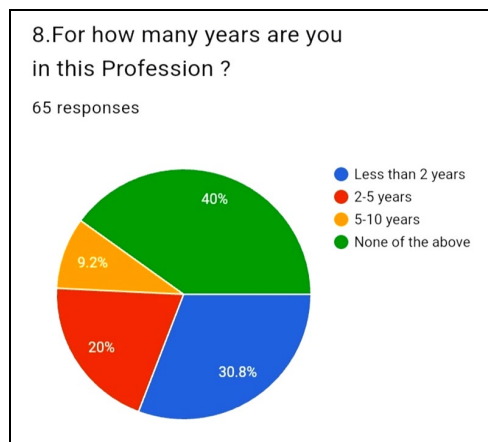
**Table 7:** Table shows Percentage of respondent of sector in which employed

Particular	Respondents	Percentage
Government sector	3	4.6%
Private sector	34	52.3%
Business	—	—
Home maker	3	4.6%
Other	25	38.3%
Total	65	100%

**Analysis & Interpretation**

- The above pie chart shows that sector in which employed like Private sector, Government sector etc.
- There are 4.6% of respondents were from working in the Government Sector i.e. 3 respondents are working in the Government sector according to the survey.
- And there are about 52.3% of respondents are working in the private sector which is highest in all the sector. i.e. 34 respondents are working in Government sector.
- There were no respondents who have their own business.
- According to the above pie chart there are 4.6% of respondents who are Home maker i.e.3 respondents are Home Makers.
- And lastly, respondents who are working in other sector they are about 38.3% of Respondents i.e. 25 respondents are working in Other Sector.
- According to the survey there are more respondents from working in the Private Sector.

**Q. 8) For how many years are you in this Profession?**



**Fig 7:** Percentage of respondent of years of profession

**Table 8:** Table shows Percentage of respondent of years of profession

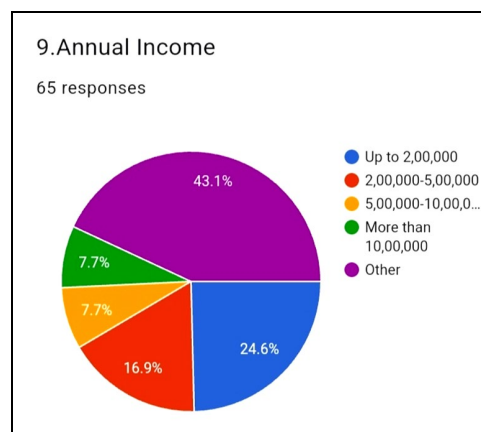
Particular	Respondents	Percentage
Less than 2 years	20	30.8%
2-5 years	13	20%
5-10 years	6	9.2%
None of the above	26	40%
Total	65	100%

**Analysis & Interpretation**

- The above chart is about the how many years you are in the Profession like 1 year, 2 years etc.

- Firstly, there are 30.8% of respondents are working in the profession for less than 2 years i.e. 20 respondents are in the profession which is less than 2 years.
- The above diagram shows that, there are 20% respondents are in the profession between 2-5 years i.e. 13 respondents are working in the profession between 2-5 years.
- And there are some respondents who are working between 5-10 years. There are 9.2% of Respondents working in the profession between 5-10 years i.e.6 respondents are working in the profession between 5-10 years.
- There are 40% of respondents who are working in the profession for none of the above mention years i.e. 26 respondents are not in the profession for the above mention years.
- Most of the respondents are from none of the above which was mention in the above diagram.

**Q. 9) Annual Income**



**Fig 8:** Percentage of respondent of Annual Income

**Table 9:** Table shows Percentage of respondent of Annual Income

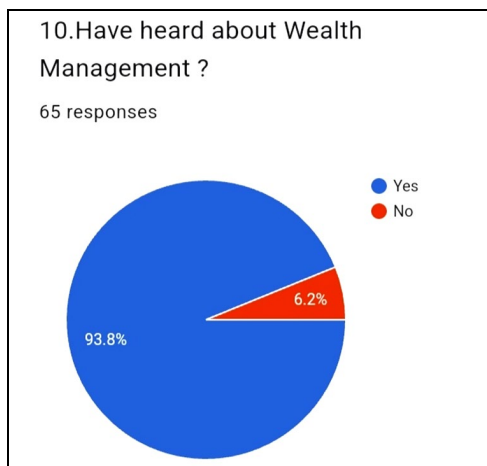
Particular	Respondents	Percentage
Up to 2,00,000	16	24.6%
2,00,000-5,00,000	11	16.9%
5,00,000-10,00,000	5	7.7%
More than 10,00,000	5	7.7%
Other	28	43.1
Total	65	100%

**Analysis & Interpretation**

- As per the survey, there were 24.6% of respondents are comes in the annual income range up to 2,00,000 i.e.16 respondents are earn annual income up to 2,00,000 out of 65 respondents.
- And number of respondents who are earning Annual income between 2,00,000 to 5,00,000 are 16.9% of respondents i.e. 11 respondents out of 65 respondents are earning income between 2,00,000 to 5,00,000.
- There are 7.7% of respondents earns the Annual income between 5,00,000 to 10,00,000 I.e.5 respondents out of 65 respondents are earning the Annual income between 5,00,000 to 10,00,000
- There are 7.7% of respondents earns the Annual income Moe than 10,00,000which is exactly same like the Annual Income between 5,00,000 to 10,00,000 i.e.5 respondents out of 65 respondents are earning the Annual income more than 10,00,000

- And from there are about 43.1% of respondents having Annual Income other than the income mentioned in the above diagram
- Most of the respondents are from the annual income other than the mentioned in the above pie diagram

**Q. 10) Have you heard about Wealth Management?**



**Fig 9:** Percentage of respondent of aware about wealth management

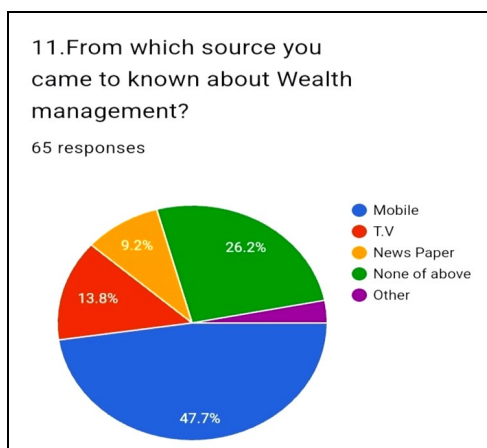
**Table 10:** Table shows Percentage of respondent of aware about wealth management

Particular	Respondents	Percentage
Yes	61	93.8%
No	4	6.2%
Total	65	100%

**Analysis & Interpretation**

- The above pie chart shows that 93.8% of respondents are heard about Wealth Management Which is 61 respondents are aware about the Wealth Management out of 65 respondents.
- There are only 6.2% of respondents who don't know about the Wealth Management i.e. 4 respondents who are not aware of Wealth Management.
- According to the survey, there are more respondents who heard/aware about Wealth Management.

**Q. 11) From which source you came to known about Wealth Management?**



**Fig 10:** Percentage of respondent of aware about wealth management

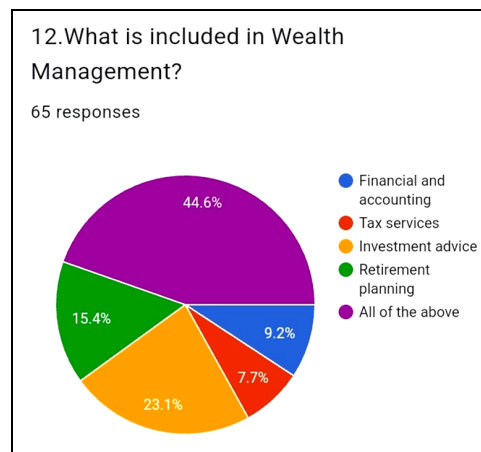
**Table 11:** Table shows Percentage of respondent of aware about wealth management

Particular	Respondents	Percentage
Mobile	31	47.7%
T.V	9	13.8%
News paper	6	9.2%
None of above	17	26.2%
Other	2	3.1%
Total	65	100%

**Analysis & Interpretation**

- The above chart is about the from which sources you came to know about the Wealth Management.
- Firstly, there are 47.7% of respondents are came to know about Wealth Management From Mobile which is the highest in all other sources. i.e. 31 respondents aware of Wealth Management From Mobile source.
- The above diagram shows that, there are 13.8% respondents are came to know about Wealth Management From T.V i.e. 9 respondents are aware of Wealth Management From T.V source.
- And there are 9.2% of respondents who are came to know about Wealth Management from News Paper. i.e. 6 respondents are aware of Wealth Management from News Paper source.
- And there are 26.2% of respondents who are came to know about Wealth Management From None of the mentioned i.e. 17 respondents are aware of Wealth Management from None of the mentioned sources
- And there are 3.1% of respondents who are came to know about Wealth Management From other sources. i.e. 2 respondents are aware of Wealth Management from Other sources

**Q. 12) What is included in Wealth Management?**



**Fig 11:** Percentage of respondent of components wealth management

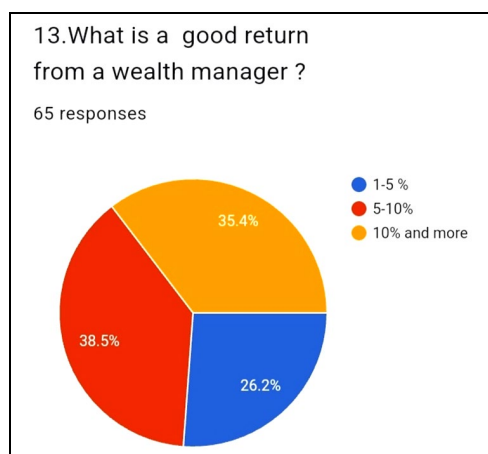
**Table 12:** Table shows Percentage of respondent of components wealth management

Particular	Respondents	Percentage
Financial and accounting	6	9.2%
Tax services	5	7.7%
Investment advice	15	23.1%
Retirement planning	10	15.4%
All of the above	29	44.6%
Total	65	100%

**Analysis & Interpretation**

- The above pie chart shows What is included in the Wealth Management e.g. financial and accounting, Investment advice, Tax services etc.
- There are 9.2% of respondents thought Financial and accounting is included in Wealth Management i.e. 6 respondents are thinks that Financial and accounting is included in Wealth Management.
- In the above pie chart shows Tax services 7.7% of respondents assumes that it is included in the Wealth Management which is 5 respondents are thought that it is included in the Wealth Management.
- And there are 23.1% of respondents who believes that Investment advice is included in Wealth Management i.e. 15 respondents respond to Investment advice is included in Wealth Management.
- There is Retirement planning were 15.4% of respondents respond to it which is included Wealth Management there were 10 respondents respond to Investment advice is included in Wealth Management.

**Q. 13) What is a good return from a Wealth Manager?**



**Fig 12:** Percentage of respondent of goods return from wealth management

**Table 13:** Table shows Percentage of respondent of goods return from wealth management

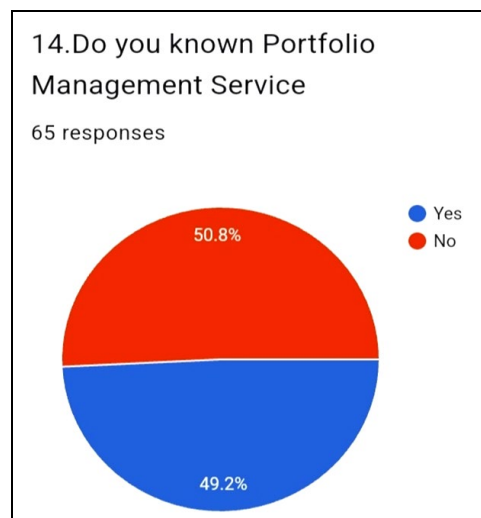
Particular	Respondents	Percentage
1-5%	17	26.2%
5-10%	25	38.5%
10% and more	23	35.4%
Total	65	100%

**Analysis & Interpretation**

- The above pie chart shows the What is a good return from the Wealth Management e.g. 1-5%, 5-10%,10% and above etc.
- There are about 26.2% of respondents assumes that 1-5% of return get from the Wealth Management i.e.17 respondents are assumes that 1-5% of return get from the Wealth Management.
- There are 38.5% of respondents assumes that 5-10% of return get from the Wealth Management i.e. 25 respondents are assumes that 5-10% of return get from the Wealth Management.
- And lastly there are 35.4% of respondents are respond to 10% and More returns will get from Wealth Management

i.e. 23 respondents thought that 10% and More returns will give the more returns from Wealth Management

**Q. 14) Do you know Portfolio Management Service?**



**Fig 13:** Percentage of respondent of portfolio management service

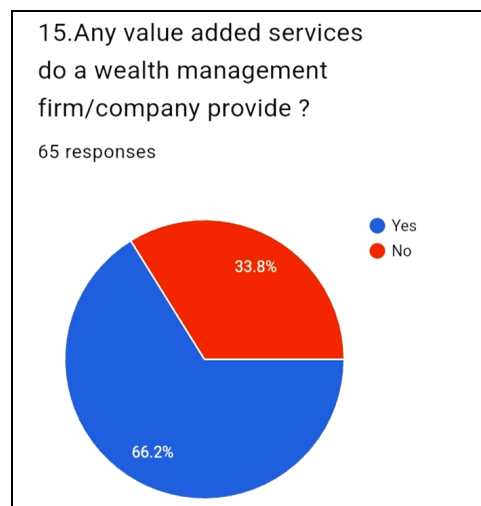
**Table 14:** Table shows Percentage of respondent of portfolio management service

Particular	Respondents	Percentage
Yes	32	49.2%
No	33	50.8%
Total	65	100%

**Analysis & Interpretation**

- The above pie chart shows that 49.2% of respondents are heard about Portfolio Management
- Scheme which is 32respondents are aware about the Portfolio Management Scheme out of 65 respondents.
- There are 50.8% of respondents who don't know about the Portfolio Management Scheme i.e. 4 respondents who are not aware of Portfolio Management Scheme.
- According to the survey, there are more respondents who are not heard/aware about Portfolio Management Scheme.

**Q. 15) Any value added services do a Wealth Management firm/company provide?**



**Fig 14:** Percentage of respondent of management service

**Table 15:** Table shows Percentage of respondent of management service

Particular	Respondents	Percentage
Yes	43	66.2%
No	22	33.8%
Total	65	100%

**Analysis & Interpretation**

- The above diagram shows any value added services do a Wealth Management firm/company provide like yes or No.
- The above pie chart shows that 66.2% of respondents are heard about Wealth Management which is 43 respondents are aware about the Wealth Management out of 65 respondents.
- There are 33.8% of respondents who don't know about the Wealth Management i.e. 22 respondents who are not aware of Wealth Management.
- According to the survey, there are more respondents who are not heard/aware about Wealth Management.

**Conclusion**

In conclusion, wealth management is a comprehensive approach to managing an individual's financial resources and assets. It involves various strategies and techniques tailored to meet the unique needs and goals of each client.

Here are the key points to remember:

- i). **Goal-Oriented Approach:** Wealth management focuses on understanding the client's financial goals and creating a customized plan to achieve them.
- ii). **Diversification and Risk Management:** Wealth management involves diversifying investment portfolios to reduce risks and maximize returns.
- iii). **Holistic Financial Planning:** It encompasses various aspects like tax planning, retirement planning, estate planning, and insurance solutions to ensure long-term financial security.
- iv). **Expert Advice:** Wealth managers are experienced professionals who provide guidance and expertise in navigating complex financial markets.
- v). **Regular Monitoring and Review:** Wealth management requires regular monitoring and review to ensure that the financial plan remains aligned with the client's goals and objectives.
- vi). **Value of Professional Assistance:** Engaging a wealth manager can provide peace of mind and save time by delegating financial management to experts.
- vii). In summary, wealth management empowers individuals to make informed financial decisions, achieve their long-term goals, and secure their financial future. It is a personalized and comprehensive approach that offers a wide range of financial solutions tailored to the unique needs and objectives of each client.

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