The Impact Of Brand Awareness On Investor Behavior: A Study On Hedge Equities

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Abstract- *Brand awareness plays a pivotal role in influencing investor behaviour, particularly in the finance sector where trust and credibility are essential. In an environment flooded with numerous investment avenues and financial service providers, a strong and recognizable brand can become a significant factor in attracting and retaining investors. This study investigates the impact of brand awareness on investor behaviour, focusing on Hedge Equities as a case study. It aims to explore how factors such as brand recall, familiarity, and perceived trustworthiness contribute to investor decision-making, financial commitment, and long-term loyalty. The research assesses the extent to which branding influences investor confidence and the willingness to engage with financial products and services. It also examines how brand awareness shapes psychological perceptions, such as risk tolerance and investment preferences. By analysing investor feedback and market trends, the study seeks to understand whether a higher level of brand recognition leads to a stronger emotional and rational association with the company. Through a combination of qualitative insights and quantitative analysis, the study evaluates how strategic branding initiatives can enhance the overall investor experience. The findings underscore the importance of building a credible, visible, and consistent brand presence in order to foster investor trust, improve retention, and strengthen competitive positioning in the financial services industry. Ultimately, the research highlights that brand awareness is not merely a marketing tool, but a fundamental driver of investor behaviour, playing a crucial role in shaping financial decisions, managing risk perception, and contributing to sustained business growth.*

Keywords- Brand awareness, Investor behaviour, Trust and credibility, Brand recall and loyalty, Investment decision-making

I. INTRODUCTION

In today's competitive financial landscape, brand awareness plays a crucial role in shaping investor behavior. The ability of an investment firm to establish a strong, recognizable brand influences how potential and existing investors perceive the firm's credibility, reliability, and long-term value. Hedge Equities, a growing financial services firm, operates in an industry where trust and brand recognition are vital for attracting and retaining investors. However, in a market flooded with investment options, gaining a competitive edge requires a deep understanding of how brand perception affects investor decisions. This study aims to explore the impact of brand awareness on investor behavior, particularly in the context of Hedge Equities. It investigates whether investors are more likely to trust and invest in a firm with high brand visibility and positive recognition compared to a relatively lesser-known brand. Additionally, the study examines the factors contributing to brand awareness, such as marketing strategies, word-of-mouth influence, and digital presence, and how these elements shape investors' confidence in their investment decisions. With the rapid digitalization of financial markets and increased accessibility of investment opportunities, investors today are more informed and cautious. They seek assurance not only in terms of financial returns but also in the reputation and credibility of the firms they invest in. The rise of social media, digital advertising, and online financial communities has further amplified the role of branding in investment decision-making. This study, therefore, aims to provide valuable insights into how Hedge Equities can enhance its brand presence to attract a larger investor base and strengthen its market position. By analyzing investor preferences, brand recognition levels, and their correlation with investment patterns, this research seeks to provide actionable recommendations for Hedge Equities. The findings will help in formulating effective branding and marketing strategies to build long-term trust and engagement with investors, ultimately contributing to the firm's growth and sustainability in the competitive financial market.

II. REVIEW OF LITERATURE

Kapoor, A., & Khera, R. (2023) This study offers a comprehensive analysis of how brand awareness influences investor behavior in the context of both traditional and digital financial services. The findings show that investors tend to gravitate toward brands they recognize and trust, whether those brands are traditional financial institutions or digital-first platforms. The authors argue that, in today's market, digital marketing efforts are essential for firms seeking to build brand recognition and investor trust, especially given the proliferation of online financial products. The study emphasizes that brand awareness not only affects investor choices but also impacts their emotional attachment and investment retention.

Sharma, R., & Gupta, S. (2022)This research explores the impact of brand recognition on the decision-making process of retail investors. Through surveying a wide range of retail investors, the study concludes that investors feel more confident and secure when investing with brands they are familiar with. The authors highlight that this emotional connection to a brand reduces perceived investment risks, making it easier for investors to commit to financial products. The study also suggests that brand recognition can counteract market uncertainty, providing investors with a sense of stability, especially during volatile periods.

Chand, N., & Bhatia, M. (2021)Focusing on the Indian financial market, this study examines how various financial marketing strategies shape investor behavior. It asserts that companies investing in brand-building initiatives through marketing campaigns, such as television advertisements, digital marketing, and influencer partnerships, can significantly boost investor interest and engagement. The research also indicates that marketing strategies not only increase brand awareness but also help in developing trust and loyalty, especially among first-time investors who are looking for guidance in navigating the financial markets.

Kumar, V., & Verma, P. (2020)The study examines how brand image impacts investor behavior within the asset management industry. It finds that investors exhibit a strong preference for well-established brands that have a proven track record of performance, trustworthiness, and transparency. The study suggests that brand image plays a pivotal role in influencing the investor's perception of a firm's reliability, and this perception significantly affects their decision to invest in the firm's asset management products. The research advocates for asset management firms to invest in building a strong brand identity that communicates stability and growth.

Singh, S., & Mehta, R. (2019).This research emphasizes the role of brand loyalty in shaping investor behavior in the equity market. It suggests that once investors develop a connection to a brand, they are likely to continue investing with it, even in the face of market downturns. This loyalty leads to sustained investments over time, benefiting firms with high brand loyalty among their investors. The study further discusses how brand loyalty reduces investor churn, thus ensuring more consistent and predictable cash flows for companies. The authors also link loyalty to customer satisfaction, which is primarily driven by positive brand experiences

Objectives

Primary Objective:

To analyse the impact of brand awareness on investor behaviour in Hedge Equities.

Secondary Objectives:

- To examine the role of brand recognition, recall, and trust in shaping investor perceptions.
- To evaluate how brand reputation influences investor confidence and investment decisions.
- To assess the effectiveness of brand communication strategies in enhancing investor engagement.

III. RESEARCH METHODOLOGY

The research adopts a descriptive design to systematically explore how brand awareness influences investor behaviour, specifically in the context of Hedge Equities. This design helps in understanding the existing attitudes, preferences, and perceptions of investors without manipulating variables. A convenience sampling technique was used to select 50 participants who were either current investors or had some awareness of Hedge Equities. The use of convenience sampling was based on accessibility and time constraints, ensuring timely data collection. A structured questionnaire served as the primary instrument for data gathering, incorporating multiple-choice and Likert scale questions to evaluate key elements such as brand recall, trust, credibility, and investment decisions. The questionnaire aimed to capture both psychological and behavioural responses, providing insight into how branding affects financial confidence, risk perception, and investor loyalty. The collected data was analysed using descriptive statistical tools like percentages, graphs, and charts to identify patterns and draw meaningful conclusions about the role of brand awareness in shaping investor preferences and long-term engagement.

IV. DATA ANALYSIS

ANOVA tool used to analyze the trust worthiness and investment experience in Hedge Equities

Null Hypothesis (H_0): There is no significant difference in how trustworthy investors consider Hedge Equities based on different groups.

Alternative Hypothesis (H_1): There is a significant difference in how trustworthy investors consider Hedge Equities based on different groups.

Source	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	6.596	4	1.649	1.478	0.216
Within Groups	97.089	87	1.116		
Total	103.685	91			

Since the p-value (0.216) is greater than 0.05, we fail to reject the null hypothesis. This means there is no statistically significant difference in how different groups perceive the trustworthiness of Hedge Equities. The variations in responses are likely due to random chance rather than an actual difference in perception across groups.

CHI-SQUARE used to analyse first hear about Hedge Equities and occupation

Hypothesis

Null hypothesis(Ho): There is no association between occupation and how respondents heard about Hedge Equities.
Alternative hypothesis(H1): There is an association between occupation and how respondents heard about Hedge Equities

Observed frequency

	student	employee	business owner	freelancer	retired	grand total
social media	13	4	4	3	0	24
Tv/ news	2	3	7	3	0	15
word of mouth	2	11	12	7	0	32
online ads/ web	1	3	4	8	1	17
other	1	0	2	0	1	4
grand total	19	21	29	21	2	92

Expected Frequency

	student	employee	business owner	freelancer	retired	grand total
social media	4.95	5.47	7.56	5.47	0.52	24
Tv/ news	3.09	3.42	4.72	3.42	0.32	15
word of mouth	6.60	7.30	10.08	7.30	0.69	32
online ads/ web	3.51	3.88	5.35	3.88	0.36	17
other	0.82	0.91	1.26	0.91	0.08	4
grand total	19	21	29	21	2	92

value: 0.0001648

Since 0.0001648 < 0.05, we reject the null hypothesis (H_0).

Here there is an significant association between occupation and how respondents heard about Hegde Equities. This means that the way people learn about Hegde Equities is influenced by their occupation.

CHI-SQUARE used to analyze the significance between most engaged platform for financial news and investment history with Hedge Equities

Null Hypothesis (H_0): There is no relationship between the platform that people engage most for financial news and their investment history with Hedge Equities.

Alternative Hypothesis (H_1): There is a significant relationship between the platform that people engage most for financial news and their investment history with Hedge Equities.

Observed frequency

	once or twice	occasionally	frequently	very frequently	no	grand total
social media	2	2	0	0	12	16
News websites	5	7	5	0	4	21
Investment seminar	9	9	5	1	2	26
Financial TV channels	6	10	5	3	1	25
Business magazines	0	0	0	2	2	4
grand total	22	28	15	6	21	92

Expected frequency

	student	employee	business owner	freelancer	retired	grand total
social media	4.95	5.47	7.56	5.47	0.52	24
Tv/ news	3.09	3.42	4.72	3.42	0.32	15
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p value 5.77658

There is a significant association between occupation and how respondents heard about Hegde Equities. This means that the way people learn about Hegde Equities is influenced by their occupation.

TABULATION used to find the relationship between monthly income and brand reputation influence.

The cross-tabulation indicates that middle-income earners (₹25,000–₹100,000) are likely to consider this factor in their decisions, with a majority rating it as "somewhat" or "considerably" important. Lower-income respondents (below ₹25,000) show mixed responses, with many considering it only slightly or not at all. Higher-income respondents (above ₹1,00,000) acknowledge the factor but are less likely to rate it as highly influential. This suggests that financial considerations play a crucial role in shaping decision-making across different income groups.

	No	Slightly	Some what	Consider	Yes	Total
Below 10k	4	2	4	6	0	16
10k–25k	1	4	3	4	3	15
25k–50k	0	1	12	12	2	27
50k–100k	2	6	9	9	0	26
Above 100k	2	1	2	3	0	8
Total	9	14	30	34	5	92

CROSS TABULATIONused to find the relationship between occupation and most invested investment instrument

Category	Shares	Debentures	Gold	Real Estate	Mutual Funds	Crypto	Grand Total
Student	3	2	8	3	1	0	17
Employee	7	3	5	4	1	0	20
Business Owner	6	5	9	4	0	1	35
Freelancer	5	3	4	3	3	0	18
Retired	0	1	0	0	1	0	2
Grand Total	21	14	26	14	6	1	92

The cross-tabulation shows that gold is the most preferred investment with 26 respondents, followed by shares with 21 and debentures with 14. Business owners dominate investments, with a strong preference for gold and shares, while employees show a diversified approach. Real estate and mutual funds are moderately chosen, mainly by freelancers and employees. Crypto remains the least preferred with only one respondent. This suggests that investment choices vary by occupation, with business owners favouring stable assets like gold, while employees and freelancers opt for diversification.

CORRELATIONused to identify the relation between the factors influencing trust in an investment brand and the frequency of recommending Hedge Equities to others.

Hypothesis:
Null Hypothesis (H_0): There is no significant relationship between trust factors and recommendation frequency.

Alternative Hypothesis (H_1): There is a significant relationship between trust factors and recommendation frequency

$$r = \frac{\sum (x_i - \bar{x})(y_i - \bar{y})}{\sqrt{\sum (x_i - \bar{x})^2 \sum (y_i - \bar{y})^2}}$$

The correlation coefficient (r = 0.19) indicates a weak positive relationship between investor trust and recommendation frequency. While trust slightly influences how often investors recommend Hedge Equities, the effect is limited, suggesting other factors also shape investor behaviour. However, trust still plays a moderate role, especially in the financial sector where brand credibility matters.

V. SUGGESTIONS

To enhance brand visibility and investor trust, Hedge Equities should strengthen its marketing efforts through targeted advertising campaigns and a robust digital presence. Personalized communication—such as regular updates on market trends, investment tips, and portfolio performance—can help build stronger relationships with investors. Leveraging social media and online platforms is essential for connecting with modern investors who increasingly depend on digital resources for their financial decisions. Additionally, highlighting the company's financial performance and expertise can reinforce transparency and credibility. Trust-building tools like client testimonials, success stories, and expert advisory services can further enhance the brand's reputation.

It is also important to tailor branding strategies based on investor demographics, considering variations in age, income levels, and risk preferences. Providing dedicated customer support and access to financial advisors ensures a seamless and responsive investment experience. Furthermore, launching financial literacy initiatives can educate investors about long-term strategies and the pivotal role of Hedge Equities in effective wealth management. Ongoing monitoring of investor sentiment and brand perception through surveys and analytics will allow the company to adapt and refine its branding strategies. While brand awareness is a key driver of investor behavior, it must be considered alongside other influential factors such as financial performance, risk perception, and expert recommendations.

VI. CONCLUSION

This study highlights the vital role of brand awareness in shaping investor behavior at Hedge Equities. A strong, recognizable brand builds trust, boosts confidence, and influences investment decisions. Investors associate brand recognition with reliability, financial stability, and expertise. The research shows that demographic factors such as age, income, and experience affect how branding is perceived, with younger and less experienced investors being more influenced by digital presence and peer recommendations.

While brand awareness is crucial, other factors like risk perception, returns, and expert advice also impact decisions. Positive brand perception also encourages word-of-mouth referrals, helping build market reputation. To maintain a competitive edge, Hedge Equities should focus on improving branding, enhancing digital visibility, fostering transparency, and aligning strategies with investor expectations for long-term growth and trust.

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