

DETERMINANTS OF INVESTMENT INTENTIONS: AN INDIVIDUAL RETAIL INVESTOR'S PERSPECTIVE FROM NAIROBI SECURITIES EXCHANGE

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Abstract

The purpose of this study was to assess the determinants of investment intentions of individual stock market investors in Nairobi Securities Exchange. The specific objectives of this study were to investigate the effect of expected investment value, expected sacrifices, subjective investment knowledge, compatibility and perceived behavioral control on investment intention of individual investors in Kenya. In addition, the study sought to build a theoretical model to explain investment intentions in financial securities by individual investors by examining the relationships between subjective investment knowledge, expected sacrifice, expected investment value, compatibility, perceived behavioral control and investment intentions. A cross sectional survey, multi-stage sampling technique involving 423 randomly selected individual investors participated. Data was collected using structured questionnaires and interview guides. Using hierarchical regression analysis, empirical results showed that subjective investment knowledge, expected investment value, compatibility, perceived behavioral control had a positive and statistically significant effect on investment intentions of individual investors. The effect of expected sacrifices on investment intention of individual investors was positive but statistically not significant.

Keywords: Expected investment value, Expected sacrifices, Subjective investment knowledge, Compatibility, Perceived behavioral control, Investment intention

1.0 Introduction

Economic and financial theories presume that individuals act rationally and would consider all available information in the investment decision-making process. Behavioral finance therefore has been used to throw more light on why people buy or sell stocks and even why they do not buy stocks at all (Thaler, 2003). Investment behaviors of investor are defined as how the investors judge, predict, analyze and review the procedures for decision making, which includes investment psychology, information gathering, defining and understanding, research and analysis (Alfredo & Vicente, 2010).

Standard finance is built on rules on how investors should behave rather than trying to observe how they actually behave (Pompian, 2011) and the traditional finance theories derived from neo-classical economic theory assumes investors to be rational and competent (Popescu, 2008). The market actor makes decisions according to the axioms of expected utility theory. In this equilibrium securities are priced according to the efficient market hypothesis (EMH).

Whereas traditional financial and economic theories assume that investors are rational problem solvers, the decision-making theories in behavioral finance and economics study the limitations of one's decision making (bounded rationality) that affect the investment behavior (Puustinen, 2012). Particularly the works of Kahneman and Tversky in the 1970s played an important role in the development of behavioral finance theory (Pompian, 2011). They created one of the most important theories in behavioral finance, the prospect theory, to explain how people are assumed to make choices under risk (Kahneman & Tversky, 1979). Their research showed that mental illusions are actually the rule rather than the exception when making decisions under uncertainty. Furthermore, their theories suggest that an individual's investment decision-making process is influenced by social, cognitive, and emotional factors (Tversky & Kahneman, 1986).

Decision theorist Howard Raiffa introduced to the analysis of decisions three approaches that provided a more accurate view of a real person's thought process and thus challenged the prevailing decision making models (Raiffa 1968, in Pompian 2011). Kahneman and Riepe (1998) tied together Raiffa's decision theory and financial advising. In their research, they stated that advisors need to have a clear understanding of the emotional as well as cognitive weaknesses of investors that affect their decision-making. Owen (2002) contends that people are irrational and make decisions for many reasons, few of which involve a judicious analysis of available data. Popescu (2008) opines that individual behavior dwells on the fact that people fall into psychological traps including over confidence, anchoring and adjustment, improper framing, irrational commitment escalation and the confirmation trap.

Majority of investors tend to utilize a limited subset of information in the markets hence having uninformed competing investors (Glosten & Milgrom, 1985). In reality, investors do not receive all information freely; they have to decide whether and which information to gather prior to trading. Investors end up staying afloat in a sea of uncertainty (Gary & Uri, 2003) which in turn affects their level of awareness. According to Luigi, Sapienza and Zingales (2005), individuals who are knowledgeable are significantly more likely to buy stocks and risky assets and also invest in stock. Most individual investors hold undiversified portfolios.

The investors' limited knowledge of the investment process can compromise the risk management mechanisms available today. Better decisions are made by knowing the mechanism for making investment decision and it does constitute an important step to risk control management. Harbaugh (2003) affirms that simple economic models are often poor predictors of human behavior. The need for more detailed studies of

human behavior in the process of making investment decisions cannot be underscored in order to improve theory.

Existing studies carried out in Kenya seem to have a mixed view with Waweru, Munyoki, and Uliana (2008) in support of market rationality and use of market fundamentals to make investment decisions. Werah (2006) suggested that the behavior of investors at the NSE is to some extent irrational in regard to fundamental estimations as a result of anomalies such as herd behavior, regret aversion, overconfidence and anchoring. Werah (2006) proved irrationality at NSE while Aduda and Muimi (2011) tested overreaction hypothesis at the NSE as an anomaly in the stock market and the conclusion was in support of overreaction as an anomaly. Investigations into the IPO market in Kenya by Fredrick (2012) showed that, on average, IPOs provided abnormal return in the immediate aftermarket to investors who purchased at the initial offering.

Olweny, Namusonge and Onyango (2012) contend that investors who have invested in the securities market before are more risk tolerant when compared to those who had never ventured into the market due to their previous exposure to market. It was concluded that the securities market positively influences the economy having studied the relationship between economic growth in Kenya and the securities market. This is because the findings of their study showed that when the NSE 20 share index increases, it is an indicator of the market's anticipation of greater corporate profits and higher dividends, and subsequently greater economic development.

2.0 Literature review

2.1 Perceived investment value

Perceived value in the pre-purchase stage is based on investors' expectations (Karkkila 2008), and thus the pre-purchase value-ratio is the investor's belief about what he or she expects to receive in comparison to what needs to be given up (Woodruff & Gardial, 1996). According to Zeithaml and Bitner (2003), expectations can be separated into desires and predictions. The predicted and desired expectations are influenced by past experience, word-of-mouth communications, as well as explicit and implicit promises (ibid). Whereas the first two are self-explanatory, the explicit promises refer to the personal and non-personal statements about the service or product made by the organization and implicit promises are service or product related cues such as price (Zeithaml & Bitner, 2003).

Ojasalo (2001) categorized different types of expectations into fuzzy, explicit-implicit, and unrealistic-realistic. When investors have fuzzy expectations, they have an unclear understanding of the value in an offering and they are not sure what they even want. Explicit expectation refers to precise assumptions or desires relating to the product or service, whereas implicit expectation refers to something that is not actively or consciously thought of but rather taken as self-evident. Unrealistic expectations are unlikely for any service provider to fulfill whereas realistic expectations are likely to come across (ibid). Building on this idea, value can be seen as a continuum of different types of expectations (Heinonen, 2004).

2.2 Expected Sacrifices

The dimensions of expected sacrifice represent the investor's anticipation of the give components of the value formulation, and thus are expected to decrease the investor's perception of value. However, no consensus or agreement on the sacrifice dimensions exists among scholars. Whereas early research defined investor sacrifice only as the monetary price of the product or service (Dodds & Monroe, 1985), today most

scholars separate the dimensions of sacrifice at least to two main categories: monetary and non-monetary (Cronin et al., 2000). Most commonly used non-monetary sacrifices include time and effort, yet many academics differentiate also psychological costs (Zeithaml, 1988), even though the constructs are conceptually related. Psychological costs refer to the investor's emotional investment or mental stress, while time and effort costs refer to non-emotional sacrifices (Baker et al., 2002). Grönroos (1997) divides sacrifices into price, direct, indirect and psychological costs. According to Verma (2009) buying generally includes time, inconvenience, search efforts and psychological discomfort.

2.3. Subjective Investment Knowledge

According to behavioral economics, the amount, source, and nature of the information individuals receive about saving and investing are likely to influence their financial decisions. After all, to be able to make a decision between investment products, an investor is expected to possess a clear understanding of the characteristics of the alternatives as well as their own preferences (Costanzo & Ashton, 2006). Lusardi and Mitchell (2005) detected that investors with higher perceived financial knowledge were more likely to engage in financial planning and financial preparations for retirement. Thus, their findings highlight the connection between knowledge, intentions, and behavior. Their results are consistent with the familiarity heuristic, according to which people are more likely to involve in a behavior if they feel more competent (Ackert & Deaves, 2010).

Whereas the ambiguity aversion heuristic refers to a situation where people prefer risk to uncertainty, Heath and Tversky (1991) found that individuals do not prefer an option with known risk to an option with unknown risks when the choice options are familiar. According to Fox and Tversky (1995), this is due to comparative ignorance. The comparative ignorance hypothesis proposes that people's confidence is weakened as individuals compare their limited knowledge in the relevant domain with their superior knowledge about another domain, or when they compare themselves with more informed individuals (Fox & Tversky 1995). This causes the feeling of ignorance, which makes people judge the situation ambiguous and to avoid it. Therefore, investors who are aware of their limited investment skills are less likely to participate in risky asset markets, (Campbell et al., 2011), and might even avoid investment/savings decisions altogether (Lusardi & Mitchell 2005).

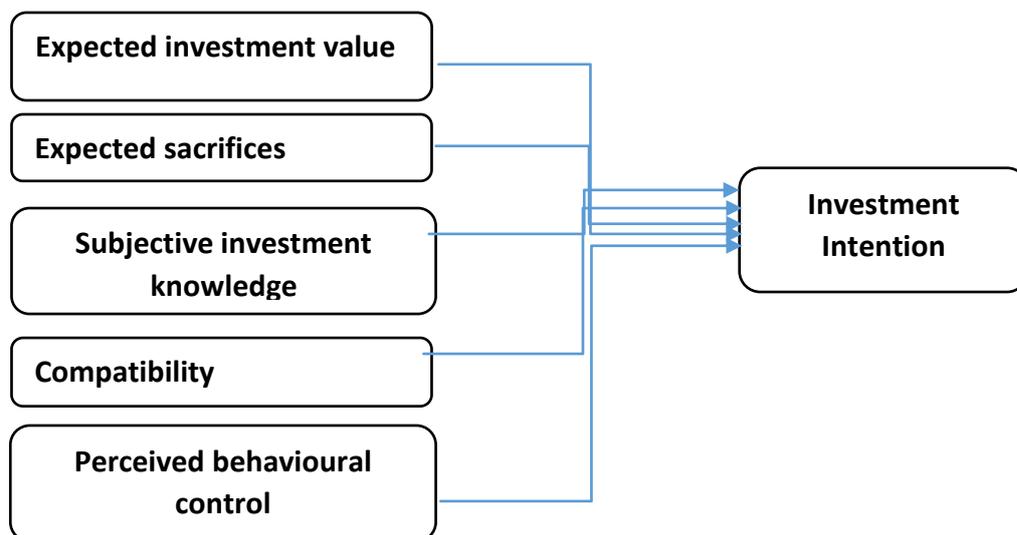
2.4 Perceived Behavioral Control

Since the theory of planned behavior is one of the most significant and popular behavioral model among researchers (Ajzen, 2002) and has been found to explain intentions and different behaviors quite well (Karjaluoto, 2002), there exists plenty of evidence on the relationship between perceived behavioral control and behavioral intention. Armitage and Conner (2010) conducted a literature review on 185 independent studies using theory that were published before 1998, and found that generally perceived behavioral control (PBC) accounted for substantial amounts of variance in intention and behavior. Moreover, in the research of East (1993) on investor motivations to make applications for shares in privatized British industries, perceived behavioral control was found to affect one's investment intention. In this research the limiting factor is defined as the investor's perception of his or her financial resources. Thus, it is predicted that one would only invest when he or she perceives his or her current financial resources to be sufficient for investing. Therefore, when one perceives his or her self-efficacy higher, he or she is more likely to invest.

2.5 Compatibility

In this study it is predicted that investor's intention to invest is also affected by his or her perception of the degree to which the investment alternative fits his or her life. After all, as compatibility is perceived to be higher, using or purchasing the product is perceived to require only little learning or change in behavior (Chakravarty & Dubinsky, 2005). Hence, if the investor feels that there exists an option for wealth allocation that is more compatible with his or her current needs or situation (e.g. investment time) and which requires less change in one's existing habits, then he or she is more likely to invest in that particular investment/saving alternative. This causes investors to become locked-in to certain products (Murray & Häubl, 2007). For example, if investors consider that keeping their assets on a bank account requires the least amount change in behavior, they perceive bank accounts more compatible than stocks or investment funds. After all, investors tend to follow habits and are prone to choosing solutions that require the least amount of effort (Collan, 2007; Collan & Tetard, 2007). This discussion leads us to the conclusion that if investment and saving decisions are similar to other consumption choices, compatibility should have a positive relationship with an individual's intention to invest.

2.6 Conceptual Framework



3.0 RESEARCH METHODOLOGY

3.1 Research Design

The research design for this study was both explanatory and descriptive. The explanatory design was used as the researcher wanted to establish relationships between the determinants of investment intention and their dimensions and the investments by individual investors. Further, a descriptive design was used as the research objective was to describe the state of affairs as it existed. The variables of interest can be quantified, thus justifying the use of quantitative approach. However, given that the underlying motives of human behavior was a matter of interest of the study, a qualitative research approach was also considered. This multi-method approach was applied, so that the limitation of one method are compensated for by the counter balancing strengths of another (Saunders et al., 2003; Kothari, 2009). It was a cross-sectional study and the object and unit of analysis are the individual investors that have either invested or are potential investors in stocks in NSE.

3.2 Target Population, Sampling Technique and Sample size

This is the population from which a sample was obtained and conclusions based on it. The target population for this study was the average household investors and stock market brokers in Nairobi Securities Exchange. To provide a desirable degree of homogeneity among the respondents, the study only considered investors who were within a radius of 50 km from Nairobi.

The sampling frame was drawn from individual investor's directory as captured in the Kingdom securities limited investor directory with a clientele base was 189,063 investors as at close of year 2015. Additionally, the sample frame also consisted of the individuals who had never invested in Nairobi Securities exchange. These individuals have a potential to invest in stocks but they had not.

The sample was decided on by use of a multi-stage sampling technique where in the first stage, stratified sampling technique was used. The individual investors were stratified based on whether they have ever invested in the stock market or not and from each stratum, using proportional allocation the proportion of the size for each strata was computed. In the second stage, simple random sampling technique using random numbers (Cooper and Emory, 2000) was used to select the individual investors from each of the stratum to be involved in the study. A sample size of 423 participants was used for this study.

3.3 Research Instruments, Data Collection and Analysis

The study used questionnaire, interviewing and secondary data review methods to collect data. The questionnaire was structured and the measurement was done using a five item Likert scale. The second method of collecting data was by the use of interview guide that was used to gather in-depth information from individual investors and finally the secondary data was collected by the use of published data. To ascertain the validity and reliability of questionnaire, the questionnaire was pretested with 31 individuals' investors. All the variables had an alpha score of above 0.8.

4.0 RESULTS AND DISCUSSIONS

4.1 Description of individual investors and their characteristics

Table 1 presents a summary description of characteristics of the 313 individual investors who responded to the questionnaire. A significant majority of the respondents were male (61.3%) while the female were 38.7%. About 32.6% of the respondents were single, 63.3% were married, 2.3% widows and widowers, 0.3% divorced while 1.6% had separated. A significant majority of the respondents (57.5%) were aged between 30 and 40 years, 30% of the respondent were aged below 30 years, 9.3% were aged between 40 and 50 years, 2.6% were aged between 50 and 60years while 0.6% were aged above 60 years . About 4.2% had gross an income below 20,000 Kenya shillings per month and 14.1% an income between 20,000 and 50,000 Kenya shillings, 19.5% were in the 50,000 – 80,000 Kenya shilling income category, 17.3% had an income between 80,000 and 100,000 Kenya shilling while 45% of the respondents had an income of above 100,000 Kenya shillings a month.

As for education, 0.3% had primary education, 3.5 % had secondary education, 9.6% had tertiary education, and 53.7% had a bachelor's degree while 32.9% had a postgraduate level degree. On investment experience, the respondents were also asked whether they had previously invested in securities such as stocks. 82.7% of the respondents had the experience while 17.3% had never invested in stocks. Of those respondents with experience, 8.9% of them had less than a years' experience, 39.3% had an investment experience of between a year and five years and 26.5% of the respondents had an experience of between five to ten years while 8% of the respondents had an investment experience of over ten years. As regards to whether the respondents are currently investor in the stock market, only 60.1% of the responds indicated that they had current

investments in the stock market. Additional descriptive information can be found in Table 2, which presents the descriptive analysis for all research items.

Table 1: Individual Investors Demographics

Variable		Frequency	Percentage (%)
Respondent's Gender	Male	192	61.3
	Female	121	38.70
Marital Status	Single	102	32.6
	Married	198	63.3
	Widow	3	1.0
	Divorced	1	.3
	Widower	4	1.3
	Separated	5	1.6
	Respondents' age	Below 30 Years	94
	31 -40 Years	180	57.5
	41-50 years	29	9.3
	51-60 years	8	2.6
	Over 60 years	2	.6
Gross Monthly Income	Below Ksh 20,000	13	4.2
	Btwn Ksh 20,000 to 50,000	44	14.1
	Btwn Ksh 50,001 to 80,000	61	19.5
	Btwn Ksh 80,001 to 100,000	54	17.3
	Above Ksh 100,000	141	45.0
Education level	Primary	1	.3
	Secondary	11	3.5
	Tertiary	30	9.6
	Undergraduate	168	53.7
	Post Graduate	103	32.9
Experience of Investing in stock	Less than 1 year	28	8.9
	1-5 years	123	39.3
	5-10 years	83	26.5
	Over 10 years	25	8.0
	I have never invested in NSE	54	17.3
Current investor	No	125	39.9
	Yes	188	60.1

Table 2: Results of descriptive statistics

	Expected Investment Value	Expected Sacrifice	Subjective investment knowledge	Compatibility	Perceived behavioral control
Mean	4.1134	4.2428	4.1917	4.2796	5.5367
Std. Error of Mean	.07728	.08320	.06716	.07892	.07324
Median	4.0000	4.5000	4.5000	4.0000	6.0000
Mode	4.00	4.00	5.00	5.00	6.00
Std. Deviation	1.36723	1.47201	1.18821	1.39630	1.29574
Variance	1.869	2.167	1.412	1.950	1.679
Skewness	-.312	-.297	-.454	-.266	-.958
Kurtosis	-.469	-.386	-.270	-.403	.827
Range	6.00	6.00	6.00	6.00	6.00
Minimum	1.00	1.00	1.00	1.00	1.00
Maximum	7.00	7.00	7.00	7.00	7.00
Sum	1287.50	1328.00	1312.00	1339.50	1733.00
Count	313	313	313	313	313

4.2 Correlation analysis

A Pearson product-moment correlation test was used to measure interrelationships between variables: control variable, independent variables and dependent variables. This test was conducted to examine the presence of multicollinearity (Pallant, 2007). As the model hypotheses were tested using Hierarchical Multiple Regression, correlation tests were first carried out to rule out the presence of multicollinearity. Table 3 shows the correlation coefficients of all the variables.

Table 3: Correlations Matrices

	Gender	Mstatus	Age	Income	EDUC	EXPE	C_INV	PIV	ES	COMP	PBC	SIK	II
Gender	1												
Mstatus	-.009	1											
Age	.075	.346**	1										
Income	.246**	.075	2.93**	1									
EDUC	.083	-.082	-.066	.485**	1								
EXPE	-.020	.065	.024	-.052	.004	1							
C_INV	-.085	.080	.275**	.330**	.235**	-.316**	1						
PIV	.006	.122*	.118*	.030	-.028	-.081	.216**	1					
ES	.013	-.036	-.061	-.077	-.177*	-.039	-.089	.003	1				
COMP	-.008	-.036	.019	.104	.076	-.152**	.273**	.412**	-.026	1			
PBC	-.061	.007	.058	.043	.042	-.014	.217*	.265**	.014	.498**	1		
SIK	.228**	.034	.111*	.276**	.231**	-.170**	.313**	.164**	-.068	.269**	.193**	1	
II	.143*	-.019	.029	.102	.078	-.180**	.258**	.297**	.003	.383**	.313**	.433**	1

4.3 DISCUSSIONS

4.3.1 Characteristics of Individual Stock Market Investors

On the characteristic of the individual stock market investors, majority of respondents were male (192), those that were married were 192 while majority of them were within the age range of 31 -40 years. The findings revealed that most respondents had strong academic qualification, prior investment experience and high monthly income, characteristics previously found to influence intention to invest. Of the 313 respondents, 259 were found to have had an experience of investing in shares. One hundred and eighty-eight (188) of those who had the experience of investing are currently holding investments in the Nairobi Securities Exchange. This mean that 71 of the respondents with experience in stock market investing had divested and are no longer investing in shares.

4.3.2 Expected Investment Value

A positive relationship was found between the expected investment value and investment intention. The Pearson Correlation coefficient 0.297 was significant ($p=0.01$) to support this conclusion. Empirical results from regression analysis indicated that expected investment value is a significant predictor ($t=5.309$, $p<0.001$) of investment Intention. While controlling for the effect of investor experience, investor income and education levels, expected investment value explained 7.8 percent variation in investment intention of individual investors. These findings supports the position by Puustinen (2012), Puustinen et al. (2013) and Lounio (2014) that expected investment value is indeed a critical determinants of investment intention for investors. In summary, the results from both multivariate and qualitative data analysis support the proposition that expected investment value is a critical factor in determining the investment intention of individual investors.

4.3.3 Expected Sacrifices

The dimensions of expected sacrifices had an Alpha value of 0.825 and this was considered very reliable. The mean score was 4.24 and a standard deviation of 1.472. This points to the fact that, on average, individual investors consider the sacrifices they have to make in order to invest. A positive relationship was found between the expected sacrifices and investment intention. The Pearson Correlation coefficient 0.003 was not significant ($p=0.01$) to support this conclusion. Empirical results from regression analysis indicated that expected sacrifices is not a significant predictor ($t=0.117$, $p<0.907$) of investment intention of individual investors in Kenya. While controlling for the effect of investor experience, investor income and education levels, expected sacrifices explained 0.3% variation in investment intention of individual investors. These findings are inconsistent with the findings by Puustinen (2012), Puustinen *et al.* (2013) and Lounio (2014) that expected sacrifice is indeed a critical determinants of investment intention for investors. Results from qualitative data analysis pointed towards a positive relationships between expected sacrifice and investment intention. The results from both multivariate and qualitative data analysis had mixed results. The findings support to the proposition that expected sacrifice is a critical factor in determining the investment intention of individual investors was therefore inconclusive.

4.3.4 Subjective Investment Knowledge

The subjective investment knowledge had an Alpha value of 0.896 and this was considered very reliable. The mean score was 4.19 and a standard deviation of 1.188. This points to the fact that, majority of individual investors consider the investment knowledge that the need to have in order to make a successful investment. A positive relationship was found between the subjective investment knowledge and investment intention. The Pearson Correlation coefficient 0.383 was significant ($p=0.01$) to support this conclusion.

Empirical results from regression analysis indicated that subjective investment knowledge is a significant predictor ($t=7.785$, $p<0.010$) of investment intention of individual investors in Kenya. While controlling for the effect of investor experience, investor income and education levels, expected sacrifices explained 15.6% variation in investment intention of individual investors. These findings are consistent with the findings by Lounio (2014) that subjective investment knowledge is indeed a critical determinants of investment intention for investors. The results from both multivariate and qualitative data analysis supports the proposition that subjective investment knowledge is a critical factor in determining the investment intention of individual investors in Nairobi securities exchange.

4.3.5 Compatibility

The compatibility had an Alpha value of 0.881 and this was considered very reliable. The mean score was 4.28 and a standard deviation of 1.396. This points to the fact that, majority of individual investors consider the investment knowledge that the need to have in order to make a successful investment. Individual investors also seem to be more concerned about the changes in behavior that stock investing would require. A positive relationship was found between the compatibility and investment intention. The Pearson Correlation coefficient 0.313 was significant ($p=0.01$) to support this conclusion. Empirical results from regression analysis indicated that compatibility is a significant predictor ($t=6.759$, $p<0.010$) of investment intention of individual investors in Kenya. While controlling for the effect of investor experience, investor income and education levels, expected sacrifices explained 12.2% variation in investment intention of individual investors. The findings support to the proposition that compatibility is a critical factor in determining the investment intention of individual investors in Nairobi securities exchange is inconclusive.

4.3.6 Perceived Investment Behavior

The perceived behavioral control had an Alpha value of 0.874 and this was considered very reliable. The mean score was 5.54 and a standard deviation of 1.296. This points to the fact that, majority of individual investors consider the investment knowledge that the need to have in order to make a successful investment. Individual investors also seem to be more concerned about the changes in behavior that stock investing would require. A positive relationship was found between the perceived behavioral control and investment intention. The Pearson Correlation coefficient 0.433 was significant ($p=0.01$) to support this conclusion. Empirical results from regression analysis indicated that perceived behavioral control is a significant predictor ($t=5.786$, $p<0.010$) of investment intention of individual investors in Kenya. While controlling for the effect of investor experience, investor income and education levels, expected sacrifices explained 9.2% variation in investment intention of individual investors. The findings support to the proposition that perceived behavioral control is a critical factor in determining the investment intention of individual investors in Nairobi securities exchange is inconclusive.

5.3 Conclusions

From the study results, it's evident that expected value is an important factor in shaping investment intention of individual investors in pursuit of improved economic status. Moreover, the promise of economic benefits was found to have the highest impact in stimulating the intentions to invest. Additionally, the findings also shows that functional, emotional and symbolic benefits indicators have very little or no effect in determining whether to invest in stock or not.

The effect of expected sacrifices on investment intention of individual investors remains inconclusive. Although interviewed stock brokers and investment managers considered expected sacrifices as a key

contributing factor to investment intention, the results from regression analysis did not support this view. Investors expect less value from investing when they anticipate investing to require a lot of sacrifices. Of the dimensions of expected sacrifices, monetary cost and time cost were found to explain the highest variations in investor's intention to invest while effort and financial risk were found to explain very little variation in investment intention.

Both the results from regression analysis and the interview from stock brokers and investment managers supported the existence of the effect of subjective investment knowledge on investment intention of individual investors. The findings of this study highlight the connection between knowledge, intentions, and behavior and are consistent with the familiarity heuristic, according to which people are more likely to involve in a behavior if they feel more competent. Subjective investment knowledge was found to have a very strong direct effect on investment intentions.

Compatibility had a somewhat stronger effect on investment intentions of individual investor as per the findings of the study. However, the effect of compatibility on investment intention of individual investors remains inconclusive. Although the results from regression analysis supported the existence of the effect, the interviewed stock brokers and investment managers did not consider compatibility as a key contributing factor to investment intention.

The effect of perceived behavioral control on investment intention of individual investors remains inconclusive. Although the results from regression analysis supported the existence of the effect, the interviewed stock brokers and investment managers did not consider perceived behavioral control as a key contributing factor to investment intention. The findings of this research established that there is a significant effect of perceived behavioral control on investment intention of individual investors.

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