Retirement planning- In the backdrop of Demographics and Investors' Profile

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Abstract

In this study, researcher aspired to explore the association of the Demographic and Investor profile variables with the Retirement planning of investors using chi square tests. Further with the help of the correspondence analysis/crosstabs, researcher attempted to throw more light in to the association. Finally the extent of influence of the Demographic and investor profile variables on the Retirement planning clusters was studied using the canonical correlation. This research study follows the descriptive research design. By using Multi stage random sampling technique, the primary data for the study was collected from 470 respondents (investors) in the State of Tamilnadu, India. The results of this study revealed that there exists significant association between all the Demographic and Investor profile variables and the retirement planning. Also the results further revealed that among all variables taken in this study, variables such as qualification, type of family, no of dependents, current grade in the job, experience, monthly income, no of earning members and investment experience exert significantly strong influence on the Retirement planning.

Introduction

One of the important stages of life is retirement, where ones involvement in certain social activities gets reduced. As per (Marshall 2004), it is a transitional stage on life, which can pleasant for someone and traumatic for others. With no proper planning during the years in service, one has to get employed continuously and the life style will remain same with young age even after the individual attains the retirement age (Lee & Law, 2004). Lack of proper retirement planning well in advance in the career will lead to big disappointment during retirement. Moreover in the past few decades, life expectancy has increased drastically of about 2 to 3 years for each decade and this number is expected to further increase in the future (Selene, 2005). Thus having a proper and well thought retirement planning is very important for everyone.

The retirement planning and the retirement investment decisions of the individual investors are influenced by many variables like risk, return, demographics, psychological factors and behavioural factors like yet another investment theme or concept. In today's scenario, though the role played by psychological and behavioural variables in influencing the investment decision making process of the investors are predominant, the role played by the demographics and investor profile factors cannot be ruled out. Hence by ignoring conventional factors like demographics and investor profile, one cannot ascertain the decision making process of the individual investor.

In this research work, researcher attempted to study the influence of demographic and investor profile variables such as gender, age, qualification, marital status, type of family, dependents, religion, community, occupation, current grade, experience, monthly income, number of earning members, amount spent for recreation/entertainment, and investor experience on the retirement planning of the investor, as this aspect was not studied comprehensively in the earlier literatures. In the available literatures, only few demographic variables were considered in the study and that too such types of studies are scarce in the Indian subcontinent. This fact is evident from the excerpts from the literature presented below.

(Mansor, Hong, Abu, & Shaari, 2015) concluded that the age, household income and education level has significant impact on retirement planning, whereas gender fail to make any impact.

(Moorthy & Kai, 2012) stated that age, education, income level, goal clarity, attitude towards retirement, potential conflict in retirement have significant impact on retirement planning.

With respect to age and retirement planning, Petkoska and Earl (2009) found that the older people engage themselves more in case financial planning compared to young people. However , according to a survey for Wells Fargo & Co. by Harris Interactive (2008), younger people in age bracket of thirties saved more and have a retirement plan, Also younger people had a more realistic idea on how much money they may require to retire (Combes, 2013)

(Joo & Pauwels ,2002), expressed that the education helps individuals to look for more information relating to their retirement planning and their attitude ,intention and decision to do retirement planning is influenced by those sources of information. Also, he revealed that individuals having higher education level achieve better confidence level in their retirement planning.

(Lee and Law, 2004) stated that individuals gets more motivation to take action for retirement with their increase in age and income. These two factors are found to be correlated in influencing individuals behaviour towards retirement planning

Yakoboshi and Dickemper (1997) identified that gender difference can be considered as one of the major influential factor for early preparation in retirement planning because of the fact that the men and women generally think and act differently

(Lusardi & Mitchell, 2008) pointed out that compared to woman, men are found to be well prepared and ready for their retirement planning, as majority of women compared to men lack financial literacy and knowledge .Women generally they take support from their family members and friends to do retirement planning, as they fail to have any idea to do on their own. Glass and Kilpatrick (1998) mentioned that due to lack of adequate financial resources, women tend to be less prepared of their retirement planning when compared to men.

Sunden and Surette (1998) addressed that, gender difference and marital status have significant influence on investment decision with respect to retirement planning.

(Richardson & Kilty, 1989) considered income level as an important variable. He stated that in order to make retirement preparation work one must have adequate money, which in turn depends on their income

(Lusardi et al., 2001b) concluded that families with dependent children more likely to accumulate little financial and total net worth. However Kim et al. (2005) reported there is no significant difference in case of retirement confidence of those who had financial dependents and those who did not have.

(Ng, Tay, Tan, & Lim, 2011) stated that individuals with high income & more investment experience, individuals in the higher age bracket and married couples are more likely to plan for their retirement in future. It is an undeniable fact that married and aged people to have greater exposure to investment and life quality; whereas most of the young adults are relatively to have less commitment as they are single.

(Petkoska & Earl, 2009) in his study concluded that age emerged as a major variable in predicting financial planning. This finding may be explained by the fact that participants in the study were employees of a financial institution and, as such, were likely to have had higher levels of financial planning knowledge, regardless of gender, education, and income.

(Tinuke, 2015) stated that several women possibly fail in realizing financially sheltered retirement. Compared to men, still women are financially drawn back with pessimistic effects on their financial preparations. The contemporary stances, acts, and non-actions of women about retirement savings made them vulnerable in non-accomplishing the financially protected retirement.

Objective

1) To identify the heterogeneous clusters/ groups within the retirement planning construct.

2) To determine the association of demographic and investor profile factors with the retirement planning cluster variables.

3) To study the extent of influence of demographic and investor profile factors on the retirement planning cluster variables.

Research Methodology

The research design adopted in this study is the descriptive research. The population for this study is the equity investors in the State of Tamilnadu, India. Using the Multi stage random sampling method, a sample of 500 respondents were randomly selected. In the first stage of sampling, three cities namely Chennai, Coimbatore and Trichy were randomly selected. Further, share broking firms in the selected cities were collated and 5 firms operating in all the selected three cities were randomly selected. The data was collected using a structured questionnaire by distributing 500 questionnaires to the randomly selected customers (investors) of the selected broking firms. Out of the 500 questionnaires distributed, 482 questionnaires were received from the respondents. Of the 482 questionnaires received, 12 questionnaires were found to be incomplete. Finally, 470 questionnaires were considered for the analysis. The minimum sample size required for this study is only 430, which was calculated using the below formula based on the data collected for the pilot study from the randomly selected 30 respondents.

Also reliability and validity of the questionnaire was checked using the pilot study data before proceeding with the main study. For data analysis, statistical tools such as Cluster analysis, Chi Square tests, Correspondence analysis/Crosstabs and Canonical Correlation were used. All the data analysis, were performed with the help of IBM SPSS v20 Software.

$$n = \left(\frac{\sigma * 1.96}{\mu * 0.05}\right)^2$$

Where, n - Sample Size; σ - Standard Deviation; μ - Mean;

Analysis and Discussion

The Table 1 gives information about the Mean, Standard deviation values and rank scores of the 13 items under the variable retirement planning.

Table 1: Perception of Investors on Retirement Planning - Mean analysis and Rank scores

Statements	N	Mean	Std. Deviation	Rank
Early and sustainable investment in career is the key to financial well-being after retirement.	470	4.31	.759	I
I am very much concerned about my financial preparation for retirement	470	3.45	1.029	II
I am confident that I will have a decent standard of living after my retirement.	470	3.28	.573	III
I have thought about my life after retirement	470	3.27	1.162	IV
Apart from compulsory EPF / NPS, I am (and/or my spouse) personally saving for retirement	470	2.93	1.174	V
I am (and/or my spouse) currently saving for retirement	470	2.93	1.168	V
I have made a sincere effort to save for retirement.	470	2.65	.961	VII
Overall, I am confident that I have done a good job of preparing financially for your retirement.	470	2.57	.830	VIII
Based on how I plan to live my life in retirement, I have saved accordingly	470	2.56	.813	IX
At present, I rate my financial preparation for retirement is good.	470	2.48	.918	X
I have tried to calculate how much i need to save for retirement	470	2.40	1.044	XI
Relative to my peers, I have saved well for retirement	470	2.33	.848	XII
I have accumulated substantial savings for retirement	470	2.20	.889	XIII

The total response obtained for each item is 470. Out of 13 the items, "Early and sustainable investment in career is the key to financial well-being after retirement." has the highest mean value of 4.31 with Rank 1 and the item, "I have accumulated substantial savings for retirement." has the lowest mean value of 2.20 with rank 13. This indicates that though the investors positively agree on the aspect that early and sustainable investment is key to financial well-being for retirement, they fail to accumulate substantial savings for retirement. Barring first four items, for all other remaining nine items mean value is less than 3, which indicates that investors fail to have proper retirement planning in place. In case of standard deviation, the item, "Apart from compulsory EPF / NPS, I am (and/or my spouse) personally saving for retirement" has the highest value of 1.174 whereas the item, "I am confident that I will have a decent standard of living after my retirement." has lowest value of 0.573.

The Table 2 depicts the grouping of respondents (cases) based on their retirement planning in to three distinct groups/clusters using the K-Means cluster analysis.

Table 2: Segmentation of investors in to three distinct clusters

Statements	Cluster				
	1	2	3	F	Sig
I have thought about my life after retirement	2	4	5	367.8	0.000
I am very much concerned about my financial preparation for retirement	3	4	5	624.72	0.000
I have tried to calculate how much i need to save for retirement	2	3	4	691.59	0.000
I am (and/or my spouse) currently saving for retirement	2	4	4	593.18	0.000
Apart from compulsory EPF / NPS, I am (and/or my spouse) personally saving for retirement	2	3	4	416.23	0.000
Early and sustainable investment in career is the key to financial well- being after retirement.	4	5	5	154.04	0.000
I have made a sincere effort to save for retirement.	2	3	4	668.32	0.000
At present, I rate my financial preparation for retirement is good.	2	3	4	387.95	0.000
Relative to my peers, I have saved well for retirement	2	3	3	383.14	0.000
I have accumulated substantial savings for retirement.	2	3	3	224.95	0.000
Based on how I plan to live my life in retirement, I have saved accordingly	2	3	3	263.76	0.000
I am confident that I will have a decent standard of living after my retirement.	3	3	4	148.5	0.000
Overall, I am confident that I have done a good job of preparing financially for your retirement.	2	3	4	363.93	0.000
Total no of cases in each cluster	247	129	94		

The cluster no 1 with 247 cases grouped under it, with average of item mean values as 2.31 is termed as Poor retirement planning cluster, whereas the cluster no 2 with 129 cases grouped under it, with average of item mean values as 3.38 is termed as average retirement planning cluster and finally the cluster no 3 with 94 cases grouped under it with average of item mean values as 4 is named as adequate retirement planning cluster. The significant value of all the items are 0.000, which indicates that all the items have significantly contributed for grouping the investors in to three clusters based on their retirement planning. Among the 13 items, the item "I have tried to calculate how much i need to save for retirement" has high F statistics value, which indicates that the respective item has contributed more for grouping of respondents in to three clusters.

The Table 3 displays the results of the Chi square test performed to study the association of the Demographic & Investor profile variables with the retirement planning cluster variables.

Table 3: Association between the Demographic & Investor profile variables with the Retirement planning cluster

S.No.	Demographic / Investment Variables	Chi Square value	df	Sig
1	Gender	47.230[a]	2	.000
2	Age	323.805[a]	8	.000
3	Qualification	39.239[a]	6	.000
4	Marital Status	97.351[a]	2	.000
5	Type of Family	32.338[a]	2	.000
6	Dependents	104.163[a]	8	.000
7	Religion	27.315[a]	4	.000
8	Community	29.281[a]	4	.000
9	Occupation	45.636	[a]6	.000
10	Current Grade	180.520[a]	6	.000
11	Experience	387.312[a]	8	.000
12	Monthly Income	266.680[a]	8	.000
13	Number of Earning members	65.489[a]	4	.000
14	Amount spent every month for Recreation/Entertainment	127.418[a]	6	.000
15	Investment Experience	492.176[a]	8	.000

As the significant value (p value) for all the listed variables are < 0.05, it can be concluded that there exists significant association between all the Demographic & Investor profile variables and the retirement planning cluster variables. Also the high Chi square value for most of the variables reiterates its stronger association with the retirement planning cluster. To gain further insight in to the association the cross tabs/ correspondent analysis as mentioned below was performed.

The Table 4 depicts the cross tabulation(association) between various categories under the gender, age, qualification, marital status, type of family, dependents, religion & community with the retirement planning cluster.

Table 4: Cross tabulation of Gender, Age, Qualification, Marital Status, Type of Family, Dependents, Religion & Community with the Retirement planning cluster.

	Retirement Planning			Total
	Poor Retirement planning	Average Retirement planning	Adequate Retirement planning	
Gender				
Male	176 (71.3%)	117(90.7%)	94 (100%)	387 (82.3%)
Female	71 (28.7%)	12 (9.3%)	0	83 (17.7%)
Total	247	129	94	470
Age				
<=25	28 (11.3%)	0	0	28 (6.0%)
26-35	205(83%)	33 (25.6%)	0	238 (50.6%)
36-45	14 (5.7%)	73 (56.6%)	66 (70.2%)	153 (32.6%)
46-55	0	22 (17.1%)	25 (26.6%)	47 (10%)
>=56	0	1 (8%)	3 (3.2%)	4 (9%)
Total	247	129	94	470
Qualification				
Diploma	12 (4.9%)	4 (3.1%)	1 (1.1%)	17 (3.6%)
UG	114 (46.2%)	35 (27.1%)	40 (42.6%)	189 (40.2%)
PG	91 (36.8%)	51 (39.5%)	20 (21.3%)	162 (34.5%)
Professional	30 (12.1%)	39 (30.2%)	33 (35.1%)	102 (21.7%)
Total	247	129	94	470
Marital Status				
Single	111 (44.9%)	12 (9.3%)	0	123 (26.2%)
Married	136 (55.1%)	117 (90.7%)	94 (100%)	347 (73.8%)
Total	247	129	94	470
Type of Family				
Nuclear139	(56.3%)	104 (80.6%)	43 (45.7%)	286 (60.9%)
Joint108	(43.7%)	25 (19.4%)	51 (54.3%)	184 (39.1%)
Total	247	129	94	470
Dependents				
0	37 (15%)	3 (2.3%)	5 (5.3%)	45 (9.6%)
1	70 (28.3%)	27 (20.9%)	17 (18.1%)	114 (24.3%)
2	71 (28.7%)	69 (53.5%)	12 (12.8%)	152(32.3%)
3	46 (18.6%)	20 (15.5%)	21 (22.3%)	87 (18.5%)
4 to 6	23 (9.3%)	10 (7.8%)	39 (41.5%)	72 (15.3%)
Total	247	129	94	470
Religion				
Hindu	184 (74.5%)	97 (75.2%)	85 (90.4%)	366 (77.9%)
Christian	32 (13%)	29 (22.5%)	5 (5.3%)	66 (14%)
Islam	31 (12.6%)	3 (2.3%)	4 (4.3%)	38 (8.1%)
Total	247	129	94	470
Community				
OC	76 (30.8%)	60 (46.5%)	55 (58.5%)	191 (40.6%)
OBC	138 (55.9%)	63 (48.8%)	35 (37.2%)	236 (50.2%)
SC/ST	33 (13.4%)	6 (4.7%)	4 (4.3%)	43 (9.1%)
Total	247	129	94	470

It indicates that the male investors are associated with adequate retirement planning cluster, whereas female investors are associated with the poor retirement planning cluster. All the 94 investors who do adequate retirement planning are belonging male category, which indicates that male investors are more responsible when it comes to retirement planning. With respect to age category, investors in the age group of <=25 and 26-35 perform poor retirement planning, whereas the investors in the age group of 36-45, 46-55 & >=56 perform adequate retirement planning. It can be inferred that investors turn more responsible with respect to retirement planning when they approach the middle age (ie., >=36). Regarding qualification, investors with diploma and UG are associated more with the poor retirement planning cluster, PG holders are associated with the average retirement planning cluster and finally the professionals are associated with adequate retirement planning cluster. This indicates that the ability to do retirement planning increases with the qualification. In the case of marital status, married investors are more associated with adequate retirement planning cluster ie., 100% of the investors who do adequate retirement planning are married. However out of 126 unmarried (single) investors, 111 investors are associated with poor retirement planning cluster. This indicates that investors turn more responsible with respect to retirement planning after their marriage. In case of family setup, investors in nuclear family setup perform average retirement planning whereas those in joint family perform adequate retirement planning. This may be of the fact that investors in joint family system have excess disposable income in hand because of possible sharing of expenses among the inmates of the family, which in turn help them to plan and save for their retirement.

Investors having more financial dependents (viz.,>=3 dependents) exhibit adequate retirement planning, whereas investors having 0 or 1 dependent exhibit poor retirement planning. However, in case of investors with 2 dependents, their inclination towards retirement planning is average. From this it can be inferred that the investors with more no of dependents are very much concerned about their retirement planning aspects. In case of religion, the hindus who form the major gamut of the our sample investors (77.9%), are associated more with the adequate retirement planning cluster. About 85 investors out of total 94 investors who perform adequate retirement planning belongs to hindu religion. Whereas christians and islams are associated more with average and poor retirement planning clusters respectively. In terms of the community, investors belonging to OC category perform adequate retirement planning. Around 58 % of the total investors who perform adequate retirement planning, belongs to OC category. In case of investors belonging to reserved categories such as OBC and SC/ST, their inclination towards retirement planning aspects are poor. From this it can be inferred that OC category investors are well informed and well aware about retirement planning aspects when compared to reserved category investors.

The Table 5 illustrates the association between the various categories under the variables viz., occupation, current grade, experience, monthly income and number of earning members with the retirement planning cluster.

With respect to the occupation, professional's exhibit adequate retirement planning, government employed investors exhibit average retirement planning and finally the self-employed and those employed in private organisations who form nearly 75% of the total sample exhibit poor retirement planning. This implies that retirement planning as an investment yet to take off among the investors working in private organisations who form the major gamut of the workforce in our country. In case of current grade in employment, investors currently in entry level and junior management grade are more associated with poor retirement planning cluster. However, investors in middle management and senior management grade are more associated with average and adequate retirement planning cluster respectively. From this, it can be inferred that the investors, when they climb up the ladder in their career their perception towards retirement planning changes positively and they strive to do better retirement planning.

In case of Job Experience, investors who have experience up to 10 years perform poor in terms of retirement planning, investors with experience between 11 to 15 years exhibit average retirement planning and those investors with experience >=16 years have adequate retirement. This indicates that more the job experience, the level of retirement planning also improves in the positive manner. With respect to Monthly income, investors who are having income up to Rs.50,000 perform poor in terms of retirement planning , whereas the investors in the income bracket of >= Rs.1,00,000 perform adequately well in terms of retirement planning. However investors in the mid income level of Rs.50,001 to Rs.1,00,000 exhibit average retirement planning. From this it can be inferred that the increase in income level leads to an improvement in the level of retirement planning. This may be due to the fact that more income means more disposable money in hand, which translates in to a better retirement planning and savings.

With respect to number of earning members in the family, investors with one earning member exhibit average retirement planning , however in case of investors, where no of earning members in the family is more than one, they

fare poor in terms of their retirement planning. It infers that the investors level of retirement planning declines with the increase in number of earning members in the family.

Table 5: Cross tabulation of Occupation, Current Grade, Experience & Monthly income with the Retirement planning cluster

	Retirement Planning			Total
	Poor Retirement planning	Average Retirement planning	Adequate Retirement planning	
Occupation				
Employed In Government	31 (12.6%)	31 (24%)	20 (21.3%)	82 (17.4%)
Employed in Private Organization	184 (74.5%)	72 (55.8%)	61 (64.9%)	317 (67.4%)
Professional	2 (8%)	15 (11.6%)	12 (12.8%)	29 (6.2%)
Business	30 (12.1%)	11 (8.5%)	1 (1.1%)	42 (8.9%)
Total	247	129	94	470
Current Grade				
Entry level / Trainee	12 (4.9%)	0	0	12 (2.6%)
Junior Management Level	129 (52.2%)	1 (8%)	0	130 (27.7%)
Middle Management Level	96 (38.9%)	115 (89.1%)	80 (85.1%)	291 (61.9%)Senior
Management Level	10 (4%)	13 (10.1%)	14 (14.9%)	37 (7.9%)
Total	247	129	94	470
Experience				
up to 5	117 (47.4%)	0	0	117 (24.9%)
06-10 years	104 (42.1%)	26 (20.2%)	0	130 (27.7%)
11-15 years	26 (10.5%)	50 (38.8%)	11 (11.7%)	87 (18.5%)
16-20 years	0	30 (23.3%)	39 (41.5%)	69 (14.7%)
21 and above	0	23 (17.8%)	44 (46.8%)	67 (14.3%)
Total	247	129	94	470
Monthly income				
upto 25,000	35 (14.2%)	0	0	35 (7.4%)
25,001-50,000	115 (46.6%)	2 (1.6%)	0	117 (24.9%)
50001-75000	51 (20.6%)	32 (24.8%)	0	83 (17.7%)
75001-100000	12 (4.9%)	40 (31%)	29 (30.9%)	81 (17.2%)
>100000	34 (13.8%)	55 (42.6%)	65 (69.1%)	154 (32.8%)
Total	247	129	94	470
No.of Earning members				
1	52 (21.1%)	70 (54.3%)	46 (48.9%)	168 (35.7%)
2	145 (58.7%)	59(45.7%)	39 (41.5%)	243 (51.7%)
3	50 (20.2%)	0	9 (9.6%)	59 (12.6%)
Total	247	129	94	470

The Fig 1 illustrates the correspondence of the amount spent every month for recreation / entertainment with the retirement planning clusters.

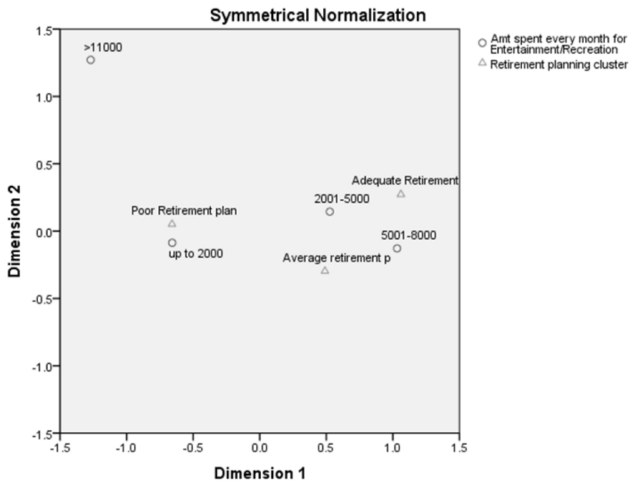

Fig.1: Correspondence of Amount spent every month for Recreation/Entertainment with Retirement planning cluster

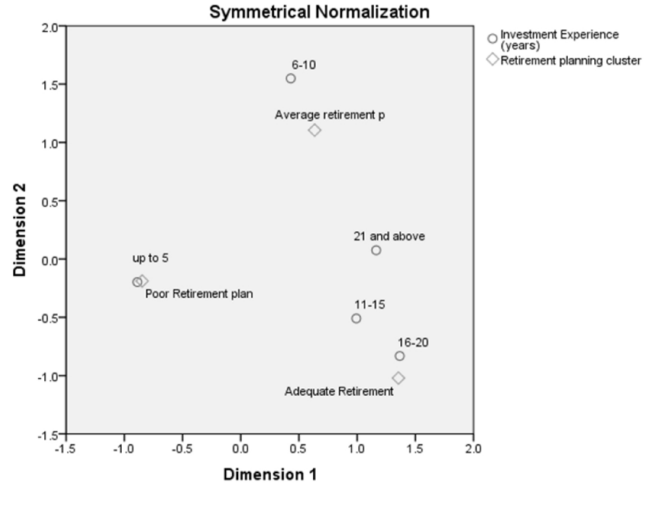

Fig.2: Correspondence of Investment Experience with the Retirement planning cluster

Those investors who spend every month up to Rs.2000 & > Rs.11,000 towards recreation and entertainment stand poor in terms of their retirement planning. However the investors who spend Rs.2001-5000 and Rs.5001-8000 for recreation and entertainment undertake adequate and average retirement planning respectively. It may be inferred that the investors who are very stringent (or) very fluidic in their expenses spending towards recreation fair poor in terms of their retirement planning, whereas the investors who make decent spending towards recreation stand tall in their retirement planning.

The Fig 2 depicts the correspondence of investment experience with the retirement planning clusters.

From the diagram, it is clearly evident that those investors having investment experience up to 5 years perform poor in terms of their retirement planning, whereas investors with investment experience of >=11 years perform adequate retirement planning. However, the retirement planning of investors having investment experience of 6-10 years fall under the average category. Thus, it can be inferred that more the investment experience, more the inclination towards the retirement planning..

The Table 8 reveals the canonical correlation between the demographic/investor profile variables and the retirement planning cluster. The chi square test and correspondence analysis revealed the prevalence of significant association between the demographic/ investor profile variables and the retirement planning cluster, however the canonical correlation brings to light, which of these demographic/investor profile variables exert the most significant influence on the retirement planning cluster. From the results it can be inferred that canonical correlation value (ie., Degree of determination) is 85.5% and only the variables such as qualification ,type of family, dependents, current grade, experience, monthly income, no. of earning members and investment experience exert significantly influence on the retirement planning cluster as the significant value(p value)< 0.05. Also the tests of significance, such as Wilks' Lambda, Pillai's Lambda are statistically significant indicating that the variables such as qualification ,type of family, dependents, current grade, experience, monthly income, no. of earning members and investment experience are strongly correlated with the retirement planning cluster.

Table 8: Canonical Correlation- Influence of Demographics & Investor profile on the Retirement planning cluster

Linear combinations for canonical correlations					Number of obs = 470	
	Coef.	Std. Err.	t	P>|t|	[95% Conf. Interval]	
u1 RPCLUST	1.267909	.35648	35.60	0.000	1.1999049	1.339148
v1 GD1	.0639549	.0881638	0.73	0.469	-.10929	.2371998
AGECAT2	.060797	.0933268	0.65	0.515	-.1225934	.2441874
QL3	.1019261	.0371466	2.74	0.006	.0289317	.1749206
MS4	-.1407986	.103416	-1.36	0.174	-.3440146	.0624173
TOFS	-.1656709	.0743725	-2.23	0.026	-.3118154	-.0195263
DPNTGR	.1022018	.0396394	2.58	0.010	.024309	.1800946
RGN7	.0147948	.0524888	0.28	0.778	-.0883477	.1179372
CTY8	-.0106314	.0521321	-0.20	0.838	-.110727	.09181
OCTN9	.0005914	.0496547	0.01	0.991	-.0969819	.0981647
CG10	-.4606798	.092373	-4.99	0.000	-.642196	-.0291636
Exp11	.2900998	.077876	3.73	0.000	.1370708	.4431288
MI12	.22118	.0473104	4.68	0.000	.1282135	.3141465
EMI3	-.1592284	.0605729	-2.63	0.009	-.2782562	-.0402005
REC15	-.0134394	.0473985	-0.28	0.777	-.1065791	.0797002
IEXP16	.4100463	.0741715	5.53	0.000	.2642967	.5557959

(Standard errors estimated conditionally)

Canonical correlations:
0.8546

Tests of significance of all canonical correlations:	Statistic	df1	df2	F	Prob>F
Wilks' lambda	.269675	15	454	81.9673	0.0000 e
Pillai's trace	.720325	15	454	81.9673	0.0000 e
Lawley-Hotelling trace	2.70817	15	454	81.9673	0.0000 e
Roy's largest root	2.70817	15	454	81.9673	0.0000 e

e = exact, a = approximate, u = upper bound on F

Findings

This study revealed that the retirement planning construct can be dissociated in to three heterogeneous groups or clusters namely the poor retirement planning cluster, average retirement planning cluster and adequate retirement planning cluster. The Chi square test results proved that all the fifteen demographic /investor profile variables considered in this study have significant association with the retirement planning cluster variables. Further the correspondence analysis / crosstabs revealed more insight in to the association which was stated in detail under the analysis section. Finally the results of the canonical correlation revealed that out of the fifteen demographic/ investor profile variables considered in this study , only eight variables such as qualification ,type of family, dependents, current grade, experience, monthly income, no. of earning members and investment experience exert significantly strong influence on the retirement cluster with degree of determination at 85.5%.

Conclusion

This study has brought to light some interesting and intriguing facts. Though all the demographic and investor profile variables has significant association with the retirement planning cluster variables, only 8 out of the 15 variables considered in this study emerged as the major determinant of retirement planning. The following category of investors namely the male investors , investor in the age group of 36 years and above, married investors, professionally qualified investors, investor with more dependents(>=3),investors in a joint family system , investor following hindu religion, investors under OC community and experienced investors perform well in terms of their retirement planning. Similarly investors employed as professionals, high in the job grade, with high salary and with more investment experience exhibit positive inclination towards the retirement planning. These interesting outcomes of this study will sure kindle the attention of the research community and pave way for more research in the area concerned. This study has its own limitation as it is restricted only to equity investors domiciled in the State of Tamilnadu, India. There exists further scope for extending this study to a different geographical area (or) to a different population say bank employees, IT employees, teachers, NRI's, GenY etc. Also this study can be further extended to study the influence of retirement planning on the retirement investment choice of the investors. This study will be useful to the companies for offering tailor made retirement solutions to the investors and also for the government to float social security schemes for its citizens.

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