

Literature Review of Behavioral Finance: Then and Now

Mohd Sajid¹, Dr. R.S. Bhardwaj²

¹ Department of Commerce, Delhi School of Economics, University of Delhi, India

² Satyawati College, University of Delhi, India

ABSTRACT

Purpose- The purpose of paper is to organize and take a supply from past to present situation of research on Behavioral finance by reviewing available literature, to provide quick and easy access for future researchers. The present study is also giving emphasis on the classification of literature and to provide a comprehensive view of Behavioral finance and to analyze the findings and results of the studies taken into consideration for review.

Design/methodology/approach- A range of sources were searched to review the existing literature on Behavioral finance and out of thousands of papers, 44 papers which are based on impact of behavioral biases on individual investors decisions and impact of demographical factors on behavioral biases (research papers and Literature Review) form the sample for the present study. To know the status of research on the topic, these 44 papers are classified on the basis of various variables, like behavioral biases, investors' investment decisions and demographical factors, etc.

Findings- This paper classifies the past literature on Behavioral finance and finds that the research work on behavioral finance is still in demand in developed countries and coverage of Behavioral finance across emerging economies has increased in recent years. The study revealed many other findings also.

Originality/value- The present paper provides the collection, classification, and comprehensive literature on behavioral finance, which will be helpful for academicians, professionals and future researchers. While studying the existing research work, as well as for considering future researches in the same area.

Keywords- Behavioral biases, Demographical factors, Investor's decisions, Market anomalies and Behavioral finance,

