

WILL PRO-SOCIAL BEHAVIOR INFLUENCE INTENTIONS OF INDIAN INVESTORS TO JOIN SOCIALLY RESPONSIBLE INVESTMENT?

Priya Rana

Research Scholar at Mittal School of Business, Lovely Professional; University, Phagwara, Jalandhar, priyarana759@gmail.com , orcid id: <https://orcid.org/0000-0002-1043-0667>

Mahesh Sarva

Associate Professor at Mittal School of Business, Lovely Professional; University, Phagwara, Jalandhar, mahesh.18850@lpu.co.in

Bhavisha Verma

Assistant Professor at Sanatan Dharma College, Ambala Cantt, Haryana, bhavishaverma162@gmail.com

Purpose: The purpose of the paper is to examine the impact of pro social behaviour on Indian investor intention to participate in socially responsible investment taking attitude as mediated with special reference to all Indian states.

Design/methodology/approach: For achieving the objective of this study, the model was tested through PLS SEM software. Research Scales from the literature were used in modified version according to the suitability. Data were collected from 216 respondents.

Findings : The findings suggest that the factors of Perceived Consumer Effectiveness, Perceived Behavioral Control, and Perceived Financial Performance directly influence individuals' attitudes. These attitudes, in turn, have a significant impact on investors' intentions to engage in Socially Responsible Investment (SRI). Additionally, the study adopted the Theory of Planned Behavior framework to gain insights into SRI intentions with a focus on prosocial motivations. Therefore, the employed model for elucidating these variables yielded positive and promising results.

Originality/value: The literature supports that attitude plays a mediating role in forming intentions for green purchase behaviour only a few have examined the role of prosocial behaviour as a driver for SRI adoption intention. The current study aims to link prosocial behaviours of investors to the Theory of Planned Behaviour, a less explored approach in previous research.

Keywords: *Perceived Consumer Effectiveness, Perceived Financial Performance, Perceived Behavioral Control, Socially Responsible Investment, Attitude, Intentions.*

1. Introduction:

Several scientists have delved into this subject, defining the concept as "investments that allow investors to align their financial objectives with their social values in the realms of social justice, economic development, peace, and environmental concerns" (Munoz-Torres et al., 2004). Business can be deemed sustainable when it fulfills the criteria of economic prosperity, social

justice, and environmental quality (Jeurissen R., 2000). In essence, one can summarize that Socially Responsible Investment (SRI) investors blend the elements of monetary gain and ethical considerations, aiming for a collective benefit to society in the long term through their investment choices. As the world faces pressing challenges such as climate change, social inequality, and environmental degradation, the role of pro-social behavior in shaping investors' intentions to participate in SRI has become a subject of paramount importance. Socially responsible investment (SRI), often referred to as ethical investing, involves incorporating social, environmental, or ethical considerations into financial investment decisions. While conventional investing focuses primarily on assessing financial risks and returns from stocks and bonds, SRI introduces additional objectives and limitations. SRI is concerned not only with the magnitude of financial returns but also with the ethical and social aspects of its origin (Cowton et al., 2011). SRI typically entails selecting investments based on both traditional financial criteria and specific dimensions of a company's social performance. These aspects include ensuring the safety and usefulness of products, minimizing adverse environmental impacts, implementing worker-friendly practices, adhering to labor standards in global operations, and making positive contributions to local communities (Starr, 2008).

In the tapestry of our daily lives, it's not uncommon to see people drawn to the scene of a house on fire or reducing their speed when they encounter upon an accident. This behavior finds its roots in a deep-seated concern for the welfare of others, as these onlookers instinctively yearn to prevent any potential harm. Furthermore, our journey through life often brings us face to face with individuals who extend a helping hand to the elderly or take a moment to hold the door for someone else. These gestures of kindness and consideration fall within the realm of what we term "Pro-Social Behavior" (Clarke, 2003). Pro-social behavior is a concept that relates to how individuals conduct themselves and their attitudes towards others. It can also be extended to understand the decision-making process regarding investments. For example, certain researchers and theories, like Markowitz, contend that investment choices primarily hinge on factors like risk and return (Markowitz, 1952). This viewpoint often results in investors not fully considering the potential negative impact of their investments on the environment and other individuals. This situation prompts a fundamental question: what motivates some individuals to engage in pro-social actions while others do not?

At the heart of this shift lies the concept of pro-social behavior, which refers to actions and choices driven by a genuine concern for the welfare of society. Pro-social behavior encompasses various aspects, including philanthropy, volunteering, and ethical consumerism. It is the manifestation of an individual's values and moral compass in their daily decisions and often extends to their investment choices. The question that emerges is whether pro-social behavior, as exhibited by Indian investors, can significantly influence their intentions to embrace SRI. Prosocial behavior, or voluntary behavior intended to benefit another person, is of obvious importance for enhancing human relationships and smooth functioning of society. Prosocial behavior is considered a key aspect of social competence. (Eisenberg, N., & Sadovsky, A. 2004) Prosocial adolescents tend to

share with, help, and comfort others. This understanding implies that prosocial behavior is closely related to the development of social-cognitive and empathic skills. (Berry et.al. 2016)

Understanding the interplay between pro-social behavior and SRI intentions among Indian investors is multifaceted. This involves an exploration of the cultural, economic, and psychological factors that shape investment decisions. This study aims to delve into these intricate dynamics to shed light on the following key questions:

1. To what extent does pro-social behavior influence the investment intentions of Indian investors in the realm of socially responsible investment?
2. What are the underlying drivers behind pro-social behavior among Indian investors?
3. What implications do this relationship between pro-social behavior and SRI intentions have for the future of ethical and sustainable investing in India, and what can policymakers and financial institutions learn from these findings?

This research paper embarks on a comprehensive journey to examine the intricate connections between pro-social behavior and the intentions of Indian investors to engage in socially responsible investment. In doing so, it seeks to offer valuable insights into the evolving landscape of ethical investing in India and contribute to the broader global discourse on responsible finance.

2. Literature review

2.1 Perceived consumer effectiveness

Perceived Consumer Effectiveness (PCE) is a concept rooted in the idea that individuals are more likely to take action on a social issue if they believe that their actions contribute to resolving the problem. Within the broader construct of attitude, the PCE plays a significant role. The perception of financial performance is important when considering investments, particularly Socially Responsible Investment (SRI). This perception heavily affects individuals' decisions to invest in SRI because it pertains to both financial interests and the desire to contribute to societal betterment (Nilson, 2008). Individuals who strongly believe in their own efficacy tend to show stronger connections between their attitudes and consumer behavior. This is in contrast with individuals with lower levels of personal efficacy. PCE serves as a moderator that influences the strength of the link between environmental attitudes and consumer behavior (Berger and Corbin, 1992).

However, it is worth noting that PCE does not uniformly affect all green behaviors or green purchase behaviors. Instead, it directly impacts specific green behaviors, such as adopting eco-friendly practices and engaging in recycling. Relying solely on PCE is insufficient for predicting green purchase behavior (Boivin et al., 2016).

One study examined the impact of Perceived Consumer Effectiveness (PCE) on individuals' recycling intentions and identified differences between those with high and low PCE levels. The results showed that individuals with high PCE were more responsive to negatively framed messages, highlighting the potential costs of not recycling, compared to those with low PCE levels.

In essence, consumers who believe in their ability to make a difference are more likely to respond positively to messages emphasizing the negative consequences of not recycling (Lord and Putrevu, 1998).

Young consumers' attitudes toward environmentally sustainable textiles and apparel are influenced by various factors including their product knowledge, perception of personal effectiveness as consumers, and the significance they attribute to these products. These factors, in turn, impact their subjective norms and perceived control over their behavior. Together, these elements shape young consumers' intentions purchase environmentally sustainable textiles and apparel (Kang et al., 2013). It's also noted that perceived consumer effectiveness can vary based on demographic and political affiliations (Ellen et al., 1991).

H1: There is a positive relationship between Perceived consumer effectiveness and attitude

2.2 Perceived financial performance

The research findings indicate that the most significant predictor of customer satisfaction with SRI-profiled mutual funds is perceived financial performance.

Additionally, the positive impact of customer satisfaction extends to SRI mutual funds because of their perceived Environmental, Social, and Governance (ESG) performance. (Nilson et.al. 2014)

The research outcomes highlight that the primary factor driving customer satisfaction with SRI-profiled mutual funds is perceived financial performance. Furthermore, the positive effect on customer satisfaction extends to SRI mutual funds stemming from their perceived Environmental, Social, and Governance (ESG) performance. (Garg et. al. 2022)

(Ali 2021) revealed that perceived risk, perceived returns, and trust significantly influence individual investors' trading decisions, with attitudes mediating this relationship. (Weinbrenner's 2023) revealed the positive impact of perceived financial performance on investment intentions. Notably, the research also found that Generation Z individuals show a heightened propensity for Socially Responsible Investment (SRI) when they perceive lower risk and stronger financial performance than conventional funds.

H2: There is a positive relationship between Perceived SRI performance and attitude

2.3 Perceived Behavioral control

The Theory of Planned Behavior (TPB) offers a structured framework for evaluating individual factors that affect behavioral changes. This theory consists of several key components, including attitude (personal perception of behavior change), subjective norms (expectations from others), perceived behavioral control (ability to change behavior considering obstacles), and intention (readiness to perform the behavior). Ajen 1991) suggests that perceived difficulty is a stronger predictor of both intentions and actual behaviors than perceived control, as found by (Trafimow et al. in 2002). Recent studies by (Elango et al. in 2023) indicate that a positive attitude toward investment, financial literacy, perceived control, and subjective norms all significantly contribute

to investment intentions. Furthermore, research by (Ng et al. in 2022) highlights the positive influence of perceived behavioral control on investment behavior. In the context of TPB, perceived behavioral control reflects how easily or challenging individuals perceive it to implement the behavior. This construct also plays a role in the intention-formation process. In addition, (Thanki et al. in 2022) indicate that perceived behavioral control positively impacts socially responsible investment intentions.

H3: There is a positive relationship between perceived behavioral control and attitude.

2.4 Attitude

The literature review encompasses several key studies that shed light on the intricate relationships between attitudes, intentions, behaviors, and various influencing factors in the context of socially responsible actions and investment decisions. (Ajen 1991) underscores how attitudes shape intentions, which subsequently drive behavior. Positive attitudes towards specific behaviors lead to positive intentions, a psychological effect that extends beyond practical benefits and influences attitudes towards green energy brands, ultimately boosting purchase intention. The mediating role of attitude is evident in studies on Socially Responsible Investment (SRI). Investors' personal characteristics and behaviors as consumers can impact their views on companies' social objectives. These viewpoints, in turn, shape investment decisions. This idea, as presented by (Williams 2007), underscores the interplay between investors' consumer attitudes and their choices to invest, particularly in companies that align with their social values. (Garg et al. 2022) found that attitude mediates the link between reliance on expert bias and intentions towards SRI, illustrating how personal disposition shapes the intention to engage in socially responsible investment. The integration of green purchase behavior and the Theory Behavior highlights the role of attitude as a mediator in forming intentions for green purchasing (Zeinab et al., 2021). This emphasizes the importance of individual attitudes in guiding intentions toward environmentally conscious actions. Environmental concerns and attitudes are intertwined (Oskamp, 1991). Individuals must care about the environment to engage in environmentally friendly actions, highlighting the critical role of attitudes in influencing behaviors aligned with ecological well-being. Survey data collected from citizens obligated to participate in pension plans underscored their attitudes towards social investment screens, revealing a favorable disposition towards Socially Responsible Investment (SRI) (Borgers & Pownall, 2014). This demonstrates that even under obligation, positive attitudes drive preferences for responsible investment choices. The hierarchical structure proposed in models, such as that progressing from abstract values to attitudes, intention, and purchase behavior (Follows & Jobber, 2000), has been confirmed, highlighting the predictability of the path from attitudes to actions. Finally, psychological benefits have been found to enhance consumer attitudes, subsequently elevating purchase intentions (Hartmann & Ibanez, 2011). This emphasizes the interplay between psychological and attitudinal factors that guide consumers' intentions and actions. Collectively, these studies underscore the intricate interconnections between attitudes, intentions, behaviors, and influencing variables within the realm of socially responsible actions and investment decisions.

H4: There is a positive relationship between attitude and intentions

2.5 Intentions

According to (Ajzen's research in 1991,) an individual's inclination to engage in a specific behavior is shaped by their attitude towards that behavior. This theoretical framework posits that a person's decision to invest in the stock market is guided by their attitude towards this action. (Ajzen 1991) suggests that an individual is more likely to partake in a particular behavior when crucial factors such as a positive attitude, subjective norms, and perceived behavioral control are favorable.

In the context of socially responsible investing, the intention to do so is elucidated by considering three variables: an individual's socially responsible consumption, perception of personal gain, and perception of the effectiveness of the action (Palacios-Gonzalez and Chamorro-Mera, 2018). Researchers have employed models to illustrate the role of intention and found that these models examine the impact of attitude and subjective norms on behavioral intention (Ha and Janda, 2012). Furthermore, another study demonstrated that attitude towards investment and subjective norms significantly influence the intention to invest, while the data on the other factor, self-efficacy, failed to show a significant influence (Sudarsono et al., 2015). (Akhtar and Das 2019) assert that an individual's intention to invest in the stock market is indeed influenced by their attitude toward the behavior.

3. Research methodology

3.1. Measurement

This study adopted a cross-sectional methodology to gather responses and examine its hypothesized objectives. This study targets rational investors within the context of India. Given the specific focus on investors engaged in the Indian stock market, a non-probabilistic convenience sampling approach was employed to collect the data. The survey was distributed through various social media platforms, including LinkedIn, WhatsApp, Survey Cycle, Google Forms, and an email distribution list. Data were collected using a self-administered online survey. The survey instrument included questions pertaining to the independent behavioral variables, incorporating both the (Theory of Planned Behavior (TPB) model and in relation to pro-social constructs. The TPB questionnaire was developed according to the guidelines provided by (Ajzen 2019). To operationalize the various variables, a set of items was selected from the established and validated literature. Participants were instructed to rate their responses using a 5-point Likert scale, where 1 represented "strongly disagree" and 5 denoted "strongly agree." This response format enabled respondents to express their agreement or disagreement with the statements provided. Cronbach's alpha coefficients were calculated to gauge the reliability of the measurement scales used in the survey. This internal consistency measure is widely accepted for assessing the reliability of multi-item scales. In line with the recommendations of (Ursachi et al. 2015) and (Carpenter 2018), an acceptable range for Cronbach's alpha was established between .60 and .95. To ensure the clarity and conciseness of the survey questions, a pre-testing phase was conducted. Five field

experts were consulted in this phase. The purpose of pretesting was to refine the questionnaire based on expert feedback, aligned with the recommendation of (Churchill, 1979). The questionnaire utilized in this study was developed by integrating the measures that had been employed in previous studies. Inclusion of established measures aimed at enhancing the validity of the survey instrument. Initially, 250 replies were collected, of which 20 had never invested in the stock market. Moreover, 14 out of 230 responses were removed because of unengaged responses. The final analysis included 216 participants.

3.2 Analysis and results

To analyze the collected data, the researcher used a partial least squares (PLS) technique to perform component-based structural equation modelling (SEM) using Smart PLS 3.3.2 software.

3.2.1 Construct Reliability

Reliability in this context pertains to the consistency of the scale tools employed for measurement. Measurement indicators encompass both individual item reliability and internal consistency as outlined by (Hair et al. 1998). Individual item reliability was assessed through factor loadings, while internal consistency was evaluated using latent variable composite reliability (CR) and Cronbach's alpha. It is recommended that these values exceed 0.7 to ensure reliability.

The validity pertains to the accuracy of the scale tool. The measurement indicators encompassed convergent and discriminant validity. Convergent validity primarily assesses the correlations among items within the same dimension and involves examining the Average Variance Extraction (AVE), with a recommended value exceeding 0.5 (Bagozzi et al., 1988). Discriminant validity assesses the correlations among items from different facets and is verified by comparing the square root of AVE with the correlation coefficients. If the square root value of the diagonal AVE exceeds the correlation coefficient values in the horizontal or vertical columns, discriminant validity (Fornell et al., 1981).

Analysis of the questionnaire items in this study, as presented in Table 2, reveals that the factor loadings generally surpass 0.7, aligning with verification standards, except for PE3, which falls within the range of 0.45–0.98, as recommended by (Taber 2018). These findings confirm the validity of the constructs.

Furthermore, Cronbach's alpha and CR values for all dimensions surpassed 0.7, indicating robust reliability and internal consistency. Additionally, each dimension's average variance extracted (AVE) value exceeded 0.5, signifying strong convergent validity.

Table 1: Construct reliability

Dimensions	Item Indicators	ATT	Cronbach's alpha	Composite reliability	Average variance extracted (AVE)
Attitude	ATT1	0.863	0.821	0.893	0.736
	ATT2	0.908			
	ATT3	0.800			
Intentions	INT1	0.924	0.899	0.925	0.711
	INT2	0.817			
	INT3	0.829			
	INT4	0.817			
	INT5	0.827			
Perceived Consumer Effectiveness	PCE1	0.873	0.675	0.824	0.611
	PCE2	0.770			
	PCE3	0.691			
Perceived Financial Performance	PFP1	0.866	0.818	0.882	0.655
	PFP2	0.894			
	PFP3	0.805			
	PFP4	0.650			
Perceived Behavioral Control	PBC1	0.857	0.838	0.902	0.755
	PBC2	0.891			
	PBC3	0.858			

Source: Outputs of statistical analysis using Smart PLS software.

3.2.2 Discriminant reliability

As revealed through the heterotrait–mono-trait analysis, Table 3 demonstrates that all the values fall below the threshold of 0.9. This observation signifies favorable discriminant validity, which is in line with the findings of (Henseler et al. 2015).

Additionally, in accordance with the recommendations of (Fornell and Larcker 1981), the researcher conducted discriminant analysis to assess the extent of variation among the various compositional measures as an additional validity check.

Table 2: Discriminant reliability

	ATT	INT	PCE	PFP	ROE
ATT	0.858				
INT	0.715	0.843			
PCE	0.730	0.639	0.782		
PFP	0.798	0.667	0.728	0.809	
PCB	0.716	0.730	0.598	0.744	0.869

Source: Outputs of statistical analysis using Smart PLS software.

3.2.3 Hypothesis Testing

Subsequently, model verification was conducted through path analysis and R-squared (R²) examination. In the path analysis, the significance level of the hypotheses was determined using t-value. Table 4 provides insights into this analysis, indicating that H1, H2, and H4 achieved a high level of significance with p-values below 0.001. H3, on the other hand, reached a significance level, with a p-value less than 0.05. Consequently, the hypotheses (H1, H2, H3, and H4) proposed in this study are deemed valid. The PLS-SEM path analysis model is shown in Figure 1.

Table 3: Hypothesis results

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics ((O/STDEV)	P values	Hypothesis Decision
ATT INT ->	0.715	0.715	0.042	16.896	0.000	Supported
PCE ATT ->	0.290	0.286	0.042	6.980	0.000	Supported
PFP ATT ->	0.409	0.409	0.093	4.388	0.000	Supported
PBC-> ATT	0.238	0.241	0.068	3.517	0.000	Supported

Source: Outputs of statistical analysis using Smart PLS software.

3.2.4 Coefficient of determination

The explanatory power of the model was evaluated using the R-squared (R²) metric, following the recommendation of (Falk and Miller 1992), which suggests that R² values should meet or exceed 0.10 to be considered sufficiently explanatory for a specific endogenous construct.

As indicated in Table 5, the R² values were 0.709 and 0.511. These values suggest that the model exhibits a moderate level of explanatory strength, in line with (Chin 1998).

Table 4: R² values

Constructs	R-square
ATT	0.709
INT	0.511

Source: Outputs of statistical analysis using Smart PLS software.

3.2.5 Variance Inflation Factor

When assessing structural equation modelling, it is crucial to ensure that issues related to collinearity have been addressed. In the context of partial least squares structural equation modelling (PLS-SEM), it is commonly recommended to look for tolerance values below 0.20 and Variance Inflation Factor (VIF) values above 5, as these values may suggest the presence of collinearity (Hair et al., 2011). Specifically, when an indicator's VIF exceeds five, it implies that a significant portion (around 80%) of its variability is explained by other formative indicators associated with the same construct.

In this study, the VIF values obtained from the structural equation modelling analysis were below 5, ranging between 1 and 2.274. These values indicate varying degrees of collinearity among the study dimensions, except for one dimension in which the VIF was 3.107, suggesting no significant collinearity between perceived performance and attitude.

Table 5: Variance Inflation Factor

	VIF
ATT -> INT	1.000
PCE -> ATT	2.159
PFP -> ATT	3.107
PBC -> ATT	2.274

Source: Outputs of statistical analysis using Smart PLS software.

3.2.6 Goodness of Fit (GoF) of the Model

According to (Tenenhaus et al. 2005), the Goodness of Fit (GoF) measure serves as a global assessment metric, computed as the geometric mean of both the Average Variance Extracted (AVE) and average R-squared values of the endogenous variables. The goal of the GoF metric is to provide a full evaluation of a structural model, evaluating both the model's formulation and its performance in the context of the study. This method emphasizes a comprehensive evaluation of the model's overall suitability (Chin 2010). The GoF calculation formula is as follows:

$$\text{GoF} = \sqrt{R^2 * \text{AVE}}$$

$$= \sqrt{0.709 * 0.736}$$

$$= 0.619$$

Assessment of the validity of the Partial Least Squares (PLS) model relies on the Goodness of Fit (GoF) criteria, as defined by (Wetzels et al. 2009). According to these criteria, a GoF value below 0.1 indicates no fit, while a value in the range of 0.1 to 0.25 suggests a small fit, 0.25 to 0.36 indicates a medium fit, and a value exceeding 0.36 indicates a large fit. In the context of this study, the GoF for the model was determined to be 0.619, signifying that the GoF model demonstrates a large fit, providing ample evidence of global PLS model validity.

4. Measurement Model

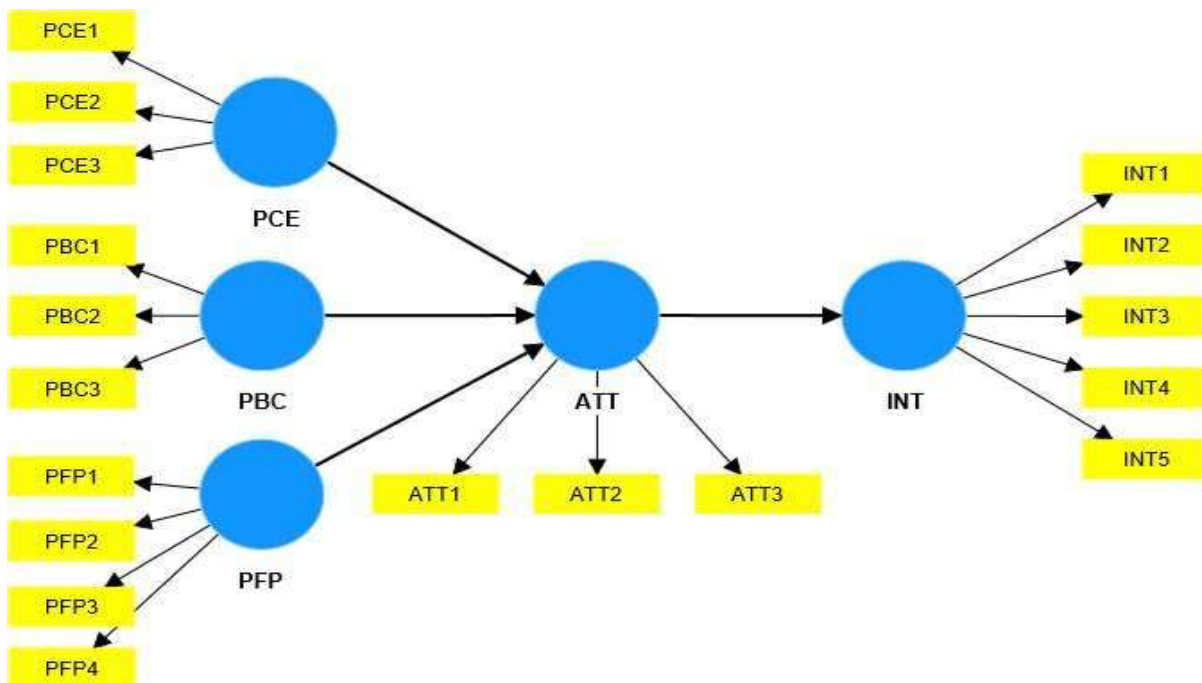


Figure 1: Measurement model

Source: using Smart PLS software

5. Limitation of the study

There are some inherited limitations of the current study. firstly, there are more Pro social constructs which could be incorporated. Secondly the method of sampling used is convenience sampling other random sampling techniques could be also used for the study. Thirdly the study has used less number of items under each construct which is due to lack of reliability when the results have been analysed. Fourthly there are studies which show demographic characteristics in relation to the model the current study lacks demography. Therefore, more research is required to determine how these prosocial elements affect investor intentions for socially responsible investment.

6. Conclusion and Implications

According to the research's conclusions, prosocial conceptions have a large and advantageous influence on socially responsible investments (SRI). This study provides valuable insights into the perspective of investors who believe that their investments can make a positive difference in society or the environment. Such investors are more likely to favour SRI over traditional investment avenues. Prosocial investors are inclined to align their financial decisions with their personal values and ethical principles. Furthermore, this research can inform the development of new financial policies that support companies committed to ethical business practices, sustainability, and social responsibility.

In the context of risk assessment, individuals who incorporate non-financial factors, such as a company's social and environmental impact, into their evaluation tend to make more informed and potentially less risky investment choices. The growing interest in prosocially oriented SRI options can stimulate market growth, prompting financial institutions and fund managers to expand their offerings in this domain.

Ultimately, the practice of prosocial behaviour in SRI contributes to increased investments in projects and companies that demonstrate strong social and environmental performance. In turn, this promotes a deeper understanding of urgent global concerns including socioeconomic injustice, climate change, and human rights. As individuals increasingly recognize the potential for their investments to create positive societal and environmental impacts, it fuels a broader movement toward responsible and conscientious investment practices.

7. Discussion of Results

The results suggest that Perceived Consumer Effectiveness, Perceived Behavioral Control, and Perceived Financial Performance are pivotal factors that directly mold individuals' attitudes. These attitudes, in turn, play a vital role in shaping people's inclination to engage in Socially Responsible Investment (SRI). Moreover, the study employed the Theory of Planned Behavior framework to explore SRI intentions, with a particular emphasis on altruistic motivations. The research has revealed an indirect relationship, with attitudes serving as a mediating variable to shape intentions, prosocial behavior's direct influence on intentions did not yield favorable results, leading to its

exclusion from the study. The model used in the study has yielded favorable results in terms of its fit.

Numerous studies have been conducted on the Theory of Planned Behaviour approach, but there remains a significant research gap in understanding the relationship between green purchasing behaviour and Socially Responsible Investment (SRI) adoption intention, particularly in the context of sustainability and global warming (Boivin et al., 2016; Garg et al., 2022; Oskamp, 1991). While some studies have established that attitude plays a mediating role in forming intentions for green purchase behaviour (Zeinab et al., 2021), only a few have examined the role of prosocial behaviour as a driver for SRI adoption intention. Notably, (Nilson 2008) previously incorporated prosocial constructs to explain SRI behaviour, but the current study aims to link prosocial behaviours of investors to the Theory of Planned Behaviour, a less explored approach in previous research. Similarly, this study extends the boundaries of the Theory of Planned Behaviour, which is commonly used in conjunction with SRI intentions (Raut et al., 2018); Follows and (Jobber, 2000); (Hartmann and Ibanez, 2011;

Akhtar and Das, 2019). Prior studies have primarily relied on demographic factors to explain SRI intentions (Mac Lachan and Gardner, 2004; Weinbrenner, 2023; Joan and Berry, 2010). Many previous studies have primarily relied on demographic factors to explain SRI intentions. In contrast, this study shifts the focus towards psychological and behavioral factors related to prosocial behavior, providing a fresh perspective that moves beyond demographics

In contrast, this study focuses on prosocial constructs, including Perceived Financial Performance, Perceived Consumer Effectiveness, and Perceived Behavioural Control, which are expected to impact intentions while mediating through attitude. In line with previous research (Berger and Corbin, 1992), the study demonstrates a positive impact of Perceived Consumer Effectiveness on attitude. Furthermore, Perceived Financial Performance has been found to create a positive impact on investment intentions (Weinbrenner, 2023), while Perceived Behavioural Control is associated with positive attitudes toward investment and intentions (Trafimow et al., 2002; Elango et al., 2023; Ng et al., 2022; Ramayah et al., 2012). While there have been studies that examined the role of attitude in forming intentions for green purchase behavior, this study goes beyond and investigates the connection between prosocial behaviors of investors and SRI adoption intention. This linkage is a unique aspect of the research, as it delves into the motivations behind SRI decisions in the context of prosocial considerations.

As attitude is a known mediator in forming intentions (Ajzen, 1991; Williams, 2007), the study explores how it plays a crucial role in driving decision-making behaviour, in line with previous research suggesting its mediating role in green purchasing intentions (Zeinab et al., 2021). Finally, the study contends that, despite criticisms of the Theory of Planned Behaviour for not considering personal norms in pro-environmental behaviour (Lie et al., 2020), the current research demonstrates positive results by incorporating TPB. The study expands the boundaries of the theory of planned behavior, which is commonly used in conjunction with SRI intentions, by incorporating these prosocial constructs. This extension of the TPB framework to understand SRI intentions from a prosocial perspective is a novel contribution to the field.

The study introduces a novel approach by incorporating prosocial constructs (perceived financial performance, perceived consumer effectiveness, and perceived behavioral control) into the theory of planned behavior (TPB) to understand their impact on Socially Responsible Investment (SRI). While previous research has explored SRI from various angles, the specific focus on prosocial behavior within the TPB framework is relatively new.

Declaration

I declare that this research paper is the result of my original work and that all the information contained in it, unless specifically noted and properly credited, is the result of my personal research efforts. I meticulously followed ethical norms and guidelines throughout the conduct of this research, including when it was required to acquire informed consent, and respected the values of research integrity and honesty. Furthermore, I certify that there are no hidden financial or personal interests or potential conflicts of interest that would have affected how this research was conducted or how its results were presented in this work. This research work is a wholly original contribution to the field and has never been published in another publication, whether in the same or substantially comparable form.

Funding Statement

The study was not supported by any grant from any Foundation of research or organisation.

Author Contributions

Priya Rana and Bhavisha Verma contributed to the design and implementation of the research, Priya Rana put efforts to the analysis of the results and to the writing of the manuscript. Dr. Mahesh Sarva conceived the original and supervised the project.

Abbreviations List

<i>SRI</i>	<i>Socially Responsible Investment</i>
<i>PCE</i>	<i>Perceived Consumer Effectiveness</i>
<i>PBC PFP</i>	<i>Perceived Behavioral Control</i>
	<i>Perceived Financial Performance</i>
<i>ATT</i>	<i>Attitudes</i>
<i>INT</i>	<i>Intentions</i>
<i>TPB</i>	<i>Theory of Planned behavior</i>
<i>AVE</i>	<i>Average Variance Extraction</i>
<i>CR</i>	<i>Composite Reliability</i>
<i>VIF</i>	<i>Variance Inflation Factor</i>
<i>GOF</i>	<i>Goodness of Fit</i>
<i>ESG</i>	<i>Environmental Social Governance</i>
<i>PLS-SEM</i>	<i>Partial Least Squares Structural Equation Modelling</i>

Replication of Results

The data replication outlined in Appendix 1 has been completed, and the model itself has not yet been utilized. Instead, it has been integrated into the framework of the Theory of Planned Behavior model.

Appendix 1: The scale used to measure the research variables.

Code	Constructs	Source
PCE1	I have confidence in my ability to make meaningful contributions toward addressing ethical and sustainability concerns.	(Han, H., & Yoon, H. J. 2015), (YEONSHIN KIM 2011)
PCE2	For the regular investor, to engage in efforts against unethical practices is a worthwhile pursuit	
PCE3	The actions I take with my investments hold significant importance because a single individual can influence matters concerning transparency, governance, and natural resources	
PFP1	I have confidence that the SRI's return rate will align with my expectations.	(Raut et. al 2020), (Lewis and Mackenzie's 2000)
PFP2	I sense that the return rate of SRI has been on par with or greater than the market's average returns lately.	
PFP3	I am content with my SRI choice, given the high volatility and active trading patterns of SRI.	
PFP4	I anticipate that SRI holds promising prospects in the future, driven by the prevailing global concerns regarding climate change and sustainability.	
PBC1	I possess the necessary resources and savings to pursue sustainable investments.	(Pascual-Ezama et. al. 2014), (Zolait, Ali (2013)
PBC2	The decision to invest in Socially Responsible Investment largely rests with me.	
PBC3	I am equipped with the requisite knowledge to effectively engage in sustainable investments.	
ATT1	I believe that investing in Socially Responsible stocks holds value.	(Raut and kumar 2018); (kirmani and khan 2016); (Ali 2011)
ATT2	Investing in Socially Responsible stocks provides a sense of inner contentment.	
ATT3	I believe that opting for socially responsible stocks contributes to personal satisfaction.	

WILL PRO-SOCIAL BEHAVIOR INFLUENCE INTENTIONS OF INDIAN INVESTORS TO JOIN SOCIALLY RESPONSIBLE INVESTMENT?

INT1	Socially responsible stocks are a compelling investment option.	
INT2	I plan to recommend socially responsible stocks to others for investment.	
INT3	I plan to allocate a larger portion of my portfolio to socially responsible stocks.	(Shehata et. al 2021); (Trang and Tho 2017); (Hoffman
INT4	My intention is to utilize my investments for sustainability and contribute to societal change.	et.al. 2007) (Raut et.el. 2020)
INT5	I am committed to avoiding stocks that have a detrimental impact on society, ethics, and the environment.	

References

Adam, A. A., & Shauki, E. R. (2014). Socially responsible investment in Malaysia: behavioral framework in evaluating investors' decision making process. *Journal of cleaner production*, 80, 224-240.

Ajzen, I. (1991). The theory of planned behavior. *Organizational Behavior and Human Decision Processes*, 50(2), 179–211.

Akhtar, Fatima & Das, Niladri. (2018). Predictors of investment intention in Indian stock markets: Extending the theory of planned behavior. *International Journal of Bank Marketing*, 37, 10.1108/IJBM-08-2017-0167.

Ali, A. (2011). Predicting Individual Investors-Intention to Invest: An Experimental Analysis of Attitude as a Mediator. *International Journal of Economics and Management Engineering*, 5(2), 157-164.

Bagozzi, R. P., & Yi, Y. (1988). On the evaluation of structural equation models. *Journal of the Academy of Marketing Science*, 16, 74-94.

Barry, M., & Wilkinson, A. (2016). Pro-social or pro-management? A critique of the conception of employee voice as a pro-social behavior within organizational behavior. *British Journal of Industrial Relations*, 54(2), 261-284.

Berger, I. E., & Corbin, R. M. (1992). Perceived Consumer Effectiveness and Faith in Others as Moderators of Environmentally Responsible Behaviors. *Journal of Public Policy & Marketing*, 11(2), 79–89. doi:10.1177/074391569201100208.

Boivin, C., Fabien, D., Lova, R., & Francine, R. (2016). Understanding Green Consumption: Is Perceived Consumer Effectiveness a Predictor of Green Behavior? *In Marketing Challenges in a Turbulent Business Environment: Proceedings of the 2014 Academy of Marketing Science (AMS) World Marketing Congress* (pp. 27-31). Springer International Publishing.

Borgers, A. C., & Pownall, R. A. (2014). Attitudes towards socially and environmentally responsible investment. *Journal of Behavioral and Experimental Finance*, 1, 27-44.

Carpenter, S. (2018). Ten steps in scale development and reporting: a guide for researchers. *Communication Methods and Measures*, 12(1), 25–44.

- Chin, Wynne W. (1998). The partial least squares approach to structural equation modeling. In *Modern Methods for Business Research*, edited by G. A. Marcoulides. Mahwah: Lawrence Erlbaum, pp. 295–336.
- Churchill Jr, G. A. (1979). A paradigm for developing better measures of marketing constructs. *Journal of Marketing Research*, 16(1), 64-73.
- Clarke, D. (2003). *Pro-Social and Anti-Social Behaviour*. [Electronic]. Routledge Taylor & Francis Group. London.
- Cowton, C. J., & Sandberg, J. (2011). Socially responsible investment. *Elsevier*, 142151.
- Eisenberg, N., & Sadovsky, A. (2004). Prosocial behavior, development of. In *Encyclopedia of Applied Psychology, Three-Volume Set* (pp. 137-141). *Elsevier Science Ltd*.
- Elango, D., Ajah, S. N., & Shah, J. (2023). Factors Influencing Investment Intention Among Gen Z: *The Antecedent of India*. *Interdisciplinary Research Review*, 18(3). Retrieved from <https://ph02.tei-thajjo.org/index.php/jtir/article/view/247505>
- Ellen, Pam, Wiener, Joshua, & Cobb-Walgren, Cathy. (1991). The Role of Perceived Consumer Effectiveness in Motivating Environmentally Conscious Behaviors. *Journal of Public Policy & Marketing*, 10. 102-117. 10.1177/074391569101000206.
- Falk, R. F., & Miller, N. B. (1992). A primer for soft modeling. *University of Akron Press*.
- Follows, S. B., & Jobber, D. (2000). Environmentally responsible purchase behavior: A test of a consumer model. *European Journal of Marketing*, 34(5/6/6), 723-746.
- Fornell, C., & Larcker, D. F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of Marketing Research*, 18(1), 39-50.
- Garg, A., Goel, P., Sharma, A., & Rana, N. P. (2022). As you sow, so shall you reap: Assessing drivers of socially responsible investment attitude and intentions. *Technological Forecasting and Social Change*, 184, 122030.
- Ha, H. Y., & Janda, S. (2012). Predicting consumer intentions to purchase energy-efficient products. *Journal of Consumer Marketing*, 29(7), 461-469.
- Hair, J. F., Ringle, C. M., & Sarstedt, M. (2011). PLS-SEM: Indeed a silver bullet. *Journal of Marketing Theory and Practice*, 19(2), 139-152.
- Hair, J.F., Black, W.C., Babin, B.J., Anderson, R.E., & Tatham, R.L. (1998).
- Han, H., & Yoon, H. J. (2015). Hotel customers' environmentally responsible behavioral intention: Impact of key constructs on decision in green consumerism. *International Journal of Hospitality Management*, 45, 22–33.
- Hartmann, P., & Apaolaza-Ibañez, V. (2012). Consumer attitude and purchase intention toward green energy brands: The roles of psychological benefits and environmental concern. *Journal of Business Research*, 65(9), 1254-1263.
- Harry Markowitz, 1952. "Portfolio Selection," *Journal of Finance*, American Finance Association, vol. 7(1), pages 77-91, March.
- Henseler, J., Ringle, C. M., & Sarstedt, M. (2015). A new criterion for assessing discriminant validity in variance-based structural equation modeling. *Journal of the Academy of Marketing Science*, 43, 115-135.

- Jeurissen, R. (2000). John Elkington, Cannibals With Forks: The Triple Bottom Line of 21st Century Business. *Journal of Business Ethics*, Vol. 23 No. 2, pp. 229–234
- Junkus, J. C., & Berry, T. C. (2010). The demographic profile of socially responsible investors. *Managerial Finance*, 36(6), 474-481.
- Kang, J., Liu, C., & Kim, S. H. (2013). Environmentally sustainable textile and apparel consumption: the role of consumer knowledge, perceived consumer effectiveness, and perceived personal relevance. *International Journal of Consumer Studies*, 37(4), 442-452.
- Kenneth R. Lord & Sanjay Putrevu (1998) Acceptance of Recycling Appeals: The Moderating Role of Perceived Consumer Effectiveness. *Journal of Marketing Management*, 14(6), 581-590.
- Kim, Y. E. O. N. S. H. I. N. (2011). Understanding green purchase: The influence of collectivism, personal values, and environmental attitudes, and the moderating effect of perceived consumer effectiveness. *Seoul Journal of Business*, 17(1), 65.
- Kirman, M., & Mohammed K. N. (2016). Environmental concern to attitude towards green products: Evidence from India. *Serbian Journal of Management*, 11.
- Kumar, B., Manrai, A. K., & Manrai, L. A. (2017). Purchasing behavior for environmentally sustainable products: A conceptual framework and empirical study. *Journal of Retailing and Consumer Services*, 34, 1-9.
- Lewis, A., & Mackenzie, C. (2000). Morals, money, ethical investing and economic psychology. *Human Relations*, 53(2), 179-191.
- Liu, M. T., Liu, Y., & Mo, Z. (2020). Moral norm is the key: an extension of the theory of planned behavior (TPB) on Chinese consumers' green purchase intention. *Asia Pacific Journal of Marketing and Logistics*, 32, 1823–1841.
- Shehata, S. M., Abdeljawad, A. M., Mazouz, L. A., Aldossary, L. Y. K., Alsaeed, M. Y., & Noureldin Sayed, M. (2021). The moderating role of perceived risks in the relationship between financial knowledge and the intention to invest in the Saudi Arabian stock market. *International Journal of Financial Studies*, 9(1), 9.
- McLachlan, J., & Gardner, J. (2004). A comparison of socially responsible and conventional investors. *Journal of Business Ethics*, 52, 11-25.
- Munoz-Torres, M. J., Fernandez-Izquierdo, M. A., & Balaguer-Franch, M. R. (2004). The Social Responsibility Performance of Ethical and Solidarity Funds: An Approach to the Case of Spain. *Business Ethics - A European Review*, 13 (2).
- Ming, B. H., Gan, G. G. G., & Ramasamy, S. (2015). The Role of Concern for the Environment and Perceived Consumer Effectiveness on Investors' Willingness to Invest in Environmentally-Friendly Firms. *Kajian Malaysia: Journal of Malaysian Studies*, 33.
- Ng, C. P., Cheong, L. T., Tee, P. K., Kim-Yew, L., Hai, S. T., Hoo, W. C., & Ng, A. H. H. (2022). Will Perceived Behavioral Control Influence Malaysian Generation Y and Z to Join in Stock Market?. *NeuroQuantology*, 20(6), 60.
- Nilsson, J. (2007). Investment with a Conscience: Examining the Impact of Pro-Social Attitudes and Perceived Financial Performance on Socially Responsible Investment Behavior. *Journal of Business Ethics*, 83(2), 307–325.

- Nilsson, J., Jansson, J., Isberg, S., & Nordvall, A.-C. (2014). Customer satisfaction with socially responsible investing initiatives: The influence of perceived financial and nonfinancial quality. *Journal of Financial Services Marketing*, 19(4), 265–276.
- Oskamp, S., Harrington, M. J., Edwards, T. C., Sherwood, D. L., Okuda, S. M., & Swanson, D. C. (1991). Factors influencing household recycling behavior. *Environment and Behavior*, 23(4), 494–519.
- Paetzold, F., & Busch, T. (2014). Unleashing the powerful few: Sustainable investing behavior of wealthy private investors. *Organization & Environment*, 27(4), 347–367.
- Palacios-González, M. M., & Chamorro-Mera, A. (2018). Analysis of the predictive variables of the intention to invest in a socially responsible manner. *Journal of Cleaner Production*, 196, 469–477.
- Pascual-Ezama, D., Scandroglio, B., & Gil-Gomez de Liaño, B. (2014). Can we predict individual investors' behavior in stock markets? *A psychological approach. Universitas Psychologica*, 13(1).
- Ramayah, T., Lee, J. W. C., & Lim, S. (2012). Sustaining the environment through recycling: an empirical study. *Journal of Environmental Management*, 102, 141–147.
- Raut, R. K., Kumar, R., & Das, N. (2020). "Individual investors' intention towards SRI in India: an implementation of the theory of reasoned action". *Socially Responsibility Journal*, ahead-of-print.
- Raut, R. K., Shastri, N., Mishra, A. K., & Tiwari, A. K. (2023). Investor's values and investment decision towards ESG stocks. *Review of Accounting and Finance*.
- Sahi, S. K. (2017). Psychological biases of individual investors and financial satisfaction. *Journal of Consumer Behavior*, 16(6), 511–535.
- Shehata, S. M., Alaa M. Abdeljawad, L. A. Mazouz, Lamia Yousif Khalaf Aldossary, & Noureldin Sayed, M. (2022). "Antecedents of Generation Z's intention to invest in SRI." *Sustainability*, 14(18), 11377.
- Starr, M. A. (2008). Socially responsible investment and pro-social change. *Journal of Economic Issues*, 42(1), 51-73.
- Sudarsono, M. C. S. R. (2015). Using theory of planned behavior in predicting intention to invest: Case of Indonesia. *International Academic Research Journal of Business and Technology*, 1(2), 137-141.
- Taber, K. S. (2018). The use of Cronbach's alpha when developing and reporting research instruments in science education. *Research in Science Education*, 48, 1273-1296.
- Tenenhaus, M., Vinzi, V. E., Chatelin, Y. M., & Lauro, C. (2005). PLS path modeling. *Computational Statistics & Data Analysis*, 48(1), 159-205.
- Thai, P., Trang, M., & Tho, N. H. (2017). "Perceived Risk, Investment Performance and Intentions in Emerging Stock Markets". *International Journal of Economics and Financial Issues*, 7(1), 269–278.
- Thanki, H., Shah, S., Rathod, H. S., Oza, A. D., & Burduhos-Nergis, D. D. (2022). I am ready to invest in socially responsible investments (SRI) options only if the returns are not compromised: individual investors' intentions toward SRI.

- Trafimow, D., Sheeran, P., Conner, M., & Finlay, K. A. (2002). Evidence that perceived behavioral control is a multidimensional construct: Perceived control and perceived difficulty. *British Journal of Social Psychology*, 41(1), 101-121.
- Ursachi, G., Horodnic, I. A., & Zait, A. (2015). How Reliable are Measurement Scales? External Factors with Indirect Influence on Reliability Estimators. *Procedia Economics and Finance*, 20, 679–686.
- Vinzi, V. E., Chin, W. W., Henseler, J., & Wang, H. (2010). *Handbook of Partial Least Squares* (Vol. 201, No. 0). Berlin: Springer.
- Weinbrenner, H. L. (2023). Impact investment intentions of Generation Z: exploring the factors that drive young private investors to decide for environmental, social, and governance (ESG) funds.
- Williams, G. (2007). Some Determinants of the Socially Responsible Investment Decision: A Cross-Country Study. *Journal of Behavioral Finance*, 8(1), 43–57.
- Kim, Y. (2011). Understanding Green Purchase: The Influence of Collectivism, Personal Values and Environmental Attitudes, and the Moderating Effect of Perceived Consumer Effectiveness. *Seoul Journal of Business*, 17, 65-92.
- Zaremohzzabieh, Zeinab, Ismail, Normala, Ahrari, Seyedali, & Abu Samah, Asnarulkhadi. (2021). The effects of consumer attitude on green purchase intention: A meta-analytic path analysis. *Journal of Business Research*, 132, 732-743.
- Zolait, Ali. (2013). The nature and components of perceived behavioral control as an element of the theory of planned behavior. *Behavior and Information Technology*, 33.