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A Study on Behavioral Finance and Financial Decision-Making Process Relates to Loan Advancement System

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Abstract

Behavioral finance introduction includes psychology, sociology, research methodology into the investment behavior to expand the investment decision process. The traditional principles of the decision making process varies the presences and the investors handle the information an take the actions. Behavioral finance is not only the area of finance but the applied financial problems. This method to find out the different levels of the risk tolerances. This paper offers a detailed study on the evolution of the financial decision-making theories, focusing on the classical finance to behavioral finance. The investors faced criticism highlights the importance of the considering irrational behaviors in the financial markets. The behavioral finance shows the gap in to the integrating the psychological insights into the financial decision making process.

Aims:- 1) To examine the behavioral aspects of the financial decision-making.
2) To evaluating better understanding of the decision making process of investors.
3) To extending the knowledge of behavioral finance among the scholars of commence behavior and the personal finance.

Methods:- This study is totally based on secondary basis for that some secondary source are used such as: newspaper, magazines, journals, articles, broachers, etc.

Results:- the result of this study to indicate the logical to sole the financial issues and the financial management and the financial decision making process in this over indicates that the behavior. Financial behavior system implicates for the management and individual decision making and investors might be made. This research improves the outcomes from this research. Finance educators. The current study provides an understanding of behavioral biases in the capital management system. This study helpful for the stock exchange market and market investors. This study totally based on the psychological pattern and the stock exchange market behavior of the customers.

Conclusion:- This study demonstrates the despite the real facts and logic is currently used mainly in the technical directions. The behavioral fiancé process is totally based on the psychology based theory to explain the psychological financial, loan advancement and stock market behavior. The understanding of the investors biases is a crucial for the development risk management strategies and the investment recommendations. Ultimately leading to improve the market performance.

Keywords:- Behavioral Finance, psychology, investors, decision making, relationship, loan advancement.

Objectives of the study:-
1) To examine the behavioral aspects of the financial decision-making.
2) To evaluating better understanding of the decision making process of investors.
3) To extending the knowledge of behavioral finance among the scholars of confirm behavior and the personal finance.

Introduction:- Behavioral finance is a relatively new and unique parameters to explore the behavioral of the financial terms and conditions but rapidly evolving field that will be provides explanations of an financial decision- making that is cognitive behavioral and that is the financial approach behavioral finance known a the influence of psychology of the human being towards the investment decisions. Traditional finance and modern finance system this are the most effective and rational efficient and unbiased users of relevant information consist the utility maximization. The basic assumption of traditional finance is that all the response the market participants. We well as the market itself. The investors who makes a non-optional decisions will be penalized by the poor market condition and their outcomes. It is also true that the individual errors made by the influencing market pricing. The behavioral finance is totally based on the alternative notion that investors or the significant minority of them. The subject to behavioral biases that means the noted that financial decision making process. The main reason is that the features of cognitive psychology are applied in the behavioral finance and this financial system directly impacts on the loan advancement system on the financial institutions. Behavioral finance does not discover and expand the financial market and the market decision making process using psychological approach many assumptions of the behavioral fiancé. The issue of the investors it is proves that the financial statement and the consumer behavior system. To extend the knowledge about the behavioral finance greatly known as the behavior pattern for the financial system and the psychological behavior system. (Valaskova, Bartosova, & Kubala, 2019)

This study is totally based on the psychological parameters of the investors decision choices. This is also known as the identify such as the components of mental accounting system and the explored the presence of mental accounting influences in the household situation. This analysis has been formulated by the different skills and the and the different financial parameters. The influence of the financial analysis and the mental accounting system. This research demonstrate that people make the financial decisions that re totally based on the emotional parameters. Behavioral finance it helps to understand the people do not make their financial decisions. The present study identify the one such component that is mental accounting system and the expansion of mental accounting influences in the household financial decision making. The current study examines the establishes psychological conditions of the human being that which will be helps to expand the knowledge of behavioral finance among scholars of consumer behavior and also to be the financial services. The terms of behavioral psychological effects on the financial decision making process the most essential reason to study the behavior finance is the limitation bindings on the traditional finance system who indecent of the investors financial decision behavioral decision making has been cover the areas of interest for economist for the many years in such a way to expand the various aspects of the mental accounting systems. Individuals households financial decision making is the influential by thee psychological implications. (Mahapatra & Mishra, 2020)

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Behavioral finance is the psychological influences an biases affects on the financial behavioral finance of investors and the financial practitioners. The behavioral finance is the integral part

of the investing the securities and the exchange commission has the focused on the behavioral finance. Behavioral finance cn be analyzed from a variety of the perspectives of the behavioral financial system. Stock market returns are one of the financial and psychological outcomes and returns. The purpose of the classification of behavioral finance is to helps to understand the choices can be affect markets. Behavioral finance assumed that self-controlled bit rather than the psychological influential with somewhat normal and self-controlling tendencies. Financial decision making often relies on the psychological and the physical health. Investor's overall health improves the mental ability and the decision making power of the human being.one of the special aspects of the behavioral financial studies shown that the financial system supports the accountability of the different types of behavioral finance. The study of analysis of industry or the sector outcomes and useful results.
Behavioral financial concepts are as under:-

Sr. No.	Behavioral Financial Concepts
1	Mental accounting system
2	Herd behavior
3	Emotional gap
4	Anchoring
5	Self-attribution

The investors invest their money for the trust of financial institutions. The understanding and usage of the behavioral finance biases can be applied for the stock and other trading biases can be relating to the stock and trading markets. Behavioral finance theories gave also been used to provide clearer market conditions. Behavioral fiancé helps to understand the financial decisions around things like investments, payments, risk and personal loan or the loan advancements. (Hayes, 2024)
In this study it is offers to empirical into the investors behavior and its correlation with the behavioral finance and the investment decisions in the Pakistan stock exchange market. Financial decision making are essential and necessary for the financial and personal wealth management. The conventional finance theories focused on the utility that marketers are efficient and investors are rational in their decision making. Efficient market condition information reaches the market quickly and equally. The ratuibak decision making, investors collect and process this crucial information regarding some basic factors:- attitude and investors making investment decisions. A lack of efficiency of the financial markets and the rational decision making power. The behavioral finance further challenges the efficiency6 of markets and rationality in decision ,making .the impact of aspirations, where emotions dominate the limited knowledge or the decision-making. (Mahmood, Arshad, Khan, Afzal, & Bashir, 2024)
This study analyses the detailed study on the evolution of the financial decision making process and the focusing on the shift from the classical finance to the behavioral financial system. This study is totally based on the behavioral finance and this study likely to promote the investment decisions. Main focused arrived to the stock market and likely to be framed financial behavior of the terms. In the financial institutions main important sauce to generate the income that is loan and advances. This is this basic and main source of the financial market and economic conditions will be strong because of the financial behavior of the market conditions. The behavioral finance interlinked with the stock exchange market and personal advances to examine the loans and advances. Behavioral finance is the most important factor for the financial investment decision. Financial decision relates to the behavioral financial system. (Kanapickience, Vasiliauskaite, Keliuotyte-staniuleniene, Spicas, KaabOmeir, & Kanapickas, 2024)
Behavioral economics means the behavioral finance have emerged the research areas that have relatively innovative and finance theories. This study is important for the examine the

behavioral approach by awarding the prizes in the economic science. This study observed that behavioral finance are closely related with much overlap between the two areas. Which was grown over the time. This study noted that the field of behavioral finance is the wider their the behavioral finance. The former issuers covers that the connection of human behavior with demand, consumption, prices, decision making and the different role that biases play in the decision making process the focus on the study of errors in the judgment and the decision-making is a branch of behavioral finance was influenced by the work of some of the discipline behavioral approach offers the opportunity to develop better models of economic by the inculpating social sciences. (Corzo, Hernan, & Pedrosa, 2024)

In this study contemporary model will be based on the behavioral finance and loan advances. This ideals with the relationship between the consumer and the money deemed to be the pertinent to understand the beliefs, attitudes and the decision-making to adopts and the use of financial digital products and services offered through digital media. Attributes of the products and services as perceived by the financial consumers determinants the degree of adoption and the analytical framework online and offline is introduced by the financial system to manage the test assumptions about the new products. The decision making process includes cognitive biases and emotional sentiments that can leads to the various markets inefficiencies. This study contributes to the discipline that will be the bifurcate into the five several ways:-

1) identify the most used keywords
2) reveal the most frequent relationships
3) demonstrate the frequently used words.
4) this are the several ways to connected throughout the studies.

A general thing that the higher importance research economics and the associated with the psychological traits that explored under the behavioral financial system and the loan advances. (Reyes-Mercado, 2021)

loan advancement in the big terms to the consumers and the financial institutions consumer generates the purchasing and investment decisions, consider their available budget payment mode. Consumer must also plan for the long term saving objectives. Financial decisions over fundamental terms that directly affect on the financial terms. In other segments the marketing field study shoe=s the financial decision making process and identify the gap between the identify gaps an opportunities. In the forms of behavioral finance some major points to be categorized such as:- 1) the psychology of spending, saving and investment.
2) trade-offs and the resource allocation.
3) determination of influencing biases and preferred one.
4) payment system and debt system
5) all over the negative impact.

This study relatively focus on the understanding the psychology of the consumer. Psychology is the main factor for giving the any types of decisions are the investment. Behavior finance is totally based on the psychology of the living person for the economic and investment purposes. (Sussman, Hershfield, & Netzer)

Findings:- the understand the other problems relating to the behavioral finance in the explaining the investor behavior and the market research. This study systematically framed and shows to the investors for the investment decision making process. In the financial institution it is focused on the financial parameters to examine the financial techniques of the issues. Investment decision is most important factor of the personalized the every individuals.

Conclusions:- This study departs from the previous study by examining the behavioral finance related to the study in the behavioral finance. This study contributed to the discipline in the several ways. In this study newly framed the towards that is the behavioral fiancé behavioral finance is most important factor that expanding the financial parameters and the matters of the financial institution. The purpose of this study to examine the behavioral aspect in the financial decision making applying the new and expandable techniques to and the that is useful for the financial investors. The behavioral fiancé process is totally based on the psychology based theory to explain the psychological financial, loan advancement and stock market behavior. This studies purpose to examine and the find out financial choices and it is evaluate the financial terms an based on the behavioral finance that is formulated the financial parameters.

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