



香港樹仁大學

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# Understanding Investor Personality and Behaviours (了解投資者性格及行為)



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# Outline

Today we will discuss the relationship between investor personality and behaviours

## Outlines:

1. Introduction
2. Personality: The Big 5 Model
3. Behaviour: Investor Tendency/Biases
4. Online Gamified Test of Investor Behaviour
5. Conclusion



# ... Introduction ...

- Bounded Rationality (有限理性)
- Individual Differences
- Personality Traits (個人特質)



# Big 5 Model

- Openness (開放性)
- Conscientiousness (盡責性)
- Extraversion (外向性)
- Agreeableness (宜人性)
- Neuroticism (神經質)



# Big 5 Model (Gosling et al., 2003)



Openness (開放性)



High

- Very Creative
- Open to trying new things
- Focused on tackling new challenges



Low

- Dislikes change
- Does not enjoy new things
- Resists new ideas
- Not very imaginative

# Big 5 Model (Gosling et al., 2003)



Conscientiousness (盡責性)



High

- Spends time preparing
- Finishes important tasks right away
- Pays attention to detail
- Enjoys having a set schedule



Low

- Dislikes structure and schedules
- Procrastinates important tasks
- Fails to complete necessary or assigned tasks

# Big 5 Model (Gosling et al., 2003)



## Extraversion (外向性)



### High

- Like to start conversations
- Enjoy meeting new people
- Enjoy being the centre of attention



### Low

- Prefer solitude
- Exhausted after socializing with people
- Difficult to start conversations
- Dislike being the centre of attention

# Big 5 Model (Gosling et al., 2003)



Agreeableness (宜人性)



High

- Care about others
- Assist other who are in need



Low

- Not care about how other people feel
- Have little interest in other people's problems



# Big 5 Model (Gosling et al., 2003)



Neuroticism (神經質)



High

- Worry about many different things
- Gets upset easily
- Feel anxious
- Get upset easily



Low

- Emotional Stable
- Not worry much
- Deal well with stress
- Rarely feel sad or depressed

# Investor Behaviour

## Risk Aversion

Risk aversion refers to the tendency of individuals to prefer outcomes with lower uncertainty over those with higher uncertainty, even if the expected value of the riskier option is equal to or greater than that of the safer option.



# Investor Behaviour

## Herding Bias

Herding bias is a behavioral phenomenon where individuals mimic the actions of a larger group, often leading to irrational decision-making.



# Investor Behaviour

## Overconfidence

Overconfidence is a cognitive bias where individuals overestimate their knowledge, abilities, or the accuracy of their predictions.



# Investor Behaviour

## Overreaction

Overreaction refers to the tendency of investors to respond too strongly to new information, leading to price movements that are not justified by the underlying fundamentals.



# Investor Behaviour

## Expectation of High Return

The expectation of high return is a common belief among investors that certain investments will yield significantly higher returns compared to others.



# Study

## Methods

- (1) Literature Collection (文獻收集)
- (2) Taxonomy Development (分類)
- (3) Meta Analysis (統合分析):  
Establishment of Relationships  
between Personality and Behaviour



# ... Online Gamified Test of Investor Behaviour ...

Questions with Storytelling

Gamified Graphics and Social Sharing

Customized Feedback





# ... Online Gamified Test of Investor Behaviour ...

Questions with Storytelling

Gamified Graphics and Social Sharing

Customized Feedback



# Study

## Findings

**Low Extraversion**

**Low Openness**

**Risk Aversion/Seeking?**



# Study

## Findings

**Low Extraversion**

**Low Openness**



**Risk Aversion**

# Study

## Findings

**High Neuroticism**

**High Extraversion**



# Study

## Findings

**High Neuroticism**

**High Extraversion**

**Strong Herding Bias**



# Study

## Findings

**High Conscientiousness**

**High Extraversion**



# Study

## Findings

**High Conscientiousness**

**High Extraversion**

???

**Over-confidence**



# Conclusion

1. The relationship between the Big 5 personalities and investor behaviour
2. Self-discovery of own investor behavior through a gamified online test
3. To make informed and responsible investment decisions in the future





**FinTech**



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# Thank You

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**Feel free to drop me an email for  
talk invitation and collaboration!**

...

**Teaching &  
Learning**