

Information-Seeking Behavior of Investors in the Iranian Stock Market

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Abstract

Purpose: The aim of this research is to assess the information-seeking behavior of investors in the Iranian stock market and identify the variables and behavioral biases that affect it.

Method: This research is a descriptive survey study. The statistical population includes investors in the Iranian stock market. Data was collected using a questionnaire, and its validity was assessed through content validity and final validity, with Cronbach's alpha being utilized for evaluation. Data were collected through a questionnaire based on Wilson's information-seeking behavior model, with a sample size of 150 participants surveyed at the end of 2022. Quantitative analyses were performed using SmartPLS software.

Findings: The findings reveal that investors require various types of basic and technical information, primarily accessed through main databases, social media, and financial statements of listed companies. The most significant factor influencing the choice of information source is the regular updating of information. Most participants exhibited purposeful search behavior, effectively identifying where to find information, trusting their judgment, and

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demonstrating strong information-seeking skills. Additionally, the research explored the financial behavior of investors, revealing that behavioral biases moderately impact their decision-making.

Conclusion: Overall, the results indicate that investors in the Iranian stock market recognize the vital role of information in their decisions. Thus, it is essential to provide tailored and relevant information through efficient information systems, educational resources, and other means. Although many respondents displayed effective information-seeking behavior and a solid level of financial knowledge, they remain susceptible to various behavioral biases.

Keywords: Information Needs ,Information Seeking Behavior, Stock Market, Iran

Introduction

Investing in the stock market is a vast industry, with millions of individuals and households worldwide participating in the stock market. (Adamopoulos, Dick & Bruno, 2013). Investing in the stock market involves buying and selling company shares. It is one of the most popular investment methods in developed and developing countries, with various types of investors and stock market participants, including those with adequate expertise and those lacking sufficient knowledge about investing in the stock market.

In discussions about investments, understanding the decision-making process of investors and the factors that influence their decisions is crucial (Seifollahi, Kordlouie & Dashti, 2015). In recent decades, financial theories have taken two different approaches to this issue. The first approach is the neoclassical approach in financial sciences. The fundamental premise of financial theories, according to this approach, is the efficiency of the market and the rational behavior of investors in the market (Seifollahi, Kordlouie & Dashti, 2015). The traditional finance paradigm examines the consumption and investment decisions of individuals and firms to explain their decision-making process. This includes the expected utility theory (EU), the portfolio selection theory, the capital asset pricing model (CAPM), the arbitrage pricing theory (APT), the Black–Scholes options pricing model, and the efficient market hypothesis (Elwani, 2016). Through time and extensive research, academic researchers have accumulated evidence showing irrational behavior and recurring errors in human evaluation and judgment (Pompian, 2012), and it is the second approach. From this point of view, decisions are not always rational and various other factors may affect people's investment decisions. Behavioral finance is the field that addresses this issue and combines behavioral and cognitive psychological theory with conventional economics and finance to explain irrational financial decisions. (Kumar, 2017). In behavioral finance, the characteristics that influence the decision-making process of people are studied, and these characteristics are called behavioral biases (Qalmoq et al., 2015). Behavioral biases that affect the financial decision-making of investors are categorized into cognitive biases and emotional biases (Pompian, 2012; Bihari et al., 2022).

In addition to these issues, another factor related to investment decision-making is "information". Since investing is a complex process

(O'Connor, 2013), investors need to make informed decisions (Elwani, 2016) to have a successful experience and gain more profit in the stock market. So it entails gathering and analyzing the information and making a decision based on that information (O'Connor, 2013). In other words, getting the right information at the right time is meaningful for investors (Sriborisutsakul & Inthong, 2018). Financial markets are constantly changing, and the abundance of information and the proliferation of financial products make finding information for investors both necessary and challenging (Loibl & Hira, 2009).

This information need leads people to information behavior, which Wilson (1999) defined as the purposeful search for the required information. After understanding the existence of a need, information-seeking behavior occurs. He also believes that constant interaction with people, situations, contexts, and social networks causes information-seeking behavior.

In recent years, due to a variety of economic and political conditions in Iran, many individuals have turned to investing in the stock market. According to statistics from the Stock Exchange Organization of Iran, approximately 50 percent of the country's population is now active in the stock exchange. However, many of these investors have entered the market without sufficient knowledge or information, leading to significant financial losses. Additionally, the surge of new investors into the stock market resulted in a rapid increase in prices, which was not based on solid fundamentals. This unsustainable rise ultimately led to a sharp decline, causing those affected by emotional and behavioral biases to incur considerable financial setbacks.

In conclusion, the influx of uninformed investors into the Iranian stock market has increased market volatility and led to widespread financial losses. This situation highlights a significant gap in understanding how investors seek and process information, particularly in the context of behavioral biases. This study aims to evaluate the information-seeking behaviors of investors in the Iranian stock market by identifying the key variables and biases that influence these behaviors. By uncovering patterns that contribute to poor decision-making, this research is crucial for informing educational programs, policy interventions, and investor training initiatives. These efforts could help mitigate biases, enhance market stability, and reduce economic losses for a large segment of the population.

Furthermore, by clarifying information-seeking behaviors, this study enables information service providers in the stock market—such as financial advisors, data platforms, and brokerage firms—to tailor their offerings more effectively. This ensures that investors have access to accurate, accessible, and bias-aware resources. Ultimately, by providing empirical insights tailored to Iran's unique economic context, this research fills a gap in the existing literature and supports more informed and resilient investment practices in a rapidly evolving financial landscape.

So, the objective of this study is to investigate the information-seeking behavior of investors in the Iranian stock market, focusing on the psychological, behavioral, and structural factors that influence how they identify, access, evaluate, and utilize financial information. This includes an examination of the roles that financial knowledge, socioeconomic status, and behavioral biases play in shaping their information practices.

Accordingly, the central research question is:

- How do Iranian stock market investors seek and use financial information, and what psychological, behavioral, and contextual factors influence this process?

Literature Review

Research into investors' information-seeking behavior consistently shows that decision-making involves more than just objective financial data; it also includes social, psychological, and experiential factors. Kingsford-Smith and Williamson (2004) emphasize the important role of social networks and collective sentiment in the search for financial information, challenging the idea that investors rely solely on quantitative data or broker advice. Similarly, Loibl and Hira (2009) identify various search typologies and demonstrate how an investor's level of involvement influences the depth and strategy of their information gathering.

The variety of information sources people use varies based on demographic and situational factors. According to O'Connor (2013), U.S. retirees tend to rely heavily on everyday media and personal networks, and there are notable differences in information usage between genders. In Saudi Arabia, Elwani (2016) shows that investors' search behaviors during the decision-making process are influenced by

their experience and socioeconomic status. Thai retirees, as noted by Sriborisutsakul and Inthong (2018), prefer mass media—particularly television and printed guides—but they face some obstacles to effective information searches and recommend targeted training to improve this. Meanwhile, KothaiAndal and Padma (2021) found that equity investors in Coimbatore, India, prioritize their information sources in the following order: the Internet, broadcast media, newspapers, and peer recommendations.

Information demand changes in response to market conditions. Vlastakis and Markellos (2012) introduced a proxy for information demand based on online search volume. Their research shows that increases in search activity are correlated with stock volatility and can even help predict it, even when accounting for information supply and market returns. They also found that higher levels of market risk aversion lead to an increase in overall information-seeking behavior.

Behavioral biases further shape how investors interpret and act on information. A substantial body of work documents the influence of overconfidence, herd behavior, and loss aversion on search patterns and decision outcomes (Ohaness et al., 2015; Ateş et al., 2016; Jain et al., 2020; Ahmed et al., 2022; Parveen et al., 2023; Altaf & Jan, 2023; Şenol & Onay, 2023; Abideen et al., 2023). These issues have also been investigated in the Iranian stock market, for example, Hosseini Chegeni et al. (2014), Ebrahimi Sarve Olia et al. (2017), Ebadpoor et al. (2019), Saadatzahe Hesar et al. (2021).

While extensive research has investigated the information-seeking behavior of stock market investors in various national contexts (Kingsford-Smith & Williamson, 2004; Loibl & Hira, 2009; Vlastakis & Markellos, 2012; O'Connor, 2013; Elwani, 2016; Sriborisutsakul & Inthong, 2018; KothaiAndal & Padma, 2021), the specific processes by which Iranian investors search for, evaluate, and utilize financial information have not been thoroughly explored. Information-seeking behavior is crucial as it significantly influences risk perception, alternative evaluation, and final investment decisions (Wilson, 1999). However, most studies focusing on Iranian investors have primarily centered on macro-level market trends or behavioral finance constructs such as overconfidence and herding, without systematically examining the information search process itself (Hosseini Chegeni et al., 2014; Ebrahimi Sarve Olia et al., 2017; Ebadpoor et al., 2019; Saadatzahe Hesar et al., 2021).

To date, no study has utilized Wilson's model or similar theoretical frameworks to analyze the factors influencing information-seeking behavior among investors in the Iranian market. This is surprising considering the model's ability to integrate psychological, social, and contextual factors (Wilson, 1999). Given Iran's unique cultural norms, economic constraints, regulatory environment, and varying levels of financial literacy, applying this framework could uncover specific drivers and barriers that international research might overlook.

The relationship between cognitive biases—such as the availability heuristic and confirmation bias—and intervening factors like financial knowledge and socioeconomic status has not been thoroughly explored in Iran. These elements are key to Wilson's understanding of information behavior and are essential for developing effective investor education programs and financial information systems (Ohaness et al., 2015; Ateş et al., 2016; Jain et al., 2020).

Despite an increasing amount of international research on investor behavior, there is a noticeable lack of empirical studies that directly examine how investors in the Iranian stock market seek, access, and utilize financial information. Without a systematic and theory-driven investigation into the psychological motivations, behavioral strategies, and structural constraints influencing their information-seeking practices, our understanding of Iranian investors' decision-making processes remains fragmented. This gap limits scholarly insight into the specific context and factors influencing information behavior, and it also obstructs the development of tailored investor education initiatives and financial information systems that align with Iran's cultural norms, economic conditions, and regulatory environment. To address this shortfall, the present study employs Wilson's model as a comprehensive framework to explore how Iranian investors navigate and utilize information. This approach aims to fill a critical gap in the literature and provide actionable recommendations for regulators, policymakers, and financial service providers.

Method

In this study, a quantitative approach was used to analyze the information-seeking behavior of investors in the Iranian stock market. the statistical population includes all investors who are currently investing in the Iranian stock market. The statistical population of investors in the Iranian stock market was chosen because they are the

primary actors engaged in continuous information-seeking for decision-making under uncertainty. Their behavior directly reflects the dynamics of financial information use, making them the most relevant and appropriate group for investigating the research objectives.

Data collection was conducted through an online questionnaire that was adapted from previous research studies by Elwani (2016) and Sriborisutsakul and Inthong (2018), as well as the financial knowledge section added by the researchers. A 5-point Likert scale was utilized in the questionnaire.

The questionnaire was distributed at the end of 2022. Due to the prevailing conditions at the time of data collection—including an unprecedented drop in the stock market index, significant losses experienced by most investors, ongoing sanctions, social unrest, and limited access to the Internet and social media—moreover, active investors currently in the market were often unwilling to participate due to their losses and a general lack of enthusiasm. Consequently, the number of completed questionnaires received was lower than anticipated. So, the researcher was unable to access the community adequately. As a result, the sample size for the study was reduced to 150 participants.

Through this questionnaire and with the perspective of Wilson's information-seeking behavior model, the information-seeking behavior of Iran Stock Exchange investors, as well as the effect of intervening variables on the information-seeking behavior of these investors, have been studied. Content validity was used to determine the validity of the questionnaire. Cronbach's alpha coefficient was used to obtain the reliability of the questionnaire, which was higher than 0.7 and therefore confirmed. Then the data was analyzed with SmartPLS software using the Structural Equation Model.

The research model is shown in Figure 1.

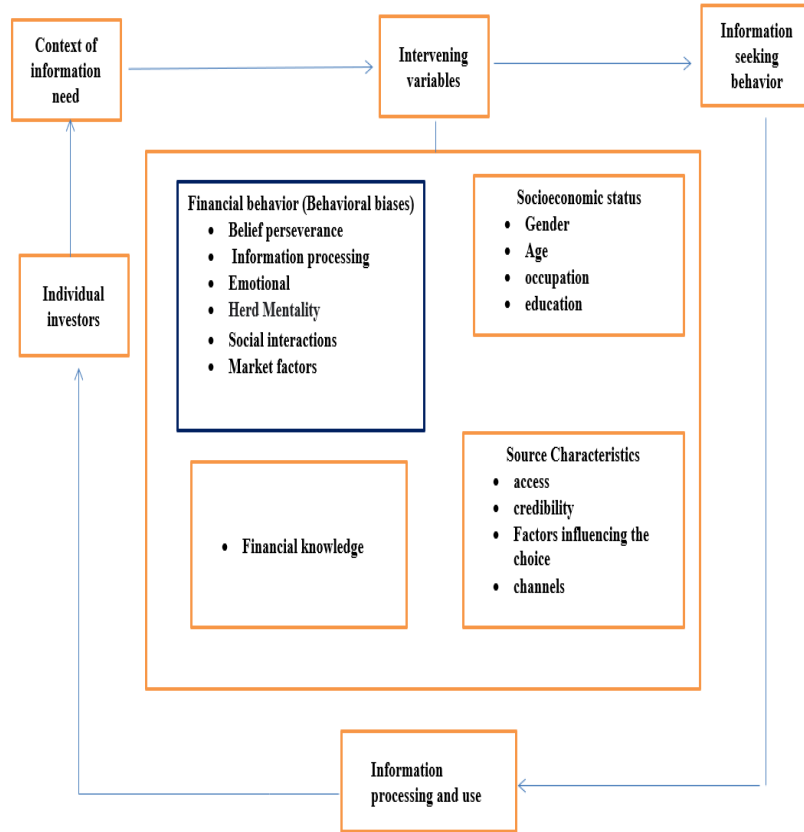


Figure 1. The information behavior of individual investors in the Iranian stock market based on the general model of the information behavior of Wilson (1997), based on research (Elwani, 2016; Sriborisutsakul & Inthong, 2018)

Findings

The demographics and characteristics of the sample are displayed in Table 1. The majority of the investors were men. Most participants in the study were between the ages of 32 and 40, with 60% being married. The highest number of investors held a Master's degree. Additionally, 60% of the investors had 1 to 5 years of experience in the stock market. The primary motivation for investment was capital growth.

Table 1. Investor Demographics & Characteristics

Category	Details
Gender	61% Male, 39% Female

Age Distribution	3.3% under 20; 28.6% between 20-30;38% between 31–40,21.3% between 41–50; 8.6% over 50 years old
Marital Status	40% Single, 60% Married
Education Level	Master's: 35.30 % ; Bachelor's: 33.30 % ; Doctorate: 11.30 % ; Associate: 9.30 % ; Diploma: 6.6 % ; Sub-diploma: 4 %
Stock Market Experience	60% 1–5 years; 19.3 % 6–10 years ; 10.6 % less than 1 year ; 9.3 % have over 10 years of activity
Investment Motivation	Capital Growth: 82 %; Savings: 47.9 %; Risk Love: 19 %; Retirement/Future: 13.6 %; Other: 4.7 %

Information Needs of Investors in the Stock Market

The analysis of the data showed that investors in the stock market need both fundamental information and technical information, although the need for fundamental information is slightly greater. This result is shown in Table 2.

Table 2. Information needs of investors

		Very Low	Low	Moderate	High	Very High	Mean	Standard deviation
I need fundamental information such as the general state of the country's economy, the state of the industry, the state of the company, etc.	Number	3	6	21	47	72	4.2	0.965
	Percentage	2.0 %	4.0 %	14.1 %	31.5 %	48.3 %		
I need technical information such as looking at past stock price trends and forecasting them with charts and mathematical relationships.	Number	2	4	31	56	57	4.08	0.901
	Percentage	1.3 %	2.7 %	20.7 %	37.3 %	38.0 %		

In both types of information, respondents stated that they have a high need for information. In fundamental information, 48.3% stated their need was very high and only 2% stated their need was very low. In technical information, the highest option was very high need with 38% and the lowest was very low need with 1.3%.

Access to Information

Table 3 reports the number and percentage of responses to 14 variable questions on access of investors to information, along with the mean and standard deviation.

Table 3. Access to information by investors in the stock market

		Never	Rarely	Sometimes	Very Often	Always	Mean	standard deviation
Financial statements of companies admitted to the stock exchange	Number	9	18	43	54	25	3.46	1.093
	Percentage	6.0 %	12.1 %	28.9 %	36.2 %	16.8 %		
Announcements of companies admitted to the stock exchange	Number	10	17	57	45	19	3.31	1.055
	Percentage	6.8 %	11.5 %	38.5 %	30.4 %	12.8 %		
Public company websites	Number	17	16	59	38	19	3.17	1.143
	Percentage	11.4 %	10.7 %	39.6 %	25.5 %	12.8 %		
Economic reports issued by the bank	Number	16	29	51	35	18	3.07	1.161
	Percentage	10.7 %	19.5 %	34.2 %	23.5 %	12.1 %		
Official statistical reports	Number	11	28	44	44	22	3.26	1.146
	Percentage	7.4 %	18.8 %	29.5 %	29.5 %	14.8 %		

The main stock exchange databases such as TSETSE site, Kodal site, SEO site, Sena site, fipiran site, Rahward 365 site	Number	9	13	26	50	51	3.81	1.176
	Percentage	6.0 %	8.7 %	17.4 %	33.6 %	34.2 %		
Exchange sub-bases	Number	8	20	68	32	21	3.26	1.034
	Percentage	5.4 %	13.4 %	45.6 %	21.5 %	14.1 %		
Books, newspapers and magazines	Number	24	44	58	17	6	2.58	1.021
	Percentage	16.1 %	29.5 %	38.9 %	11.4 %	4.0 %		
radio and TV	Number	23	49	64	8	5	2.48	0.934
	Percentage	15.4 %	32.9 %	43.0 %	5.4 %	3.4 %		
Informal online forums and chat rooms	Number	37	44	40	21	7	2.44	1.147
	Percentage	24.8 %	29.5 %	26.8 %	14.1 %	4.7 %		
Social media (Telegram, WhatsApp, Instagram)	Number	6	10	32	33	68	3.99	1.145
	Percentage	4.0 %	6.7 %	21.5 %	22.1 %	45.6 %		
Recommendations from friends and family	Number	24	24	41	47	13	3.01	1.216
	Percentage	16.1 %	16.1 %	27.5 %	31.5 %	8.7 %		
Financial advisors	Number	17	27	61	35	9	2.95	1.058
	Percentage	11.4 %	18.1 %	40.9 %	23.5 %	6.0 %		
Brokerages	Number	39	50	36	12	9	2.33	1.139
	Percentage	26.7 %	34.2 %	24.7 %	8.2 %	6.2 %		

As shown in Table 3, social media (Telegram, WhatsApp, Instagram) with a mean of 3.99, and the main stock exchange databases (Kedal, etc.) with 3.81 are the most sources used by investors permanently. Also, brokerages and informal online forums and chat rooms with the lowest mean have been the least used sources.

Factors of choosing information sources of investors

The influencing factors on the choice of an information source by investors in the stock market were investigated, and the results of which are shown in Table 4.

Table 4. Information source selection factors

		Very low	Low	Moderate	High	Very high	Mean	standard deviation
Information coverage	Number	7	10	54	52	26	3.54	1.01
	Percentage	4.7 %	6.7 %	36.2 %	34.9 %	17.4 %		
Credibility of information source	Number	6	6	52	48	37	3.7	1.018
	Percentage	4.0 %	4.0 %	34.9 %	32.2 %	24.8 %		
Regular information updates	Number	4	9	43	48	44	3.8	1.021
	Percentage	2.7 %	6.1 %	29.1 %	32.4 %	29.7 %		
Ease of use of information	Number	5	6	55	46	34	3.67	0.99
	Percentage	3.4 %	4.1 %	37.7 %	31.5 %	23.3 %		
Familiarity with the use of information sources	Number	5	10	61	44	28	3.54	0.985
	Percentage	3.4 %	6.8 %	41.2 %	29.7 %	18.9 %		

The cost of information	Number	10	15	47	41	35	3.51	1.158
	Percentage	6.8 %	10.1 %	31.8 %	27.7 %	23.6 %		
The speed of receiving information	Number	5	17	41	46	39	3.66	1.092
	Percentage	3.4 %	11.5 %	27.7 %	31.1 %	26.4 %		

As can be seen in the table above, the highest average is related to regularly updating information and is more important than the rest. Also, the sources selection factors in the order of their importance from the point of view of investors are regularly updating information, credibility of information source and speed of receiving information, convenience of using information, coverage of information, cost of information, and familiarity with using information source.

Information Behavior of Investors

Investors' information-seeking behavior has been studied with 12 sub-questions. Table 5 determines the information-seeking behavior of investors.

Table 5. Information-seeking behavior of investors

		Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree	Mean	standard deviation
I purposefully seek information that will help me make critical investment decisions in the stock market.	Number	2	6	32	86	23	3.82	0.789
	Percentage	1.3 %	4.0 %	21.5 %	57.7 %	15.4 %		
I am confident in my ability to research important stock market decisions.	Number	3	16	60	59	10	3.39	0.845

	Percentage	2.0 %	10 .8 %	40 .5 %	39 .9 %	6.8 %		
I know how to ask the right questions when looking for information about the stock market.	Number	2	6	51	74	14	3.63	0.76 9
	Percentage	1.4 %	4. 1 %	34 .7 %	50 .3 %	9.5 %		
When making decisions, I can easily focus on a few good sources of stock market information.	Number	1	14	60	61	12	3.47	0.80 3
	Percentage	0.7 %	9. 5 %	40 .5 %	41 .2 %	8.1 %		
I know where to look to find the information I need about the stock market	Number	3	9	51	74	11	3.55	0.80 3
	Percentage	2.0 %	6. 1 %	34 .5 %	50 .0 %	7.4 %		
I am confident in my ability to identify sources of information on the stock market that are worth paying attention to	Number	2	17	59	59	11	3.41	0.84
	Percentage	1.4 %	11 .5 %	39 .9 %	39 .9 %	7.4 %		
I can say which sources of information about the stock market meet my expectations.	Number	2	25	46	65	11	3.39	0.89 8
	Percentage	1.3 %	16 .8 %	30 .9 %	43 .6 %	7.4 %		
I trust my own judgment when deciding which stock market information source to consider.	Number	2	15	55	64	13	3.48	0.84 3
	Percentage	1.3 %	10 .1 %	36 .9 %	43 .0 %	8.7 %		

I always find the right information about the stock market.	Number	2	21	66	51	9	3.3	0.83 4
	Percentage	1.3 %	14 .1 %	44 .3 %	34 .2 %	6.0 %		
Most of the sources of information I find on the stock market are satisfactory.	Number	3	21	65	51	8	3.27	0.84 6
	Percentage	2.0 %	14 .2 %	43 .9 %	34 .5 %	5.4 %		
I have the necessary skills to obtain the necessary information before making important decisions in the stock market.	Number	5	19	41	69	15	3.47	0.95 5
	Percentage	3.4 %	12 .8 %	27 .5 %	46 .3 %	10.1 %		
The information available or obtained was sufficient for my decision in the stock market.	Number	6	26	57	50	10	3.21	0.94 8
	Percentage	4.0 %	17 .4 %	38 .3 %	33 .6 %	6.7 %		

As can be seen in the table above, the highest average is related to the first question that people believe they are purposefully looking for information that will help in making a vital investment decision in the stock market. The answers to all information-seeking behavior questions show an average above 3, which can be said to have a medium to high successful information-seeking behavior.

Use of information by investors

The way of using investors' information has been studied with 7 sub-questions. Table 6 shows the number and percentage of responses to 7 sub-questions on how to use investors' information, along with the mean and standard deviation.

Table 6. How to use information

		Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree	Mean	standard deviation
I use the searched information to analyze stock prices	Number	5	18	41	78	7	3.43	0.887
	Percentage	3.4 %	12.1 %	27.5 %	52.3 %	4.7 %		
I use the information searched for a general analysis of the economy and its effects on the stock market	Number	5	8	39	86	11	3.6	0.837
	Percentage	3.4 %	5.4 %	26.2 %	57.7 %	7.4 %		
I use the searched information to analyze the stock buying and selling trend	Number	4	8	36	90	11	3.64	0.806
	Percentage	2.7 %	5.4 %	24.2 %	60.4 %	7.4 %		
I use the search information to plan for investment strategies	Number	3	12	46	76	12	3.55	0.834
	Percentage	2.0 %	8.1 %	30.9 %	51.0 %	8.1 %		
I use the search information to manage the investment portfolio	Number	3	10	46	77	12	3.57	0.817
	Percentage	2.0 %	6.8 %	31.1 %	52.0 %	8.1 %		
I use the searched information to predict national and international economic trends	Number	6	7	40	83	13	3.6	0.869
	Percentage	4.0 %	4.7 %	26.8 %	55.7 %	8.7 %		
I use the search information to evaluate the vision of a specific industry or company	Number	5	12	42	81	9	3.52	0.859

	Percentage	3.4 %	8.1 %	28.2 %	54.4 %	6.0 %		
I use the searched information to analyze stock prices	Number	5	18	41	78	7	3.43	0.887
	Percentage	3.4 %	12.1 %	27.5 %	52.3 %	4.7 %		
I use the information searched for a general analysis of the economy and its effects on the stock market	Number	5	8	39	86	11	3.6	0.837
	Percentage	3.4 %	5.4 %	26.2 %	57.7 %	7.4 %		
I use the searched information to analyze the stock buying and selling trend	Number	4	8	36	90	11	3.64	0.806
	Percentage	2.7 %	5.4 %	24.2 %	60.4 %	7.4 %		
I use the search information to plan for investment strategies	Number	3	12	46	76	12	3.55	0.834
	Percentage	2.0 %	8.1 %	30.9 %	51.0 %	8.1 %		
I use the search information to manage the investment portfolio	Number	3	10	46	77	12	3.57	0.817
	Percentage	2.0 %	6.8 %	31.1 %	52.0 %	8.1 %		

In the questionnaire with 5 sub-questions, the financial knowledge of investors is studied and shown in Table 7.

Table 7. Financial knowledge of investors in the stock market

		Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree	Mean	standard deviation
I know about investing in the stock market	Number	3	19	36	73	18	3.56	0.93
	Percentage	2.0 %	12.8 %	24.2 %	49.0 %	12.1 %		

Among my friends, I am one of the "experts" on stock exchange	Number	16	28	73	26	6	2.85	0.97
	Percentage	10.7 %	18.8 %	49.0 %	17.4 %	4.0 %		
Compared to most other people, I have more information about investing in the stock market	Number	13	30	60	38	7	2.97	1
	Percentage	8.8 %	20.3 %	40.5 %	25.7 %	4.7 %		
I know about most of the new investments around	Number	9	30	46	55	8	3.16	1.01
	Percentage	6.1 %	20.3 %	31.1 %	37.2 %	5.4 %		
When I talk about stocks, I know a lot about it	Number	7	29	54	51	8	3.16	0.96
	Percentage	4.7 %	19.5 %	36.2 %	34.2 %	5.4 %		

The answers of the investors show that more than half of the investors, about 60%, admit that they know about investing in the stock market, and in general, according to the obtained means, the respondents have moderate to high financial knowledge.

Financial Behavior of Investors

The financial behavior of investors has also been studied. In this question, 27 sub-questions examine several investors' behavioral biases. Table 8 summarizes the results of each question.

Table 8. Financial behavior of investors in the stock market

Financial behavior biases	Mean
Belief perseverance bias	3.32
Information processing bias	3.39
Emotional bias	3.38
Herd Mentality bias	3.04
Social interactions bias	3.15
Market factors bias	3.56
All	3.30

The Findings of the T-Test

The t-test was used to check the research hypotheses, which shows the

output of the t-coefficients. When the t values are in the range of more than 1.96, the probability value is less than 0.05, which indicates the significance of the relevant parameter and subsequently the confirmation of the path coefficient. Table 9 shows the factor loadings of the research variables, the standard deviation of the coefficient estimate, the t-test statistic, and the probability value of the test for each path.

Table 9. Factor loads of research variables with test stats

Factors	Fact or load	Standard deviation of the coefficient	Test statistics	The amount of probability
Education -> Information Behaviour	0.142	0.052	2.733	0.006
Gender -> Informational Behaviour	0.218	0.056	3.869	0.000
History of activity in the stock market -> information behaviour	0.026	0.062	0.416	0.678
Access -> Information behaviour	0.181	0.075	2.399	0.017
Source selection factors -> information behaviour	0.016	0.072	0.226	0.822
Financial knowledge -> information behaviour	0.488	0.077	6.362	0.000
Social interactions bias -> information behaviour	0	0.083	0.002	0.999
Market factors bias -> information behaviour	0.182	0.069	2.63	0.009
Emotional bias -> informational behaviour	0.223	0.083	2.674	0.008
Herding Behaviour bias -> information behaviour	-0.237	0.064	3.722	0.000
Belief perseverance bias -> informational behaviour	0.016	0.075	0.218	0.827
Information processing bias -> information behaviour	0.155	0.095	1.63	0.104

As the table shows, the probability value for the relationship between the variables of Education, Gender, Access, Financial knowledge, Market factors bias, Emotional bias, Herding Behaviour bias, and information behavior is less than the default value is 0.05, and the resulting factor load is significant. Other paths that have a probability value greater than 0.05

are not significant and influential.

Discussion

This research sought to investigate information-seeking behavior in the stock market and the effect of various factors on it. The findings of this research showed that 61% of investors in the stock market are men and 39% are women. This result shows that men are responsible for most of the family economy, and they know more about economic markets. On the one hand, the participation of about 40% of women in the capital market shows the economic independence of women, and housewives also participate more in this market by being less busy and providing online transactions, as well as having small family funds and limited savings.

The findings showed that the largest number of people investing in the stock market are between the ages of 20 and 40, which indicates that young people are more interested in and familiar with investing in new economic markets, including the stock market. Also, because of the economic stagnation and youth unemployment, and the growth of the capital market in one period, it encouraged the youth in this age range to invest in the stock market for income and savings.

Also, more than half of the investors participating in the research are married. This may suggest that married people are more concerned about capital growth and savings. On the other hand, the high number of singles also might show that they have more time and more capital to save. Additionally, because of inflation and the high prices of property, cars, and gold, people may invest their small capital in the stock market.

The educational status of people showed that most of the investors who invest in the stock market have a bachelor's or master's degree. This result may suggest that educated people have more knowledge and willingness to participate and invest in new economic markets, including the stock market. Also, according to the latest statistics of the Statistics Center of Iran, the highest unemployment rate is related to people with bachelor's and master's degrees. Probably, People with these education levels invest in the stock market to escape from unemployment and generate more income.

The history of activity in the stock market of the investors participating in the research showed that most people have been active in the stock market for between 1 and 5 years. This result may show

that in recent years, there has been more advertising and information about the stock market. On the other hand, in the early years of the stock market, the growth of the stock market and generating income from it were good, and this can encourage people to invest in the stock market.

Investigating the information needs of investors in the stock market showed that the participants in the research needed all kinds of basic and technical information needs. About 80 percent of the basic information needs (fundamental), such as the general state of the country's economy, the state of the industry, the state of the company, etc., have a higher percentage. The need for technical information, such as examining the stock price trend in the past and predicting it with charts and mathematical relationships, was chosen by the participants in the research with a frequency of 75%. Also, some participants who chose the other option stated that they also need the following information: information about Iran and the stock market, JCPOA information, rental information, market psychology, and information about face-to-face classes. This result indicates that in the Iranian stock market in recent years, no analysis and charts have been responsive, and according to the words of investors, this market does not analyze, and more people have turned to investing in fundamental stocks.

According to the findings of this research regarding how to access investors' information in the stock market, taking into account the frequency of options, most of the time and always it is as follows: the main databases of the stock market, social media (Telegram, WhatsApp, Instagram), financial statements of listed companies etc. The arrangement of the above sources indicates that investors in the stock market are more looking for substantiated and up-to-date information, and also the high frequency of social networks shows that these networks themselves are a platform for providing substantiated and up-to-date information. The low frequency of books and magazines indicates that their content is not up-to-date and it is more difficult to access them. Also, radio and television do not have a proper and continuous program about the stock market and stock market education.

Contrary to the results of this study, research of Sriborisutsakul and Inthong (2018) on a stock market investment in Thailand showed that most retired investors sought information from mass media, TV, and printed handbooks but results of research of KothaiAndal and Padma (2021) on information seeking behavior of individual equity investors

of the Coimbatore district in India shed that the Internet, TV, newspaper are the most information sources.

According to the participants in the research, the most influential factor in the choice of source is the factor of regularly updating information, and the reason for this result is that in economic markets, including the stock exchange, information becomes outdated and useless very quickly. Also, the results show that the factor of familiarity with the use of an information source had the least impact on the choice of the source, and this shows that if a source is worth using, getting to know how to use it is not very important. The high percentage of information updates indicates that the information becomes old and useless very quickly in the stock market. Results of Sriborisutsakul and Inthong's (2018) study showed that the major factor in the selection of information sources among respondents was coverage of information obtained from a source.

Investigating the information-seeking behavior of investors in the stock market showed that most of the participants have a purposeful search and more than half of the participants can ask correctly where to find information, find the expected information sources, trust their judgment, and develop information-seeking skills. This result may be because most of the participants of this research have an academic education and know how to search for information. Also, having information leads to correct decision-making and more profit.

According to the research findings, more than 50% of the investors participating in the research use the information for stock price analysis, general analysis of the economy and its effects on the stock market, analysis of stock buying and selling process, investment strategy planning, investment portfolio management, predicting national and international economic trends and evaluating the prospects of a specific industry or company. Also, the use of information to analyze the process of buying and selling shares, with a frequency of about 68% has been the most used. This means that by knowing the process of buying and selling shares, you can trade shares at the right time.

Examining the financial knowledge of the participants showed that the most frequent, with about 60% of the investors, admit that they know about investing in the stock market. Also, only about 20% of investors said that they are one of their friends who are experts in investing in the stock market. More than 50 percent of investors admit they know about most new investments, and they also know a lot when

it comes to stock trading. These cases are consistent with the talk about the young age and also having education of more than half of the participants. Successful and reasonable financial behavior and obtaining efficiency in the capital market require having self-esteem and financial knowledge in financial decisions.

The financial behavior of investors and their behavioral biases have been investigated. Results regarding these biases indicated that investors are moderately influenced by behavioral biases. Compared to other similar studies, it can be noted that in 2004, Kingsford-Smith and Williamson investigated how Australian investors search for information online and found the importance of social connections in financial information search. In the present research, the findings indicate that the information-seeking behavior of investors in the stock market has no significant relationship with social interactions. The contradiction in the results of these researches indicates that the research conducted by Kingford-Smith and Williamson was related 18 years ago and as a result, access to the Internet, social networks, software development, and analysis related to the stock market were weaker than now, so social interactions from It has been important, but now because of the progress achieved in social networks and the Internet and analytical software and the high cost of accessing financial advisors can be the reason for this non-compliance. Loibl and Hira in 2009 investigated the information search of US investors, and the findings indicated that male investors with high education and income had a high performance in information search. In the present study, the findings obtained from the analysis of statistical data indicated that gender and education have a significant relationship with information-seeking behavior. Also, most of the investors were male and had an academic education.

In 2016, Elwani investigated the information-seeking behavior of investors in Saudi Arabia and concluded that the experience factor has the most negative effect on the information-seeking behavior of individual investors. In the present study, the findings indicated that there is no significant relationship between the variable of activity history in the stock market and information-seeking behavior. Maybe because Elwani conducted the research in another country and the cultural and social differences that exist, as well as the time of conducting the research, this contradiction has been achieved. Because both investors with a short history and those with a long history in the

stock market can have the same information-seeking behavior. In 2018, Sriborisutsakul and Inthong investigated the information-seeking behavior of retired investors in the Thai stock market and found that most retired investors sought information from mass media, lack of information search training was the biggest problem, and source information coverage was the most important source selection factor. It was informative. The findings of the current research indicated that the most widely used source of information was social media (Telegram, WhatsApp, Instagram) and the main stock exchange databases, and mass media (radio and television) was the least used, and this is because of the progress and convenience of using the Internet and Social networks in recent years. Also, in the research of Sriborisutsakul and Inthong (2018), retired investors were tested, while the participants in the current research are mostly young people and do not have the time and patience to use collective resources. KothaiAndal and Padma in 2021 investigated individual information-seeking behavior of Indian investors and found that most investors preferred the Internet as the main source of information gathering, and a smaller number of investors preferred only stock brokers and financial advisors as their source of information. In the current research, the same findings have been obtained and the investors participating in the research chose social media and the main stock exchange databases that are on the Internet as a source of information, and consultants and brokers are used very little. And the concordance of the results of these researches is because of the proximity of the time of conducting the research.

Conclusions

Based on the results of this research, it can be concluded that Iran's stock market has provided opportunities for men and women, people of different age groups, and especially educated youth. Most respondents have little experience (between one and five years). Investors in the Iranian stock market need different types of information; in other words, they have understood the importance of information in decision-making. Therefore, providing different and appropriate information through information systems, education, and other ways is necessary. They get this information mostly from social networks and databases, and they use radio and television the least. Up-to-date information has been the most important factor in choosing a source. Most of the respondents had a purposeful search and had successful information-seeking behavior; they had a good

level of financial knowledge, and therefore, they were able to make the right decisions based on the information. But most of them have been influenced by behavioral biases.

Practical Suggestions

Given that information-seeking behavior is significantly related to access to information, it is recommended that access to financial and stock market-related information sources be facilitated. This would allow individuals to more easily obtain the necessary resources and, consequently, enhance their information-seeking behavior.

Furthermore, since information-seeking behavior is significantly associated with the quality of information sources—and considering that the quality of these sources influences how individuals seek information—it is suggested that frequently used information sources, particularly those identified in this study (such as official stock exchange platforms and social media platforms like Telegram, WhatsApp, and Instagram), be improved in terms of quality to support more effective information-seeking behavior among investors.

Based on the findings of this study, there is a significant relationship between information-seeking behavior and subjective financial knowledge. Therefore, it is recommended that measures be taken to promote financial education and improve individuals' financial literacy. For instance, financial education could be introduced at a young age by incorporating it into the primary school curriculum.

Given the significant relationship between information-seeking behavior and the use of information sources, it is also recommended that such sources be monitored to ensure they provide accurate and reliable information to users.

The findings also revealed that information-seeking behavior is influenced by the characteristics of the information source. Since the most important feature, as identified in this research, is the frequent updating of sources, it is suggested that the platforms used by investors enhance their updating mechanisms and provide more timely information.

Considering the substantial efforts made in recent years to encourage public participation in the stock market—and given that individuals with various educational backgrounds have entered this domain, alongside the study's finding that most investors tend to favor self-learning over attending formal training sessions—there is a clear

need for policymakers to adopt effective strategies to support investor education.

It is thus recommended that public libraries be utilized as venues for both in-person and online stock market training, enabling wider access to financial knowledge and contributing to the economic empowerment of the general public. Additionally, it is proposed that specialized stock market education be regularly and consistently offered through television, radio, and social media platforms by the Securities and Exchange Organization, ensuring broad and easy access to these educational resources.

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