

INVESTMENT PATTERN AND INVESTMENT DECISION MAKING FACTORS OF INVESTORS AND THEIR LEVEL OF SATISFACTION ON ADVISORY SERVICES WITH SPECIAL REFERENCE TO ERODE DISTRICT

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DOI : 10.48047/IJFANS/V11/Splis5/31

Abstract

This study was carried out to explore investors' investment patterns and investment decision-making criteria, as well as their degree of satisfaction with advising services in the Erode district. Specifically, the main goals of this study were to assess the advisory services of stock brokers, the level of satisfaction of investors, and the gap in their service in the Erode region. This study also aided in identifying the investing pattern and the characteristics that influence investor fulfilment or happiness with stock broker services. The study used a descriptive research design. The study sample size was 100 Erode residents and was done in Erode district using a suitable sampling procedure. The SPSS software program was used to analyze the data that had been gathered, and correlation was one of the methods used. The results showed that the variables of satisfaction level and service quality were related to one another.

Keywords: investment pattern, investment decision making, advisory services

1.Introduction

1.1Investment

Investment appeals to everyone, regardless of ethnicity, caste, religion, education, economic level, or family background; people will invest in a variety of financial assets. When a person has extra money, he is referred to as a prospective investor. All of the investor's liquid cash will be invested in a bank account. Corporations will either start a new business or expand an existing one. All of the operations listed above are referred to as investments.

The primary goal of investment is capital appreciation or extra income, i.e. return. Risk is related with an investment that can be controlled or uncontrolled depending on the risk type. Investors take on risk in order to gain a substantial return and capital appreciation. An investment is the placement of money in financial assets in order to gain a profit. People's lifestyle requirements and level of living have developed over time as well. As a result, it has become critical to design an alternate investment plan in order to meet all of the requirements.

1.2 Importance of Investment planning

Investment planning is necessary and important in order to achieve financial goals. It aids in examining future needs and objectives in terms of cash flow, debt management, education funds, retirement plans, and estate planning. This allows for the efficient management of financial resources, which must be used wisely in order to achieve each person's personal life goals. The general public's investment habits are growing daily as a means of managing future goals and aspirations for higher returns on their capital. One such outlet is the capital market, where investment in the stock markets is minimal compared to other avenues but returns are substantial. One of the factors contributing to the public's increased fear of stock market investments is risk. With awareness campaigns, the SEBI and stock exchanges are attempting to raise public knowledge of the stock market.

2. Objectives of the study

The objectives of the study are

- To examine the investment pattern of investors of Erode district.
- To analyse the decision-making factors of investors and their level of satisfaction on advisory services of stock brokers.

3. Review of Literature

M.SELVARANI (2010) evaluated the service quality of online trading in their work "An Empirical Study on Service Quality Perceptions of Online Trading Investors." The researcher determines the relative relevance of the service quality component, as well as customer satisfaction and service quality perception. Using a standardized questionnaire, the researcher collected data from 150 online traders in Tamil Nadu. The researcher analyzed the data using statistical tools such as Chi-square, One-way ANOVA, weighted average method, Correlation and factor analysis, and the researcher's findings include a significant relationship between

internet facility and investment transaction, which allows them to place orders with ease and take trade positions on a daily basis. The researcher also discovered that SERVQUAL dimensions influence customer satisfaction, and the four elements that influence customer perception when utilizing online trading are minimal risk, security, the company understanding the client's individual demands, and confidence.

Jorge Brantes Ferreira (2014) in his study, "Factors Affecting Satisfaction in Online Financial Transactions: A Study of Brazilian Home Brokers", the researcher analyzed the consumer perception of Brazilian home broker services in internet trading in this study. The researcher also investigated the elements impacting investor satisfaction in the transaction process in the context of a home broker, as well as the services provided by online home broker services. The cross-sectional survey was done by the researcher, who collected 298 samples via an online survey, 43 of which were removed and 255 legitimate replies were used for the study. Variance, Confirmatory Factor Analysis, and Structured Equation Modeling were utilized for analysis. The conclusions include that the investor is satisfied with the broker's and regulatory institutions' trust, that reliability plays a significant role in consumer trust, and that perceived security and safety have a good impact on operational competence. Consumer happiness results from trust in internet services.

4. Research Methodology

The art of scientific exploration is known as research. The research design incorporates several methods and processes to collect and analyze data for a specific research problem in the given economy. This study employs a descriptive research design. The structured questionnaire is used to obtain 100 samples from investors at various stock brokerage firms from Erode district. The study employs convenient sampling. In the study, a correlation tool is utilized to determine the relationship between the level of satisfaction and SERVQUAL variables.

5. Analysis and Interpretation

Difference between investment pattern and customer satisfaction on advisory services

H0: Null Hypothesis: Investment pattern has no difference with customer satisfaction on advisory services.

H1: Alternative Hypothesis: Investment pattern has difference with customer satisfaction on advisory services.

TABLE NO:1 Difference between investment pattern and customer satisfaction on advisory services

DEMOGRAPHIC PROFILE		SUM OF SQUARES	DF	MEAN SQUARE	F	SIG.
Type of trader	Between Groups	3.269	1	3.269	8.844	.003
	Within Groups	265.017	717	.370		
	Total	268.286	718			
Type of investment	Between Groups	9.931	3	3.310	9.161	.000
	Within Groups	258.355	715	.361		
	Total	268.286	718			
Types of market operated	Between Groups	2.686	2	1.343	3.621	.027
	Within Groups	265.599	716	.371		
	Total	268.286	718			
Experience in the market	Between Groups	7.410	4	1.852	5.070	.000
	Within Groups	260.876	714	.365		
	Total	268.286	718			

Inference

The table no 1 shows the one-way ANOVA analysis for the factors considered while investment pattern and customer satisfaction on advisory services.

The calculated value for type of trader and customer satisfaction on advisory services is 0.003. The P value 0.003 is lesser than 0.05 which is statistically significant and it's a proof to accept alternative hypothesis. Thus, there is difference between type of trader and customer satisfaction on advisory services.

The calculated value for type of investment preferred and customer satisfaction on advisory services is 0.000. The P value 0.000 is lesser than 0.05 which is statistically significant and it's a proof to accept alternative hypothesis. Thus, there is difference between type of investment preferred and customer satisfaction on advisory services.

The calculated value for type of market operated and customer satisfaction on advisory services is 0.027. The P value 0.027 is lesser than 0.05 which is statistically significant and it's a proof to accept alternative hypothesis. Thus, there is difference between type of market operated and customer satisfaction on advisory services.

The calculated value for experience in the market and customer satisfaction on advisory services is 0.000. The P value 0.000 is lesser than 0.05 which is statistically significant and

it's a proof to accept alternative hypothesis. Thus, there is difference between experience in the market and customer satisfaction on advisory services.

Difference between investment decision making factors of respondents and customer satisfaction on advisory services

H0: Null Hypothesis: Investment decision making factors of respondents have no difference with customer satisfaction on advisory services.

H1: Alternative Hypothesis: Investment decision making factors of respondents have difference with customer satisfaction on advisory services.

TABLE NO: 2 Difference between investment decision making factors of respondents and customer satisfaction on advisory services

DEMOGRAPHIC PROFILE		SUM OF SQUARES	DF	MEAN SQUARE	F	SIG.
Make decisions	Between Groups	1.425	4	.356	.953	.443
	Within Groups	266.861	714	.374		
	Total	268.286	718			
Objective factors	Between Groups	8.325	4	2.081	5.716	.000
	Within Groups	259.961	714	.364		
	Total	268.286	718			
Aspects considered when purchasing	Between Groups	8.414	4	2.104	5.779	.000
	Within Groups	259.871	714	.364		
	Total	268.286	718			
Factors to sell shares	Between Groups	1.004	4	.251	.670	.613
	Within Groups	267.282	714	.374		
	Total	268.286	718			
Aspects considered when purchasing	Between Groups	20.471	4	5.118	14.74 5	.000
	Within Groups	247.814	714	.347		
	Total	268.286	718			

6. Inference

The table no 2 shows the one-way ANOVA analysis for the factors considered while investing in stock market of respondents and customer satisfaction on advisory services. The calculated value for source used to make decision on investment in stock market and customer satisfaction on advisory services is 0.433. The P value 0.433 is greater than 0.05 which is not statistically significant and it's a proof to accept null hypothesis. Thus, there is no difference

between source used to make decision on investment in stock market and customer satisfaction on advisory services.

The calculated value for objective factors considered while investing in stock market and customer satisfaction on advisory services is 0.000. The P value 0.000 is lesser than 0.05 which is statistically significant and it's a proof to accept alternative hypothesis. Thus, there is difference between objective factors considered while investing in stock market and customer satisfaction on advisory services.

The calculated value for aspects considered when purchasing shares in stock market and customer satisfaction on advisory services is 0.000. The P value 0.000 is lesser than 0.05 which is statistically significant and it's a proof to accept alternative hypothesis. Thus, there is difference between aspects considered when purchasing shares in stock market and customer satisfaction on advisory services.

The calculated value for factors influencing the investors to sell shares and customer satisfaction on advisory services is 0.613. The P value 0.613 is greater than 0.05 is not statistically significant and it's a proof to accept null hypothesis. Thus, there is no difference between factors influencing the investors to sell shares and customer satisfaction on advisory services.

7. Findings

7.1 Difference between the Investment Decision Making Factors and Service Quality

The P value of objective factors considered while investing in stock market and tangibility is 0.019, which is lesser than 0.05. The alternative hypothesis is accepted and hence, there is difference between objective factors considered while investing in stock market and tangibility.

The P value of factors influencing the investors to sell shares and tangibility is 0.006, which is lesser than 0.05. The alternative hypothesis is accepted and hence, there is difference between factors influencing the investors to sell shares and tangibility.

The P value of objective factors considered while investing in stock market and reliability is 0.033, which is lesser than 0.05. The alternative hypothesis is accepted and hence, there is difference between objective factors considered while investing in stock market and reliability.

7.2 Difference Between the Investment Decision Making Factors and Customer Satisfaction

The P value of objective factors considered while investing in stock market and customer satisfaction on advisory services is 0.000, which is lesser than 0.05. The alternative hypothesis is accepted and hence, there is difference between objective factors considered while investing in stock market and customer satisfaction on advisory services.

The P value of aspects considered when purchasing shares in stock market and customer satisfaction on advisory services is 0.000, which is greater than 0.05. The alternative hypothesis is accepted and hence, there is difference between aspects considered when purchasing shares in stock market and customer satisfaction on advisory services.

The P value of information expected from the invested company and customer satisfaction on advisory services is 0.000, which is lesser than 0.05. The alternative hypothesis is accepted and hence, there is difference between information expected from the invested company and customer satisfaction on advisory services.

8.Recommendations

1. To forecast the market, investors must be versed in basic fundamental research such as economic environment, industry kind, and company performance.
2. Research papers can be utilized as a source of information for investment, but only after careful consideration of the current market situation. It is effective in avoiding losses.
3. The advisory desk should not force investors to book positions for the sake of making a small profit.
4. Instead, advise the investor on the level of profit gain and allow the investor to make an informed decision.
5. To limit the risk of loss, the advisory should raise knowledge regarding stop loss orders.

9. Conclusion

Customer interactions with stockbrokers can be improved in a number of ways. There are significant service quality disparities in this field, and if brokers want to attract personal buyers rather than making buyers turn to impersonal, transaction-oriented, on-line mercantilism, stockbrokers must establish more personal, empathetic relationships with buyers, be more constructive in providing guidance, and process transactions correctly and quickly. Customers should consequently be informed and educated by stockbrokers in order for realistic standards to be set. In the face of rising potential demand, these actions can boost consumer pleasure and generate lucrative verbal referrals.

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