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STUDY ON CUSTOMER PERCEPTION TOWARDS PERFORMANCE OF EQUITY TRADING AT INDIA INFO LINE-TIRUNELVELI

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ABSTRACT

India Info line Ltd Company is a leading stock exchange in India, viz. the Stock Exchange, Mumbai (BSE) and the National Stock Exchange (NSE). The India Info line group, comprising the holding company, India Info line Ltd and its subsidiaries, straddles the entire financial services space with offerings ranging from Equity research, Equities and derivatives trading, Commodities trading, Portfolio Management Services, Mutual Funds, Life Insurance, Fixed deposits, Go I bonds and other small savings instruments to loan products and Investment banking. In a complementing paradigm, equity theory, perception of relative fairness with the interaction is used as predictor of customer satisfaction and loyalty. To measure the services offered by the company research are made on the title of customer perception on performance of equity trading. In this project to study various need expectations of investors from different types of equities available in Indian market and identify the risk return perception with the purchase of equity trading in India Info line Ltd. The purpose of the study is to test the hypothesis that individual using information obtained from the clients of an India info line. Structured questionnaire was framed and data was collected from 101 samples. By analyzing the data SPSS16.0 (statistical package for social sciences) were used. The statistical tools like Reliability Test, Exploratory Factor Analysis, Chi-square Test, One Way ANOVA and Multiple Correspondence Analyses were used to interpreting the data.

Keywords: Relative attractiveness, Customer intent, Perception, Trade equity

1. INTRODUCTION TO EQUITY TRADING

Trade" means to buy and sell in the jargon of the financial markets. How a system that can accommodate one billion shares trading in a single day works is a mystery to most people. Trading on the floor of the New York Stock Exchange (the NYSE) is the image most people have thanks to television and the movies of how the market works. When the market is open, you see hundreds of people rushing about shouting and gesturing to one another, talking on phones, watching monitors, and entering data into terminals. Indian stocks analyzed on an automated trading system.

2. INTRODUCTION TO CUSTOMER PERCEPTION

As individual we come across numerous product and service every day. Thus, different people hold different opinions about the same things and events. This is because each person has a specific way of looking at things. Every individual thus has a 'perception' of the world around him or her. Perception is defined as "the process by which the individual selects, organizes and interprets stimuli into a meaningful and coherent picture of the world". As individual we come across numerous products and service ever days. Thus, different people hold different opinions about the same things and events. This is because each person has a specific way of looking at things.

Every individual thus has a 'perception' of the world around him or her. According to Leon G. Schiffman "customer perception is the process by which an individual selects, organizes and interprets stimuli into a meaningful and coherent picture of the world".

3. OBJECTIVES OF THE RESEARCH

1. To identify the perception of the customers regarding the India Info line
2. To analyze the Balance of relative importance of customer expectations
3. To Compare the customer response to company perceptions
4. To reassess the priorities of company products as per customer needs.

4. REVIEW OF RELEVANT LITERATURE

Tor Wallin Andreassen & Line Lervik explores that Customer's perceived relative attractiveness today is the key driver of future intent in both business and consumer contexts. in Business customers use perceived quality of past and present deliverables as the primary qualifier of future repurchases intention. Next in the consumer market both perceived relative attractiveness today and tomorrow have an impact on future intent. Here they measured that perceived relative attractiveness today and expected future relative attractiveness is using one item of each.
Holbrook and Hirschman, 1982 explain that the paramount goal of marketing is to understand the consumer and to influence buying behavior. One of the main perspectives of the consumer behavior research analyses buying behavior from the so-called "information processing perspective".

Mehdi Sadeghi noted that change in demand by investors in response to SI (Shariah-compliant Index) introduction should have no impact on the shares' financial performance. In this research the author examines the impact of introduction of SI by Bursa Malaysia on the performance and liquidity of included shares.

Dick and Basu, 1994; Bolton, 1998; Rust et al., 1995 shows that increases in customer retention result in increased profitability for firms that compete in mature and highly competitive markets, especially service industries such as banking, telecommunications, hotels and airlines (e.g. Fornell and Wernerfelt, 1987; Reichheld and Sasser, 1990). Reichheld and Schefter (2000) found, for example, that increasing customer retention rates by 5 percent increased profits by 25-95 percent.

5. RESEARCH METHODOLOGY

Research design adopted for this research is "Descriptive Research ". It includes surveys and fact-finding enquiries of different kinds. The population is finite and "Simple random sampling method" will be adopted for selecting samples from the Infinite one. Structured Questionnaire Conducting Perception of the customers required the preparation of a detailed questionnaire which could capture all possible areas of their agreed levels. Prior to preparation of questionnaire I circulated a questionnaire to all India info line customers regarding the objectives of my study. The questionnaire included eighteen questions. There were questions on a 7 point scale, where 1 was the least agreed level and 7 was the most agreed level. By analyzing the data SPSS16.0 (statistical package for social sciences) were used. The statistical tools like Reliability Test, Exploratory Factor Analysis, Chi-square Test, One Way ANOVA and Multiple Correspondence Analysis were used to interpreting the data.

6. ANALYSIS AND INTERPRETATION

6.1   RELIABILITY

Table 6.1: Reliability Statistics and Item-Total Statistics

Particulars	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Clarity of recommendation or advice	39.9	96.596	0.629	0.903

Time taken to respond to telephone enquiries?	39.95	97.159	0.589	0.906
speed in which the service/product was delivered	40.14	94.687	0.776	0.894
Time taken to respond to written? Postal enquiries?	40.33	94.91	0.661	0.901
Satisfaction level for courtesy of the staff?	40.23	94.3	0.669	0.901
The way problems were resolved?	40.37	94.781	0.629	0.904
knowledge relevant to the staff you dealt directly with the customers	39.73	92.603	0.679	0.9
The staff showed interest in you as an individual / treated you as a valued customer	39.6	89.717	0.762	0.894
Over all service offered by the company	40.15	92.452	0.846	0.889

Table 6.2

This table shows the reliability of the services provided by India Info Line Ltd. Here the Cronbach's alpha value is 0.909. It shows the project should be reliable one. The second table shows the mean and standard deviation for the 100 respondents. Here one component "The staff showed interest in you as an individual / treated you as a valued customer "attain high mean and standard deviation. The mean value is 5.4500 and standard deviation value is 1.73715. The third table shows the reliability item statistics in case of particular item is deleted.

6.2   EXPLORATORY FACTOR ANALYSIS

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.863
Bartlett's Test of Sphericity	Approx. Chi-Square	535
	df	36
	Sig.	0

Table 6.3

Component Matrix

Particulars	Component
Clarity of recommendation or advice	0.714
Time taken to respond to telephone enquiries?	0.674
speed in which the service/product was delivered	0.836
Time taken to respond to written? Postal enquiries?	0.739
Satisfaction level for courtesy of the staff?	0.745
The way problems were resolved?	0.707
knowledge relevant to the staff you dealt directly with the customers	0.755
The staff showed interest in you as an individual / treated you as a valued customer	0.822
Over all service offered by the company	0.891

Table 6.4

The above table shows the exploratory factor analysis of research. Here KMP Value is 0.863. The second table shows the component matrix which has the components which are influence to attain the reliability of the research.

6.3   ONE WAY ANOVA

H_0= There is a significant difference between overall service quality &Demographic profile of customers in India Info line

H_1= There is no significant difference between overall service quality &Demographic profile of customers in India Info line

		Sum of Squares	df	Mean Square	F	Sig.
Gender wise classification	Between Groups	.235	6	0.039	0.416	0.866
	Within Groups	8.765	93	0.094		
	Total	9.000	99			
Age wise classification	Between Groups	5.059	6	0.843	1.046	0.401
	Within Groups	74.981	93	0.806		
	Total	80.040	99			
Education Qualification wise classification	Between Groups	7.495	6	1.249	.757	0.606
	Within Groups	153.505	93	1.651		
	Total	161.000	99			
Occupation wise classification	Between Groups	37.268	6	6.211	1.617	0.041
	Within Groups	357.292	93	3.842		
	Total	394.560	99			

Table 6.5

The above table shows whether the overall F's for demographic profile of customers were significant or not by using the ANOVA program. Note that the out of demographics group Occupation of customers differ significantly where F ratio is used to determine the size of the mean differences for each individual independent variables comparison, F (6,93) =0.041. The test of between groups shows that F ratio for Occupation and level of income which are statistically significant (p<0.05) level.

6.4 CHI –SQUARE TEST

Relationship between type of trading and amount investment in trading

H_0=There is a significant difference between the classification of a trading and the amount investing in share.

H_1= There is no significant difference between the classification of a trading and the amount investing in share.

Particulars		What amount you are investing in share trading?			Total
		5000-25000	25000-100000	100000-500000	
What type of trading you are doing?	Intraday trading	29	19	7	55
	Delivery	9	14	9	32
	Both	6	5	2	13
Total		44	38	18	100

Table 6.6
Chi-square test

Particulars	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	5.972	4	0.201
Likelihood Ratio	6.009	4	0.198
Linear-by-Linear Association	1.784	1	0.182

Table 6.7

The first table shows that 55 customer operating trade in the Intraday and the remaining of 32 customer are operating trade in the Delivery mode. The amount investing 5000-25000 is 44. The second table shows the chi square value which is 5.972 and its significant is at 0.95 levels. Since this level of significance is greater than 0.05, we may accept the null hypothesis with high degree of confidence. So there is a significant difference between different type of trading and amount investing in share. Note that footnote (b) states that no cells have expected less than 5. That is good because otherwise a condition for using of chi-square would be violated. A good condition is that no more than 20% of the cells should have expected frequencies less than 5.

6.5 MULTIPLE CORRESPONDENCES ANALYSIS

Discrimination Measures

| Particulars	Dimension		Mean
	1	**2**	
Gender wise classification	0.021	0.6	0.311
Age wise classification	0.7	0.1	0.4
Marriage wise classification	0.649	0.512	0.581
Education Qualification wise classification	0.377	0.57	0.474
Level of income wise classification	0.094	0.118	0.106
Family size wise classification	0.379	0.034	0.207
Occupation wise classification	0.492	0.332	0.412
Active Total	2.713	2.267	2.49
% of Variance	38.757	32.388	35.573

Table 4.6.2
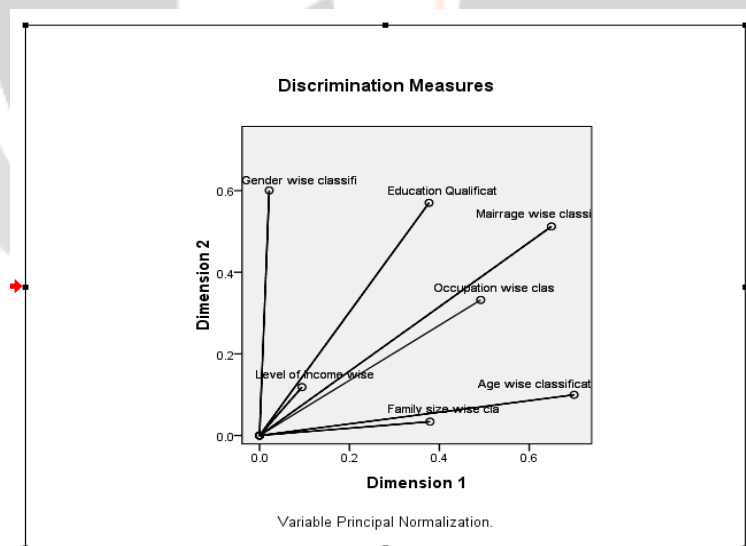
Figure 4.6.1

The above table shows multiple correspondences analysis of the demographics profile. Here the Cronbach's alpha value is 0.737 which is greater than 0.7 so it must be accepted. The second table shows the discrimination measures of demographics profiles. Here the mean value is attained in marriage wise classification.

7. FINDINGS AND RECOMMENDATIONS

✓ Lack of advanced software for trader terminal. To improve the trader terminal software availed in India info line for the purpose of speed service.

✓ Lack of more banking services like nationalized bank because the private banks are having a system of maintaining high amount for opening as well as a/c balance. So it is not convenience to the clients

✓ The clients don't know how to trade according to the trend. Old clients should not be following up by the employees. Hence the company trains the clients how to make the orders according to the trend of the market condition.

✓ Lack of brand awareness like advertising offering service to the client should be delayed because the back office is centralized one. So the company make more advertisements to increase the brand awareness

✓ Lack of employees for increasing the speed of service. Better the company increase the number of employees.

✓ Finally, the questions not able to find out perceptions of respondents about their anonymity when taking the survey, so a causal relationship between anonymity perceptions and responses cannot be determined.

✓ To increase the more no of branches in other districts

8. CONCLUSION

Efficiency initiatives at the corporate level have tended to concentrate on quality assurance programs. Customer evaluations determine demand, willingness to transact business and continue in the business relationship. Changing human behavior and existing lifestyles contributes to the vision of sustainable Development, but it proves to be an insurmountable task over a short period of time. Instead, changing the design of product-service system to reduce the behavioral pitfalls may potentially be an easier way towards sustainable development. Changing system design requires understanding how consumer acceptance of more sustainable solutions is formed, influenced or changed, what the influencing factors are and what the leverage points for best results with lowest costs are.

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