

# “A Study On Investors Perception towards Online and Offline Stock Broking Services.”

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## ABSTRACT:

It is a research that looks at what investors think about trading stocks online versus the traditional way, offline. It shows that more and more investors are switching to online platforms because they find them easier to use and more convenient. The study used surveys with specific questions to collect information from investors. The results of the survey suggest that most people prefer online trading. It also found that factors like how much education you have or what kind of job you do can influence whether you choose online or offline trading. Many investors think that online trading is going to be even better in the future. It is really important for companies that help people trade stocks to understand what investors want so they can change and improve their services for the digital age.

**Keywords:** Online trading, Offline trading, Investors, Convenience

## I. INTRODUCTION:

Investors have two main ways to trade stocks: online and offline. The Indian stock market has seen a big change in how people trade over the years. Traditionally, investors would deal with brokers either in person or over the phone. But now, with the rise of the internet, online trading has become a game-changer. The National Stock Exchange was the first to introduce online trading in India, making it easier and faster for people to buy and sell stocks from the comfort of their homes. This study aims to understand what investors think about these two ways of trading – online and offline.

Online trading is done over the internet, offering speed and real-time updates. It's convenient but may lack personalized guidance. Offline trading involves talking to a broker in person or over the phone, offering a more personal touch and expert advice. Some investors prefer offline trading for its reassurance and direct

interaction. Others opt for online trading for its efficiency and accessibility. Both methods have their pros and cons, and the choice often depends on individual preferences and comfort levels. Ultimately, the goal for investors is to minimize risk while maximizing returns, regardless of the trading method they choose.

## II. REVIEW OF LITERATURE:

**Alexander Y1 and Dr. A. Xavier Mahimairaj2 (2019)** studied on “Investors perception in stock market” This study looks at how investors in Chennai feel about investing in the stock market. The study suggests that the government and regulators should use technology and social media to teach more people, especially young ones, about the stock market and make it more appealing to them. The sampling model chosen is simple random having descriptive and exploratory research on 125 participants. The statistical tools used is KMO and Bartlett test.**Dr. R. Sucharitha (2023)** analysed on “A factors influencing the perception and preference of investor's behavior towards stock broking services”**Dr. R. Sucharitha**, an In summary, investors like brokers who are trustworthy, reliable, cost-effective, tech-savvy, and follow rules. Overall, investors are satisfied with brokers who provide speed, reliability, accessibility, expertise, convenience, timeliness, and security. The sampling model chosen is simple random having descriptive research on 300 participants. The data collection method involves using a questionnaire, where participants provide responses directly.**Ashish C Pius (2019)** studied on “A investors perception towards online trading”**Ashish C Pius** suggests that Online trading involves buying and selling financial products through internet-based platforms offered by brokers, providing convenience and access to individuals interested in market participation. The study underscores the potential of online trading as the

future of the Bulls and Bears industry, offering significant advantages to investors. The study suggests that online share trading can attract more customers and contribute to the country's growth. The sampling model chosen is convenience sampling having descriptive research on 60 participants. **Kok Ban Teoh (2021)** analysed on "A investors perception towards stock market" This study explores how people in Asia perceive the stock market. The study includes respondents from Malaysia, Indonesia, and India, revealing that both men and women equally show interest in stock market investments. Younger individuals, aged 21 to 35, prefer investing in the stock market rather than traditional savings methods. The sampling model chosen is simple random having descriptive research on 100 participants. **N. Renuka (2017)** studied on "A customer awareness towards online trading" This study focus on how people engage in stock trading online and compare it to conventional approaches. To gather information, the researcher used convenience sampling, selecting 60 participants for the study. The statistical tools employed for analysis were Regression Analysis and Percentage Analysis. The key finding of the

study suggests that, in general, people tend to prefer online trading over traditional methods.

### III. RESEARCH METHODOLOGY:

For obtaining complete and accurate information, descriptive research is chosen. Descriptive research includes surveys and fact-finding enquiries of different kind. Descriptive research is a type of research that describes a population, situation, or phenomenon that is being studied. Descriptive research designs help provide answers to the questions of who, what, when, where and how associated with a particular research problem. A descriptive study cannot conclusively ascertain answers to why. This research wants to find out what investors know about and how they feel about online and offline trading. It will look into what's good and what's tough about both ways of trading. But there are challenges, like some investors might not want to participate or share accurate information. Also, since the data comes directly from the investors, we can only be sure it's true to the extent that they're honest.

### IV. DATA ANALYSIS AND INTERPRETATION

Trading Methods	Frequency	Percent				
Online	63	57.65766				
Offline	48	42.34234				
Total	111	100				
ONLINE	Highly satisfied	Satisfied	Neutral	Dissatisfied	Highly dissatisfied	Total
Availability	29	26	6	2	0	63
fast transaction	20	36	7	0	0	63
convenience	20	36	7	0	0	63
Flexibility	23	30	9	1	0	63
OFFLINE	highly satisfied	satisfied	neutral	dissatisfied	highly dissatisfied	total
Low risk	20	22	4	1	1	48
Trust	25	19	3	1	0	48
Cost limit	16	22	9	1	0	48
Convenience	24	20	3	1	0	48
Better Future	Scope in	Frequency		Percent		
Online		75		67.56757		
Offline		36		32.43243		
Total		111		100		

**Interpretation:-**

The table shows that out of 111 individuals, 63 (about 57.66%) prefer online trading, while 48 (approximately 42.34%) prefer offline trading. This highlights a clear preference for online trading among the surveyed population, suggesting a significant trend towards digital platforms in investing and trading. Most individuals find online trading platforms easily accessible and are satisfied with their ease of use. While speed is valued, efficiency matters more to them. They appreciate the convenience and flexibility offered by online platforms. Overall, people trading online are content with the services provided, especially regarding availability, convenience, and flexibility.

Many people view offline trading platforms as safe and reliable, trusting them for

their investments. They generally find these platforms to be cost-effective and convenient. Overall, those involved in offline trading are satisfied with its low-risk nature, trustworthiness, affordability, and convenience.

Total 75 responses are for being online, making up 67.57% of the total, while 36 responses are for being offline, which is 32.43% of the total. Most responses indicate being online, with fewer indicating being offline.

**CHI-SQUARE TESTS:**

H0: There is no association between online time on trading and factor to choose trading.

H1: There is association between online time on trading and factor to choose trading.

**Chi-Square Tests**

ONLINE TIME AND FACTOR CHOOSE	value	df	Asymp Sig. ( 2-sided )	REMARK
Availability	3.579	6	0.733	H0 is accepted
Fast-Transaction	0.46	4	0.977	H0 is accepted
Convenience	1.82	4	0.769	H0 is accepted
Flexibility	2.105	6	0.910	H0 is accepted

The significant value of Chi-square 0.733, 0.977, 0.769 and 0.910 is more than the critical value 5% (0.05), we do not reject the null hypothesis. Rather, we conclude that there is no enough evidence to suggest that there is relation between online time on trading and factor to choose

trading which includes availability, fast transaction, convenience and flexibility.

H0: There is no association between offline time on trading and factor to choose trading.

H1: There is association between offline time on trading and factor to choose trading.

**Chi-Square Tests**

OFFLINE TIME AND FACTOR CHOOSE	value	df	Asymp Sig. (2-sided )	REMARK
Low-Risk	30.539	12	0.002	H1 is accepted
Trust	23.937	9	0.004	H1 is accepted
Cost-Limit	13.527	9	0.14	H0 is accepted
Convenience	15.126	9	0.088	H0 is accepted

The significant value of Chi-square 0.14 and 0.088 is more than the critical value 5% (0.05), we do not reject the null hypothesis. Rather, we conclude that there is no enough evidence to suggest that there is relation between offline time on trading and factor to choose trading which includes cost limit and convenience.

The significant value of Chi-square .002 and .004 is less than the critical value 5% (0.05), we do reject the null hypothesis. Rather, we conclude that there is enough evidence to suggest that there is relation between offline time on trading and factor to choose trading which includes low risk and trust.

## V. FINDINGS:

The study found that 56.76% of investors prefer online trading, while 43.24% opt for offline methods. Interestingly, it revealed that the time spent on online trading doesn't affect why investors choose it. However, when it comes to offline trading, factors like low risk and trust influence investor decisions. Surprisingly, factors like cost limit and convenience don't impact offline trading decisions. Additionally, around 67.56% of investors believe that online trading holds a brighter future compared to offline methods.

## VI. SUGGESTIONS AND CONCLUSION:

The research suggests that many investors lack knowledge about trading, so the government should educate them. Demographic factors like age, gender, income, and job affect how people prefer to trade, so companies should give personalized advice. Online trading is liked because it's easy, accessible, and cheaper, especially for young people. But some still prefer offline trading for personal help. Traditional brokerages might need to change to keep up with technology. It's important for companies to understand what investors think about online and offline trading to meet their needs in today's digital age.

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