

A STUDY ON THE INVESTOR PERCEPTION ON KARVY STOCK BROKING IN COIMBATORE DISTRICT

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Abstract

Capital market plays an important role to increase the wealth of the investors as well as wealth of the organization. Karvy Stock Broking Pvt Ltd is providing a various services in financial sector. They have nationwide investors and various clients across the nation. Now they are facing service quality issues in the organization. So this study helps to find out the service quality issues in the organization.

This study is done with a purpose to find out the investors perception towards service quality of KSBL. In particular, this research is done for Karvy Stock Broking Pvt Ltd. The major objective of the study is to find out the service quality Reliability, Tangibles, Assurance, Responsiveness and Empathy.

From this study most of the factors are there is a significance difference between the factors. The objective of the study can be based on the demographic factor, customer expertise, and service quality and customer satisfaction. To ascertain the factors influencing investors satisfaction towards service quality.

1.1 INTRODUCTION TO THE STUDY

SERVQUAL is a multi-dimensional research instrument, designed to capture consumer expectations and perceptions of a service along the five dimensions that are believed to represent service quality.

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The five SERVQUAL dimensions are:

- TANGIBLES-Appearance of physical facilities, equipment, personnel, and communication materials
- RELIABILITY-Ability to perform the promised service dependably and accurately
- RESPONSIVENESS-Willingness to help customers and provide prompt service
- ASSURANCE-Knowledge and courtesy of employees and their ability to convey trust and confidence
- EMPATHY-Caring, individualized attention the firm provides its customers

1.2 STATEMENT OF THE PROBLEM

Capital market is one of the investment areas for our people. In that market there are many participants like foreign investors and domestic investors are available whether they have invested for long term or short term. Based on the services provided by the organization plays an important role among the participants. Because organization want to increase the wealth of the participants and they want to provide the proper knowledge about the share market. Because capital market is not an risk free market like fixed deposit. Participant needs a proper guidance about the company which is going to invest their earnings.

In this study we can able to identify the investor's perception towards service quality of Karvy Stock Broking Pvt Ltd. KSBL has nationwide clients to invest their earnings in money market. So consider the investors in Coimbatore district to get the proper solution for the problem effectively.

1.3 OBJECTIVES OF THE STUDY

1. To examine the demographic characteristics of customers and examine the relationship between demographics, customer expertise, service quality and customer satisfaction.
2. To ascertain factors influencing investors satisfaction towards service quality.

1.4 Scope of the study

The study focus on the service quality of the Karvy Stock Broking Limited. The study is purely based on the survey conducted Coimbatore district and has focused on the investor's perception. The study covers the information about the mind set which may varies from situation and where the respondents may not be able to give required and accurate information.

1.5 LIMITATION OF THE STUDY

- Due to respondent's busy schedules, the interest shown by respondents to answer the questionnaire may be less. This may have resulted in collecting inaccurate information.
- The survey has been conducted only taking 100 respondents as a sample size. The study area covers only in Coimbatore district.
- The selected sample size is small as compare to the total number of investors. Hence the obtained results may not be accurate as it may not represent the whole population.
- The project is open for the further improvement of the work.

2. REVIEW OF LITERATURE

- **IBERAHIM, H (2016), Customer Satisfaction on Reliability and Responsiveness of Self Service Technology for Retail Banking Services,** Self Service Technology (SST) is a required feature in retail banking industry. The interface facilitates communication between human and machine is important in our daily lives as a result of the swift technology advancement. Automated-Teller Machine(ATM) has been one of the best options for Self Service Terminal in catering retail banking services. The purpose of this study is to examine the current level of ATMs service quality at one of the main ATM service points of a Malaysian bank. The objective of the study is to investigate the relationship between the reliability and responsiveness of ATM services with customer satisfaction and verify the determinants for service enhancement. Data was collected through questionnaire survey of 271 respondents and observations at the service point. Data was analyzed using SPSS. Result of survey suggests the relationships of three out of four elements of service quality dimensions (consistency, dependability and timeliness) are important to maximizing customer satisfaction.
- **DR. ABDEL FATTAH MAHMOUD AL-AZZAM (2015) The Impact of Service Quality Dimensions on Customer Satisfaction: A Field Study of Arab Bank in Irbid City, Jordan** Service-offering channels in the banking system has emerged on the scene with a wide variety of forms such as internet banking, automated teller machine (ATM), telephone banking and banks . Mature competition and global financial systems have been forced to investigate the significance of customer satisfaction. Therefore, the research should shed light on the changing status of the banking system and financial market dynamics. This study has used the model of service quality (Parasuraman et al., 1988) with five dimensions to evaluate its effect on the customer satisfaction among Arab

bank customers in the city of Irbid. The results indicate that the higher the service quality, the more the customer's satisfaction. The Dimensions of service quality plays an important role in this equation. These dimensions are tangibility, responsiveness, reliability, empathy, and security. Finally, the findings indicate that these five factors have positively affected the customer satisfaction. This research also shows that the service quality is an appropriate tool to measure the quality of service in the banking sector in the rab bank. Therefore, the banking sector practitioners regard this instrument a very important tool to evaluate, support, and improve the quality of their services.

- **MINU.M (2015) A Study on Customer Satisfaction towards the Financial Services provided by Karvy Stock Broking Limited in Bangalore City** This study entitled “A study on Customer Satisfaction towards the Financial Services Provided by Karvy in Bangalore City” was conducted for Karvy Stock Broking Limited, Bangalore. The primary objectives of the study are to find out the satisfaction of the customers towards various financial services, the study also aims at to find out the awareness, highest business area, factor influencing, Quality of services, charges levied, customer relation and facilities. Descriptive research is used in this research. The primary data is collected from 200 customers of Karvy Stock Broking Limited in Bangalore city using structured questionnaire method. The existing customers of Karvy Stock Broking Limited were directly interviewed and their responses were recorded. The sampling technique that was adopted for the study was judgmental sampling where the data was collected from existing customer group. The collected data was analyzed using summary (or) descriptive statistics. Percentage analysis, Chi- square test was the main tools used for the analysis. The study brought to the surface various insights. More than 4/5th of the customers are satisfied about the range of services and quality of services provided by Karvy, but effort should be taken by Karvy to create better awareness about all its services to all customers and also for the prospectus.
- **HOSSEIN VAZIFEH DOOST (2014) Relationship of Online Service Quality with Customer Satisfaction in Internet Banking Case Study: Pasargadae Bank** In providing new services, in addition to correspondence of new services to customer needs, the means by which these services are brought to the customer is also important. The growing IT and ICT applications have had far reaching implications for the mode of operation in all sectors, including banking industry. The Internet has radically changed the established concepts in Marketing and provision of goods and services as well as the

customer expectations regarding Quality of products and services. The new means in provision of banking services which is closely tied to ITC plays a critical role in customer satisfaction and retention and in giving the bank a competitive edge over the rivals. In this study, using descriptive-correlation method, relationship of online service quality with customer satisfaction in Bank Pasargadae was investigated on a sample consisted of 330 customers of this bank across the country. Customer satisfaction was measured in relation to the following dimensions of online service quality: efficiency, reliability, responsiveness, fulfillment, privacy, and empathy. The findings confirmed significant relationship of the dimension responsiveness, privacy, and empathy with customer satisfaction. However, no significant association was found between dimensions efficiency, reliability, and fulfillment with customer satisfaction

3. RESEARCH METHODOLOGY

This article is a descriptive type research. Descriptive research includes survey and fact finding enquires of different kinds. The major purpose of descriptive research is the descriptive of the state of affairs as it exists at present. The main characteristic of this method is that the researcher has no control over the variable. Primary data is collected from structured questionnaire from a sample of 100 investors in Coimbatore district. In this study Descriptive research design is used. Primary data is collected from convenience sampling technique. The collected data were analyzed in SPSS using statistical tools like Frequency and descriptive statistics, ANOVA.

3.1 CONCEPTUAL FRAMEWORK:

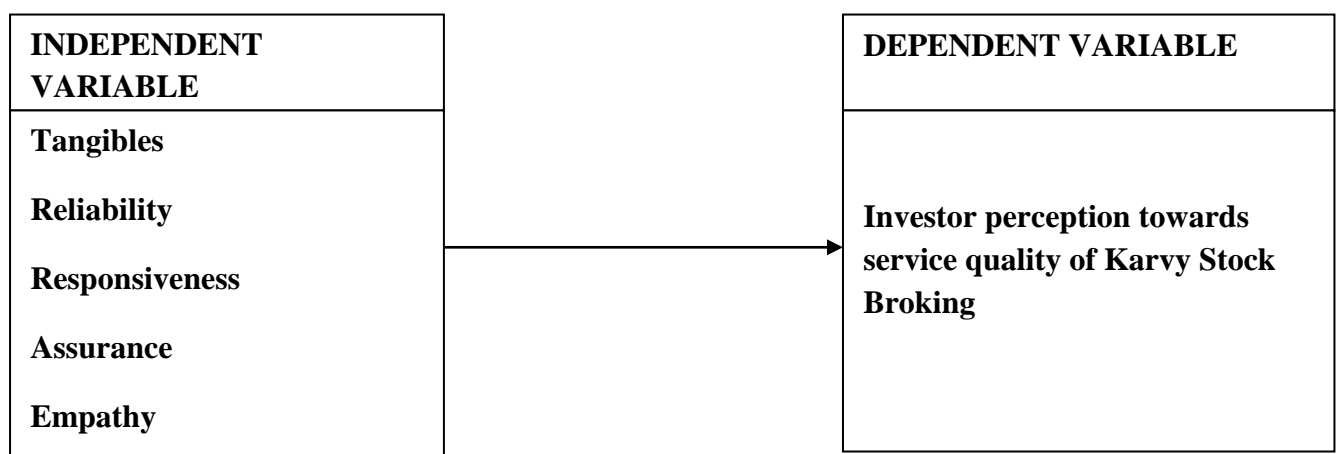


Figure 3.1 Conceptual Framework

4. ANALYSIS AND INTERPRETATION

4.1 Frequency analysis

Table 4.1.1 Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	21-30	21	21.0	21.0	21.0
	31-40	38	38.0	38.0	59.0
	41-50	24	24.0	24.0	83.0
	51-60	11	11.0	11.0	94.0
	60 above	6	6.0	6.0	100.0
	Total	100	100.0	100.0	

The above table 4.1.1 shows that the respondents age group 38% of the respondents are between 31-40 years, 24% of the respondents' are between 41-50 years.

Table 4.1.2 Education Qualification

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SSLC	3	3.0	3.0	3.0
	HSC	8	8.0	8.0	11.0
	DIPLOMA	20	20.0	20.0	31.0
	UG	33	33.0	33.0	64.0
	PG	33	33.0	33.0	97.0
	Others Specify	3	3.0	3.0	100.0
	Total	100	100.0	100.0	

The above table 4.1.2 shows that the respondents' Educational Qualification. 33.0% of the respondents' are between UG and PG. 20.0% of the respondents' are Diploma.

Table 4.1.3 Occupation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Self employed	16	16.0	16.0	16.0
	Private employee	37	37.0	37.0	53.0
	Government employee	24	24.0	24.0	77.0
	Business	23	23.0	23.0	100.0
	Total	100	100.0	100.0	

The above table 4.1.3 shows that the Occupation. 37% of the respondents' are Private employee. 24% of the respondents' are government employee.

Table 4.2.1 Descriptive Statistics for tangibles

	N	Minimum	Maximum	Mean	Std. Deviation
Modern looking equipment.	100	3.00	5.00	4.5700	.65528
physical facilities	100	1.00	5.00	3.6500	.90314
Employees appearance	100	1.00	5.00	3.9100	1.11096
Research reports associated with the service visually appeals	100	2.00	5.00	3.8100	.95023
Valid N (listwise)	100				

The above table 4.2.1 shows that the Descriptive Statistics for tangibles. Modern looking equipment has the highest mean value of 4.5700 and Employees appearance has the mean value of 3.9100 and Research reports associated with the service visually appeals has the mean value of 3.8100 and physical facilities has the lowest mean value of 3.6500.

Table 4.2.2 Descriptive Statistics for reliability

	N	Minimum	Maximum	Mean	Std. Deviation
When Karvy Stock Broking promise to do something by a certain time, they do so	100	1.00	5.00	4.4500	.86894
When customers have a problem, Karvy stock broking shows interest in solving it	100	1.00	5.00	3.8100	.89550
When customers complain, Karvy performs the service right the first time	100	1.00	5.00	3.8600	1.12833

Karvy stock broking provides their services at their promises	100	2.00	5.00	3.6200	.83823
Karvy Stock Broking insists on error-free records	100	1.00	5.00	3.7400	1.18594
Valid N (listwise)	100				

The above table 4.2.2 shows that the Descriptive Statistics for level of reliability. When Karvy Stock Broking promise to do something by a certain time, they do so has the highest mean value 4.4500 and When customers complain, Karvy performs the service right the first time has the mean value of 3.8600 and When customers have a problem, Karvy stock broking shows interest in solving it has the mean value of 3.8100 and Karvy Stock Broking insists on error-free records has the mean value of 3.7400 and Karvy stock broking provides their services at their promises has the lowest mean value of 3.6200.

Table 4.2.3 Descriptive Statistics for responsiveness

	N	Minimum	Maximum	Mean	Std. Deviation
Employees of Karvy stock Broking communicates customers exactly when services are performed	100	3.00	5.00	4.5800	.72725
Employees of Karvy Stock Broking gives Prompt services to customers	100	1.00	5.00	3.6700	.85345
Employees of Karvy Stock Broking are always willing to help customers.	100	1.00	5.00	3.8500	.95743

Employees of Karvy stock broking responds to customers even in peak hours	100	1.00	5.00	3.6500	.96792
Valid N (listwise)	100				

The above table 4.2.3 shows that the Descriptive Statistics for responsiveness. Employees of Karvy stock Broking communicates customers exactly when services are performed has the highest mean value 4.5800 and Employees of Karvy Stock Broking are always willing to help customers has the mean value of 3.8500 and Employees of Karvy Stock Broking gives Prompt services to customers has the mean value of 3.6700 and Employees of Karvy stock broking responds to customers even in peak hours has the lowest mean value of 3.6500.

Table 4.2.4 Descriptive Statistics for assurance

	N	Minimum	Maximum	Mean	Std. Deviation
The behaviour of employees of Karvy Stock Broking are always instills confidence in customers	100	1.00	5.00	4.3900	.91998
Customers of Karvy Stock Broking feels safe to do transactions	100	1.00	5.00	3.7800	.91652
Employees of Karvy stock Broking consistently courteous with customers	100	2.00	5.00	3.7000	.91563
Employees of Karvy stock broking are knowledgeable and skilled to answer customer queries	100	1.00	5.00	3.8300	1.13756
Valid N (list wise)	100				

The above table 4.2.4 shows that the Descriptive Statistics for assurance. The behaviour of employees of Karvy Stock Broking are always instills confidence in customers has the highest mean value 4.3900 and Employees of Karvy stock broking are knowledgeable and skilled to answer customer queries has the mean value of 3.8300 and Customers of Karvy Stock Broking feel safe to do transactions has the mean value of 3.7800 and Employees of Karvy stock Broking consistently courteous with customers has the lowest mean value of 3.7000.

Table 4.2.5 Descriptive Statistics for empathy

	N	Minimum	Maximum	Mean	Std. Deviation
Karvy Stock Broking gives their customers individual attention.	100	2.00	5.00	4.4900	.83479
Karvy Stock Broking has operating hours convenient to all their customers	100	1.00	5.00	3.7800	.85965
Karvy Stock Broking employees give customers personal attention.	100	1.00	5.00	3.5000	.96922
The employees of Karvy Stock Broking understand the specific needs of their customers.	100	1.00	5.00	3.8500	1.04809
Valid N (list wise)	100				

The above table 4.2.5 shows that the Descriptive Statistics for empathy Karvy Stock Broking gives their customers individual attention has the highest mean value 4.4900 and The employees of Karvy Stock Broking understand the specific needs of their customers has the mean value of 3.8500 and Karvy Stock Broking has operating hours convenient to all their customers has the mean value of 3.7800 and Karvy Stock Broking employees give customers personal attention has the lowest mean value of 3.5000.

4.3. ONE-WAY ANOVA analysis

Table 4.3.1 ONE-WAY ANOVA analysis for age and level of satisfaction

	Sum of Squares	df	Mean Square	F	Sig.
Market Updating Call Between Groups	7.784	4	1.946	1.896	.118

Call n Trade	Within Groups	97.526	95	1.027		
		Total	105.310	99		
		Between	5.532	4	1.383	2.245 .070
Post Trade	Groups	Within Groups	58.508	95	.616	
		Total	64.040	99		
		Between	9.363	4	2.341	2.123 .084
Confirmation Call	Groups	Within Groups	104.747	95	1.103	
		Total	114.110	99		
		Between	5.262	4	1.316	1.279 .284
Research Call and Research Reports	Groups	Within Groups	97.738	95	1.029	
		Total	103.000	99		
		Between	14.609	4	3.652	3.112 .019
Online Trading	Groups	Within Groups	111.501	95	1.174	
		Total	126.110	99		
		Between	17.055	4	4.264	3.343 .013
Karvy App (Application)	Groups	Within Groups	121.185	95	1.276	
		Total	138.240	99		

Null Hypothesis

H0: There is no significance difference between level of satisfaction and age.

Alternative Hypothesis

H1: There is significance difference between level of satisfaction and age.

The above table 4.3.1 shows that the ONE-WAY ANOVA for level of satisfaction and age. The calculated value of factor online trading value is 0.019 and Karvy app (application) value is 0.013. There is a significant difference between age and level of satisfaction. So Alternative hypothesis is accepted.

5. FINDINGS, SUGGESTIONS AND CONCLUSIONS

5.1 FINDINGS

- 38% of the respondent's age group is between 31-40 years.
- 33.0% of the respondents' educational qualification is between UG and PG.
- 37% of the respondents' occupations are Private employee.
- In the Descriptive Statistics for tangibles modern looking equipment has the highest mean value of 4.5700.
- In the Descriptive Statistics for level of reliability when Karvy Stock Broking promise to do something by a certain time, they do so has the highest mean value 4.4500.
- In the Descriptive Statistics for responsiveness employees of Karvy Stock Broking communicates customers exactly when services are performed has the highest mean value 4.5800
- In the Descriptive Statistics for assurance the behavior of employees of Karvy Stock Broking are always instills confidence in customers has the highest mean value 4.3900.
- In the Descriptive Statistics for empathy Karvy Stock Broking gives their customers individual attention has the highest mean value 4.4900
- There is significance difference between level of satisfaction and age. The calculated value of factor online trading value is 0.019 and Karvy app(application) value is 0.013 is less than the tabulated value 0.05.

5.2 SUGGESTIONS

- From the findings KSBL want to improve their research reports accuracy because investors are investing huge money based on the research call.
- Market updating is another factor strongly influencing the investor for daily trade. So investors are expecting to update the market regularly.
- KSBL want to improve their online trading platform and Karvy Application. Because investors are facing technology issues like placing wrong order.
- Investors are expecting to increase the security for transactions of pay in and pay out.

5.3 CONCLUSIONS

The findings of this research would give a clear idea about the investor's perception towards service quality of KSBL. Although the study is descriptive in nature, it gives a brief idea about the factor influencing the investors and also gives the insights for future

development. Further, Research developed in the study is supported. Therefore the objective of the study is achieved. From the findings it shows all factors are related with investor's perception towards service quality of KSBL. However their significant level proved that there is significant relationship between all factors and level of satisfaction towards service quality.

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