

An empirical research on Client's attitude & perceived risk toward online securities trading at Motilal Oswal Securities Limited

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Abstract- Research paper having various objectives like to study the attitude of clients towards online trading at Motilal Oswal Securities Limited, to identify various factors towards online trading at Motilal Oswal Securities Limited, to measure an impact of various demographic factors like age, income, occupation & educational qualification on online trading variables like speedy convenient transaction and easily accessibility, to find out various client's perceived risk towards online trading at Motilal Oswal Securities Limited & to measure an association of various demographic factors like age, occupation, income & educational qualification on online trading variables like investment objectives, frequency of buying and selling a share, interval do you monitor your investment & electronic gadget you normally use for online share trading.

An exploratory and conclusive descriptive research was used in my research investigation, Data collection was online survey method with a structured questionnaire using 5 point likert scale given to the sample of population and planned to obtain particular information from the 150 respondents. Data collected from accessible clients of Motilal Oswal.

Variables like Security against misuse of investment, Personal custody of documents, Quicker decision, Reducing communication barriers, Easier/faster managing of portfolios, Transparent operation, More economical, More cash liquidity, Availability of analytical tools, Open to small investors, Reliability, Availability of door step services, Freedom of choice/variety, Reducing mental tension due to real time updating, Easier IPO processing, Accounting is automatic & Reduced risk due to low margin Exposure having mean value

greater than 4.00. So, clients having highly agree towards these online trading variables.

Motilal Oswal Securities Limited (MOSL) should give more focus towards variables like Security against misuse of investment, Personal custody of documents, Quicker decision, Reducing communication barriers, Easier/faster managing of portfolios, Transparent operation, More economical, More cash liquidity, Availability of analytical tools, Open to small investors, Reliability, Availability of door step services, Freedom of choice/variety, Reducing mental tension due to real time updating, Easier IPO processing, Accounting is automatic & Reduced risk due to low margin Exposure having mean value greater than 4.00. So, clients having highly agree towards these online trading variables.

The research paper has contained novel innovative methods and its interpretation towards clients online trading of securities at Motilal Oswal Securities Limited, which shown its originality and value.

Index Terms: *Clients Online trading, attitude, Perceived risks*

I. INTRODUCTION

The term 'Online Securities Trading' is the same as 'Online Trading', 'Electronic Trading' or 'Internet Trading'. It refers to any usage of electronic means of sending orders (bids and offers) to the market, electronic order routing, automated centralized execution and later giving out of price and volume information. Online trading is one of the effective Business-to-Consumer models of Electronic Trade. Putting a securities brokerage online

is a very smart move, since the business itself is simply an information-based business, and there is no logistic difficulty associated to physical delivery of securities. Online securities trading will be one of the prospective winners of the Internet. The arrival of wireless application protocol (WAP), third-generation mobile phones and WAP-enabled personal digital assistants will mean even more flexibility and access.

Electronic Commerce and Online Trading Some of the issues in Electronic Commerce may also be applied to Online Securities Trading since Online Securities Trading is a form of Business to Consumer Electronic Commerce.

Benefits to Organizations

- Globalize and borderless markets
- Reduced cycle time
- Reduced production cost
- Reduced number of employee
- Improved brand or corporate image
- Improved customer service

Benefits to Consumers

- Round the clock trading
- More choices offer
- Lower commission rate
- Quick delivery
- Attract lower income group customers

Limitations and Barriers

- Technical Limitations
- Developing cost
- Security and privacy
- Lack of trust and user resistance
- Legal issues: Many legal issues such as consumer.

II. LITERATURE REVIEW

Rob Baue, (2009) examined the impact of option trading on individual investor performance. The research shown most investors experienced substantial losses on their option investments, which was higher than equity trading. Merituuli Iisalo (2010) The goals of the study were successfully met as UK Trade and Investment received information they had wished to gain from their clients' perceptions and opinions. Additionally, UKTI gained information about how its clients

perceive their service. The clients showed readiness to recommend the service for others as they seemed also to be well satisfied to the service, though there are always issues in the customer service and understanding clients, which can be improved. UK Trade and Investment can further use this study as the basis to understand the clients' expectations and perceptions to provide more focused service for different segments according in which stage the company is in the internationalization process, and to attract companies to make new direct investments to the UK market. Jane S.Y. Ong (2010), This paper will first provide the background of online securities trading in Hong Kong. In-depth interviews were also conducted with senior personnel in local brokerage firms that offer online trading to gather their expert opinion and to explore the critical issues, attributes, benefits and barriers of online securities trading in Hong Kong.

Research concluded that In view of the developments in online services, more guidance to brokerages and increased investor education on using online trading facilities will be necessary. Chelimeti Vyshnavi, (2020) concluded that Matters have modified for the better with the INDIA INFOLINE taking location-coupled with undertaking to float the whole buying and promoting device, things have modified intensely over the past 3 to four years. New and advanced generation has broken geographical and cultural barriers, and characteristic brought the nationwide market to entrance.

III RESEARCH OBJECTIVE

The objectives of my research:

1. To study the attitude of clients towards online trading at Motilal Oswal Securities Limited.
2. To identify various factors towards online trading at Motilal Oswal Securities Limited.
3. To measure an impact of various demographic factors like age, income, occupation & educational qualification on online trading variables like speedy convenient transaction and easily accessibility.
4. To find out various client's perceived risk towards online trading at Motilal Oswal Securities Limited.
5. To measure an association of various demographic factors like age, occupation, income & educational

qualification on online trading variables like investment objectives, frequency of buying and selling a share, interval do you monitor your investment & electronic gadget you normally use for online share trading.

IV METHODS AND MATERIALS

An exploratory and conclusive descriptive research was used in my research investigation, i.e. data analysed by using quantitative and tests the specific hypothesis. Single cross sectional research design means one sample of respondents selected from the target population and information was obtain from this sample once upon a time. Data collection was online survey method with a structured questionnaire using 5 point likert scale given to the sample of population and planned to obtain particular information from the 150 respondents. Data collected from accessible clients of Motilal Oswal. Target populations were sample, a subgroups of a population selected for the research. Sample element would be clients who did online trading on regular basis. For clients, who were did online trading at Motilal Oswal Securities Limited, probability with simple random sampling method was used in my research.

research shown that cronbach's alpha value of 28 post purchase variables is 0.956, which shows that research data are reliable. To test the validity of the instrument, cronbach alpha was conducted. Cronbach alpha was calculated to measure the internal consistency and reliability of the instrument. The cronbach alpha came as 0.956 as shown in above table, thus the instrument was considered reliable for the study.

To attaining first objective of my research, I had done mean analysis for 28 variables which were played an important contribution to measure client's attitude on online trading.

my research shown that variables like Security against misuse of investment, Personal custody of documents, Quicker decision, Reducing communication barriers, Easier/faster managing of portfolios, Transparent operation, More economical, More cash liquidity, Availability of analytical tools, Open to small investors, Reliability, Availability of door step services, Freedom of choice/variety, Reducing mental tension due to real time updating, Easier IPO processing, Accounting is automatic &

Reduced risk due to low margin Exposure having mean value greater than 4.00. So, clients having highly agree towards these online trading variables.

Variables like Knowledge in technology & 24 hours access to the account having mean values less than 3.00, So, clients having disagree towards these online trading variables.

To achieve second objective of my research, to identify various factors for online trading, I have been performed exploratory factor analysis (EFA).

EXPLORATORY FACTOR ANALYSIS (EFA):

KMO and Bartlett's Test:		
KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.926
Bartlett's Test of Sphericity	Approx. Chi-Square	5645.345
	Df	259.000
	Sig.	0.000

The Kaiser-Meyer-Olkin Measure of Sampling Adequacy is a statistic that indicates the proportion of variance in the variables that might be caused by underlying factors. High values (close to 1.0) generally indicate that a factor analysis may be useful with the data. If the value is less than 0.70, the results of the factor analysis probably will not be very useful. The KMO value for the instrument was 0.926, which is acceptable as a good value. Similarly, Bartlett's test of sphericity tests the hypothesis that the correlation matrix is an identity matrix, which would indicate that the variables are unrelated and therefore unsuitable for structure detection. Significance P values is 0.00 which is less than 0.05 at confidence level (95%) indicate that a factor analysis may be useful with the data. The Bartlett's test showed a significant level and hence the instrument was accepted for further study.

my research shown that first variable identify from factor analysis viz, speedy & convenient transaction factor explained 66.405% of variance and easily accessibility factor explained 85.770% of variance.

Factor	Item	Factor Loading	Factor Name (Online Trading)
1	Convenient	.935	Speedy & Convenient transaction
	Full control of trade	.922	
	Availability of network facilities	.901	
	Reducing mental tension due to real time updating	.867	
	Timely transaction	.831	
	Speedy transaction/ Accounting is automatic	.829	
2	Personal custody of documents	.983	Easily Accessibility
	24 hours access to the account	.911	
	Knowledge in technology	.874	
	Environment friendly	.691	

From above table, my research identify two factor, one is speedy & convenient transaction having six variables like Convenient, Full control of trade, Availability of network facilities, Reducing mental tension due to real time updating, Timely transaction Speedy transaction/ Accounting is automatic having factor loading .935, .922, .901, .867, .831 & .829 respectively. Second factor is easily accessibility having four variables like Personal custody of documents, 24 hours access to the account,

Knowledge in technology & Environment friendly having factor loading .983, .911, .874 & .691 respectively.

To achieve third objective of my research, I have performed one way ANOVA test to measure an impact of various demographic factors like age, income & occupation on online trading variables like speedy convenient transaction and easily accessibility.

1. One way ANOVA with Age of Client towards online trading:
Hypothesis for Test:

Null Hypothesis (Ho): There is no impact of various group of age of client on speedy convenient transaction and easily accessibility.

Alternative Hypothesis (H1): There is no impact of various group of age of client on speedy convenient transaction and easily accessibility.

My research had shown that client's age having an impact on online trading variables like speedy convenient transaction and easily accessibility. The significance values (P) of one Way ANOVA test are 0.000 for Speedy Convenient Transaction & 0.000 for easily accessibility. So, I accepted alternative hypothesis and reject null hypothesis.

2. One way ANOVA with Occupation of Client towards online trading:

Hypothesis for Test:

Null Hypothesis (Ho): There is no impact of various group of occupation of client on speedy convenient transaction and easily accessibility.

Alternative Hypothesis (H1): There is no impact of various group of occupation of client on speedy convenient transaction and easily accessibility.

My research had shown that client's occupation having an impact on online trading variables like speedy convenient transaction and easily accessibility. The significance values (P) of one Way ANOVA test are 0.000 for Speedy Convenient Transaction & 0.000 for easily accessibility. So, I accepted alternative hypothesis and reject null hypothesis.

3. One way ANOVA with income of Client towards online trading:

Hypothesis for Test:

Null Hypothesis (Ho): There is no impact of various group of income of client on speedy convenient transaction and easily accessibility.

Alternative Hypothesis (H1): There is no impact of various group of income of client on speedy convenient transaction and easily accessibility.

My research had shown that client's income having an impact on online trading variables like speedy convenient transaction and easily accessibility. The significance values (P) of one Way ANOVA test are 0.000 for Speedy Convenient Transaction & 0.000 for easily accessibility. So, I accepted alternative hypothesis and reject null hypothesis.

4. One way ANOVA with income of Client towards online trading:

Hypothesis for Test:

Null Hypothesis (Ho): There is no impact of various group of educational qualification of client on speedy convenient transaction and easily accessibility.

Alternative Hypothesis (H1): There is no impact of various group of educational qualification of client on speedy convenient transaction and easily accessibility.

My research had shown that client's educational qualification having an impact on online trading variables like speedy convenient transaction and easily accessibility. The significance values (P) of one Way ANOVA test are 0.000 for Speedy Convenient Transaction & 0.000 for easily accessibility. So, I accepted alternative hypothesis and reject null hypothesis.

5. One way ANOVA with income of Client towards online trading:

Hypothesis for Test:

Null Hypothesis (Ho): There is no impact of various group of gadget used by clients on speedy convenient transaction and easily accessibility.

Alternative Hypothesis (H1): There is no impact of various group of gadget used by clients on speedy convenient transaction and easily accessibility.

My research had shown that gadget used by clients having an impact on online trading variables like speedy convenient transaction and easily accessibility. The significance values (P) of one Way ANOVA test are 0.000 for Speedy convenient transaction & 0.000 for easily accessibility. So, I accepted alternative hypothesis and reject null hypothesis.

To attain fourth objectives of research, to find out various client's perceived risk towards online trading at Motilal Oswal Securities Limited. I have performed mean analysis test.

Descriptive Statistics

Sr. No.	Variables	Mean
1	Commodity risk	3.5733
2	Currency risk	3.2200
3	Legal risk	2.7867
4	Auction sales risk	2.6533
5	Political risk	2.5333
6	Securitization	2.4733
7	Failure to exercise	2.4133
8	Errors and Omissions	2.4133
9	Security	2.4133
10	Reliability of the system	2.4133
11	System risk/ network	2.4000
12	Limits and margin	2.4000
13	Interest rate risk	2.4000
14	Credit derivative	2.4000
15	Funding liquidity	2.3267
16	Volatility risk	2.3267
17	Exposures risk	2.2933
18	Consumer non-repayment risk	2.2933
19	Internet frauds	2.2400
20	Risk-reducing orders	2.1600
21	Withdrawal facility	2.1600

22	Software stability	2.1333
23	Settlement risk	2.0600
24	Market liquidity	2.0133
25	PC quality & reliability	2.0000
26	Risk of new announcement	1.8800
27	Misuse of password	1.8800
	Valid N (listwise)	

From above table, risk variables commodity risk & Currency risk having high risk on online trading while various other risks like Funding liquidity, Volatility risk, Exposures risk, Consumer non-repayment risk, Internet frauds, Risk-reducing orders, Withdrawal facility, Software stability, Settlement risk, Market liquidity, PC quality & reliability, Risk of new announcement & Misuse of password having low risk toward online trading of securities.

To achieve fifth objective of my research, I have performed Chi-Square test to measure an association of various demographic factors like age, occupation, income & educational qualification on online trading variables like investment objectives, frequency of buying and selling a share, interval do you monitor your investment & electronic gadget you normally use for online share trading.

Sr. No.	HYPOTHESIS	P VALUE	RESULT
H1	There is an association between age of clients and investment objectives.	0.000	Accept
H2	There is an association between age of clients and frequency of buying and selling a share.	0.000	Accept
H3	There is an association between occupation of clients and investment objectives.	0.000	Accept
H4	There is an association between	0.000	Accept

	occupation of clients and frequency of buying and selling a share.		
H5	There is an association between income of clients and investment objectives.	0.000	Accept
H6	There is an association between income of clients and frequency of buying and selling a share.	0.000	Accept
H7	There is an association between income of clients and interval do you monitor your investment.	0.000	Accept
H8	There is an association between income of clients and electronic gadget you normally use for online share trading.	0.000	Accept
H9	There is an association between educational qualification of clients and investment objectives.	0.000	Accept
H10	There is an association between educational qualification of clients and frequency of buying and selling a share.	0.000	Accept

From above table, my research shown that demographic variables like age, occupation, income, educational qualification of the clients having an association on investment objectives, frequency of buying and selling a share, interval do you monitor your investment.

The significance value (P) at 95% of the confidence level is 0.000, So, I accept alternative hypothesis, which shown that there is an association between demographic variables like age, occupation, income, educational qualification of the clients and investment objectives, frequency of buying and selling a share, interval do you monitor your investment.

V FINDINGS OF THE STUDY

1. Research shows that 67.3% of the clients are male & remaining 32.7% of them are female.
2. 75.4% of the clients fall between 26-60 age groups and remaining 24.2% of them are fall more than 61 years or older.
3. 42.7% of the clients are salaried employees & self-employed, 57.3% of them are professional.
4. 50.7% of the clients are Graduate, 42.0% of them are post graduate and remaining 7.3% of the clients are considered as M.Phil./PhD.
5. 13.3% of the clients fall between Rs.1,00,001 to 3,00,000 income groups, 19.3% of the clients are greater than Rs.1,00,001 income groups and remaining 25.3% of the clients fall between Rs.5,00,001 to 7,00,000 income groups and 42.0% of the clients are greater than Rs.7,00,000.
6. Research shows 100% of the clients are considered as married.
7. Mainly 19.3% of the clients having secondary sources of income were deposit, & remaining 80.7 % of the clients having secondary sources of income was online share trading.
8. Research shows that 73.7% of the clients having main objective is wealth creation.
9. 62.7% of the clients may buy and sell a share depend on market & 37.3% of the clients may buying and selling a share based on Availability of funds flow.
10. 75.3% of the clients monitor their investments weekly and remaining, 24.7% of the clients monitor their investments daily basis.
11. 63.3% of the clients get the awareness of online share trading at the first time from broker and remaining, 36.6% of the clients get the awareness of online share trading at the first time from friends/colleagues/relatives.
12. 42.7% of the clients used electronic gadget for online share trading through Desktop/Laptop, 57.4% of the clients used electronic gadget for online share trading through Smart phones application & Mobile Trading terminal.
13. Overall reliability for the 28 variable is 0.956. So, research data are reliable.
14. Variables like Security against misuse of investment, Personal custody of documents, Quicker decision, Reducing communication barriers, Easier/faster managing of portfolios, Transparent operation, More economical, More cash liquidity, Availability of analytical tools, Open to small investors, Reliability, Availability of door step services, Freedom of choice/variety, Reducing mental tension due to real time updating, Easier IPO processing, Accounting is automatic & Reduced risk due to low margin Exposure having mean value greater than 4.00. So, clients having highly agree towards these online trading variables.
15. Variables like Knowledge in technology & 24 hours access to the account having mean values less than 3.00, So, clients having disagree towards these online trading variables.
16. Variable identify from factor analysis viz, speedy & convenient transaction factor explained 66.405% of variance and easily accessibility factor explained 85.770% of variance.
17. One is speedy & convenient transaction having six variables like Convenient, Full control of trade, Availability of network facilities, Reducing mental tension due to real time updating, Timely transaction Speedy transaction/ Accounting is automatic having factor loading .935, .922, .901, .867, .831 & .829 respectively. Second factor is easily accessibility having four variables like Personal custody of documents, 24 hours access to the account, Knowledge in technology & Environment friendly having factor loading .983, .911, .874 & .691 respectively.
18. Client's age, Occupation, Income and educational qualifications having an impact on online trading variables like speedy convenient transaction and easily accessibility. The significance values (P) of one Way

ANOVA test are 0.000 for Speedy Convenient Transaction & 0.000 for easily accessibility. So, I accepted alternative hypothesis and reject null hypothesis.

19. Risk variables commodity risk & Currency risk having high risk on online trading while various other risks like Funding liquidity, Volatility risk, Exposures risk, Consumer non-repayment risk, Internet frauds, Risk-reducing orders, Withdrawal facility, Software stability, Settlement risk, Market liquidity, PC quality & reliability, Risk of new announcement & Misuse of password having low risk toward online trading of securities.
20. Demographic variables like age, occupation, income, educational qualification of the clients having an association on investment objectives, frequency of buying and selling a share, interval do you monitor your investment.
21. The significance value (P) at 95% of the confidence level is 0.000, So, I accept alternative hypothesis, which shown that there is an association between demographic variables like age, occupation, income, educational qualification of the clients and investment objectives, frequency of buying and selling a share, interval do you monitor your investment.

VI MANAGERIAL IMPLICATIONS AND CONCLUSION

1. Motilal Oswal Securities Limited (MOSL) should give more focus towards male clients & made some improvement for female clients for online trading.
2. Motilal Oswal Securities Limited (MOSL) should give more focus towards the clients fall between 26-60 age groups and made some improvement towards 61 years or older clients.

3. Motilal Oswal Securities Limited (MOSL) should give more focus towards the clients who salaried employees, self-employed & professional.
4. Motilal Oswal Securities Limited (MOSL) should give more focus towards the clients who are Graduate & post graduate.
5. Motilal Oswal Securities Limited (MOSL) should give more focus towards the clients who fall between Rs.5,00,001 to 7,00,000 income groups and greater than Rs.7,00,000 income per annum.
6. Motilal Oswal Securities Limited (MOSL) should give more focus towards the clients who are considered as married.
7. Motilal Oswal Securities Limited (MOSL) should give more focus towards the clients who having main objective is wealth creation.
8. Motilal Oswal Securities Limited (MOSL) should give more focus towards variables like Security against misuse of investment, Personal custody of documents, Quicker decision, Reducing communication barriers, Easier/faster managing of portfolios, Transparent operation, More economical, More cash liquidity, Availability of analytical tools, Open to small investors, Reliability, Availability of door step services, Freedom of choice/variety, Reducing mental tension due to real time updating, Easier IPO processing, Accounting is automatic & Reduced risk due to low margin Exposure having mean value greater than 4.00. So, clients having highly agree towards these online trading variables.
9. Variable identify from factor analysis viz, speedy & convenient transaction factor explained 66.405% of variance and easily accessibility factor explained 85.770% of variance.
10. Motilal Oswal Securities Limited (MOSL) should give more focus towards the client's age, Occupation, Income and educational qualifications having an impact on online trading variables like speedy convenient transaction and easily accessibility.

11. Motilal Oswal Securities Limited (MOSL) should give more focus towards various risk variables commodity risk & Currency risk having high risk on online trading while various other risks like Funding liquidity, Volatility risk, Exposures risk, Consumer non-repayment risk, Internet frauds, Risk-reducing orders, Withdrawal facility, Software stability, Settlement risk, Market liquidity, PC quality & reliability, Risk of new announcement & Misuse of password having low risk toward online trading of securities.
12. Motilal Oswal Securities Limited (MOSL) should give more focus towards the clients Demographic variables like age, occupation, income, educational qualification of the clients having an association on investment objectives, frequency of buying and selling a share, interval do you monitor your investment.

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