

A STUDY ON INVESTOR'S PERCEPTION ABOUT ONLINE TRADING IN INDIAN STOCK MARKET: INDIA INFOLINE

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ABSTRACT

Online trading has transformed the investment landscape by enabling investors to buy and sell securities through digital platforms with greater convenience, accessibility, and efficiency. The rapid growth of internet penetration, smartphone usage, and financial technology has significantly increased participation in stock markets. This study examines investors' perceptions regarding online trading in the Indian stock market with special reference to India Infoline (IIFL). The primary objective is to analyze investors' preferences, investment patterns, opinions, and satisfaction levels toward online trading services. The study adopts a descriptive research design and utilizes both primary and secondary data sources. Primary data were collected through a structured questionnaire administered to 150 respondents selected through convenience sampling. Statistical tools such as percentage analysis and Chi-square analysis were employed to interpret the collected data. The findings reveal that a majority of investors prefer online trading due to its user-friendly interface, convenience, accessibility, and time-saving features. Most respondents belong to the age group of 26–40 years and prefer investing through the National Stock Exchange. Mutual funds and equity investments emerged as the most preferred investment avenues among respondents. The study also indicates that investors largely perceive online trading platforms as reliable and efficient in facilitating investment decisions. Furthermore, the research highlights that technological advancements and digital financial services have enhanced investor confidence and encouraged wider participation in capital markets. However, concerns related to market volatility, information asymmetry, and investment risk continue to influence investor behavior. The study concludes that online trading platforms play a vital role in promoting financial inclusion and investment awareness. Brokerage firms should focus on improving customer support, investor education, cybersecurity measures, and platform efficiency to enhance user satisfaction and attract a broader investor base. The findings contribute to understanding investor behavior and provide valuable insights for policymakers, brokerage firms, and future researchers.

Keywords: Online Trading, Investor Perception, Stock Market, India Infoline (IIFL), Investment Behaviour, Mutual Funds, Digital Trading Platforms, Investor Satisfaction.

I. INTRODUCTION

The Indian stock market has experienced remarkable transformation with the emergence of online trading platforms that facilitate real-time investment activities through internet-enabled technologies. Online trading enables investors to buy and sell securities electronically without physical interaction with brokers, thereby

increasing accessibility and market participation [1]. Technological advancements have revolutionized traditional trading systems and contributed significantly to the modernization of financial markets [2]. The increasing penetration of smartphones and internet services has encouraged retail investors to participate actively in stock market investments [3]. Online trading platforms provide transparency, convenience, speed, and cost efficiency in investment transactions [4]. The introduction of electronic trading systems by stock exchanges has enhanced market liquidity and efficiency [5]. Investors can access diverse financial products including equities, derivatives, mutual funds, bonds, and exchange-traded funds through digital platforms [6]. The Securities and Exchange Board of India (SEBI) has played a significant role in regulating and promoting secure online trading practices [7]. Investor awareness and financial literacy have improved substantially due to digital financial services [8]. Online brokerage firms offer research reports, portfolio management tools, and investment recommendations that assist investors in making informed decisions [9]. The growing popularity of discount brokers and fintech innovations has further accelerated online trading adoption [10]. Studies indicate that convenience, ease of use, and accessibility significantly influence investors' adoption of online trading platforms [11][12][13][14][15].

Investor perception is an essential determinant of investment behavior and trading decisions in financial markets. Perception reflects investors' attitudes, expectations, confidence levels, and risk preferences regarding investment opportunities [16]. Various demographic and socioeconomic factors influence investor perception toward online trading [17]. Age, education, income, occupation, investment experience, and technological awareness play important roles in shaping investment decisions [18]. Investors increasingly prefer online trading due to lower transaction costs and immediate market access [19]. Digital platforms have enhanced transparency and reduced information asymmetry among market participants [20]. Research suggests that investor satisfaction is strongly associated with platform reliability, security, responsiveness, and service quality [21]. Online trading platforms provide analytical tools that support effective investment planning and portfolio diversification [22]. Financial technology innovations have improved investor engagement and market participation [23]. However, concerns related to cybersecurity risks, market volatility, and inadequate knowledge continue to affect investor confidence [24]. Understanding investor perception is therefore essential for brokerage firms and policymakers to design effective strategies and services [25]. The present study focuses on investors' perceptions regarding online trading in the Indian stock market with special reference to India Infoline and evaluates the factors influencing investment preferences and satisfaction levels [26][27][28][29][30].

II. LITERATURE REVIEW

Previous studies have extensively examined investor perception, satisfaction, and behavior in online trading environments. Geethanjali and Santhakumari (2024) reported that investors increasingly prefer online trading because of convenience and accessibility [1]. Thasli et al. (2019) found that investor preferences are influenced by ease of operation and platform usability [2]. Navya and Deepthi (2019) observed that service quality significantly affects investor satisfaction levels [3]. Hawaldar and Rahiman (2019) highlighted the influence of personal and demographic factors on investment decisions [4]. Sakthivel and Saravanakumar (2018) emphasized the importance of brokerage services and technical support in improving trading experiences [5]. Mohanraj and Kowsalya (2018) identified service quality as a critical determinant of investor loyalty [6]. Pavithra and Robert

(2017) found that investors increasingly rely on digital platforms for executing investment transactions [7]. Krishnamohan and Pratima (2016) suggested that investor education programs can enhance online trading adoption [8]. Battase (2015) reported that effective brokerage services positively influence investor confidence [9]. Kumari et al. (2013) concluded that prompt response and efficient customer support improve investor satisfaction [10]. Walia and Kumar (2012) found that investors often remain loyal to existing brokers despite alternative platform availability [11]. Kukreja (2012) emphasized the importance of trust and transparency in capital markets [12][13][14][15].

Several researchers have also explored factors influencing online investment behavior and trading performance. Renuka (2007) reported that awareness and technological familiarity positively affect online trading adoption [16]. Studies indicate that digital transformation has significantly improved investment accessibility and participation [17]. Financial technology innovations have enabled investors to access market information in real time and execute trades efficiently [18]. Research highlights that perceived usefulness and ease of use are major determinants of technology acceptance in online trading environments [19]. Investor confidence is positively associated with platform security and reliability [20]. Online trading systems reduce transaction costs and increase operational efficiency [21]. The availability of research tools and investment analytics enhances decision-making quality among investors [22]. Market transparency and information availability have strengthened investor trust in digital platforms [23]. Studies also indicate that younger investors exhibit greater preference for online trading than older investors [24]. Risk perception remains a significant factor influencing investment decisions [25]. Behavioral finance literature suggests that emotions and cognitive biases affect trading behavior [26]. Financial literacy contributes to better portfolio management and investment outcomes [27]. Investor satisfaction increases when trading platforms provide timely support and educational resources [28]. The literature collectively suggests that technological advancement, service quality, trust, and investor awareness are key factors driving online trading adoption and satisfaction [29][30].

III. RESEARCH METHODOLOGY

The present study adopts a descriptive research design to analyze investors' perceptions regarding online trading in the Indian stock market with special reference to India Infoline (IIFL). The research aims to understand investor preferences, opinions, investment patterns, and satisfaction levels associated with online trading platforms. Both primary and secondary data sources were utilized for the study. Primary data were collected through a structured questionnaire administered to investors engaged in online trading activities. Secondary data were gathered from journals, research articles, books, websites, stock market reports, and other relevant publications. The research focuses on identifying the factors that influence investor behavior and their attitudes toward online trading services.

A convenience sampling technique was employed to select respondents for the study. The total sample size consisted of 150 investors actively participating in online trading activities. The study was conducted over a period of three months. Data collected through questionnaires were systematically classified, tabulated, and analyzed to derive meaningful insights. Percentage analysis was used to summarize demographic characteristics and

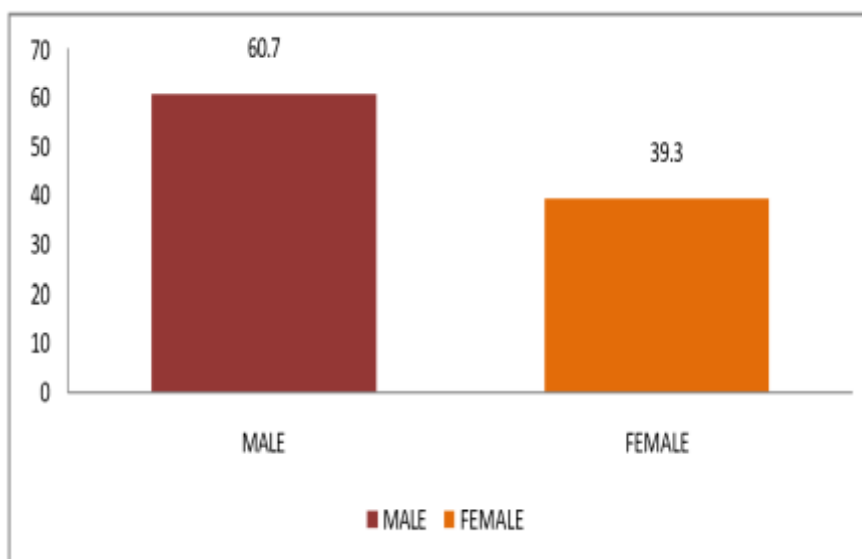
investment preferences of respondents. Chi-square analysis was applied to examine relationships between selected variables and to test the formulated hypotheses. The methodology enabled the researcher to evaluate investor perceptions regarding brokerage services, trading platforms, investment choices, and satisfaction levels. The findings generated through the research methodology provide valuable insights into the effectiveness of online trading platforms and the factors influencing investment decisions in the Indian stock market.

IV. RESULTS & DISCUSSION

The analysis of demographic characteristics reveals that male investors constitute the majority of respondents, accounting for 60.7%, while female investors represent 39.3%. The largest proportion of respondents (42%) belongs to the age group of 26–40 years, indicating active participation of young and middle-aged investors in online trading. Most respondents are graduates and private-sector employees, reflecting a relatively educated investor population. Income analysis indicates that a significant percentage of respondents earn between ₹1 lakh and ₹2 lakh annually. The findings further reveal that 48% of respondents invest less than ₹10,000 in online trading activities. The National Stock Exchange (NSE) emerged as the preferred trading platform for 53.3% of respondents. Upstox was identified as the most frequently used brokerage platform, followed by Zerodha and IIFL Securities. A majority of respondents expressed confidence in the effectiveness and reliability of their brokerage services.

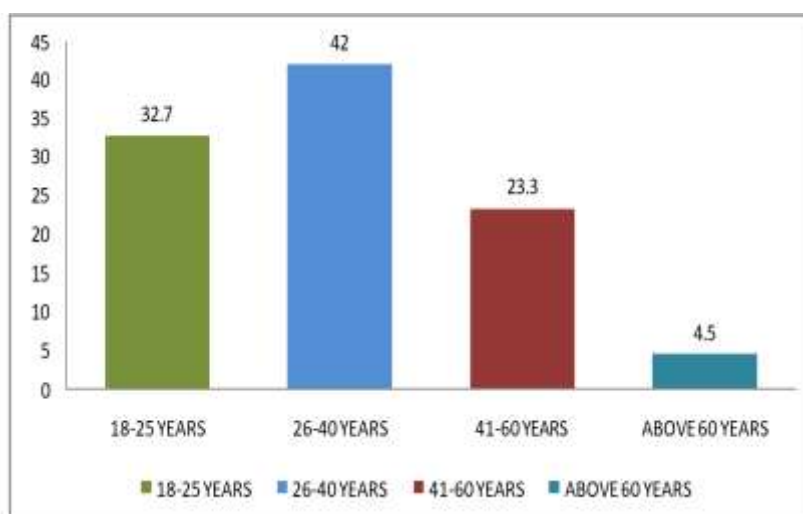
GENDER	NO.OF RESPONDENT'S	PERCENTAGE(%)
MALE	91	60.7
FEMALE	59	39.3
TOTAL	150	100.0

SOURCE: PRIMARY DATA



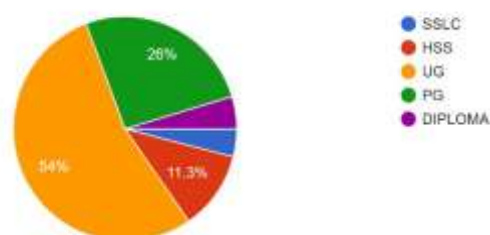
AGE	NO .OF RESPONDENT'S	PERCENTAGE(%)
18-25 YEARS	49	32.7
26-40 YEARS	63	42.0
41-60 YEARS	35	23.3
ABOVE 60 YEARS	03	2.0
TOTAL	150	100.0

SOURCE: PRIMARY DATA



QUALIFICATION	NO.OF RESPONDENT'S	PERCENTAGE(%)
SSLC	06	4.0
HSS	17	11.3
UG	81	54.0
PG	39	26.0
DIPLOMA	07	4.7
TOTAL	150	100.0

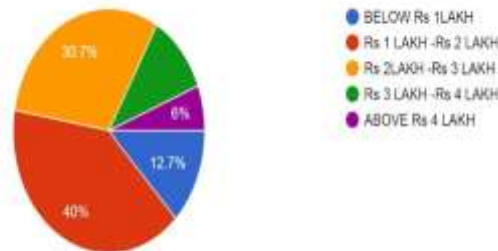
SOURCE: PRIMARY DATA.



The study also reveals that 34% of respondents prefer investing in mutual funds, while 31.3% invest in both equity and mutual funds. Monthly trading is the most preferred trading frequency among respondents. More than 60% of investors agreed that online trading is more user-friendly and less time-consuming than traditional offline trading. The internet was identified as the primary source of investment advice by 29.3% of respondents, highlighting the growing influence of digital information channels. Long-term investment emerged as the most preferred investment strategy, selected by 46.7% of respondents. Furthermore, privacy, convenience, user-friendliness, and time-saving features were identified as major motivations for adopting online trading platforms. These findings suggest that technological convenience, accessibility, and platform efficiency significantly influence investor satisfaction and trading behavior. Brokerage firms should therefore continue enhancing digital services, security features, and investor education initiatives to strengthen investor confidence and increase participation in online financial markets.

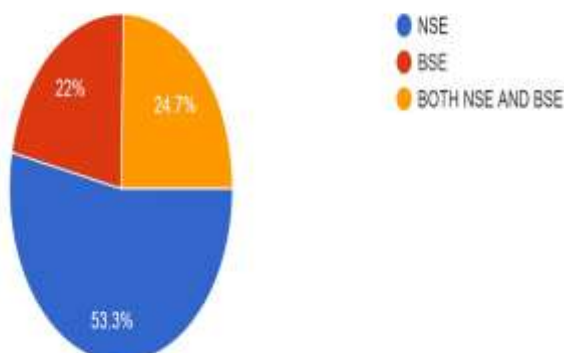
ANNUAL INCOME	NO.OF RESPONDENT'S	PERCENTAGE(%)
BELOW Rs 1 LAKH	19	12.7
Rs 1 LAKH -Rs 2 LAKH	60	40.0
Rs 2 LAKH-Rs 3 LAKH	46	30.7
Rs 3LAKH -Rs 4 LAKH	16	10.7
ABOVE Rs 4 LAKH	09	6.0
TOTAL	150	100.0

SOURCE: PRIMARY DATA.



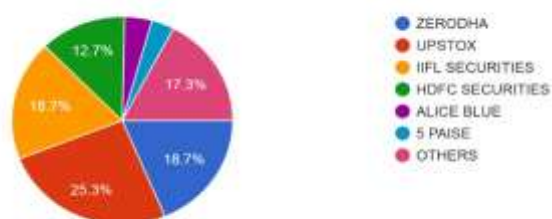
INVESTMENT AMOUNT	NO.OF RESPONDENT'S	PERCENTAGE (%)
LESS THAN Rs 10,000	72	48.0
Rs 10,000- Rs 50,000	36	24.0
Rs 50,000- Rs 1,00,000	22	14.7
Rs 1,00,000 – Rs 2,00,000	15	10.0
ABOVE Rs 2,00,000	05	3.3
TOTAL	150	100.0

SOURCE: PRIMARY DATA



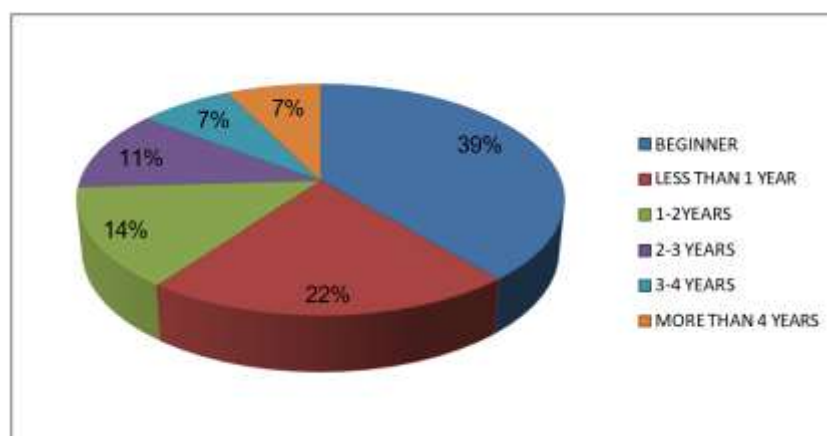
BROKERING SITE	NO.OF RESPONDENTS	PERCENTAGE (%)
ZERODHA	28	18.7
UPSTOX	38	25.3
IIFL SECURITIES	28	18.7
HDFC SECURITIES	19	12.7
ALICE BLUE	06	4.0
5 PAISE	05	3.3
OTHERS	26	17.3
TOTAL	150	100.0

SOURCE: PRIMARY DATA



EXPERIENCE	NO.OF RESPONDENT'S	PERCENTAGE(%)
BEGINNER	58	38.7
LESS THAN 1 YEAR	32	21.3
1-2 YEARS	21	14.0
2-3 YEARS	17	11.3
3-4 YEARS	11	7.3
MORE THAN 4 YEARS	11	7.3
TOTAL	150	100.0

SOURCE: PRIMARY DATA



V. CONCLUSION

The study concludes that online trading has become an integral component of the Indian financial market and has significantly influenced investor participation and investment behavior. The rapid growth of internet technologies, digital financial services, and online brokerage platforms has enhanced accessibility, transparency, and efficiency in trading activities. The findings indicate that investors generally hold positive perceptions toward online trading due to its convenience, user-friendly interface, reduced transaction time, and availability of real-time market information. Most respondents prefer investing through online platforms because they provide flexibility and ease of access to a wide range of financial instruments. Mutual funds and equity investments are the most preferred investment avenues, while long-term investment remains the dominant investment strategy. The study also reveals that demographic factors such as age, education, occupation, and income influence investor perceptions and trading behavior. Although investors appreciate the benefits of online trading, concerns related to market risk, volatility, and security remain important considerations. Therefore, brokerage firms should focus on strengthening cybersecurity measures, improving customer support services, and providing investor education programs to enhance trust and satisfaction. Policymakers and regulatory authorities should continue promoting transparent and secure trading environments that encourage broader investor participation. Overall, online trading platforms have played a vital role in democratizing investment opportunities and fostering financial inclusion in India. The study

contributes to a better understanding of investor perceptions and offers useful insights for brokerage firms, regulators, and future researchers seeking to improve the effectiveness and adoption of online trading systems.

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