
**INTERNATIONAL JOURNAL OF BUSINESS, MANAGEMENT
AND ALLIED SCIENCES (IJBMAS)**
A Peer Reviewed International Research Journal

**A STUDY ON INVESTOR RETENTION STRATEGIES OF INDIAN
SHARE BROKING FIRMS WITH SPECIAL REFERENCE TO ERODE
DISTRICT**

S.ARUNKUMAR¹, Dr.P.POONGODI²

¹Ph.D. Research Scholar, Bharathiar University, Coimbatore.

²Professor & Head, Department of Management Studies, Kongu Arts and Science College –
Erode.



ABSTRACT

In the competitive environment all the companies find it hard to create a new customer into the business. If the company create a new customer into the business and they feel very difficult to satisfy all the need of the customer and to retain the customer with him. A survey clearly indicated that, the company can spend the cost five times more to attract a new customer than to retain an existing customer. So it is very important to consider the customer demands and to satisfy the need of them. In the service oriented industry, internal customers (employees) involvement and responsiveness is very important to satisfy and to retain the investors. The present study conducted at Erode District share broking firms to find out impact of Investor retentions strategies followed by the firms. Totally 900 samples collected from the investors with the factors like customer Handling, Staffs (Employees) quality of work, handling complaints are considered to derive a result. The tools like Simple percentage Analysis, Ranking Method and Regression Analysis are used to find the results.

The study finds that, the share broking firms offer enormous quality to its traders. In order to ensure a maximum level of satisfaction of traders, their needs and wants may be studied individually and efficient steps be taken to accomplish their aspiration in their share trading.

KEY WORDS: customer Retention, Customer handling, quality of work, Handling Complaints.

Introduction

After the post liberalization policy in India, financial sector have opened multidimensional growth from all the areas like banking, Insurance, Mutual Funds, Equity Investments, wealth management etc. The financial service providers and the financial advisors can utilize this, as an opportunity to increase the growth of their business. In that, share broking also one of the potential opportunities for the share brokers who can advise their clients to invest in the stock market for the

purpose of earn more money than the bank deposits and post office savings. On the later stage, the advisory services can be done by the big corporate, financial institutions and Banks also. The improved earning capacity and increased family income of Indians have increased their investment capacity. This will helps the financial service providers like broking agencies have to develop new set of products, services and methods for their business developments. They try to introduce terminal based trading and online trading system to the investors to do more investments in equity and derivative market.

The markets like National stock exchange (NSE), Bombay stock exchange (BSE) and the market regulator like Securities Exchange Board of India (SEBI) help to the share brokers, to create confidence among equity investors. This will helps to the share brokers to increase the volume of business. The broking firms are introduced customer made services (PMS- Portfolio Management Service) to attract the new investors and they try to bringing the efficiency in service delivery through multi product on customized basis. The Brokers (Financial Advisors) do a personalized consulting based on problem solutions specific to individual investors' investment and financial planning issues.

The share broking firm emphasizes client value because clients generally have a long-term relationship with the brokers. The financial advisors only trace the opportunities for equity investments and they gave the trade instructions to the clients. In a competitive environment share broking firms need to provide absolute tailor-made services to the investors and to retain them with the company.

The vital parts of the business are to understanding customer service and measuring customer satisfaction is very crucial. There is obviously a strong link between customer satisfaction and customer retention. Dawkins and Reichheld (1990) highlight the benefits of organizational commitment to retention and maintain that higher retention rate will normally lead to higher net present value of customers. Customer's perception of Service and Quality of product will determine the success of the product or service in the market. Investor satisfaction is still one of the single strongest predictors of investor retention. Retention, however, is not that easy job for the share broking firms because the investors' expectations are change over time and it become a tough job for the firm to satisfy the need of their investors. Understanding the service quality given to the investors and measuring the satisfaction level of them are essential for the investor retention. The service industry growth always depends on the quality of goods and services that satisfy customer's needs or wants irrespective of the industry or scale of the business in which a firm is operating.

Literature Review:

Alshurideh Turki Muhammad¹ (2016) describes customer retention is aimed to get benefit for both the relationship parties to exchange their views and to reduce the transaction costs. The author indicates that the firms need to offer different utilities to retain existing and potential customers. He also emphasis on relationship benefits also leads to retain the customer even after the post purchase of the product and services also.

Ibok. Nkanikpo I. et al² (2012) highlights the impact of consumers' retention in micro finance banks. The study pinpointed some key areas on the banks side that are likely to affect customers' retention as perceived by consumers. Author identifies and measures the gaps between customers' retention and its determinants. They try to examine the patronage behaviour, customer satisfaction, relationship marketing, customer loyalty and retention in the banking sector with the factors like geo-demographic, socio-economic and other environmental contexts. They attempt to explain the segment their market to match customer needs and firm capabilities by managing customer base. The study

¹ Muhammad Turki Alshurideh, " Journal of Research in Marketing" Volume 5 No.3 April 2016 page. No: 382-389.

² Nkanikpo I. Ibok & Paul O. Udofot Customers' Retention in Micro Finance Banks: An Analysis of Drivers and Inhibitors "International Journal of Marketing Studies; Vol. 4, No. 5; 2012 page.No:74-80.

helps to find an effective service delivery of quality services as well as try to control the declining/defecting customers.

Ranaweera Chatura³ et al (2003) This study examines the combined effects of customer satisfaction and trust on customer retention and positive word of mouth (WOM) in the fixed line telephone users at United kingdom. The study helps to validate the link between satisfaction and behavioural intentions and behaviours such as retention and WOM. The behavioural intention helps to identify the satisfaction level of the customers needs and wants is the key to building loyal customers. The greater intention of satisfaction level leads to customer retention. Effects of both satisfaction and trust on customer retention are found to be significant and positive. The study indicated the value of the word called "trust". The peoples trust in the field of financial sector plays a major an important role on handling the customer funds. The online service providers also require high level of trust to attract customers. From the study, the author clearly indicates that the long-term contractual nature of the relationship itself does not necessarily make trust more important than satisfaction. The companies need to create trust relationships rather than transaction-oriented.

Gaur S.S et.al⁴ The study is to examine the relationship marketing can influence customer retention in the context of cellular mobile telecommunications. They examine the relationships with the variables such as relationship marketing tactics, perceived relationship investment, relationship satisfaction and customer retention. Marketing tactics are further sub-divided into four categories, namely rewarding, personalization, preferential treatment, and communication. The study also helpful to find the effects of additional variables such as payment equity, perceived difficulty in switching and attractiveness of alternatives, have also been included in the model for empirical testing.

The study finds that, customer perceptions play a critical role in establishing relationships. The satisfaction of customers through relationship helps to turn positive impact on customer retention. High levels of perceived service understand by the service providers can help to increase relationship decreases the attractiveness of alternatives, which translates to higher customer retention.

Reinartz Werner.J et.al (2000)⁵ the study investigate the nature of the association of customer lifetime duration and customer profitability. They try to identify the customer lifetime duration and customer profitability, profits of long life time customers increases overtime or not, the cost of serving long-life customers are lower or not and lifelong customers pay higher prices. The study results shown that there was no positive association between lifetime and profit exists. The profit also not increase with increasing customer tenure, the cost of serving long life customers are not lower and the lifelong customers also not pay higher prices. The entire study reveals that, the industry need to distinguish the longer life customer and shorter life customers. Marketing relationships and tactics can be maintained accordingly.

Statement of the Problem

The share brokers' income mainly depends on investors' equity investment and Future and options trading by the traders. If the brokers need to get stable income from their business they need to create a new customer and to provide the adequate service to the retail investors. Retain the

³ Chatura Ranaweera & Jaideep Prabhu On the relative importance of customer satisfaction and trust as determinants of customer retention and positive word of mouth *Journal of Targeting, Measurement and Analysis for Marketing* Vol. 12, 1, 82-90 2003.

⁴ Gaur S.S., Bathula H. (2017) Effect of Relationship Marketing on Customer Rentention: Evidence from Mobile Telecommunications Industry of a Large Emerging Economy. In: Campbell C.L. (eds) *The Customer is NOT Always Right? Marketing Orientations in a Dynamic Business*.

⁵ Werner J. Reinartz, V. Kumar (2000) On the Profitability of Long-Life Customers in a Noncontractual Setting: An Empirical Investigation and Implications for Marketing. *Journal of Marketing*: October 2000, Vol. 64, No. 4, pp. 17-35.

existing investors into their business never easy. Hence the problem is to retaining the existing investors into the broking firms are more complex in nature. In order to make the investors to be retained in the existing broking firm, they need to analyses the investors' needs and expectations from the brokers. The satisfaction level of an existing investors can also important factor for investors' retention. The study examines the satisfaction level and the investors' expectations from the brokers.

Objectives of the study

The objectives of the study are:

1. To analyze the impact of customer satisfaction on customer retention.
2. To examine the role of customer attributes in customer retention.
3. To examine the role of customer perception about competitors on customer retention.
4. To evaluate whether there is a significant differences in the likelihood of customers leaving a broking firm from one another.

Research Methodology

The current study is descriptive in nature. The purpose of the study is to identify the investors' retention strategies followed by broking firms in Erode District. For this purpose, primary data and secondary data's are used. The primary data is collected from the respondents from selected broking firms in Erode District through a structured questionnaire. Data from secondary sources include reports, books, journals, documents, magazines, periodicals, newspapers and website.

Sample Selected for the Study

The study is to determine the investors' retention strategies of share broking firms in Erode District. The sample broking firms are selected on the basis of size and services provided by the firm. The primary data are collected from the customers of the broking firm in Erode District. Convenient random sampling method is used to select 900 respondents in the study area.

Statistical Tools

The primary data collected from the respondents are analyzed and presented in the form of tables. The entire statistical test in this study was carried out at 5% and 1% level of significance. The statistical tools employed are:

1. Simple percentage Analysis
2. Ranking Method
3. Regression Analysis

The following table depicts the broking firms selected for the study in Erode District. 900 respondents representing the following firms are chosen as samples for the study.

TABLE 1.1

S. No.	Broking firms
1	Motilal oswal
2	Karvy Broking
3	Share Khan
4	Angel Broking
5	Kotak Securities
6	ICICI Direct
7	Religare Securities
8	HDFC Securities
9	Indiabulls
10	IIFL

RESEARCH METHODOLOGY:**PERCENTAGE ANALYSIS****PERIOD OF ACCOUNT HAVING WITH PARTICULAR BROKING FIRM**

Broking firms are increasingly seeing good point in an expanded business model. An attempt was made by the researcher to know the period of having account with particular broking firm. For this purpose, five periods such as Less than 1 year, 1 to 2 years, 2 to 4 years, 4 to 8 years and Greater than 8 years were given for the choices. Percentage analysis was employed and the results are shown in the table 1.2.

TABLE 1.2: PERIOD OF ACCOUNT HAVING WITH PARTICULAR BROKING FIRM

Sl. No.	Period	No. of Respondents	Percentage
1	Less than 1 year	212	23.56
2	1 to 2 years	114	12.67
3	2 to 4 years	167	18.56
4	4 to 8 years	170	18.89
5	Greater than 8 years	237	26.33
	Total	900	100.0

It is divulged from the table 1.2 that 26.33% of the respondents had traded for more than 8 year with current trading firm. 23.56% of the respondents said that they had trading account for past one year with current trading firm. 18.89% of the respondents traded with current firm for 4 to 8 years, 18.56% of the respondents opined that they had trading account for 2- 4 years with current broking firm. On the other side, a meager of them expressed that had trading account for 1 to 2 years. From the analysis, it is found that a good majority of the respondents opined that they have trading account for more than 8 year with current trading firm.

REASONS FOR PREFERRING PARTICULAR BROKING FIRM

Broking is a capital-intensive business and is not everyone's cup of tea. Many broking firms are operating proprietary desks rather than gaining from any real brokerage. An attempt was made by the researcher to know the reasons for preferring particular broking firm. For this purpose, seven reasons such as location, widely known (image), recommended by others, low annual maintenance charges, less brokerage, technical advice and allied facilities (marginal funding, IPO, etc..) were given for the choices. Percentage analysis was employed and the results are shown in the following table.

TABLE 1.3: REASONS FOR PREFERRING PARTICULAR BROKING FIRM

Sl. No.	Reasons	No. of Respondents	Percentage
1	Location	187	20.78
2	Widely known (image)	132	14.67
3	Recommended by others	178	19.78
4	Low annual maintenance charges	98	10.89
5	Less brokerage	167	18.56
6	Good technical advice	76	8.44
7	Allied facilities (Marginal funding, IPO, etc.)	62	6.89
	Total	900	100.0

It is understood from the table 1.3 that 20.78% of the respondents preferred particular broking firm for convenient location. 19.78% of the respondents preferred for recommended by others, 18.56% of the respondents preferred for less brokerage, 14.67% of the respondents preferred particular broking firm for image, 10.89% of the respondents preferred particular broking firm for low annual maintenance charges and meager percentage of the respondents preferred for good technical advice

and allied services. From the analysis, it is found that a good majority (20.78%) of the respondents preferred particular broking firm for convenient location.

EXPECTING PERIOD TO MAINTAIN PRESENT ACCOUNT

Going ahead, experts believe consolidation is going to be a natural progression as it is going to be hard for smaller players to survive given the huge costs involved in operating a brokerage firm. An attempt was made by the researcher to know the expecting period of having account with particular broking firm. For this purpose, five periods such as Less than 1 year, 1 to 2 years, 2 to 4 years, 4 to 8 years and Greater than 8 years were given for the choices. Percentage analysis was employed and the results are shown in the table 1.4.

TABLE 1.4

PERIOD OF ACCOUNT HAVING WITH PARTICULAR BROKING FIRM

Sl. No.	Period	No. of Respondents	Percentage
1	Will never close the account	278	30.89
2	For at least 10 years	255	28.33
3	For 5 - 10 years	212	23.56
4	For 1 - 5 years	112	12.44
5	May close the account Soon	43	4.78
	Total	900	100.0

It is identified from the table 1.4 that 30.89% of the respondents opined that they will never close the account with current trading firm. 28.33% of the respondents said that they will have trading account for past at least 10 years with current trading firm. 23.56% of the respondents opined that they will have account for 5 to 10 years, 12.44% of the respondents opined that they will have trading account for 1-5 years with current broking firm. On the other side, a meager of them expressed that they may close the account soon. From the analysis, it is found that a good majority of the respondents opined that they will never close the account with current trading firm.

REASONS FOR CHANGING CURRENT BROKING FIRM

Smaller brokers or firm are going to lose their market share because of heavy competition. The type of investment a person need to make in technology and the high compliance costs would make it complex for small brokers to survive. An attempt was made by the researcher to know the reasons for changing particular broking firm. For this purpose, six reasons such as change in job/resistance, for the purpose of availing loan, more facilities, better brokerage rates, better customer services and others were given for the choices. Percentage analysis was employed and the results are shown in the table 1.5.

TABLE 1.5: REASONS FOR CHANGING CURRENT BROKING FIRM

Sl. No.	Reasons	No. of Respondents	Percentage
1	Change in job/Resistance	165	18.33
2	For the purpose of availing loan	231	25.67
3	More Facilities	187	20.78
4	Better brokerage rates	157	17.44
5	Better customer services	137	15.22
6	Others	23	2.56
	Total	900	100

It is understood from the table 1.5 that 25.67% of the respondents had planned to change their broking firm for availing loan. 20.78% of the respondents preferred to change current broking firm for more facilities, 18.33% of the respondents preferred to move other broking firm for change in

residence or job, 17.44% of the respondents preferred to change for better brokerage rates, 15.22% of the respondents had planned to change their broking firm for better customer service and meager percentage of the respondents preferred for some other reasons. From the analysis, it is found that a good majority (25.67%) of the respondents had planned to change their broking firm for availing loan.

OPINION ON HAVING OTHER TRADING ACCOUNT

A *trading account* is related to a traditional bank *account*, holding cash and securities, and it is administered by an investor. An attempt has been made to know the opinion of the respondents on having other trading account. For the purpose of this study, it has been classified into two strata namely, yes and no. The details are furnished in the table 1.6.

TABLE 1.6: OPINION ON HAVING OTHER TRADING ACCOUNT

S.No.	Opinion	No. of Respondent	Percentage
1	Yes	108	12.0
2	No	792	88.0
	Total	900	100

It could be seen from the table 1.6 shows that 88.0% of the respondents opined that they did not have more than one trading account and 12.0% of the respondents opined that they have more than one trading account. It is found from the analysis that majority (88.0%) of the respondents opined that they did not have more than one trading account.

OPINION ON HAVING ACCOUNT PREVIOUSLY IN OTHER BROKING FIRM

While trading accounts are conventionally thought to hold only stocks, a trading account can hold cash, securities, foreign cash and other methods of investments. An attempt has been made to know the opinion of the respondents on having account previously in other broking firm. For the purpose of this study, it has been classified into two strata namely, yes and no. The details are furnished in the table 1.7.

TABLE 1.7: OPINION ON HAVING ACCOUNT PREVIOUSLY IN OTHER BROKING FIRM

S.No.	Opinion	No. of Respondent	Percentage
1	Yes	167	18.5
2	No	733	81.5
	Total	900	100

It is understood from the table 1.7 that 81.5% of the respondents opined that they did not have trading account previously in other broking firms and 18.5% of the respondents opined that they have trading account previously in other broking firms. It is found from the analysis that majority (81.5%) of the respondents opined that they did not have any trading account previously in other broking firms.

TABLE 1.8: SERVICES AND FACILITIES OF THE PRESENT BROKING FIRM

S. No	Particulars	Total score	Mean Score	Rank
1	Physical appearance and facilities	50549	56.166	1
2	Convenience (Location)	49243	54.714	2
3	Use of latest technology	43476	48.307	5
4	Accuracy and reliability of service	36561	40.623	7
5	Courtesy and helpfulness of employees	48285	53.650	3
6	Fair and consistent method of setting fees	47762	53.069	4
7	Customer related policies	39124	43.471	6

It is identified from the table 1.8 that among the seven common services and facilities identified by the respondents, the facility "Physical appearance and facilities" was placed in the first position with the Garrett score of 50549 points. It is followed by the facility of "Convenient location" which was ranked second with the Garrett score of 49243 points. Courtesy and helpfulness of employees were another major facility of the share broking firm which was placed in the third rank by the sample respondents with the Garrett score of 48285 points. The service "Fair and consistent method of setting fees" was placed in fourth position with the Garrett scores of 47762 points. Use of latest technology was another facility offered by the share broking firm and placed in fifth position with the Garrett score of 43476 points. Customer related policies are made by the broking firm to attract and retaining the investors which was placed in the sixth rank by the sample respondents with the Garrett score of 39124 points. Lastly, accuracy and reliability of services were ranked in the least position with the Garrett score of 36561 points. From the analysis, it is identified that the physical appearance and facilities was the major expectation by the sample respondents from the share broking firm.

TABLE 1.9: REGRESSION WEIGHTS FOR INVESTOR RETENTION STRATEGIES

Measured Variable		Latent Variable	Estimate	S.E.	C.R.	P
Availability of trading recommendation over SMS	<---	Investor Retention	1.273	.159	8.028	Significant at 1% level
Facility to transfer the script over offline(share transfer cheque)	<---	Investor Retention	2.076	.211	9.832	Significant at 1% level
Availability of traded information through SMS	<---	Investor Retention	2.162	.215	10.044	Significant at 1% level
Mobile trading facility	<---	Investor Retention	2.162	.214	10.110	Significant at 1% level
Online trading facility	<---	Investor Retention	1.700	.182	9.356	Significant at 1% level
Availability of fund transfer facility through NEFT/RTGS	<---	Investor Retention	1.646	.177	9.280	Significant at 1% level
Good reputation and image	<---	Investor Retention	1.942	.198	9.787	Significant at 1% level
Introduces well laid out procedures	<---	Investor Retention	1.844	.194	9.502	Significant at 1% level
Introduces new products regularly to meet changing needs	<---	Investor Retention	2.004	.202	9.919	Significant at 1% level
Adopts the latest technology	<---	Investor Retention	1.590	.162	9.789	Significant at 1% level
Customer - friendly broking firm	<---	Investor Retention	1.000			

It is witnessed from the table 1.9, it is noted that estimates of the coefficient of availability of traded information through SMS is high followed by mobile trading facility and it indicates that both factors are highly influenced the retaining investors with current broking firm. Further, the analysis

indicated that all the variables are having positive relationship with retaining investors with current broking firm and significant at 1% level.

TESTING OF HYPOTHESES

The following table represents the results of the testing of the hypotheses.

TABLE 1.10: TESTING OF HYPOTHESES

Hypotheses	Hypothetical Relationship	Result
H ₁ : There is a significant relationship between customer - friendly broking firm and retaining investors with current broking firm.	Positive	Confirmed
H ₂ : There is a significant relationship between adopts the latest technology and retaining investors with current broking firm.		
H ₃ : There is a significant relationship between introduces new products regularly to meet changing needs and retaining investors with current broking firm.		
H ₄ : There is a significant relationship between introduces well laid out procedures and retaining investors with current broking firm.		
H ₅ : There is a significant relationship between good reputation and image and retaining investors with current broking firm.		
H ₆ : There is a significant relationship between availability of fund transfer facility through NEFT/RTGS and retaining investors with current broking firm.	Positive	Confirmed
H ₇ : There is a significant relationship between online trading facility and retaining investors with current broking firm.		
H ₈ : There is a significant relationship between mobile trading facility and retaining investors with current broking firm.		
H ₉ : There is a significant relationship between availability of traded information through SMS and retaining investors with current broking firm.		
H ₁₀ : There is a significant relationship between facility to transfer the script over offline (share transfer cheque) and retaining investors with current broking firm.		
H ₁₁ : There is a significant relationship between availability of trading recommendation over SMS and retaining investors with current broking firm.		

DISCUSSION OF THE RESULT

From the path diagram, the measured variables with latent variable of retaining investors with current broking firm are having positive relationship and also significant at 1 percent level. The analysis of the model, from the viewpoint of the most influenced factors to retaining investors with current broking firm, suggests that the variables such as customer - friendly broking firm, adopts the latest technology, introduces new products regularly to meet changing needs, introduces well laid out procedures, good reputation and image, availability of fund transfer facility through NEFT/RTGS, online trading facility, mobile trading facility, availability of traded information through SMS, facility to transfer the script over offline (share transfer cheque) and availability of trading recommendation over SMS of the measured variables are showing significant impact on retaining investors with current broking firm.

SUGGESTIONS

The majority of the customers of broking firm don't know how to trade according to the recent trend. Old customers also should not be following up by the broking firms. Hence the broking firms must train the regular customers on how to make the trade and investments according to the trend of the recent market condition.

Majority of the respondents opined that they did not have more than one trading account. So the broking firm should provide more investor protection tools like offering materials, share trading information's, market trend analysis workshops can be conducted in future.

Specific information centres can be introduced and monitored by the broking firms for the share market alone in order to get the details about recent trend of shares and all the updates concerning the share market. This creates a huge awareness among new investors regarding shares and the share market.

Conclusion

It is expected that this research will throw light on how broking firms have to customize their services and facilities to suit the investors' ever changing needs. This research has been a rewarding exercise and experience to the investigator, in the sense that it has identified the most important retaining strategies namely customer - friendly broking firm, adopts the latest technology, availability of fund transfer facility through NEFT/RTGS, online trading facility, mobile trading facility and availability of traded information through SMS that are very significant for share broking firms to adopt and practice in order to create an efficient investor relationship. This effort of the researcher to establish an effective retention of customers in the share broking firms will be rewarded, if the recommendations adopted and implemented by the share broking firms.

References

1. Muhammad Turki Alshurideh, "Journal of Research in Marketing" Volume 5 No.3 April 2016 page. No: 382-389.
2. Nkanikpo I. Ibok & Paul O. Udofot Customers' Retention in Micro Finance Banks: An Analysis of Drivers and Inhibitors "International Journal of Marketing Studies; Vol. 4, No. 5; 2012 page.No:74-80.
3. Chatura Ranaweera & Jaideep Prabhu On the relative importance of customer satisfaction and trust as determinants of customer retention and positive word of mouth *Journal of Targeting, Measurement and Analysis for Marketing* Vol. 12, 1, 82-90 2003.
4. Gaur S.S., Bathula H. (2017) Effect of Relationship Marketing on Customer Retention: Evidence from Mobile Telecommunications Industry of a Large Emerging Economy. In: Campbell C.L. (eds) *The Customer is NOT Always Right? Marketing Orientations in a Dynamic Business*.
5. Werner J. Reinartz, V. Kumar (2000) On the Profitability of Long-Life Customers in a Noncontractual Setting: An Empirical Investigation and Implications for Marketing. *Journal of Marketing*: October 2000, Vol. 64, No. 4, pp. 17-35.
6. www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=30
7. Morin, P., & Sue, P. (2001). A Strategic Framework for CRM. Available from: <http://www.crmforum.com/library/art/art-100/art-100.html>. Accessed: 03 March 2001
8. Parasuraman, A., Zeithaml, V.A. and Berry, L.L. (1988), "SERVQUAL: A multiple-item scale for measuring consumers' perceptions of service quality", *Journal of Retailing*, 64(1), pp 22-37.
9. Shani, D. and Chalasani, S., (1993), Exploiting niches using relationship marketing, *Journal Starkey M.; Woodcock N. CRM systems: Necessary, but not sufficient. REAP the benefits of customer management. The Journal of Database Marketing*, 9, 3 (March 2002), 267-275.

APPENDIX - I QUESTIONNAIRE

A study on Investor retention strategies of Indian share broking firms with special reference to Erode District.

Respondent Name:

1. Age

- Below 25 Between 26 to 35 Between 36 to 45
 Between 46 to 55 Between 56 to 65 66 and above.

2. Sex

- Male Female

3. Your Income

- Less than 25000 25001 to 50,000 50001 to 75000
 76001 to 100000 Above 1,00,000

4. Your Educational Qualification

- I to Vth Std 6th to 10th std 50001 to 75000
 11th & 12th Std Under graduate Post graduate Other

5. Nature of employment

- Agriculture and allied service Government and public sector employee Private sector employee
 Professional Self-employed House wife Others

6. What type of trading mode you place your orders?

- Trading in broking firm Online trading facility Both

7. Since how many years do you have account in this broker?

- Less than 1 year 1 to 2 years 2 to 4 years
 4 to 8 years Greater than 8 years

8. Since how many years do you have account in this branch?

- Less than 1 year 1 to 2 years 2 to 4 years
 4 to 8 years Greater than 8 years

9. Why did you choose this broker?

- Location Widely known (image) Recommended by others
 Low annual maintenance charges Less brokerage Good technical advice

- Allied facilities (Marginal funding, IPO, etc..)

10. Mark your satisfaction level with your present broker by giving 5 for the highest & 1 for the lowest.

BRANCH						
S.No	Particulars	5	4	3	2	1
a.	Convenient Location					
b.	Access					
c.	External Appearance					
d.	Parking Space					
e.	Terminal Facility					
f.	Cleanliness					
g.	Comfort (T.V, Chairs, Fan, A/c etc.)					
h.	Illumination					
i.	Working Hours					
j.	Sharing the Script information					

11. For how long will you maintain the present trading account?

Will never close the account For at least 10 years Recommended by 0 For 5 to 10 Years

For 1 to 5 years May close the account Soon

12. Do you have any other trading and demat account now?

Yes No

13. Did you have any account in any other broking form in the past?

Yes No

14. Please compare the services of the present bank with the other broking firm (Whether or not the account is alive)

S.No	Factors	Present Broking Firm	The other Broking Firm/The previous Broking Firm
a.	Physical Appearance and Facilities		
b.	Convenience (Location)		
c.	Use of latest Technology		
d.	Accuracy and reliability of Service		
e.	Courtesy and helpfulness of employees		
f.	Fair and consistent method of setting fees		
g.	Customer related policies		

15. Facilities offered by the Broking Firm

S.No	Particulars	YES	NO
a.	Availability of fund transfer facility through NEFT/RTGS		
b.	Availability of online trading facility		
c.	Availability of Mobile Trading Facility		
d.	Availability of traded information through SMS		
e.	Facility to transfer the script over offline (share transfer Cheque)		
f.	Availability of trading recommendation over SMS		

16. Any other suggestions to improve the operations of your current broker.....