



Impact Of E-transformation On Mutual Fund Services In India

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Abstract

Aim of this study is to understand the effect of technology on the financial market and what kind of impact it creates on the Indian financial services. This study is a descriptive in nature and let rise to understand the various ways in which a digitization has created an impact on mutual funds. To carry out the study and intensive literature review on the basis of the available journals of websites and magazines and newspapers. based on the literature review it was found that technology has made an impact on the mutual fund market in India because the way the customer must be a viewing at mutual fund has changed a phenomenal and also service providers had to incorporate a lot of changes in their financial instruments to earlier the digital customer. This E-transformation as some where it easy for people to invest but also that has come I need to understand the expectations of the customer who doesn't meet you but tries to enquire about the financial products online.

Keywords: E-transformation, India, Mutual Funds

Introduction

Digitization has gained a lot of significance globally and it is now acting as one of the building blocks for the businesses in and around the globe. When one talks about the service sector it has to be understood that digitization has become a great bone and lot of businesses have modified their working according to the requirement of this new digitized world same has been the impact of digitization and mutual funds. When we talk about the mutual fund sector in India on E-transformation has created a promising impact on the financial services sector. In mutual funds the prominent stakeholders are the Asset Management Companies (AMC), investor's financial advisors, banks and the registrar and transfer agent. All the stakeholders have a important role to play to make sure that the purchase of mutual funds and the investment in mutual funds is a smooth functioning and does not give rise to any kind of bottleneck. When the digital methods are discussed we need to mention about the SMS, emails, website from social media platforms, the websites for

the IVR phone facilities to name a few. Each and every mutual fund today has to create its own website so that it is easily accessible to the customers who would like to invest in them to stop advertisement on the social media have become a common factor and all the mutual fund investors look towards these advertisements with great concern when they are trying to find out mutual fund that would to fulfill their need. Earlier computer aided services was considered to be an add-on but today it has become a must have in the financial services. The main objective of any financial product would be to reduce the cost and to increase the revenues for the same digitalization has to prove to be a boon because it reduces a lot of redundant cost which otherwise would have been incurred from the pocket of the customers. In digital world when we have seen the pandemic also impacting the way the world has been functioning for the last one and a half years the digitization has come to be as a blessing in disguise where there is no need of a physical contact between the investor and the investment seeker and the digital mediums that is the website or the more mobile phones or the applications proved to be an important medium through which are the concerned activities can be undertaken. The aim of this paper has been to find out how E-transformation can benefit the mutual fund market and also what are the various areas where these mutual fund investors as well as the mutual fund service providers need to keep in mind so that this entire experience of buying and selling of mutual funds online becomes a positive experience.

Review of literature

Good economic policies and rising incomes have given the mutual fund industry for the required boost and many mutual fund houses were formed because of that. One of the major reasons of rise in mutual fund was also technology. Asset Management companies could expand their territories and were able to reach out to customers because of this advent of technology where the physical presence was not required. People got information that they wanted and also suggestions as to where they can invest their money in mutual funds without the requirement of visiting the people at the asset Management companies. The mutual fund industry also has taken this in to account and made the necessary changes in the technology that they were using so that they can reach out to their customers and do the needful. In today's E-transformation world we have seen that even if there is a provision of doing the KYC online which is known as e KYC this does not require any kind of physical to contract and has come out to be a very positive move in mutual fund industry.

J. Aslam, (2010) in his work has said that the channel of mutual fund distribution has been directly and indirectly since a long time. It was also observed that the difference in the channels was developed due to some kind of distribution system and response systems which were impacted by the digital presence. Personal distribution means the different people who are directly in the touch with the customers where is indirect distribution means where the different digital media platforms such as the internet the direct mails

call centre except they act as a medium of contacting the customers and staff in the recent past it has been found that the indirect means of communication with customers that is the digital platforms have come out to be an important way in which the customers could be contacted by the mutual fund service providers.

Abdullah et al. (2008) conducted regression analysis to find out the awareness and adoption of the financial technologies that is fintech he found out that it has no impact on the performance of the expectation expectancy performance of the mutual fund and he could understand that one of the important findings was education plays a very important role in the use of technology when it came to mutual funds as most of the customers were educated could use the technology properly and get the maximum benefit out of it he also found out that the relationship between the gender and the performance of the mutual fund was also important criteria when one wanted to invest in mutual funds that are available.

Alexandra Andhov (2018) came up with the conclusion in is research that financial technology is still at a very young age and the raise lot of scope of improvement whether it is understanding the computers, the availability of data storage possibilities, development of various apps that would be user-friendly not only in English language but in other languages which are prevailing for Indian customers. Further he said that digitization would definitely be here to stay

Prasada Raoetal. (2018) Concluded that digitization helps in maintaining the transparency of avoiding any kind of tempering of the fruits former decentralization and increases the accountability. Because the transparency among the service provider and the customer increases the confidence level of the investor also goes up and this definitely leads into better work and the efficiency of work also improves. The other advantage of digitization has been less of paperwork has given us the investors as well as the service providers that time to look around and come up with a better ideas of investments. In his research he could find out that 50 1.8 % of the investors were aware of the portfolio Management services which were available online and out of them 48% of the investors were aware of the personal advisory services. He also voted that in the coming years the robo advisory could be around \$2 2.2trillion by the end of 2021.He also studied that the customer gets the benefit of it.

Vijaya Kittu Manda (2018), advantage that he could come up was that the block chaining technology it would help us in calculating the energy calculations on the real time basis would definitely help in saving the time and paper foodstuff are the redemption would be process on the real time basis and information that it could be taken out easily from the block chain. Heal so said that once this block chain technology of the digitized technology is put into place a lot of changes would take place in the mutual fund market would be that would definitely changed the entire perception of people to watch this industry.

Discussion

Mutual Fund companies must look in to the following aspects

Increasing client engagements: on the digital platform of client operates or visits a web site of the mutual fund service provider not only with the requirement of always finding out in investment perspective but would also access the products to compare with third party platform and then would you try to decide upon his investments. Before the website that is developed must provide increasing the client engagements so that the interest of the client is understood and on the basis of that the required services can be provided

Brand building: This particular aspect means that it is a very important that the digital media that are used today be it social media platforms websites for my emails from us a message that are sent to the prospective clients the brand of the mutual fund service provider must be made in such a way that the final outcome is in converting the potential customers into their regular customers. When one talks about the financial service sector in India the penetration of it is still slow and there is still lack of awareness in the Indian customers full. And digitization is also not penetrated to the different sectors of the Indian investors. Hence whenever such platforms are used care must be taken that the language and the method in which the ideas are presented are easily understood by the potential customers and we can easily carry out their investments without any doubt in their minds.

Generating potential customers: Digital method help us to understand that a certain person had visited our website and was interested in a different kind of products that we can offer them. Understanding this importance of footprints makes us collect a database where we can easily find out that who is interested in what kind of financial service and then provide the same to him. Different kind of contest for online advertising tools can be used for this method.

Client Engagement: online platforms make it very easily for the prospective customer to compare and contrast among the various investment options that are available to him. One of the biggest examples could be policy bazaar where a person compares insurance policies and then tries to find out which one would be beneficial for him. A social media is also becoming a place where people review the brands and companies before actually going for a purchase. Hence the reviews of social media platforms must be taken into consideration and it must be seen that there is no negative reviews about your service provider and the customers are happy with the kind of services that are being provided to them.

Customer Retention: once customer is made it is very important for the mutual fund service providers to retain these customers also. Because of the available options online and less effort that are required to switch between mutual fund service providers it becomes easy for a customer to change its preferences and

try and adopt a different mutual fund altogether. This might the leading to loss of customers for us so in that case it is very important that customer retention is brought about and care is taken that each and every customer is given a personalized attention even though when the platform is digitally.

Completing the buying process: Digital methods are used to access information and for product awareness. The actual by an activity takes a slow time because the investor compares and contrast with the available services online and then finally decide which kind of mutual fund would be investing in. One of the major reasons why investors look out for offline buying could be that they would be able to talk and discuss with the salesperson before completing their investment and another challenge is to influence the desire to buy. This includes tools that help clients find deeper insights from the digital sources which they might have otherwise got offline. For example: E-commerce firms place images of models wearing the garments, instead of just placing the garment's picture. This helps clients visualize how they would look wearing it, and hence hastens the decision to buy. In financial services, this includes analytical tools to assess the product under scenarios/variables, which they would have otherwise asked the advisor personally. Definitely means using graphics where see investor is actual seeing the growth and hence would be closing the buying in the favor of the mutual fund service provider.

Multi usage device: The digital world has made it easy for potential customers to access digital mediums from any location not limited to a particular computer, tablet or smart phone. This also makes it question to use finalizes investment decisions. application based software also help The E-Commerce users to store their information which can be easily retrieved at the time of any activity that they perform this also reduces the burden on the customer screen time and again might seem difficult to them.

Notifications and updates: updates and notifications are of prime importance for the financial firms because they provide the clients with the requisite information about the status of their application , transaction alerts, payment confirmation is, all these are examples where the client is informed about his transactions and makes him connected to the firm where he is investing in stock cases the client also access is the platform online and sends a query for an SMS to a number which is predefined. This provides the client as a service and they can then make use of it.

Client Feedback: Another advantage of digitization of mutual fund services is the availability of quick client feedback in stop many clients can register their feedback positive or negative through the various websites applications that are available for them and can be accessed by them easily. Many websites also have inbuilt web chat services where the queries of the clients are handled immediately and answers are given. Many times it is also seen that social networking sites are used as a medium for registering the complaints when the client feels that is not been hurt by the company.

Conclusion

When India was a country or as a potential market is discussed one needs to keep in mind the fact that in India digital may not completely be able to replace the offline mode of financial services will stop because in India the divided amongst the pattern of investors is wide there are some people who are available in the rural market and our potential investors but we do not have access to the digital medium of investment and still might look for a physical interaction with the mutual fund service providers. The need of digital India is therefore all the more prominent when one tries to conclude the research paper. There are some segments which are moving towards completely digital mode whereas starkly contrast there are some segments who are not able to trust the 100% digital mode of investment and they normally want a trustworthy face with to whom they can interact and get their queries solve. it is also seen that the older generation normally goes in for a trusted broker for investing their money in mutual funds where as the younger generation adopts the available online digital market and tries to invest accordingly but one can easily conclude saying that both the online as well as the offline mode of investment is your to stay in a country like us. But one cannot deny the fact that digitization has made a huge change in the base the entire financial service market was a couple of years back and one can also see that in the coming years this market will be completely change in its working pattern because of the technological changes that are going to happen in and around this industry.

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