SERVICE QUALITY OF SECURITY BROKERAGE FIRMS IN MADURAI CITY

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Abstract

This study investigated the different aspects of service quality provided by security brokerage firms in Madurai City. A total of 320 sets of questionnaires were issued in the self-administered survey. This research used the purposive sampling method to pick the sample. Consequently, there were 250 valid sets of questionnaires that were filled out and used for further analysis with SPSS software version 21. The data was collected using a standardized questionnaire, and the data was analyzed using Correlation Coefficient analysis. The analysis showed a substantial and positive correlation coefficient among different types of Service Quality of Security Brokerage Firms. Therefore, the study determined that the different aspects of Service Quality of Security Brokerage Firms are robust and favorable.

Keywords: *Service Quality, Security, Brokerage Firms.*

Introduction

Due to the growing maturity and widespread use of the Internet, e-commerce has emerged as a new avenue for conducting transactions. Consequently, numerous international and national securities firms have built online transaction platforms, such as online stock brokerage and e-bank, in order to broaden their operations. Online trading of securities offers a more streamlined and efficient alternative to manual trading, with reduced chances of errors and faster execution. Investors have the ability to access up-to-date information about certain stocks from the Internet at any time and from any location. In addition, users have the ability to receive an immediate report when trading any stock (Cheng, 1999; Chiang, 2000). Securities brokers who offer online services and meet the quality standards demanded by customers might achieve greater investor satisfaction. Yen (2009) found that securities brokers with limited resources have to consistently enhance aspects that had lower investor happiness in order to provide better services to investors and increase their satisfaction.

By doing this, companies can not only maintain their current investors but also have the chance to attract new investors and convert all investors into devoted clients. Businesses should consistently strive to attain customer pleasure as one of their primary objectives.

Literature Review

Zhilin Yang and Xiang Fang (2004) examined the relationship between service quality and customer satisfaction in the context of online securities brokerage services. Using conceptual frameworks from the fields of services marketing and information systems management, the authors conducted a content analysis of 740 customer reviews. As a result, they identified 52 items that fell into 16 primary aspects of service quality. The findings suggest that the main characteristics of service quality that contribute to online customer satisfaction, except for ease of use, are strongly connected to conventional services. On the other hand, the factors that contribute to dissatisfaction are mostly associated with the quality of information systems. Furthermore, the study identifies the primary factors that contribute to both contentment and dissatisfaction at a more detailed level.

Shamim Ahamed (2011) discovered that investors in Bangladesh are dissatisfied with the services provided by their stock brokers. There is a disparity between the services they anticipate and the ones they actually receive. Bangladesh's stock brokers may endeavor to eradicate any discrepancies in order to align the perceived service with the desired service. Stock brokers should prioritize efforts to enhance service quality in areas where the gap is more pronounced.

Singh, Khurana, and Sunayna (2011) examined the service quality of private banks from the customers' point of view. They evaluated customer satisfaction with the banks' services using SERVQUAL as a tool. The results suggested that the quality of services provided by private banks fell short of clients' expectations.

Shyam Sundar and Rajendran (2013) discovered that the discrepancy in service quality directly impacts the performance of a stock brokerage firm. This study aimed to evaluate the service quality expectations and perceptions of individual share traders by utilizing the SERVQUAL tool. The findings indicate that the perceived service quality of individual share traders refers to how these traders assess the service quality provided by a brokerage firm. The survey also indicated that brokerage businesses must comprehend and increase their service quality in order to augment the service quality attitudes of their clients.

Sunayna Khurana (2013) examined the disparity between customer expectations and customer perceptions in the service provided by retail banks. The findings indicate a significant disparity between perception and expectation in regards to the tangibility component of service quality, while the disparity is less pronounced in the case of

expertise. The study recommended that banks enhance their service quality in terms of tangibility in order to optimize consumer happiness.

Albert Puni, Abednego Okoe, and John B. Damnyag (2014) conducted a study titled "A Gap Analysis of Customer Perceptions and Expectations of Service Quality among Mobile Telephony Companies in Ghana." The researchers examined the service quality of mobile telephony companies in Ghana using the SERVQUAL measurement scale. It was discovered that despite perceiving a low degree of reliability in the service, the customers are still keeping a pleasant connection with the network providers.

Rupa Rathee, Aarthi Deveshwar, and Pallavi Rajain (2014) conducted a study on the service quality gaps in banks titled "Application of SERVQUAL Model to evaluate the Service Quality of Public Sector Banks in Haryana State, India." They discovered that the dimensions of service quality are crucial in determining customer satisfaction. The study concluded that public sector banks in Haryana State are significantly failing to meet customer expectations and perceptions. Specifically, the study found the largest gap in the reliability and empathy factors provided by the banks.

Shalini Gautam and Akash Singh (2014) conducted a study titled "Service Quality Gaps in Banking Sector: A Comparative Study of Public Sector Banks and Foreign Banks" to analyze the differences in service quality in the Indian banking sector, specifically focusing on public banks and foreign banks operating in India. They utilized the SERVQUAL model to assess these service quality gaps. The analysis reveals the presence of a service quality disparity in all service aspects.

Chin-Hung Liu (2015) revealed that there were notable positive correlations between e-service quality, perceived value, e-satisfaction, and e-trust. However, it also found a substantial negative influence on switching intention. The perceived value exhibited a positive correlation with e-satisfaction and e-trust, while demonstrating a negative correlation with switching intention. E-satisfaction shown a positive correlation with e-trust, while demonstrating a negative correlation with switching intention. There was a negative correlation between e-trust and switching intention. Retaining existing consumers is beneficial for the securities industry, as it can also create new market chances to improve their business performance. Additionally, the securities industry should prioritize e-service quality and perceived value. This may be achieved by enhancing e-satisfaction and e-trust, which in turn will help limit customers' inclination to migrate to other services. According to this study, e-service quality had a notable and direct impact on perceived value and e-satisfaction, and it was also favorably associated with e-trust. Therefore, securities brokers have the opportunity to enhance their e-service quality by using the three dimensions identified in this study. Regarding efficiency and privacy, it is advisable to prioritize the accessibility of the system and the protection of personal data. Furthermore, securities brokers have the option to consult

various evaluations of e-service quality conducted by market research firms or prominent publications. By analyzing the assessment results, they can gain insights into the unique services offered by other broker organizations and identify areas for improvement in their own services.

Hery and Riswan E. Tarigan (2015) examined the impact of SERVQUAL (RATER) on customer satisfaction with the online trading system application at PT KDB Daewoo securities in Indonesia. They found that SERVQUAL had a significant influence on customer satisfaction. The analysis determined that the organization should give priority to elements connected to quality by extending and enhancing the current facilities in order to enhance customer satisfaction.

Pratibha T. Patil, Aparna B. Kulkarni, and Soundattikar (2016) conducted a study titled "Case Study on Application of SERVQUAL Model in Service Industry" to examine the disparity between customer perception and expectation regarding the service provided at the college canteen. The findings indicate the presence of discrepancies between the specified service quality and its actual delivery, as well as between the service delivery and external communication. The primary disparity is in the disparity between customer expectations and management perceptions.

Lakshmi Shree and Raja (2017) examined the service quality gap in the banking sector using the SERVQUAL approach. The research findings indicate that Tangibility exhibits the smallest disparity in service, whereas Empathy demonstrates the greatest disparity in service.

Shubhada Marathe (2017), titled "Gap Analysis in Service Quality through SERVQUAL Model: A Study in Private Bank, Pune City," the author uncovered the correlation between service quality, customer satisfaction, and loyalty in commercial banks. The results of the research revealed a significant disparity in service quality, which was determined to have a direct impact on customer satisfaction and loyalty.

Objectives of the Study

1. To study the various factors responsible for Service Quality of Security Brokerage Firms.
2. To analyze the relationship among various dimensions of Service Quality of Security Brokerage Firms.

Research Methodology

The study is mostly an empirical investigation that relies on data collected from respondents affiliated with Security Brokerage Firms. A sample size of 250 participants has been selected for the investigation. The primary data was collected by the administration of a questionnaire utilizing a predetermined schedule during face-to-face interactions with each respondent. In this study, the researcher employed a

meticulously designed questionnaire to get data from the participants residing in Madurai City. The questionnaire pertains to the diverse aspects of Service Quality offered by Security Brokerage Firms. The researcher employed Correlation Coefficient analysis to ascertain the correlation between different characteristics of Service Quality in Security Brokerage Firms. The statistical analysis was conducted using IBM SPSS version 21.

Results and Discussions

Relationship among various dimensions of Service Quality of Security Brokerage Firms

Service Quality of Security Brokerage Firms consists of five that measure Tangibility, Reliability, Responsiveness, Assurance and Empathy.

H_o: There is no relationship among various dimensions of Service Quality of Security Brokerage Firms.

Table 1 Relationship among dimensions of Service Quality of Security Brokerage Firms

Service Quality	Tangibility	Reliability	Responsiveness	Assurance	Empathy
Tangibility	1.000	.265**	.100*	.133**	.146
Reliability		1.000	.014	.344**	.146**
Responsiveness			1.000	.209**	.114*
Assurance				1.000	.037**
Empathy					1.000

**.Correlation is significant at the 0.01 level (2-tailed).

Based on the information provided in the table, it can be concluded that the correlation coefficient for the Service Quality of Security Brokerage Firms is strong and positive. The data indicates that Tangibility has a significant and positive correlation with Reliability (26.5%), Responsiveness (10.0%), Assurance (13.3%), and Empathy (14.6%). The relationship between reliability and responsiveness is positive and strong, with a coefficient of 1.4%. Similarly, reliability has a high positive relationship with assurance, with a coefficient of 34.4%, and with empathy, with a coefficient of 14.6%. The level of responsiveness is positively and strongly correlated with assurance (20.9%) and empathy (11.4%). Assurance exhibits a significant and robust correlation with Empathy, with a coefficient of 3.7%.

Conclusion

The current study, utilizing primary data on the service quality of security brokerage firms, aimed to acquire a more comprehensive understanding of the many aspects involved. The current study determined that there is a significant and robust correlation among several aspects of Service Quality in Security Brokerage Firms. This study expands the existing knowledge on service quality and customer satisfaction by enhancing the scope of traditional service quality and information systems quality

dimensions that are relevant to Security Brokerage Firms. Additionally, it identifies several new aspects. In contrast to prior research, this study has produced a comprehensive set of measures for evaluating the service quality of security brokerage businesses. These measures, along with their associated items, can be used as a foundation for future studies in the field of relationship marketing.

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