

CHAPTER- VI
INVESTORS' PERCEPTION RREGARDING
FINANCIAL BROKER

6.1 Introduction

Financial brokers or advisors play a very important role in the transactions regarding certain instruments like shares, mutual fund, commodity market, futures, and options. Therefore, it is important to know the perception of respondents about their financial advisor in undergoing a financial portfolio decision making process. This chapter answers questions regarding the investors' perception about their financial advisor/broker with respect to their experience regarding various aspects of investments and the related instruments.

6.2 Role of financial Advisors

Table 6.1: Role of Financial Advisor (%)

Statements	S.A	A.	N	D	S.D
I believe my financial advisor has tired and tested investment strategies, rather than trying new and specialized concepts.	20(4.1)	310(64.58)	110(22.9)	30(6.25)	10(2.08)
I believe my financial advisor is actively managing my investment plan	19(3.95)	199(41.45)	123(46.45)	29(6.04)	10(2.08)
I believe that my financial advisor can suggest me how to earn better returns than the market over the long term	89(18.54)	239(49.1)	113(23.54)	22(4.58)	17(3.54)
I believe that with my financial advisor's appropriate amount of knowledge and efforts, I can become billionaires through active portfolio churning and management	99(20.62)	186(38.75)	149(31.04)	24(5.0)	22(4.58)
I believe in investing regularly because my financial advisor can make some sacrifices elsewhere in life on my behalf	89(18.54)	210(43.75)	146(30.41)	24(5)	11(2.29)
My financial advisor manages my investments than deal with it myself	136(28.33)	220(45.83)	89(18.54)	34(7.08)	22(4.58)

The respondents were investigated on their perception of advisor's role played for undergoing a financial investment decision process. This question was used to examine the investor's role in managing the investments, earning better returns and in getting appropriate knowledge. The graph above clearly depicts that majorly 26.5% people agree that their financial advisor can suggest how to earn better returns than the market over the long term. But at the same time, 25 % respondents also strongly disagree that their financial advisors have appropriate amount of knowledge and effort to turn them billionaires through active portfolio churning and management. This means that the respondents can get better returns than market with their advisor's knowledge and active management but that alone cannot make them billionaire. Further 25 % people agree that their financial advisor is actively managing their investments through rigorous sector rotation and active security selection. Additionally, in regards to innovative investments, 22% people disagree that financial advisor tried and tested investment strategies, rather than trying new and specialized concepts. Also 24 % people disagree that they enjoy learning new things about investing due to their financial advisor. Moreover around 22 % people are neutral about the performance of their financial advisor's management of their investments.

Overall it can be seen that there are mixed reviews on to the role played by the financial advisors in financial investment portfolio making process.

Following this, the respondents were inquired about their perception regarding the financial advisor. The respondents were inquired about the stress associated with the investments, returns and security. It was revealed that majorly 21 % people strongly agree that their advisor can cope with the stress associated with investments. 23 %

people agree that their financial advisor has set clear financial goals with timelines & rupee amounts for me. 24 % people agree that their advisor regularly reviews and compares investment performance with market benchmarks. Also 26% people agree that their financial advisor revises their investments to achieve their goals. Further, 24 % people agree that they carefully review the financial information they receive in their e-mail by their financial advisor however 23 % are neutral that financial advisor provides all the details in fine print, before they make any investment decision.

Overall these responses of investors about their advisor reflect that they seek much advice of their financial advisors while undergoing any investment decision. It is much asserted that the investors as well as their financial advisors are risk averse and avoid to experiment with new ideas. Also investors are not of the opinion that just their advisor's active management and intelligence can make them billionaire. Being billionaire just by the guidance of advisor is not a general phenomenon that happens with some but there are so many other factors associated with them. Ultimately it depends upon decisions taken on right time by individual whether on advisor's advice or himself, risk taking tendency and capacity of individual and also the innovative ideas in their minds. Most of the times the real productive innovation has made people billionaires not just the financial investments (Sukanya & Thimmarayappa, 2015).

It is analyzed that the investor's time involved in investment portfolio is much influenced with the role of financial advisor. There is a difference between the groups as well as across the groups. Therefore, this explains that there is a much influencing impact of financial advisor's perception on the investor's decision to be involved with the related investment portfolio.

The present chapter of the study depicts the investor's perception regarding their financial advisors within the financial investment decision process. The researcher conducted a frequency analysis among 480 respondents from Haryana region to assess their perception. The bar plot was used to view the same for better interpretation among readers. It was depicted that the investors do seek the advices of their financial advisor hugely. Moreover it was reflected that the involvement in financial investment decision making process is much influenced by the perceptions of financial advisors. This chapter clearly acknowledged that the financial advisors well maintained the investor's portfolio and offered much insight on the same to their investors. Thus the expertise of financial advisors is seen to be essential within this context and should be much paid attention.