TEST Engineering & Management

January - February 2020
ISSN: 0193 - 4120 Page No. 16533 - 16547

Investor Satisfaction in Mutual Fund Markets

Dr. Renuka Lenka
Assistant Professor
GITAM Institute of Management
Visakhapatnam.

Dr. P. L. Padmaja
Guest Faculty
DCMS, Andhra University
Visakhapatnam

Prof V Krishna Mohan
Registrar, Andhra University
Visakhapatnam.

Article Info
Volume 82
Page Number: 16533 - 16547
Publication Issue:
January-February 2020

Article History
Article Received*: 18 May 2019*
Revised*: 14 July 2019*
Accepted*: 22 December 2019*
Publication*: 28 February 2020*

Abstract:
Mutual funds play an important role within the economic development of the respective countries. The active involvement of mutual funds within the economic development are often seen by their dominant presence within the money and capital markets world over past decade. open-end fund industry in emerging markets has become highly competitive thanks to the extraordinary growth being experienced by it in terms of total funds being managed, number of players and selection of latest innovative open-end fund schemes being offered to the investors .The highly competitive nature of this industry necessitates that open-end fund marketers must fully understand the investment behaviour of individual investors (hereon investors) to be ready to effectively market their open-end fund schemes (hereon MFs). the present state of data about the investor behaviour is found to not be quite satisfactory and actually it's inadequate when applied to know the investment behaviour of MF investors. The findings will help the open-end fund industry also as government agencies charged with regulating the market place in making their marketing and public policy decisions, respectively. Further this may improve consumer behaviour theory by deepening our understanding of how investors make buying decisions for the intangible financial products.

Keywords: mutual fund, intangible, investment behaviour, perceived purchase risk, knowledge, satisfaction

Introduction

Customer satisfaction is of utmost importance within the marketing of any product. Modern customers are trying to find not only product satisfaction but the entire process of interacting, purchase decision, purchasing process, after purchase process and therefore the future interaction process. Marketing of monetary services may be a difficult task in terms of retaining the customer. Customer retention and also patronising new offers or products within the market completely depend upon how well the customer satisfied with the whole process. During this process many an factor affect the satisfaction of the customer towards the market offer. So it's important to know these features in customer satisfaction for any sponsor of the market offer for this and future operations. AMCs are more cautious in designing NFOs and analyse which factors affect satisfaction of the

January - February 2020
ISSN: 0193 - 4120 Page No. 16533 - 16547

customer more and check out to consider them, modify the opposite features so as to appeal to customer and his/her satisfaction.
Review of literature:

Y.P Singh and Vanita (2002), conducted a survey on open-end fund investors perceptions and preferences during a transitionary era. The survey sample size was 150 from Delhi. The results had shown that investors didn't perceive the danger inherent in open-end fund investment and used it primarily as a tax saving instrument. Among various financial instruments available to the investors, Mutual funds are ranked below NSCs, PPF and LIC policies. However, among the varied open-end fund and schemes available for investment; private mutual funds, open-end schemes and balanced funds are most preferred by the investors to the general public sector owned and closed funds
Vyuptakesh sharan (2007) observed the longer term of the essential schemes along side the pre-1993 scenario and mentioned in short so as to make a background for main discussion. Reforms within the open-end fund business are multi-pronged.
Healthy regulations designing the organizational structure, resource mobilization and investment, valuation and disclosure norms and that specialize in SEBI's supervision are significant. The inclusion of personal sector companies both Indian and foreign in open-end fund business brought in competition and thereby helped to enhance efficiency. The mutual funds got sort of incentives and therefore the area of their operations was widened. All this had a positive impact on their functioning. The magnitude of resource mobilization soared fast. However this was accounted for primarily by the private sector companies. Again, the open-ended schemes proved more attractive to the investors then the close-ended schemes. Similarly, the investors show the preference for income debt schemes and not such a lot for growth equity schemes. The positive impact of reforms had evident in fast growing net assets under management. during this case too, the private sector companies fared far well. Investment in debt and equity formed the most important share, although investment in market instrument has also improved in recent years. The govt securities lagged far behind on this issue.
Tapan K Panda & Nalini Tripahy (2009) examined customer orientation in designing open-end fund products and located that a prudent product design by adding the features expected by investors will make the new fund attractive for the Indian investors.

Vennila A.,Nandhagopal R.(2012) in their study on "Investors preference towards mutual funds in Coimbatore city" examined the factors influencing the investors to prefer mutual funds and attitude of investors towards mutual funds as investment avenue. They analysed the info and located that investors are now turning more to mutual funds due to safety, liquidity, capital gains and transparency. Moreover they want to route their investments through mutual funds. Most of the investors believe investment consultants to settle on the proper fund for them. They monitor their investments periodically. They find a requirement to extend the general public awareness of mutual funds. consistent with them, the most reason for the fast popularity of the mutual funds is that the guaranty to redeem at net asset values. They find that there's a necessity to determine more mutual funds in India to decentralize the concentration of mutual

January - February 2020
ISSN: 0193 - 4120 Page No. 16533 - 16547

funds from metro to semi urban and rural areas.

Research Question:

i) What is the extent of satisfaction of investors over the current products and services of AMCs?

Research Design

Research design for measuring the investor satisfaction in mutual funds is an exploratory research and consists of four components.

Sampling Design

Universe: the universe/population is defined as Visakhapatnam city population only which is a finite universe in nature.

Sample frame: this paper involves only the sample from Visakhapatnam city only. The list of mutual fund investors available with intermediaries is used for the sample to be drawn from.

Sampling Technique

A stratified random sampling is used for selecting retail investors.

Intermediaries are selected on the basis of their sales volume.

Sample Size

Top four intermediaries based on sales volume of each select AMC are taken making the sample size of intermediaries 40.

The sample size for retail investors is 500 from select AMCs are chosen on the basis of stratified Random sampling technique.

Statistical Design

For this statistical tools namely chi-square test, Multinomial Logical regression analysis are employed for the analysis and interpretation of the data collected from the Investors.

Observational Design

A structured questionnaire is employed for collecting the data from the Investors

Sources of Data

The data is collected by using both primary and secondary sources. Primary data is collected through a structured questionnaire from retail investors. Secondary data sources include official websites of AMCs, AMFI, IMF data book, open-end fund fact book, magazines, and empirical studies on mutual funds in various journals.

Research Objectives:

To study the factors affecting investor satisfaction in Mutual Fund Markets

To examine the relationship of investor satisfaction with other variables under the study

Results and Discussions

As many variables are given for the respondents to respond it is essential to find any kind of variance amongst the variables. For this factor analysis was employed to extract the factors using principal component analysis and varimax technique was applied to rotate the factors in order to give some meaning and interpreting the factors.

To test the suitability of data KMO and Bartlett's test was run and the result was given in Table 1.1.

TABLE 1.1
KMO AND BARTLETT'S TEST

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.645
Bartlett's Test of Sphericity	Approx. Chi-Square	2614.609
	Df	406
	Sig.	.003

January - February 2020
ISSN: 0193 - 4120 Page No. 16533 - 16547

The result from the Table 1.1 had shown KMO as 0.645 indicating the info suitable for correlational analysis . Bartlett's test was significant at .003which is a smaller amount than .05. This bartlett's test of sphericity indicated that the info matrix wasn't an unit matrix and there existed some association among the variables.

Extraction of Factors

Factor analysis consists of choosing the tactic of extracting the components, the amount of components to be extracted, and therefore the method of rotation for interpretation of the factors. For this extraction PRINCIPAL COMPNENT METHOD of extraction is used and therefore the VARIMAX method of rotation is employed to offer the meaning and interpreting of the factors extracted. the amount of things extracted and retained is predicated on Eigen value quite one rule (Kaiser'scriterion).

Communalities

This table gives the proportion of variance explained by the underlying factors. After extraction a number of the factors are discarded then some information is lost. the quantity of variance in each variable which will be explained by the retained factors is represented by the communalities after extraction. The communalities are presented within the table 1.2.

TABLE 1.2
COMMUNALITIES

	Initial	Extraction
Returns	1.000	.560
capital gain	1.000	.724
Liquidity	1.000	.589
Maturity	1.000	.664
diversification of risk	1.000	.528
Range of schemes offered and available at the outlet	1.000	.562
Tax benefits	1.000	.666
Brokerage paid to the outlet distributor	1.000	.432
Safety	1.000	.687
Reliability	1.000	.648
Disbursement of returns in time	1.000	.656
Overall performance	1.000	.637
Providing Information in time	1.000	.572
Infrastructure	1.000	.698
Waiting period	1.000	.726
Hospitality	1.000	.688
Handling of customer complaints if any	1.000	.660
Technology usage at the outlet	1.000	.613
Know how of the distributor	1.000	.553
Fees charged by the dealer/broker /national distributor	1.000	.579
Flexibility	1.000	.523
Any other financial service	1.000	.639
Post purchase service	1.000	.597

TEST Engineering & Management

January - February 2020
ISSN: 0193 - 4120 Page No. 16533 - 16547

News letter provided	1.000	.669
Transparency	1.000	.608
Air condition	1.000	.716
Lobby	1.000	.533
Coffee/tea	1.000	.646
Web address	1.000	.671

Extraction Method: Principal Component Analysis.

The output of the Table 7.36 had shown that all the variables have communalities above 0.432.

Total Variance Explained the entire Variance Explained table gives Eigen values, variance explained and cumulative variance explained for factor solution. the primary panel gives values supported initial Eigen values. For the initial solution, there are as many components or factors as there are variables. the entire column gives the quantity of variance within the observed variables accounted for by each component or factor. the share of variance column gives the percent of variance accounted for by each specific factor or component, relative to the entire variance altogether the variables. The cumulative percentage column gives the percent of variance accounted for by all components or factors up to and including the present one. as an example the cumulative percentage for the second factor is that the sum of the share of variance for the primary and second factors. during a good correlation analysis , there are a couple of factors that specify tons of the variance and remainder of the factors explain relatively small amounts of variance. The extraction sums of squared loadings group gives information regarding the extracted factors or components. For principle components extraction, these values are going to be an equivalent as those reported under initial Eigen values. For other extraction methods, these values will generally be smaller than the initial values, thanks to errors in measurements. These are going to be reported in "rotation sum of squared loadings" if rotation of things is required. The variance accounted for by rotated factors or components could also be different from those reported for the extraction but the cumulative percentage for the set of things or components will always be an equivalent .

TABLE 1.3
TOTAL VARIANCE EXPLAINED

Component	Initial Eigen values			Extraction Sums of Squared			Rotation Sums of Squared		
	Total	% of	Cumulativ	Total	% of	Cumulativ	Total	% of	Cumulativ
1	3.411	11.761	11.761	3.41	11.761	11.761	2.382	8.215	8.215
2	3.039	10.479	22.239	3.03	10.479	22.239	1.869	6.444	14.659
3	1.801	6.210	28.449	1.80	6.210	28.449	1.810	6.241	20.901
4	1.483	5.113	33.562	1.48	5.113	33.562	1.765	6.088	26.988
5	1.439	4.962	38.524	1.43	4.962	38.524	1.663	5.736	32.724
6	1.402	4.835	43.359	1.40	4.835	43.359	1.613	5.561	38.285
7	1.195	4.119	47.478	1.19	4.119	47.478	1.502	5.181	43.466
8	1.117	3.851	51.329	1.11	3.851	51.329	1.488	5.129	48.595

January - February 2020
ISSN: 0193 - 4120 Page No. 16533 - 16547

9	1.083	3.735	55.064	1.08	3.735	55.064	1.353	4.665	53.261
10	1.067	3.680	58.743	1.06	3.680	58.743	1.347	4.645	57.906
11	1.008	3.474	62.218	1.00	3.474	62.218	1.250	4.312	62.218
12	.963	3.319	65.537						
13	.902	3.111	68.648						
14	.886	3.056	71.704						
15	.772	2.660	74.365						
16	.759	2.617	76.981						
17	.726	2.503	79.484						
18	.678	2.338	81.822						
19	.658	2.268	84.090						
20	.638	2.199	86.289						
21	.562	1.937	88.226						
22	.541	1.865	90.090						
23	.522	1.800	91.891						
24	.487	1.680	93.571						
25	.468	1.615	95.186						
26	.426	1.468	96.653						
27	.383	1.320	97.974						
28	.330	1.137	99.111						
29	.258	.889	100.000						

Extraction Method: Principal Component Analysis.

Analysis of the Table 1.3 found that 11 factors were extracted using principal component matrix technique with the principle Eigen value greater than one. All the 11 factors explained 62.218 percent of total variance.

ComponentMatrix

The component matrix gives the estimated factor loadings. the weather of this matrix describe the covariance or the correlations between the manifest variables and therefore the latent common factors counting on whether the covariance matrix or the matrix involved within the analysis. The sum of squares of the row elements of component matrix gives the communality of the corresponding variable. Using which the precise variances of the manifest variables are often estimated.. Similarly the sum of squares of the column elements of the component matrix gives the Eigen values of the covariance / matrix . These values help within the computation of the proportion of variance explained by each factor. the tactic of estimation is employed to urge the component matrix is that the principle component method of estimation. this is often mentioned as UNrotated factor solution.

TABLE 1.4
COMPONENT MATRIX

	Component										
	1	2	3	4	5	6	7	8	9	10	11
Returns	.586	.062	.041	-	-	.225	-	-	.088	.146	.140

January - February 2020
ISSN: 0193 - 4120 Page No. 16533 - 16547

capital gain	.405	.113	.228	.037	-	.245	-	.214	-	.217	-
Liquidity	.335	.056	-	.075	.304	.093	.256	-	-	.400	-
Maturity	.241	.189	-	.280	-	.202	.411	.432	.078	-	-
diversification of risk	.551	.184	.254	.141	-	-	.019	.206	.077	-	.156
Range of schemes offered and	.479	.180	.338	.043	-	-	-	.089	.058	-	.115
Tax benefits	.577	-	-	-	-	-	.420	-	.102	-	.099
Brokerage paid to the outlet	.373	.052	-	.360	.194	.033	.020	.192	-	.130	-
Safety	.675	.210	-	-	.005	-	.008	.111	.009	-	-
Reliability	.540	.202	-	-	.112	-	.128	.244	-	-	.118
Disbursement of returns in time	.371	.287	-	-	.060	-	-	-	.368	.090	-
Overall performance	.561	.160	-	.194	.091	.216	-	-	.016	.242	.276
Providing Information in time	-	.323	.151	-	.141	.030	-	.202	-	.056	.183
Infrastructure	-	.365	-	-	.047	-	-	-	-	-	.410
Waiting period	-	.539	-	-	-	.181	.092	.016	.231	-	-
Hospitality	-	.431	-	-	-	.314	.252	-	.023	.060	-
Handling of customer complaints	-	.503	.152	-	-	.123	-	.028	.126	.324	.090
Technology usage at the outlet	-	.378	.099	.434	.033	.058	.001	-	.236	-	.232
Know how of the distributor	-	.328	-	.269	.003	.230	-	.305	-	.049	.050
Fees charged by the dealer/broker	-	.490	-	-	.400	.059	-	.098	-	-	-
Flexibility	-	.208	.507	-	-	.027	.202	.018	.034	-	-
Any other financial service	.079	.474	-	-	.293	.156	-	-	-	-	-
Post purchase service	-	.284	.356	-	.413	.206	.317	-	.089	-	.184
News letter provided	-	.151	-	.021	.076	-	.134	.336	.391	.311	-
Transparency	-	.413	.200	.172	.367	.279	.179	.110	-	.207	.146
Air condition	-	.404	.035	-	-	-	.217	-	-	.210	.044
Lobby	-	.571	.027	.186	-	-	-	-	-	.097	.089
Coffee/tea	-	.306	.019	.419	-	-	.042	-	-	-	-
Web address	.105	.371	.523	.152	.212	-	-	-	.216	.025	-

Extraction Method: Principal Component Analysis.
a. 11 components extracted.

In order to give meaningful interpretation to the variables on these factors with factor loadings more than 0.5 a technique called varimax was used for rotating these variables on the factors extracted.

Rotated Component Matrix

By using the Varimax rotation technique initial solution is rotated to give some meaning to the variables on these 11 factors and for interpreting the data factor loadings of more than 0.5 only were absorbed into these extracted factors. All the variables that affect satisfaction of investor in mutual fund investment markets are divided into three categories as fund related variables, sponsor related variables and investor related variables.

January - February 2020
ISSN: 0193 - 4120 Page No. 16533 - 16547

TABLE 1.5
ROTATED COMPONENT MATRIX

	Component										
	1	2	3	4	5	6	7	8	9	10	11
Returns	.646										
capital gain	.417										
Liquidity								.743			
Maturity										.768	
diversification of risk	.555										
Range of schemes offered and	.640										
Tax benefits			.726								
Brokerage paid to the outlet								.486			
Safety			.525								
Reliability											
Disbursement of returns in time					.425						
Overall performance	.597										
Providing Information in time									.626		
Infrastructure											
Waiting period		.784									
Hospitality		.763									
Handling of customer complaints		.518									
Technology usage at the outlet											
Know how of the distributor											
Fees charged by the dealer/broker					.667						
Flexibility							.626				
Any other financial service					.727						
Post purchase service						.724					
News letter provided											.770
Transparency						.659					
Air condition				.781							
Lobby				.649							
Coffee/tea				.550							
Web address							.481				

Extraction Method: Principal Component Analysis
Rotation Method: Varimax with Kaiser Normalization
a. Rotation converged in 34 iterations.

The results of varimax with factor loadings were given in the Table 1.6.

TABLE 1.6
FACTORS IN INVESTOR SATISFACTION

No	Attributes Leading at 0.5 or more	Factor Related to	Loading	% of Extracted Variance	Cumulative % of Extracted variance
1	Returns	Fund	.646	11.761	11.761

January - February 2020
ISSN: 0193 - 4120 Page No. 16533 - 16547

	Range of Schemes offered	Sponsor	.640		
	Overall Performance		.597		
	Diversification of Risk	Fund	.555		
2	Waiting Period	Investor	.784	10.479	22.239
	Hospitality	Investor	.763		
	Handling of Customer	Investor	.518		
3	Tax Benefits	Fund	.726	6.210	28.449
	Safety	Fund	.525		
4	Air Condition	Investor	.781	5.113	33.562
	Lobby	Investor	.649		
	Coffee/Tea	Investor	.550		
5	Any other Financial Service	Investor	.727	4.962	38.524
	Fees Charged by the	Intermediary	.667		
	Disbursement of Returns in	Sponsor	.425		
6	Post purchase Service	Investor	.724	4.835	43.359
	Transparency	Investor	.659		
7	Flexibility	Investor	.626	4.119	47.478
	Web	Investor	.481		
8	Liquidity	Fund	.743	3.851	51.329
	Brokerage paid to the outlet	Intermediary	.486		
9	Providing Information in	Investor	.626	3.735	55.064
10	Maturity	Fund	.768	3.680	58.743
11	News letter provided	Investor	.770	3.474	62.218

Impact of Attributes on Investor Satisfaction

Multinomial Logistic Regression (MLR) are often wont to predict a variable on the idea of independents and to work out the percent of variance within the variable explained by the independents, to rank the relative importance of independents and to assess interaction effects. During this study, MLR was employed to hunt a relationship between Fund qualities that affect selection of MFs/Schemes and kinds of investors.

Classification of Investors: Segmentation of investor groups involves identifying homogenous groups of investors who behave differently consistent with their characteristics. within the study on analysis of affect of attributes on customer satisfaction age was used as a criteria to classify the respondents. To classify the massive number of Fund Qualities into smaller number of things with common constructs, correlational analysis using Principal Component Analysis was applied. 11 Principal Components out of 29 attributes were extracted and subsequently named. a crucial a part of correlational analysis is to get Factor scores for every case or individual survey respondent. Factor/ Component scores reflect the importance or otherwise of every component to every respondent. within the present study Anderson-Rubin (AR) Factor scores were obtained for every respondent, for every of the 11 extracted principal factors. The AR method of deriving Factor scores generates uncorrelated scores with zero mean and unit variance .

MLR technique was employed to hunt a relationship between the Factor scores and kinds of investors, to

January - February 2020
ISSN: 0193 - 4120 Page No. 16533 - 16547

point statistically important factors that influence the satisfaction of various sorts of investors. The latter acted because the variable within the regression procedure and factor scores were the experimental variable . the kinds of investors, during this study constitute a categorical variable .MLR is specially designed for situations during which the variable is categorical or discrete in nature. Given the 5 categorizations for the variable , MLR is just a polychotonomous extension of the widely applied dichotonomous logistic regression model. Additionally, MLR permits independent variables which will be factors or covariates. The covariates must be continuous which is that the case for the survey respondents A-R Factor scores.

The AR factors that were generated were put to MLR analysis Case processing summary given in table 7.41 had indicated the percentage of each type of investors based on age.

TABLE 1.7
AGE PROFILE

		N	Marginal Percentage
age	20-30	27	5.6%
	31-40	68	14.0%
	41-50	176	36.2%
	51-60	196	40.3%
	>60	19	3.9%
Valid		486	100.0%
Missing		14	
Total		500	
Subpopulation		286	

Model Fitting Information: In the SPSS output for MLR analysis, Log Likelihood Tests appear as 'Sig' within the 'Final' row within the 'Model Fitting Information' . A well fitting model is critical at .05 levels or lesser than that. during this study, the 'Sig' value within the 'Final' row within the 'Model Fitting Information' is .001, which proves the analysis to be a well fitting model. The chi-square statistic is that the difference in -2 log-likelihood between the ultimate model and a reduced model. Omitting an impact from the ultimate model forms the reduced model. The null hypothesis is that each one parameters of that effect are 0.The chi-square statistic shown a small p value ($p<=0.05$), which rejected the null hypothesis and as such it is assumed a good model fit where parameters of that effect are not 0.

TABLE 1.8
MODEL FITTING INFORMATION

Model	Model Fitting Criteria	Likelihood Ratio Tests		
	-2 Log Likelihood	Chi-Square	df	Sig.
Intercept Only	1.260E3			
Final	1.164E3	96.362	44	.002

January - February 2020
ISSN: 0193 - 4120 Page No. 16533 - 16547

In the Table 1.8 p value is .002 which indicated that parameters under study have greater than zero effect on the dependent.

Pseudo R-Square ratios:

When analyzing data with a logistic regression, the same statistic to R-squared doesn't exist. The model estimates from a logistic regression are maximum likelihood estimates received through an iterative process. they're not calculated to attenuate variance, therefore the OLS approach to goodness-of-fit doesn't apply. However, to guage the goodness-of-fit of logistic models, several pseudo R-squares are developed. These are "pseudo" R-squares because they appear like R-squared within the sense that they're on an identical scale, starting from 0 to 1 (though some pseudo R-squares never achieve 0 or 1) with higher values indicating better model fit, but they can't be interpreted together would interpret an OLS R-squared and different pseudo R-squares can reach very different values.

TABLE 1.9 PSEUDO R-SQUARE

Cox and Snell	.180
Nagelkerke	.194
McFadden	.076

The output of pseudo R-Square had shown some of the ratios namely Cox and Snell, Nagelkerke and Mc Fadden. They show the improvement of the model to be good over intercept model. The smaller Cox and Snell ratio of 0.180 i.e., 18.0 percent indicated the greater the improvement over the intercept model. Nagelkerke ratio is an improvement of Cox and Snell ratio and in the study it was 19.4 percent. Mc Fadden ratio of .076 also signified the model to be good over intercept model.

Likelihood Ratio Tests

'Likelihood' is a probability, specifically the probability that the observed values of the dependent maybe predicted from the observed values of the independent. The log likelihood is its log and varies from 0 to minus infinity.

Likelihood ratio tests are used to rule-in or rule-out the parameters that have effect on dependent variables. The null hypothesis that was formulated is parameters have zero effects on dependent variable.

In order to test this if p value is less than .05 then the null hypothesis is rejected. So the parameters with less than 0.05 are considered as significant on effect on dependent variable. The results of likelihood tests were given in table 7.44. The output indicated that factors 4, factor 6, factor 7, factor 9 and factor 10 among the all extracted factors have p values less than 0.05 and hence they were proved to have significant effect on dependent variable. In the study dependent variable is satisfaction of respondents in mutual fund markets.

Therefore, the outcomes of the MLR analysis, allows the AMCs to spot which combination of variables have significant influence on the open-end fund investment behaviour and satisfaction of respondents in fund markets. The AMC can then apply this data for developing marketing strategies for all kinds of investors, present and potential, and also identify significant drivers that govern an investors' satisfaction in fund markets.

January - February 2020
ISSN: 0193 - 4120 Page No. 16533 - 16547

TABLE 1.10

LIKELIHOOD RATIO TESTS

Effect	Model Fitting Criteria	Likelihood Ratio Tests		
	-2 Log Likelihood of Reduced Model	Chi-Square	df	Sig.
Intercept	1.487E3	323.130	4	.0012
FAC1_2	1.173E3	9.000	4	.061
FAC2_2	1.168E3	3.768	4	.438
FAC3_2	1.173E3	8.732	4	.068
FAC4_2	1.174E3	10.445	4	.034
FAC5_2	1.173E3	9.166	4	.057
FAC6_2	1.180E3	16.519	4	.002
FAC7_2	1.180E3	16.357	4	.003
FAC8_2	1.168E3	4.474	4	.346
FAC9_2	1.174E3	10.610	4	.031
FAC10_2	1.176E3	11.907	4	.018
FAC11_2	1.166E3	1.620	4	.805

Effect of Parameters on Satisfaction of Investors Based on Age

TABLE 1.11

PARAMETER ESTIMATES

Age		B	Std. Error	Wald	df	Sig.	Exp(B)	95% Confidence Interval for Exp(B)	
								Lower Bound	Upper Bound
20-30	Intercept	1.225	.522	5.516	1	.019			
	FAC1_2	-.008	.316	.001	1	.981	.992	.534	1.844
	FAC2_2	-.170	.355	.229	1	.632	.844	.421	1.693
	FAC3_2	.642	.377	2.904	1	.088	1.900	.908	3.977
	FAC4_2	.839	.341	6.065	1	.014	2.314	1.187	4.511
	FAC5_2	.290	.308	.889	1	.346	1.337	.731	2.443
	FAC6_2	-.282	.350	.651	1	.420	.754	.380	1.497

	FAC7_2	.185	.386	.230	1	.631	1.204	.565	2.566
	FAC8_2	-.275	.334	.677	1	.411	.760	.395	1.462
	FAC9_2	-.926	.359	6.653	1	.010	.396	.196	.801
	FAC10_2	-.652	.355	3.373	1	.066	.521	.260	1.045
	FAC11_2	-.276	.331	.699	1	.403	.759	.397	1.450
31-40	Intercept	2.277	.484	22.150	1	.001			
	FAC1_2	.263	.285	.847	1	.357	1.300	.743	2.275
	FAC2_2	-.476	.321	2.193	1	.139	.621	.331	1.166
	FAC3_2	.669	.345	3.750	1	.053	1.951	.992	3.839
	FAC4_2	.839	.304	7.634	1	.006	2.314	1.276	4.195
	FAC5_2	.069	.272	.065	1	.799	1.072	.629	1.825
	FAC6_2	-.681	.315	4.663	1	.031	.506	.273	.939
	FAC7_2	-.403	.333	1.459	1	.227	.669	.348	1.285
	FAC8_2	-.377	.295	1.625	1	.202	.686	.385	1.224
	FAC9_2	-.877	.330	7.051	1	.008	.416	.218	.795
	FAC10_2	-.753	.320	5.550	1	.018	.471	.252	.881
	FAC11_2	-.241	.299	.650	1	.420	.786	.437	1.412
41-50	Intercept	3.344	.469	50.801	1	.002			
	FAC1_2	.478	.269	3.151	1	.076	1.612	.951	2.732
	FAC2_2	-.444	.309	2.068	1	.150	.642	.350	1.175
	FAC3_2	.798	.332	5.781	1	.016	2.220	1.159	4.253

January - February 2020
ISSN: 0193 - 4120 Page No. 16533 - 16547

	FAC4_2	.650	.285	5.195	1	.023	1.916	1.095	3.350
	FAC5_2	.345	.252	1.870	1	.171	1.412	.861	2.315
	FAC6_2	-.358	.295	1.471	1	.225	.699	.392	1.247
	FAC7_2	-.581	.320	3.307	1	.069	.559	.299	1.046
	FAC8_2	-.126	.273	.214	1	.644	.882	.517	1.504
	FAC9_2	-.868	.314	7.619	1	.006	.420	.227	.777
	FAC10_2	-.676	.303	4.972	1	.026	.509	.281	.921
	FAC11_2	-.124	.285	.191	1	.662	.883	.506	1.542
51-60	Intercept	3.444	.469	53.974	1	.000			
	FAC1_2	.440	.267	2.711	1	.100	1.552	.920	2.619
	FAC2_2	-.401	.308	1.695	1	.193	.670	.367	1.225
	FAC3_2	.833	.331	6.313	1	.012	2.299	1.201	4.402
	FAC4_2	.781	.284	7.554	1	.006	2.183	1.251	3.809
	FAC5_2	.455	.250	3.301	1	.069	1.575	.965	2.572
	FAC6_2	-.110	.294	.140	1	.708	.896	.503	1.595
	FAC7_2	-.291	.319	.836	1	.361	.747	.400	1.396
	FAC8_2	-.078	.271	.083	1	.773	.925	.544	1.572
	FAC9_2	-.723	.313	5.347	1	.021	.485	.263	.896
	FAC10_2	-.892	.302	8.690	1	.003	.410	.227	.742
	FAC11_2	-.210	.282	.556	1	.456	.810	.466	1.408

Table 1.11 had shown the importance of different parameters on satisfaction of respondents in mutual fund markets. For investors with in age group

January - February 2020
ISSN: 0193 - 4120 Page No. 16533 - 16547

20-30, factor 4, and factor 9 have significance on the satisfaction in the fund markets. For investors with in age group31-40 factor 4, factor 6, and factor 9and factor 10 are significant on their satisfaction. For investors with in age group41-50 factor 3, factor 4, and factor 9and factor 10 are significant on their satisfaction. For investors with in age group51-60 factor3, factor 4, and factor 9and factor 10 are significant on their satisfaction. Thus AMCs need to concentrate on post purchase services, maturity, safety, tax benefits, transparency and providing information in time appeal to the customer in forming his satisfaction levels in the fund market.

Conclusion:

AMCs need to minimize the negative perception of investors towards mutual funds as stable income providers. They can do so by making fund offerings more transparent in valuation and scheme portfolio and communicating the same to the present and potential investors. It requires reorientation of AMCs overall marketing strategy towards meeting investor expectations.

AMCs were further suggested to bridge the gap between the investor expectations and repair delivery by incorporating attributes like fund design, tax benefits, expenses ratio and technical competency within the fund products. Because the 21st century investors search for value added services i.e., personalized attention, tailor made investment products, skills of monetary managers and infrastructure, fund companies should plan innovative fund products rather plain vanilla products. In order to restore the trust of investors in fund markets it is essential to make investors expectation over the fund performance in the future to be good. For this fund companies need to revise their marketing strategies and also product design to include returns earning capacity, disbursement of dividends if any in time which are considered to be vital in judging the performance of funds.

Asset management companies were advised to concentrate more on designing fund products that deliver the expectations of investors. In a Tier-II city like Visakhapatnam, investors prefer regular returns with safety of capital. Thus, AMCs were suggested to induce an element of more safer and regular returns in fund offerings in order to convert investors from investing in traditional investment avenues like insurance policies and provident funds.

Refrences:

1. Singh, Jagdip and Sirdeshmukh, Deepak (2000), "Agency and Trust Mechanisms in Consumer Satisfaction and Loyalty Judgments," Journal of the Academy of Marketing Services, Vol. 28 No. 1, 150-167.
2. Kaminsky, Graciela, Richard Lyons, Sergio Schmuckler (2001). “Mutual Fund Investment in Emerging Markets: An Overview”, World Bank Economic Review, 15:2, pp. 315-340.
3. Scharfstein, D.(1990). “Herd Behavior and Investment”, The American Economic Review, Vol.80, No.3 (Jun1990), pp.465-479.
4. Sharma, S. and Sushil B. (2000). “Herd Behavior in Financial Markets”, IMF Working Paper, WP/00/48.
5. Singhapakdi, Anusorn, Vitell, Scott J. and Franke, George R. (1999), "Antecedents, Consequences, and Mediating Effects of Perceived Moral Intensity and Personal Moral Philosophies," Journal of the Academy of Marketing Science, Vol. 27 No. 1, 19-35.
6. Zeithaml, Valarie A. (2000), "Service Quality, Profitability, and the Economic Worth of Customers: What We Know and What We Need to Learn," Journal of the Academy of Marketing Science, Vol. 28 No. 1, 67-85.and Bitner, Mary Jo (2000), Services Marketing: Integrating Customer Focus Across the Firm (2"° edition), Irwin McGraw-Hill