

## DIGITALIZATION: A PROGRESSIVE STEP FOR CHANGING PUBLIC PERCEPTION TOWARDS MUTUAL FUND INVESTMENT

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### ABSTRACT

*The internet has significantly changed once life over the years, and the internet itself has seen significant change as well. The internet as we know it today is very different from how it was introduced to us. Initially, the main goal of the internet was to improve communication and connectivity, but it is now everywhere and has a variety of other utilities too. Internet has also changed the way people invest and due to digitalization, the traditional form of investment behaviour is changing rapidly in recent times. This study is an attempt to identify the relation between digitalization and mutual funds and focuses on two aspects, i.e.; To know the impact of digitalization on people's investment behaviour and to know if digitalization helped in changing public perception towards mutual funds. This study is completely based on primary data and for the purpose of data collection a questionnaire was distributed and total 75 responses were received. After analysing the data, it was clearly seen that digitalization contributed a lot in changing public perception towards mutual funds and it made the task of investment much easier for general public.*

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**Keywords:** Digitalization, Mutual Funds, Stock Market, Technology.

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### Introduction

Technology has become such an integral part of once life that everything we think about now revolves around it. Digitalization is one of the results of technological advancement. Digitalization, innovations, and their effects today are not limited to the IT, marketing, or e-commerce sectors; they have a 360-degree impact on the financial services industry as well. Digitalization has impacted the way Indian Stock Market operates and it has made the stock trading process more efficient and data more transparent. Digitalization has improved business operations a lot and it has given it more value by making it simple for customers to access it from anywhere in the world, retail investors and clients now have access to a variety of apps for trading, gathering market news, and other financial data about companies, among other things.

### Digital India Programme

The Government of India launched the "Power to Empower" initiative known as "Digital India" on July 2, 2015. This goal of this program is to promote inclusive growth in the provision of electronic services. By giving individuals access to all facilities and services so that they are all connected to one another virtually and electronically, this initiative centred on the digital growth of the nation. The goal is to give people access to such cutting-edge digital and electronic technology in order to enhance connectivity between rural and urban areas through network equipment and services. It will help in encouraging and creating more employment opportunities. Major technological discoveries and advancements are required to connect the entire nation virtually and drive the nation toward being a digitally empowered economy.

### India's March towards Digitalization

The elements that caused India's quick escalation in digital technology were primarily on the side of the consumers. With 560 million users, India has overtaken China as the largest and fastest-growing market for digital consumers. By 2023, it's expected that there will be 650 million customers in India. Per person uses 12GB of data on average each month, which is more than China's usage rate of

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5.5GB. India has seen widespread adoption of mobile devices and related applications, which is encouraging every technology-related initiative and adoption of mobile based applications is creating a more simplified way for investments.

### Statement of Problem

We are in a phase where our economy is transforming towards digital platforms for operative purposes and individuals are becoming more accustomed to technology-based equipment and are using digital platforms for various purposes like transferring money, investing their savings, paying bills, etc. As digitalization spreads quickly in India and makes it simpler for general public to manage their finances anywhere anytime. Understanding the connections between digitalization and finance managing services while seeking to analyse how digitalization contributes in changing individuals' investment habits, how their perception is changing towards mutual funds, and how current system differs from the conventional financial handling system.

### Objectives of Study

- To recognize the influence that digitalization creates on individuals' investment behaviour.
- To identify if digitalization helped in changing public perception towards mutual funds.

### Review of Literature

**Midha (2016)** focused on difficulties and solutions to the problems that Indian people face. The idea, scope, and pillars of digitalization were also discussed. The study also tried to analyze how government services can be made electronically accessible to all residents in order to raise everyone's standard of living.

**Shamim (2016)** studied the idea of "Digital India," the government's efforts to advance it, and the pillars of "Digital India" that support smart governance. The study also concentrated on the effects of digitalization on society and governance. The issues with digitalization are then discussed.

### Research Methodology

The entire study was built on primary sources of information, and information was gathered via a questionnaire. A questionnaire was designed to gather information on a variety of topics, including people's awareness of digitalization, their perceptions of the changes that have been made to how people invest, their opinions on mutual funds, and whether the mutual fund industry has been impacted by the rise of digitalization.

### Sample Size

For the purpose of collecting data, responses from 75 respondents were considered; the sample includes people with various professional and vocational backgrounds, such as government. persons who work for private companies, people with business expertise, researchers, and even some students who conduct volunteer part-time work.

### Tools Used

Percentage analysis was carried out on the collected primary data for the purposes of data analysis and evaluating the outcomes from the responses received.

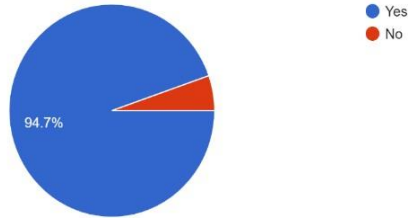
### Data Analysis and Interpretation

Total seventy-five responses were obtained from respondents, and the questionnaire comprised the following questions:

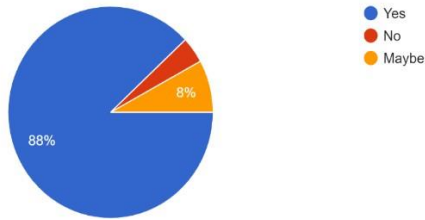
S. No.	Questions
1	Do you know what digitalization is?
2	Do you find Digitalization a progressive step for increasing productivity?
3	Do you know about Mutual Funds?
4	Digitalization helped in building public trust on mutual funds?
5	Digitalization made stock market easily accessible to general public?
6	Digitalization helped in changing public perception positively towards mutual fund investments?
7	Digital India initiative helped in smoothening the digitalization process?
8	Digital India initiative has fastened the growth of mutual fund industry in India?
9	Do you prefer mobile applications for investing in stock market?
10	If yes, which application do you prefer (You can choose more than one option also)?
11	Do you find it easy to use applications that are available for investment?
12	Do you think digitalized investment platforms help in making investment decisions?
13	Digitalized Investment platforms have made the task of investment much easier?
14	How safe you consider digital platforms for investing?

**Responses**

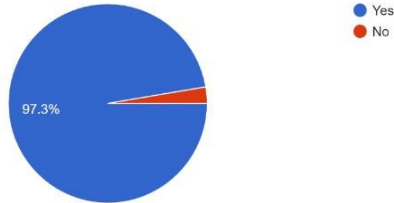
Do you know what digitalization is ?  
75 responses



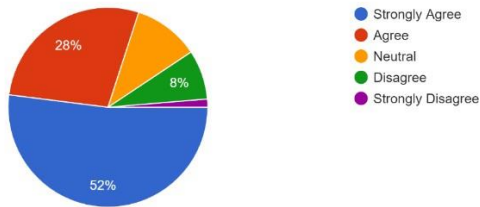
Do you find Digitalization a progressive step for increasing productivity?  
75 responses



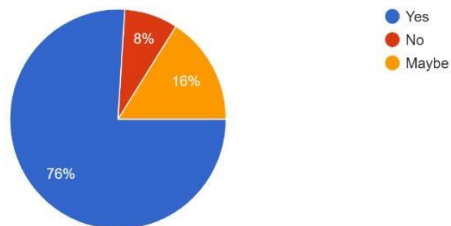
Do you know about Mutual Funds ?  
75 responses



"Digitalization helped in building public trust on mutual funds."  
75 responses

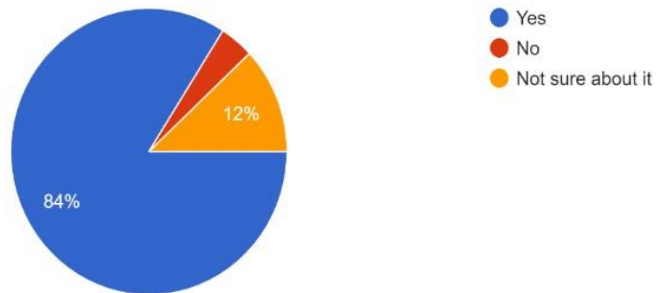


Digitalization made stock market easily accessible to general public?  
75 responses



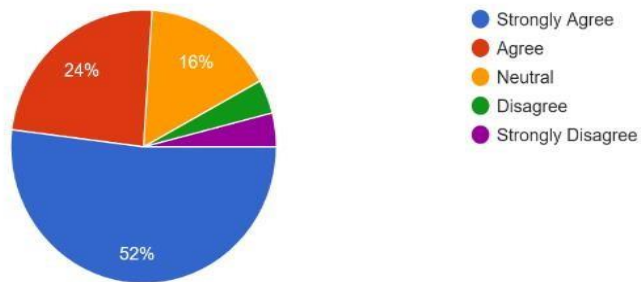
Digital India initiative helped in smoothening the digitalization process?

75 responses



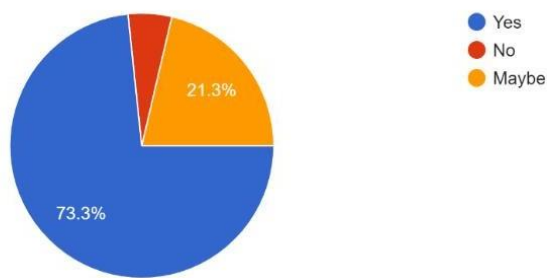
"Digitalization helped in changing public perception positively towards mutual fund investments."

75 responses



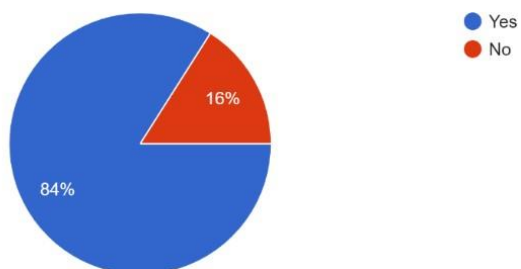
Digital India initiative has fastened the growth of mutual fund industry in India?

75 responses



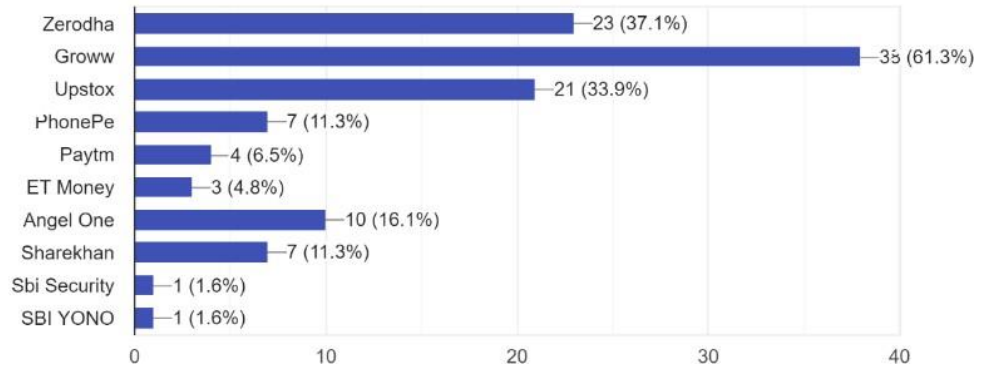
Do you prefer mobile applications for investing in stock market?

75 responses



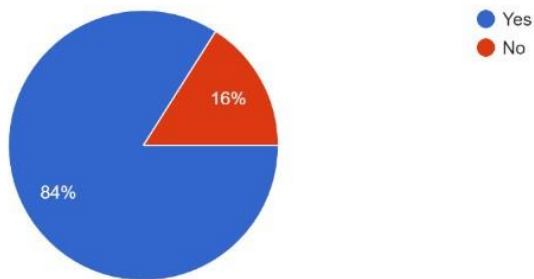
If Yes, which application do you prefer (You can choose more than one option also) ?

62 responses



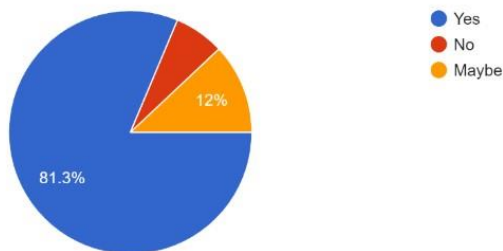
Do you find it easy to use applications that are available for investment?

75 responses



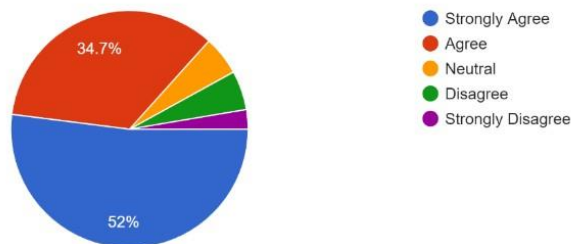
Do you think digitalized investment platforms help in making investment decisions?

75 responses



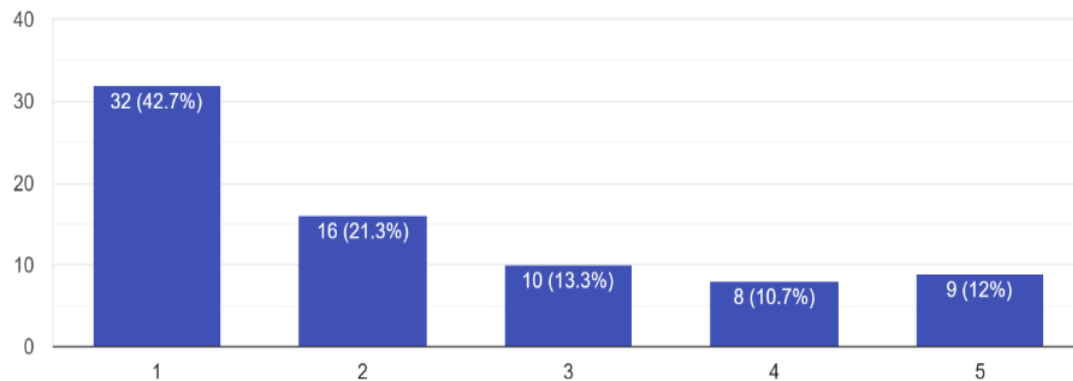
"Digitalized Investment platforms have made the task of investment much easier."

75 responses



### How safe you consider digital platforms for investing?

75 responses



#### Interpretation

- As per the responses received it can be clearly seen that the process digitalization is popular and most people are aware with this term.
- People are much aware with Mutual funds and consider it as one of the most popular choice for investing their money.
- Nearly 88% respondents found digitalization a progressive step for improving efficiency.
- Almost 80% respondents had a view that digitalization helped in building public trust on mutual funds.
- 76% respondents had a view that accessibility of stock market has been improved a lot after the emergence of digitalization drive in the nation.
- 84% respondents found Govt.' Digital India initiative a strong step in shifting things towards digital mode.
- Nearly 76% respondents had a view that digitalization helped in changing their perception towards mutual funds.
- Out of the responses received 73.30% respondents had a view that digitalization helped in growing mutual fund industry.
- Out of the total responses received, 84% respondents preferred mobile applications for investing their money.
- It was revealed from the data collected that Groww is the most popular application for investment while Zerodha is the second most popular application that people prefer for investing.
- Around 84% respondents found investment applications easy to use.
- Out of the total responses received, 81.3% respondents had a view that mobile based investment platforms helped them in making their investment choices.
- Nearly 86.70% respondents had a view that digitalized platforms made the task of investment much easier for them.
- Around 64% respondents consider digital platforms safe for investment and 13.30% had neutral views over this while 22.70% feel security concerns on digital platforms.

#### Limitation of the Study

The study can be conducted at a larger scale with many respondents from the country because it was conducted in a short amount of time and the majority of respondents were from certain regions of Madhya Pradesh and Uttar Pradesh. Second, because the study only examined two aspects i.e.; people's perceptions towards mutual funds and the impact of digital services. So, a broader picture may be constructed by taking other important factors into consideration.

## Conclusion

Today's era is highly dominated by technology and people do like online services because they save time, money, need less paperwork, and can be used anywhere, anytime. The digitalization of Stock market is the need of the hour and our country is rightly moving towards the same. From the study It can be clearly seen that people do prefer digital platforms for investing their money and digital platforms are making it easier for a common man to make investing decision as these platforms make people aware with various trend analysis and current market situations that helps in making the right choice. But still there is a lot to do in this field as a healthy no. of people still feel the concern of security on digital platforms and hesitates in using these digital services. Individuals' investment preferences and methods have significantly changed in recent years, with more people now favouring mobile-based investment platforms. After the analysis of received responses, it can be seen that digitalization has undoubtedly helped in changing individuals' perceptions towards mutual funds. The emergence of digital platforms has also increased people's interest in the stock market. Mobile-based investment platforms like Groww, Zerodha, Upstox, Phonepe, and others are making it easy for general public to understand the functioning of stock market. A new trend that has emerged in recent years shows that people from less affluent backgrounds are now showing interest in the stock market (specially in mutual funds) and investing their money directly in it. Initially, a particular section of the population was interested in the stock market and used to invest their money right away to shares, debts and mutual funds. It cannot be disputed that digitalization had a role in building the public's trust, which was lacking from a wider perspective. Because of the various government initiatives, increased public awareness, and growing popularity of mutual funds among the general public, people's perception of the stock market has surely changed from what they once believed to what they do now.

## References

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2. Shamim. 2016, "Digital India – Scope, Impact and Challenges," International Journal of Innovative Research in Advanced Engineering, vol. 12(3), pp. 90-93.

