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A Study on Customer Satisfaction towards Portfolio Selection and Management Services In the Financial Market

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***Abstract* – The main objective of this research is to analyse customer satisfaction towards portfolio selection and management services in the financial market. With the increasing complexity of investment options such as equities, mutual funds, bonds, and derivatives, investors rely on professional portfolio management services for better decision-making. This study examines the factors influencing customer satisfaction, including returns, risk management, transparency, service quality, and communication.The research is based on primary data collected through structured questionnaires from 100 respondents in Pune. The findings reveal that most customers are satisfied with portfolio management services, especially in terms of professional advice and returns. However, issues like high service charges and lack of awareness still affect satisfaction levels. The study concludes that improving transparency, reducing costs, and enhancing communication can significantly improve customer satisfaction and trust in financial services.**

***Keywords* – Portfolio Management, Customer Satisfaction, Investment Services, Financial Market, Risk Management.**

I. INTRODUCTION

In today's dynamic financial environment, investment decisions have become more complex due to the availability of various financial instruments such as stocks, mutual funds, bonds, and derivatives. Investors often lack the expertise required to manage their investments effectively, which has increased the importance of portfolio selection and management services.

Portfolio management involves selecting the right mix of investment assets to balance risk and return according to the investor's financial goals. Professional portfolio managers help investors by providing expert advice, managing risks, and optimizing returns.

With the growth of digital platforms and financial awareness, the demand for portfolio management services has increased. However, customer satisfaction remains a critical factor in determining the success of these services.

Factors such as returns, transparency, service quality, communication, and fees influence customer satisfaction.
This study aims to analyse customer satisfaction towards portfolio management services and identify key factors affecting their investment decisions.

II. LITERATURE REVIEW

1. Study by R. Kumar and S. Singh (2019)
Kumar and Singh conducted a study on investor behaviour and portfolio selection in the Indian financial market. The study found that investors mainly focus on two important factors while selecting a portfolio: risk and return. It was observed that investors prefer investment options that match their risk tolerance and financial goals.

The study also highlighted that customer satisfaction is directly related to portfolio performance. If investors receive stable and expected returns, their satisfaction level increases. However, if the portfolio performs poorly, customer dissatisfaction arises. This research is important for the present study as it explains how investment performance influences customer satisfaction in portfolio management services

2. Study by P. Sharma (2020)
Sharma conducted a study on the role of transparency in financial services in India. The research found that transparency in portfolio management services plays a significant role in building customer trust and satisfaction. Customers expect clear information about investment risks, returns, and service charges.

The study also revealed that lack of transparency leads to confusion and reduces customer confidence. Regular communication and proper disclosure of information improve the relationship between service providers and customers. This study is relevant to the present research as it highlights the importance of transparency and communication in improving customer satisfaction.

3. Study by R. Gupta and S. Mehta (2017)
Gupta and Mehta studied the importance of diversification in portfolio management in India. The study found that diversification helps in reducing investment risk and improving returns. Investors who diversify their portfolios across different assets such as stocks, mutual funds, and bonds experience more stable returns.

The research also emphasized that proper portfolio diversification increases investor confidence and satisfaction. When risk is managed effectively, customers feel more secure about their investments. This study is relevant as it explains how portfolio structure and diversification impact customer satisfaction in financial services.

4. Study by A. Patel (2021)

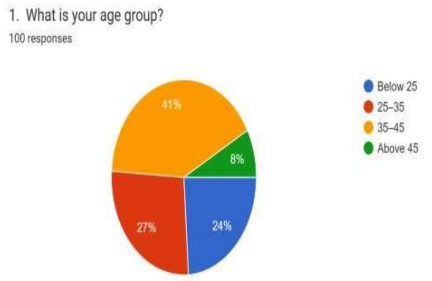
Patel conducted a study on the impact of digital platforms on financial services in India. The study found that technology has significantly improved customer experience in portfolio management services. Online platforms, mobile apps, and digital tools provide easy access to investment information and portfolio tracking. He research highlighted that customers prefer digital services due to convenience, speed, and transparency. It also found that technology reduces errors and improves service efficiency, leading to higher customer satisfaction.

Objectives of the study

1. To study customer satisfaction towards portfolio selection services.
2. To analyse customer satisfaction towards portfolio management services.
3. To identify factors influencing customer satisfaction.
4. To evaluate the quality of advisory and support services.
5. To suggest measures to improve customer satisfaction.

Data Analysis and Interpretation

1- Age- Wise Distribution



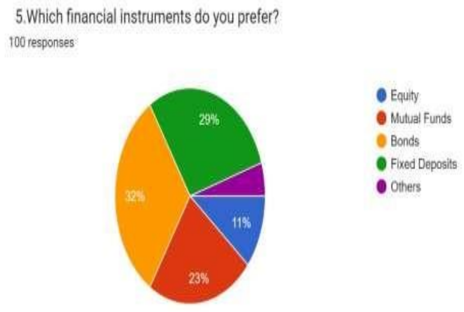
Interpretation

the data shows that the majority of respondents (41%) belong to the 35–45 age group, indicating that middle-aged individuals are the most active participants in the survey. This suggests that people in this age group are more involved in financial planning and investment activities.

The 25–35 age group represents 27%, showing that young professionals also contribute significantly. Meanwhile, 24% of respondents are below 25, indicating some participation from younger individuals. Only 8% are above 45, which is the least represented group.

Overall, the results indicate that the study is mainly dominated by the working-age population (25–45 years), who are more likely to use portfolio management services and make investment decisions.

2. Financial instruments Preferences



Interpretation

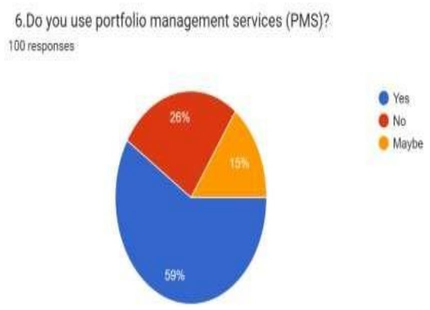
The data shows that the majority of respondents prefer Bonds (32%), indicating a strong preference for relatively safer and stable investment options. This is followed by Fixed Deposits (29%), which also reflects a tendency towards low-risk and secure investments.

Mutual Funds account for 23%, showing that a significant number of respondents are willing to invest in diversified and moderately risky instruments. Equity is preferred by 11%, indicating lower participation in high-risk, high-return investments.

A small percentage of respondents fall under Others, suggesting limited interest in alternative investment options.

Overall, the results indicate that most respondents prefer low to moderate risk investment instruments, highlighting a conservative investment approach among the participants

3. Portfolio management service using



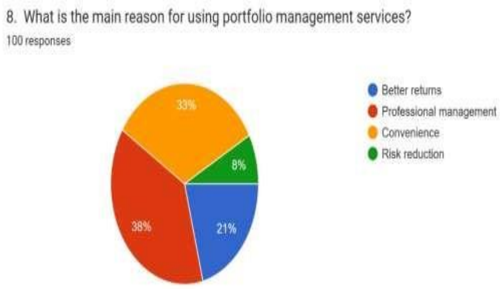
Interpretation

The data shows that a majority of respondents (59%) use portfolio management services (PMS), indicating a strong acceptance and awareness of such services among investors. This suggests that many individuals rely on professional assistance for managing their investments.

However, 26% of respondents do not use PMS, which may be due to lack of awareness, trust issues, or preference for self-management. Additionally, 15% of respondents are uncertain (Maybe), indicating that they might consider using these services in the future.

Overall, the results show a positive inclination towards portfolio management services, but there is still scope to increase awareness and adoption among the remaining respondents.

4. Reason of Using Portfolio Management Services



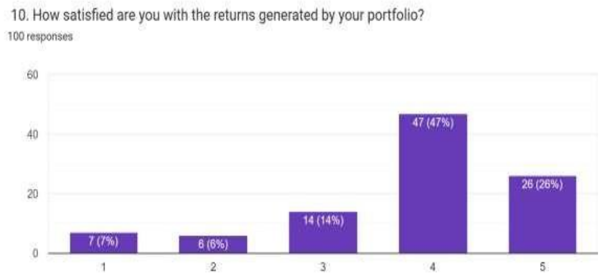
Interpretation
The data shows that the main reason for using portfolio management services is professional management (38%), indicating that most respondents prefer expert guidance for handling their investments.

This is followed by convenience (33%), suggesting that many investors use these services to save time and effort in managing their portfolios. Better returns account for 21%, showing that a significant number of respondents expect higher returns from professional services.

Only 8% of respondents chose risk reduction, indicating that fewer investors see PMS primarily as a tool for minimizing risk.

Overall, the results indicate that expert advice and ease of management are the key factors driving the use of portfolio management services, rather than just return or risk considerations.

5. Satisfaction Returns Towards Portfolio



Interpretation
The data shows that the majority of respondents are satisfied with the returns generated by their portfolio. Most respondents have given a rating of 4 (44%), followed by 5 (26%), indicating a high level of satisfaction.

A smaller percentage of respondents rated 3 (14%), showing a neutral opinion, while very few respondents gave lower ratings of 1 (7%) and 2 (6%), indicating dissatisfaction.

Overall, the results suggest that most investors are satisfied with their portfolio returns, although there is still a small group of respondents who are not fully satisfied.

III. RESEARCH METHODOLOGY RESEARCH DESIGN

Component	Description
Research Design	Descriptive
Data Type	Primary & Secondary
Primary Data	Questionnaire
Secondary Data	Journals, websites, reports
Sample Size	100 respondents
Sampling Method	Convenience sampling
Data Analysis Tools	Data was analyzed using percentage analysis Charts and graphs

IV.FINDINGS OF THE STUDY

Dominance of Working-Age Investors
The majority of respondents belong to the 25–45 age group, indicating that working professionals are the main users of portfolio management services and are more actively involved in investment decisions.

High Adoption of Portfolio Management Services
A significant number of respondents use portfolio management services, showing a positive acceptance of professional investment management among investors.

Professional Management as the Key Reason
Most respondents prefer portfolio management services due to expert advice and professional handling of investments, highlighting the importance of financial expertise.

Preference for Low to Moderate Risk Investments
The majority of respondents prefer instruments like bonds and fixed deposits, indicating a conservative investment approach focused on safety and stability.

Satisfaction with Portfolio Returns
Most respondents expressed satisfaction with their portfolio returns, with higher ratings (4 and 5) dominating, indicating overall positive performance perception.

Convenience as an Important Factor
A large number of respondents use portfolio services for convenience, as it saves time and effort in managing investments.

Limited Focus on Risk Reduction
Only a small percentage of respondents consider risk reduction as the main reason, suggesting that returns and convenience are prioritized more than risk management.

Role of Digital Platforms
Many respondents came to know about portfolio services through online platforms, showing the growing importance of digital channels in financial awareness.

Customer Satisfaction is Generally Positive
Overall, the study indicates that most customers are satisfied with portfolio management services, especially in terms of returns, professional advice, and ease of use.

V. CONCLUSION

The study titled “A Study on Customer Satisfaction towards Portfolio Selection and Management Services in the Financial Market” was conducted to analyze the satisfaction level of investors and to understand the factors influencing their investment decisions.

The results of the study clearly indicate that portfolio management services play a significant role in assisting investors in making effective and informed financial decisions.

A majority of respondents expressed a positive level of satisfaction with these services, particularly in terms of professional management, convenience, and returns generated by their portfolios. This shows that investors highly value expert guidance and rely on financial professionals to manage their investments efficiently.

The study also reveals that the working-age group (25–45 years) forms the largest segment of investors, as they have stable income and a higher tendency to invest. Most respondents prefer low to moderate risk investment options, such as bonds and fixed deposits, indicating a conservative approach toward investment. At the same time, some investors are willing to explore diversified portfolios to achieve better returns.

Another important finding is that professional management is the primary reason for using portfolio management services, followed by convenience and better returns.

This highlights the importance of expertise and ease of investment management in influencing customer decisions. Additionally, the study shows that most respondents are satisfied with the returns generated, which reflects positively on the performance of portfolio management services.

However, the study also identifies certain gaps and challenges. A portion of respondents still do not use these services due to lack of awareness, trust issues, or preference for self-management. Moreover, some investors are not fully satisfied with returns, indicating the need for improvement in portfolio performance and service delivery.

The relatively low importance given to risk reduction suggests that investors may not fully understand the significance of risk management in long-term investment planning.

Furthermore, the role of digital platforms and online channels is increasing, as many respondents became aware of portfolio services through online sources. This indicates a shift towards technology-driven financial services, which enhances accessibility and convenience for investors.

In conclusion, the study establishes that portfolio management services have a positive impact on customer satisfaction, but there is still scope for improvement.

Financial institutions should focus on enhancing transparency, providing personalized investment solutions, improving communication, and increasing financial awareness among investors. By addressing these areas, service providers can build stronger customer relationships, increase trust, and ensure long-term customer satisfaction in the financial market.

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