Online Trading: The Future of Stock Market

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Abstract

The avenue of the internet is a convenient method for the public to carry out financial transactions online and even faster than ever. Online trading over the stock market for the consumer indulges all the platforms of banking, commerce, money and resultantly discovers a ease to them. Online trading comes under the percept of E-commerce which has become a greater tool of ease in the universe at this jiffy. In India, there are few companies to offer such trading business. In fact, stock market business has expanded to such an extent which has never happened before. This has become an imperative to the success to all the organisations of online trading business worldwide. This research paper will concerntrate on the future of stock exchange through online trading and their Security rate of trading online.

Meaning

Online trading is conducting stock transactions on the internet via several websites. Such businesses have a great role in emerging trends and online business has a great impact over many financial services consists of check writing, credit and debit cards, electronic bill paying. Over years the emerging businesses have a brief history of success all due to internet. The online transaction processes of finance inclusive of buying and selling of bonds, stocks and other investments, these all comes under online trading. The actual scenario of all the business trends have diversified their business into online transaction of their goods and services and literally it has a great impact on their sale of business. For instance we can take the example of any website which deals in several goods and services provided by them over the website and we see that all the perspective relating to the business is avail on the website whether it may concern to the discount, lum sum amount, certain taxes, etc. Consumers plays an important role and their zest, zeal and desire are being fulfilled by online business. This is the reason why the online trading businesses are on the pace to the success. Moreover analyzation of the process becomes out of risk and risk management process be easily handled time to time.

Objectives

1. Online trading business is so much secure and moderate kind of business than the others.
2. Role of Stock market and Social media sites on online trading.

Literature Review

- Nidhi Walia and Ravinder Kumar [1] proposed that online trading is all about cost saving. However, majority of Indian investors have not realized its benefits so it only targets the educated investors.
- Sarika Srivastava [2] examined the impact of internet on online trading. She remarked on the availability of high speed internet that can remove all hassles related to the field as it is a major problem.
- Dr. A Abdhul Rahim [3] discovered the pitfalls related to online trading. He suggested that investors should be protected from all hassles and problems so as to remain confident while trading online.
- Madan Lal reviewed certain facts related to online brokers. He stressed upon the importance of online brokers and the problems they face while trading.
- Nidheesh KB [4] reviewed upon the role of the NSE and BSE

in online trading and about the regulations on trading by these Stock Exchanges about how they regulate the trade account of investors and various brokers.

- Brad M Barber and Terrance Odean [5] studied the deep relationship between the investor and his major weapon, the internet, suggesting that a combination of internet and shareholders voting could become a new tool for organisations promoting special society welfare like corporate social responsibility, environmental actions and consumer help.
- Arwinder Singh et al. [6] claimed that online trading is highly beneficial and cheap in terms of money and time. Certain alterations are however required to make it more fruitful.
- Yannis Bakos et al. [7] stated that online trading is on a rising track and is gaining its momentum very fast.
- Allen [8] shared his thoughts and stated the process which goes simultaneously in the business during online transactions. The ordered items get dispatched after identification process immediately. Softwares used in application process by the online traders [9].
- HILL stated there are many options in online trading to access every corner of real world in the online trading business. The emerging trends of online options has exploded over the recent years and is now being popularised well. The internet has fuelled a booming business of small investors throwing money at the derivatives market. The investors who have the skills of daily trading can expand their finance array. For an amateur investor who is ready to learn how to trade stock options the derivatives market can be enticing, but also frightening [10].

Scope of Online Trading

In a country like India, where penetration of online trading business services is very low, there is a great scope for growth for

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any online business company now. The Government of India after realising the importance of saving the entire stock exchange industry from closing down which was running in to huge losses before 90's, decided to formulate New policy [11-17]. The draft of the new policy was circulated in December 1998 to all concerned for comments. The cabinet approved the online trading ventures with the MNC's. During those years because of announcement of Lok Sabha Elections in April 1999, ventures could not be implemented to existing service providers up till 2000. But that new policy of venturing in the online world of business is now totally in force. Gradually from 2000 the online business has expanded so far.

Current Scenario of Online Trading

Dealings outside the country have reached to such a success for the enterprises that the amount of tax has been lowering gradually and results to their profit in every quarter. As the economy is growing with a pace forward, the desire of each and every individual is showing a greater ease in terms of financial transaction, possession, delivery and every aspect. Online trading is fruitful not only for the consumers but for the suppliers as well because they won't require the possession of goods to be further sold. A product is full of questions before being sold and those all question can be availed with the answers at the website online for everyone. In the stock market, the competition is on such a level of mastery that it can be accessed by every individual via various peripherals.

Role of the Online Websites

There are several bodies designated for the different purposes of online trading which may conclude the coordination of information/requirements and these are time to time simultaneously intimated under various departments of the business. The online website has its delegation structure for the supply and discount as per product and as per coupon applied, as the transaction or the instrument is duly categorised by the website itself for the virus detection program so that the amount paid/unpaid might not mismatch. Re-deployment gets structured as per the stipulations and all the departments or option on the websites are instructed time to time. Each organisation dealing with similar goods and services have other major players with them online but almost all the websites are in the access due to the competition increase. The part of advertisements of their products or services have been shown a decrease in the costs over the couple of years since the online trading business came on existing because earlier the most heightened competition was being faced by all such organisation was due to the advertisement cost they spend. However, the online stock market business took place in South India at the initial stage and then gradually expanded as a whole.

Role of Stock Market

Before the online trade as the stock business came on down, they used to merge with others to retain their stand over the market but couldn't work out. Nowadays, they are required to give a focused eye on the stock market and the website. "Stock market is by the goods and services, Stock market is with the goods and services". Stock exchange market is a world of knowing the higher and lower aspects of costs and that is all.

Aspects on the Performance of Online Trading

The most important aspect of online trading is how online transactions is done.

1. Software of collecting and deploying command further.
2. Action as per the demand of the consumer.
3. Preparation of account for the billing in just 5 seconds after the command being given.
4. Methods of payment gets displayed.
5. Delivery formats shown.

The ever growing competition is so high that the networking industries have been emerging with new technologies day by day which has shown a greater amount of expansion in the online trading business. Kind of such transactions can be done through the mobile apps now a days with the help of mobile applications, e-tech software availability in using mobile phone or tablet, etc. There are some inbuilt variants of apps which have been made and some are being made to crack the issues relating to viruses while doing online trading in the stock exchange businesses like security cmg, all secure, etc.

Emerging trends of online trading business

- After the emerging of sparkling trend of online trading business.
- The communication cost of business to business has been cut substantially by using alternative means of communication online being used for the business purpose itself.
- Travel costs has been reduced by way of retraining the staff in city offices of service companies to sell/repair the stock, etc.
- Marketing expenses have reduced by way of reduced advertising on broadcast media. Plans are being made to utilise low cost alternative media like internet an direct marketing to increase efficiency of marketing communications.
- Miscellaneous expenses have been reduced by vacating accommodations and by reducing rentals in some of the cities as the business transactions as a whole are being done through online website even without the procurement.
- Merchandising costs automatically get cut off.
- In the Indian market, these measures have not only served the purpose of making the organization more tuned to efficient business practices but have also resulted in net savings in thousands of crores over the previous years. By many holders of such organisations, its now decided implementing these measures in an aggressive manner in order to cover a portion of higher interest cost.

Now a days, a separate focus is being put on reengineering the business processes around the internet. With the increasing convergence of IT Sector, networking sector, technology sector; the online trading in the stock exchange companies plans to venture into IT enabled services and as a first step they will try to leverage the infrastructure of the service companies for net related services. These will include internet access, content development, web hosting and E-commerce applications. The retail channel will be used to push bundle of services to the consumers in the country. This business is bound to grow keeping in mind the phenomenal growth in internet subscribers and E-commerce revenues

the world over. For a couple of years, this online business trend has been profit making in the world over, a lot many dividend paying companies being established since 1980 with a consistent growth in online business volume each year.

Conclusion

The stock business of online trading business have been increasing since its existence in India, at the start it has an gradual improve but later on it has have expanded a lot much and even market share of online traders is increasing. Proposals of joint ventures with the MNC's from other big countries are being approached on a higher level and value of online traders in India keep on increasing as you can see the whole scenarios of past and present at the earliest written report. Stock exchange business is now rightfully going to take peace place in the business world as it has been lowered with its substantive costs, various expenditures, etc. As per the last years records being seen after the magazines, newspapers, google searches, scale measures by different commentator agencies, this world of business has been shown a greater expansion of success in terms of money, infrastructure, global expansions, tie ups, name fame and almost all other aspects. Online business entities are growing day by day and as per commentators, these firms shall grow all the lifetime of the world. Consumer line segmentation gradually on increase due to the ad in the social media sites of facebook, twitter, etc. All the people who are dealing with the online sites most probably having access on the networking sites and resultantly advertisement tie up gets automatically clicked. So, the online trading is a world of internet being accessed by the consumers with their liberty to choose in terms of goods or services and even pay for it online. In regards to the business owners, their business is possession out goods and an extraordinary idea to be able to sell goods and services without the procurement. It is further examined that the online trading business in the stock market has a huge impact over other businesses in terms of expansion and growth.

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