

Analysis of Online Equity- Brokerages in Pakistan

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Abstract:

Companies are excited about reaching more consumers at low operating costs. The Internet connects huge number of users and is the fastest growing worldwide communication resource. It provides a standard for information exchange and transcends normal communication media. The attractiveness of doing business on the Internet stems from its rapid growth, global reach, and superior communications capabilities. As a market it provides a pool of techno-savvy consumers that are well educated. The Internet is a world wide network; therefore financial companies can globalize their companies in order to deal with portability issues in other International financial markets.

Hardly 5-6 brokers in Pakistan are offering internet trading facilities. Few giant brokers such as Jahngeir Siddiqi and Arif Habib are also planning to go online. In foreign countries online trading includes both trading and consultancy, where as, Pakistani E-brokers online provides online trading, which includes market watch, research portals, weekly reviews, morning briefings, margin trading, pocket watch, stop loss orders and limit orders.

Financial Markets are changing dynamically and becoming an intense environment that faces a strategic challenge of "e brokerage". Changing the market situation and opening the door for new competitors to enter the industry. But competitive advantage can be achieved by possessing technology, access to the clientele or knowledge of the clientele. The conceivable new competitors that meet these requirements are, for example, portals or especially financial portals that can attract cabernets with additional services and thus generate clients.

This research report plunges into both exploratory and descriptive study. Information contain in this report are qualitative collected through observation and interviews with brokers, investment bankers and I.T consultants . And on the other hand reports major segment consist of recommendations and upcoming IT applications applicable in financial markets to help brokers realize the potential of online trading market.

Table of contents

APPROVAL SHEET-----	I
Abstract:-----	II
Table of contents-----	IV
List of Tables-----	VI
List of Figures-----	VI
1. CHAPTER 1: INTRODUCTION AND STATEMENT OF THE PROBLEM	2
1.1. Introduction-----	2
1.1.1. Evolution-----	2
1.1.2. Present status.-----	3
1.1.3. Importance-----	3
1.2. Statement of the problem-----	3
1.3. Significance of study-----	4
1.4. Scope-----	4
1.5. Delimitations-----	4
2. CHAPTER 2: RESEARCH METHODS AND PROCEDURES-----	6
2.1. Research Design-----	6
2.2. Respondents Of Study-----	6
2.3. Sources Of Data-----	6
2.4. Treatment Of Data-----	7
2.4.1. Type of study-----	7
2.4.2. Unit of analysis-----	7
2.4.3. Time horizon-----	7
2.4.4. Presentation analysis.-----	7
2.4.5. Extent of researcher interference-----	7
3. CHAPTER 3: REVIEW OF LITERATURE AND STUDIES-----	9
3.1. Reviews of the Best Online Stock Trading Companies in Pakistan-----	9
3.2. Reviews of the Best Online Stock Trading Companies in U.S.A-----	11
3.3. Reviews of the Best Online Stock Trading Companies in Europe-----	17
3.4. Reviews of the Best Online Stock Trading Companies in Asia-----	18
3.5. Major reasons behind the widespread use of inter- net in the US for trading in the stock market-----	24
3.6. The Characteristics of the on-line brokerage business-----	25
3.7. Business Process of online brokerage services---	27

3.8. Challenges	27
3.8.1. Strategic challenge	27
3.8.2. Marketing challenge	29
3.8.3. Technological challenge	31
3.9. Better Online Customer Experiences for Financial Services Firms	33
3.9.1. Types of Online stock traders.	33
3.10. Internet in Pakistan.	36
3.11. The Origin of the Internet in Pakistan	37
3.12. Issues behind successful on-line trading in Pakistan.	42
3.13. Online stock trading drivers	43
3.13.1. GDP	44
3.13.2. Privatization	45
3.13.3. Internet penetration	45
3.13.4. Literacy rate	46
3.13.5. Stock Exchanges	46
4. CHAPTER 4: RESULTS AND DISCUSSION	49
4.1. Growth of online users in Pakistan	49
4.2. Customer Behavior Analysis	51
4.2.1. Local investors	51
4.2.2. Overseas Investors	52
4.3. Output Competition Analysis	52
4.3.1. Strategic Nature	52
4.3.2. Risk Management	55
4.3.3. Organization Structure	55
4.3.4. IT Infrastructure	56
4.3.5. Services	57
4.3.6. Website performance	58
5. CHAPTER 5: CONCLUSION AND RECOMMENDATIONS	59
5.1. Challenges of the brokerage industry	59
5.2. Pros and Cons of the On-line Brokerage Business	59
5.3. Conclusion	60
5.4. Recommendations	62
5.4.1. Factor affecting use of internet in Pakistan	62
6. References and Bibliography	66