
SURVEY OF MUTUAL FUNDS IN MARKETING

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ABSTRACT:

As the world is building a faster and smoother shift towards digital, it is quite obvious for mutual funds to market online. although being numerous challenges in online marketing, there is always possibility for new innovation and creation in the services of financial sector. However fund marketing has still be slower to make a leap into new media tactics from the traditional ones. Mutual funds were created to make investment easy, so consumers wouldn't have to be burdened with picking individual stocks. for the most common part technique that applies for online marketing is the SEO ranking in Google. The first page content in the Google web page is observable to draw your attention at first. This has been tried and true technique broadly practiced by all marketing groups. But certainly there are future challenges that investors go through while using digital marketing techniques.

Keywords: *Digital, Innovation, Technique, online marketing, Digital marketing technique, investors*

1. INTRODUCTION

“Investing must be more like watching paint dry or watching grass grow. If you want exhilaration, take \$800 and go to Las Vegas.- Paul Samuelso

Mutual Fund Transactions: A **mutual fund** is a pool of money from a group of investors that is put into a portfolio of stocks, bonds, and government securities. Buying and selling shares in a **mutual fund** is different than buying and selling stocks.

The first modern-day **mutual fund**, old colony Investors Trust, was created on March 21, 1924. It was the first **mutual fund** with an open-end capitalization, allow for the stable issue and release of shares by the investment company. After just one year, the **fund** grow to \$392,000 in assets from \$50,000.

1.1 Growth of Mutual Funds

The country's mutual fund industry has a vast growth potential as Indian households' savings amount to Rs 20-30 lakh cr., crest official of an asset management company said now.

“We are already witnessing a regular modify in household savings as dominance of physical savings (real estate and gold) is going downhill, while share of financial savings is increasing,” **HDFC AMC Managing Director Milind Barve** told the media here while beginning the company's early public offer.

Barve highlighted the fact that India slowdown most major nations of the world in terms of assets under management (AUM) of mutual funds as a gain of gross domestic product (GDP).

In India, asset stand of mutual funds as a percentage of GDP is just 11 per cent, while the world average is 62 per cent.

“When it comes to the share of MFs in the market capitalisation, it is less than 5 per cent in India, which only proves the huge market potential,” he said. “India has a very saving society as Indians save Rs 20-30 lakh crore each year, which indicates vast scope for channelising this saving into MF industry,” he added.

The country has 42 mutual fund houses introduce assets to the tune of over Rs 23 lakh crore. talking about the approaching IPO, Barve said HDFC Asset Management Company (AMC) will launch its Rs 2,800 crore initial share-sale on July 25. The price rock band has been fixed at Rs 1,095-1,100 per share.

The proposed IPO offer up to 2.54 crore equity shares of the fund house from end to end an offer for sale of 85.92 lakh shares (4.08 per cent stake) by HDFC and up to 1.68 crore shares (7.95 per cent holding) by customary Life. HDFC AMC operates as a joint venture among Housing progress Finance Corporation (HDFC) and Standard Life Investments.

The fund house, which has a full amount AUM of over Rs 3 lakh crore at the end of March, is the country's second largest fund house after ICICI Prudential AMC that has an asset support of

Rs 3.06 lakh crore. It will become the next AMC to hit the markets following Reliance Nippon Life AMC, which had raised Rs 1,542 crore last year.

1.2 Types of Mutual Funds

1) Money Market Funds

The money market consists of safe (risk-free) short-range debt instruments, mostly government Treasury bills. This is a secure place to park your money. You won't get substantial returns, but you won't have to worry about losing your principal. A typical return is a little extra than the amount you would receive in a regular checking or savings account and a little a smaller amount than the average certificate of deposit (CD). While money market funds invest in ultra-safe property, during the 2008 financial disaster, some money market funds did awareness losses after the share price of these funds, typically pegged at \$1, chop down below that level as well as brock the buck.

2) Income Funds

Income funds are named for their reason: to provide current income on a steady basis. These funds invest first and foremost in government and high-quality corporate debt, holding these bonds until prime of life in order to provide interest streams. While fund holdings may be thankful for in cost, the primary objective of these funds is to offer a secure cash flow to investors. As such, the viewers for these funds consists of traditional investors and retirees. Because they make regular income, tax aware investor may want to avoid these funds.

3) Bond Funds

Bond finances invest and actively trade in various types of bonds. Bond funds are often actively managed and seek to buy moderately undervalue bonds in order to sell them at a profit. These mutual funds are likely to pay difficult returns than certificate of deposit and money market investments, but bond funds aren't without risk. since there are many different types of bonds, bond funds can vary dramatically depending on where they invest. For example, a fund specialize in high-yield junk bonds is a great deal more risky than a fund that invest in government securities. Furthermore, nearly all bond funds are topic to interest rate risk, which means that if rates go up the value of the money goes down.

4) Global/International Funds

An international fund (or foreign fund) invests only in assets situated outside your home country. Global funds, meanwhile, can invest wherever around the world, including within your home country. It's tough to classify these funds as each riskier or safer than domestic investments, but they have tended to be more uneven and have inimitable country and supporting risk. On the flip side, they can, as part of a stable portfolio, actually reduce risk by increasing diversification because the returns in native countries may be uncorrelated with returns at home. Although the world's economies are becoming more interrelated, it is still likely that another economy wherever is outperforming the economy of your home country.

2. OBJECTIVE OF RESEARCH

To discuss about the market trends to mutual funds investment.

To know about the opportunities in the whole market.

3. CHALLENGES OF MUTUAL FUNDS

- lack of financial literacy
- Too many fund houses and scheme
- Fear of losing money due to stock market movements
- Lack of 1-1 connect with fund houses/distributors which do not help build faith
- Forceful selling by distributors vs. learning
- Financial Services are intangible which pose a challenge for an investor to understand and grasp the benefits.

Being a mutual fund company, you can always overcome the mentioned challenges to work in favour of you by building a trust and consistently addressing the anxieties and obstacles to purchase. These factors essentially drive us to use digital marketing effectively to attach and educate the masses who are wherever going to influence their network.

4. MARKETING STRATEGIES FOR MUTUAL FUNDS

1) Spreading Awareness

As the digital world is new to most of the investors people have not have of awareness and digital illiteracy. However creating awareness can be a positive point to train your target audience about the online means of investments. People of almost all the age groups use social media, but you need to first find out your potential audience and focus your marketing efforts at them. The easiest way to do this is hiring a digital marketing agency to place your product in front people searching it. SEO is proven to be the most trusted and effective marketing strategy in all the sectors.

2) *Poking interest*

You have to intend to draw your audience's attention towards your services and nurture them wisely. Because when it is a digital medium it gives your audience just the fraction of seconds to see, decide and click to exit.

3) Generate desire

Knowledge and intelligence cannot be forced upon a person who is not willing to accept it. Once there is want within your audience to accept your services only then you can move ahead with your next step. So you can use some of the inventive and out of the box tactics to hold desire within your audience. Tactics like highlighting your peculiar features, your fund's performance, its ratings and other ineffectual advertising strategies.

4) Action

So once you have created desire, you are ready to take a steady action. Summarize all the problems that you can help them solving and work on the plan of action to Agitate and solve.

5. SCOPE OF INDIAN FINANCIAL MARKET

Indian financial market is said to be one of the most advance market then many other sector which is also organised early during the 19th century with the name of SEBI (Security exchange board of India). for the duration of the 1960s there are eight security exchanges in India which has mainly three in Mumbai, Ahmadabad and Kolkata. In spite of these boards there are also

boards in other cities also such as Madras, Kanpur, Delhi, Bangalore and Pune. Total number has jumped to 23 security exchange boards in India.

Indian economy have stay stable because of the economical control and after 1991 generally as soon as the liberalization has been started in India which makes Indian security market explosion and helped Indian economy in their expansion. There were also many new companies which turning around many industries segment which also helping in flourishing the business.

After launching NSE(National stock exchange) and OTCIE(Over the counter exchange of India) specially in the mid 1990s which have also helped in the smooth trade and the transparency from the trading of the securities.

The main regulatory body of Indian capital market is the SEBI (Securities and Exchange Board of India). The market in India before has knowledgeable a greater adversity after which the SEBI came into being and helps in the progress of the capital market.

6. SUGGESTIONS

- Investors have to make a self study of their needs, risk appetite and expected return so as to develop a sensible investment strategy.
- Due to seasonal fluctuation the investor should think of investment throughout mutual fund instead of direct .
- Investment in equity market. Steps have to be taken to improve the level of awareness and financial literacy of wholesale investors.

7. CONCLUSION

The Indian mutual fund industry is in its growth phase and possesses a incredible scope for development which is evident for the international raise. From this study it is found that there is an crash of mutual fund flow in the Indian equity markets. Unpredictability and uncertainty are part and parcel of equity investing. Equity mutual fund investors too cannot remain safe when the movement of indices becomes rage bound. As any investor who is interested to have a high

return for long term basis the investor can choose large cap mutual fund and if a investor is interested to have temperate return with moderate investment they can opt small and mid cap mutual fund. The investor may supervise the equity fund based on relevant statistical analysis to have better portfolio for his investments

Even though the savings rate in India is high as a percentage of Gross Domestic Product (GDP) the concept of savings in financial instruments is still developing in India. One of the major reasons for same appears to be low financial literacy.

The conclusion converges at a point that it is clear for mutual fund to market online and offline as well. But these two worlds need to shake hands and combine along for extracting the maximum benefits. So what are you waiting for? Get started and watch your assets grow!

7. REFERENCES

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