Investigating on the Technology Limitation of Online Stock Trading Popularization in Malaysia

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ABSTRACT

According to the rapid economic development, securities investment is no more the patent of rich people. Online stock trading is a solution to replace the traditional telephone order with stock broker. Investors can use online stock trading platform to transact via network with much convenience in speed and analysis. Using this technology broker company can reduce the cost in human resource cost and enlarge the capacity of entire customer service. In Asian developing countries like China Mainland, Korea, Taiwan and Hong Kong, currently most of stock transactions have been transferred to online. But in Malaysia, the utilization rate is still low. The reason of this low percentage may be due to many technology limitations in server system performance and internet access solution reliability. Some of these technologies are not able to satisfy the requirement of online stock trade and bring risk to both investors and brokers. In this paper, the researcher studied the detail of online stock trading platform and relevant technologies, determined the success criteria of online trading, used research methodology to find out the limitations of current technologies experienced by investors and brokers that cause the low application of online stock trading, forecasted the future development and gave recommendations to improve current technology and popularize the current online stock trading service.