Chapter 2
Comparative Analysis of Selected Websites of Brokerage Houses in Poland

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ABSTRACT
The main objective of this chapter is to identify the most important criteria for assessing Websites of brokerage houses and to specify a Website that is optimal from the point of view of a small, individual customer. At the beginning of the chapter, the author presents general assumptions of the study and discussions concerning the applied evaluation criteria. Subsequently, particular Websites are characterized from the point of view of distinguished features. In the final parts of the chapter, the author presents a summary resulting from the comparison and conclusions of the analysis.

1. INTRODUCTION
The study is one of a series of tests concerning the applicability of the Internet in the financial sphere, which have been conducted by the author over the last decade (Chmielarz, 2007b). These studies focused on selected aspects of electronic banking (Chmielarz, 2010), with particular emphasis on Internet services for individual clients (Chmielarz 2007a). In addition to these cyclical annual evaluations (carried out since 2001), the analyses dealt with the use of various forms of electronic money, including online payments (Chmielarz and Nowak, 2010), and the activity of Internet brokerage houses. Recent research into this area was conducted in 2004 (Chmielarz, 2004). A well-established status of Internet activity of brokerage houses induces the researcher to examine this area of activity once again in order to evaluate and—if possible—compare the present findings to the previous analyses. In order to make such a comparison possible, the author tried, despite subsequent difficulty, to maintain comparable structure and research procedure.

It appears that an Internet brokerage activity is a relatively recent phenomenon. A few years ago there were no cases of such activity carried out via the Internet. Bank Ochrony Środowiska

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Brokerage House (BOŚ Brokerage House) was the first and the only one at a time – in November 1996 it embarked on such activity. At present, there are 45 brokerage houses related to the Stock Exchange, and 21 of them operate in the Internet.

We may notice that this trend is getting stronger and stronger all the time due to the attractiveness and competitiveness of Internet brokerage houses for investors. There are a number of reasons for the tendency we observe. First of all, it results from economic factors: the costs of investing via the Internet are considerably lower than in the case of traditional investments and investors benefit from lower fees and commissions. Secondly, the growing popularity of the Websites results from organizational factors: the Internet operations can be carried out at any time convenient for the investor. Thirdly, the functionality of online operations is close to a traditional one: using the Website the investor can control his or her account and securities portfolio. The fourth advantage is the issue related to access to useful information: by means of the Internet, the investor has access to the most recent information which he or she needs to plan transactions. We may observe that at present, electronic accounts in Internet brokerage houses have full functionality of traditional investment accounts, and it is possible to use the accounts to:

- **Perform transactions**: Investing in corporate shares (also investing in foreign markets), unit investment funds and indexes,
- Track stock exchange listings on-line,
- View specially prepared reports, Websites, analyses, recommendations, information and business news.

Websites of such type allow their clients or investors to track all events on an ongoing basis and, as a result, fully control their investment account. We can, for example, activate the notification system by means of SMS messages or electronic mail in the case of alerts or to arrange for receiving reports within specific time frames. An example of this may be a monthly report sent by electronic mail presenting the balance of our investment account. The fees for electronic services are usually fixed monthly charges for operating and maintaining the account and commissions on transactions (Money, 2011).

From the perspective of a brokerage house, conducting business activity online means an additional possibility of gaining new clients and lowering the costs of running the business. Therefore, as we may notice at this point, using the Internet as a communication tool is beneficial for both parties.

Because, at present, several brokerage houses perform operations via the Internet, investors have a wide choice of options. Each client should analyse the terms and conditions offered by particular brokerage houses, and only after a careful consideration, they should open an investment account with one of them. This article aims at providing the investor with a tool which is necessary to perform a comparative analysis and verify its use in practice. The presented comparison concerns only those brokerage houses, which offer their investors access to their services via the Internet, not those who have their Websites.

During the comparison, the author considered the following criteria (analogically to the study carried out in 2004 [Chmielarz, 2004]):

- Security of Internet services,
- **Fees and commissions**: Connected with providing services,
- The design of the home page,
- Information about a brokerage house,
- Educational materials and help,
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