1. INTRODUCTION

1.1 BACKGROUND

The payment mechanism that consumers use to purchase goods and services has changed dramatically over the last 100 years. At that time, almost all consumer transactions were in cash while business payments were in cash or checks.

In the early 1900s, oil companies and department stories issued their own proprietary cards, according to Stan Sienkiewicz, in a paper for the Philadelphia Federal Reserve entitled "Credit Cards and Payment Efficiency "(August 2001). Such cards were accepted only at the business that issued the card and in limited locations.

While modern credit cards are mainly used for convenience, these predecessor cards were developed as a means of creating customer loyalty and improving customer service.

The Diners Club Card was the next step in credit cards. According to a representative from Diners Club, the story began in 1949 when a man named Frank McNamara had a business dinner in New York's Major's Cabin Grill. When the bill arrived, Frank realized he'd forgotten his wallet. He managed to find his way out of the pickle, but he decided there should be an alternative to cash. McNamara and his partner, Ralph Schneider, returned to Major's Cabin Grill in February of 1950 and paid the bill with a small, cardboard card. Coined the Diners Club Card and used mainly for travel and entertainment purposes, it claims the title of the first credit card in widespread use. While modern credit cards are mainly used for convenience, these predecessor cards were developed as a means of creating customer loyalty and improving customer service.

In 1959, the option of maintaining a revolving balance was introduced, according to MasterCard. This meant cardholders no longer had to pay off their full bills at the end of each cycle. While this carried the risk of accumulating finance charges, it gave customers greater flexibility in managing their money.

1.2 CREDIT CARD MARKET IN INDIA

The credit card market in India had witnessed a steady growth in the late 1980s and early 1990s, but currently stands stagnant. Indian banks like State Bank, Citi Bank, Axis Bank, Bank of Baroda, and HDFC offer credit card services to their customers. The growing income of the upper middle class is an important driver of the credit card use. During the year 2007, credit card use in the Asia Pacific region stood at $1.3 trillion, which was 30 percent of global credit card transactions (KPMG, 2009). Japan led the region in total transactions made through credit cards

($209 billion), followed by South Korea ($203 billion). The total transaction made through credit cards in India was merely $2 billion. Nearly 70 percent transactions made through credit cards in India were for purchase of goods and services.

Card issuance by banks and financial institution grew by 11% to 19.6 million in 2012-13 according to the Reserve Bank of India (RBI) data. From the peak 27.55 million in 2007-08, card issuance had fallen to 17.65 million in 2011-12. Unlike the decline in the number of cards issuance, spending through credit cards continued to increase in the past five years. It rose 29% to Rs. 124,393 crore in 2012-13 from Rs. 96613 crore in previous fiscal (Hindustan Times, May 2013)

India presents a huge untapped market for credit card companies. Developing economies have witnessed increased consumer spending and growth in income levels but regular use of credit cards is limited. This research study analyses the general perception of credit card holders and non credit card holders in terms of ease of use, safety and security, convenience, trust etc. It also attempts to study the demographic characteristics of card holders such as age, gender, income level influences on credit card usage. It can provide valuable insights not only to credit card companies but also to other companies targeting Indian middle class for making purchases through credit cards.

PERCEPTION

Perception refers to an opinion formed about a product or brand on reception of a stimulus. In this research study, perception refers to social perception. Social perception is concerned with the impression one has of a social stimulus or a set of social stimuli as that impression is modified by perceiver's past experience in general, his previous experience with that same or similar stimuli and the individual's state at the moment he is viewing the stimulus of interest.

Every stimulus (selectively perceived stimulus) leads to the formation of perception. Now once perception is formed about a product, consumers tend to learn more about the product or brand. Once learning comes up to the desired level, consumers form attitude. The difference between these two psychological domains lies in the fact that every single stimulus forms a perception, while attitude is a consequence of learning about a product/brand, which in turn is the outcome of perception(s).

Stimulus		Perception
Attitude	←	Learning
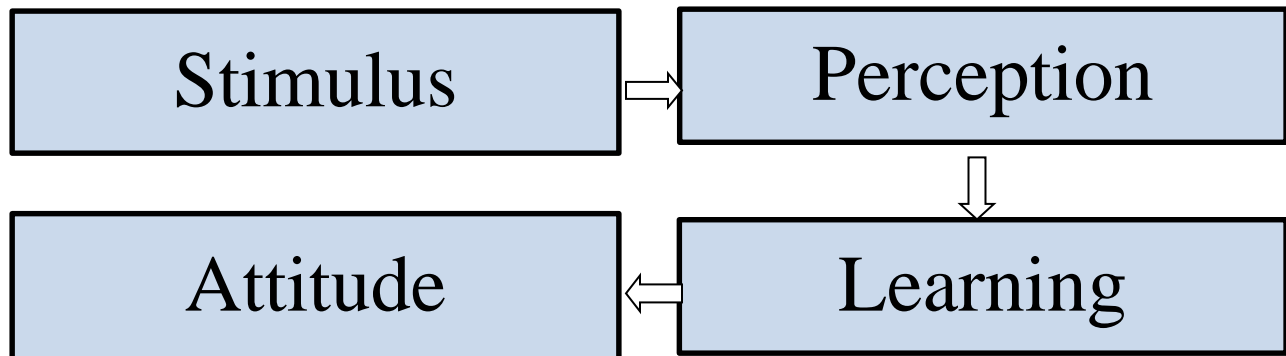
Consumers first perceive, learn from perception(s) on account of single or multiple stimuli depending on their need for cognition and then form attitudes, which dictate their purchase decisions. In this research, main objective is to study the perception of credit card users and non credit card users towards credit card usage.

A comprehensive review of Literature available on credit cards has been carried out. Govindarajan et al. (June 2012) examine the awareness and utilization of credit cards in India. It brings out the relationship between age, occupation and education with reference to use of credit card and also establishes awareness and utilization of credit cards associated with features of credit card. Further it brings out the perception of debit card holders regarding credit card.

The effect of interest rates on the adoption and usage of credit cards was identified by Gan, Maysami, and Koh (2008) which concluded that interest rate is an important factor in the credit card usage which influences it negatively.

Chandran, Matthews and Tripe (2005) found that more than 65% of credit cardholders did not know the current interest rate on their credit card, while more than 55% did not know how much they were paying on an annual basis for their credit card account fee.

Gan, Maysami, and Koh (2008) found that people's lack of understanding or minimal information of industry is one of the biggest dilemmas in the credit card market. This lack of information affects adoption and usage of credit cards big time.

The impact of awareness on usage of credit cards was studied by Delener and Katzenstein (1994) found that Asian consumers didn't prefer credit card so there is a need to promote credit card services to encourage its use.

This study considers five demographic factors such as age, income level, occupation, education and gender which are posited to influence credit card holders' usage.

A number of interesting findings have been documented concerning age of credit card holders. Devlin et al. (2007) found that the older the respondents, the more likely they are to possess one or more credit cards. However, college students and young credit card holders, albeit possessing fewer credit cards, have been increasingly identified as contributors to credit card debts (Kara et al., 1994; Norvilitis and Maria, 2002) compared to the more senior card holders. The reason for this could be explained by the perception of young credit card holders that they will not face the burden of financial obligations because they believe that they still have a long future ahead to settle the debts (Roberts and Sepulveda, 1999). Many young card holders assume that any financial problem faced is temporary and it will be easily repaid due to their young age. This perception would have shaped the young credit card holders' spending behavior compared to the more senior card holders who are likely to be financially sound, yet conservative in their spending.

It is therefore interesting to determine whether there is any significant correlation between age and credit card holders' usage.

Several studies have looked at the impact of income level on credit card's possession and use. The findings are, however, not without varying conclusions. Devlin et al.(2007) found that households with higher incomes tend to hold more credit cards. Nevertheless, due to their high income, they are more likely to pay off their credit card debts (Balasundram and Ronald, 2006). Slocum and Matthews (1970) argue that those from the lowest category of income always think wisely before making any kind of money-related decisions.

1.3 RESEARCH OBJECTIVES

The research objectives of the study are

1. To examine the general perception towards credit card usage among credit card holders.

Sub objective is

To study the relationship between customers' perceived values (in terms of convenience, safety, trustworthiness, overspending and status symbol) and satisfaction with the use of credit cards.

2. To study the relationship between customers' knowledge and awareness about credit cards and credit card usage.

3. To study the relationship between demographics of customers and credit card usage.

4. To examine the general perception towards credit cards among non credit card holders.

2. LITERATURE RIVIEW

The present study focuses on the perception of card holders towards credit cards. The study was designed to gain a better understanding of the factors influencing possession of credit cards and card holder's satisfaction. The study also analyses the extent of utilization of credit cards by card holders and the level of awareness of bank customers not having credit cards about such cards.

The credit card issue in terms of number of credit cards witnessed a whopping growth during the past five years. In terms of key players ICICI has notched the landmark figure of 90 lakh credit cards by 2008 taking the position of number one player in the segment. It is further concluded that there are a number of bank customers who do not have any knowledge about credit cards. Many people have knowledge about credit cards, but do not possess credit cards because of the fear of falling into debt trap. High income earners and highly educated class use credit cards more, availing high credit limits. Extent of usage of credit cards is smaller among higher proportion of the card holders. Customer's satisfaction is found to be less because of high rate of interest. Customers perceived core services and facilitating services at higher level. Card holders face the major problem of lack of proper advice from banks. Credit card market is yet to realize its potential.

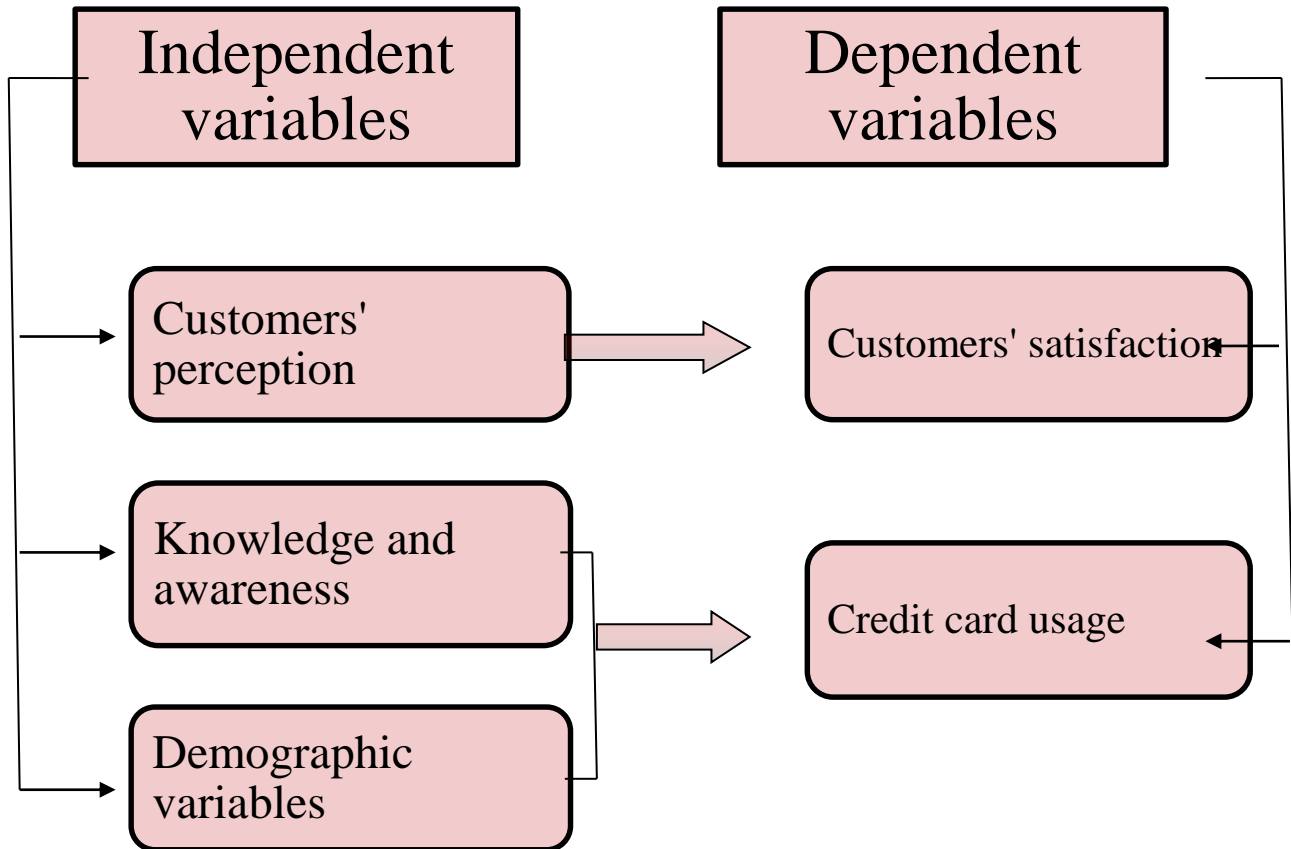*(Dr.S.SUDHAGAR, July-Aug 2012, IOSR Journal of Business and Management (IOSRJBM))*

Public and foreign banks trends in credit card market also have been compounded to be 23.92% growth and 15.77% growth respectively for the entire period. ICICI, HDFC and HSBC banks have been leading credit card market in India as they have 145 lakh cards in circulation out of the total of 246.95 lakh cards. The credit card spending at POS touched Rs. 65,356 crore as at March 2009 up from only Rs. 10895.00 crores in 2001. These indicate the growth of transactions through plastic at POS in India.

(Mandeep Kaur, 2011, Perception Of Card Users And Member Establishments Towards Plastic Money In India)

Credit cards are services that are intangible in nature *(Lovelock, 1983)*, normally described as part of continuous membership-based services *(Lovelock, 1983)*. Credit card services are categorised as information processing services *(Lovelock, 1983)*. The most significant element that has changed the nature of credit card services and its delivery is "technology" *(Suoranta, Mattila, & Munnukka, 2005)*, by the creation of technologically-enabled services, which allow services to operate at a global level, based on telecommunications and information technologies. These technology-enabled services contribute to the creation of economies of scale and economies of scope for services and service providers *(Edvardsson, Haglund, & Mattsson, 1995)*; allow ways to standardise the service and facilitate the definition of specifications of service quality *(McLaughlin & Fitzsimmons, 1996)*; and most importantly transform high-contact to low-contact services as customers progressively depend on services *(Bitner et al., 2000)*. Being technologically- enabled, credit card services became as 'low contact' services.

3. RESEARCH METHODOLOGY

3.1 CONCEPTUAL FRAMEWORK

```
┌──────────────────────┐              ┌──────────────────────┐
│    Independent        │              │     Dependent         │
│    variables          │              │     variables         │
└──────────────────────┘              └──────────────────────┘

┌──────────────────────┐              ┌──────────────────────┐
│   Customers'          │  ──────▶     │   Customers' satisfaction │
│   perception          │              │                       │
└──────────────────────┘              └──────────────────────┘

┌──────────────────────┐              ┌──────────────────────┐
│   Knowledge and       │  ──────▶     │   Credit card usage   │
│   awareness           │              │                       │
└──────────────────────┘              └──────────────────────┘

┌──────────────────────┐
│   Demographic         │
│   variables           │
└──────────────────────┘
```

The conceptual framework for studying the perception of credit card users is shown above. The study tries to examine the perception of non credit card holders as well. However for non credit card holders there is no credit card usage and hence no relationship can be determined with credit card usage. For non credit card holders, only perception is studied. It is important to study the perception among non credit card holders as they will become potential customers in future.

The relationship between customers' perception and satisfaction with credit card usage is studied for credit card holders. The relationship between knowledge and awareness about credit cards and credit card usage is studied. As literature review showed that demographics of customers are related to usage of credit cards, same will be examined in this study.

3.1.1 Independent variables

A. Customers' perception

Customer's perception is measured in terms of six factors.

1. Convenience

We can use credit cards practically everywhere especially overseas. They allow you to purchase items and pay them off in monthly installments. Just swiping a card at any outlet lets you purchase any type and number of items. This dimension covers the questions relating to convenience in carrying a credit card and in terms of wide acceptance of credit cards.

2. Safety

It is the most important aspect and determines the perception regarding the security of transactions made through credit card. Also if it is lost, credit card can be misused. It includes the security of transactions done online using credit cards like paying your bills using them. Also, credit cards may not be safer mode of transaction if purchases are made with not so reliable companies.

3. Overspending

Some consumers feel compelled to spend more money than they have and it results in overspending which otherwise would not have occurred if one doesn't own a credit card. Thus it can be considered as increased opportunity cost. This aspect tries to determine does overspending bother customers.

4. Status symbol

Many of the studies conducted before showed that social status is one of the most important reasons for getting a credit card. E.g. IndusInd bank has recently launched "Indulge" credit card which can be swiped only by some privileged customers of the bank and this gold plated card is considered to be a luxury among the elite.

5. Trust worthiness

This aspect tries to determine if customers believe that there are some hidden terms and conditions which are not explicitly told to them. Also there are some hidden charges like banks may charge extra money if you are making irregular payments. Some banks charge an handling charge if you pay cash at the bank counter to settle your credit card bill against the paying the bill via cheque or though your ATM.

6. Word of mouth

To what extent word of mouth plays a role in deciding to get a credit card. Because there is a perception among customers that nothing comes free of cost, it becomes important to study the role word of mouth plays.

B. Knowledge and awareness

This dimension determines whether customers are aware of the features associated with credit card. Users of credit card must be aware of various features of credit card such as safety and security, utility, operational difficulties and support provided by the credit card department.

1. Benefits and rewards

Supplementary services are provided with credit cards. For instance, when you make purchases using the credit card you can collect points; these points accumulate and can be used to get free items, such as airline tickets. Some cards may offer cash back as an incentive to use the card. They help raise your credit score and the improved credit history paves the way for lower rates borrowing rates on other loans, including a mortgage. This aspect determines that whether these benefits lure customers to go for a credit card.

2. Cost of borrowing

Customer must be aware of real cost of borrowing incurred along with benefits and rewards associated with the use of credit card. Also mismanagement of income and expenses may increase the cost of borrowing.

C. Demographics of customers

Demographics of customers include five variables i.e. gender, age, educational qualification, occupation and income of credit card users.

3.2 Significance of Study

The report helps us to understand the challenges of credit card industry in India. How can proper understanding of people sentimentscan help to understand market in India. There are some problems in this sector and these challenges are slowing the growth of this sector. If the

challenges are understood then some work can be done to overcome those challenges. So report tries to find the major challenges in this sector.

As Piquor is a growing company so it faces threats and risks, some of these threats are internal and some threats are external. So it is very important to understand these threats and how these threats can be changed into the strength of Piquor. This study tries to find the strength and weakness of Piquor's new product that is to be launched and in what area they should focus to improve more.

3.3 Methodology and Data Collection

RESEARCH DESIGN

I propose to first conduct a intensive secondary research to understand the full impact and implication of the industry, to review and critique the industry norms and reports, on which certain issues shall be selected, which I feel remain unanswered or liable to change, this shall be further taken up in the next stage of exploratory research.

This stage shall help me to restrict and select only the important question and issue, which inhabit growth and segmentation in the industry.

Research design is a conceptual structure within which research was conducted. A research design is the detailed blueprint used to guide a research study towards its objective. It is a series of advanced decision taken together comprising a master plan or a model for conducting the research in consonance with the research objectives. Research design is needed because it facilitates the smooth sailing of the various research operations, thereby making research as efficient as possible yielding maximum information with the minimum effort, time and money.

The various tasks that I have undertaken in the research design process are:

> ➢ Defining the information need
> ➢ Design the exploratory, descriptive and causal research.

RESEARCH PROCESS

The research process has four distinct yet interrelated steps for research analysis it has a logical and hierarchical ordering:

➢ Determination of information research problem.

➢ Development of appropriate research design.

➢ Execution of research design.

➢ Communication of results.

Each step is viewed as a separate process that includes a combination of task, step and specific procedure. The steps undertake are logical, objective, systematic, reliable, valid, impersonal and on-going.

EXPLORATORY RESEARCH

The method I used for exploratory research was

➢ Primary Data
➢ Secondary data

PRIMARY DATA

New data gathered to help solve the problem at hand. As compared to secondary data which is previously gathered data. An example is information gathered by a questionnaire. Qualitative or quantitative data that are newly collected in the course of research, Consists of original information that comes from people and includes information gathered from surveys, focus groups, independent observations and test results. Data gathered by the researcher in the act of conducting research.

This is contrasted to secondary data, which entails the use of data gathered by someone other than the researcher information that is obtained directly from first-hand sources by means of

surveys, observation or experimentation. Primary data is basically collected by getting questionnaire filled by the respondents.

SECONDARY DATA

Information that already exists somewhere, having been collected for another purpose. Sources include census reports, trade publications, and subscription services. There are two types of secondary data: internal and external secondary data. Information compiled inside or outside the organization for some purpose other than the current investigation Researching information, which has already been published? Market information compiled for purposes other than the current research effort; it can be internal data, such as existing sales-tracking information, or it can be research conducted by someone else, such as a market research company or the U.S. government.

DESCRIPTIVE RESEARCH

STEPS in the descriptive research:

Statement of the problem

➢ Identification of information needed to solve the problem

➢ Selection or development of instruments for gathering the information

➢ Identification of target population and determination of sampling Plan.

➢ Design of procedure for information collection

➢ Collection of information

➢ Analysis of information

➢ Generalizations and/or predictions

DATA COLLECTION

Data collection took place with the help of filling of questionnaires. The questionnaire e method has come to the more widely used and economical means of data collection. The common factor in all varieties of the questionnaire method is this reliance on verbal responses to questions, written or oral. I found it essential to make sure the questionnaire was easy to read and understand to all spectrums of people in the sample. It was also important as researcher to respect the samples time and energy hence the questionnaire was designed in such a way, that its administration would not exceed 4-5 mines. These questionnaires were personally administered.

The first-hand information was collected by making the administration head or front office executive fill the questionnaires. The primary data collected by directly interacting with the administration head or front office executive. The respondents were contacted at their organizations.

The data was collected by interacting with 50 respondents who filled the questionnaires and gave me the required necessary information. The respondents consisted of administration head and front office executive. The required information was collected by directly interacting with these respondents.

Sampling Size:

For this research purpose information is collected from 50 respondents which include various would be associates such as photo studios, Event management companies etc. .

The questionnaire for collecting information from respondents comprises of two parts. The first part collects the personal information , i.e Name, Age & Sex. The second part is intended to collect research information based on different varialbles. This process was done by doing IN DEPTH INTERVIEWS with the respondants.

3.4 LIMITATIONS IN THE STUDY

Interviewer error

There is interviewer bias in the questionnaire method. Open-ended questions can be biased by the interviewer's views or probing, as interviewers are guiding the respondent while the questionnaire is being filled out.

The attitudes the interviewer revels to the respondent during the interview can greatly affect their level of interest and willingness to answer openly. As interviewers, probing and clarifications maximize respondent understanding and yield complete answers, these advantages are offset by the problems of prestige seeking, social desirability and courtesy biases.

Questionnaire error

The questionnaire designing has to careful so that only required data is concisely reveled and there is no redundant data generated. The questions have to be worded carefully so that the questions are not loaded and does not lead to a bias in the respondents mind

Respondent error

The respondents selected to be interviewed were not always available and willing to cooperate also in most cases the respondents were found to not have the knowledge, opinion, attitudes or facts required additionally uninformed response errors and response styles also led to survey error.

Sampling error

We have taken the sample size of 50, which cannot determine the buying behavior of the total population. The sample has been drawn from only NCR Region.

4. DATA ANALYSIS AND FINDINGS

Data analysis is a practice in which raw data is ordered and organized so that useful information can be extracted from it. The process of organizing and thinking about data is key to understanding what the data does and does not contain. There are a variety of ways in which people can approach data analysis, and it is notoriously easy to manipulate data during the analysis phase to push certain conclusions or agendas. For this reason, it is important to pay attention when data analysis is presented, and to think critically about the data and the conclusions which were drawn.

Raw data can take a variety of forms, including measurements, survey responses, and observations. In its raw form, this information can be incredibly useful, but also overwhelming. Over the course of the data analysis process, the raw data is ordered in a way which will be useful. For example, survey results may be tallied, so that people can see at a glance how many people answered the survey, and how people responded to specific questions.

SAMPLE PROFILE OF RESPONDENTS

The study examined 154 customers which include 80 credit card users and 74 non credit card users.

Table 4.1 Composition of credit card users and non-credit card users

Total Respondents	154	100.00 %
Credit card users	80	51.9%
Non credit card users	74	48.1%

CREDIT CARD USERS

Credit card users ■ Non credit card users ■ ■

0%

48%

52%
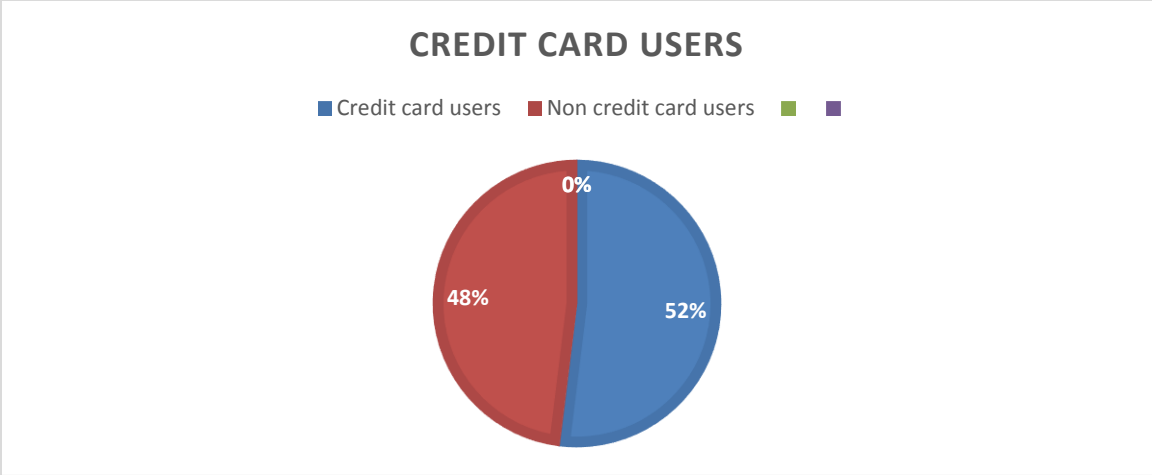
Gender of respondents

Table 4.2 Gender of respondents

Total Respondents	154	100.00%
Males	99	64.29%
Females	55	35.71%

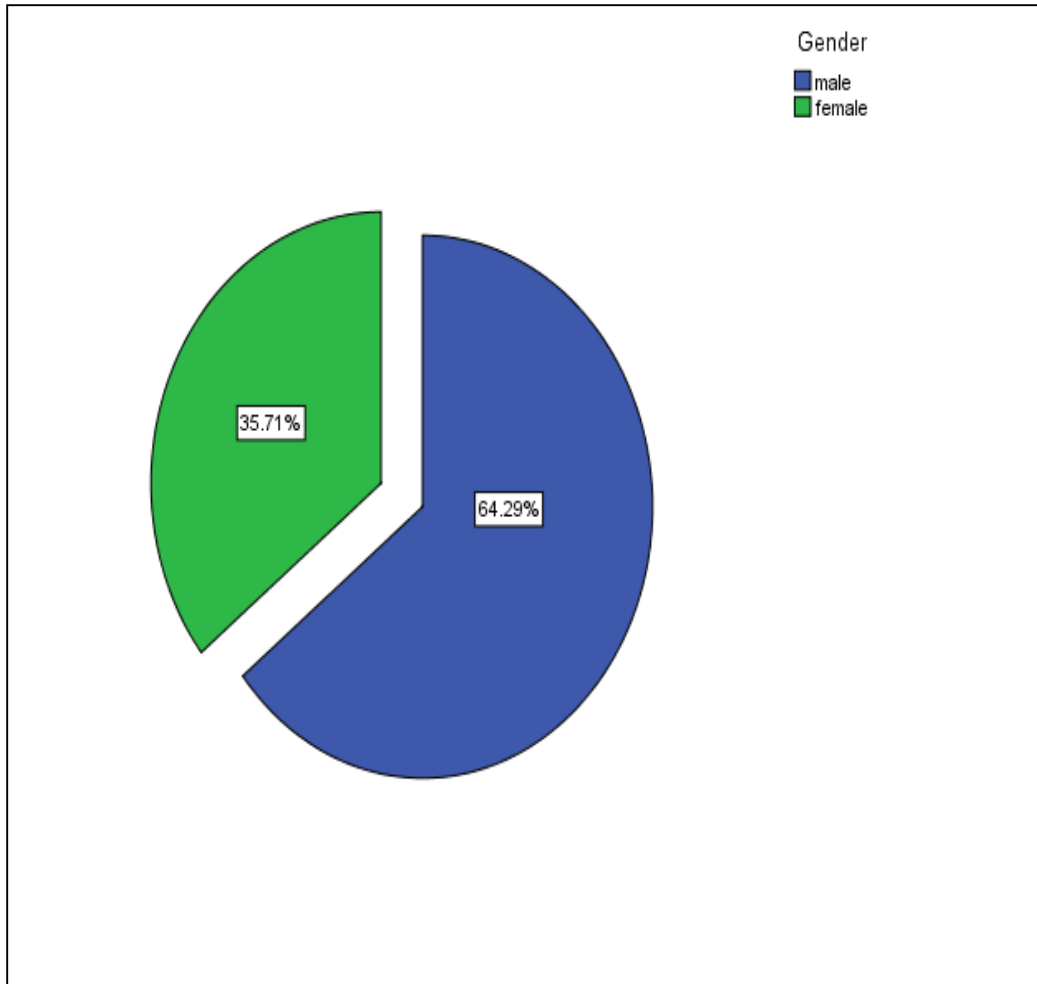More than half of the respondents are male. This information is represented pictorially as well.

Gender
- male
- female

35.71%

64.29%

Figure 4.1 Gender of respondents

Age of respondents

Table 4.3 Age of respondents

Total Respondents	154	100.00%
Age less than 25 years	12	7.79%
Age between 25 - 35 years	56	36.36%
Age between 36 - 45 years	51	33.12%
Age greater than 45 years	35	22.73%

The largest respondent group is from the age group of 25-35 years followed by age group of 36-45 years. This information is repesented pictorially as well.
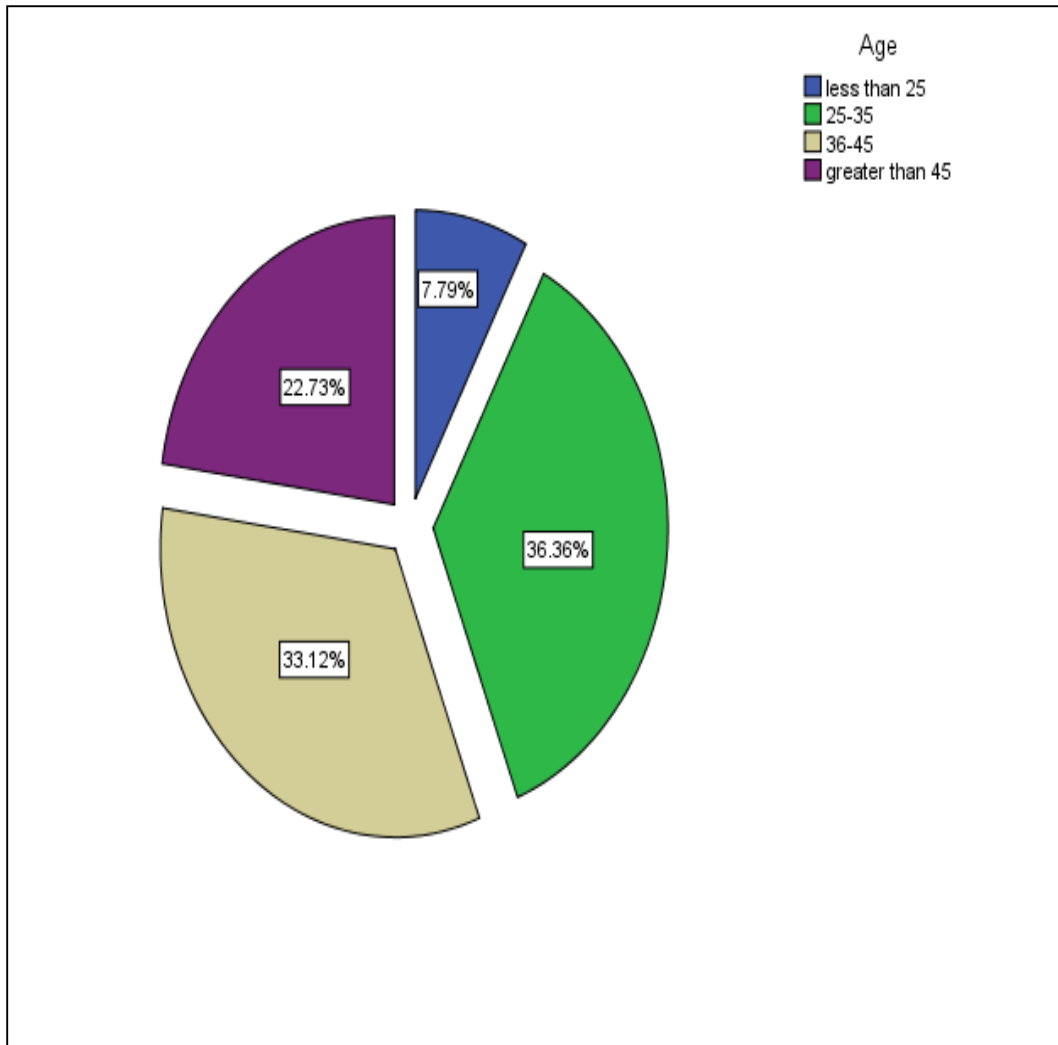
Figure 4.2 Age of respondents

Educational level of respondents

Table 4.4 Educational level of respondents

Total Respondents	154	100.00%
Secondary Education	7	4.55%
Graduates	64	41.56%
Post Graduates	82	53.25%
Others	1	0.65%

Most of the respondents fall into the category of graduates and post graduates making it 94% of respondents. This information is repesented pictorially as well.
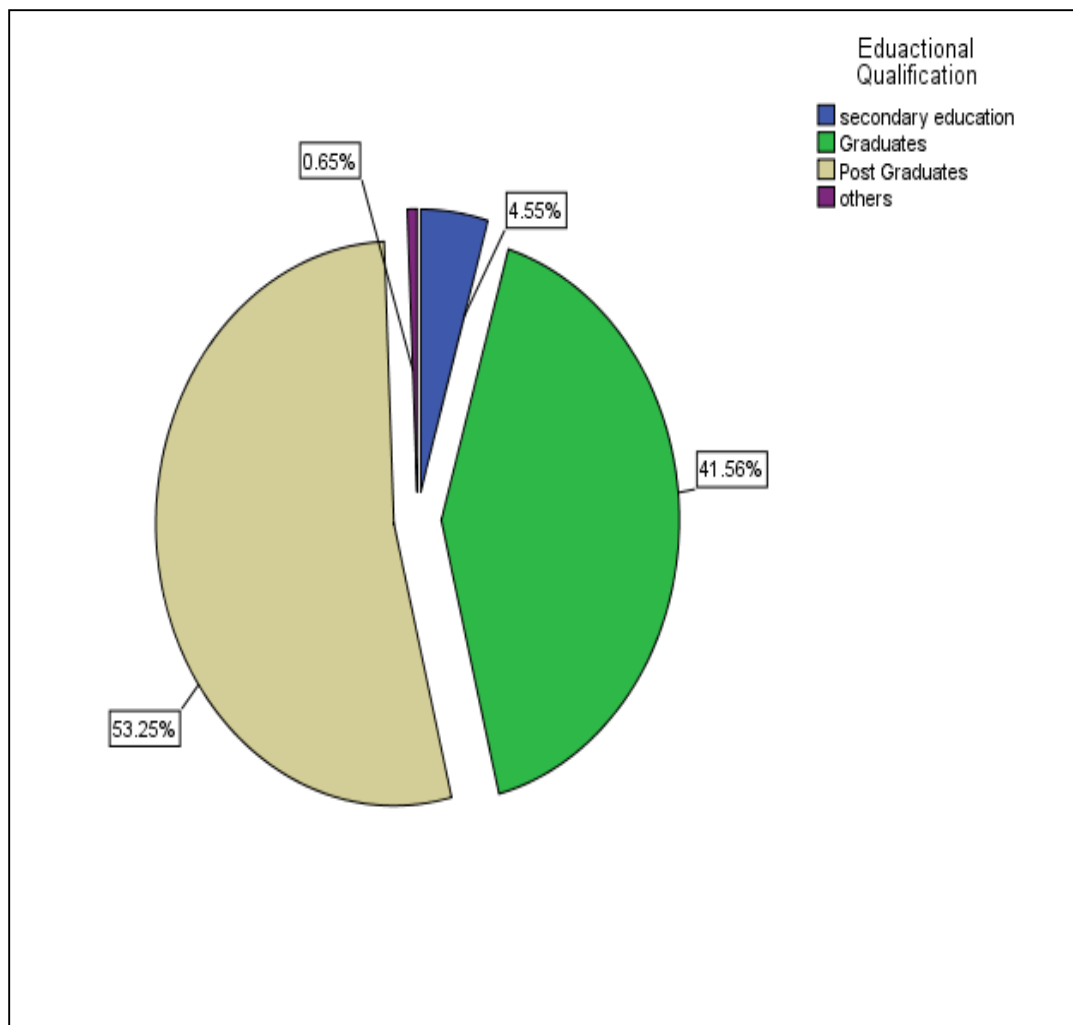
Figure 4.3 Educational level of respondents

Occupation

Table 4.5 Occupation of respondents

Total Respondents	154	100.00%
Professionals	22	14.29%
Employees	113	73.38%
Self employed	6	3.90%
Students	13	8.44%

Out of 154 respondents, 73 % are employees.
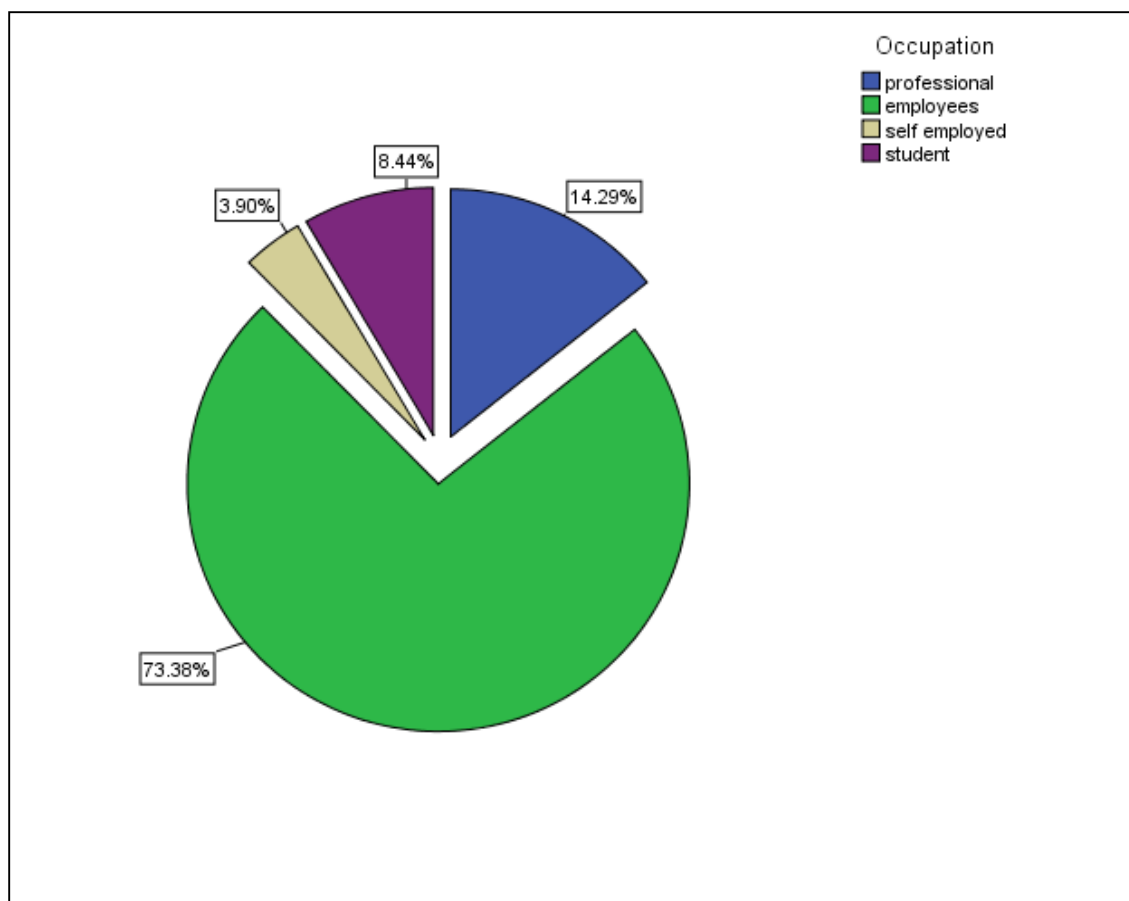
Figure 4.4 Occupation of respondents

Income (Rs. per month)

Table 4.6 Income of respondents

Total Respondents	154	100.00%
Less than 25000	19	12.34%
25001-35000	57	37.01%
35001-50000	56	36.36%
50001-65000	14	9.09%
More than 65000	8	5.19%

Almost equal number of respondents (37%) belonged to the income group of Rs. 25001-35000 per month and Rs. 35001-50000 per month.
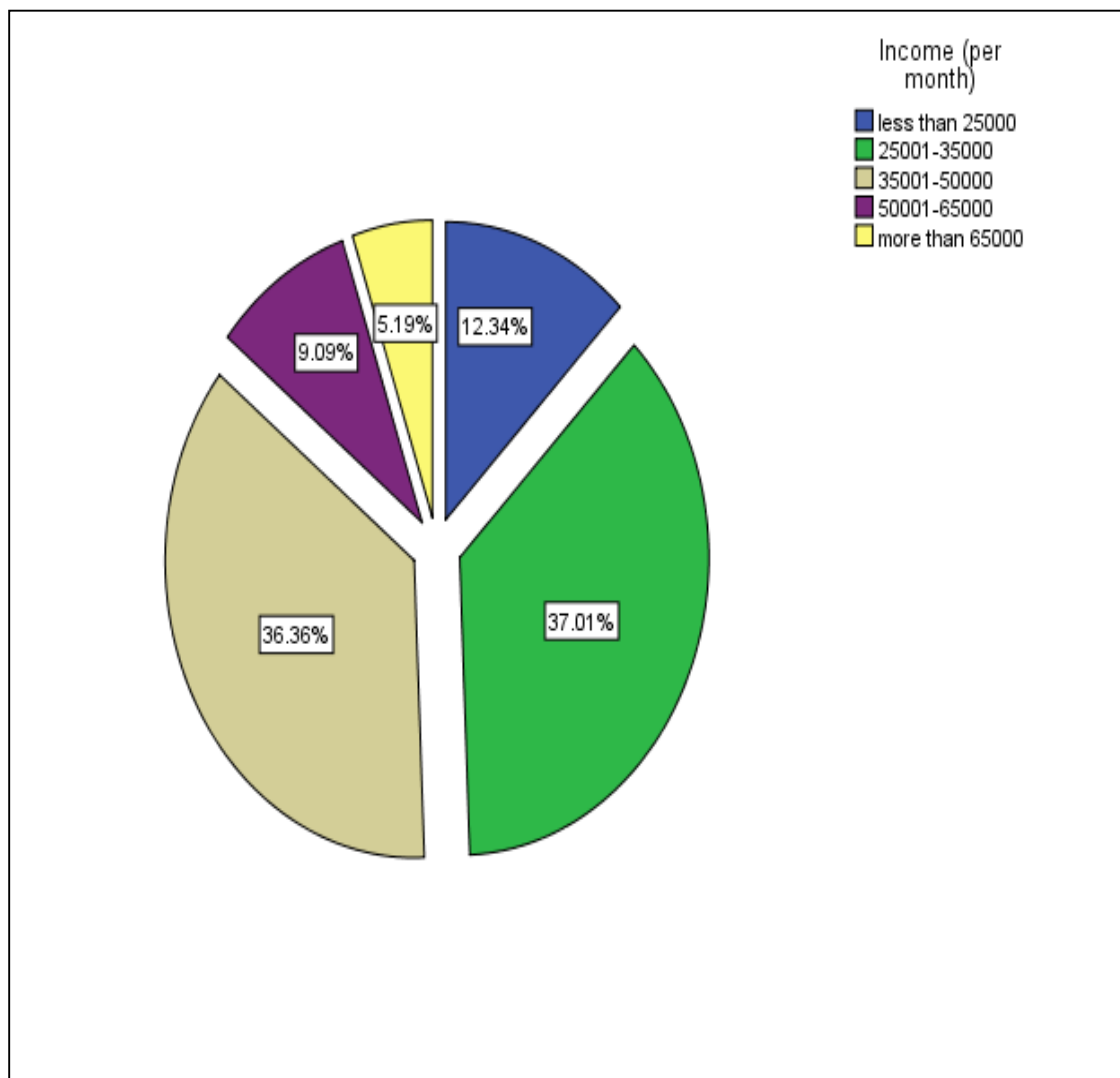
Figure 4.5 Income of respondents

ANALYSIS OF CREDIT CARD USERS AND NON CREDIT CARD USERS

To examine the general perception towards credit card usage among credit card holders.

Firstly, credit card usage pattern in terms of number of credit cards used by respondents is studied with the help of table and pie chart.

Table 4.7 No. of credit cards used

No. of credit cards used	No. of respondents	Percentage
One	87	56.25%
Two	60	38.75%
Three	5	3.75%

Four	2	1.25%
More than four	0	0.00%
TOTAL	**154**	**100.00%**

More than half of the respondents (56%) use one credit card only followed by the respondents who use two credit cards. 2 out of 154 respondents use four credit cards and no respondent use more than four credit cards. This information is represented pictorially as well.
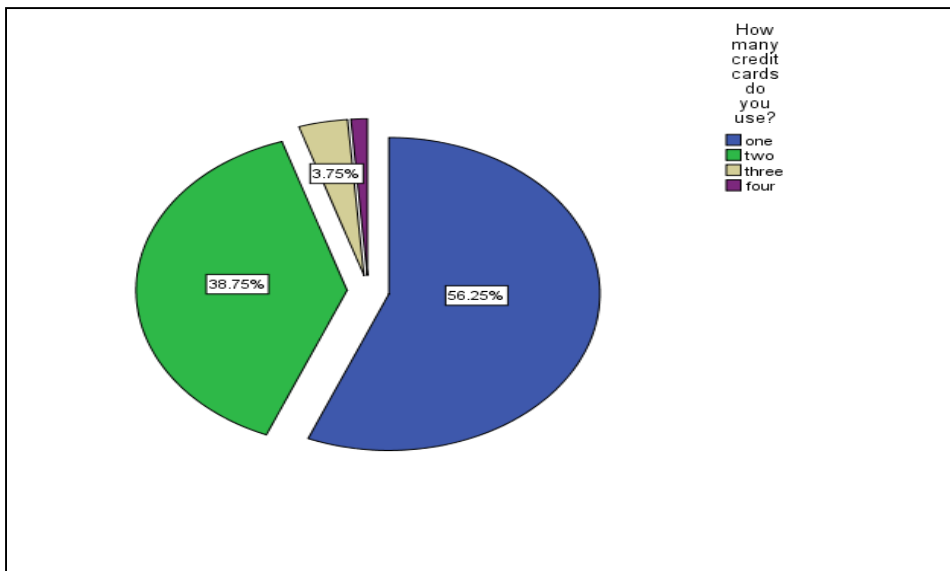
Figure 4.6 Percentage of credit cards used

Secondly, credit card usage pattern in terms of frequency with which respondents use credit cards in a month is studied with the help of table and pie chart.

Table 4.8 Frequency of credit card usage

Frequency of credit card usage (per month)	No. of respondents	Percentage
Up to 2 times	91	58.75%
3 to 4 times	37	23.75%
4 to 6 times	15	10.00%
More than 6 times	11	7.50%
TOTAL	**154**	**100.00%**

More than half of the respondents use credit cards up to 2 times on an average in a month. However, 26 out of 154 respondents use credit cards more than 4 times in a month.
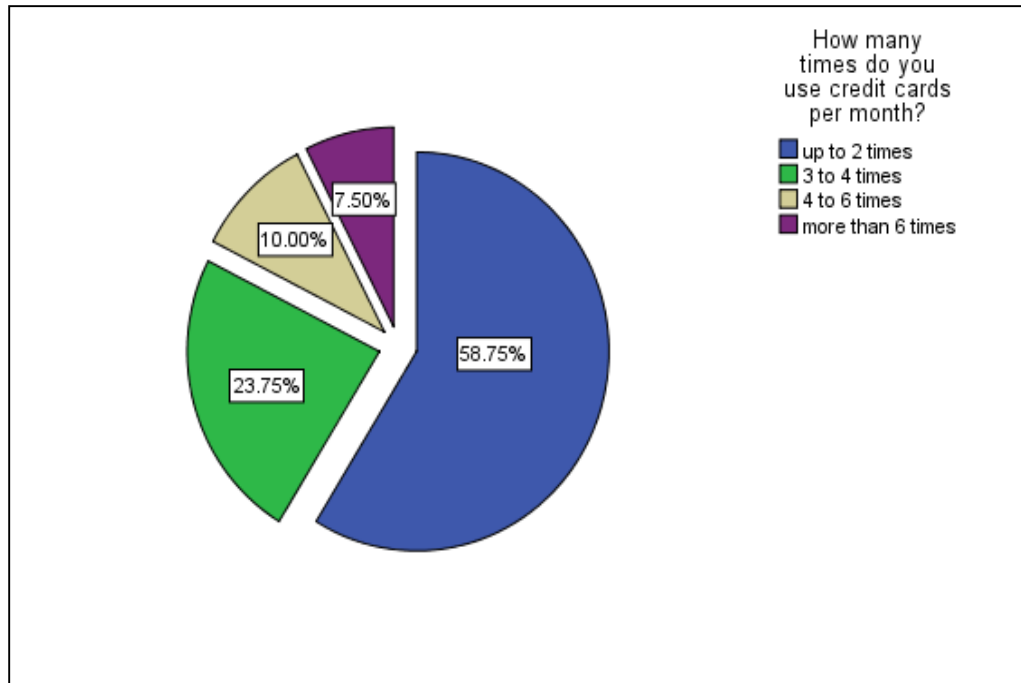

Figure 4.7 Frequency of credit card usage

Thirdly, various mediums are examined through which a customer may select his credit card. Bank or credit card agency may approach them. Customer may compare various credit card offers himself. Word of mouth may play a role i.e. customer may select a credit card on the recommendation of friends. Some customers may feel that all credit cards are more or less same. Some may opt for credit cards under corporate schemes. The objective is to know the most common medium used by customers to select a credit card.
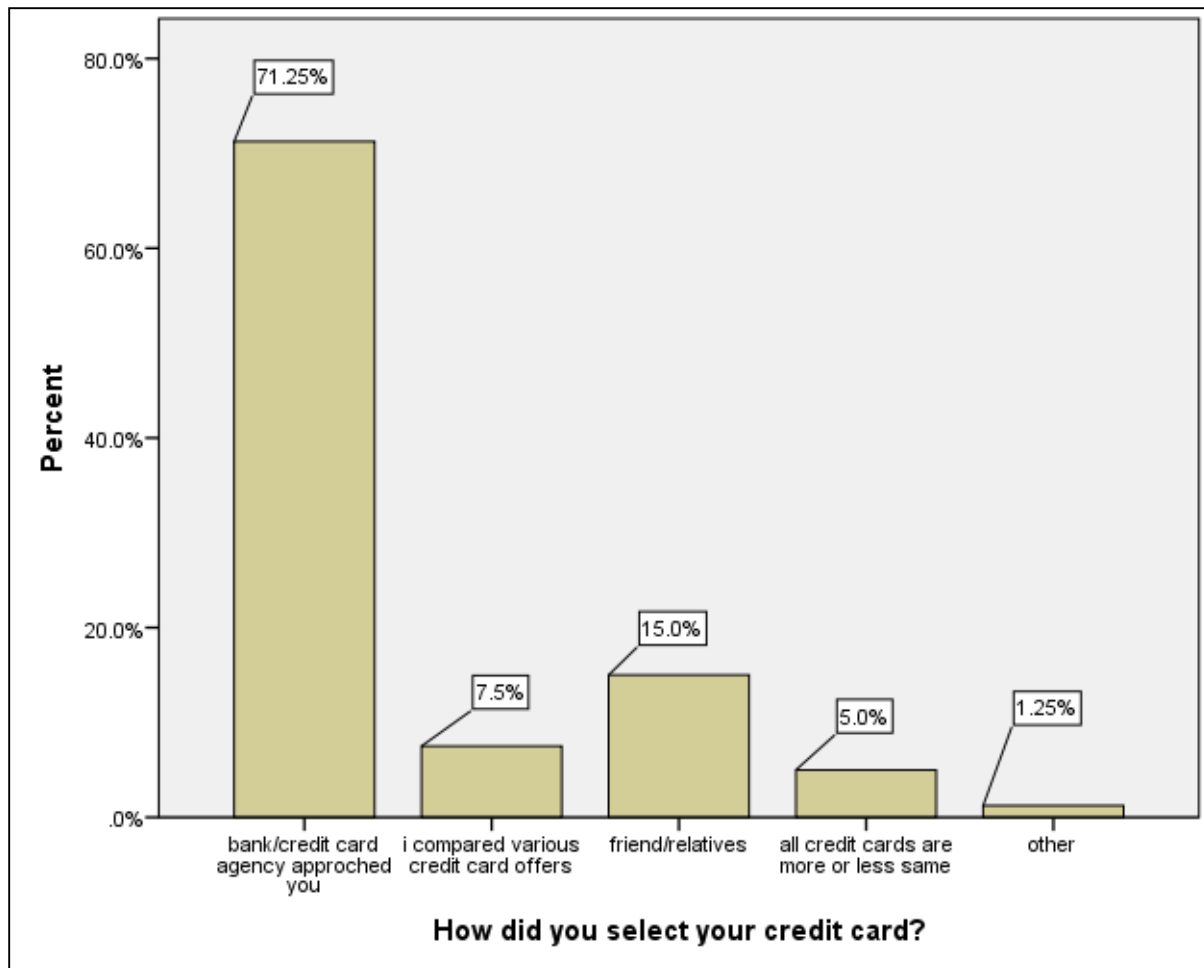
Figure 4.8 Selection of credit card

The bar chart shows clearly that the banks or credit card agencies which target the customers are the most common medium through which a customer selects his credit card. Word of mouth also plays a role in selection of credit card. 15% of the respondents selected the credit card on the recommendation given by friends/relatives.

To examine the general perception towards credit cards among non credit card holders.

- Analyzing the knowledge and awareness about credit cards among non credit card users.
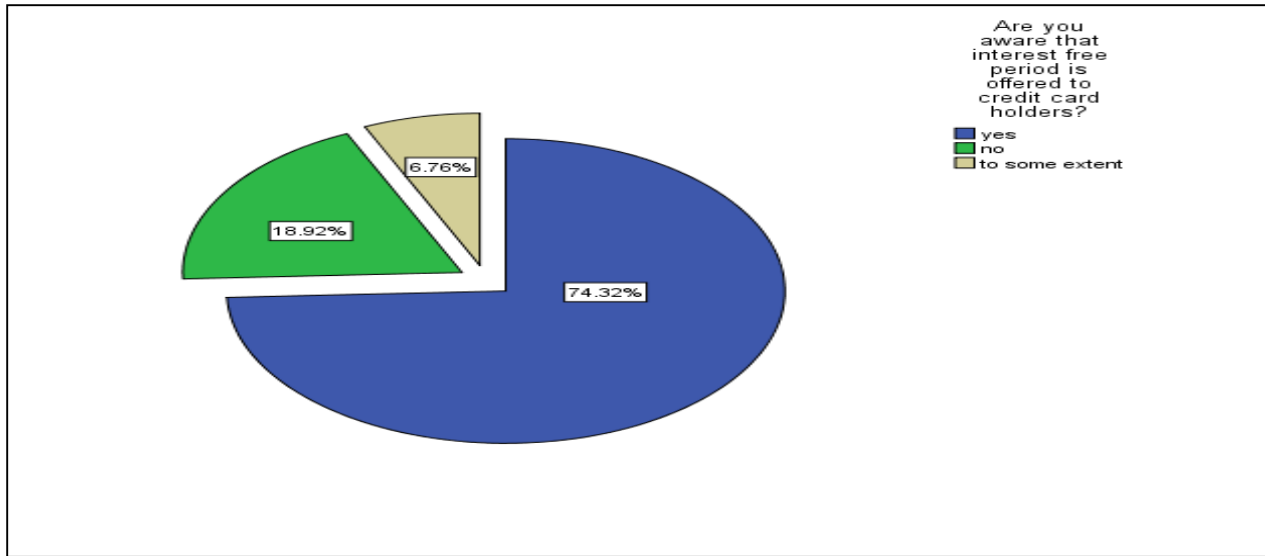
i.   Interest free period

Figure 4.9 Interest free period

74.32 % of total non credit card users (74) are aware that interest free period is offered when credit card is used. However, almost 19% of the respondents are not at all aware about this aspect.
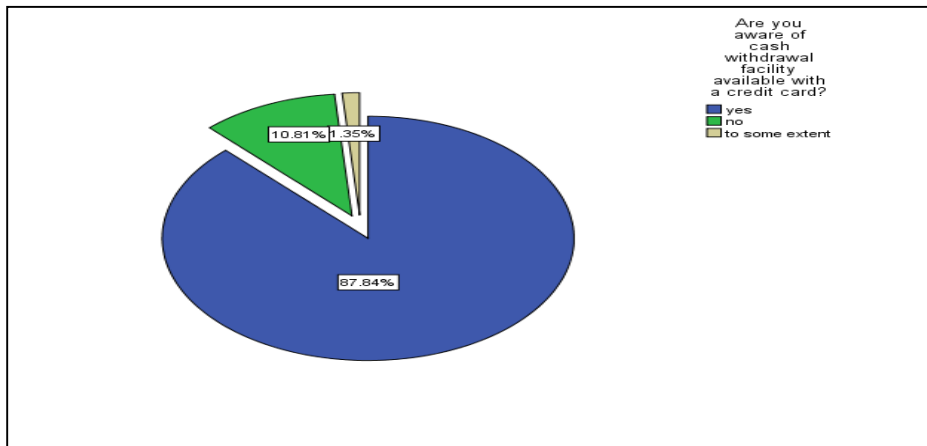
    ii.   Cash withdrawal facility

Figure 4.10 Cash withdrawal facility

Almost 88% of the respondents know that credit card can be used to withdraw cash.
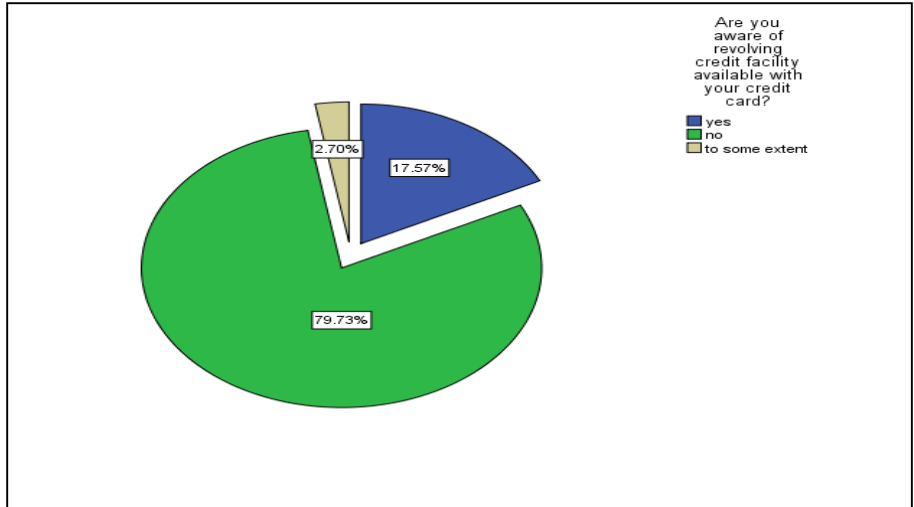
    i.   Revolving credit facility

Figure 4.11 Revolving credit facility

80% of the respondents are not at all aware of revolving credit facility associated with credit card. When a customer pays back some portion of due amount on credit card, his credit limit is increased by that amount.

ii.   Supporting   features   (like   free   insurance   coverage/discounts/reward   points)
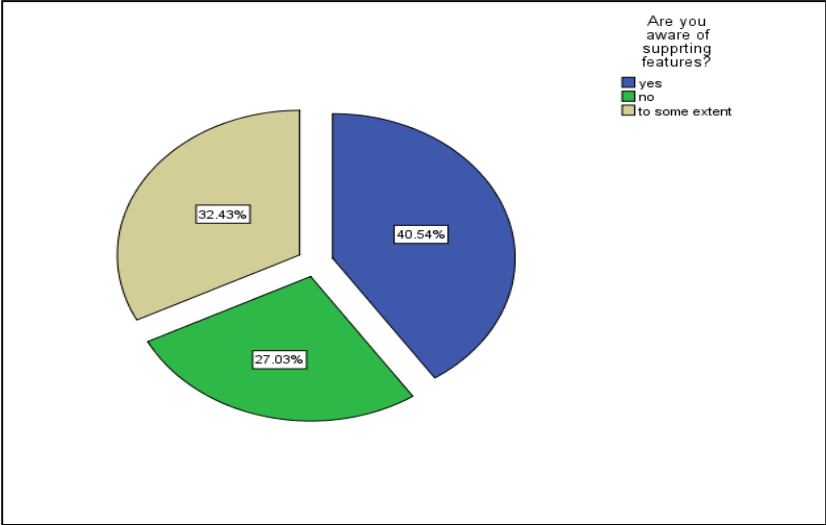

Figure 4.12 Supporting features

27% of the non credit card users (74) are not at all aware of supporting features. 33 % of them are not much clear about supporting features provided with a credit card.

5. RECOMMENDATIONS

1. Banks must provide higher convenience in using a credit card by loading high number of credit card machines at PoS terminals.

2. Banks must provide high security of transactions made through credit card by linking with reputed e-commerce companies. Banks can provide security tips to the customers while using a credit card. With a bit of security awareness, customers can be prevented from encountering the frauds.

3. Banks should be more transparent in dealing with credit card users. All terms and conditions, various fees charged by them should be explicitly communicated to customers before issuing a credit card.

4. Since income levels have improved in the past few years, lifestyle marketing of credit cards can help in positioning and segmenting strategies.

5. Highly educated class use credit cards more, availing high credit limits. So banks must target the customers keeping in mind the educational level of customers.

6. Providing knowledge about the supporting services to consumers can help a bank to develop an advantage for themselves in the market vis-à-vis other banks.

6. CONCLUSION

1. More than half of the respondents use one credit card only with an average frequency of two times in a month.

2. Banks/credit card agencies are considered to be the most common medium through which customers select a credit card followed by recommendation from friends/relatives.

3. Out of the five factors i.e. convenience, safety, trustworthiness, overspending and status symbol, only first three factors are significantly related to customers' satisfaction with the use of credit card. Therefore it is concluded that

- Higher the convenience experienced by the customers with regard to the use of credit card, more satisfied they are.

- If the transactions made through credit cards are highly secure, satisfaction level of credit card users is high.

- Customers who experience hidden terms and conditions, other hidden fees charged by banks are highly dissatisfied with the use of credit card

4. Knowledge and awareness about credit cards does not have a significant relationship with the credit card usage. However, many research studies conducted previously in this regard showed that more aware a customer is about a credit card, higher is his credit card usage.

5. Education level of customers is related to credit card usage. Most of the credit card users are either graduates or postgraduates, latter having higher credit card usage than graduates.

6. Occupation of customers is also found related to credit card usage. Self employed customers have higher credit card usage followed by students, professionals and employees.

7. Income of customers is related to credit card usage. It is concluded that higher the income, higher is credit card usage. Customers earning between Rs. 50001 p.m. to Rs. 65000 p.m. have higher credit card usage followed by those earning between Rs. 35000 p.m. to Rs. 50000 p.m. Customers earning less than Rs. 25000 have least credit card usage.

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