

Project Dissertation Report on

IMPACT OF DEBIT AND CREDIT CARDS ON

CONSUMER SPENDING

Submitted by

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CERTIFICATE FROM THE INSTITUTE

This is to certify that the Project Report titled **Impact of Debit and Credit Cards on Consumer Spending**, is a bonafide work carried out by **Ms. Sejal Aggarwal** of MBA 2018-20 and submitted to Delhi School of Management, Delhi Technological University, Bawana Road, Delhi-42 in partial fulfilment of the requirement for the award of the Degree of Masters of Business Administration.

Signature of Guide

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Place:

Date:

Signature of Head (DSM)

Seal of Head

DECLARATION

This is to certify that I have completed the project titled “**IMPACT OF DEBIT AND CREDIT CARDS ON CONSUMER SPENDING**”.

This work was done under the supervision and guidance of **Dr. Archana Singh** in the partial fulfilment of the requirement for the award of the degree of “**Master in Business Administration**” from “Delhi School of Management, Delhi Technological University.”

It is also certified that the project of mine is an original work and the same has not been submitted earlier elsewhere.

Sejal Aggarwal
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EXECUTIVE SUMMARY

Plastic money is an alternative to paper money or fixed money. The psychological motivation behind impulse spending via credit or debit cards is one of the main reasons people tend to spend more. Gary Kirk, consultant psychologist at Lighthouse Arabia, says, "The lack of payment is painful; People are less likely to fully evaluate an item before purchasing it, and thus more likely to engage in impulse buying. When we buy too much, we tend to focus less on our expenses and more on how much money we spend. When we spend money, we have the emotional pain associated with handing over our money and knowing for sure that we now have less in our wallet. With money, physical money exchange for goods is visible, tangible and immediate.

In addition to the money left in our wallet, when using credit cards, balances are not immediately paid, which is another reason to spend more. The drawback of buying an item and solving a credit card bill further drives our connection between using a credit card and spending money. Robert (2001), in his study, used a simple modeling approach to examine the role of credit card usage and credit card usage in the American model of credit card usage and intentions for credit card use and compulsory buying among American college students. College students. The study found that monetary attitudes, power, confidentiality, distrust, and anxiety were highly correlated with compulsive buying and that credit cards often moderate these relationships.

C. Prakash (2003), in his study, "The Impact of Credit Cards on Cost Systems", focuses on the impact of credit cards on cost systems to analyze the concept and the evolution of credit cards in India. Interview schedule was given to three hundred credit card holders. Simple percentage, F test, ANOVA and Chi-square test were used to analyze the collected data. Almost all respondents agreed that their purchasing power increased after they started using their credit cards regardless of their income level. Access to credit cards is limited to small companies such as airlines, jewelry stores, and restaurants.

Therefore, this study has been done to find out the impact of debit cards and credit cards on consumer spending located primarily in Delhi NCR.

TABLE OF CONTENTS

	CONTENTS	PAGE NO.
1.	INTRODUCTION	
	1.1 Introduction	1
	1.2 Background	3
	1.3 Problem Statement	11
	1.4 Objective of the Study	12
	1.5 Scope of Study	12
2.	LITERATURE REVIEW	13
3.	RESEARCH METHODOLOGY	
	3.1 Research Problem	17
	3.2 Research Design	18
	3.3 Data Sources	18
4.	ANALYSIS OF DATA AND FINDINGS	
	4.1 Data Analysis	19
	4.2 Regression Analysis	37
5.	CONCLUSION	
	5.1 Conclusion	40
	5.2 Suggestions	41
	5.3 References	43
	5.4 Annexure	45

TABLE OF FIGURES

FIGURES	PAGE NO.
4.1 Response for Plastic Cards is the most Convenient way of paying	19
4.2 Plastic Card is the most preferred way to pay your Utility Bills	20
4.3 While travelling, Plastic card is the preferred way of payment	21
4.4 Use of Plastic card is safest mode of transaction	22
4.5 Misuse of Plastic Cards is the reason you don't opt for Plastic Money	23
4.6 Credit Card are expensive as many other charges are charged on it	24
4.7 Plastic Card is cheaper	25
4.8 The use of Plastic card is beneficial	26
4.9 Plastic Card is considered as more reliable and secured	27
4.10 Due to Duplicity of Paper money you are shifting to Plastic money	28
4.11 Plastic money will penetrate in society more in future	29
4.12 Credit card/Debit card transaction in country over cash transaction	30
4.13 If you are financial minister of the country, will the country see increase use of Plastic Money	31
4.14 More credit card/Debit card transaction in country over cash transaction will help solve the problem of corruption in the economy	32
4.15 Plastic Card is regarded as a symbol of high Socio-Economic status	33
4.16 Plastic Cards lead to Over Consumption and Spending	34
4.17 Political will can stimulate the use of Plastic cards	35
4.18 Will prefer to pay by Plastic Money (Dependent Variable)	36

TABLES

TABLES	PAGE NO.
4.1 Response for Plastic Cards is the most Convenient way of paying	19
4.2 Plastic Card is the most preferred way to pay your Utility Bills	20
4.3 While travelling, Plastic card is the preferred way of payment	21
4.4 Use of Plastic card is safest mode of transaction	22
4.5 Misuse of Plastic Cards is the reason you don't opt for Plastic Money	23
4.6 Credit Card are expensive as many other charges are charged on it	24
4.7 Plastic Card is cheaper	25
4.8 The use of Plastic card is beneficial	26
4.9 Plastic Card is considered as more reliable and secured	27
4.10 Due to Duplicity of Paper money you are shifting to Plastic money	28
4.11 Plastic money will penetrate in society more in future	29
4.12 Credit card/Debit card transaction in country over cash transaction	30
4.13 If you are financial minister of the country, will the country see increase use of Plastic Money	31
4.14 More credit card/Debit card transaction in country over cash transaction will help solve the problem of corruption in the economy	32
4.15 Plastic Card is regarded as a symbol of high Socio-Economic status	33
4.16 Plastic Cards lead to Over Consumption and Spending	34
4.17 Political will can stimulate the use of Plastic cards	35
4.18 Will prefer to pay by Plastic Money (Dependent Variable)	36
4.19 Anova Summary for the Regression Model	37
4.20 Regression Summary	38

CHAPTER 1: INTRODUCTION

1.1 Introduction

Currency and liabilities need not be avoided. Mechanics has changed testee's lives, and the world depends on it. Mechanics has become a key player in the banking, education, healthcare and retail charicatalogue sectors. Integrating banking services with mechanics has provided new 'mechanics driven' services, without increasing the efficiency of the banking sector in answerree service. The Affinity card Banking Center integrates mechanics and credit flow to meet answerree needs

As civilization progressed, social support programs changed with advanced techniques and mechanics. Banking is one such support system. Today, mechanics has transformed the banking system from a traditional, manual system to a modern mechanics-driven industry. In this transition, the role of affinity card is very important.

India is one of the fastest growing economies in Asia; But affinity card usage is limited. The affinity card market in India has seen strong growth in the late 1980s and early 1990s, but until now. Indian banks such as State Bank Group, Citibank, Axis Bank, Baroda Bank, Corporation Bank and HDFC Bank offer affinity cards to their answerrees.

Affinity card usage reflects answerree lifestyle and increased health. The rising cost of the upper middle class is an important driver of affinity card usage. In 2007, affinity card usage in the Asia Pacific region totaled \$ 1.3 trillion, accounting for 30 percent of global affinity card sales. Japan is leading in total affinity card sales (\$ 209 billion), followed by South Korea (\$ 203 billion). The total deal done on affinity cards in India is about 2 billion. Almost 70% of all deals made on affinity cards in India are for the purchase of goods and services. Understanding the affinity card companies and affinity card usage patterns that target the Indian market will be very important.

India also entered the virtual money business rapidly, affecting the global financial system. Affinity cards are widely used in today's financial system. In recent decades, these cards have become very popular in India. Management is exempt from cash or check book.

In India, affinity card usage is not limited compared to countries like China, Saudi Arabia and Turkey. However, we believe that the recent introduction of security features in affinity cards will increase their use among Indians. The biggest difficulty with affinity card usage is that about 40% of testee in India do not have a bank account. In 1987-2000, the Indian credit market introduced 3.8 million cardholders, with an average growth rate of 25-30 percent.

However, in the past, the situation has changed dramatically. The number of nationalized and private banks issuing affinity cards has increased significantly. Affinity cards now not only connect consumers' lives with those of the metropolis, but also the citizens of the cities and towns they have acquired. This can be included in the aggression program of full-scale and private banks to promote card products in small towns and cities. These banks reach out to small towns and cities as compared to foreign banks. They are investing in this opportunity to play a key role in expanding the affinity card platform in terms of number and usage in smaller cities.

1.2 Background

With hundreds of millions of affinity cards being distributed today, these little computers have become a lifestyle. India is the home of millions.

It is one of the best shopping malls in India with travel, restaurant and jewelry affinity cards. For the past few years, there has been a sale of jewelry and jewelry making large plastic stores. With this rapidly growing trend, virtual money will rise to the aspect of eliminating the need for money management. It is this change that prepares you for the good or bad that determines the future.

Plastic Business money goes a long way. It is estimated that in a world where ten testee turn up without hearing the word plastic or affinity card, there may be a dozen card users. This forecast finds credibility in both domestic and international financial institutions interested in this approach. However, card-based use has only accumulated in the last few years. Affinity card remittances are now the most popular means of mobile remittances in the place (Report on Improvement and Banking Progress in India 2006-07, Reserve Bank). Therefore, affinity cards, offering answerees access to free and paid services, billing tool, by supplying coins to the bank manager and by establishing traditional remittance tools designed to make small deals.

The recent development of the use of virtual money and especially credit and brush cards is unique. These affinity cards, which are tokenic of status, have played a large part in the place's educated testee in the wake of Prime Minister Narendra Modi's demonization and his emphasis on cashless deals.

The Indian financial system has been growing annually by 7.5 percent, India's middle class is becoming more popular to trade. Generally, reliance on cashless deals is contemplated a sign of the modern financial system, where there is a strong consensus between the major consumer and its financial institutions.

Virtual money in the form of cards was introduced by banks in India in the 1990s. But at the time of its launch it was not very popular among Indian consumers. Changes in demographic characteristics and mechanics and its perceptions have brought about changes in consumer optences, marital status, educational level, and more. These changing priorities alter their attitudes and decisions regarding the adoption and acceptance of products and services in the market. Thus, affinity cards are gaining popularity among bankers and consumers and gaining market status. From this discussion there is no doubt that the affinity card market in India is growing very fast, however I must go very far as I do not compare with the expending trends of other countries.

Therefore, as our domestic financial markets are linked to foreign markets, it is important that the remittance system in India be the same as in other countries. The Reserve Bank has taken significant steps to increase 4K usage and popularity through programs such as increasing the confidence of bankers and consumers to control the card market and maintain security levels. Despite strong advances in e-remittance, 90 per cent of personal expending expenditures in India are still made by cash, which reflects the excellent growth potential of this business. So this is contemplated to be the start for the brightest opportunities in the affinity card market in India.

Virtual money can be in the form of a affinity card or debit card. Debit and affinity cards offer more than cash or bulk check books and how to use cash. Debit cards are like a digital version of a check book; They are tied to your bank account (usually a verification account), and are debited (withdrawn) from the account immediately after the deal. Affinity cards are different; If they reimburse their monthly affinity card bills on time, they offer an interest-free line of credit (ie credit). Instead of being linked to a personal bank account, a affinity card is linked to a bank or financial institution that issued the card. So when you use a affinity card, the issuer reimburses the merchant, and you go to the card issuer.

Most debit cards are free with a checking account at a bank or credit union. You can also use them to withdraw money from ATMs. Affinity cards welfare from rewards programs, but often require an annual fee to use them. Financial responsibility is an important factor in using affinity cards; It is easy to sink into affinity card debt at steep interest rates. This comparison provides a detailed overview of debit and affinity cards, their types, related fees and pros and cons.

Types of Affinity cards

1. Fixed affinity card: These are general purpose affinity cards with a revolving balance (ie credit is used when purchases are made and reopened once the bill has been paid). Standard cards are generally starter affinity cards, which usually meet the minimum required criteria for applicants with little or no credit history.
2. Rewards for Affinity cards: These cards offer many rewards programs in the form of cash, aspects or discounts, and are intended to affect your disbursement. Reward cards usually come with a related annual fee and a lot of print money; It is important to ensure that the rewards earned are more than the annual fee.
3. Shield Affinity cards: Also known as reimburse-as-you-go cards, their primary purpose is to give testee with bad credit history the opportunity to re-establish their credit. The user first puts a "guarded" amount into a savings account - this creates a credit line. The credit limit is usually one percent (50% -100%) of this amount. These cards come with an annual fee and a steeper APR.
4. Remittance Cards: Charge cards have no preset cost limit and must be paid in full at the end of each month.
5. International Affinity cards: If one is noticed, most of the cards are "only valid in India and Nepal". An international card is valid in India and anywhere in the world. This means that you spend in foreign currency on the card, but when you return, reimburse back in Indian Rupees. As an Indian resident, you can buy foreign exchange using your international affinity card from an authorized dealer or money launderer against your Basic Travel Reservation (BTQ). You should contact any bank authorized to handle foreign exchange in India to find your right to trade or travel abroad. You can cover expenses on your international affinity card, mainly for personal expenses. You cannot use your card for expenses not approved by the Reserve Bank of India.
6. Virtual Cards: In a world that turns to the web for all its needs, it is only natural that you have a card for the Virtual ground. That's the virtual card from Citibank. Reaction all your inquiries about the security of online deals. Virtual Card or Citibank E-card is the first web card in India. You don't need a affinity card to shop online now. If the MasterCard is accepted anywhere, Citibank EGart offers you a guarded and easy way to shop on the Virtual ground. Upon approval, you will receive your card number, valid dates and card verification number.

Unlike other affinity cards, you don't get a physical affinity card. All you get is card number and expiration date. Therefore, this card cannot be used for deals required in a personal presentation of a MasterCard card. Citibank e-card cannot be used for 'dualmode' deals, meaning it cannot be used to purchase an item on the Virtual ground, and then a physical MasterCard card presentation is required to acquire the item.

7. Mastercard: Mastercard began in the late 1940s when banks in the United States published a special paper that could be used as money. In 1951, Franklin National Bank in New York formalized this practice with the introduction of the first real affinity card. Over the next decade, many franchises evolved. The Interbank Card Association (ICA) was renamed MasterCard 12 today, which was born on August 16, 1966. Member committees were established to run the association. These groups established the rules for recognition, settlement and settlement and dealt with the legal aspects of marketing, security and running the company.

8. Vsa Card: Thirty years ago, testee paid for their purchases by check or cash. They have no alternative until remittance cards enter the market. These 3 decades of remittance cards have become a part of our lives. The possibilities are amazing and you can use them for travel, food and supplies or simply for money. Having a remittance card today opens up a whole new world of possibilities. Visa International has 21,000 member financial institutions, which topped it. Visa Classic, Visa Gold, Visa Debit, Visa Business Cards and Visa Global ATM Network in over 300 countries and territories have many cards that offer consumer choice. Visa cards are the most widely used and accepted plastic remittance in the world.

1.3 Difficulty Statement

Not only have the card numbers increased, but the types of offer cards have also increased. Today, the domestic card industry is overflowing with a wide variety of cards, including Gold, Silver, Global, Co-branded Affinity cards, Smart to Shield... Foreign banks have in the past been responsible for increasing card base and adding value added services to card products.

The situation has changed dramatically in the last two years with the entry of State Bank of India (SBI) into the banking industry. 13 more nationalized banks and private sector banks such as ICICI and HDFC Bank are actively introducing affinity cards with value added features.

Indian consumers use virtual money for everyday expenses such as gasoline, hospitals, telephone services and household goods. Consumers in India are increasingly using affinity cards to reimburse for their children's school balances. However, India is less than 11 per cent compared to other countries in the Asia-Pacific region, which use virtual money for a series of bills such as utilities, subscriptions and insurance.

There is no doubt that the domestic card industry is not yet mature and offers significant long-term growth potential. Most banks offer a Visa or MasterCard or both. Diners Club is a proprietary brand of Citibank in India. American Express is a proprietary brand that is not affiliated with any other brands. While most banks offer Visa and MasterCard, only Diners Club City Bank and American Express cards offer American Express. Visa and MasterCard are the most popular cards in India and have an almost equal market share.

There is a need for deeper analysis of the use of cashless deals in the Indian financial system, especially in Delhi NCR, and therefore the need to evaluate and analyze the cashless dealal behavior of households, since nowadays the use of plastic exchange is very popular in the place. You can make the transition from existing cash-based retail remittances to cashless remittances by encouraging remittances through debit cards, affinity cards or smart cards. This requires rationalizing the costs related with using virtual money, making it a guardeddr remittance system, and conducting financial education programs focused on raising public awareness. This change will lead to the saving of currency management costs and the creation of valuable information on the cost behavior of the masses.

1.4 Objectives of the Study

- To know the sentiments of testee towards affinity card.
- Knowing the importance of a affinity card in the everyday life of a consumer.
- Read the welfares of deal card
- To analyze the characteristics that affect the use of affinity cards
- To know the complications faced by the testee using bank cards.
- Read the Consumer contentment Level towards charge card.

1.5 Scope of Study

The analyst covers all parts of the Delhi NCR to analyse the pattern of use of affinity card holders. The study covered all individuals who were issued affinity cards. Includes all types of debit and affinity cards. A sample size of 300 testee was taken and surveyed in 2020. This study is designed to provide a better understanding of the factors that affect affinity card usage and the containment level of existing affinity card holders. The study also covers the view of the use of such cards.

CHAPTER 2: LITERATURE REVIEW

Surprisingly, attempts to measure the correspondance between affinity card usage and disbursement levels are scant because the endogeneity difficulty is very difficult to rectify.

Thus, the literature review of some of the research articles is as follows:

1. Bansi Patel and Urvi Amin (2012)in his research paper “Virtual money : Road way Towards Cashless Community” discussed that now days in any deal Virtual money becomes inescapable part of the deal and with it life becomes more easy and development would take better place and along with the virtual money it becomes possible that control the money laundry and effective utilization of financial system would become possible which would also helpful for tax legislation.
2. P Manivannan (2013) in his research paper “Virtual money a way for cash Less Remittance System” examined that Virtual money i.e. usage of Affinity card was measured a luxury and has become needed. These virtual money and electronic remittances were and used by only steeper income group. This facility extended not only to answeres in urban areas or cities, but also to answeres residing in rural area. However, today, with development of banking and trading activity, the fixed income group or salaried classes are also start using the virtual money and electronic remittance systems and particularly Affinity cards.
3. Vimala V. and Dr. Sarala K.S., (2013).” Stressed on the Usage and perception of virtual money among the answeres of BOI” with emphasis of the awareness level, perception and usage of new innovative services regarding virtual money.
4. Sushma Patil, 2014 Anupama Sharma (2012)in her research paper “Affinity card frauds and the countermeasures: towards a guardedr remittance mechanism” have thrown light on the number of frauds increased contemplateably in the usage of affinity cards as in case of affinity card frauds the most affected parties are the merchants of goods and services as they have to bear the full liability for losses due to frauds, the banks also bears some cost especially the indirect cost whereas the cardholders are least affected because of limited consumer liability and concluded that all these losses can be dealt with by making the prudent use of the new mechanics and taking the respective counter measures.
5. Tabrez Haq and Bushra Malik, (2014).”Consumer feedback towards the usage of virtual money” with emphasis on increase of shift of virtual money in India by consumers from Affinity cards to Debit cards -The distribution of virtual money has increased due to the

fact that banking sector has become more aggressive. Moreover, duplication of users is an important area of concern for the industry which can exaggerate the number of active users. The present paper tries to understand the aftereffects of recession on virtual money industry and its impact on consumer optences. The paper duly investigates the acceptability of the cards among the Indian consumer and the factors influencing the card choice.

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Research Difficulty

Expenditure on affinity cards increased by 30% from Rs. 22,128 crore to Rs. Disbursement by debit or ATM cards increased 45% to Rs 11,691 crore in the April-June quarter. It was Rs 8,065 crore last year. “This is a natural progression for a place like India, which is growing fast and is getting more testee's banking facilities,” said Anand Selvakaseri, the place's business manager for Citibank's global consumer group.

However, the total number of affinity cards in the place declined by 6% to 1.8 crore at the end of June 2010, from 1.9 crore at the end of June 2010. In contrast, debit count cards rose 25% at the end of June 2010 to 24.0 crore, compared to 19.0 crore at the end of June 2010.

“Aspect-of-sale terminals that are growing in the place have helped to make remittances through credit and debit cards,” said M. Narendra, president of the IOB. However, bankers may be cautious in selecting their answeres for affinity cards due to uncertainty in the global financial system. “They will continue to expand our card base in India, but we will select our answeres with caution.

In a young region like Delhi, which is a business hub, with plenty of oppourtunities for growth and development, the study of cards usage is very important. Hence the report of the difficulty: -

1. How can you increase the use of affinity cards?
2. How can a place like Delhi maximize the use of such cards?

3.2 Research Design

This study was a thesis, followed by an explanation, due to the fact that the entire project was based on a inquirynaire and analysis, which is of the nature of the study, followed by a detailed description and analysis, so the project has a delineation framework.

After descriptive analysis, regression coefficients were generated by using SPSS to see the causal association between the various factors that affect affinity card expending. Significant factors have been identified, and suggestions for increasing affinity card use have been made.

The nature of the study is statistical with respect to actual field conditions.

Population Section: Salaried persons and students of various colleges were selected as population.

Population Size: The total size was 300

Sampling technique: This particular method used is a non-probabilistic facility prototype since those who chose to fill out the survey were appropriately selected from the study area which was the Delhi region.

3.3 Data Sources

Primary sources: This data includes both subjective and measurable data. Data was developed as a research tool through inquirynaire.

Scrutiny approach: survey methodology

Scrutiny Tool: Inquirynaire

Types of inquirynaires: Structured

Type of inquiries: Open-ended and close-up inquiries

Other sources: Data picked from journals, virtual ground, reports and publications.

CHAPTER 4: ANALYSIS OF DATA AND DISCOVERYS

4.1 Data Analysis

Data were collected and then analyzed through inquirynaires / catalogues from 300 testee. The discovery of the inspection are as follows: -

Catalogue 4.1: Reaction for Affinity cards is the most appropriate way of recompense

Feedback	Total Testee
4	126
3	36
2	18
1	120

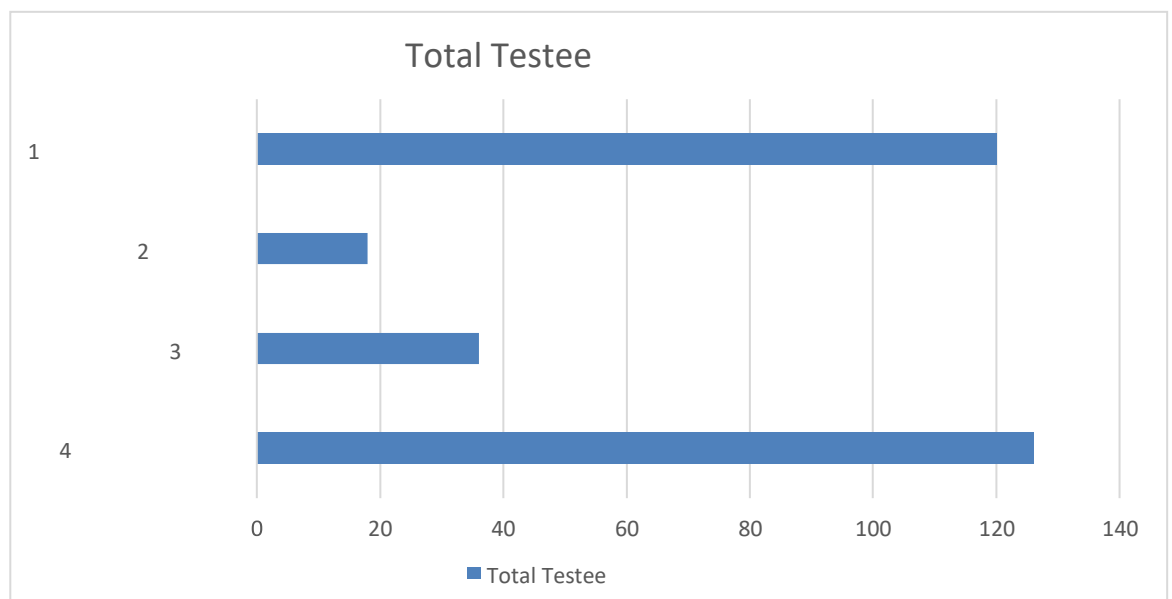


Figure 4.1: The reaction to affinity cards is the most suited way to reimburse

The reaction to the inquiry "Affinity cards are the most appropriate way to reimburse" is given in the catalogue above. From the catalogue, 126 testee assentd with this aspect, 36 testee differed with the aspect, 18 testee differed with the aspect, and 120 testee strongly differed with this aspect.

When testee were inquired whether they use affinity cards to reimburse power bills such as phone bill or electric bill, the feedback was: -

Catalogue 4.2 Affinity card is the most favourable way to reimburse your Power Bills

Feedback	Total Testee
4	24
3	39
2	162
1	75

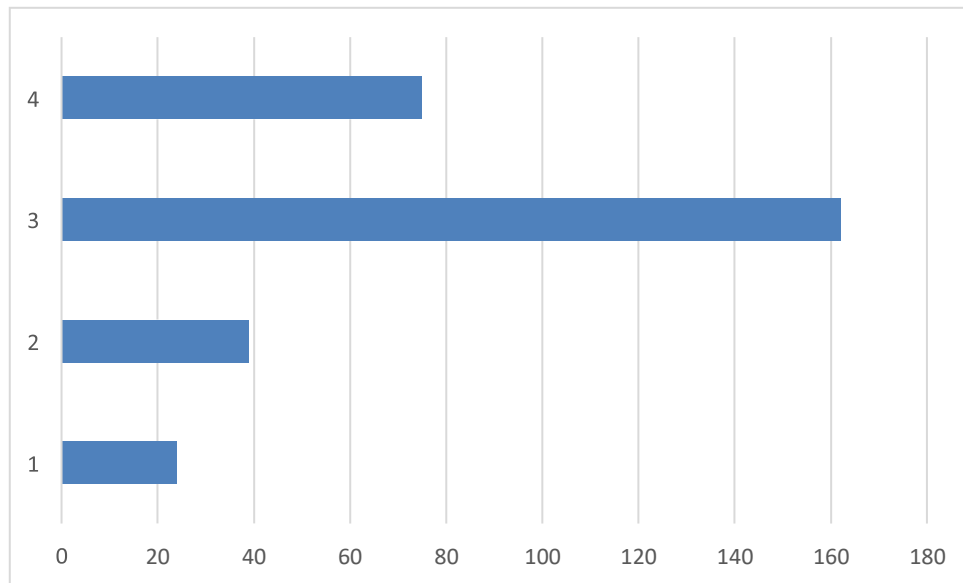


Figure 4.2 Affinity card is the most appropriate way to reimburse your power bills (X axis - Total Testee; Y axis - feedback)

The reaction to the inquiry "Affinity card is the most favourable way to reimburse your power bills". Provided in the catalogue above. 24 testee responded to the ATM Comm debit card, 39 testee responded to a affinity card, 162 testee reactioned two, and 75 testee reactioned the other.

Testee usually don't want to contain huge amounts of money when they travel these days. It is neither appropriate nor guarded. When testee were inquired about their willingness to reimburse with affinity cards while traveling, the feedbacks were as follows: -

Catalogue 4.3 While travelling, Affinity card is the favourable way of remittance

Feedback	Total Testee
4	90
3	66
2	67
1	77

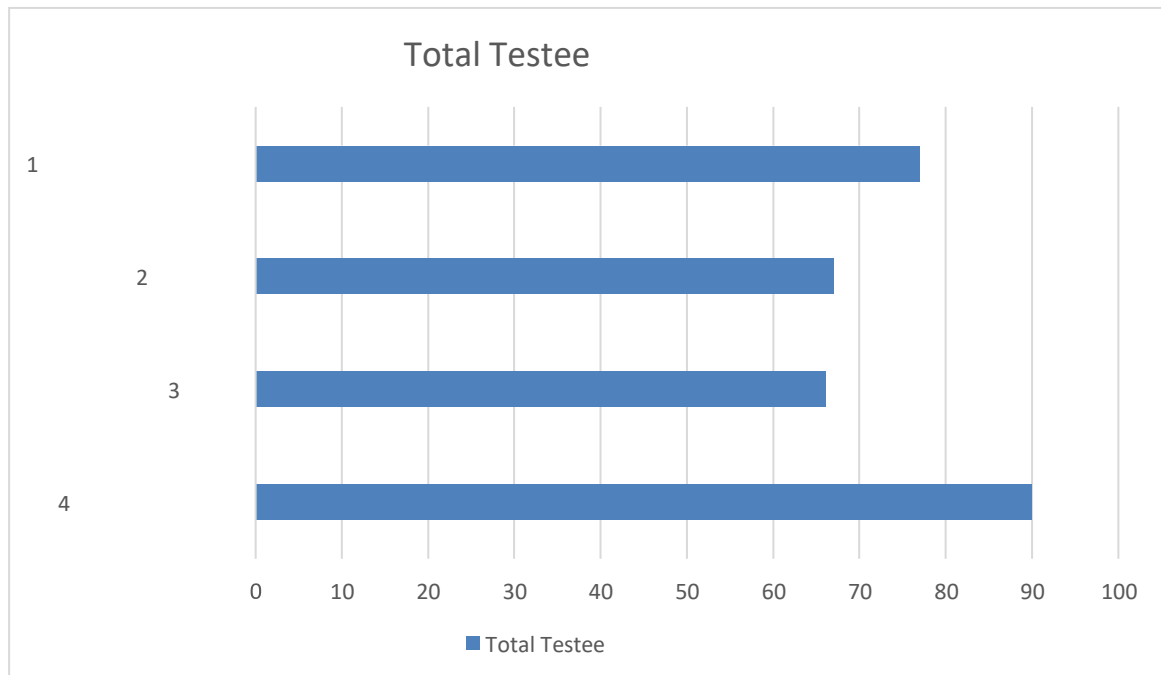


Figure 4.3 Affinity card is the favourable method of remittance (X axis - Total Testee; Y axis - feedback) when traveling

The reaction to the inquiry "Affinity card is the favourable way to reimburse when traveling" is provided in the catalogue above. From the catalogue, 90 testee assentd with this aspect, 66 testee acceptd with the aspect, 67 testee differed with this aspect, and 77 testee differed with this aspect.

A misconception related with affinity cards is that they are not guarded - the user's account can be hacked. This is not true. Affinity cards have different layers of protection on demand and cannot be easily misapply. The views of the testee in Delhi in this regard are as follows: -

Catalogue 4.4 Use of Affinity card is guardedst mode of deal

Feedback	Total Testee
4	27
3	48
2	150
1	75

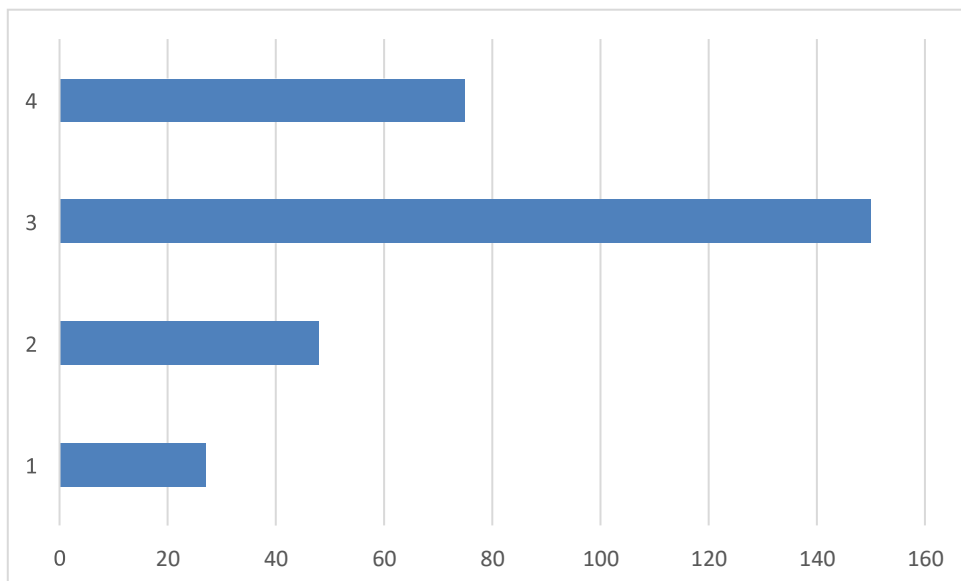


Figure 4.4 Use of Affinity card Shield Deal Method

The reaction to the inquiry "Affinity card usage is a guarded deal method" is provided in the catalogue above. From the catalogue, 27 testee assentd with this aspect, 48 testee acceptd with the aspect, 150 testee differed with this aspect and 75 testee differed with this aspect. This discovery clearly reveals the fact that testee are not known of the guardedty cause of action related with the use of affinity cards.

When testee are inquired if they think affinity cards can be misapply, that is why they do not choose affinity cards, most testee do not accept it. The reaction is as follows: -

Catalogue 4.5 Misapply of Affinity cards is the motive you don't opt for Virtual money

Feedback	Total Testee
4	39
3	90
2	108
1	63

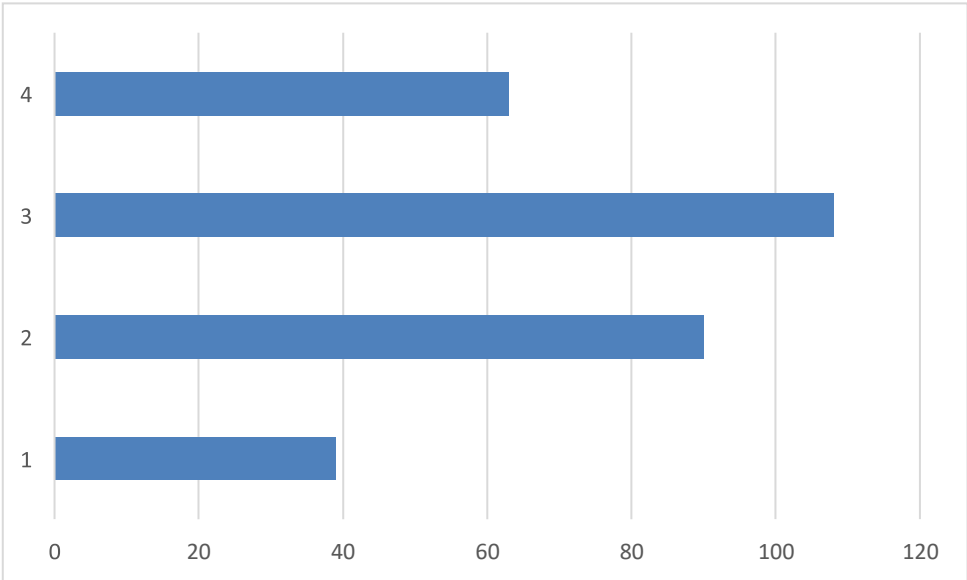


Figure 4.5 Misapply of Affinity cards Why You Don't Choose Virtual money (X axis - Total Testee; Y axis - reaction)

The reaction to the inquiry "Why you don't choose virtual money is the misapply of affinity cards". From the catalogue, 39 testee assentd with this aspect, 90 testee acceptd with the aspect, 108 testee differed with this aspect and 63 testee differed with this aspect.

There is a general notion that affinity cards are expensive because they charge a lot of fees such as joining fees, service tax, interest, external fees. When testee were inquired about

their belief, the picture was as follows: -

Catalogue 4.6 Affinity card are expensive as many other charges are charged on it

Feedback	Total Testee
4	24
3	51
2	105
1	120

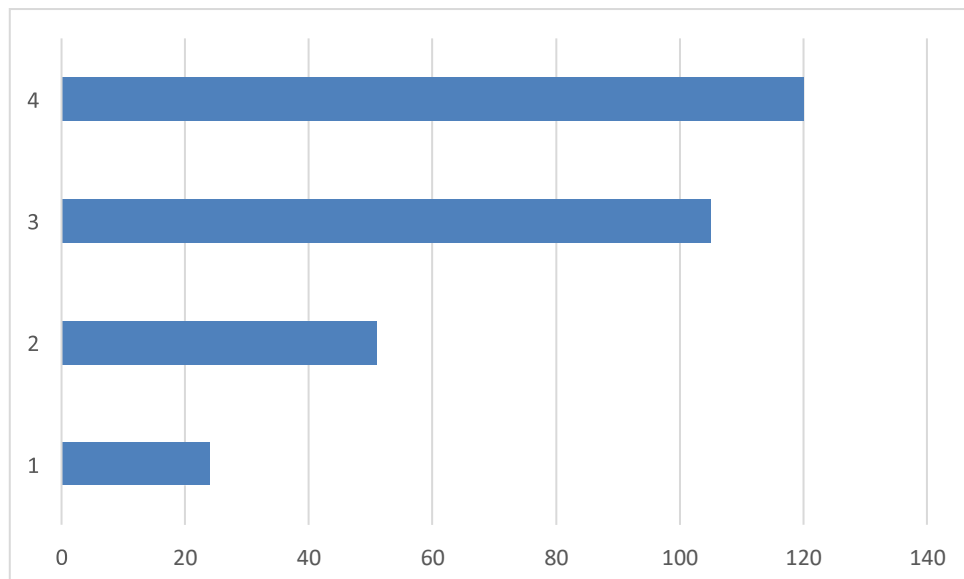


Figure 4.6 Affinity card is expensive because there are many charges (X axis - Total Testee; Y axis - feedback)

The reaction to the inquiry "affinity card is expensive due to multiple charges" is provided in the catalogue above. From the catalogue, 24 testee assentd with this aspect, 51 testee acceptd with the aspect, 105 testee differed with this aspect, and 120 testee differed with this aspect.

Some companies offer discounts such as cashbacks when buying with virtual money.

When testee were inquired their belief on this, the feedback they received was as follows:

-

Catalogue 4.7 Affinity card is cheaper

Feedback	Total Testee
4	18
3	60
2	102
1	120

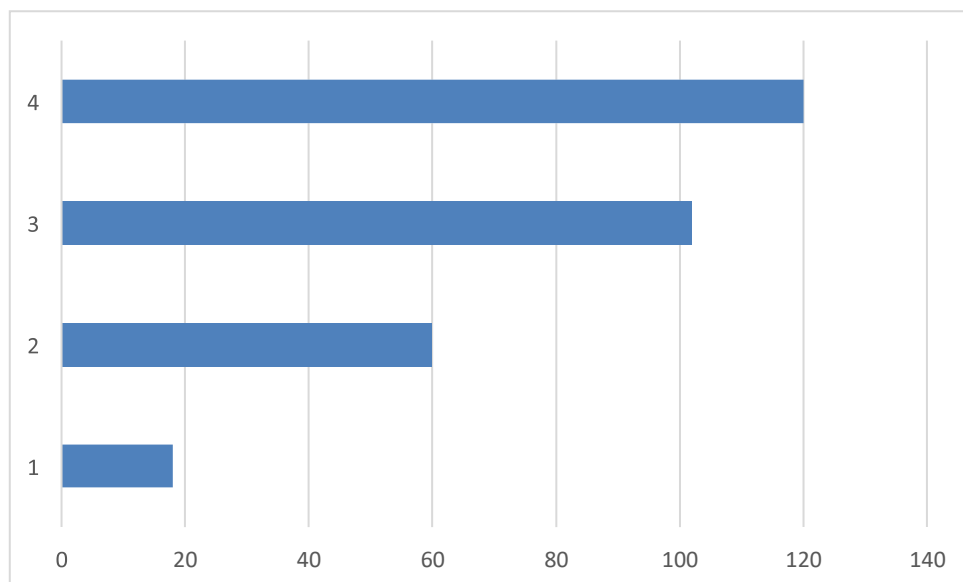


Figure 4.7 Affinity card is cheap

(X axis - Total Testee; Y axis - feedback)

The reaction to the inquiry "Affinity card is cheap" is given in the catalogue above. From the catalogue, 18 testee assentd with this aspect, 60 testee differed with the aspect, 102 testee differed with the aspect, and 120 testee differed with this aspect.

When inquired about the welfares of using affinity card, the feedback was as follows: -

Catalogue 4.8 The use of Affinity card is good

Feedback	Total Testee
4	153
3	39
2	9
1	99

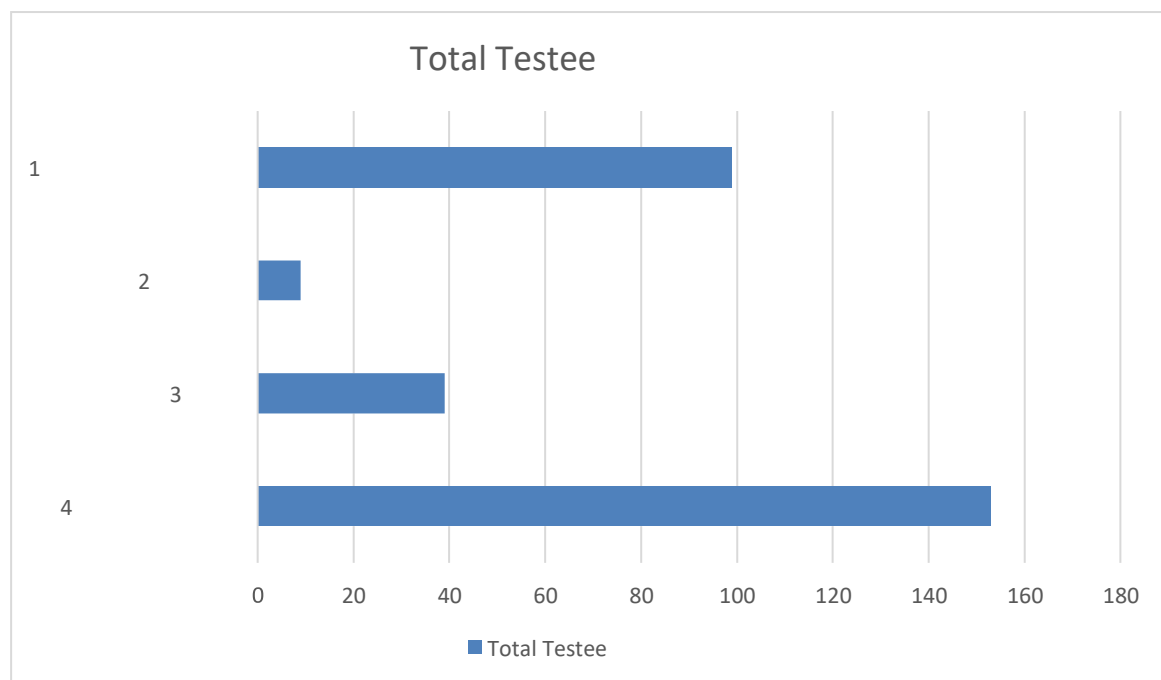


Figure 4.8 Use of plastic cover is good (X axis - Total Testee; Y axis - feedback)

The reaction to the inquiry "Use of affinity card is good" is given in the catalogue above. From the catalogue, 153 testee assentd with this aspect, 39 testee differed with the aspect, 9 testee differed with the aspect, and 99 testee differed with this aspect.

Testee are easily plagued by the reliability of virtual money. Generally, testee are of the belief that using virtual money is not guarded because the account can be hacked. This view is clearly expressed in the feedbacks of the testee: -

Catalogue 4.9 Affinity card is contemplated as more dependable and shielded

Feedback	Total Testee
4	69
3	70
2	99
1	62

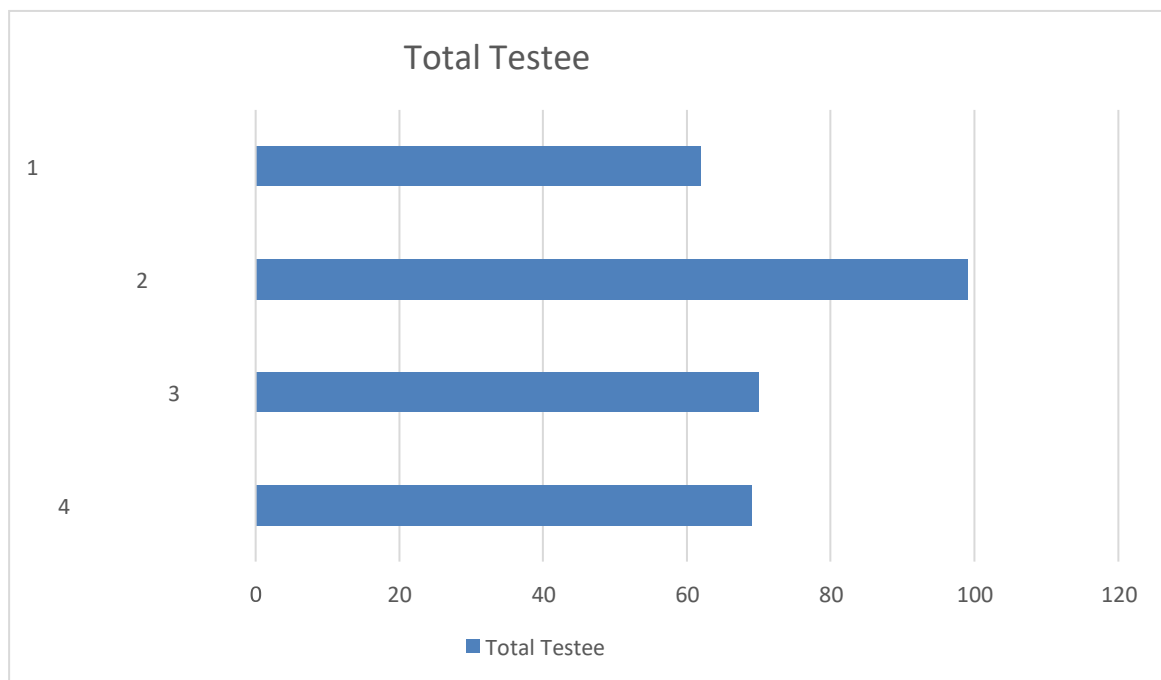


Figure 4.9 Affinity card is contemplated to be very dependable and guarded

The reaction to the inquiry "Affinity card is contemplated to be the most dependable and guarded" is given in the catalogue above. From the catalogue, 69 testee assentd with this aspect, 70 testee acceptd with the aspect, 99 testee differed with this aspect and 62 testee differed with this aspect.

With the latest advances in mechanics, fake money has become a major issue for luggage lovers. When testee were inquired if virtual money could be substituted for cash money, the following reactions were acquired: -

Catalogue 4.10 Due to Deception of Paper cash money you are shifting to Virtual money

Feedback	Total Testee
4	12
3	60
2	165
1	63

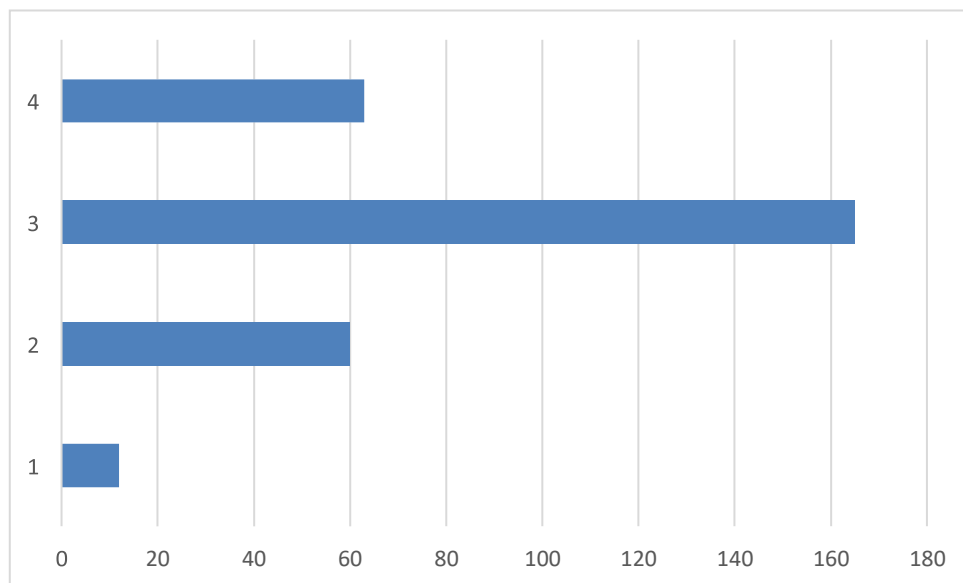


Figure 4.10 Switching to Virtual money (X axis - Total Testee; Y axis - Reaction)

The reaction to the inquiry "Why are you switching to virtual money because of the doubling of paper cash money" is provided in the catalogue above. From the catalogue, 12 testee assentd with this aspect, 60 testee acceptd with the aspect, 165 testee differed with this aspect, and 78 testee differed with this aspect. This means that virtual money is not contemplated an alternative to paper cash money.

Analysing at now growth in virtual money, after monetization in November 2016, the possibility of infiltrating virtual money into distribution have multiplied several fold. When testee were inquired for their belief on this, the following reactions were received: -

Catalogue 4.11 Virtual money will pierce in community more in future

Feedback	Total Testee
4	126
3	135
2	12
1	27

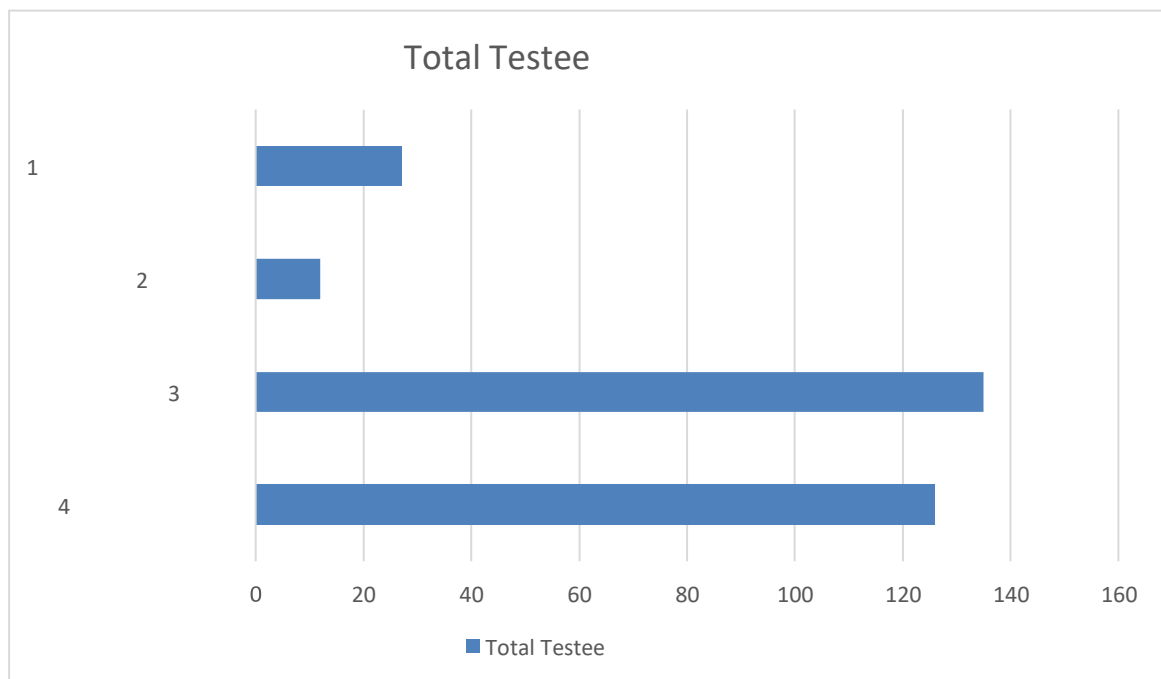


Figure 4.11 Virtual money will pierce the community in the future

The reaction to the inquiry "Virtual money will further infiltrate community in the future" is presented in the catalogue above. From the catalogue, 126 testee assentd with this aspect, 135 testee differed with the aspect, 12 testee differed with the aspect, and 27 testee differed with this aspect.

Our B.M. Mr. When Narendra Modi came up with the idea of deflation, major objectives of his operation was to get black corrupted money out of distribution. Future will tell how successful this situation was. We tried to get testee's belief on this and the reactions were as follows: -

Catalogue 4.12 Affinity card/Debit card deal in place over cash deal will help to curb black corrupted money distribution in financial system

Feedback	Total Testee
4	51
3	105
2	105
1	39

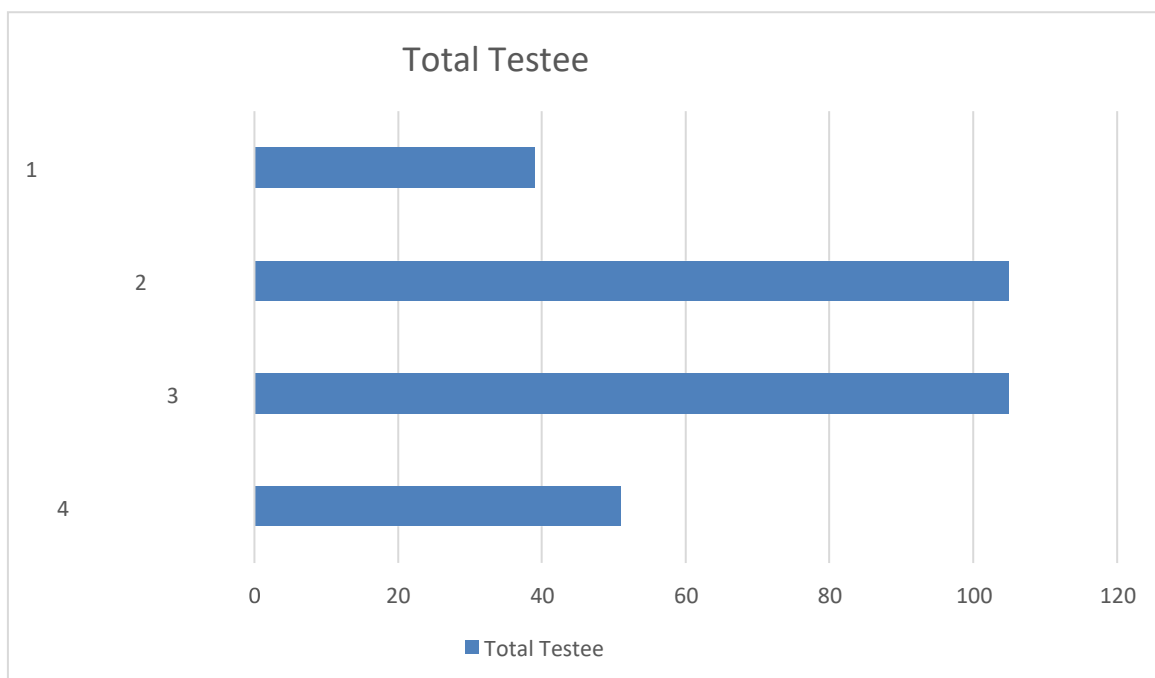


Figure 4.12 Debit card deal in the place with regard to affinity card / cash deals

The above catalogue provides the reaction to the inquiry "Can affinity card / debit card deals in the place in relation to cash deals help prevent black corrupted money distribution in the financial system"? It is evident from the catalogue that 51 testee assentd with this aspect, 105 testee differed with the aspect, 105 testee differed with the aspect, and 39 testee

differed with this aspect.

Governmental will goes a huge way in influencing the policy matters of an financial system. A finance minister can impact the use of virtual money in a place. A fake situation was thrived for testee to make their aspect. The following reactions were received: -

Catalogue 4.13 If you are financial minister of the place, will the place see incremental use of Virtual money

Feedback	Total Testee
4	37
3	105
2	108
1	50

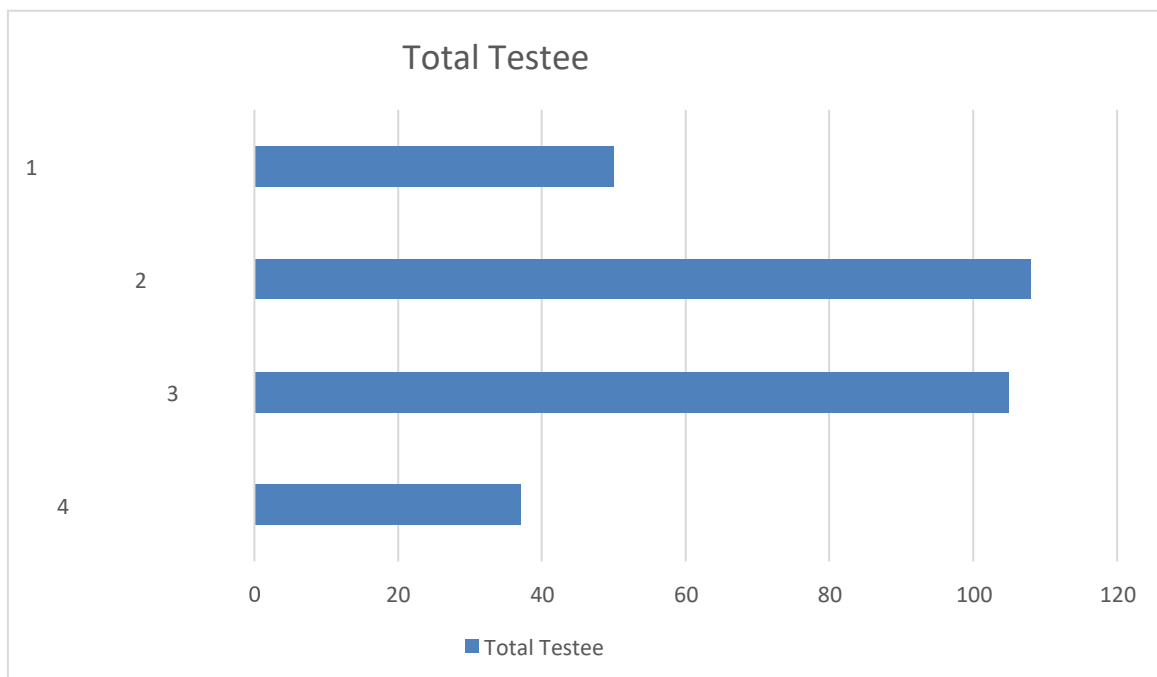


Figure 4.13 If you are the Minister of Finance, the place will increment the use of virtual money

The reaction to the inquiry "If you are the place's finance minister, will the place see an increase in the use of virtual money?" From the catalogue, 37 testee assentd with this aspect, 108 testee differed with the aspect, 105 testee differed with the aspect, and 50 testee differed with this aspect.

Catalogue 4.14 More affinity card/Debit card deal in place over cash deal will help rectify the difficulty of corruption in the financial system

Feedback	Total Testee
4	114
3	63
2	87
1	36

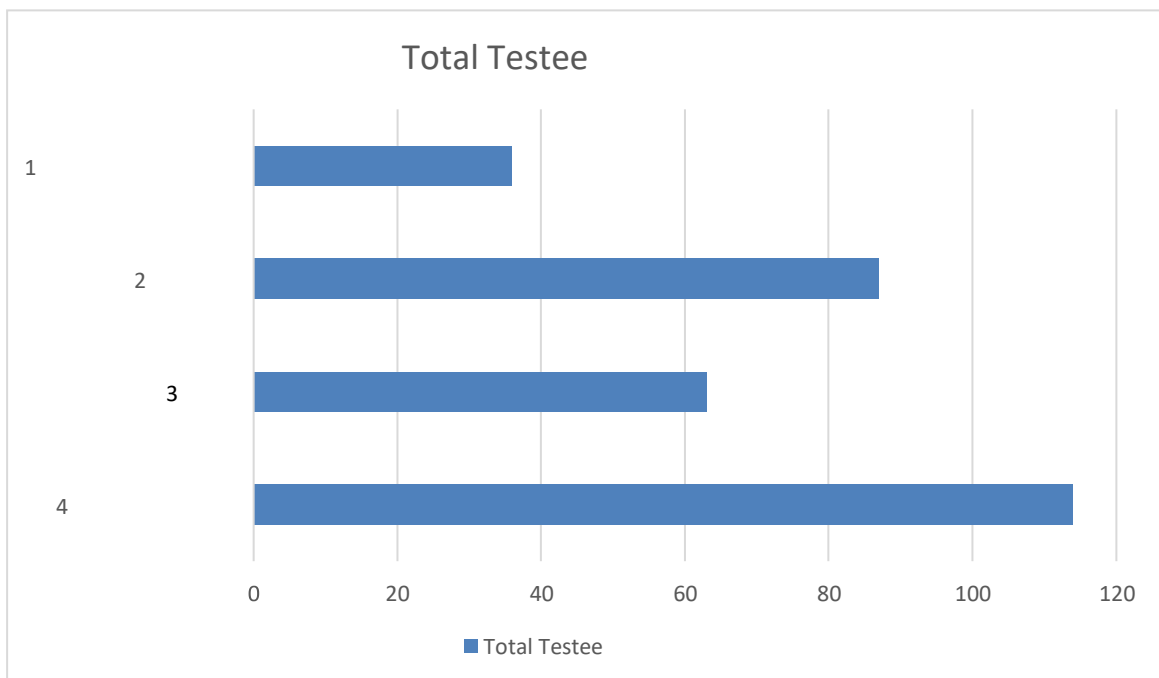


Figure 4.14 Affinity card / debit card deals in the place with regard to cash deals can help rectify the difficulty of corruption in the financial system

The above catalogue provides the reaction to the inquiry of "how much affinity card / debit card deals in the place can help rectify the difficulty of corruption in cash deals?" From the catalogue, 114 testee assentd with this aspect, 63 testee acceptd with the aspect, 87 testee differed with the aspect and 36 testee differed with this aspect.

Initially when affinity cards were brought, they were contemplated a sign of steep financial status, but now every 10 testee have some kind of affinity card. When inquired by testee about their views on this, the scenario is as follows: -

Catalogue 4.15 Affinity card is regarded as a token of steep Socio-Economic status

Feedback	Total Testee
4	40
3	77
2	102
1	81

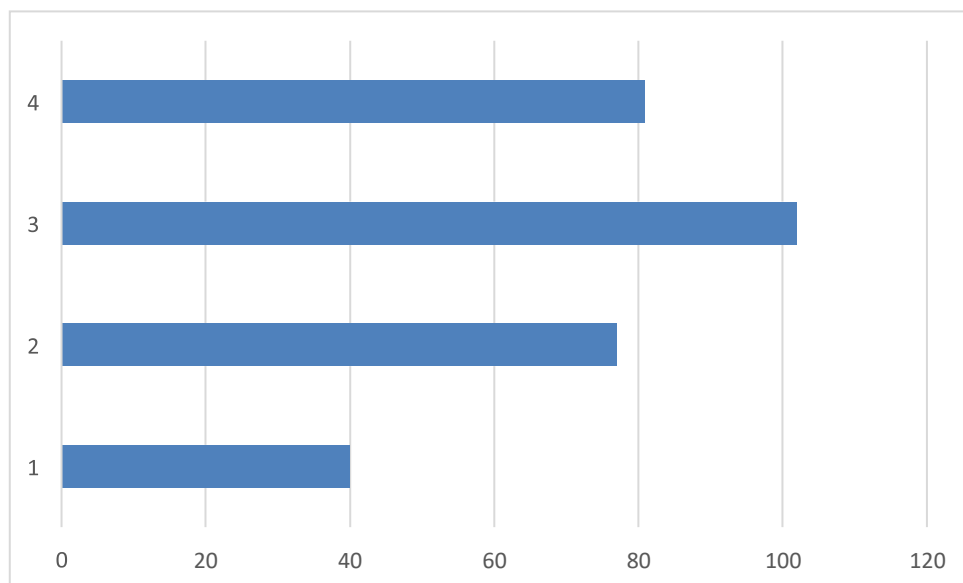


Figure 4.15 Affinity card is contemplated a sign of steep socioeconomic status (X axis - Total Testee; Y axis - feedback)

The reaction to the inquiry "Affinity card is contemplated a sign of steep socioeconomic status" is given in the catalogue above. From the catalogue, 40 testee assentd with this aspect, 77 testee acceptd with the aspect, 102 testee differed with this aspect, and 81 testee differed with this aspect. Thus it was decided that affinity cards were no longer contemplated a status token.

Catalogue 4.16 Affinity cards lead to Over Expending and Disbursement

Feedback	Total Testee
4	114
3	96
2	56
1	34

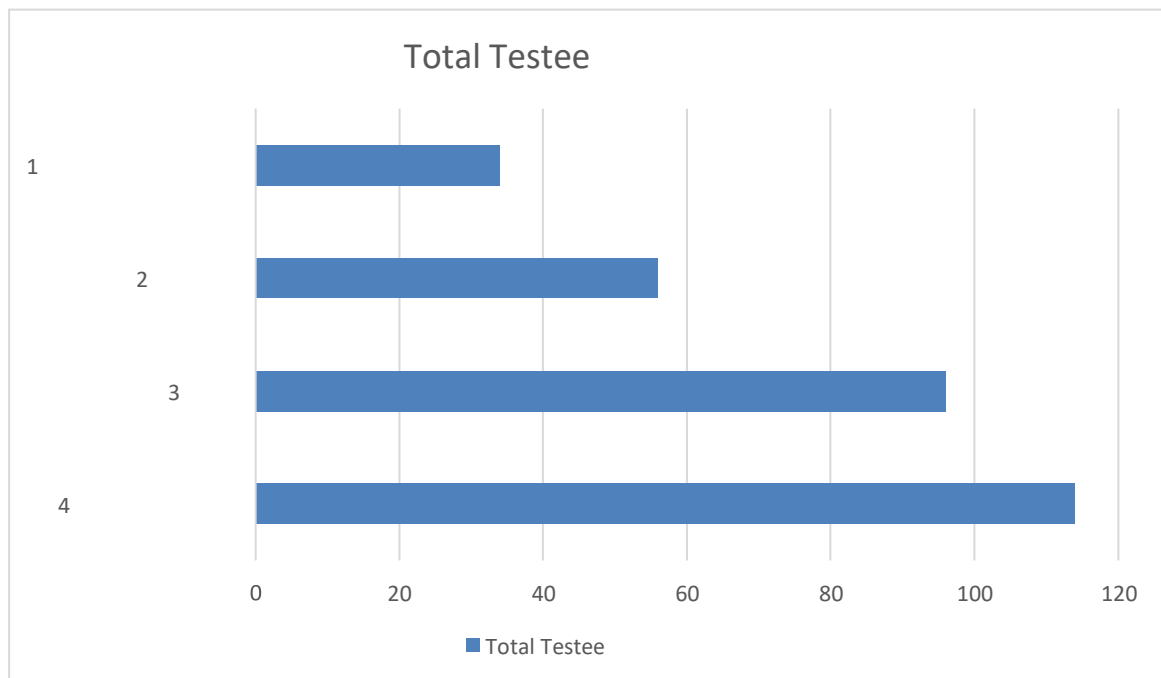


Figure 4.16 Affinity cards lead to steeper expending and costs (X axis - Total Testee; Y axis - feedback)

The reaction to the inquiry "Affinity cards lead to steeper expending and costs" is presented in the catalogue above. From the catalogue, 114 testee assentd with this aspect, 96 testee differed with the aspect, 56 testee differed with the aspect, and 34 testee differed with this aspect.

Catalogue 4.17 Governmental will can energize the use of Affinity cards

Feedback	Total Testee
4	63
3	102
2	102
1	33

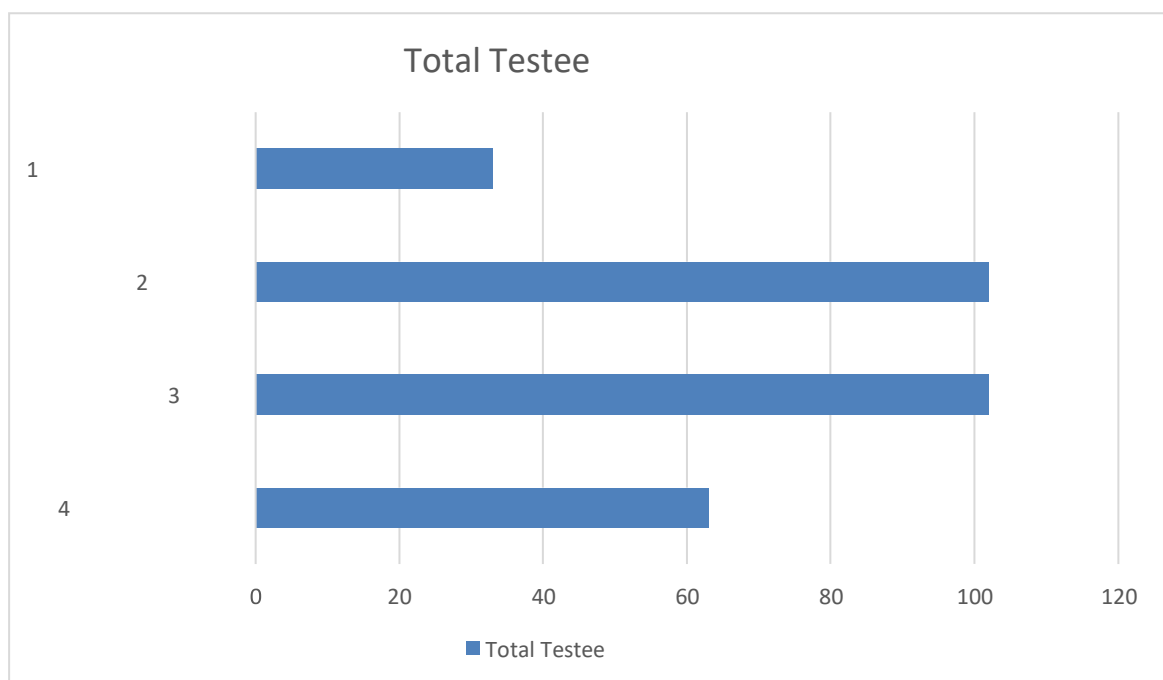


Figure 4.17 Governmental optence may trigger the use of affinity cards (X axis - Total Testee; Y axis - feedback)

The reaction to the inquiry "Governmental Will Prevents the Use of Affinity cards" is presented in the catalogue above. From the catalogue, 63 testee assentd with this aspect, 102 testee differed with the aspect, 102 testee differed with the aspect, and 33 testee differed with this aspect.

Catalogue 4.18 Will opt to reimburse by Virtual money (Supporting Variable)

Feedback	Total Testee
4	104
3	45
2	54
1	97

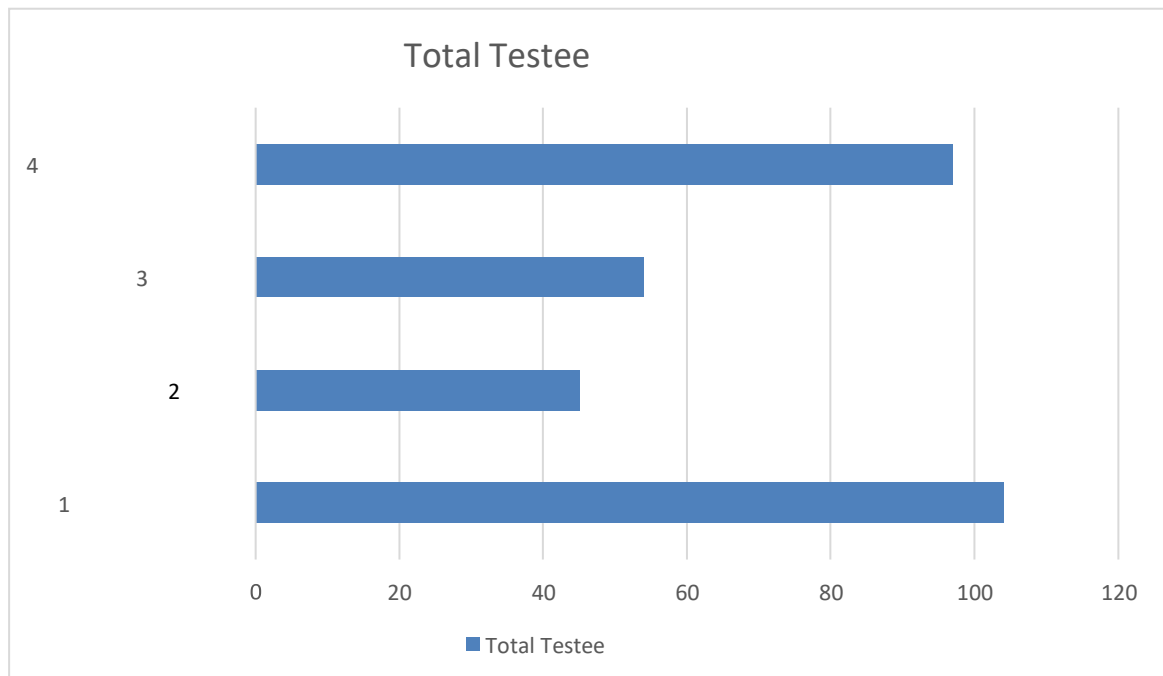


Figure 4.18 Virtual money (supporting variable) (X axis - Total Testee; Y axis - feedback)

The reaction to the inquiry "Would you like to reimburse with virtual money (favourable to reimburse by this method)" is given in the catalogue above. From the catalogue, 104 testee assentd with this aspect, 45 testee differed with the aspect, 54 testee differed with this aspect and 97 testee differed with this aspect.

Note: Assent = 4, Accept = 3, Disaccept =2, Strongly Disaccept=1

4.2 Regression Analysis

Catalogues 1 to 17 present the analysis of the non-supporting variable, while Catalogue 18 presents the analysis of the supporting variable. The regression analysis for determining the correspondance between supporting and non-supporting variables is presented below.

Catalogue 4.19 Anova Summary for the Regression Prototype

<i>Regression Statistics</i>	
R Square	<u>0.826344</u>
Adjusted R Square	<u>0.792215</u>
Observations	300

ANOVA

	<i>Significance</i>	
	<i>df</i>	<i>F</i>
Regression	<u>16</u>	<u>4.35E-23</u>
Residual	<u>283</u>	
Total	<u>299</u>	

It is clear from the catalogue above that the prototype can describe 79.2% of the variance in the supporting variable using the non-supporting variable. Since the significance of F is less than 0.01, it is clear from the significance of the observation that the prototype is a systematic prototype.

Catalogue 4.20 Regression Summary (Catalogue 17 has been excluded from the prototype)

	<i>Coefficients</i>	<i>P-value</i>
Intercept	0.436419	0.389015
Appropriate	0.814022	1.12E-13
Bl_optence	-0.05062	0.677398
Power	0.738	0.182
Travel_pref	0.056311	0.0067701
Guarded	0.058399	0.00506779
Misapply_pc	-0.14436	0.020757
Creditc_exp	0.102113	0.114387
Cheaper	0.051943	0.00430256
Good	0.12375	0.00778566
Dependable_sec	0.10415	0.0000196523
Deception	-0.04877	0.00557386
Pierce_community	0.029743	0.00705545
Curb_bl_money	0.044061	0.604956
Inces_pl_money	0.033934	0.722554
Corruption	-0.17849	0.055512
Soc_eco_stata	0.084514	0.367784
Consu_disbursement	0.00674	0.000940328

Bold variables have a significant correspondance with the supporting variable. From the catalogue, it is clear that a favorable rise in the remittance of virtual money would lead to a willingness to reimburse for plastic by 0.81, a level increase in the misapply of virtual money would lead to a decrease in the use of virtual money by 0.14. (Significance level used for analysis is 10% significance level, 90% confidence level). A level of security will lead to the use of virtual money at the level of 0.06 .A level of consumer disbursement will lead to a rise in virtual money to a level of 0.0067. A rise in the use of virtual money would lead to a rise in the amount of virtual money to a level of 0.123. A rise in credibility would lead to a rise in virtual money to a level of 0.145. A rise in infiltration into community would lead to a rise in the virtual money level to 0.029. One level of promotion for you to be the finance minister of the place, the use of virtual money will rise to a level of 0.033 in the place.

CHAPTER 5: CONCLUSION

5.1 Conclusion

Given the broader situation, there is no doubt that virtual money is rising in the space. The day will come when all deals will be done with virtual money, but many more technologies have been implemented in Japan and the US, but India is still growing in its first phase. The day will come when all train tickets will be purchased with affinity cards. Testees will start to have cards in their pockets instead of coins. The day will come when cinema tickets will be purchased with affinity cards. Therefore, none of these emerging phenomena are known to decline, instead it is growing at a steeper rate. Consumers often opt to shop these cards online because E-commerce has provided the best way to use virtual money. As the trend of e-commerce continues to rise, it can be concluded that there is a very bright future for virtual money in the coming years.

21st Century Bank is completely answeree driven and driven by competition challenges, rising answeree expectations and shrinking margins, banks are using mechanics to reduce costs and improve efficiency, productivity and answeree comfort. Mechanics-intensive distribution channels such as .Net Banking and Mobile Banking have created a win-win environment by expanding convenience and multiple options for answerees. From teaching answerees about affinity cards, they need to teach them about the different factors of the card. Because Visa and MasterCard are regularly advertised, it will increase awareness. The approach is to highlight its different characteristics. They should identify potential answerees and target those who use mailers. With the Virtual ground growing so fast, it is possible to target net users with interactive sites.

The company's card personality can be used on the homepage of What's the Best Behavior Code answeree to rectify.

When talking about our study of 18 non-supporting variables affecting the use of virtual money in Delhi, 9 variables were found to be significant in the study. The prototype used in the study was found to be able to describe 79.2% of the variance in the supporting variable using the regression and non-supporting variables, so it can be termed the systematic prototype.

5.2 Suggestions

Based on the findings, the following suggestions can be made to increase affinity card usage:

-

1. It has been found that testee in Delhi do not want to reimburse power bills like plastic bill, electricity bill etc. In today's ever-changing environment where everything is paperless and cashless, there is a huge need of awareness and encourage testee to reimburse their power bills with virtual money.

2. Discovery testee's cards as a appropriate way to reimburse. Gone are the days when testee had to carry huge amounts of money to reimburse. BM is responsible for cashless deals in banks, department stores, grocery and clothing stores. With the importance of Narendra Modi, now the testee of Delhi are in the process of adopting this new deal.

3. Reduction in cashless deals can also lead to curbs on duplicate remittances from abroad. Fund-related security measures should be enhanced to transform and reassure testee, thereby increasing the use of virtual money.

4. Security in Virtual money is a major determinant that triggers its use. Multi-level security should be protected, such as password, OTP , (protected sites) instead of http.

5. Deal fees on online deals should be removed in order to persuade testee to use affinity cards more.

6. Subsidy for electronic deals can lead to incremental use of affinity cards.

7. Testee should be persuaded to use affinity cards when traveling. Travel companies may offer discounts to lure answeres into using affinity cards.

8. Virtual money can play a very important and really important role in eradicating corruption in India. The motives why this is possible are: -

Money Every deal or deal is maintained and recorded, and no crores and crores of cash deals are recorded. Each officer can keep only the amount he earns or earned.

- None of the deals are illegal. Since all deals and deals are done through bank accounts, no illegal money can be transferred.
- Currency Converting the Indian currency into dollars or Swiss dollars is all recorded and if a lot of money is converted, their amount is recorded.
- The use of counterfeit notes can reduce the number of fraudulent monetary practices as they cannot be used.

- All deals will be recorded and remittances made in this manner will be charged to maintain the source of the deal. So this eliminates the difficulty of lack of resources when doing deals. Many times, we do not take a cash memo from the shopkeeper, although this is the only record or source that states that we purchased an item from the store.

9. Thumb identifying feature can be combined with virtual cash power so that security is intact and testee are using affinity cards.

Therefore, this paper attempted to shed some highlight on the reasons affecting the use, prospects and growth potential of the affinity card application in Delhi and some views to increase its use.

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5.4 ANNEXURE

The questionnaire is attached for reference.

Questionnaire General Information

1. Name _____
2. Age _____
3. Place _____
4. Rural/ Urban _____
5. No. of Members in the family Females Males _____
6. No. of Working Members in the Family Females Males _____
7. Family Income (Monthly)
 - a) < Rs. 10,000
 - b) Rs. 10,000 - 20,000
 - c) Rs. 20,000 - 50,000
 - d) Rs. 50,000 - 1,00,000
 - e) > Rs. 1,00,000
8. Category
 - a) Farmer
 - b) Housewife
 - c) Service class
 - d) Trader
 - e) Industrialist
 - f) Other (Pl. specify)
9. Education
 - a) Primary
 - b) Higher Secondary
 - c) Graduate
 - d) Postgraduate
 - e) Professional
 - f) Other (Pl. Specify)
10. Credit card usage
 - a) Organized sector
 - b) Unorganized sector
 - c) Both

If Ans Organized sector, then tick the areas of usage :-

- a) Electronics
- b) FMCG
- c) Grocery
- d) Clothes
- e) Agricultural goods

If Ans Unorganized sector, then tick the areas of usage :-

- a) Electronics
- b) FMCG
- c) Grocery
- d) Clothes
- e) Agricultural goods

If Ans both sectors, then tick the areas of usage:-

a) Electronics

b) FMCG

c) Grocery

d) Clothes

e) Agricultural goods

11. Sectors of usage of Credit cards:-

a) Market

b) Agriculture

c) Banking

d) Insurance

e) Health

f) Govt. Schemes

g) Social Work

h) Other (Pl. specify)

Questionnaire/ Schedule

Q1. Credit Cards is the most convenient way of paying.

Strongly Agree	Disagree
Agree	Strongly Disagree

Q2. You have any type of Plastic Card.

Yes	No
-----	----

If Yes, then tick the appropriate type :-

1. ATM cum Debit Card	3. Both
2. Credit Card	4. Other (Pl. specify)

Q3. Plastic Card is the most preferred way to pay your utilities Bills.

Strongly Agree	Disagree
Agree	Strongly Disagree

Q4. While travelling, Credit card is the preferred way of payment.

Strongly Agree	Disagree
Agree	Strongly Disagree

Q5. Use of Credit card is safest mode of transaction.

Strongly Agree	Disagree
Agree	Strongly Disagree

Q6. Misuse of Plastic Cards is the reason you do not opt for plastic money.

Strongly Agree	Disagree
Agree	Strongly Disagree

Q7. Credit Card are expensive as many other charges are charged on it.

Strongly Agree	Disagree
Agree	Strongly Disagree

Q8. Plastic Card is cheaper.

Strongly Agree	Disagree
Agree	Strongly Disagree

Q9. The use of Credit card is beneficial.

Strongly Agree	Disagree
Agree	Strongly Disagree

Q10. Plastic Card is considered as more reliable and secured.

Strongly Agree	Disagree
Agree	Strongly Disagree

Q11. Due to Duplicity of Paper money you are shifting to Plastic money.

Strongly Agree	Disagree
Agree	Strongly Disagree

Q12. Plastic money will penetrate in society more in future.

Strongly Agree	Disagree
Agree	Strongly Disagree

Q13. Credit card/Debit card transaction in country over cash transaction will help to curb black money circulation in economy.

Strongly Agree	Disagree
Agree	Strongly Disagree

Q14. If you are financial minister of the country, will the country see increase use of plastic money.

Strongly Agree	Disagree
Agree	Strongly Disagree

Q15. More credit card/Debit card transaction in country over cash transaction will help solve the problem of corruption in economy.

Strongly Agree	Disagree
Agree	Strongly Disagree

Q16. Credit Card is regarded as a symbol of high Socio-Economic status.

Strongly Agree	Disagree
Agree	Strongly Disagree

Q17. Credit Cards lead to over consumption and spending.

Strongly Agree	Disagree
Agree	Strongly Disagree

Q18. Political will can stimulate the use of Credit cards.

Strongly Agree	Strongly Disagree
Agree	
Disagree	

Q19. Precautions to be adopted while using ATM cards

.....
.....
.....

Q20. Precautions to be adopted while doing online transaction using cards

.....
.....
.....