

Customer Perception towards Credit Card with Special Reference to Sbi Credit Card

Dr.R.Sridevi, S.Dharsan

Assistant Professor, Department of B.com PA, Sri Ramakrishna College of Arts and Science, Coimbatore
Final Year Student, Department of B.com PA, Sri Ramakrishna College of Arts and Science, Coimbatore

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ABSTRACT:

The paper has been undertaken to study the perception of the respondents related to credit card. The sample size was 600 respondents WHO square measure exploitation SBI mastercard in the study area. The researcher worker collected primary data through the form. The researcher applied a simple percentage as statistical tools. The study found that factors considered for the study, the majority of the respondents positively perceived on many factors and about half of the respondents positively perceived on five factors. Especially, a high positive perception was found within the services of prompt receipt of the monthly statement, prompt receipt of e-statement, smart security system on online payments. The perception level just in low case of convenient payment modes. It absolutely was additionally found that there was a distinction difference between the gender of the respondents and their perception level.

KEY WORDS: Credit Card, Perception, Bank, Significant and Statement

I. INTRODUCTION:

Credit cards have modified the approach to life of individual people at all levels. Despite the very fact that there was a time once rich folks accustomed mobilize the usage of the credit cards however now a days so many facilities have eased the middle and lower categories additionally to use the power of revolution within the world of Credit cards. Of course, such a system and therefore the usage also have sure disadvantages like misrepresentation by hefting the code words, frauds committed etc. Since money will be paid nearly, almost fifty to sixty percent backlog has increased and the business community also ends up making loss sometimes by availing such a facility endlessly. Even a smaller amount of Rs.100 until lakhs value transactions is the specifying limit in such deals of exploitation the plastic cash thought. Plastic cash suggests that mastercard in easy languages. An interest charge per unit up to forty

two percent being charged by the business giving such facilities has magnified the consumption limit. The consumers should use this provision however additionally make sure that they are not created on the far side the capacity of their survival. The competitive world positively is pushing in more and more players to supply such a service but it is the customer who should know to evaluate the pros and cons of utilizing this new revolutionary construct within the world of fast-changing world of Business. At the same time, it should be ensured that unwanted and uninterrupted use of this facility does not cause unwanted complications. Perception is a crucial fact that is to be inclined towards selling studies. Perception is what the purchaser are literally expecting on the merchandise from the vendor or service supplier. This analysis work analysis the number of perception of the respondents towards the services of the mastercard.

II. STATEMENT OF PROBLEM:

Credit cards have modified the manner folks check out cash. Gone are the days when only the wealthy sported them at restricted countries in choose cities. Today, they are a way of life for the centre category too, even in smaller locations across the country. However, this boom has brought in a very ton of complications like mastercard fraud, payment defaulting, unsolicited card, uncontrolled disbursement etc. Speedy mastercard growth has increased transaction efficiency. Until recently, the Indian client was mistreated the mastercard during the crunch season, however things have modified within the recent past with the shoppers mistreatment it for as little a total as Rs.100 to over one hundred thousand rupees. The most common feature among the mastercard holders is that they shift their payment. Suspending payments multiplies bills that too at a whopping rate of fifty to sixty per cent per year, pushing the card holders into a debt trap. The utility of cards varies from person to person counting on

their profile. In the initial years, the shoppers view it a privilege to carry credit cards. However, there is a sense among card holders that the banks are unit charging hefty interest and other fees. Mastercard issuers charge interest that works intent on roughly forty two per cent every year. Delays or defaults ends in payment of penal interest on all progressive usage of the cardboard until the payments are made. Once the outstanding piles up, it are often a significant hazard to one's money security. Today, competition among mastercard players is intense. Offering benefits like reward points is simply in a different way of luring customers into debt trap. The largest issues arise once one gets into what is referred to as revolver mode of repayment.

III. REVIEW OF LITERATURE

Afshan Ahmed et al (2009) in their study found that the bankers held a negative attitude towards the use of a credit card. The moderating variables included the marketing campaign of a particular bank, sales teams support, openness from retailers for accepting credit card instead of cash, knowledge about the true interest rate imposed by the banks and the concept of Islamic mode of financing, etc.

Sudhakar S (2012) in his study found that majority of the sampled credit card holders (87.25%) consider credit cards as a convenient mode of payment and 90.75 % consumers carry the feeling of reduced risk of carrying cash and 96% consider revolving credit in evaluating the purchase of credit cards.

Weng Marc Lim et al (2014) in their study found that Attractive rewards and poor spending restrictions afforded by credit cards were the main influences that caused young consumers to spend

more than what they could afford, thus leading to a situation of overspending. Implications and recommendations from the findings are presented.

Nigar Sultana and Md. Mahedi Hasan (2016) in their study found that among the influential variables, people are mostly influenced for using plastic money because they think it adds value to their lifestyle. Secure transaction is the most beneficial reason for using plastic money according to the respondents. The problems of using plastic money as found through confirmatory factor analysis, are unavailability of money in ATM (Automated Teller Machine) booths, unavailability of the technology of payment through plastic money in purchase points, and the technological complications faced by the cardholders. Jasmine A (2017) evidenced that most of the respondents were receiving a low amount of salary and relied on credit cards to pay for their school-related expenses. Credit card holders were happy that it saved their time and they need not search for an ATM machine or keeping cash in hand.

IV. RESEARCH METHODOLOGY

This study is analytical in nature. Sampling method used is convenience sampling method. This study has used primary data method for collecting data. Well-structured questionnaire was distributed to the random people in the form of google form. The researcher collected 100 samples by using questionnaires.

Research tool (The research tool can be used for statistical analysis. The research has applied a simple percentage analysis method as a Statistical tool)

V. ANALYSIS AND INTERPRETATION

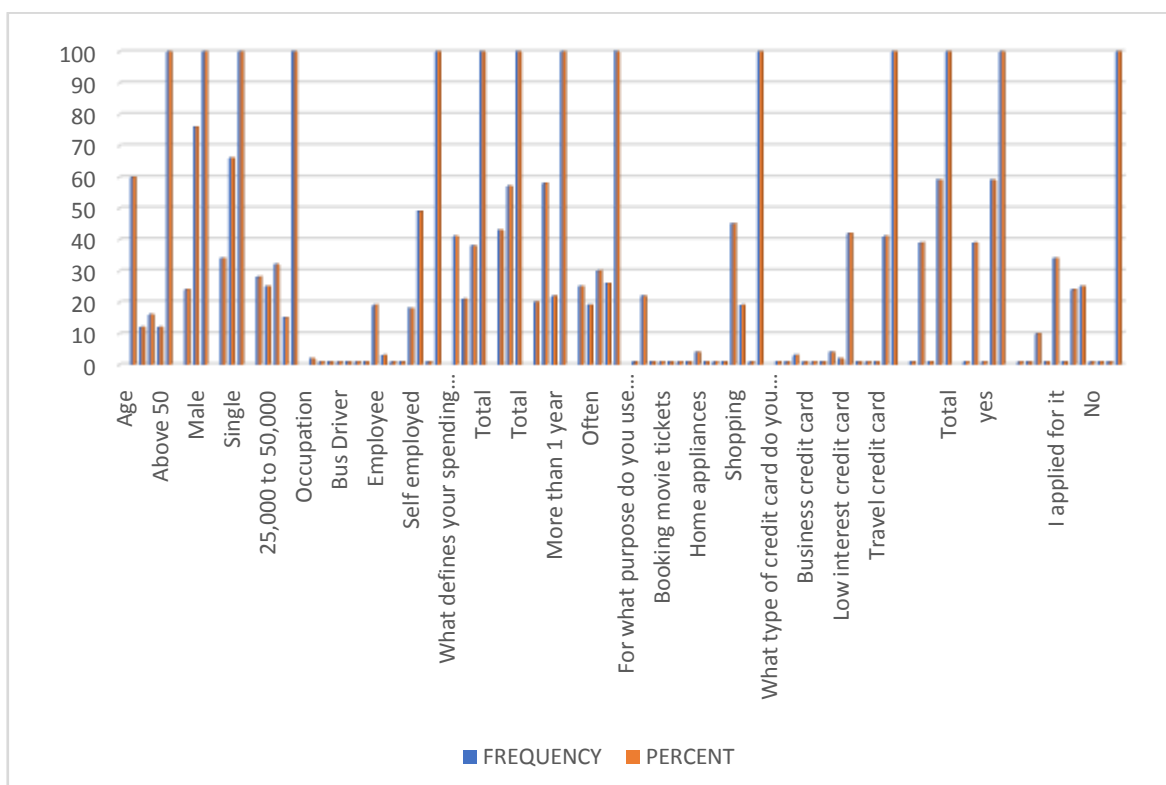
TABLE 6.1

PARTICULARS	FREQUENCY	PERCENT
Age		
18 to 30	60	60
30 to 40	12	12
40 to 50	16	16
Above 50	12	12
Total	100	100
Gender		
Female	24	24
Male	76	76

Total	100	100
Relationship status		
Married	34	34
Single	66	66
Total	100	100
Income		
10,000 to 25,000	28	28
25,000 to 50,000	25	25
Below 10,000	32	32
More than 50,000	15	15
Total	100	100
Occupation		
Administrative officer	2	2
Agriculture	1	1
Bank officer	1	1
Bus Driver	1	1
Business	1	1
Car driver	1	1
Driver	1	1
Employee	19	19
Farmer	3	3
Fashion designer	1	1
Police	1	1
Self employed	18	18
Student	49	49
Trailers	1	1
Total	100	100
What defines your spending habit very well		
Economy	41	41
High	21	21
Low	38	38
Total	100	100
Do you use SBI credit card		
No	43	43
Yes	57	57
Total	100	100
How long have you been using your SBI credit card		
6 months to 1 year	20	20
Less than 6 months	58	58
More than 1 year	22	22

Total	100	100
How frequently do you use credit card		
Depends	25	25
Often	19	19
Rarely	30	30
Very frequently	26	26
Total	100	100
For what purpose do you use credit card the most		
-	1	1
Bill payments	22	22
Booking a movie tickets	1	1
Booking movie tickets	1	1
Booking railway and plane ticket	1	1
Booking railway ticket	1	1
Cass	1	1
Home appliances	4	4
Machine expenses in online	1	1
Makeup sets	1	1
Mobile bills	1	1
Shopping	45	45
Short term borrowings	19	19
Travel and order food in online shopping	1	1
Total	100	100
What type of credit card do you use		
	1	1
-	1	1
American express	3	3
Business credit card	1	1
Cash	1	1
Cashback credit	1	1
Cashback credit card	4	4
Low interest credit card	2	2
Master card	42	42
Rupay	1	1
Secured credit card	1	1
Travel credit card	1	1
Visa card	41	41
Total	100	100
Do you think that credit card has increased your expenses		
	1	1

No	39	39
yes	1	1
Yes	59	59
Total	100	100
How did you apply for your credit card		
	1	1
-	1	1
Apply for online website	10	10
Apply online website	1	1
I applied for it	34	34
I don't have a credit card	1	1
I use a supplementary credit card	24	24
It was given to me by my organization	25	25
No	1	1
No need of credit card	1	1
To apply for a credit card online on their website	1	1
Total	100	100



VI. INTERPRETATION:

- The above table shows that most of the customers are between the age category of 18 to 30.
- It is shown that men use credit cards more than women.
- Most of the card holders are single/unmarried
- Most card holders earn below Rs.10,000

- Around 50% of card holders are students.
- Most of the card holders have a habit of spending on an economy pattern.
- More than 50% of the card holders use SBI credit card.
- It is shown that most of the SBI card holders have been using from recent days from less than 6 months.
- It is shown that most of the credit card holders use it rarely and next to it most use very frequently.
- Maximum of the credit card users use it for the purpose of shopping.
- Most of the credit card types being used are Master card and visa card.
- Maximum of the credit card users feel that credit card had increased their expenses.
- Most of the credit card holders they themselves have applied for the card.

VII. FINDINGS:

- It is found that mostly men between the age of 18 to 30 use the credit card the most.
- It is found that students earning below Rs.10,000 use the credit card most for the purpose of shopping.
- Maximum of the population gave been using SBI card from less than 6 months.
- It can be said that most of the credit card users have applied on their own and are using Master card and visa card mostly.
- Maximum of the card holders feels that usage of credit card has increased their expenses and the usage pattern has been scattered that 30% of the users have been using the card rarely and 26% use them very frequently which does not have a big difference.

VIII. SUGGESTIONS:

Based on the findings of the study the subsequent suggestion square created here: Popularizing the Credit Cards. Mastercard is found to be fashionable popular among the respondents. Hence strategic thought to be adopted to bring a better degree of popularization of this mastercard through mass media channel like tv, radio, railway centers, and super markets with a pictorial review of the card facility. Marketing mastercard issuers, though supply international levels of service and credit support to the cardboard holders, have did not build a control among the less educated and the agricultural category with middle level income. Therefore it is urged that incentives though to be extended to any varieties of cards to push larger usage of credit cards like „Exclusive“ and „Silver

control by lower and middle income earners. Providing additionally Facilitating Services its found from the analysis creative within the study that supplementary services are perceived additional because the expected option of the mastercard by the cardboard holders. Thus most supplementary service elements components thought to be side to the credit cards. Creating the interior system Effective With the typically average credit limit of Rs.10,000 to Rs. 30,000 the credit cards have not created a pretty case of fraudsters, still some cases of mastercard frauds (02%) have been reported in the study. Hence banks square measure suggested to implement the „Internal Control management“ developed by the tally RBI effectively to combat frauds.

IX. CONCLUSION:

In the study the careful analysis of the Credit Cardholders has been haunted. Mastercard has performed well to the want to the individual. At the time of introduction the people does not welcome it, because it is mostly used for a particular activity only, but today it is boon to all the mankind. In Republic of India the entry of mastercard is success thanks to the part of hand of GE Capital and State Bank of India, little question however still mastercard consciousness is lacking among many people. This can be in the main thanks to the cardboard fee and interest charges. That the immediate would like is to require more practical measures therefore on build mastercard engaging. Such a trial can modify mastercard to realize larger heights in banking sectors. Majority of the respondents hesitated to debate the statement “Plastic money ends up in debt trap”.

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