

**RESEARCH REPORT
ON
“USAGE AND AWARENESS OF CREDIT CARD
AMONG CUSTOMER”**

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SUBMITTED TO:

**PROF. POONAM
SINGH**

**SUBMITTED BY:
MADHAV SHARMA**

**Admission No:
17GSFC101005
Enrolment No:
1708101037**

**GALGOTIA UNIVERSITY, GREATER NOIDA
SCHOOL OF FINANCE AND COMMERCE**

ABSTRACT

In Today's era, each credit card speeds shopping transactions and carries an identifying number. Credit card facilitate a different type of transaction mode in which payment are not done by cheque any more and all transaction are made online without any cash involvement. As in India dealers are always concern about cheque honored so that they can deliver the goods and services to customer but now credit card has solved these issues, and India is gaining the more profit and benefit while facilitate these services. Threw online transaction of money many problems have been solved. And in today era every individual have online transaction cards which they can use while payments like debit card, credit card, ATM card, etc. These cards are responsible of all type of expense held in a day included restoring, travel, shopping and many more, with the using of an appropriate card an individual can done the payment within few seconds or minutes.

This research study is made for an attempt to know the consumer's awareness and perception about credit cards, and this study is called a preliminary study. For this purpose we used primary data, and for analysis we prepared a questionnaire included all relevant question which give the best result to our research. We filled questionnaire by the help of many persons who use online cars and we more focused on bank customers because mostly bank customers are use credit cards. After got the response from individuals we use statistical tool for analysis the response like pie charts, Bar chart, percentage, etc. The conclusion of our study reveals that, the current situation of credit card is very significant as now many credit cards holder reject or surrender their cards even after banks preferment. But result also shown the positive side as many individual are gave nice feedback about using of credit cards. And they agree with the fact that the credit card helps customer to making the payment by using cards instead of cash.

INTRODUCTION

Origin of Credit Cards: the first multiuse credit card was issued on February 28, 1950. This is one of beginning of the using the plastic money or this is the first entry of plastic money in market. And this was launched in 1961 at India market. And India was also ready to accept it as Central Bank is the first bank in India who accept and introduce the credit card in 1970. After this many more banks follow the same. And then it increasingly adopts the huge market as all foreign and Indian banks are doing credit card business. But the foreign banks hold the high number of shares due to having the much strength in services like operational and financial strength. The foreign bank also hold high share because of the strong brand identity, etc. After this, with the strongly entry of HDFC Bank, ICICI Bank, SBI Bank and other commercial banks the situation get change automatically. And all Indian banks also started issuing the credit cards. Among all banks some bank's credit card are more published like club card of Citibank , master card of bank of Baroda, ICICI's card and CANARA's card. These cards are designed in such a way so that market or individuals easily accept it whether upper class or lower class, and which give the best service to them. Now in private sector all commercial banks make a strategy to give the cards services at the lower level where they can gain the high number area and increase their income strata. Now day's credit card industry is increase the competitors as mostly all banks offer the credit card and competitive each other.

Current Trends in Credit Card Industry: In current scenario there is a high flood in Indian banks to offering the credit cards to their potential customers. In India the multinational banks operating also introduced an advertising and complete reward program for credit cards holders to increase the awareness. In credit card industry the income comes from credit card is divided into four parts called annual fee, interchange charge, revolving fee and other fee. As per the result of credit card industry, Indian credit card market is growing at almost 30 to 40 per cent annually.

DATA COLLECTION

Primary Data: This study is based on primary data. Interview Schedule is one of the tools which help to collect the data or response from the individuals. In this report we make a questionnaire for the bank's customers who are credit cards holders. Part A includes the question in interview schedule and questionnaire to pertain the demographic profiles respondents, the questions related to banks profile are comes under Part B.

In Part C, the questions are related to the customer who are not use credit cards and those who are not aware about it to know that what factors are effects the decision and awareness of credit cards. The questions pertaining to credit card holders are also included in Part C and the reasons of having the credit card and about services and ratings are included in Part D.

To understand that whether credit card customers are satisfied towards type of credit cards we design Part E and Part F of the questionnaire.

And for understand the experience and get the feedback about services we designed Part G and Part H in questionnaire.

Secondary data

- Magazine
- Internet
- News papers
- Wikipedia
- Quora

Research Methodology

Research Design

Research design is a definite plan determined before any data are actually collected for obtaining a sample from a given population. The research design to use must be decided by the researcher, taking into consideration the nature of the inquiry and other related factors.

The research undertaken was a descriptive research as it was concerned with specific predictions, with narration of facts and characteristics concerning usage and awareness of Credit Card.

Type of research:

It is descriptive type of research. A descriptive study was done with random probability sampling with primary and secondary data are used to give an overview of satisfaction of the customers.

Sources of data collection:

Primary Data:- This method is adopted because it helps in procuring data and detail information from the respondents. Here, collection of data was by filling questionnaires, directly talking to the respondents. Responses are collected directly from customers (face to face) as well as online respondents threw Facebook, Whatsapp and Linkdin.

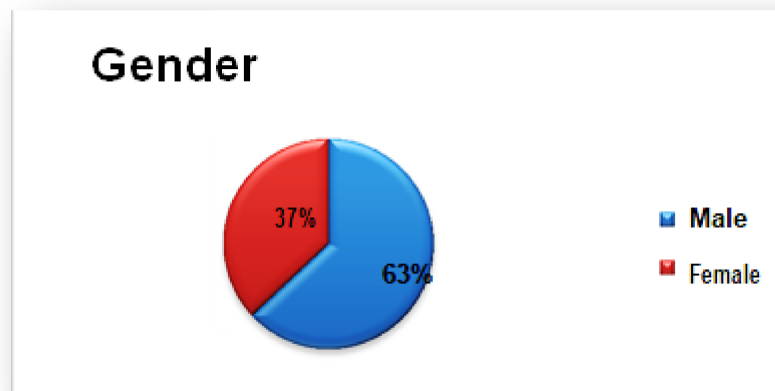
Secondary Data:- Previous database.

Sample size: 100

Sample size refers to the number of items to be selected from a sample. Responses are taken from online as well as offline responders. Responder can be any person who uses cards.

RESULT ANALYSIS

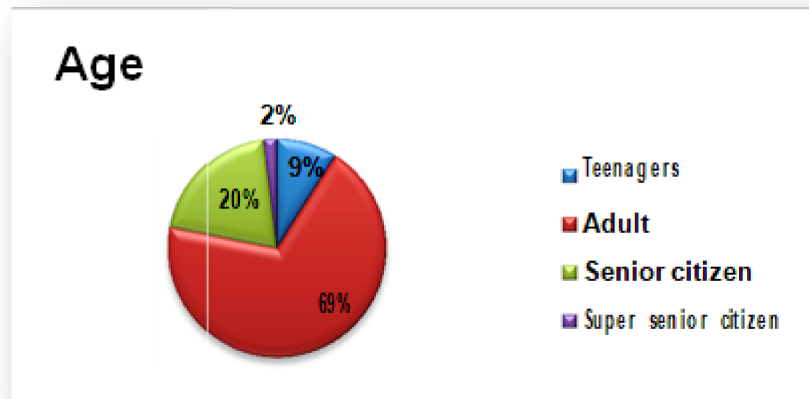
1. This graph shows the gender differentiation within male and female that which gender has given more responses.



Gender	No. Of respondent s	Percenta ge
Male	63	63%
Female	37	37%
Total	100	100%

In my survey there are 63% respondents are male and 37% are females.

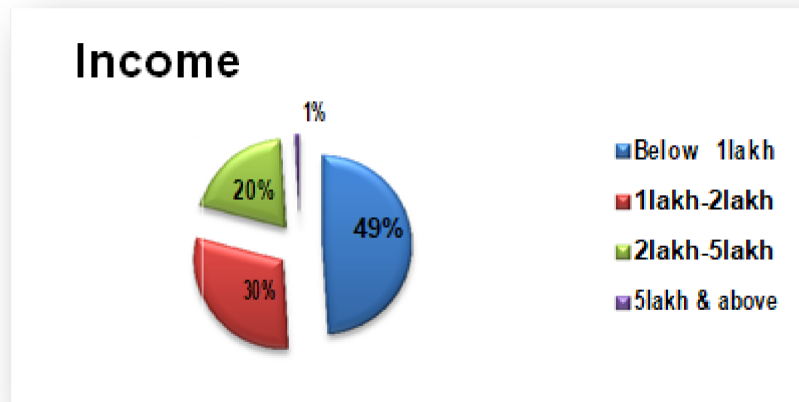
2. This graph shows the age of the respondent.



	No. Of respondents	Percentages
Teenagers	9	9%
Adult	69	69%
Senior Citizen	20	20%
Super Senior Citizen	2	2%
Total	100	100%

In my survey there are only 9% teenagers and 69% of adult. Hence adults are more prefer credit card.

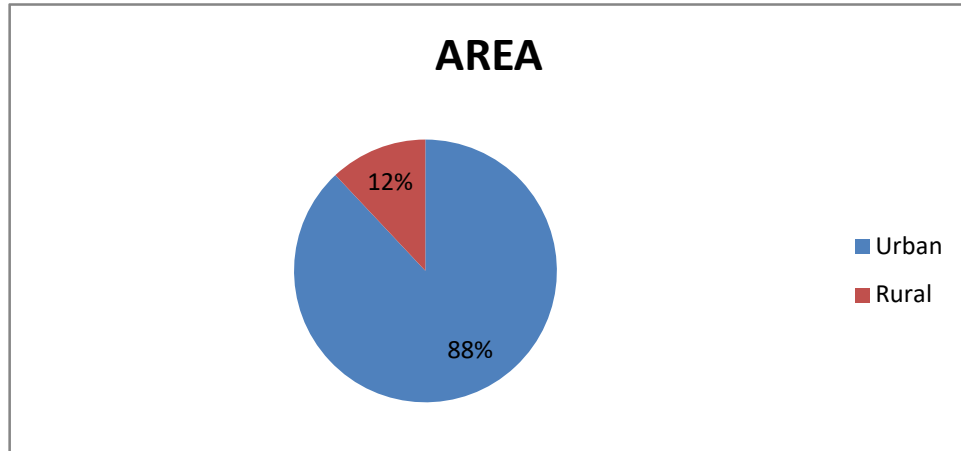
3. This graph shows the income group of the respondent.



	No. Of Respondents	Percent age
Below 1 lakh	49	49%
1 lakh-2 lakh	30	30%
2 lakh-5 lakh	20	20%
5 lakh and above	1	1%
Total	100	100%

Hence there are 49% of respondent who have annual income below 1lakh they prefer credit card.

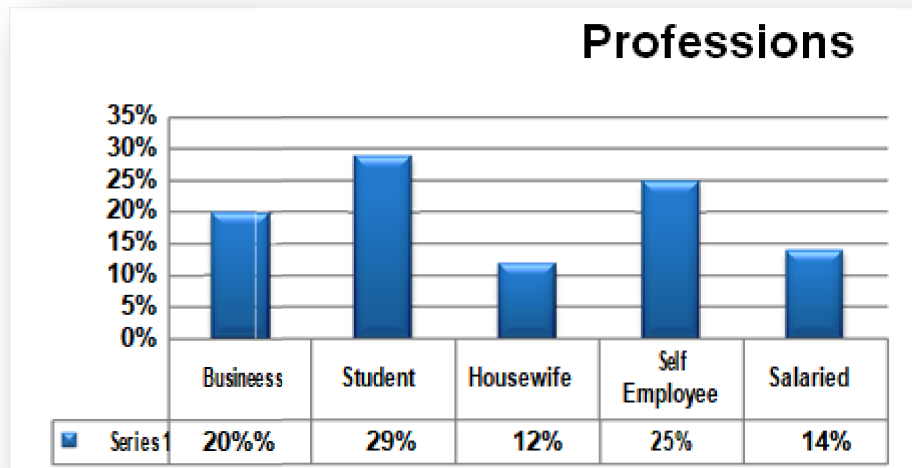
4. This graph shows the Areas of the respondent.



AREA	No. Of respondent
Urban	88%
Rural	12%
Total	100

HENCE THERE ARE MAJORITY OF PEOPLE BELONGS TO URBAN SECTOR

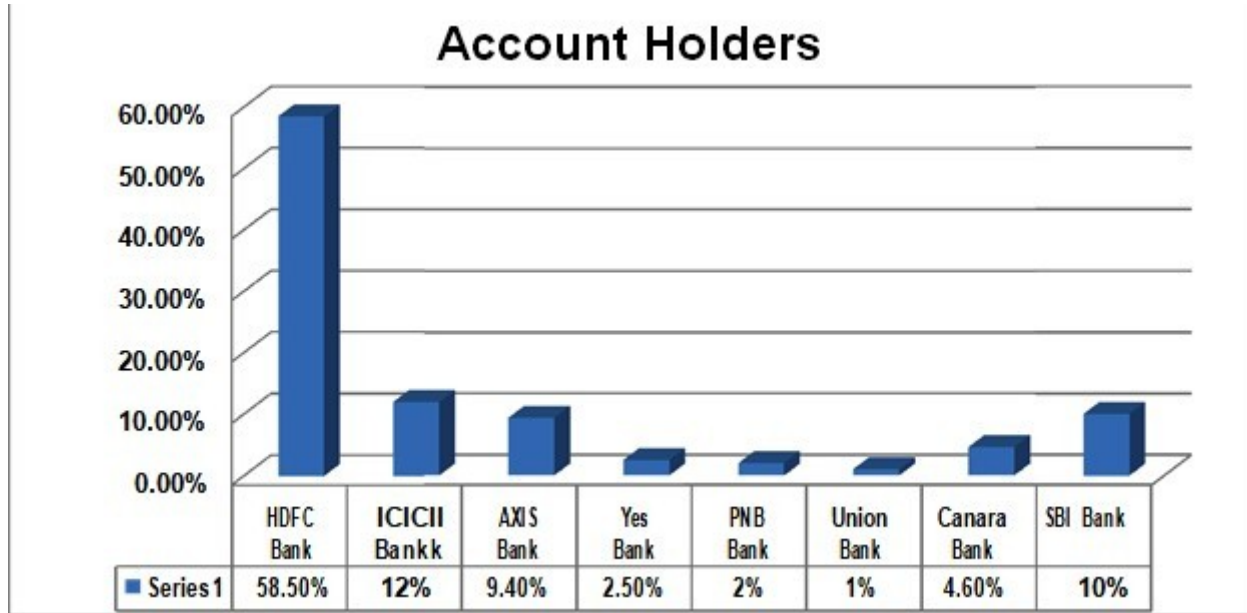
5. This graph shows the profession of the respondent.



	No. Of respondents	Percentage
Business	20	20%
Student	29	29%
Housewife	12	12%
Self Employee	25	25%
Salaried	14	14%
Total	100	100%

Hence in my survey there are 29% are students , 20% are businessman , 12% are housewife, 25% area self employed who had use credit card and 14 % are the salaried person in which some are those who have salaried account are employee also.

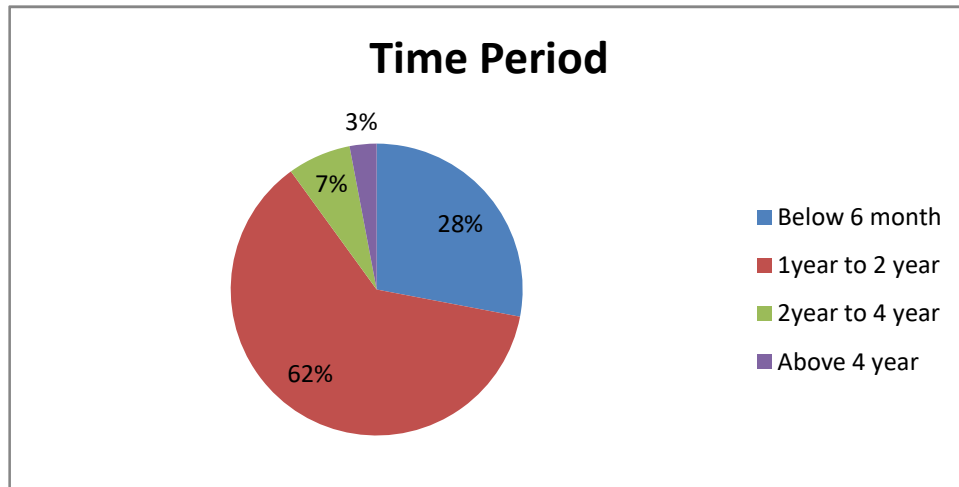
6. This graph shows that which bank's credit card respondent prefer.



	No. Of respondents	Percentage
HDFC Bank	58.5	58.5%
ICICI Bank	12	12%
AXIS Bank	9.4	9.4%
YES Bank	2.5	2.5%
PNB Bank	2	2%
UNION Bank	1	1%
CANARA Bank	4.6	4.6%
SBI Bank	10	10%
Total	100	100%

Hence there are high percentage of the customers who use HDFC Bank' credit card.

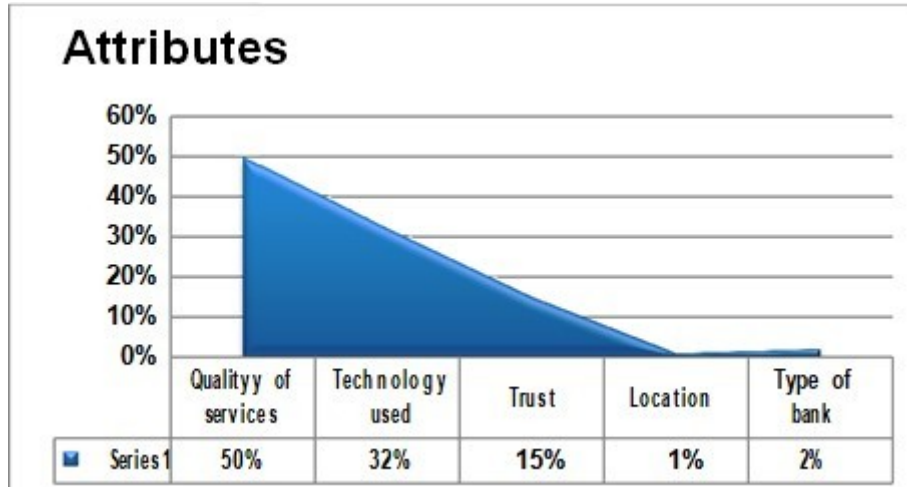
7. This graph shows the time period of using credit card.



Time	No. Of respondent
Below 6 month	28%
1 year to 2 year	62%
2 year to 4 year	7%
Above 4 year	3%
Total	100

HENCE THE MAJORITY OF PEOPLE USING CREDIT CARD USE THEIR CARD FROM 1-2 YEARS

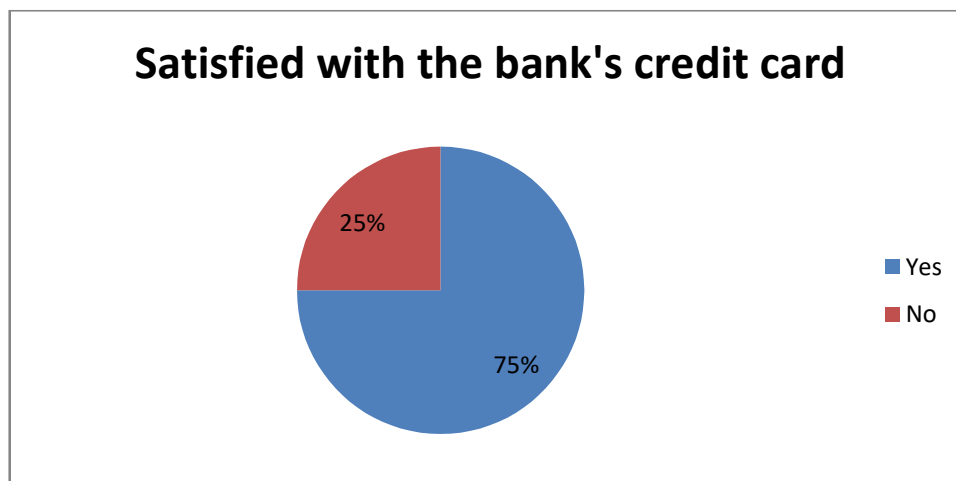
8. This graph shows that why customer chose specific bank and in which attribute customers give the most value.



Attributes	No. Of Respondents	Percentage
Quality of services	50	50%
Technology Used	32	32%
Trust	15	15%
Location	1	1%
Type of bank	2	2%
Total	100	100%

Hence quality of credit card is something which customer values the most.

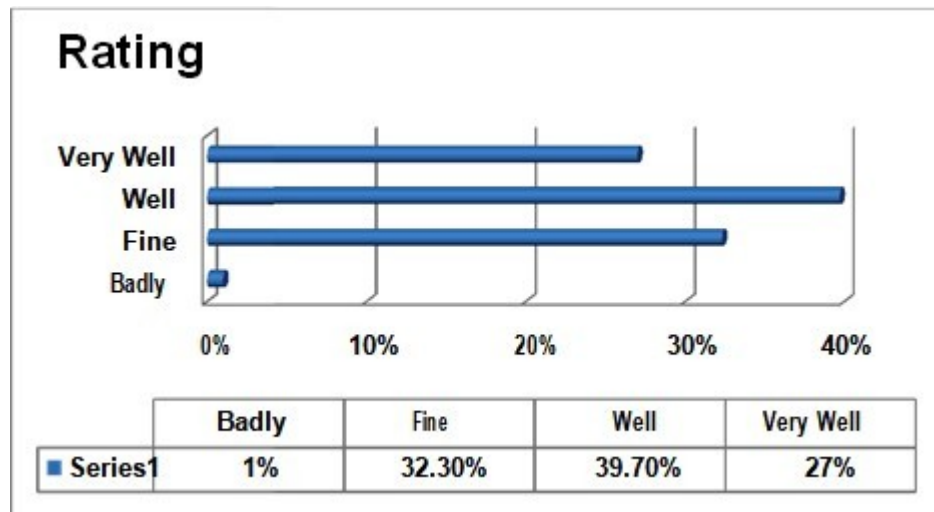
9. This graph shows that is customers are satisfied with bank's credit card or not.



Satisfied	No. Of respondent
Yes	75%
No	25%
Total	100

Hence majority of credit card holders is satisfied with banks.

10. This graph shows the rating given by credit card holders toward services.



	No. Of Respondents	Percentage
Badly	1	1%
Fine	32.3	32.30%
Well	39.7	39.7%
Very Well	27	27%
Total	100	100%

Hence credit card holder gives fine rating to services as we conclude that they are satisfied with the services.

FINDINGS

- From the research it is find out that SBI's credit cards are more popular and aware in public followed by AXIS and ICICI' credit cards.
- From the analysis it is observe that the SBI's agent are the best source of information of credit cards as compare to others.
- It is also find out that advertisement is one of the categories of source of information for AXIS Bank and banks are the source of information for ICICI Bank for their credit cards.
- Through our research we found out that only 64% are aware about the basic price or charges of credit card and 76% are aware of charges imposed on the services.
- It is found out that (68%) of the respondents are not aware about cash withdrawal facility on credit cards. And nobody is aware about the interest fee on credit period.
- It is observe from the analysis that awareness of the majority 88% are aware about the convenience using in credit card. It is depend on the source of information of specific bank's credit cards.
- Use of credit card in ATM is the best service and mostly all response is aware about ATM facility, as per the result.
- As per the demographic level of awareness it is find out that the majority of response are middle age people (68%) and if we see as gender wise then males have more number of 70% and most of the response are educated and employed and those who have accounts in banks

SUGGESTION

Based on the findings of the study, the following suggestions are made here:

Popularizing of Credit Cards

As per the result it is find that credit card are not so popular that the lower level people are get aware about it. So there is suggestion that credit cards need to be more promoted so that awareness can increase in all areas and this promotion can be done threw different platforms like advertisements. Mass media threw doing some activities in banks and promote the credit cards.

Increase the awareness about the services

As credit cards have many features but holders are not aware of all of them and that's the reason they have doubt of getting the credit card so it should be reduced and there should be strong source of information.

Implementation

As per result it is find that those who have credit card are know of its benefits but they are not using it as frequently as they can. So there is one suggestion for the credit card industry that they should have the data of the credit cards holders and make them remind about the timing of usage and the offers and limitation and get the feedback.

Extend the incentives of all type of credit cards

As all individuals are impressed by the incentives and offers given on the credit cards whether professional or non-professional everyone wants something extra so there is one suggestion that credit card industry have to extend the incentives of all type of credit cards and make all people aware about it.

CONCLUSION

The credit card industry faced many issues related to the awareness of its services and features. If we talk about the position of credit cards holders' bank then SBI is one of the banks who launched the landmark of highest credit cards services by 2018.

And it is concluded that there are more of the bank's customer who are not aware of the credit card and its services and those who are aware about it having the fear of get into debt and falling into trap.

It is also conclude that the high class of people who have high earning income and more educated are those who more often use the credit card and availing high limit.

Because of the high interest rate it is found that customer's feedback is not fully satisfied and customers are expect the high services.

Further conclusion is that card holders have the main problem of they fear about lacking the information through banks about the credit cards.

And at last we conclude that credit card industry have to more focus on the promotion part and increase the awareness level because most of the customers are ready to accept it.

QUESTIONNAIR

- AGE GROUP
 - (A) 15—35
 - (B) 35—50
 - (C) 50—60
 - (D) ABOVE 60

- ANNUAL INCOME
 - (A) LESS THAN 100000
 - (B) 100000—200000
 - (C) 200000—300000
 - (D) MORE THAN 300000

- AREA
 - (A) RURAL
 - (B) URBAN

- OCCUPATION
 - (A) LAWYER
 - (B) DOCTOR
 - (C) ENGINEER
 - (D) ARCHITECT
 - (E) CONSULTANT
 - (F) EXPORTER
 - (G) STUDENT
 - (H) OTHERS

BANK CREDIT CARD (BANK NAME)

- (A) AXIS
- (B) ICICI
- (C) SBI
- (D) OTHERS

TIME OF USING CREDIT CARD

- (A) LESS THAN 6 MONTHS
- (B) 1-2 YEARS
- (C) 2-4 YEARS
- (D) MORE THAN 4 YEARS

- WHY CHOSE THIS BANK

- (A) PAST RELATION
- (B) BRAND NAME
- (C) NEAR TO HOME/OFFICE
- (D) OTHER

- SATISFACTION LEVEL

- (A) VERY SATISFIED
- (B) SATISFIED
- (C) INDIFFERENT
- (D) DISSATISFIED
- (E) VERY DISSATISFIED

- SATISFIED WITH BANK SERVICES

- (A) YES
- (B) NO
- (C) FULL
- (D) PARTIALLY

- RATING TO BANK SERVICE

- (A) GOOD
- (B) FAIR
- (C) POOR
- (D) VERY POOR

THANK YOU

