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A Research Study on The Attitude Towards Credit Card Usage Of The Academic Staff At Giresun University in Turkey

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ABSTRACT This study aims to determine the academicians' attitudes towards credit card usage at Giresun University, Turkey. The survey method was used to collect data. Primary data was analyzed by the help of Explanatory Factor Analysis and Structural Equation Modeling. Four dimensions were formed by Explanatory Factor Analysis. Goodness of fit indicators of Structural Equation Model (SEM) calculated and figured out that they are in the goodness of fit limits. SEM, was found statistically significant and according to the results of the model, trusting the credit card have the greatest positive effect on credit card usage of academic staff.

KEYWORDS : Credit Card Attitude, Factor Analysis, Structural Equation Modeling

INTRODUCTION:

Turkey had met with the credit card for the first time in 1968, but credit cards were not accepted as a frequent payment instrument until the 1999's. After this point in time, a rapid growth of credit card usage and diversification of services in connection with credit card had been observed due to developments in the field of automation and service portfolios of the financial institutes.

In Turkey, credit cards became popular because of some advantages of it. For instance, credit cards reduce the risk of carrying cash, consumers can optain their cash needs or spread their payments over time and by this way consumers can gain time to pay. Credit cards also offering installment advantage during the shopping. It makes online shopping easy and safe. Some people think that credit card is an element of prestige (Karamustafa and Biçkes, 2003), (Başaran et. al, 2012:63). Aside from this advantages, high interest rates of credit cards and transaction costs or spending more than income may cause continuous indebtedness. There are some academic studies that support this issue.

(Durukan et. al.,2005:150; Yeniçeri and Akturan, 2007; Girginer et. al.,2008:194; Yılmaz et. al.,2013:32).

According to a study of Girginer et. al. (2008), factor analysis of 16 items formed measuring the attitudes of university students' towards credit card usage and 5 dimensions (behavioural, affective, cognitive, anxiety, security) maintained. For affective and security dimensions, the differences between students who are credit card users and not credit card users found significant. And this study also showed that students with low incomes display less anxious attitudes in using credit cards according to the others.

Girginer et. al. (2011), searched the validity and reliabilily of the Credit Card Attitude Scale developed by Girginer and et. all (2008) that had been formed by Hayhoe et. all (1999) with the help of Confirmatory Factor Analysis (CFA). The findings showed that validity degree of the scale with 4 dimensions formed by CFA was higher than the vality degree of the scale with 5 dimensions formed by Explanatory Factor Analysis (EFA). The Structural Equation Model (SEM) found significant. According to the findings, anxiety attitudes have the greatest positive influence on the behaviours. When students' anxiety increases, they have tendency to use more different types of credit cards to reduce their financial risks.

Kaya (2008), researched the attitudes that influences the credit card preference of the card owners. It is determined that the reliability of the bank is the most important element for credit card users' choice.

In a study by Başaran et. al. (2012), perception level of sufficient informative bank services stated as an important fact for credit card usage of individuals. All informations related to the use of bank cards submits great importance for cardholders.

Norvilitis et. al, (2006), identified that the majority of the college students use their credit cards for their tuition payments and textbook purchases.

Çiçek and Demirdelen (2010), examined the academicians' credit card choice and according to the study findings, the effective elements on card prefences are "Withdrawal of Salaries from the Same Bank" and "Prestige of the Bank". With the study it is also determined that female academicians prefer to use credit cards because of reducing cash risk and associate professors, research assistants choose credit cards as a payment instrument due to the installment option.

Objectıve of the Study:

The aim of the study is to examine the academicians' attitudes towards credit card usage at Giresun University, Turkey.

The main reasons for choosing to study on academic staff is the sample's high education degree and income level can be comparable with previous studies.

RESEARCH METHODOLOGY:

This reseach is based on primary data and limited to 158 academicians at Giresun University, Turkey.

Data were gathered through questionnaire between 11.04.2015 and 19/06/2015 by using simple random sampling method. Questionnaires were conducted in both face to face method and computer internet environment.

In this study, Exploratory Factor Analysis and Multiple Regression Analysis applied to the data and the factors which affect directly to the rational use of credit cards were determined.

Tools for the Study:

The questionnaire was developed due to the literature (Başaran, 2012). Likert type scale with 5 choices used as a tool for scoring the values of items. Statistical Package for the Social Sciences (SPSS20) programme was used to analyse the data.

RESULTS AND INTERPRETATION OF THE DATA:
Table 1: Demographic Variables of Respondents

Sex	No. of Respondents	Percentage
Female	59	37.3%
Male	99	62.7%
Total	158	100%
Marital Status	No. of Respondents	Percentage
Single	34	21.3%

Married	124	78.5%
Total	158	100%
Age	No. of Respondents	Percentage
21-30	38	24.1%
31-38	69	43.7%
39-49	41	25.9%
50-58	9	5.7%
59≥	1	0.6%
Total	158	100
Academic Title	No. of Respondents	Percentage
Professor	6	3.8%
Associate Professor	9	5.7%
Assistant Professor	56	35.4%
Reseach Assistant	14	8.9%
Dr. Reseach Assistant	1	0.6%
Dr. Lecturer	4	2.5%
Lecturer	52	32.9%
Instructor	13	8.2%
Other	3	1.9%
Total	158	100%

Table 1, shows the demographic variables of academic staff who responded to the survey. Out of 158 respondents, 62.7% of the respondents are male, 78.5% married, 35.7% working under the title of Assistant Professor and 43.7% of the respondents belong to the age group of "31-38".

Table 2: Findings of Exploratory Factor Analysis

FACTORS	Factor Loadings	Variance explained (%)	α
Factor 1:Credit Card Trust		21.113	0.866
s2: Using credit card does not effect my expenditures to adjust according my budget	0.853		
s4: I think using credit card does not lead to spend more.	0.824		
s5:Using credit card does not cause irregular spending.	0.812		
s1: Using credit card does not cause excessive borrowing	0.780		
s3: Using credit card does not prevent me from making price comparisons during shopping.	0.734		
Factor 2:Rational Spending		16.377	0.809
s21: I consider my previous installment when I do shopping with my credit card.	0.746		
s20: I check my credit card's interest rate which will be operated	0.741		
s16: I calculate my next credit card debt in advance.	0.738		
s19: If I use my credit card for cash advances, I calculate the cost in advance.	0.685		
s17: I consider my credit card limit when shopping.	0.683		
s18: I use my credit card after making comparison with other payment methods.	0.638		
Factor 3:Credit Card Information		14.177	0.831
s10: The thought that the banking services are sufficient	0.838		
s9: Web sites of banks is informative enough about the use of credit cards.	0.823		
s7: rapid response given by the bank to my questions about the credit card.	0.758		

s8: My bank give all information about legislation and amendments made to the credit card.	0.743		
s6: The clarifications provided by the Bank in the account statement is informative enough.	0.679		
Factor 4: Credit Cardless Expenditure		8.673	0.754
s14: Avoiding essessive borrowing in credit cardless shopping	0.786		
s13: I try not to spend a significant species during cardless spending.	0.746		
s12: Pay attention to the prices of the products I buy during my cardlessshopping.	0.705		
s15: I plan my cardless shopping in advance.	0.696		

Table 2, shows the findings of Exploratory Factor Analysis with varimax rotation. Scale reliability, variance explanation rate, factor loadings of 21 item given on this table. We calculated Cronbach Alpha α=0.70 and this value is acceptable (Meydan and Şeşen 2015).

This multivariate statistical method help us to decrease a large number of variables into a smaller set of variables. This process allows the formation and refinement of theory by establishing underlying dimensions between measured variables and latent constructs. The analysis provides construct validity evidence of self-reporting scales. EFA method support us find out the number of factors influencing variables and to analyze which variables "go together" (Yong and Pearce, 2013:80).

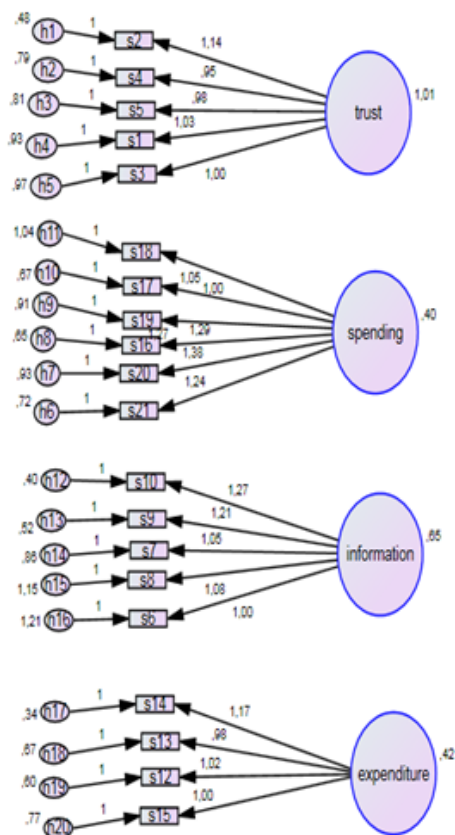Table 3: Findings of Structural Equation Model

Table 3, shows the results of Structural Equation Model for factors and items.

Table 4: Structural Equation Model's Suitability

Compliance Measurements	Good Compliance	Acceptable Compliance	Proposed Model	Results
RMSEA	0‹RMSEA‹0.05	0.05≤ RMSEA≤0.10	0.044	0.077
NFI	0.95≤NFI≤1	0.90≤NFI≤0.95	0.905	0.759
CFI	0.97≤CFI≤1	0.95≤CFI≤0.97	0.956	0.865
GFI	0.95≤GFI≤1	0.90≤GFI≤0.95	0.932	0.833
AGFI	0.90≤AGFI≤1	0.85≤AGFI≤0.90	0.911	0.794

Souce: Schermelleh-Engel and Moosbrugger, 2003:36

Table 4, exhibits the values of criterias which shows the conformity of the model (SEM). RMSEA value found 0.077 and this value represents the acceptable comformity of the model. Another criteria which proves the comformity of the model, can be found by dividing the chi-square value () to the degrees of freedom (329.1/170=1.935). The calculated value 1.935 is less than 3. Therefore we can again say that the model is acceptable.

According to the results, the most effective variable is "Using credit card do not effect my expenditures to adjust according my budget" item together with "Trust of Credit Card" (1.14). Likewise, there is a good relation (1.38) between "Rational Spending" (Factor 2) and "I check my credit card's interest rate which will be operated" item (s20). "Credit Card Information" (Factor 3) and "The thought that the banking services are sufficient" (s10) has an effective relationship between each other (1.27). (Factor 4) "Credit Cardless Expenditure" has an effective change with the variable (s14) "Avoiding Essessive Borrowing in Credit Cardless Shopping" item (1.17).

Conclusion:

The result of the study demonstrated 4 premier factors influencing academicians' attitudes towards credit card usage at Giresun University, Turkey. The factors named as "Trust of Credit Card", "Rational Spending", "Credit Card Information" and "Credit Cardless Expenditure". According to the result of the SEM, trust of credit card have the greatest positive effect on credit card usage of academicians'.

This study focused on academic staff at Giresun University, Turkey. Future researches may consider the applicability of the findings to the other university staffs or other people working in different occupations.

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