



The Respondents Opinion on The Way of Using The Credit Cards in Coimbatore

KEYWORDS

Credit cards, Coimbatore.

Dr. G. MURALI MANOKARI

Assistant Professor in Management Studies Nehru Institute of Engineering and Technology Coimbatore.

ABSTRACT Now a day's credit card has become a vital tool for the major transactions we made. Majority persons were using credit cards. Many of them were using it wisely without paying any penalty amount and some are not conscious on their credit details and so they face problem for paying it. Based on the CIBIL rating the customers were valued in their banks. It becomes an easy mode payment. As Coimbatore is fastest growing, is selected for the study. 150 samples have been collected from the cardholders of different leading private banks in Coimbatore. The Perception on the way of using the Credit cards can be influenced by certain positive and negative factors. To study this "Z" test and ANOVA techniques are applied.

The card payment is the flexible and the safest way of communication, many of the transactions are done through card now a days. If Customers use a credit card responsibly, they're actually much better off paying with credit than with debit. The grounds regarding the positive and negative way of using credit cards were taken and the data were collected. The main purpose of the study is to find out the influence of the demographic variables in the usage of credit cards.

The Parameters such as Credit card is just a status, Credit card is a multipurpose instrument, Credit card prevents carrying money, Credit card can be used for immediate purchase, Credit card is an easy mode of transaction, Credit card is a boosting for the economy is taken as the positive way of using credit cards. And the parameters Credit card can be misused, Credit card cannot be used for all the transactions, credit card reduces savings, Credit card gives a negative social image are taken as the negative way of using credit cards. 30 respondents from the leading private banks such as HDFC, ICICI, City Bank, Axis Bank, and Standard Chartered were taken as sample.

Table : 1 GENDER AND THE OPINION ON THE WAY OF USING CREDIT CARDS.

Gender of the respondents is taken into consideration to assess whether it influences the Opinion on the Positive and Negative way of having Credit Cards. From the table there is a High level of opinion on the respondents regarding the Positive way of having Credit cards. The Opinion of the respondent on the Negative way of having Credit card with respect of their Gender is of Above average. To test the association the following Null hypothesis has been formulated.

	Age	Mean	Level of opinion	Std. Devn	Co-Vari	IZI	Sig.
+ve way of using Credit cards	Men	20.25	High	2.94	14.51	1.95	.052
	Wom-en	20.75		2.89	13.91		
-ve way of using Credit cards	Men	7.89	Above Avg	1.65	20.87	.269	.788
	Wom-en	7.84		1.79	21.91		

Source: Primary data

When comparing, the value of Covariance of the Men respondents regarding the positive way of having Credit card are high and the Women respondents are low. When comparing, the variability among the Women respondents regarding the negative way of having Credit card are high and the variability among the Men respondents are low.

Null Hypothesis: The association between the gender of the respondents and their level of opinion towards the positive and negative way of having Credit card is significant.

The Sig ($p > 0.05$) the level of significance we accept the Null Hypothesis. It shows that the association between the gender of the respondents and their level of opinion towards the positive and negative way of having Credit card is significant.

Table : 2 MARITAL STATUS AND THE OPINION ON THE WAY OF USING CREDIT CARDS.

Marital status of the respondents is taken into consideration to assess whether it influences the Opinion on the Positive and Negative way of having Credit card. From the table it is understood that the level of opinion is High for Positive way of using Credit Cards. The respondents opinion is of Above average for the Negative way of using Credit Cards. To test the association the following Null hypothesis has been formulated.

	Marital status	Mean	level of opinion	Std. Devn	Co-Vari	IZI	Sig.
+ve way of using Credit cards	Un-married	20.32	High	2.88	14.20	.639	.523
	Married	20.47		2.96	14.47		
-ve way of using Credit cards	Un-married	7.79	Above Avg	1.76	22.84	1.768	.078
	Married	7.97		1.59	19.98		

Source: Primary data

When comparing, the variability among the Married respondents regarding the positive way of having Credit card are high and the variability among the Unmarried respondents are low and the variability among the Unmarried respondents regarding the negative way of having Credit card are high and the variability among the Married respondents are low.

Null Hypothesis: The association between the marital status of the respondents and their level of opinion towards the positive and negative way of having Credit card is significant

The Sig (p) > 0.05 the level of significance, we accept the Null Hypothesis. It shows that the association between the marital status of the respondents and their level of opinion towards the positive and negative way of having Credit card is significant.

Table: 3 TYPE OF FAMILY AND THE OPINION ON THE WAY OF USING CREDIT CARDS

Type of family of the respondents is taken into consideration to assess whether it influences the Opinion on the Positive and Negative way of having Credit card. With respect to their type of family the respondents level of opinion is of above average regarding the negative way of using Credit cards. To test the association the following Null hypothesis has been formulated.

	Type of family	Mean	level of opinion	Std. Devn	Co-Vari	IZI	Sig.
+ve way of using Credit cards	Joint	20.63	High	2.92	14.16	1.578	.115
	Nuclear	20.25		2.90	14.33		
-ve way of using Credit cards	Joint	7.80	Above Avg	1.73	22.15	.766	.444
	Nuclear	7.91		1.62	20.54		

Source: Primary data

When comparing, the value of Covariance for the Joint family respondents regarding the positive and negative way of having Credit card are high and the Nuclear family respondents are low.

Null Hypothesis: The association between the Type of family of the respondents and their level of opinion towards the positive and negative way of having Credit card is significant

The Sig (p) > 0.05 the level of significance, we accept the Null Hypothesis. It shows that the association between the Type of family of the respondents and their level of opinion

ion towards the positive and negative way of having Credit card is significant

Table: 4 AGE OF THE RESPONDENTS AND THE OPINION ON THE WAY OF USING CREDIT CARDS

Age of the respondents is taken into consideration to assess whether it influences the Opinion on the Positive and Negative way of having Credit cards. the respondents have a High level of opinion on the positive way of using Credit cards and there is an Above average level of opinion on Negative way of using Credit cards. To test the association the following Null hypothesis has been formulated.

	Age	Level of satisfaction			Level of opinion	Std. Devn	Co-Vari	F	Sig.
		Low (Min)	Mean (Avg)	High (Max)					
+ve way of using Credit cards	< 30	19.90	20.26	20.61	High	2.75	13.56	.811	.488
	31-40	20.14	20.53	20.93		2.95	14.38		
	41-50	19.69	20.28	20.87		3.20	15.77		
	>50	20.00	20.86	21.72		3.02	14.46		
-ve way of using Credit cards	< 30	7.52	7.74	7.96	Above Avg	1.67	21.56	1.237	.295
	31-40	7.70	7.91	8.12		1.59	20.06		
	41-50	7.77	7.98	8.42		1.76	22.06		
	>50	7.29	7.80	8.31		1.78	22.88		

Source: Primary data

When comparing, the value of Covariance for the Age group of 41-50 are high and for the age group of below 30 are low for the respondents having a positive opinion on the way of having the Credit card. When comparing, the value of Covariance for the Age group of above 50 are high and for the age group of 31-40 are low for the respondents having a negative opinion on the way of having the Credit card.

Null Hypothesis: The association between the age and level of opinion towards the Positive and Negative way of having Credit card is significant.

The Sig (p) > 0.05 the level of significance we accept the Null Hypothesis. It shows that the association between the age and level of opinion towards positive and negative way of having Credit card is significant.

Table : 5 EDUCATION OF THE RESPONDENTS AND THE OPINION ON THE WAY OF USING CREDIT CARDS

It is understood that the respondents Opinion on the Positive way of having Credit with respect to their Education is High and it is of Above average for the Negative way of using Credit cards. To test the association the following Null hypothesis has been formulated.

	Education	Level of satisfaction			Level of opinion	Std. Devn	Co-Vari	F	Sig.
		Low (Min)	Mean (Avg)	High (Max)					
+ve way of using Credit cards	School	18.84	20.13	20.23	High	3.10	15.40	2.818	.038
	U.G	20.03	20.49	20.95		2.96	14.43		
	P.G	20.26	20.61	20.96		2.75	13.33		
	Professional	19.96	20.46	20.97		3.03	14.82		
-ve way of using Credit cards	School	6.88	7.29	7.68	Above Avg	1.79	24.59	4.348	.005
	U.G	7.76	7.93	8.29		1.69	21.31		
	P.G	7.65	7.86	8.08		1.64	20.91		
	Professional	7.78	7.96	8.30		1.56	20.63		

Source: Primary data

When comparing, the value of Covariance for the School education respondents are high and for the Post graduate respondents are low regarding the opinion on the positive way of having the Credit cards.

When comparing, the value of Covariance for the School respondents are high and for the Professional Graduates are low regarding the opinion on the negative way of having the Credit cards.

Null Hypothesis: The association between the Education and the level of opinion towards way of having Credit cards are significant.

The Sig (p) < 0.05 the level of significance, the Null Hypothesis is rejected. It states that the association between the Education and the level of opinion on way of having Credit cards are not significant. To find out which education category of respondents has significantly higher opinion on the way of using Credit card Post Hoc Test is applied

Post Hoc Test

	Education(I)	Education(J)	Mean Difference (I-J)	Sig.
+ way of having Credit cards	Post graduate	School education	1.07947(*)	.024
		Under graduate	.12055	.978
		Professional	.14632	.965
- way of having Credit cards	Professional	School education	.76377(*)	.006
		Under graduate	.01710	1.000
		Post graduate	.17901	.739

From the table it is understood that the respondents of post graduates has significantly higher opinion on the respondents of school education with respect to the Positive negative way of using Credit cards. The professional respondents have significantly higher opinion on the negative way of using Credit cards than the school education category.

Table: 6 OCCUPATION OF THE RESPONDENTS AND THE OPINION ON THE WAY OF USING CREDIT CARDS

The respondents Opinion on the Positive way of having Credit with respect to their Occupation is High and it is of Above average for the Negative way of using Credit cards. To test the association the following Null hypothesis has been formulated.

	Occupn.	Level of satisfaction			Level of opinion	Std. Devn	Co-Vari	F	Sig.
		Low (Min)	Mean (Avg)	High (Max)					
+ve way of using Credit cards	Pvt. sector	20.05	20.35	20.65	High	2.65	13.05	1.008	.389
	Gov. sector	19.77	20.39	21.02		3.26	16.01		
	Self.	20.18	20.76	21.27		2.95	14.22		
	Professional	19.27	20.00	20.73		3.38	16.92		
-ve way of using Credit cards	Pvt. sector	7.89	7.97	8.25	Above Avg	1.60	20.08	6.185	.000
	Gov. sector	7.30	7.62	7.93		1.65	21.61		
	Self.	7.06	7.39	7.72		1.76	23.82		
	Professional	7.77	7.92	8.52		1.73	21.84		

Source: Primary data

When comparing, the value of Covariance for the respondents belongs to Professional sector are high and for the respondents belongs to Private Sector are low with respect to the positive opinion on the way of having the Credit. When comparing, the value of Covariance for the respondents of Self employed are high and for the respondents of Private Sector are low with respect to negative way of having the Credit.

Null Hypothesis: The association between the Occupation and the level of opinion on the positive and negative way of having Credit is significant.

The Sig (p) > 0.05 the level of significance we accept the Null Hypothesis for the positive way of having Credit cards. It shows that the association between the Occupation and the level of opinion towards the positive way of having Credit is significant.

The Sig (p) < 0.05 the level of significance, the Null Hypothesis is rejected for the negative way of having Credit cards. It shows that the association between the Occupation and the level of opinion towards the negative way of having Credit is not significant.

To find out which occupation category of respondents has significantly higher opinion on the negative way of using Credit card Post Hoc Test is applied

Post Hoc Test

	Occupation(I)	Occupation(J)	Mean Difference (I-J)	Sig.
-ve way of using Credit cards	Professional	Private sector	.07473	.983
		Government sector	.52435	.130
		Self employed	.75180(*)	.009

From the table it is understood that the Professional respondents has significantly higher opinion on negative way of using Credit cards than the self employed category. Though there exist difference between other groups the difference is not significant.

Table : 7 INCOME OF THE RESPONDENTS AND THE OPINION ON THE WAY OF USING CREDIT CARDS

The respondents Opinion on the Positive way of having Credit with respect to their Income is High and it is of Above average for the Negative way of using Credit cards.

To test the association the following Null hypothesis has been formulated.

	In- come	Level of satisfaction			Level of opinion	Std. Devn	Co- Vari	F	Sig.
		Low (Min)	Mean (Avg)	High (Max)					
+ve way of using Credit cards	< 10k	20.00	20.66	21.31	High	2.99	14.46	.771	.544
	10k1- 20k	19.88	20.25	20.62		2.78	13.73		
	20k1- 30k	19.89	20.41	20.93		3.16	15.48		
	30k1- 40k	20.06	20.60	21.14		2.87	13.95		
	> 40k	19.01	20.19	20.58		2.98	14.76		
-ve way of using Credit cards	< 10k	7.44	7.87	8.29	Above Avg	1.94	24.69	1.681	.153
	10k1- 20k	7.83	7.94	8.25		1.59	20.03		
	20k1- 30k	7.44	7.74	8.04		1.82	23.55		
	30k1- 40k	7.33	7.62	7.90		1.51	19.88		
	> 40k	7.70	7.91	8.52		1.39	17.57		

Source: Primary data

When comparing, the value of Covariance for the respondents belongs to Rs.20001-30000 income category are high and for the respondents belongs to Rs.10001-20000 income category are low with respect to the positive opinion on the way of having the Credit.

When comparing, the value of Covariance for the respondents of belongs to Below Rs.10000 income category are high and for the respondents of Above Rs.40000 income category are low with respect to negative way of having the Credit.

Null Hypothesis: The association between the Income and the level of opinion towards the positive and negative way of having Credit is significant.

The Sig (p) > 0.05 the level of significance we accept the Null Hypothesis. It shows that the association between the Income and the level of opinion towards the positive and negative way of having Credit is significant.

Findings with respect to the respondents opinion on the way of using Credit cards

Regarding Age, 65% of respondents are from the age group of below 30. 72% of the respondents are men. 87% of respondents are married. 79% of respondents are Post graduates. 91% of the respondents are working in Private sectors. 73% of the respondents are in the income group of Rs.20001-30000. 69% of respondents belong to Nuclear family.

The association between the Gender, Marital status, Type of family, Age, Occupation, Income of the respondents and their level of opinion towards the positive and negative way of having Credit card are significant.

The association between the Education and the level of opinion on way of having Credit cards are not significant

Conclusion

Controlled use of a credit card can help the customers establish credit. By encouraging the spending through credit cards, unaccounted sales can be eliminated and ultimately it benefits government in the form of various taxes. Credit card industry are having more customer friendly offers like discounts in stores, emergency cash withdraw, cash on call, loan on credit card, etc. But the most important thing for a customer to avail and enjoy those is to build the Credit history. Basically the respondents prefer the Credit cards for convenience only. As Credit card is convenient mode of payment, people should be given adequate information proactively. By using credit card the card holder can easily trace and monitor their account spending easily.