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A STUDY ON THE AWARENESS AND SATISFACTION OF THE DEBIT AND CREDIT CARD HOLDERS IN AMRAVATI CITY

KEY WORDS: Pearson Correlation.

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ABSTRACT

The present research is based on the awareness level and the satisfaction of the debit card and credit card holders with respect to the card services offered by the banks in Amravati city. People use more of the plastic money than the liquid cash. Card payment saves one from many risks which are involved in the cash payment. The study has primarily taken into consideration factors like age and education of the card holders. The study also shows the association between awareness and satisfaction of the card holders. Hence, Pearson Correlation is used for the purpose of data interpretation.

INTRODUCTION

We are living in such a dynamic country where opportunities get multiplied and create bigger opportunities. Opportunities for all kinds of business, goods, services and that is how, there is a grant and huge market for Debit and Credit card. The concept of card and its usage is not new to Indian customers. Cards have made significant growth in past decade in India. And the current era is experiencing a different spirit in people with regard to card or cashless society. Plastic money has caught the attention of Central Banks, financial authorities, law enforcement agencies etc. As today with the growing technology people are becoming smart and they need smarter ways to live their life in all aspects (Gormez & Capie, 2003). People are willing to pay for almost everything with card, it is because of its convenience. Technology has provided a helping hand to banking sector.

Highly educated people use credit card more, availing high credit limits. The usage extent of credit card is smaller among higher proportion of the card holders. Due to high rate of interest customer satisfaction is less (Deviranjitham & Thamilarasam, 2014). E-banking will be successful for banks only when they have commitment to e-banking along with a deeper understanding of a customer needs. She stated that different age group of customers have different perception towards the e-banking services (Fozia, 2013). The satisfaction of the customer is the primary aim of banking sector thus widening the scope of banking services. Consumers who prefer convenience are more likely to get attracted towards debit card. The evolution of electronic money is a striking trend in the area of Retail Payments (BOJ, 2008).

Recent Changes in Card Services by Reserve Bank of India

On 16th March 2020, the Reserve Bank of India has changes rules and regulations regarding cards and also announced some new features that will assist customers in various means and ways.

The recent changes by the RBI are as follows:

1. The RBI has directed banks to allow only domestic card transactions at ATMs and Point of Sale (PoS) terminals in India at the time of issuance/re-issuance of the card.
2. The card holder now has to choose an option for their debit or credit card international transaction, online transaction, contactless transaction etc. which was earlier available by default to all the card holders.
3. A card holder can change the limit of transaction within the overall card limit for all different types of transactions. All the customers from now on are allowed to set up their transaction limits for the debit or credit card.
4. RBI has asked all the banks and card issuing companies to

disable online payments for all those debit and credit cards which have never been used for online or contactless transactions in India or abroad.

Review of Literature

Jajoo and Laturkar (2011) found in their research that debit card transactions had reduced the cash transactions in the retail sector by about 5 percent. However, the number of transactions per debit card is lower than the credit card. Kosse. A (2013) discussed about the safely measures of cash and debit cards. They determined that customer's preference in case of payment is strongly influenced by their views on safety of payment instrument. Bachas et al. (2017) suggested that trust in any financial institution is not a sufficient condition but a necessary condition. Mynuddin (2016) found that Debit card is highly related to Modern Economy. Commercial Banks in Bangladesh must look into the identified factors before issuing debit card to the users. They must educate consumers about the services and benefits of the Debit card. Radhika and Devi (2018) revealed that in the case of transactions, more than 50 percent of respondents choose cash payment for the values less than 10,000. This indicates that customers prefer cash payment for low value transactions.

Objectives of the research

- 1) To study the relation between awareness and satisfaction of the card holders in Amravati city.
- 2) To study the relation between education and awareness about card services.
- 3) To study the relation between age and satisfaction level of card holders in Amravati city.

Hypothesis of the research

- H₁- There is a relation between awareness and satisfaction of the card holders in Amravati city.
- H₂- There is a relation between education and awareness about card services.
- H₃- There is a relation between age and satisfaction level of card holders in Amravati city.

Scope of the research

The present study is a precise research on the awareness and satisfaction of the card holder. This study will provide a wide range of knowledge to the parties involved from the supervisory authorities to the bankers and then customers to be aware of imperative areas of concern. The proposed study covers Amravati district, the relevant information regarding the mentioned area, the population, and various elements and the result can be mentioned as scope of the study. In future the same study can be conducted in other district or state of a country.

Limitations of the research

The sample taken for the study is restricted to Amravati City and therefore the results attained may not be constant with any other location.

Research Methodology

The present study follows Descriptive method of research as it combines an observation, interview and survey. For data collection purpose Simple Random sampling method was used. The data was collected from both the sources primary as well as secondary. In the study, 100 card holders were asked to fill the questionnaire. Secondary data was collected from various reports, papers, review articles, books, newspaper etc. After data collection, analysis was done using Pearson's Correlation. Analysis of the data was done with the help of SPSS Software. The present study conducted a survey and gathered data of the behaviour of credit and debit card holder.

Data Analysis and Interpretation

Demographic Profile of Card Holders

The demographic details of the respondents is as follows: The age of respondents, 25 respondents were aged 18 to 25, 25 respondents were aged 26 to 35, 25 respondents were aged 36 to 45 while remaining 25 respondents were aged above 46. The study has 46 Male respondents and 54 Female respondents. Out of all 100 respondents, 61 respondents were married while 39 respondents were unmarried. The educational qualification of the respondents was 27 respondents were Under Graduate, 29 respondents were Graduate, 38 respondents were Post Graduate and 10 respondents were Doctorate.

Table No. 2: Hypothesis 1

H₀- There is no relation between awareness and satisfaction of the card holders in Amravati city.

H₁- There is a relation between awareness and satisfaction of the card holders in Amravati city.

Correlations			
		Awareness	Satisfaction
Awareness	Pearson Correlation	1	.086
	Sig. (2-tailed)		.396
	N	100	100
Satisfaction	Pearson Correlation	.086	1
	Sig. (2-tailed)	.396	
	N	100	100

The mean of Awareness among the card holders is 4.13 and mean of Satisfaction level is 2.91. The standard deviation of awareness and satisfaction is 0.564 and 0.427 respectively. According to the analysis, there is a Negligible Correlation between awareness and satisfaction among the card holders of Amravati city. Also, as the p-value is greater than the significance value of 0.05, the correlation is not statistically significant.

Table No. 3: Hypothesis 2

H₀- There is no relation between education and awareness about card services.

H₁- There is a relation between education and awareness about card services.

Correlations			
		Education	Awareness
Education	Pearson Correlation	1	.161
	Sig. (2-tailed)		.109
	N	100	100
Awareness	Pearson Correlation	.161	1
	Sig. (2-tailed)	.109	
	N	100	100

The mean of Education of the respondents is 2.31 and mean of awareness level is 4.13. However, the standard deviation of education and awareness is 0.982 and 0.564 respectively.

After the analysis, the values show that there is no association between education and awareness among the card holders of Amravati city. The p-value is greater than the significance value of 0.05, thus correlation is not statistically significant.

Table No. 4: Hypothesis 3

H₀- There is no relation between age and satisfaction level of card holders in Amravati city.

H₃- There is a relation between age and satisfaction level of card holders in Amravati city.

Correlations			
		Age	Satisfaction
Age	Pearson Correlation	1	-.095
	Sig. (2-tailed)		.349
	N	100	100
Satisfaction	Pearson Correlation	-.095	1
	Sig. (2-tailed)	.349	
	N	100	100

The mean of Age of the respondents is calculated as 2.5 and mean of satisfaction level is 2.91. In this case, the standard deviation of age is 1.12 and satisfaction is 0.427. According to the analysis, the values show that there is Low Negative correlation between age and satisfaction among the card holders of Amravati city. The p-value is greater than the significance value of 0.05, so we can say that correlation is not statistically significant.

CONCLUSION

The present study tries to find out the relation between awareness and satisfaction of the debit and credit card holders of the Amravati city. The study majorly focused on two demographic factors age and education of the card holders. There has been no correlation between awareness and satisfaction of the debit and credit card holders. Also, the study has not found any association between the educational background and the awareness level regarding card services among the card holders. However, there has been a very low negative association among the age and the awareness level of the respondents. It is also to know that the results of the research are not statistically significant in all the three cases. Thus, we can say that there is almost no association among all the factors taken for this study.

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