

CHAPTER V
AWARENESS ABOUT THE FACILITIES OFFERED
BY THE BANKS

INTRODUCTION

The factors considered important for selecting the card and its usage have been discussed in the previous chapter. In continuation, this chapter deals with the cardholders level of awareness regarding the facilities offered. However, it is generally expected that when a person prefers one card over other cards he/she is aware of the associated facilities offered by card issuers. Hence, the cardholder can enhance his satisfaction for availing all the services. Thus, awareness of the features of the credit card and the facilities provided by the banks are essential. In the recent years, the people are becoming more and more aware of the various benefits and conveniences that a payment card offers and hence, there is a necessity in understanding them. This has been made possible by the marketing efforts of banks and credit card organizations like VISA & MasterCard.

Keeping this in mind, the necessary data was collected and analysis was performed. Tools such as Chi-square Analysis, ANOVA and t-test were performed. The results are given in the form of tables with suitable interpretations to find out the level of awareness regarding the various aspects. In the analyses, the level of awareness of the cardholders and distribution of the sample characteristic were performed.

Brand Name of the Credit Cards - Multiple Response

Table 5.1 deals with awareness about the brand name of credit cards issued by various banks. Awareness about the various brands of cards will enable its effective utilization. Therefore, it is essential to highlight the extent of respondents' awareness regarding the various brands of cards.

Table 5.1**Brand Name of the Credit Cards - Multiple Responses**

Name of the Card	Number of Responses	Percentage
SBI Card	312	78
ICICI Card	302	75.5
CITI Card	236	59
Standard Chartered Card	225	56.2
HDFC Card	217	54.2
HSBC Card	206	51.5
BOB Card	152	38
CAN Card	134	33.5
ABN-AMRO Card	132	33
Centurion Card	120	30
IOB Card	91	22.7
Syndicate Bank Card	88	22
Andhra Bank Card	79	19.7
Central Bank Card	75	18.7
Bank of India Card	74	18.5
Indian Bank Card	59	14.7
Union Bank of India Card	58	14.5
Vijaya Bank Card	57	14.2
Tamilnadu Mercantile Bank Card	52	13
LVB Card	38	9.5

Data reveals that 78 percent of the respondents are aware of the SBI card; 75.5 percent are aware of ICICI cards, while only 59 percent are aware of Citi Bank card. About 56.2 percent of the respondents are aware of Standard Chartered card, 54.2 percent are aware of HDFC cards and 51.5 percent are aware of the HSBC cards. About 38 percent are aware of the Bob Card, 33.5 percent are aware of Cancard, 33 percent are aware of ABN Amro card. Among the remaining cards, 9.5 percent of the respondents are aware of Lakshmi Vilas Card.

Source of Awareness - Multiple Responses

There are various sources such as advertisements, friends and relatives, through direct selling agents or teams and other sources. It is believed that the source of information decides on the reliability. The sources of awareness about credit cards issued by various banks are presented in Table 5.2.

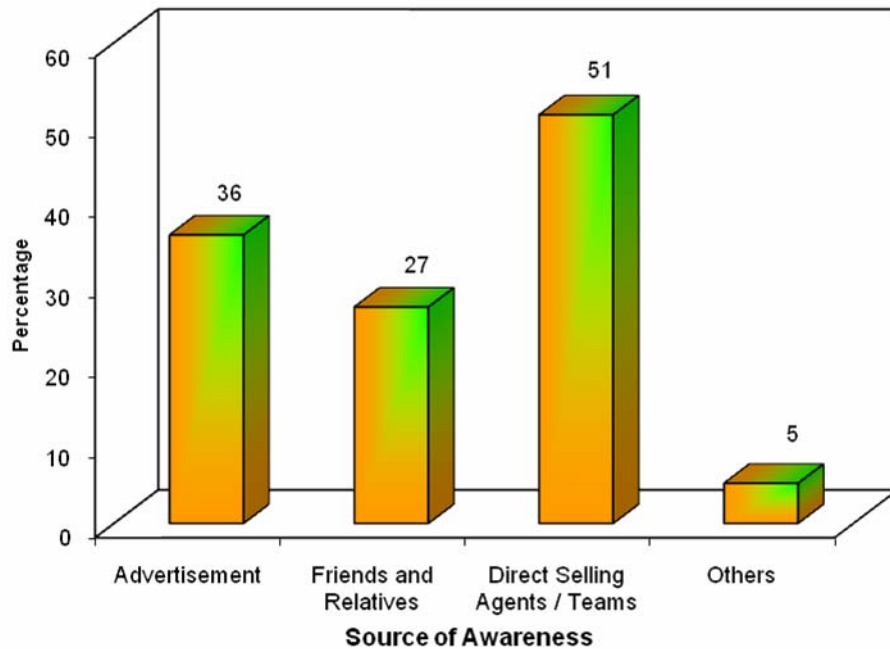
Table 5.2

Source of Awareness - Multiple Responses

Source of Awareness	Number of credit card holders	Percentage
Advertisement	144	36
Friends and Relatives	108	27
Direct Selling Agents / Teams	202	51
Others	21	5

It is observed from the table 5.2 that about 51 percent of the credit card holders are aware of the credit cards through direct selling agents or teams. About 36 percent come to know through advertisements. Only 27 percent are aware of the credit cards through their friends and relatives. Majority are aware of through the efforts of direct selling agents and advertisements and only 5 percent are aware of through others.

Exhibit 5.1. Source of awareness



Awareness about the Facilities Offered by Credit Cards

There are a number of facilities and add-on services that are offered by banks. The Table 5.3 gives the list of facilities offered by the banks, listing the respondents who are aware of the facilities and those availing them, the respondents who have knowledge of the facilities but do not use them, and the respondents who are not aware of any of the facilities. Credit cards provide various facilities such as interest free credit period, Insurance cover, accident cover, rolling credits, add-on-card facility, balance transfer facility, special tele travel facility, tele draft facility, free credit limit enhancement, lost card liability and online transaction facility.

The Table 5.3 gives the details about the awareness and usage of the facilities. Nearly 67.2 percent of the respondents have stated that they are aware of using the interest free credit period facility. About 54 percent are aware of using the insurance cover facility. Nearly 47.3 percent of the respondents are aware of the accident coverage. Around 48 to 50 percent of the respondents are aware of the rolling credit facility, free credit limit enhanced, lost card liability and online transaction facility, teledraft facility but have not availed them. Likewise about 55 percent of the cardholders are aware of balance transfer facility and special tele travel facility but have not availed them. Though

the cardholders are aware of the services, only a few have availed it and 50 percent have not availed the services about the rolling credit and teledraft facility. About 24 to 30 percent of the respondents are much aware of the services.

Table 5.3
Awareness about the Facilities Offered by Credit Cards

Facilities		Aware and used	Aware and not use it	Not Aware	Total
Interest free credit period	No.	269	104	27	400
	%	67.2	26	6.8	100
Insurance cover	No.	215	155	30	400
	%	53.8	38.7	7.5	100
Accident cover	No.	189	167	44	400
	%	47.3	41.7	11	100
Rolling credits	No.	110	193	97	400
	%	27.5	48.3	24.2	100
Add-on-card facility	No.	178	184	38	400
	%	44.5	46	9	100
Balance transfer facility	No.	121	223	56	400
	%	30.2	55.7	14	100
Special Tele travel facility	No.	81	219	100	400
	%	20.3	54.7	25	100
Tele Draft Facility	No.	75	203	122	400
	%	18.7	50.8	30.5	100
Free credit limit enhancement	No.	131	198	71	400
	%	32.7	49.6	17.7	100
Lost card liability	No.	122	198	80	400
	%	30.5	49.5	20	100
Online transaction facility	No.	133	197	70	400
	%	33.2	49.3	17.5	100

It is observed that majority of the credit card holders (67 percent) are aware of the interest - free - credit period and are availing it.

To understand the awareness level of the respondents in relation to the personal variables, an overall awareness score has been applied. The personal variables like age, gender, occupational status, employment status, educational qualification, family size of

the respondents will have an overall impact on awareness. The awareness score which indicates the level of awareness i.e., the higher the score, the higher the awareness and the lower the score, the lower the awareness, compared among the groups of several personal variables and the results are discussed below with suitable hypothesis.

Awareness Scores Based on Age

The Table 5.4 (a) describes the overall scores on awareness level among the different age groups. Age is an important factor to decide the requirement and usage of credit card which will also determine the level of awareness.

Table 5.4(a)
Overall Awareness Score on Different Age Groups

Age(Yrs)	Overall Score on Awareness		
	Mean	S.D	No.
Up to 30 yrs	23.08	5.57	77
31-40 yrs	23.75	4.19	89
41-50 yrs	24.91	4.41	158
Above 50 yrs	24.50	4.75	76
TOTAL	24.22	4.71	400

The mean Table 5.4(a) clearly shows that the cardholders belonging to the age group of 41-50 years (24.91) have the highest level of awareness, followed by the card holders who are above 50 years (24.50). The card holders who are up to 30 years have the lowest level of awareness (23.08).

It is observed that the respondents who belong to the age group of 41-50 years comparatively have the highest level of awareness. Elderly group respondents are more aware of the facilities.

The above results were tested with ANOVA by framing the following hypothesis.

Hypothesis: There is no significant difference in the average awareness score among the different age groups.

Table 5.4(b)
ANOVA for Average Awareness Score on Age

Source	Sum of Squares	df	Mean Square	F	Sig.	Table value
Between Groups	201.344	3	67.115	3.075	*	2.627
Within Groups	8643.854	396	21.828			
Total	8845.197	399				

* 5% level of significance

The ANOVA result shows that the groups significantly differ in the average awareness score. The calculated F value is (3.075) greater than the table value (2.627) at 5% level of significance. This indicates that there is significant difference among the different age groups of the cardholders in their average score on overall awareness. Hence, the hypothesis is rejected.

Average Awareness Score Based on Gender

The Table 5.5(a) describes the level of awareness score for the male and female respondents. Gender decides the decision making factor in a family and that indicates the level of awareness.

Table 5.5(a)
Average Awareness Score Based on the Gender

Gender	Overall Score on Awareness		
	Mean	S.D	Number
Female	22.67	4.70	102
Male	24.76	4.60	298
Total	24.22	4.71	400

The mean Table 5.5(a) explains that the female respondents have a lower level of awareness (22.67) than the male respondents (24.76).

It is observed that the male respondents have the higher (24.76) level of awareness over the female respondents because the male respondents are the decision

makers in the household and the scope for their exposure to the external world is wider than compared to female respondents. Therefore, the necessity to purchase is also greater.

The above results were tested with t-test by framing the following hypothesis.

Hypothesis: There is no significant difference in the average awareness score between the male and female respondents.

Table 5.5(b)
t-test for Awareness Score by Gender

t	Df	Sig.	Table value
3.936	398	**	2.588

** 1% level of significance

T test was applied to find out whether there is significant difference between male and female respondents in the average awareness scores. The calculated t-test value is 3.936 which is found to be significant, as the calculated t-test value is greater than the table value of 2.588 at 1% level of significance which shows that there is significant difference between male and female respondents in their average awareness level. Hence, the hypothesis is rejected.

Average Awareness Score Based on the Marital Status of the Respondents

The Table 5.6 (a) describes the overall awareness score on the married and unmarried respondents.

Table 5.6(a)
Average Awareness Score Based on the Marital Status of the Respondents

Marital Status		Overall Score on Awareness		
		Mean	S.D	No.
Marital Status	Married	24.38	4.50	332
	Unmarried	23.47	5.59	68
TOTAL		24.22	4.71	400

The mean Table 5.6(a) illustrates that the married respondents (24.38) have greater awareness than the unmarried respondents (23.47).

It is observed that the married respondents have the higher level of awareness in selecting a card than the unmarried respondents.

Based on the above results, the following hypothesis was framed and t test was applied to find the significant difference between the married and unmarried respondents.

Hypothesis: There is no significant difference in the average awareness between the married and unmarried respondents.

Table 5.6(b)
Awareness Score by Marital Status

T	Df	Sig.	Table value
1.447	398	Ns	1.966

Ns-Not significant at 5% and 1%

t test was applied to find out whether there is significant difference between the married and unmarried respondents in the overall awareness score. The calculated t-test value (1.447) is not significant as the value is lesser than the table value (1.966). Hence, it is inferred that there is no significant difference between the married and unmarried respondents in their average score on the overall awareness factor. Hence, the hypothesis is accepted.

Overall Awareness Scores on Different Levels of Education

The Table 5.7(a) describes the overall awareness score with the different levels of education. An educated customer may have an increased level of awareness about the facilities as seen in the following table.

The mean Table 5.7(a) depicts that the overall awareness score is high for the card holders who have completed their school level education (25.07) followed by the level of awareness for Postgraduate respondents (24.40). The professionals have the least score of awareness (24.04).

Table 5.7(a)

Overall Awareness Scores Among Different Levels of Education

Levels of Education	Overall Score on Awareness		
	Mean	S.D	No.
School level	25.07	3.37	15
Graduate level	24.09	4.72	180
Post graduate level	24.40	5.07	132
Professional level	24.04	4.27	73
TOTAL	24.22	4.71	400

It is observed that the respondents who have completed their school level education have the maximum level of awareness. This observation seems to be different from the general perception that more educated may be aware of all the facilities of the credit cards.

The above results were tested using ANOVA based on the following hypothesis.

Hypothesis: There is no significant difference in the average awareness between the different levels of education of the credit card holders.

Table 5.7 (b)

ANOVA for Average Awareness Score on Education

Source	Sum of Squares	Df	Mean Square	F	Sig.	Table value
Between Groups	20.273	3	6.758	.303	NS	2.627
Within Groups	8824.924	396	22.285			
Total	8845.198	399				

NS-Not Significant

The ANOVA result shows that the groups do not differ significantly among the education levels where F ratio value is .303. This indicates that there is no significant difference among the educational levels of the credit card holders in the overall score on awareness factor. Hence, the hypothesis is accepted.

Overall Awareness Score Among Different Occupational Groups

The Table 5.8(a) describes the different levels of awareness score among the various occupational status.

Table 5.8 (a)
Overall Awareness Scores Among Different Occupational Groups

Occupation	Overall Score on Awareness		
	Mean	S.D	Number
Self-Employed	24.44	4.43	98
Salaried-Government	24.52	4.95	155
Salaried-Private	24.14	4.42	122
Non-earners (House wife/student)	21.96	5.26	25
Total	24.22	4.71	400

The mean Table 5.8 (a) given above explains that the awareness is high for the government salaried respondents (24.52) followed by the level of awareness for the card holders who are self-employed (24.44). The level of awareness is least for the non-earners (house wives and students) (21.96).

It is observed that the respondents who are employed in the government organizations have relatively highest level of awareness among the different occupational groups.

The above results were tested using ANOVA F test by framing the following hypothesis.

Hypothesis: There is no significant difference in the average awareness score among the different occupational status of the credit card holders.

Table 5.8(b)

ANOVA for Average Awareness Score Based on Occupation

Source	Sum of Squares	Df	Mean Square	F	Sig.	Table value
Between Groups	146.764	3	48.921	2.227	NS	2.627
Within Groups	8698.433	396	21.966			
Total	8845.197	399				

NS-Not Significant

The F ratio value of 2.227 has shown that there is no significant difference among the various occupational status of the credit card holders in the overall score on awareness factor. Hence, the hypothesis is accepted.

Overall Awareness Score on Different Income Levels

The Table 5.9(a) describes the different levels of income and the awareness score.

Table 5.9(a)

Overall Awareness Score on Different Income Levels

Income Level in Rs	Overall Score on Awareness		
	Mean	S.D	Number
Less than Rs 10,000	24.53	4.59	51
Rs10,001to Rs 20,000	22.67	4.60	139
Rs20,001to Rs 50,000	25.20	4.52	155
More than Rs 50,000	25.11	4.71	55
Total	24.22	4.71	400

The mean Table 5.9(a) indicates that the overall awareness score is high for the card holders whose monthly income is Rs 20,001 to 50,000 (25.20) followed by the card holders whose income level is above Rs 50,001 (25.11). The cardholder whose monthly income is between Rs 10,001 and Rs 20,000 has scored the least (22.67).

It is observed that the respondents whose monthly income is between Rs 20,001 and 50,000 have the highest level of awareness among the different income groups.

The following hypothesis is framed to test for significant difference among the levels of income.

Hypothesis: There is no significant difference in the average awareness between the income levels of the credit card holders.

Table 5.9(b)
ANOVA for Average Awareness Score Based on Income

Source	Sum of Squares	df	Mean Square	F	Sig.	Table value
Between Groups	531.569	3	177.190	8.440	**	3.831
Within Groups	8313.628	396	20.994			
Total	8845.198	399				

** 1% level of significance

The income groups have significant difference at 1% level in the overall awareness score (F value is 8.440). Hence, the hypothesis framed has not been accepted. It is evident that there has been no uniformity among the different income groups to awareness of credit cards. Hence, the hypothesis is rejected.

Overall Awareness Scores Among Different Family Size

The Table 5.10(a) describes the awareness levels among the family size of the respondents.

Table 5.10(a)
Overall Awareness Scores Among Different Family Size

Family Size	Overall Score on Awareness		
	Mean	S.D	Number
2 members	23.87	5.05	31
3 members	24.09	4.78	117
4 members	24.43	4.83	179
5 and above	24.07	4.19	73
TOTAL	24.22	4.71	400

The above mean Table 5.10(a) reveals that the overall awareness score is high for the card holders whose family size consists of 4 members (24.43) followed by the awareness level of the cardholders whose family consists of 3 members (24.09). The card holders who have 2 members in the family have the least score on the level of awareness (23.87).

It is observed that the respondents whose family consists of four members have the highest level of awareness.

The following hypothesis is framed to test for significant difference among the family size.

Hypothesis: There is no significant difference in the average awareness between the family size of the credit card holders.

Table 5.10(b)

ANOVA for Average Awareness Score on the Family Size

Source	Sum of Squares	df	Mean Square	F	Sig.	Table Value
Between Groups	15.213	3	5.071	.227	NS	2.627
Within Groups	8829.984	396	22.298			
Total	8845.197	399				

NS-Not Significant

The ANOVA result shows that the calculated F ratio value is .227 which is not significant. This indicates that there is no significant difference among the different family size of the card holders in their overall score on awareness. Hence, the hypothesis is accepted.

Overall Awareness Score Among The Credit Cards Possessed

The Table 5.11(a) describes the credit cards possessed by the respondents and their overall awareness level.

Table 5.11(a)

Overall Awareness Score Among The Credit Cards Possessed

Number of Cards Possessed	Overall Score on Awareness		
	Mean	S.D	Number
Only one	23.99	4.92	209
Two	24.29	4.49	119
Three	25.05	4.49	39
More than three	24.48	4.40	33
Total	24.22	4.71	400

The above mean Table 5.11(a) depicts that the overall awareness score is high for the card holders who possess 3 cards (25.05) followed by the level of awareness of the card holders who possess more than 3 cards (24.48). The card holders having only one card have the least level of awareness (23.99).

It is observed that the respondents who possess three cards have relatively higher level of awareness than others who own less than three or more than three cards.

The following hypothesis is framed to test for significant difference among the number of credit cards possessed.

Hypothesis: There is no significant difference in the average awareness score among the cardholders based on the number of credit cards possessed.

Table 5.11(b)

ANOVA for Average Awareness Score On The Number Of Credit Cards Possessed

Source	Sum of Squares	Df	Mean Square	F	Sig.	Table Value
Between Groups	40.791	3	13.597	.612	NS	2.627
Within Groups	8804.406	396	22.233			
Total	8845.198	399				

NS-Not Significant

The result shows that the calculated F ratio value is 0.612 indicating that there is no significant difference among the number of cards possessed by the cardholders in their overall score on awareness. Hence, the hypothesis is accepted.

Overall Scores On Awareness Among Sector Wise Distribution of Credit Cards

The Table 5.12(a) describes the difference in the awareness level among the ownership of credit cards in the various sectors.

Table 5.12(a)

Overall Scores On Awareness Among Sector Wise Distribution of Credit Cards

Ownership of Credit Cards	Overall score On Awareness		
	Mean	S.D	Number
Public sector Banks	23.68	4.68	106
Private sector Banks	23.62	5.43	55
Foreign Banks	25.10	4.76	48
Multiple Cards	24.48	4.46	191
Total	24.22	4.71	400

From the mean Table 5.12(a), it is seen that the overall awareness score is high for the foreign bank card holders (25.10) followed by the level of awareness for multiple card holders (either public or private or foreign banks cards) (24.48). The private sector bank card holders (23.62) have the lowest level of awareness.

It is observed that the cardholders who own foreign bank cards have the highest level of awareness.

The following hypothesis is framed to test the significant difference among the sector wise distribution of credit cards.

Hypothesis: There is no significant difference in the average awareness score among the cardholders based on the ownership of credit cards.

Table 5.12(b)

ANOVA for Average Awareness Score On The Ownership Of Credit Cards

Source	Sum of Squares	df	Mean Square	F	Sig.	Table value
Between Groups	100.998	3	33.666	1.525	NS	2.627
Within Groups	8744.199	396	22.081			
Total	8845.198	399				

NS-Not Significant

In ANOVA table the calculated F ratio value is 1.525 which is found to be insignificant, as it is lower than the table values at 5% level of significance. This indicates that the awareness score does not vary significantly based on sector wise ownership of cards. Hence, the hypothesis is accepted.

Awareness on the Usage of Credit Cards

The Table 5.13 deals with the awareness on the usage of credit cards. It is pertinent to study the level of awareness with respect to its usage.

Table 5.13

Awareness on The Usage Of Credit Cards

Awareness	Yes	No	Total
Awareness on usage	288	112	400
	72.0	28.0	100
Awareness about the reward points	310	90	400
	77.5	22.5	100
Usage of the reward points for the bill	215	185	400
	53.7	46.3	100
Utilizing the credit period fully	258	142	400
	64.5	35.5	100

It is clear from the Table 5.13 that 72 percent of them have thorough knowledge about the usage of the credit cards, 77.5 percent of the credit card holders are aware of the reward points. 53.7 percent of them use reward points for their bills and 64.5 percent of them fully utilize their credit period. Hence, it may be inferred that most of the cardholders have a thorough knowledge about the usage of credit cards and about the reward points.

Awareness on the other related factors

The Table 5.14 deals with the awareness on other related factors about the usage of credit cards.

Table 5.14
Awareness on other Related Factors

Awareness		Yes	No	Total
The terms and conditions	No.	333	67	400
	%	83.3	16.7	100
Possession of add-on-facility	No.	227	173	400
	%	56.7	43.3	100

It is clear from the above Table that 83.3 percent of the credit card holders have read the terms and conditions before purchasing the card and 56.7 percent of their cards possess add-on-facility.

Hence, it may be inferred that most of the credit cardholders have read all the terms and conditions before purchasing the card and possess add-on-card facility.

Enquiry About The Service Charge

Table 5.15 deals with the cardholders' enquiry about service charge at the time of purchases. Service charge is the major issue in the credit cards. It is unknown whether the cardholders enquire about the service charge.

Table 5.15
Enquiry About The Service Charge

Enquiry About The Service Charges Collected			If Yes, how often		
	No.	Percentage		No.	Percentage
Yes	257	64.3	On every purchases	100	38.9
No	143	35.7	On selected purchases	107	41.6
			Rarely	50	19.5
			Total	257	100

It is evident from the above Table that 64.3 percent of the respondents enquire about the service charges collected by the merchant establishments. About 41.6 percent of them enquire only on selected purchases, 38.9 percent of them enquire on every purchase and 19.5 percent of them enquire rarely.

It is concluded that out of 257 respondents who have enquired about service charges, 41.6 percent enquire about the service charge on selected purchases only.

Chi-square Analysis

The personal factors considered in the study are

- Age
- Sex
- Marital status
- Educational level
- Occupational Status
- Monthly income
- Number of credit cards possessed and
- Type of cards owned

The study factors selected are as follows

- Reading the terms and conditions while purchasing the cards
- Thorough knowledge on the usage of the credit cards
- The ability to read the statements
- Utilization of the credit period
- Enquiry about the service charges collected
- Enquiry about the Reward points and
- Enquiry about Add –on-card facility

All the tests are carried out at 5% level of significance and the results are represented in the tables with suitable hypothesis and relevant interpretations. The table 5.16 presents the Chi square analysis between the personal factors and the utilization of credit card.

Table 5.16

Personal factors with the Utilization of the Credit card

Personal factors	Reading the terms and conditions while purchasing the cards		Thorough knowledge on the usage of the credit cards		The ability to read the statements		Utilization of the credit period		Enquiry about the service charge collected		Enquiry about reward points		Enquiry about add-on-card facility	
	1		2		3		4		5		6		7	
	Chi-square	Table value	Chi-square	Table value	Chi-square	Table value	Chi-square	Table value	Chi-square	Table value	Chi-square value	Table value	Chi-square value	Table value
Age	1.323	7.815	8.727*	7.815	1.151	7.815	2.403	7.815	1.094	7.815	6.017	7.815	11.102*	7.815
Gender	.631	3.841	3.144	3.841	.931	3.841	.029	3.841	.933	3.841	3.238	3.841	0.001	3.841
Marital Status	.454	3.841	2.620	3.841	.111	3.841	.143	3.841	.0001	3.841	5.267*	3.841	1.521	3.841
Educational Qualification	2.819	7.815	1.809	7.815	.154	7.815	3.072	7.815	2.527	7.815	.161	7.815	6.145	7.815
Occupational Status	4.201	7.815	1.129	7.815	2.411	7.815	.413	7.815	1.715	7.815	10.612*	7.815	0.879	7.815
Income Level	4.291	7.815	4.355	7.815	1.831	7.815	.518	7.815	3.609	7.815	10.714*	7.815	16.150**	11.345
Cards Possessed	.890	7.815	.584	7.815	.519	7.815	.538	7.815	3.342	7.815	9.339*	7.815	5.820	7.815
Credit cards Owned	.740	7.815	1.350	7.815	.236	7.815	2.631	7.815	4.012	7.815	9.021*	7.815	4.903	7.815

*5% level of significance;

** 1% level of significance;

others not significant

Hypothesis 1: The personal factors of the respondents have no significant relationship with reading the terms and conditions while purchasing the credit cards.

Referring to the table, the chi square result shows that none of the personal factors have significant relationship with reading the terms and conditions while purchasing the credit cards. Hence, the hypothesis is accepted.

Hypothesis 2: The personal factors of the respondents have no significant relationship over the credit cardholders knowledge on the usage of credit cards.

There is significant relationship at 5% with the age factor only and the credit card holders' thorough knowledge on the usage of the credit cards. Hence, the hypothesis is rejected with respect to age of the respondents.

Hypothesis 3: The personal factors of the respondents have no significant relationship on the credit cardholders ability to read the statements or not.

None of the personal factors have significant relationship between the study factors, ability to read the statements and hence, the hypothesis is accepted.

Hypothesis 4: The personal factors of the respondents have no significant relationship on the utilization of credit period.

It could be seen from the chi square test that none of the personal factors have significant relationship with awareness to utilize fully the credit period. Hence, the hypothesis is accepted.

Hypothesis 5: The personal factors of the respondents have no significant relationship on the credit card holders enquiring into the service charges collected.

None of the personal factors have significant relationship with the cardholders awareness to enquire about the service charges collected and hence, the hypothesis is accepted.

Hypothesis 6: The personal factors of the respondents have no significant relationship on enquiry about the reward points.

The table depicts that there is significant relationship with the marital status, occupational status, Income level, credit cards possessed and the sector wise ownership of credit cards only over the enquiry about the reward points. Hence, the hypothesis is rejected with the above mentioned personal factors alone.

Hypothesis 7: The personal factors of the respondents have no significant relationship with the enquiry about the add-on-card-facility.

It could be seen that there is significant relationship only with the Age at 5% level and Income at 1% level on the cardholder's enquiry about the add-on-card facility. Hence, the hypothesis is rejected with respect to age and income of the respondents.

Information About The Credit Card Features

Information about the credit card features is presented in Table 5.17

Table 5.17
Information About The Credit Card Features

Particulars	Number and percentage of response	Yes	No	Total
Informed of the limitations	No.	303	97	400
	%	75.7	24.3	100
Informed of the safety procedures	No.	328	72	400
	%	82.0	18.0	100

It is clear from the above Table that 82% of them are informed about the safety procedures, 75.7 % of the cardholders state that they are informed of the limitations of the cards. It is concluded that majority of the respondents are informed about the safety procedures and the limitations.

Sector Wise Awareness on Interest Free Credit Period and Interest Rate

The table 5.18 describes about the Sector wise awareness about the interest rates, interest free credit period and the other features of the card. Interest rate is the deciding factor to purchase the credit cards.

Table 5.18

Sector Wise Awareness on Free Credit Period and Interest Rate

Opinion about the interest		Sector							
		Public sector banks		Private sector banks		Foreign banks		Multiple sector cards	
		No	%	No	%	No	%	No	%
State the interest free credit period	35-40 days	40	37.7	18	32.6	15	31.3	76	39.8
	41-45 days	34	32.1	17	30.9	17	35.4	45	23.6
	46-50 days	12	11.3	6	10.9	9	18.8	31	16.2
	Above 50 days	6	5.7	5	9.1	2	4.2	15	7.8
	Not aware of	14	13.2	9	16.4	5	10.3	24	12.6
Interest rates charged on the outstanding amount	2.25%	30	28.3	10	18.2	13	27.1	41	21.5
	2.75%	26	24.5	14	25.5	13	27.1	41	21.5
	2.95%	14	13.2	9	16.4	9	18.7	49	25.7
	More than 3%	10	9.5	1	1.6	1	2.1	13	6.7
	Not aware of	26	24.5	21	38.3	12	25.0	47	24.6
Information to the cardholders about the limitations	Yes	82	77.4	41	74.5	36	75.0	144	75.4
	No	24	22.6	14	25.5	12	25.0	47	24.6
Information to the cardholders about the safety procedures	Yes	89	84.0	41	74.5	41	85.4	157	82.2
	No	17	16.0	14	25.5	7	14.6	34	17.8
Possession of add-on-facility	Yes	53	50.0	30	54.5	25	52.1	119	62.3
	No	53	50.0	25	45.5	23	47.9	72	37.7

It is interpreted from the above Table 5.18 that 39.8 percent of the multiple card holders state that the interest free credit period is 35-40 days, whereas the foreign bank cardholders felt that it is 41-45 days (35.4 percent), for 18.8 percent of the foreign bank cardholders it is 46-50 days, 9.1 percent of the private sector bank cardholders have stated that the credit period is above 50 days and 16.4 percent of the Private bank card holders are not aware of the interest free credit period. Majority of the respondents (39.8 percent) have stated that the interest free credit period is 35-40 days.

About 55.4 percent of the Public Sector Bank and Foreign bank card holders feel that the interest rate charged on the outstanding amount is 2.25% per month. About 25.7 percent of the multiple card holders feel that the interest rate is 2.95%, 9.5 percent of the Public Sector Bank card owners have stated that the interest rates charged on the outstanding amount is more than 3%. About 24.5 percent of the Public Sector Bank cardholders are not aware of the interest rate charged. Majority of the public sector respondents are of the opinion that the interest rate charged on the outstanding amount is 2.25%.

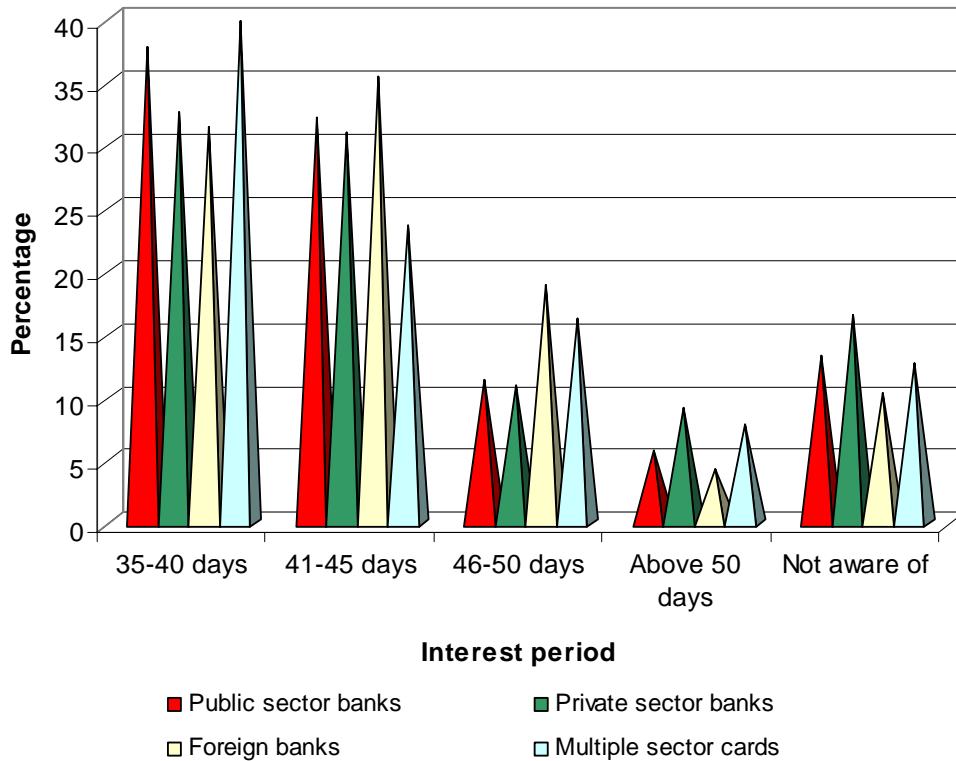
About 77.4 percent of the Public Sector Bank cardholders have stated that the banks have informed about the limitations of using the card, while 25.5 percent of the private sector cardholders were not informed about the limitations of using the card.

About 85.4 percent of the foreign bank cardholders have stated that the bank has informed about the safety procedures of using the card, while 25.5 percent of the private sector cardholders have stated that they were not informed about the safety procedures of using the card.

Around 62 percent of the multiple cardholders (either public or private or foreign or a combination) have stated that their cards have add-on-card facility, while 50 percent of the public sector cardholders have stated that their cards do not have the add-on-card facility.

It may be observed that the multiple card holders are aware of 35-40 days provision of interest free credit period and Private sector bank cardholders are not aware of the interest rate charged on the outstanding. Public sector bank cardholders are informed about the limitations of the card, foreign bank cardholders are informed about the safety procedures and the multiple cardholders possess add-on-facility in their card.

Exhibit 5.2. Sector wise awareness on interest free credit period



Chi-square Analysis

The personal factor considered in the study

- Sector wise ownership of credit cards

The study factors selected are as follows:

- Interest free credit period
- Interest rate charged on the outstanding amount
- If the customers are informed about the limitations
- If the customers are informed about the safety procedures

All the tests are carried out at 5% level of significance and the results are presented in the tables with suitable hypothesis and relevant interpretations.

The table 5.19 deals with the Chi square analysis between ownership of credit cards and the study factors.

Table 5.19

Sector wise Ownership of Credit Cards with Other Awareness Factors

Sector wise Ownership of credit cards	Interest free credit period		Interest rate charged on the outstanding amount		Informing the customers about the limitations		Informed the customers about the safety procedures	
	1		2		3		4	
	Chi-square	Table value	Chi-square	Table Value	Chi-square	Table value	Chi-square	Table value
	8.491	21.026	17.013	21.026	.221	7.815	2.732	7.815

Hypothesis : There is no significant relationship between the sector wise ownership of the credit cards

- 1) interest free credit period,
- 2) the interest rate charged on the outstanding amount,
- 3) informing the customers about the limitations and
- 4) the customers being informed about the safety procedures.

From the table **5.19**, it could be seen that sector wise ownership of credit cards has no significant relationship with the interest free credit period, the interest rate charged on the outstanding amount, informing about the limitations and informing the customers about the safety procedures. Hence, the hypothesis is accepted.

Conclusion

Some of the major findings are summed up as follows:

Based on the analysis, it may be concluded that most of the respondents are aware of the SBI and ICICI cards and they know about it through direct selling agents or teams. It is observed that majority of the credit card holders are aware of the interest - free - credit period but not aware of the interest rate charged on the outstanding amount. Majority of the cardholders are aware of the reward points and they also enquire about the service charges collected. The comparison of overall score on awareness has a significant

relationship at 5% level on the different age groups, and for the gender and income signifying the awareness level on age, gender and income at 1% level.

The chi-square analysis shows that there is significant relationship on the age factor and the respondents' knowledge on the usage of the credit cards. The marital status, occupational status, income level, credit cards possessed and the credit cards owned have a significant relationship on the awareness of the cardholders about the reward points. There is significant relationship between age and level of awareness about add-on-card facility at 5% level, between Income and level of awareness about add-on-card facility at 1% level.

With these findings related to the awareness of the cardholders, the benefits attained, the level of satisfaction and the problems faced by the cardholders are analysed in the next chapter.