

OPINION OF CUSTOMERS TOWARDS THE PROMOTION SCHEMES OFFERED FOR CREDIT CARDS WITH SPECIAL REFERENCE TO ICICI BANK, DHARMAPURI, TAMILNADU

A. ASHOK KUMAR¹, M. POORNASHRI², A. KARUNYA PRIYANKA³, G.ARUN⁴ & D. GOWRISHANKAR⁵

¹Research Scholar, Professor, Knowledge Business School Salem, Tamil Nadu, India

^{2,3,4,5}I – MBA, Knowledge Business School Salem, Tamil Nadu, India

ABSTRACT

The main objective of this study is to know customers' opinion towards the various promotion schemes offered by ICICI Bank at Dharmapuri town in Tamilnadu. Since most of us started using credit cards and its benefits, banks are also very eager in providing offers and to attract more number of customers. This study has been conducted on 320 respondents. Convenience sampling technique which comes under non-probability sampling method was used for the purpose of survey.

KEYWORDS: Credit Card, Opinion, Satisfaction

INTRODUCTION

Credit cards have become a part of everybody's life nowadays! The issuers of credit cards have begun highlighting the value added features offered along with it. While some of them are offering attractive interest rates, others are approaching customers by their reward schemes. With a bunch of choices on offer it is not easy for us to come to a decision on any particular Bank's card. The study helps to find what features of the card attracts the customers and to find out for what purpose the customers use their card.

REVIEW OF LITERATURE

- 'Phyllis M. Mansfield' and 'Mary Beth Pinto' of Penn state university, in their research titled "Consumer and Credit Cards: A review of the empirical literature", in the "Journal of Management and Marketing research" state that credit cards are unique in the market and they may stimulate spending behavior.
- Thomas A. Durkin in his article titled "Credit cards: Use and Consumer attitudes, 1970-2000" Published in the journal 'Federal Reserve Bulletin' Pages: 623-634, September 2000, state that the use of general-purpose credit cards have increased substantially over the past three decades. Also he states that consumers use credit cards as a substitute for the installment purchase plans, and they like the convenience associated with credit cards.
- Afshan Ahmed, Ayesha Amanullah and Madiha Hamid in their research titled "Consumer Perception and Attitude towards credit card usage: A study of Pakistani Consumers" Published in the 'Journal of Comparative International Management' 2009, Volume 12, State that, Consumer financing have become important in the private sector for the last two decades. They also found that there is a positive relationship between the income level of a person and his/her possession of the credit card. Also they conclude that while making the choice of a credit card, their trust in a particular brand name seems to hold a great importance in the selection of credit card,

instead of the logo 'VISA' or 'Master Card'.

OBJECTIVES OF THE STUDY

- To find out the age group where the largest number of users fall in.
- To identify the extent of multi credit card users.
- To find out the frequency of usage of Credit cards by the consumers for daily purpose.
- To know the satisfaction level of the Credit Card users.

LIMITATIONS OF THE STUDY

- The area of research is limited only to Dharmapuri; hence the result may not be applicable to other geographical regions.
- In some cases the respondents were unable to provide their exact usage pattern which may create bias.
- Short span of time to conduct the research.

RESEARCH METHODOLOGY

The researchers has adopted a descriptive research design to study the customer's opinion towards the promotion schemes offered for credit card with special reference to ICICI Bank., Dharmapuri. This study has been conducted on 320 respondents. Convenience sampling technique which comes under non-probability sampling method was used for the purpose of survey. The survey was conducted to collect primary data through well structured questionnaire. Secondary data were collected from the bank's records, websites etc. The data has been analyzed with the statistical tools like percentage analysis.

Table 1: Analysis and Interpretation Personal Details of the Customers

S. No.	Particulars		No. of Respondents	%	Total (%)
1.	Age	Below 23 years	13	4.06	100
		23-33 years	234	73.12	
		33-43 years	45	14.06	
		43-53 years	19	5.94	
		Above 53 years	9	2.81	
		Total - 320			
2.	Gender	Male	236	74	100
		Female	84	26	
		Total - 320			
3.	Marital status	Married	176	55	100
		Unmarried	144	45	
		Total - 320			

4.	Annual income	Below Rs.1 lakh	6	1.87	100
		Rs.1-2 lakhs	104	32.5	
		Rs.2-3 lakhs	102	31.88	
		Above Rs.3 lakhs	108	33.75	
		Total - 320			
5.	Employment status	Salaried	258	80.63	100
		Self-employed professional	15	4.68	
		Business	47	14.69	
		Total - 320			

Inference

The above table shows that 73.12% of the respondents belong to age group between 23 to 33 category, 74% are male, 55% are married, 33.75% earn more than Rs.3 lakhs per annum and 80.63% work in public and private sectors on monthly salary basis. Hence it is inferred that most of respondents (73.12%) who use credit cards fall under the category between 23-33 years.

Table 2: Multi Credit Card Users

S. No	Options	No. of Respondents	% of Respondents
1.	Yes	145	45.31
2.	No	175	54.69
	Total	320	100

Source: Primary data

Inference

From the above table it is evident that, most of the respondents are single credit card users.

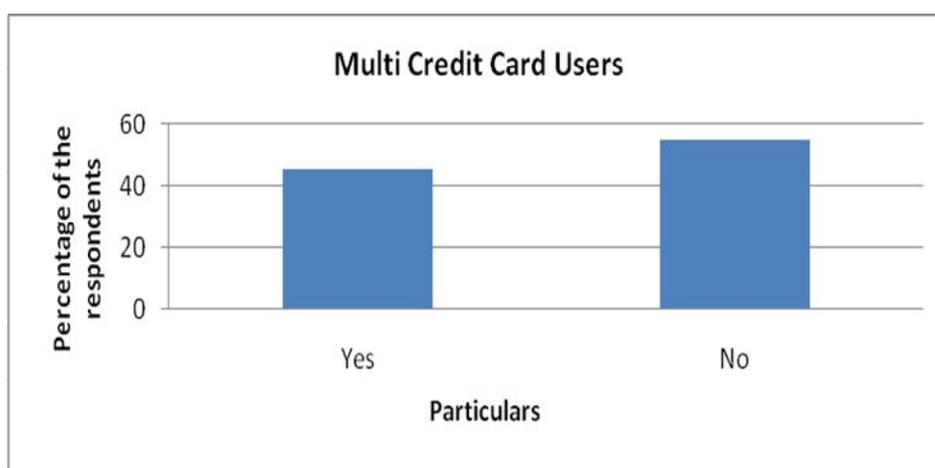


Figure 1

Table 3: Frequency and Purpose of Usage of Credit Card

Purpose	More Than Once in a Week		Once a Week		More Than Once a Month		Once a Month		Rarely		Total %
	No. of Respondents	%	No. of Respondents	%	No. of Respondents	%	No. of Respondents	%	No. of Respondents	%	
Fuel	43	13.44	61	19.06	36	11.25	45	14.06	135	42.19	100
Shopping	31	9.69	58	18.12	91	28.44	76	23.75	64	20	100
Traveling	13	4.06	19	5.94	32	10	32	10	224	70	100
Entertainment	14	4.37	17	5.31	20	6.25	58	18.13	211	65.94	100
Hotels	32	10	47	14.69	49	15.31	60	18.75	132	41.25	100
Cash Withdrawal	5	1.56	4	1.25	3	0.94	22	6.87	286	89.38	100

Source: Primary data

Inference

From the above table it is evident that, most of the respondents 'rarely' use their credit cards for their daily expenses like buying fuel for their vehicles, traveling, entertainment, hotels etc. Also it is evident that 28.44% of the respondents are using their credit cards for shopping more than once in a month.

Table 4: Attractiveness Level of Various Schemes

Schemes	Highly Attractive		Attractive		Neutral		Unattractive		Highly Unattractive		Total %
	No. of Respondents	%	No. of Respondents	%	No. of Respondents	%	No. of Respondents	%	No. of Respondents	%	
Interest Rate	2	0.63	73	22.81	153	47.81	81	25.31	11	3.44	100
Credit Limit	25	7.81	164	51.25	102	31.88	24	7.5	5	1.56	100
Mile Points	14	4.37	86	26.88	168	52.5	49	15.31	3	0.94	100
Gift Voucher	9	2.81	82	25.63	151	47.19	72	22.5	6	1.87	100
Easy Pay Scheme	8	2.5	118	36.88	168	52.5	25	7.81	1	0.31	100
ATM Facility	28	8.75	134	41.87	132	41.25	24	7.5	2	0.63	100
Customer Service	19	5.94	151	47.19	125	39.06	15	4.69	10	3.13	100
Reward Points	20	6.25	127	39.69	143	44.69	27	8.44	3	0.94	100
Annual Fee	12	3.75	87	27.19	158	49.38	52	16.25	11	3.43	100

Source: Primary data

Inference

From the above table it is evident that, most of the respondents are attracted with bank’s mile points, easy pay scheme, customer service, reward points and credit limit offered.

Table 5: Satisfaction Level of Users towards Credit Card Offered by ICICI Bank

Opinion	No. of Respondents	Percentage
Highly Satisfied	15	4.69
Satisfied	152	47.5
Neutral	135	42.19
Dissatisfied	17	5.31
Highly Dissatisfied	1	0.31
Total	320	100

Source: Primary data

Inference

From the above table it is evident that, most of the respondents (47.5%) are satisfied with ICICI bank credit card schemes. Also it should be noted that 42.19% of the respondents remain neutral.

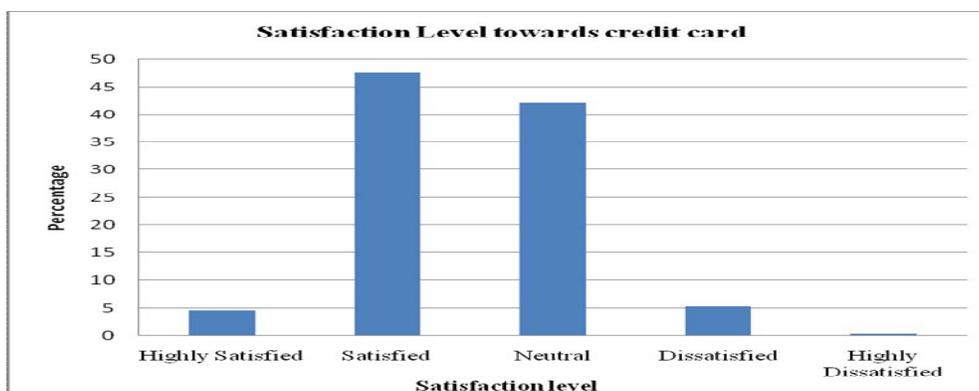


Figure 2

Table 6: Sources of Awareness about the Credit Cards and its Schemes

Source	No. of Respondents	Percentage
Friends	59	18.44
Sales officers	114	35.63
Family members	20	6.25
Tele callers	44	13.75
Advertisement	41	12.81
Users of other cards	13	4.06
Others	29	9.06
Total	320	100

Source: Primary data

Inference

From the above table it is evident that, most of the respondents (35.63%) came to know about their credit cards and its schemes through Bank Sales officers.

Table 6: Complete Awareness about the Various Schemes of ICICI Bank Credit Card

Awareness	Frequency	Percentage
Yes	112	35
No	208	65
Total	320	100

Source: Primary data

Inference

From the above table it is evident that, 65% of respondents are not completely aware about the features of ICICI Bank credit card.

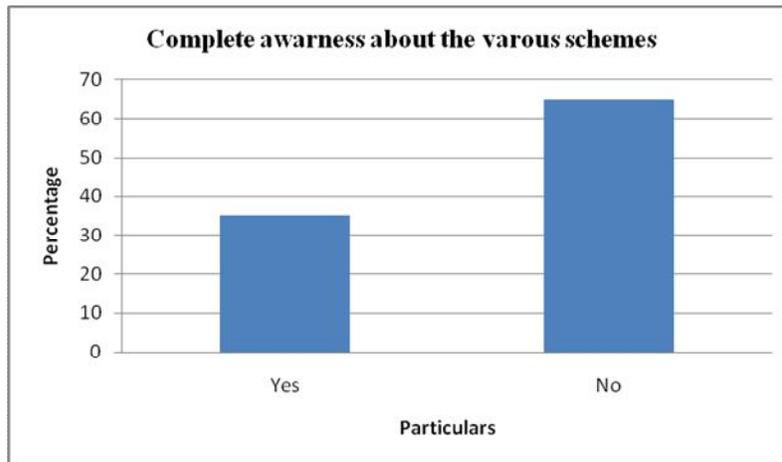


Figure 3

FINDINGS

- 73.12% of the respondents fall in the age group between 23-33 years
- Most of the respondents rarely use their credit card for their daily expenses.
- 51.25% of the respondents feel that Credit limit is attractive.
- 47.5% of the respondents are satisfied with ICICI Credit Card Schemes.
- 65% are not aware about the new credit card schemes.
- 35.63% of customers got awareness about the Credit Cards only through bank sales officers.

SUGGESTIONS

- Customers in the age group between 43-53 years are very less in numbers. Hence proper awareness must be created among that group using proper sales force. So that number of customers can be increased.
- ICICI Bank needs to concentrate more on the schemes like mile points, reward points and gift vouchers since most of the customers are attracted by those schemes. So that it could help to increase the number of customers to use credit cards.

- The bank can provide more training to sales officers to promote credit card, since the awareness about credit schemes is mostly through them.

CONCLUSIONS

From the survey it is concluded that the Credit limits, good customer service, reward points and easy pay schemes can increase the sales of credit card. And a major reason for not having more number of customers is due to lack of awareness about the schemes introduced. Also Customers use their cards mainly for shopping and in hotels and it is clear that majority of the customers are salaried. So steps should be taken to increase the number of customers who are doing business also which could help the bank to increase the market share. Number of sales officers can be increased considerably in order to increase the awareness level of the schemes.

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