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CONSUMER PERCEPTION TOWARDS SHOPPING THROUGH DEBIT CARDS: A CASE STUDY WITH REFERENCE TO BELTANGADY TALUK IN KARNATAKA

Dr. Chandravathi

Coordinator, Dept of PG studies in Commerce, GFGC Belthangady, D.K. District, Karnataka State

ABSTRACT

This research aims to study the behaviour of using debit cards and the quality perceiving on using debit cards of the consumer in Mangalore district. Questionnaire were used for data collection by purposive sampling and equally distributed to 50 consumers who held at least one debit card and used it more than three times before the study. The collected data was analysed using the descriptive statistics; frequency and percentage, and the inferential statistics; ANOVA at the .05 level of statistics significance. This research found that the demographic characters of the consumers were female, between 21-50 years old, and held bachelor degree.

Introduction

The progress of information technology, communication, and the Internet system has forced the financial and banking system to be globalized. It is not convenient any more to bring much money for buying products and services. Banks play an important role in managing money transaction. They have created many new financial tools, such as ATM cards and credit cards to increase the convenience and ease of the economic system. These financial innovations support transactions and stimulate consumption. At the same time, card issuers make income from the fees (Manager, 2005). Besides providing more convenience and safety than cash, consumers can use their debit cards to withdraw cash at the ATM. Increasing debit card use reduces the Thai government's expenses for producing banknotes. Even though debit cards look like credit cards or ATM cards, there are differences in their function. Credit cards mean “buy first-pay later” while debit cards mean “buy now-pay now. When using debit card, it will directly connect to your account and will credit the amount from your account to the vendor once you buy a product. In modern days online shopping through debit cards plays an important role, the present prime minister of India Narendra Modi demonised 500 & 1000 notes, which created scarcity in currency notes, which contributed great push to the online/mobile shopping/shopping through debit card/ credit cards. The government of India offering discounts on card payments. It is an easy form of shopping, no questions of carrying currency notes.

Objectives of study

- a) To understand perception towards shopping through debit cards.
- b) To know the expectations of the consumers towards shopping through debit cards.

Review of literature

Today's world understanding consumer behaviour and knowing customers are never simple because customers may say one thing but do another. The study of consumer behaviour enables marketers to understand and predict consumer behaviour in the marketplace. It focuses on how individuals make decisions to spend their available resources (time, money, effort) on consumption-related items that includes what they buy, why they buy it, when they buy it, where they buy it, how often they buy it, and how often they use it (Schiffman & Kanuk, 2000).

A market survey of debit card using in Thailand found that debit card holders increased 27 percent to 12 million cards at the end of March, 1996. However only 4.5 billion baht was spent using debit cards, 20 percent increase (Weekly Manager, 1996). While 95 percent of Thai people used debit card for withdrawing the money via ATM, only 5 percent used debit card for purchasing. The main reasons are the inadequate advantage consumers perceive for using their debit cards and distrust in online payment system. To change consumer behaviour, banks must actively market the advantages of debit card use (BrandAge, 1995). With the increasing of the number of debit card holders but only small proportion using the card for purchasing including new ways in payment such as mobile payment, commercial bank must be focus on making consumers understand how to use debit card.

Much research has been concentrated on shopping through debit card in the world. However, there is still a need for closer examination on the online shopping buying/shopping through debit cards behaviour in developing countries like India. Shore (1998) and Stiglitz (1998) reported that implementation of information system depends on specific social, cultural, economic, legal and political context, which may differ significantly from one country to another country. While both established and new, large and small scale businesses are now using the Internet as a medium of sales of their products and services (for example Dell computer, Amazon.com, in the world and jobstreet.com, rediff.com). Still there is a huge research gap that exists not only between countries, especially between developed and developing countries, which may differ significantly between countries (Stieglitz, 1998; Shore, 1998; Spanos et al., 2002) that limit the generalization of research results from developed countries to developing country contexts (Dewan and Kraemer, 2000; Clarke, 2001). Dewan and Kraemer (2000) and Clarke (2001) argued in their study that findings from developed countries are not directly transferable to developing countries.

Research Findings

Methodology

This study was descriptive and analytical in nature. The study mainly depended upon the primary data to develop this article. However, some secondary sources of data were collected for the purpose of gathering background information supporting the study. Relevant primary data were collected using the combination quantitative (sample survey) and qualitative (interview) methods. Primary data were collected through questionnaire method. A Questionnaire was administered to 50 residents of the study area. Appropriate and relevant statistical tools and techniques will be used such as Descriptive Statistics (Mean and S.D), Analysis of Variance (ANOVA). Tools used for the study is shown below

Table – 1 Criteria used for the Research Study

Class	0 - 25	25 - 50	50 - 75	75 -100
Perception of employee	Strongly disagree	Disagree	Agree	Strongly agree

Source: Likers scale

Research findings

1. Respondent opines that shopping through debit cards helps them

0% of the respondents strongly disagree, 4% of them disagree, 52% of them agree, 44% of them strongly agree that shopping through debit cards help them. The percentage means 85 (Mean and SD 3.4000±0.57143) shows that shopping through debit cards helps them as 85% it falls in the category of 76% to 100%

Table Exhibits Consumer perception towards shopping through debit cards

Component	Strongly disagree	Disagree	Agree	Strongly agree	Mean and SD	Percentage Mean
Respondent opines that shopping through debit cards help them	- (0%)	2 (4%)	26 (52%)	22 (44%)	3.4000±0.57143	85
Respondent opines that shopping through debit cards creates cashless society	- (0%)	4 (8%)	39 (78%)	7 (14%)	3.060±0.46991	76.5
Respondent opines that shopping through debit cards contribute for prompt tax payment by the business man	1 (0%)	- (2%)	36 (72%)	13 (26%)	3.220±0.54548	80.5
Respondent opines that shopping through debit cards curbs black money	1 (2%)	6 (12%)	33 (66%)	10 (20%)	3.0400±0.637	76
Respondent opines that payment through debit cards substitute for cash payment	- (0%)	- (0%)	32 (64%)	18 (36%)	3.3600±0.48487	84
Respondent opines that shopping through debit cards become not threat for customers	- (0%)	10 (20%)	30 (60%)	10 (20%)	3.000±0.63888	75
Respondent opines that shopping through debit cards is better than cash payment	- (0%)	2 (4%)	30 (60%)	18 (36%)	3.3200±0.55107	83
Respondent opines that shopping through debit cards become popular after demonetization	- (0%)	- (0%)	31 (62%)	19 (38%)	3.38±0.49031	84.5
Respondent opines that special offer from the government for shopping through debit cards is good	1 (2%)	5 (10%)	27 (54%)	17 (34%)	3.3200±0.69985	80
Respondent opines that shopping through debit cards contribute for digital economy	- (0%)	3 (6%)	26 (52%)	21 (42%)	3.36±0.59796	84

Source: Survey data

2 Respondent opines that shopping through debit cards creates cashless society

0% of the respondents strongly disagree, 8% of them disagree, 78% of them agree, 14% of them strongly agree that shopping through debit cards creates cashless society with (Mean and SD 3.060±0.46991). “The percentage Mean 76.5 shows that shopping through debit cards creates cashless society as 76.5% it falls in the category of 76% to 100%.

3 Respondent opines that shopping through debit cards contribute for prompt tax payment by the business man

0% of the respondents strongly disagree, 2% of them disagree, 72% of them agree, 26% of them strongly agree that shopping through debit cards contribute for prompt tax payment by the business man with (Mean and SD 3.220±0.54548). “The percentage Mean 80.5, which shows that shopping through debit cards contribute for prompt tax payment by the business man as 80.5% it falls in the category of 76% to 100%.

4 Respondent opines that shopping through debit cards curbs black money

2% of the respondents strongly disagree, 12% of them disagree, 66% of them agree, 20% of them strongly agree that of Respondent opines that shopping through debit cards curbs black money. The percentage mean 76% (Mean and SD 3.0400±0.637.), shows that Respondent opines that shopping through debit cards curbs black money as 76% it falls in the category of 76% to 100%".

5 Respondent opines that payment through debit cards substitute for cash payment

0% of the respondents strongly disagree, 0% of them disagree, 64% of them agree, 36% of them strongly agree that payment through debit cards substitute for cash payment with Mean and SD 3.3600±0.48487. The percentage Mean 84 shows that shopping through debit cards becomes not threat for customers as 84% as it falls in the category of 76% to 100%".

6 Respondent opines that shopping through debit cards become not threat for customers

0% of the respondents strongly disagree, 20% of them disagree, 60% of the respondent agrees, 20% of them strongly agree that shopping through debit cards become not threat for customers". "The percentage mean 75 (Mean and SD 3.000±0.63888), shows that shopping through debit cards become not threat for customers as 75% it falls in the category of 75% to 100%".

7 Respondent opines that shopping through debit cards is better than cash payment

0% of the respondents strongly disagree 4% of them disagree, 60% of them agree, 36% of them strongly agree that shopping through debit cards is better than cash payment with Mean and SD 2.6000±0.72843 percentage Mean 83, which shows that shopping through debit cards is better than cash payment as 83% falls in the category of 75% to 100%.

8 Respondent opines that shopping through debit cards become popular after demonetization

0% of the respondents strongly disagree, 0% of them disagree, 62% of them agree, 38% of them strongly agree that shopping through debit cards become popular after demonetization with Mean and SD (3.38±0.49031) percentage Mean 84.5, which shows that shopping through debit cards become popular after demonetization as 84.5% falls in the category of 76% to 100%".

9 Respondent opines that special offer from the government for shopping through debit cards is good

2% of the respondents strongly disagree, 10% of them disagree, 54% of them agree, 34% of them strongly agree that special offer from the government for shopping through debit cards is good with Mean and SD percentage 3.3200±0.69985 Mean 80, which shows that special offer from the government for shopping through debit cards is good as 80% falls in the category of 76% to 100%".

10 Respondent opines that shopping through debit cards contribute for digital economy

0% of the respondents strongly disagree, 6% of them disagree, 52% of them agree, 42% of them strongly agree 2800±0. that shopping through debit cards contribute for digital economy with Mean and SD 3.36±0.59796 percentage Mean 84, which shows that shopping through debit cards contribute for digital economy as 84% falls in the category of 76% to 100%.

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Respondent opines that shopping through debit cards help you	Between Groups	1.932	2	.966	3.228	.049
	Within Groups	14.068	47	.299		
	Total	16.000	49			
Respondent opines that shopping through debit cards creates cashless society	Between Groups	.049	2	.024	.107	.899
	Within Groups	10.771	47	.229		
	Total	10.820	49			
Respondent opines that shopping through debit cards contribute for prompt tax payment by the business man	Between Groups	.727	2	.363	1.232	.301
	Within Groups	13.853	47	.295		
	Total	14.580	49			
Respondent opines that shopping through debit cards curbs black money	Between Groups	.110	2	.055	.131	.877
	Within Groups	19.810	47	.421		
	Total	19.920	49			
Respondents opines that payment through debit cards substitute for cash payment	Between Groups	1.577	2	.788	3.727	.031
	Within Groups	9.943	47	.212		
	Total	11.520	49			
Respondent opines that shopping through debit cards not become threat for customer	Between Groups	.870	2	.435	1.069	.352
	Within Groups	19.130	47	.407		
	Total	20.000	49			
Respondent opines that shopping through debit cards is better than cash payment	Between Groups	1.591	2	.795	2.813	.070
	Within Groups	13.289	47	.283		
	Total	14.880	49			
Respondent opines that shopping through debit cards become popular after demonization	Between Groups	2.776	2	1.388	7.246	.002
	Within Groups	9.004	47	.192		
	Total	11.780	49			
Respondent opines that offers from the government for shopping through debit cards is good	Between Groups	2.344	2	1.172	2.544	.089
	Within Groups	21.656	47	.461		
	Total	24.000	49			

Analysis of Variance (ANOVA) shows that there is a significant difference ($p < 0.001$, HS) in perception towards Nine Components of using debit cards contribute for digital economy.

Conclusion and recommendation

As per the research finding there is significance relation between various component of using debit cards, we found that debit cards serves as a substitute primarily for cash & cheques. The probability of using debit cards is decreasing with age and increasing with education and women use debit cards at a higher rate than men. The frequency of debit card use is lower for older respondents and higher for households and children's.

The aim of this research is to study of using debit card and the quality perceiving on using debit card of the consumer. The research found that the demographic characters of the consumers were female, between 21-30

years old, and held bachelor degree. Two-third of consumers was students, government and company officers. By studying their demographic, this result can lead the issuing bank to pay the attention or define strategy to the right target group and expand the market to the new target group such as male. The following lines of recommendation can be considered to increase the frequency of using debit cards:

- It is the duty of the government to motivate each and every citizen of the country by offering attractive package.
- Alertness programmes of using debit card should be organised.
- It is the duty of government to improve banker customer relationship
- Government should impose strict rules on bankers to support government policies.

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