INTRODUCTION

Credit cards today have become the most preferred way of payments the world over. It has been indicated that the original purpose of a credit card is no longer in use...The increased usage of credit cards for routine, daily purchases has lead to abuse of over usage by consumers and abuse by credit card companies through differing interest rates, reducing credit limits and other hidden fees. In spite of rising gasoline prices, slump in housing industry, it seems that charge cards are more in demand than ever before. Nowadays, credit cards are preferred to both cash as well as cheques. In 2003, electronic payments from credit and debit cards rose to 44 billion — up from 15 billion in the mid -'90s. In addition, from 1999 to 2005, credit card terminals basically tripled in number to 6.8 million. In the hands of the user, a credit card is safe, convenient, offers short term free credit, gets reward points, etc. and brings in more profits for the merchant in the form of higher sales in volume. It also adds to the revenue as people tend to spend more while using credit cards. With the host of advantages that credit cards offer, the usage of the cards may continue to skyrocket in the years ahead, moving our nation closer to a paperless society. Credit cards are the second most popular non-cash instrument in the United States and growing in popularity around the world.

What is true of a developed nation like the USA is true for a developing country like India. More and more people especially the urban educated upwardly mobile professional wants to go the American way and is imitating the west. Especially when, like his counterparts, he too feels that the plastic money, especially credit cards, have an important role to play in his day to day life. Debit and credit cards are gaining popularity for both cash withdrawals and payments. The number of debit cards grew by 25% to 22.78 crore in FY 2011 as against credit cards which declined 1.6% to 1.8 crore. However, the value of debit card transactions was at Rs 38,691crore which was little more than half of credit card transactions of Rs 75,515 crore. In terms of volume of business, during the last financial year, April 2009 to March 2010, Indians spent a total of Rs 62,872.23 crore (USD 13.97) on Credit Cards. Most of the transaction was reported on VISA and MASTERCARD. The Total Plastic Card Market in India
during the last Financial Year was USD 19.78 billion, marginally up from USD 18.64 billion in the financial year 2008-09. Although the number of credit cards in circulation has fallen, the amount spent per swipe is on the rise. The average swipe in 2007–08 was of Rs. 2540.90 which has increased to Rs. 2685.97 per transaction in the year 2009–10.

This study proposes to illuminate the experiences, the benefits and the problems faced by credit card users. The present redressal systems available to the credit card users in case of frauds and thefts of credit cards. This study holds importance as the country's credit card base, pegged at 27 million in 2007 and is growing at an annual rate of 30%-35%. Credit cards constitute one of the fastest-growing financial businesses in India. There are currently 25 million credit cards in the country.

According to data released by RBI, credit card spending—which dropped by over 5% in 2009-10—bounced back with a 21% growth in 2010-11. The volume of transactions which had shrunk by 10% in 2009-10, rose 13.2% in 2010-11. The big surprise is that all this growth has taken place even as the number of credit cards in circulation dropped three lakhs in the last 12 months to 1.8 crore in March 2011.

This see-saw in the number of credit cards in circulation raises a doubt – what is the reason for the credit cards being cancelled or put out of circulation. Bad debts? Overcharging? high rates of interest? lack of services etc.? all of these or some of these may be the cause. But definitely there is a problem in this sector. This brings us to a point that there is a lot of misunderstanding and dissatisfaction amongst the credit card issuers, the merchant community and the card users.

The Farlex Financial Dictionary, defines a credit card as,

“A card entitling the owner to use funds from the issuing company up to a certain limit. The holder of a credit card may use it to buy a good or service. When one does this, the issuing company effectively gives the card holder a loan for the amount of the good or service, which the holder is expected to repay. Most credit cards have variable and relatively high interest rates on these loans. Credit cards also have a limit, which may be raised or lowered depending on the
creditworthiness of the card holder. Most analysts recommend treating a credit card as a short-term loan, as allowing the interest to compound for too long may result in dire financial straits.”

After changing its various forms, money today in the twenty first century is found in the form of coins, currency notes, and now in the form of plastic money. Gone are the days when the customer had to carry wads of currency notes to the stores. Or when payments were made by cheques, the dealer was always apprehensive whether the cheque would be honoured, and very often the dealer made the delivery of the goods after a couple of days once the payment was made. With the introduction of plastic money all these problems have been taken care of. Today one has a number of cards in his wallet – credit card, debit card, ATM card, smart card etc. that takes care of all expenses for the day, whether durables are to be bought, restaurant bills to be cleared or even for the payment for conveyance, a person just has to use the appropriate card and the transaction is complete. Plastic cards are the here to stay and will replace all other forms of money in the years to come.

Many believe that the most popular form of plastic money is the ‘Credit card’. In the hands of its owner: It provides purchasing power, ease of purchase, a credit facility for a few weeks, the convenience of payment along with protection of purchases and discounts & bonuses. For the dealer it brings the credit card brings in higher sales volumes, improves cash flow, targets impulsive buyers encourages web sales and eliminates all risks of bad debts. For the issuer it ensures income through commission and generates publicity. Thus it is a win – win situation for all associated with its usage.

Anything that is so convenient, useful and popular attracts the conniving minds of people who are on the lookout for raking in easy money. In a report compiled by the FreePress as obtained from RBI on the top 10 categories of Fraud in Indian Banking system, Credit Card Fraud occupies the Numero Uno slot. One of the reasons for the decline in the number of credit cards is due to the increasing number of frauds and many card holders are returning their cards to the issuer banks. Statistics reveal that in Mumbai, in the year 2011 (up to October) the number of fraud cases registered was 19 for which 13 persons were arrested. In the previous year 2010 the number of fraud
cases registered was 18 for which 10 persons were arrested. The total credit card loss due to frauds during 2010 was pegged at 13 crores’.

With regularity we get to hear of cases of frauds related to the usage of credit cards. Credit cards are pilfered, stolen, cloned and misused in a number of ways that leads to losses to the user as well as to the issuer.

**Importance of this study:**
As the credit cards are finding their way in every purse and wallet the researcher wants to delve into the psyche of the credit card users and learn about the experiences of the card holders, his preference for credit cards, usage habits, satisfaction levels, awareness about the credit cards, the fears and doubts that surround him, their susceptibility to frauds and the remedies that are available to them. In short, how to get maximum benefits from their credit cards without incurring any losses.
LITERATURE REVIEW

As Allen Nevins puts it “History is a bridge connecting the past with the present and pointing the road to the future”. Similarly Literature review is very important in research work as it refers to the history of work done in a particular field and guides us in the present and opens new doors for research in the future.

1. Chakravorti S. (2003) ‘Theory of Credit Card Networks: A Survey of the Literature’. He discusses the benefits and costs that accrue to various parties involved in online transactions carried out using Credit cards, viz. credit card users, merchants, issuers, acquirers and the networks on which the credit cards are used. They also studied the economic models affecting the inter-related bilateral relationships and offered some guidelines to policy makers.

2. Tidwell M., Bexley J. & Maniam B. (2010) ‘The Swipe and Spend Economy’. They have discussed the beginning of credit card usage with their recent marketing techniques and how it has affected credit card users of all ages from the teenagers to the senior citizens. Emphasis is given on reforms to ease the credit card crunch on the average credit card holder as well as the financial well being of the world wide economy.

3. Sonam D. & Cheema A. (2002) ‘The Effects of Credit on Spending Decisions: The Role of the Credit Limit and credibility’. The researchers established that the ‘credit limit impacted the propensity to spend’, as the general perception was that those having higher credit limit had potential to higher future earning hence was willing to spend more and take advantage of then enhanced credit offer, whereas those with lower credit limits are cautious while spending.

4. Arias J.C., & Miller R. (2009) ‘Market Analysis of Student about Credit Cards’. Combining demographics attributes and attitudinal variables they have made a thorough study of the attitudes of the students towards the use of Credit cards. They have arrived at their conclusions that credit cards act as ego boosters
and have become a way of life. All students uniformly agreed that credit cards were their lifeline in case of emergencies and are most convenient to use.

5. Joo So-Hyun, Grable J.E. & Bagwell D.C. (2003) ‘Credit Card Attitudes and Behaviors of College Students’. Cutting across all barriers of racial background, economic condition and education levels it was established that College students are living on the edge of a financial crisis and were heavily in credit card debts. Between 1980 and 2000, the US Banks invaded the Universities and added another 40% new credit cardholders.

6. Khatibi A., Haque A. & Karim K. (2006) ‘E-Commerce: A Study on Internet Shopping in Malaysia’. They state that Malaysia being a developing country, where computer literacy is very low, online shopping has made its way only in the last decade. It is mainly the educated ‘Ethnic Chinese’ who making all their purchases through e-commerce. This research studies and evaluates the characteristics of the Online shoppers in order to know the use and abuse of credit cards in the virtual world.

7. Anderson M. (2008) ‘From Subprime Mortgages to Subprime Credit Cards’. He concludes that since 2005 bankruptcy law have been modified to made subprime products safer for credit card companies, the banks are promoting more cards to consumers with poor credit history. The credit card issuers are charging high up-front fees (fees paid on getting a new card) and high penalties for defaults, hence consumers must be cautious while accepting new credit cards.

8. Calem P. & Mester L. (1995) ‘Consumer Behavior and the Stickiness of Credit Card Interest Rates’. They have found through extensive research that although all other bank charges undergo some variations either way, interest charged on credit cards remain unchanged as consumers are not responsive to rate cuts. The empirical findings support the view that competition in the credit card market is imperfect due to search costs, switch costs, and adverse selection problems for individual firms who change rates.

9. Zafer, Ahmed, Morry, Ghingold, Zainurim & Daari. (2007) ‘Malaysian Consumers’ credit card usage behavior’. They have tried to find and
understand the attitude and spending behavior of the people of Malaysia a
developing country where the use and ownership of credit cards is on the rise.
Their study is based on the psychographic factors of the Malaysians. They have
stated that to understand the same more empirical studies must be carried out.

Frauds’. It describes the various ways in which a credit card holder may be a
victim of fraud, the impact of frauds on the Credit cardholders, the merchants
and the issuer banks. It also discusses in details the various fraud prevention
technologies and suggests innovative methods to be adopted to make them smart
cards to curb frauds.

Techniques: A Review’. They have analysed the different types of credit card
frauds and have reviewed the suitability of various techniques used in fraud
detection. They have also tried to find the reasons for genuine card holders
being misclassified as fraudulent and vice versa.

network’. On the basis of data provided by the credit card issuers they
experimented their fraud detection system. Their system covered all types of
frauds due to lost cards, stolen cards, application fraud, counterfeit fraud, mail-
order fraud etc. The performance of the network on this data set in terms of
detection accuracy and earliness of fraud was found to be very successful.

Credit Card Fraud Prevention System for Developing Countries’. They
have proposed a system with ‘predefined checks’ for the developing nations as
regards to transactions based on ‘Card not present’ wherein transactions are
conducted on the basis of CVV. They have suggested an improvement in the
Address Verification System (AVS) which allows only legitimate transactions
and blocks the fraudulent ones. It also provides protection against stolen credit
card frauds.

Fraudulent Detection’. They have suggested safe and secure online payments
through Credit cards by using the ‘Hidden Markov Model’ to detect frauds even before the transaction is complete. The HMM is based on ‘spending habits profile of the card holder. All profiles could be categorized as Lower, Middle and Upper profiles and any deviations from the set pattern of the last ten transactions could indicate potential fraud which could be verified.

15. Srivastava A, Kundu A., Sural, S. & Majumdar, A.K. (2008) ‘Credit Card Fraud Detection Using Hidden Markov Model’. Seeing the popularity of credit card transactions both Online and for regular purchases, the researchers have suggested how the Hidden Markov Model can be used to reduce credit card frauds. They have compared their results with other techniques that are available to check frauds and ensured that the genuine credit card holders do not face problems due to rejection of their transactions.

16. Chan P.K., Fan W., Prodromidis A.L. & Stolfo S.J. (1999) ‘Distributed Data Mining in Credit Card Fraud Detection’. The researchers state that most people suggest using of ‘Biometric technology’, ‘Hidden Markov Model’ or ‘Radio Frequency Identity’ etc. to reduce frauds. But for all these security systems to work, the database becomes enormous, and looking for one set of information amongst millions becomes a Herculean task and it requires a very efficient mining technique. So he suggests breaking up of large sets of data into smaller sets and sub sets for easy, quick and economical data retrieval.

17. Rani J.K., Kumar S.P., Mohan U.R. & Shankar C. U (2011) ‘Credit Card Fraud Detection Analysis’. They have suggested a very efficient system of detecting credit card frauds by using the Hidden Markov Model (HMM). All details of the Credit cardholders are stored in the database and can be easily retrieved, as the navigation control can navigate through voluminous data and records. Further the cardholders could also modify their profiles on a regular basis.

18. Singh S.P., Shukla S.S.P., Rakesh N. & Tyagi V. (2011) ‘Problem Reduction in Online Payment System Using Hybrid Model’. The researchers have suggested an online payment system using a hybrid model of combining the “Hidden Markov Model” (HMM) and the “Mobile Implicit Authentication”
As both these models are based on the behavioural pattern of the card user, all online transactions will follow a set routine and any deviation will trigger off an alarm which could be verified instantaneously thereby avoiding all frauds.

19. Chang C. & Chang S. (2010) ‘The Design of E-Traveler’s Check with efficiency and Mutual Authentication’. They have developed a design of ‘E-Traveler’s cheque which is practical, secure and convenient way of carrying money while travelling. Their scheme is based on the definition of the cross product in an n-dimensional linear space where in a smart card having personal details of the user could be made more secure through the use of finger print authentication and a password to reduce frauds.

20. Dharwa J.N & Patel A. R. (2011) ‘A Data mining with Hybrid Approach Based Transaction Risk Score Generation Model (TRSGM) for Fraud Detection of Online Financial Transaction’. They have proposed a cyber crime detection system combining various approaches like rule base filtering, data mining, artificial intelligence, linear equation and Bayes theorem. A unique feature of this model is that due to the unsupervised data mining technique along with past fraudulent transactions, new frauds can also be detected.

21. Erdem C. (2008) ‘Factors Affecting the Portability of Credit Card Default and the Intension of Card use in Turkey’. As socioeconomic consequences of Credit card debt is becoming a major problem in Turkey, Erdem has attempted to find the factors that impact credit card use and has concluded that the main reason for default is the high ratio between credit card debt and the income. Main factors that affect the income are large families and low education levels.

22. Humphrey D.B. (2004) ‘Replacement of Cash by Cards in US Consumer payments’. As no country keeps time series data of the cash transactions, this paper is entirely based on an econometric model. Over a period of twenty five years the use of cash has fallen as people are going in for cashless transactions. Over the years, cash was replaced by cheques, cheques were replaced by credit cards and now debit cards have replaced cheques and cash. Thus economies all over the world are moving from cash to cards in their day to day transactions.
23. Matejkovic J.E. & Lahey K.E., (2001) ‘Identity Theft: No Help for Consumers’. All over America credit card frauds are on the rise due to Identity thefts. Attempts have been made to make identity theft a crime. The researchers discuss the inadequacy legislation to tackle this problem of identity theft, as the victims of fraud have no recourse or remedy and they suffer heavy losses. They further suggest some incentives to protect consumer identity information.

24. Kumar D & Ryu Y. (2009) ‘A Brief Introduction of Biometrics and Fingerprint Payment technology’. They suggest that the use of biometric payment is reliable and economic. It eliminates the need for memorizing a number of passwords and pin numbers for the range of cards used on a daily basis. He further suggests that if the biometric payment system is made universal, the cost of biometric readers will come down and even the petty trader will be able to afford them resulting in wider use of credit cards.

25. Lin Shang-Hung. (2000) ‘An Introduction to Face Recognition Technology’. Frauds committed on internet transactions are a major concern as millions of dollars are siphoned away by sophisticated cyber crooks and so Lin S. suggests that the answer lies in the use of biometrics technology instead of using behavioural methods to detect frauds. According to him face recognition is highly accurate and user friendly. For better results an additional feature in the form of ‘eye localiser’ could be used to avoid variations in the image.

26. Umamaheshwari M., Sivasubramaniam S. & Kumar H. B. (2010) ‘Online Credit Card Transaction Using Finger Print Recognition’. With online transactions becoming common, the emphasis is on a secure online payment system through ‘Finger Print recognition’. It is the best methods of authentication, as fingerprints are unique. For finger printing a small sized biometric scanner can be incorporated to all laptops and keyboards and the fingerprint can be authenticated from the database maintained by Credit card issuer.

27. Murdoch S.J., Drimer S., Anderson R. & Bond M. (2010) ‘Chip and PIN is Broken’. EMV (Europay, Mastercard and Visa) cards, i.e. ‘Integrated or Chip cards’ are being promoted in a big way in the western world as safe smart cards.
This paper finds a lacuna in the system due to a protocol flaw which can circumvent the security net, and proves that these cards are not totally safe in the hands of a techno savvy person. The researchers have also provided a solution to the card issuers to improve the technology and come out with the next improved version of EMV cards.

28. Rahimi A., Mohammadi S. & Rahimi R. (2010) ‘A New Web-based Architecture Based on Iris Biometric Technique to Decrease Credit Card Frauds over Internet’. They suggest a secure method of payment through credit cards using the ‘Iris recognition’ technology, to curb frauds in internet transactions. It proposes to combine image processing of customers iris templates along with credit card details to reduce credit card frauds.

29. Rizzardi R. (2008) ‘Financial management – Payment Card Fraud can happen to you’. With the help of true life cases, He indicates the various ways in which Credit card frauds take place. Most Credit card frauds are committed through data mining, manipulation in accounts, skimming and phishing. He also gives a number of tips from the simple to the complex how frauds can be avoided and Credit cards be used safely in day to day transactions.

30. Low S.H., Maxemchuk N.F. & Paul S. (1996) ‘Anonymous Credit Cards and Their Collusion Analysis’. A Credit card transaction takes place through electronic fund transfer mechanism, wherein the personal details of the cardholder has to match with details stored in the issuers’ database. This results in copying and redistribution of electronic documents which is detrimental to the cardholder. An anonymous protocol is suggested to protect the cardholders privacy at the same time provide all conveniences and security to the credit cardholders.

31. Mann J.R. (2002) ‘Credit Cards and Debit Cards in the United States and Japan’. On comparing the usage of credit and debit cards in United States and in Japan, Mann has found some differences which arise mainly due to the size of the nation and the attitude of the card holders. Average spending and the use of Credit card in the US is higher. Japan being a smaller nation its telecommunications cost is high which affects the retailers. Moreover the
Japanese prefers to pay to clear their dues in one go on the due date.

32. Shimp T.A. & Moody M.P. (2000) ‘In Search of a Theoretical Explanation for the Credit Card Effect’. They try to replicate and to ratify the earlier work done by Feinberg (1986) ‘Credit Card Effect’. i.e. objects evaluated in the presence of credit card stimuli were perceived as more valuable then when evaluated without such stimuli. They found Feinberg’s findings as appealing and possessing information but were inconsistent, unexpected and implausible and added that Feinberg findings were due to the lack of credit card experiences as in 1980s.

33. McCall M. & Belmont H.J. (2002) ‘Credit Card Insignia and Restaurant Tipping: Evidence for an Associative’. This paper is based on ‘Feinberg’s ‘Credit Card Effect’ that the credit cards cues are ‘spending – facilitating stimuli’ i.e. credit cards facilitate an inflated spending response. They found that on an average, diners tipped 4.29% more in the presence of credit cues. However the amount of tips could differ with a change in of restaurants and insignia.

34. Lie C., Hunt M. & Peters H.L. (2010) ‘The “Negative” Credit Card Effect: Credit Cards as Spending-Limiting Stimuli in New Zealand’. The ‘Credit Card Effect’ according to Feinberg (1986) were spending – facilitating stimuli i.e. credit cards facilitate a spending response. The researchers established that credit cards instead of ‘facilitating spending’ were actually acting as a ‘Limiting stimuli’. The difference has surfaced due to social and economic differences over the intervening years.

35. Ming T. L. (2011) ‘Value Chain Flexibility with RFID: A Case Study of the Octopus Card’. The Octopus Card, launched in 1997 in Hong Kong is the world’s most widely accepted contactless electronic payment system based on Radio frequency Identity (RFID). Fares from nearly 11million passengers were collected during the year 2010. The Octopus card is a contactless smartcard where with the help of an electronic reader payment is deducted and these cards can be reloaded for any denomination.
36. Safakli O.V. (2006) ‘A Research of the Usage of Credit Cards in TRNC’. He believes the assumption that the product or service will be uniform all over the world and differences may exist in cost or service charge. Safakli establishes that the usage of Credit cards in the Turkish Republic of Northern Cyprus (TRNC) is different as the financial markets, the demographic structure and cultural factors come into play. Moreover being an Islamic country the concept of making profits cannot be implied in banking business.

37. Temple J. (2007) ‘Older People and Credit Card Fraud’. He is more concerned about frauds involving aged Australians and makes suggestions how to reduce credit card frauds. These people because of the age make most of their purchases online and a fraud can erode their economic well being. They are affected more as they cannot recover their losses due to lack of mobility and awareness of laws. Hence he suggests freeing these old people from the psychosocial trauma cased by card frauds.

38. Thomas M., Desai K.K. & Seenivasan S. (2011) ‘How Credit Cards Payments Increase Unhealthy Food Purchases: Visceral Regulation of Vices’. The buying behavior of the customer is analysed while comparing purchases made when payment is made by cash or through credit cards. It was established that when the payment is made by credit cards the customer indulges himself. While purchasing on cash only goods having high utility are given preference.

39. Ucal M., O’Neil M.L. & Cankaya S. (2011) ‘Effects of Gender on Credit Card Usage among University Students in Turkey’. This is one of the few researches conducted on usage of credit cards based on gender of University students, in a developing country like Turkey – having a circulation 32 million credit cards. The gender biases were marked as the comparisons showed that: the male students spent more money and have more credit cards, whereas the girl students were prompt in clearing their debts and spent most on purchasing clothes. One third of the girl students used family cards and felt it was prestigious to use credit cards.

40. White M.J. (2000) ‘Bankruptcy Reforms and Credit Cards’. The 1.5 million bankruptcies filed in 2004 got Mr. White M. worried and he embarked on this
research. He zeroed down on the cause the ‘revolving debt’ offered by the credit cards. Even the rich and the famous filed for bankruptcy as it was no longer considered a social stigma. The rising number of Bankruptcies paved the way for the introduction of the ‘Bankruptcy Abuse Prevention and Consumer Protection Act. (BAPCPA)
OBJECTIVES

The objectives of the study are:

- To educate the masses about the credit card – its contents and security features.
- To identify the need and preferences of the people for possessing credit card.
- To identify the finer segments of credit card market across the different life style dimensions.
- To study the problems and difficulties faced by the users of credit cards.
- To study the effectiveness of the services provided by the issuing establishments.
SCOPE OF THE STUDY

The credit card users are spread throughout the length and breadth of the country though mainly concentrated in the urban areas. As it is not humanly possible to collect the experiences of all the 18.3 million credit card owners, the scope of this study will be limited to a representative sample drawn from the north western suburbs of Mumbai namely Malad – Borivali. Credit card users across all demographic parameters will be covered to get a true representation of the entire population of credit card holder.
UTILITY OF THE STUDY

Looking at the rampant use of credit cards amongst the educated class the researcher believes that the average user of cards needs to be educated about the different types of credit cards available.

This study proposes to examine the experiences of the credit card users, the benefits that accrue to them as well as the problems they face. The difficulties that they encounter in it’s day to day usage. The precautions to be taken by the card users while using the credit cards. The remedies and the redressal that is available to them in case of loss or theft of their cards.

It will provide insight to the commercial banks and the financial institutions about the expectations and the apprehensions of its credit card users.

It will enable the merchant establishments to understand the psyche of the card users and accordingly they can formulate policies to boost their business.

To create awareness amongst the public about the frauds that take place in the credit card industry and the precautions and safety measures to be adopted.
HYPOTHESIS:

This study mainly tries to quantify the experiences of the credit card users. The preference of credit card holders, their usage habits, satisfaction and problems faced by them.

The hypothesis to be tested is:

H₀ : Majority of credit cards users are satisfied with the credit card services provided by the issuers.

H₀ : Men and Women have equal awareness about interest rates, service charges, terms & conditions etc. related to credit cards.

H₀ : Credit cards are more popular because of the conveniences they offer as opposed to their prestige value.

H₀ : There is no relationship between marital status and the sex of the person for the use of credit cards.
H₀₁ : There is no significant difference between the sex composition for using the credit cards.

H₀₂ : There is no significant difference among the marital status of credit cards users.

H₀₁ : There is no significant difference among the statements received on time.

H₀₂ : There is no significant difference among the levels of issue of new credit cards on the expiry of the old one.
RESEARCH METHODOLOGY

Research Design:
The researcher plans to present his study in the form of ‘Descriptive Research’, as his work aims at highlighting the experiences of Credit card holders. The growing importance of credit cards in the day to day transactions, users preference and their awareness about the credit cards that they use. The base will be Quantitative as the researcher will be adopting the Survey method to collect the data.

The researcher plans to collect data for his research through primary and secondary sources.

Primary sources:
- In the opinion of the researcher the best source of collecting data for this type of research should be first hand information directly collected from the credit card users. For this the best method would be the survey method wherein the researcher plans to collect the data through questionnaires. Hence the researcher plans to use a structured non-disguised questionnaire containing a number of questions – both open and closed ended. These questions will be basically classified into groups for the sake of convenience.
  - Personal details of the respondent.
  - General questions pertaining to the various types of cards used.
  - The services provided by the credit card issuers.
  - Their preferred mode of using the credit cards
  - The benefits or the advantages of using these cards.
  - The risks or dangers envisaged or experienced.
  - If necessary the researcher may also interview users of credit cards to get additional details that may not be possible through the questionnaire.
Secondary sources:
For any data to be complete the researcher has to heavily depend upon information from existing sources. The researcher will assimilate the essence from the information taken from various secondary sources.
- The researcher will also make use of data published by the various commercial banks and financial establishments that issue these cards.
- The research will depend upon information collected from the print media: i.e. newspapers, magazines and journals.
- Existing work done on similar topics by others.
- Information gleamed from the internet.

Sampling & Sample size:
The data will be collected through the Simple Random Sampling method, with the help of questionnaires from 300 people who are using or have used credit cards. Care will be taken to see that the sample is a true representation of the population. These respondents will be limited to the Geographical region of Malad – Borivali of the North Western Suburbs of Mumbai.

Research Area:
The geographical area to be covered in the research will be Malad – Borivali of Mumbai city in the State of Maharashtra, India. This area has been selected primarily as Mumbai is the Financial Capital of India. The area Malad – Borivali is part of the western suburbs of Mumbai where the average population belongs to the middle and upper economic class. A number of MNCs have their offices here; there are also a large number of malls, restaurants, showrooms of automobile dealers etc., an indication that this is an upscale market. The researcher is of the opinion that the usage of Credit cards in this area is high.

Analysis:
The data collection from the questionnaire will be analysed using basic statistical tools like Graphs, Diagrams, Co-relation test, Large Sample Test, Chi Square test and Analysis of Variation.
Limitations of the Study:

- As the study involves a product that is very commonly used in urban areas it would be difficult to follow the enumeration method of data collection. Hence the research will be based on a sample which will represent the population under the study.

- Due to logistics constraints and India being a very large country, the researcher will limit the geographical area of the study to the north western suburbs of Mumbai viz. from Malad to Borivali, Western Suburbs of Mumbai, Maharashtra State.

- The sampling will be based on Simple Random Sampling and the data will be collected from those using credit cards.

- Due to constraints of time the researcher plans to approach 300 respondents whose opinions will form the basis of the study.