

THE USAGE OF DEBIT CARD AND CREDIT CARD IN STATE BANK OF INDIA, ARIYALUR. - A STUDY

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Abstract

Finance is the life blood of trade, commerce and industry nowadays, banking sector act a backbone of modern business. Development of any country mainly depends upon the banking system. The term bank is either derived from Old Italian word bench or from a French word banquet both mean a bench or money exchange table Debit cards have revolutionized both the shopping experience and the banking world. Using debit cards in India safely and effectively is important.

KEY WORD:Debit card,Credit Card,Customers,Bank

INTRODUCTION:

Finance is the life blood of trade, commerce and industry nowadays, banking sector act a backbone of modern business. Development of any country mainly depends upon the banking system. The term bank is either derived from Old Italian word bench or from a French word banquet both mean a bench or money exchange table. IN olden days, European money lenders or money changers used to display (show) coins of different countries in big helps (quantity) on benchers or tables for the purpose of lending or exchanging.

A bank is a financial institution which deals with deposits and Advance and other related services. It receives money from these who want to save in the form of deposits and it lends money to those who need it.

DEBIT CARD:

A debit card (also known as a **bank card, plastic card** or **check card**) is a plastic payment card that can be used instead of cash when making purchases. It is similar to a credit card, but unlike a credit card, the money is immediately transferred directly from the cardholder's bank account when performing a transaction.

SAFE IS THE DEBIT CARD:

The debit card is a personal identification number (PIN) BASED CARD. Even bank will not know your PIN and therefore your debit aced and completely safe and secure.

CREDIT CARD:

A **credit card** is a payment card issued to users (cardholders) to enable the cardholder to pay a merchant for goods and services based on the cardholder's promise to the card issuer to pay them for the amounts plus the other agreed charges. The card issuer (usually a bank) creates a revolving account and grants a line of credit to the cardholder, from which the cardholder can borrow money for payment to a merchant or as a cash advance.

SELECTION OF DEBIT CARD AND CREDIT CARD:

For the purpose of study six leading card in the debit card and credit segment who dominated the market in the category of card were selected the selection and issuers in state bank of India.

IMPORTANCE OF THE STUDY:

Competition and innovation technology are entering in to the bank business the bank plan the suitable strategy to improve their business through continuous valuation and fulfillment of consumer needs.

OBJECTIVES OF THE STUDY:

1. To find out the level of performance in state bank of India to the Customer awareness to word ATM Services and credit card.
2. To find the additional services provided to card hold for the usage of debit card and credit card.
3. To offer suitable suggestion for improving the under study.
4. The analysis the overall performance of the bank.

STATEMENT OF THE PROBLEM:

Bank plays an important role in our India. Due to technological changes, the banking facilities also get to be improved like our day usages of cards, utilizing money through the use of those cards whenever needed. Therefore, the researcher undertaken the study about the usages and analysis how for it is to be utilized by the customers of state bank of India.

METHODOLOGY:

The following methodology is adopted to study the above stated objectives.

RESEARCH DESIGN:

For the purpose of study six leading card in the Debit card and Credit card segment who dominated the market in this category of cards were selection.

TOOLS OF THE STUDY:

There are various tools to be used such as charts, tables and diagrams etc., to be collected from the respondents.

PERIOD OF STUDY:

The period selected for the study is 2019-2020 because debit card were very popular and many multinational and domestic banks have been concentrating on debit card and credit card in India since 1980.

LIMITATION OF THE STUDY:

This study is confined to the area of debit card schemes in Ariyalur. the card holder of popular debit card are considered for selecting the target for the study various problem faced and complaints expressed by the card holder and merchants establishment have to be generalized as they not confined to any particular area.

PROFILE OF ARIYALUR (AREA PROFILE):

Ariyalur district came into existence by bifurcating perambalur as per G.O.Ms.No.683 Revenue RA1 (1) Department dated 19.11.07. it is bounded on the North by cuddalore, south by Thanjavur, EAST by Cuddalore and Thanjavur and west by perambalur and Trichirapalli districts. The new Ariyalur district is functioning from 23.11.2007

Ariyalur district consists of 2 divisions viz., Ariyalur and Udayarpalayam, three Taluks viz., Ariyalur, Udayarpalayam and sendurai and six blocks.

TABLE 1**CLASSIFICATION OF RESPONDENTS ON THE BASIS OF GENDER**

S.NO	CATEGORY	NO.OF. RESPONDENTS	PERCENTAGE (%)
01	MALE	27	54%
02	FEMALE	23	46%
	TOTAL	50	100%

SOURCE: Primary data

INTERPRETATION:

The main reason for classifying the ATM card holders according to the sex is to find out the sex ratio among the respondents.

The table reveals that analysis, 54% high ranges of male respondents & 46% low ranges of female respondents. Now days, working women are interested to hold ATM card for time saving purpose.

TABLE 2**CLASSIFICATION OF RESPONDENTS EDUCATIONAL QUALIFICATION**

S.NO	CATEGORY	NO.OF. RESPONDENTS	PERCENTAGE (%)
01	SSLC	02	04%
02	HSC	04	08%
03	U.G	10	20%
04	P.G	19	38%
05	TECHNICAL QUALIFICATION	15	30%

	TOTAL	50	100%
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SOURCE: Primary data

INTERPRETATION:

This table shows that the educational qualification of the respondents 4% of the respondents were completed SSLC, 8% of the respondents were completed their higher secondary, 20% of them were completed their post graduation & 30% of the respondents were completed their technical qualification.

So, most of the respondents come under the category of post graduation level.

TABLE 3

CLASSIFICATION OF THE RESPONDENTS OCCUPATION

S.NO	CATEGORY	NO.OF. RESPONDENTS	PERCENTAGE (%)
01	EMPLOYED	26	52%
02	BUSINESS	12	24%
03	PROFESSIONAL	10	20%
04	OTHER	02	04%
	TOTAL	50	100%

SOURCE: Primary data

INTERPRETATION:

The table reveals that 52% of the ATM card holders were come under salaries class, 24% of them were doing business and 20% were professional.

TABLE 4
CLASSIFICATION OF MONTHLY INCOME OF THE ATM CARD
HOLDER

S.NO	CATEGORY	NO.OF. RESPONDENTS	PERCENTAGE (%)
01	BELOW RS.5000	03	06%
02	5000-7000	10	20%
03	7000-9000	17	34%
04	ABOVE RS.10000	20	40%
	TOTAL	50	100%

SOURCE: Primary data

INTERPRETATION:

The table reveals that it is clear that 6% of the respondents earned less than 500 per month & 40% of the respondents earned above Rs.10000.

So majority of the respondents earned Rs.10000 per monthly under the study.

CHART 1
MONTHLY INCOME OF THE AT CARD HOLDER

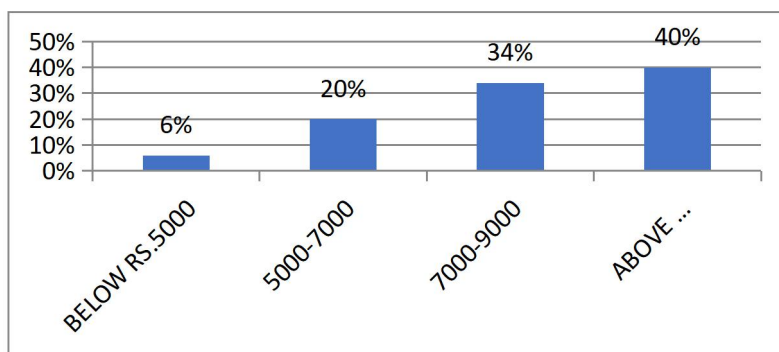


TABLE -5

CLASSIFICATION OF RESPONDENTS RESIDENT PLACE

S.NO	CATEGORY	NO.OF. RESPONDENTS	PERCENTAGE (%)
01	Urban	29	58%
02	Semi urban	14	28%
03	Rural	07	14%
	TOTAL	50	100%

SOURCE: Primary data

INTERPRETATION:

This table shows that the majority of the respondents (58%) were living in urban areas, 28% of the respondents were in semi urban & 14% of the respondents were in rural areas.

So majority of the ATM card holders are living in the urban area

TABLE 6

CLASSIFICATION ON THE BASIS OF ACCOUNT HOLDING

S.NO	CATEGORY	NO.OF. RESPONDENTS	PERCENTAGE (%)
01	Saving account	40	80%
02	Recurring account	05	10%
03	Current account	05	10%
	TOTAL	50	100%

SOURCE: Primary data

INTERPRETATION:

The table proves that the majority of the respondents (80%) were having saving account with the bank and 10% of the respondents were having respondents were having recurring account & current account in state bank respectively

So, majority of the respondents were having saving account holding.

CHART 2

CLASSIFICATION ON THE BASIS OF ACCOUNTING HOLDING

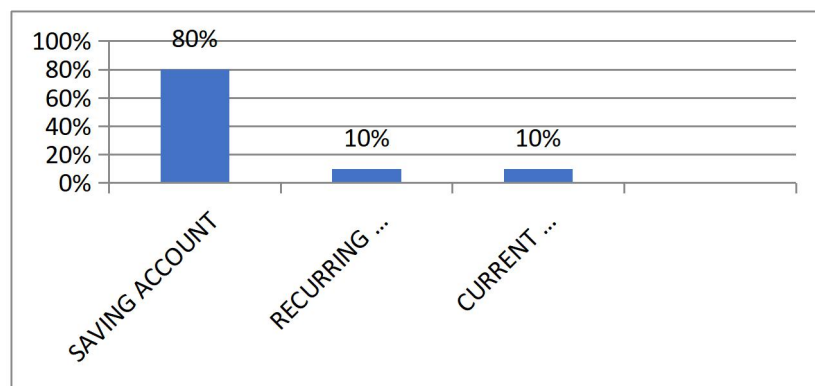


TABLE 7

CLASSIFICATION OF ATM FACILITY IN YOUR ACCOUNT

S.NO	CATEGORY	NO.OF. RESPONDENTS	PERCENTAGE (%)
01	YES	38	76%
02	NO	12	24%
	TOTAL	50	100%

Source: Primary data

INTERPRETATION:

The table shows that majority of 76% respondents were enjoying ATM facilities in state bank and 24% of respondents were not satisfied in ATM facilities.

TABLE 8

CLASSIFICATION OF THE BANK TAKES TO PROVIDE ATM CARD

S.NO	CATEGORY	NO.OF. RESPONDENTS	PERCENTAGE (%)
01	15days	27	54%
02	30days	14	28%
03	40days	09	18%
	TOTAL	50	100%

Source: primary data

INTERPRETATION:

The table indicate that the majority of cards 54% used the ATM card for the maximum period 15 days and 18% of the card holders were used from 30 days. The customers get the awareness of using ATM cards only for few days.

TABLE 9

CLASSIFICATION ON THE BASIS OF USAGE OF CARD

S.NO	CATEGORY	NO.OF. RESPONDENTS	PERCENTAGE (%)
01	Often	30	60%
02	Occasionally	05	10%
03	Rarely	11	22%
04	Not used	04	08%
	TOTAL	50	100%

SOURCE: Primary data

INTERPRETATION:

The table's shows that the majority (60%) of the respondents were using the card frequently & 8% of the respondents were not using the ATM card

CHART 3

CLASSIFICATION ON THE BASIS OF USAGE OF CARD

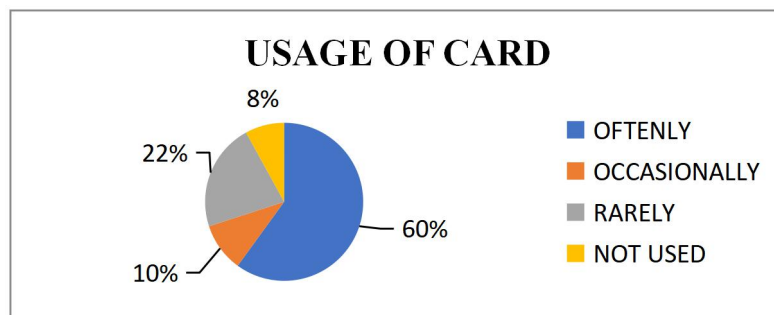


TABLE 10

CLASSIFICATION BASED ON THE DURATION OF USAGE OF ATM CARD

S.NO	CATEGORY	NO.OF. RESPONDENTS	PERCENTAGE (%)
01	1-2years	04	08%
02	2-3years	05	10%
03	3-4years	12	24%
04	4-5years	10	20%
05	More than 5 years	19	38%
	TOTAL	50	100%

SOURCE: Primary data

INTERPRETATION:

The table that the majority of card holders (30%) used the ATM card for the maximum period of more than 5 years & 8% of the cardholders were used it from 1 to 2 years.

The customer gets the awareness for using ATM cards only for few years ago.

CHART 4

CLASSIFICATION BASED ON THE DURATION OF USAGE

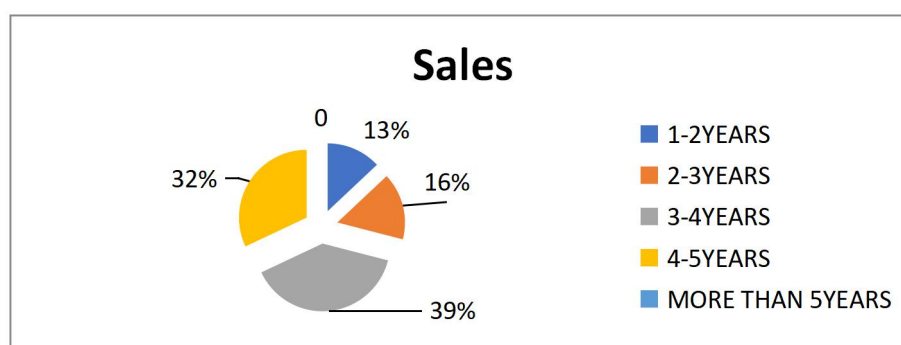


TABLE 11
PURPOSE OF USING ATM CARDS

S.NO	CATEGORY	NO.OF. RESPONDENTS	PERCENTAGE (%)
01	Withdrawal	20	40%
02	Amount deposit	02	04%
03	Balance enquiry	08	16%
04	Mini-statement	05	10%
05	All the about services	15	30%
	TOTAL	50	100%

SOURCE: Primary data

INTERPRETATION:

The table reveals that the classification of respondents on the basis of purpose of using ATM card. 40% high range of the card holders used for withdrawal purpose, 4% low range amount deposit. Such as withdrawal, amount deposit, balance enquiry, mini statement and all the services provided by state bank.

CHART 4
PURPOSE OF USING ATM CARDS

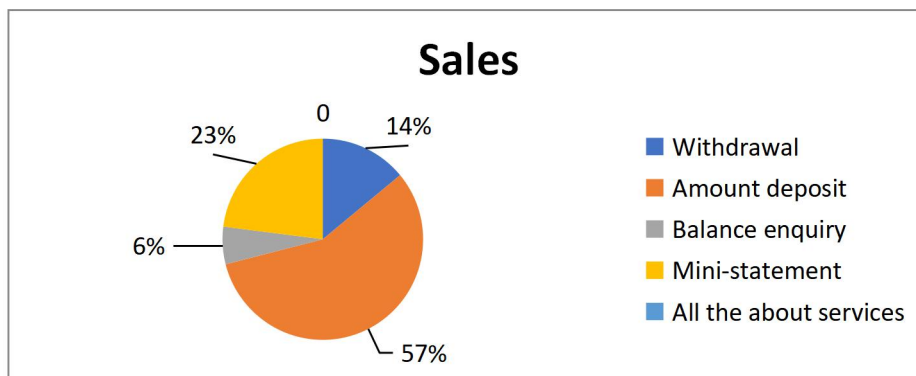


TABLE 132

CLASSIFICATION OF VARIOUS KINDS OF SERVICES PROVISION BY THE SBI

S.No	CATEGORY	NO.OF RESPONDENTS	PERCENTAGE (%)
01	Intimation of expiry period	03	06%
02	FIR for lost card	10	20%
03	Clarifying the doubts	30	60%
04	Other	07	14%
	TOTAL	50	100%

Source: Primary data

INTERPRETATION:

The table reveals that the various services in ATM facility offered by state bank.

Majority, 60 percentages of the respondents were clarifying their doubts about uses of ATM through the branch, and 6 percentage of the respondents were got the intimation about the expiry date of usage of ATM Card.

CHART 5

CLASSIFICATION VARIOUS SERVICES IN ATM FACILITY OFFERD BY THE SBI

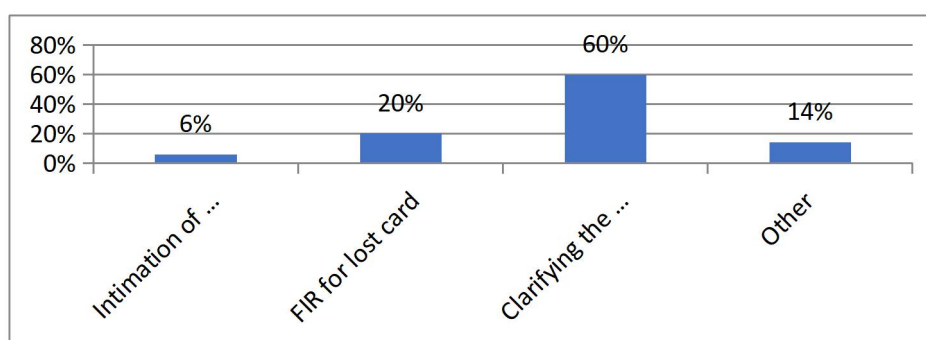


TABLE 13

CLASSIFICATION OTHER SERVICES PROVIDED BY SBI

S.NO	CATEGORY	NO.OF.RESPONDENTS	PERCENTAGE (%)
01	Any branch banking	10	20
02	Credit cards	15	30
03	Mobile banking	05	10
04	Internet banking facility	20	40
	TOTAL	50	100

Source: Primary data

INTERPRETATION:

The table shows that 40% high range of the responding availed internet banking facility provided by state 10% low ranges of the respondents hold the mobile banking.

CHART 6

OTHER SERVICES PROVIDED BY SBI

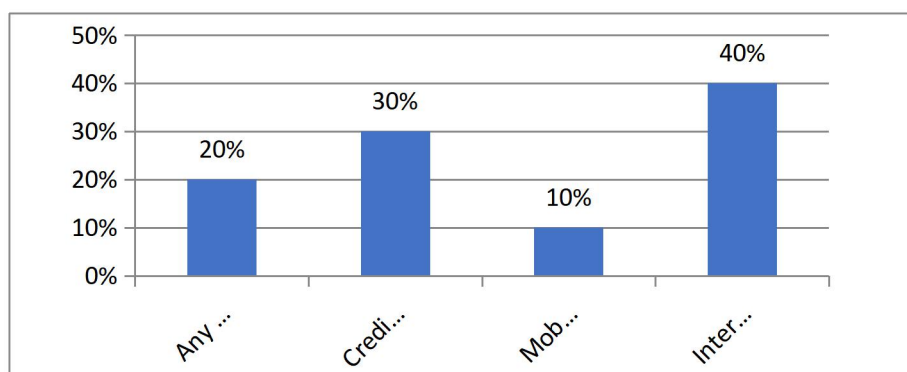


TABLE 14**CLASSIFICATION OF OPINION ABOUT THE USE OF ATM CARDS**

S.NO	CATEGORY	NO.OF.RESPONDENTS	PERCENTAGE (%)
01	Very good	35	70%
02	Good	05	10%
03	Satisfactory	07	14%
04	Poor	03	06%
	TOTAL	50	100%

Source: Primary data

INTERPRETATION:

The table reveals that the opinion about the ATM services provided by state bank. Majority 70% of the ATM card holders were felt very good & 6% of the ATM card holder felt poor about the services of ATM provided by state bank

So, majority of the respondents were enjoyed the ATM facility offered by state bank.

TABLE 17**CLASSIFICATION OF MOTIVATED FOR CHOSSING THE CREDIT CARD**

S.NO	CATEGORY	NO.OF.RESPONDENTS	PERCENTAGE (%)
01	Bank employees	06	12%
02	Friends	21	42%

03	Relatives	05	10%
04	Advertisement	18	36%
	TOTAL	50	100%

Source: Primary data

INTERPRETATION:

The table shows that max 42% of the respondents are influenced by friends for choosing the credit card and minimum 10% of the respondents are influenced by relatives for choosing the credit card.

CHART 7

MOTIVATION FOR CHOOSING THE CREDIT CARD

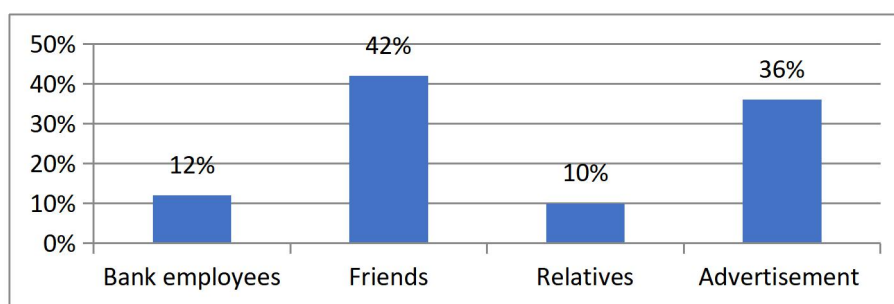


TABLE 17

CLASSIFICATION OF CHOOSING THE CREDIT CARD

S.NO	CATEGORY	NO.OF.RESPONDENTS	PERCENTAGE (%)
01	Cash credit	04	08%
02	Convenience	27	54%

03	Prestige	14	28%
04	Additional service	05	10%
	TOTAL	50	100%

Source: Primary data

INTERPRETATION:

The table explains that 54% of the people said that convenience is the major purpose of holding a credit card, 28% for prestige and 10percentages for additional service and only 8% for credit card\

CHART 8

PURPSE OF HOLDING CREDIT CARD

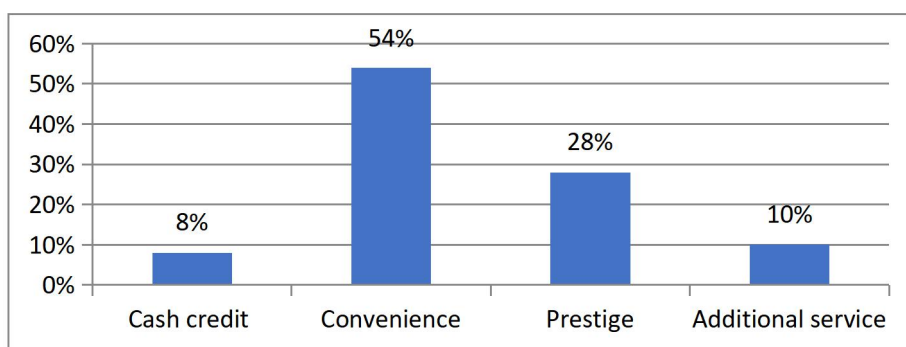


TABLE 18

CLASSIFICATION FOR THE PURPOSE OF USING CREDIT CARD

S.NO	CATEGORY	NO.OF.RESPONDENTS	PERCENTAGE (%)
01	Travel	07	14%
02	Purchase of	14	28%

	service		
03	Food items	11	22%
04	Jewels	12	24%
05	Cash credit	06	12%
	TOTAL	50	100%

Source: primary data

INTERPRETATION:

The table conveys that 28% card holders used their credit card buying textiles, 24% card holders used their cards buying jewels and 22% card holders used their cards buying food items. The credit cards were used 14% of the person for travel and 12% for cash credit.

TABLE 19

CLASSIFICATION OF FREQUENCY OF CARD USAGE

S.NO	CATEGORY	NO.OF.RESPONDENTS	PERCENTAGE (%)
01	Daily	13	26%
02	Weekly	10	20%
03	For night	12	24%
04	Monthly	15	30%
	TOTAL	50	100%

Source: Primary data

INTERPRETATION:

It is clear from the 1k0 shows that the majority of the card holders 30% used their cards monthly, 26% used often as daily, 24% used their cards fortnightly and 20% used as weekly and none of them used their cards once a year which would be worthless and quite understandable.

TABLE 20**CLASSIFICATION OF ADDITIONAL SERVICES CARD OFFER**

S.NO	CATEGORY	NO.OF.RESPONDENTS	PERCENTAGE(%)
01	Insurance	05	10%
02	ATM cash withdrawals	23	46%
03	Discount schemes	19	38%
04	Access to sports events	03	6%
	TOTAL	50	100%

Source:**INTERPRETATION:**

The table indicate that 46 % card holders were aware and enjoyed the additional service such as ATM facilities, 10 % insurance and 38% discount schemes and 6%, were aware of sports events offered by the cards.

FINDINGS

1. Most of the 54% of male respondents were using ATM cards.
2. Most of the 38% respondents belong to the category of post graduation level.
3. Majority, (52%) of the respondents were employed category.
4. Most of the 40% of the respondent's income level in above Rs.10000.
5. Majority, (58%) of the respondents were living in the urban area.
6. Most of the 80 % respondents were having account holder saving account in the SBI bank.
7. Majority, (76%) of the respondents were highly satisfied the ATM facility offered by SBI.

8. Most of the 54% respondents were used provide ATM cards for maximum period of 15 days.
10. Majority, (60%) of the respondents were often used the cards frequently.
11. Most of the 38% respondents were used the ATM cards for maximum duration of more than 5 days.
12. Majority, (40%) respondents were using the ATM card for withdrawal purpose.
13. Most of the 60% respondents were clarifying their doubts about uses of ATM in SBI
14. Majority, (40%) high range of the Respondents available internet banking facilities provided by SBI bank.
15. Most of the 70% of the respondents were opinion about the ATM services provided by SBI bank.
16. Majority, (76%) of the respondents were satisfied with the performance of SBI in Ariyalur.
17. Most of the 42% of the respondents are influenced by friends for choosing the credit cards.
18. More people were holding in credit cards only for convenience and prestige.

SUGGESTION

1. To improve the bank should be create awareness about the benefit of ATM usage in the rural areas.
2. The state bank should provide the ATM card to the deposit holders with in short period.
3. The state bank should install ATM machines in various places for convenient for the public to withdraw money.
4. Most of the respondents felt that the state bank ATM's are not working 24 hours regularly. So the bank should taken care of this complaints and eradicate this problem in order to satisfy the customers at earliest.
5. Customer care advisor should be appointed in each and every ATM centre for providing help to the customer whenever they feel in convenient about the usages of ATM.

6. The card holders are burdened with service charge, annual fee, membership fee, ect.... Hence the card issuer should take step to reduce their annual charge as per the expectation of their card holders.

CONCLUSION

Banks are known as financial intermediaries with the primary function of accepting deposits of money from those who have surplus and lending them to those in need of funds. In order to provide satisfaction to customers, nowadays, bank are rendering various services, internet banking facility ect...

Automated teller machine (ATMs) is primarily cash dispensing machines with certain other function added on. They are installed at bank branch premises with independent assess out at other prominent places in the locality

So the credit plays a dynamics role in these developing economics. It provides various facilities to the users of the credit card. The credit holders also enjoy the facilities provided by the SBI.

Debit cards present a win-win situation for both the bank and the customer. For the bank it is beneficial as it reduces the customer concentration in the branches and offers a less expensive banking channel. Debit cards have revolutionized both the shopping experience and the banking world. Using debit cards in India safely and effectively is important.

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