

Credit Card Usage and Satisfaction among the Salaried Class



Arsalan Khawaja 01-222092-005

Fatima Kahajavee 01-120091-024

Shoaib Zamir 01-120091-068

Wasim Asif 01-120091-083

A Project report submitted in partial fulfilment of the
requirements for the degree of MBA

Department of Management Sciences

Bahria Institute of Management and Computer Sciences

Bahria University Islamabad

2011

Abstract

This descriptive research project is conducted in order to measure the usage rate and the satisfaction level of the users in the context of Pakistan and investigation is carried out in the twin cities of Pakistan i.e. Rawalpindi and Islamabad. The use of credit cards is slowly taking shape and direction in Pakistan, which less than a decade ago used to be a strictly cash-only society. Today, such globally accepted credit cards as MasterCard and Visa are being issued by many foreign as well as domestic banks and the number of users, though still comparatively small, has been on a constant rise. Keeping in mind the increasing trend towards acquiring the plastic money, this research project is especially designed in order to measure the usage rate and the satisfaction level of the users as mentioned at the onset of the research project. A misconception that credit card is mostly used by the business class has been proven wrong through this study as the focus was to judge particularly the usage and satisfaction of the salaried class. From the results and findings of this research project, a lot of discrepancies have been proven off beam and the results that have been obtained are very much unanticipated. The people belonging to the salaried class are not only using credit cards but are also fully enjoying its credibility and the incentives provided by them. It has been found out through this research project that, the use of

credit card is much prominent in males who are married and belong to the age group 25-30 years. This clearly shows that the young generation is more into acquiring the new technology and the style of living in order to fulfill not only their personal but also family needs. It doesn't mean that older people or females don't use plastic money; it is just that their level of usage is comparatively low.

ACKNOWLEDGEMENTS

All praise to Allah Almighty who bestowed upon us the strength, knowledge and the vision to visualize and then execute this project. Our humble gratitude goes to our project supervisor Mr. Abid Saeed, who was a constant source of support, guidance, motivation and encouragement for us. We are also thankful to our (M.Phil) friend, especially Ms. Ruqaya Khajavee who has, helped us with our endeavours. Finally, we thank, our parents for their perseverance and the confidence they had in us that we would accomplish our goals.

DEDICATION

This project is dedicated to our beloved parents who have been a source of motivation and encouragement for us during the whole period we had been involved in this degree.

Table of Contents

Introduction 7

Background of the Study/ Literature Review..... 12

Rationale and significance of the study 19

Problem Statement..... 23

Hypothesis..... 24

Theoretical Framework..... 24

Methodology/ Research Design..... 26

 Questionnaire for salaried class credit card users: 26

 Informal/Formal Group Discussions: 26

 Development of the Questionnaire: 27

 Pre Testing: 27

 Procedure:..... 27

 Population:..... 28

 Sample Characteristics:..... 28

 Sample Size: 28

 Description of the questionnaire: 28

 Expected Outcome of the study 29

Limitations of the study 29

Time Frame and expected budget of the Study 29

 Budget for the proposed study 30

Purpose/ objective of this Study:..... 31

Data Analysis and Interpretation:.....	32
Conclusions and Recommendations:.....	36
Findings Of Research Project:	38
References:	72
Appendix:	74