



# Attitudes of Customers towards Usage and Utilities of Polymer Cards in Bangalore City

Dr. Harshith B<sup>1</sup>

<sup>1</sup>Assistant Professor, G T Institute of Management Studies and Research Bangalore – 560091

**Abstract:** The present paper focuses on the usage of Polymer Cards and its utilities among the selected respondents of the customers of Public Sectors banks. Information Technology (IT) has brought about a revolution in the world. It has affected all the business in one way or the other. It has changed the method of work, quality of products and services. It has brought about enormous saving in terms of time and money for the business. Now-a-days we find that IT is being used in every sphere of life. The use of Internet and other e-channels increases the efficiency of the banks by enabling them to deliver the bank services to the customers at a click of a mouse and by demolishing all the physical boundaries. The economic development of society and the socio-cultural changes had led to the spectacular growth of service industry. The technological advances have increased the integration and efficiency of the financial system. After the basic needs were fulfilled, like food, shelter and clothing, there was a tremendous demand for improved satisfaction and it leads to a proliferation of variations in the same product. Increasing affluence combined with increasing complexity of life has led to the phenomenon of Credit Cards. They provide convenience and safety in the purchasing process. It is generally known as Plastic Money. The analysis made with the help of both primary data through structured questionnaire and secondary data through various sources like books, articles and published materials. Finally, it attempts to offer suitable suggestions and conclusions to improve the efficiency of providing polymer card services provided by the bank.

**Key Words:** Debit and Credit Cards, E-channels, Information Technology (IT), Polymer Cards etc.

## Introduction

Liberalization brought several changes to Indian service industry. Pre-liberalization, all we did at a bank was deposit and withdraw money. Technology revolutionizing every field of human endeavor activity one of them is, introduction of information technology into capital market. The internet banking is changing the banking industry and is having the major effects on banking relationship. Web is more important for retail financial services than for many other industries.

Use of electronic technology in banking can be termed as E-banking and it can be confirmed that E-banking has increased the quality and range of the banking services. Customers can use the banking services like ATMs, Credit Cards, Smart Cards, Mobile Banking and E-banking and save time and money in doing the transactions. The Plastic Cards began to be widely used only after 1970, when specific standards for magnetic strip were set. In the late 1990s, Plastic Cards became very common and by 2001, Plastic Money has become an essential form of Ready Money.

The swift evolution of India's banking and payment system has had a big impact on consumers' inclinations for contemporary financial products, especially polymer cards. Commonly used as debit, credit, prepaid, and smart cards, polymer cards are made from sophisticated polymer composites and durable plastic-based materials like polyvinyl chloride (PVC). These cards are now a crucial part of India's transition to a cashless and technologically advanced economy, particularly in the wake of the 2016 demonetization campaign and legislative initiatives like Digital India. Customers are depending more and more on polymer cards for safe, practical, and effective financial transactions as financial inclusion grows and digital literacy increases.

Polymer cards have several uses in India that go beyond simple cash withdrawals. Point-of-sale (POS) payments, internet transactions, contactless payments via Near Field Communication (NFC), and mobile wallet integration are all made easier by them. Interoperability and transaction security are now guaranteed thanks to the expansion of electronic payment platforms like National Payments Corporation of India. Compared to carrying actual currency, customers view polymer cards as dependable tools that provide convenience, portability, and increased security.

The actual application of polymer cards has also been spurred by changing consumer behaviour, urbanization, and the growth of e-commerce. Financial companies encourage good client attitudes regarding card usage by offering extra incentives like cashback, reward points, and payment plans. Customer confidence has also increased as a result of security features like EMV chips, PIN authentication, and fraud detection systems that are integrated into polymer cards.

However, accessibility, service quality, transaction fees, cyber security knowledge, and rural-urban differences are some of the issues that influence how customers perceive a business. In order to encourage the adoption of sustainable digital payments, regulators, financial institutions, and marketers must have a thorough understanding of Indian consumers' perspectives toward the use and benefits of polymer cards.

## Review of Literature

**Verma (2000)**, in the research article “**Banking on Change**” stated IT is a threat for the PSBs. It has to be a complete face-off for the PSBs. With the business per employee, even for the front-run PSBs, being a mere fraction of that of NPSBs, the PSBs have to do a lot on improving services on Internet. **Hasanbanu (2004)**, in his research study “**Customer Service in Rural Banks**”, he analysed and opined that rural customers are not know the complete rules, regulations and procedures of the banks as the banks do not take interest in educating them.

**R. K. Uppal (2006)**, in his book “**Indian Banking Industry and Information Technology**” stated the need of Plastic Money instead of carrying cash and made a study on Electronic banking and explained the impact of computerization on the satisfaction of customers of all bank groups. **Richard gay et.al. (2007)**, in their book “**Online Marketing-A Customer led Approach**” stated that the internet has brought about huge advantages to e-marketers as it provides means of advertising, possibility of increased sales, fast and convenient way of effecting electronic contracts and access to a global marketplace. However, the use of the internet by marketers has brought about concerns over the problem of personal data of customers associates and partners.

**Jyotsna Sethi et.al., (2008)**, in their book “**Elements of Banking and Insurance**” stated technological innovations witnessed by corporate sector during the nineties have introduced new business strategies, wherein Information Technology is increasingly paying a significant role in improving the banking services. As a result most of changes have taken place both in the Financial Services and as well as customers are accessing them. **A. Sarangapani et.al. (2008)**, in their article “**The Growing Prominence of Debit Cards and Credit Cards in Indian Banking Industry**”. According to the research, conventional branch-based banking is rapidly giving way to banking through Plastic Money i.e. ATMs, Debit Cards, Credit Cards etc. they studied about rapid growth in the usage of Credit Cards and Debit Cards in the Indian Banking Industry.

**Benson Kunju kunju (2008)**, in his book “**Commercial Banks in India-Growth, Challenges and Strategies**” he analysed the Credit Cards in the Indian Commercial Banks and customer awareness towards that. He also made a survey on growth in Credit Card based payments from 2003 to 2006. **S. Mohan et.al. (2008)**, in their book “**Financial Services**”, analysed that the history of Credit Card in the global scenario as well as in the Indian Scenario. The analysis also included the parties involved in Credit Cards, benefits of Credit Cards, branding of Credit Cards etc. **Macmillan** publishing house published a book of “**Information Technology-Data Communications and Electronic Banking**”, analysed that origin of Credit and Debit Cards, their applications, transactions, impact on economy etc.

## Statement of the Problem

In these days of busy schedule no persons have time to wait therefore fastness in transaction is essential. In past customers want to withdraw money from banks have to wait in queue in banks counter, because of that lots of time is waste. But now a day because of introduction of polymer cards fastness in transaction is possible customers need not to stand in bank counters. They can immediately get cash by using their polymer cards. Another benefit is customers can use the card at anytime and anywhere with the help of advanced technology off course polymer cards are beneficial at the same time it is not free from limitations such as any other person know the password means these is chance of misusing the cards.

Most of the customers still they don't know how to use the cards sometimes there is possibility that illiterate people easily misguided by others at the time of using cards.

## Objectives of the Study

1. To study and evaluate the perception of bank customers towards Debit Cards and Credit Cards.
2. To examine the Public Sector Banks performance in providing new banking technology services.
3. To offer few suggestions to improve the better banking technology and services to their customers.

## Scope of the Study

The present study focused on usage and utilities of polymer cards of customers of Public Sector banks in Bangalore city. This study confined to cover the issues of Plastic Cards and perception of customers towards Polymer Money.

## Methodology

**Sources of Data** - The present study is based on both primary and secondary data. **The primary data** is collected from the bank customer or cardholders through the structured questionnaires. **The secondary data** are collected from the books, journals, magazines, articles/research paper/news paper, online source, Reports such as Reserve Bank of India – RBI Bulletin, Indian Banks' Association (IBA), Indian Institute of Banking and Finance (IIBF), Institute for Development and Research in Banking Technology (IDRBT).

**Sampling Design and Sample Size** - The number of credit cards and debit cards user is very large in Bangalore city, it is difficult to make detailed study of every consumer. Hence this study has planned to adopt simple random sampling method and selected Bangalore city for the study. The sample size for the study is randomly selected and total number of respondent take for the study was 50. The structured questionnaires were sent to the selected customers of Public Sectors banks, in the Bangalore city limit.

**Statistical Tools and Techniques** - The present study used different mathematical tools and techniques for the analysis and interpretation of data such as frequency distribution, tables.

## Analysis and Interpretation

Table 1: General Information of Respondents

| Sl. No.      | Particulars                  | No. of Respondents | Percentage (%) |
|--------------|------------------------------|--------------------|----------------|
| 1.           | <b>Gender</b>                |                    |                |
|              | Male                         | 28                 | 56             |
|              | Female                       | 22                 | 44             |
| <b>Total</b> |                              | <b>50</b>          | <b>100</b>     |
| 2.           | <b>Age</b>                   |                    |                |
|              | 16-20                        | 1                  | 2              |
|              | 21-25                        | 22                 | 44             |
|              | 25-35                        | 11                 | 22             |
|              | 35-45                        | 8                  | 16             |
|              | 45-55                        | 7                  | 14             |
|              | 55and above                  | 1                  | 2              |
| <b>Total</b> |                              | <b>50</b>          | <b>100</b>     |
| 3.           | <b>Qualification</b>         |                    |                |
|              | Up to SSLC                   | 2                  | 4              |
|              | PUC                          | 8                  | 16             |
|              | Graduation                   | 11                 | 22             |
|              | Post-Graduation              | 22                 | 44             |
|              | Other Specify                | 7                  | 14             |
| <b>Total</b> |                              | <b>50</b>          | <b>100</b>     |
| 4.           | <b>Occupation</b>            |                    |                |
|              | Business                     | 4                  | 8              |
|              | PSU                          | 2                  | 4              |
|              | Private                      | 16                 | 32             |
|              | Professional                 | 5                  | 10             |
|              | Others                       | 23                 | 46             |
| <b>Total</b> |                              | <b>50</b>          | <b>100</b>     |
| 5.           | <b>Monthly Income (in ₹)</b> |                    |                |
|              | Below 10000                  | 2                  | 4              |
|              | 10000-30000                  | 9                  | 18             |
|              | 30000-50000                  | 17                 | 34             |
|              | 50000-100000                 | 15                 | 30             |
|              | 100000 Above                 | 7                  | 14             |
| <b>Total</b> |                              | <b>50</b>          | <b>100</b>     |

Source: Field Survey

From the above table it is clear that most of the female customer comes under the age group of 21-25 years prefer to use polymer cards and they are post graduate. Majority of the selected respondents were working in a private sector and their income is about ₹30000-₹50000.

**Table 2: Opinions of Respondents towards Polymer Cards**

| Sl. No.      | Particulars  | No. of Respondents | Percentage (%) |
|--------------|--|--------------------|----------------|
| 1.           | <b>Awareness of Polymer Money</b>                                  |                    |                |
|              | Yes  | 50                 | 100            |
|              | No   | 00                 | 00             |
| <b>Total</b> |  | <b>100</b>         | <b>100</b>     |
| 2.           | <b>Types of Polymer Money preferred by respondents</b>             |                    |                |
|              | Debit Cards  | 49                 | 98             |
|              | Credit Cards   | 1                  | 2              |
| <b>Total</b> |  | <b>50</b>          | <b>100</b>     |
| 3.           | <b>Frequency of Using Polymer Cards</b>                            |                    |                |
|              | Debit Card-every day   | 3                  | 6              |
|              | Debit Card-weekly  | 21                 | 42             |
|              | Debit Card-monthly   | 10                 | 20             |
|              | Debit Card-occasionally  | 14                 | 28             |
|              | Debit Card-rarely  | 1                  | 2              |
|              | Credit Card-weekly   | 1                  | 2              |
| <b>Total</b> |  | <b>50</b>          | <b>100</b>     |
| 4.           | <b>Mode of Payment for using day-to-day activities</b>             |                    |                |
|              | Polymer Money  | 28                 | 56             |
|              | Cash   | 08                 | 16             |
|              | Cheque   | 03                 | 06             |
|              | EFT  | 03                 | 06             |
|              | Online/internet banking  | 08                 | 16             |
| <b>Total</b> |  | <b>50</b>          | <b>100</b>     |
| 5.           | <b>Opinion about Polymer Money is a safest mode of transaction</b> |                    |                |
|              | Yes  | 37                 | 74             |
|              | No   | 13                 | 26             |
| <b>Total</b> |  | <b>50</b>          | <b>100</b>     |
| 6.           | <b>Reasons for not preferring Polymer Money</b>                    |                    |                |
|              | Instable income  | 15                 | 30             |
|              | Lack of knowledge about plastic money (debit/credit)               | 2                  | 4              |

|           |  |           |            |
|-----------|--|-----------|------------|
|           | Malpractices by outlet owners                                  | 10        | 20         |
|           | Lack of trust, misuse by others                                | 5         | 10         |
|           | Forgotten of pin code  | 8         | 16         |
|           | Lack of operating skill  | 10        | 20         |
|           | <b>Total</b>   | <b>50</b> | <b>100</b> |
| <b>7.</b> | <b>Opinion about Polymer Card services offered by the bank</b> |           |            |
|           | Highly satisfied   | 14        | 28         |
|           | Satisfied  | 26        | 52         |
|           | Neutral  | 02        | 04         |
|           | Dissatisfied   | 03        | 06         |
|           | Highly dissatisfied  | 05        | 10         |
|           | <b>Total</b>   | <b>50</b> | <b>100</b> |

**Source:** Field Survey

From the above table it is clear that all the selected respondents were aware about polymer money usage. Out of them 98% of the respondents were prefer to use debit cards and remaining 2% of the respondents were prefer to use credit cards. Most of the respondents prefer to use debit cards weekly to fulfil their desires. Majority of the respondents opined that to operate their day to day activities by using polymer money instead of cheque, online banking, EFT and cash. Most of them were opined that polymer money is a safest mode for many transactions but still out of the selected respondents, few of them were not prefer to use polymer money as safest means of transactions due to various reasons like instable income, lack of knowledge about plastic money (debit/credit), malpractices by outlet owners, lack of trust, misuse by others, forgotten of pin code and lack of operating skill. Most of the respondents were satisfied and highly satisfied about Polymer Card services offered by the bank.

## Findings

- Most of the respondents are post graduated and within the age limit of 21-25.
- Most of the respondents irrespective of their age, gender, occupation and income having their transaction in the Corporation Bank Limited. Majority of the respondents prefer debit and Credit Cards in Corporation Bank Limited.
- Majority of respondents are aware of Polymer Money (Debit and Credit Card) in Bangalore city.
- Debit Cards are more used by the respondents than the Credit Cards and they uses weekly.
- Among the different services provided by Public Sector Banks, respondents prefer more for Debit Cards.
- More respondents are agreed with Polymer Money is safe mode for travelling and reliable mode for transfer.

- Lack of operating skill is the main reason for not preferring Polymer Money (Debit and Credit Card).
- Savings Account service of Public Sector Banks is mostly held by the respondents.
- Most of the respondents are satisfied with the service provided by the Public Sectors Banks.
- Respondents would like to recommend the Credit Cards, Debit Cards, Master, RuPay and VISA Cards to others.
- More respondents are not wanted to switch over to other banks Cards. It shows they prefer to have Cards in Public Sectors bank and they recommend to use more Public Sector Banks Card.
- The more respondents are using cards from several years. It shows the recent development in usage of Polymer Money.
- Income of the customer is most influencing factor on having Debit/Credit Cards.
- Information Technology adoptability is more advantageous to the Public Sector Banks.

### **Suggestions**

- Customer doesn't know about all types of Polymer Money. Therefore, they need to prepare a list of brochure including all type of Plastic Money.
- More number of younger generations only knows about the Plastic Money. Therefore, bank has to make other customers to aware of it.
- Some respondents want to switch over to other banks product. Therefore, the Bank has to make more attract customer towards Corporation Bank Limited Cards.
- Make customers to aware of more types of Cards and their advantageous.
- Better customer relationship has to be maintained.
- Most of Private employees are using Polymer Money. Therefore, the Bank has to give attention towards private employees.

### **Limitations of the Study**

1. The data for the purpose of the study is collected from respondents in Bangalore city only. Hence, the results cannot be generalized.
2. It is a time specific study, since the results may be valid only for the study period.

## Conclusion

Today the Public Sector Banks is one of major sectors banks in India, which has undertaking by government of India and plays a vital role in providing financial assistance and other public schemes offering to their customer. It helps for economic development. Public sector banks gives more opportunities to grow in different field with a low minimum balance. It can give more importance for Polymer Money. The Banks are establishing its networks all over in India. It ties up with MetLife India for the distribution of insurance products as a corporate agent. The performance of the Bank is improving while we observe the growth of the bank. It is providing financial assistance for agricultural activities, student education loan, and other loans (home, vehicle, gold etc.) to their customers.

Credit and Debit Cards allow its holder to buy goods and services, based on the holders promise to pay for these goods and services. Credit Cards allow the consumers a continuing balance of debt, subject to interest being charged. Most of Credit Cards are issued by banks or credit unions. In this way, Public Sector Banks also providing the facilities of different type of Polymer Money i.e. global gold card, ATM Cards etc. As an Account holder, customers can use their ATM card to withdraw cash, make balance enquiries, request statements, order cheque books, and make POS/E-commerce transactions etc. From this study finally we can conclude that the Public Sector Banks is also one of leading sector compare to private sector banks in facilitating Cards to its customers.

## References

1. V. A. Avadhani, **Financial Services in India**: Himalaya Publication, First Edition, 2009, Pg. No.:130-137.
2. L. M .Bhole, **Financial Institutions and Markets-structure, growth and innovations**, Fourth Edition, 2008, Pg. No.: 8.58-8.59.
3. D. Muralidharan, **Modern Banking-Theory and Practices**, 2009, Pg. No.: 348-357.
4. R.K.Uppal, **Indian Banking Industry and Information Technology**: New Century Publication, First Edition, 2006, Pg. No.: 22-23.
5. Jyotsna Sethi and Nishwan Bhat, **Elements of Banking and Insurance**, Second Printing, 2008, Pg. No.:54-67.
6. Vasanth Desai, **Bank Management**: Himalaya Publishing house, First Edition, 2009, Pg. No.: 109.
7. Richard Gay et.al, **online marketing- A Customer-led Approach**, First Publication, 2007, Pg. No.: 512-515.
8. Benson Kunjukunju, **Commercial Banks in India- Growth, Challenges and strategies**, New Century Publication, 2008, Pg. No.: 72-81.
9. S.Mohan and R.Elangovan, **Financial Services**: Deep and Deep Publication Private Ltd, 2008, Pg. No.: 390-409.

10. Dr.S.Guruswamy, **Financial Services**: Tata McGraw hill publication, Second Edition, 2010, Pg. No.: 14-35.
11. B.S.Raman, **Theory and Practice of Banking**, United publications, 3<sup>rd</sup> Edition, 1997, Pg. No.: 5-15.
12. RBI reports/bulletin (April-09-2011)
13. Indian Banks' Association (IBA)
14. Indian Institute of Banking and Finance (IIBF)
15. Institute for Development and Research in Banking Technology (IDRBT)
16. A.Sarangapani: **The Growing Prominence of Debit Cards and Credit Cards in Indian Banking Industry**, Marketing Mastermind (ICFAI journal), June 2008, PP.No: 65-66.
17. Customer Perception-E-delivery Channel, Professional Banker, March 2009, PP.No: 62-70.
18. <https://www.bankbazaar.com/debit-card/debit-cards-vs-credit-cards.html>
19. <https://www.rbi.org.in/scripts/ATMView.aspx?atmid=84>
20. [https://www.statista.com/topics/8143/credit-and-debit-card-market-in-india/#topicHeader\\_wrapper](https://www.statista.com/topics/8143/credit-and-debit-card-market-in-india/#topicHeader_wrapper)
21. <https://www.statista.com/statistics/1245641/number-of-debit-cards-india/>
22. <https://www.creditmantri.com/corporation-bank-debit-card/>
23. <https://www.bankbazaar.com/debit-card/corporation-bank-debit-card.html>
24. <https://www.bankbazaar.com/corporation-bank-credit-card.html>
25. <https://www.unionbankofindia.co.in/english/digi-cards.aspx>
26. <https://www.codeforbanks.com/bank-dc/Corporation-Bank/>