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| Title | Prospects and Challenges of using Credit Card Services: A Study on the users in Dhaka City |
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| Abstract |
| Economic structure plays a significant role in driving consumer spending attitudes in different countries. People of Bangladesh have been experiencing credit cards for not more than two decades. Also, accepting credit cards by wider merchants in making payments is comparatively a new practice in Bangladesh. According to Bangladesh Bank, the total amount of Credit Card transactions was Tk. 1934.9 crores during June 2021, which indicates a 115.47 percent growth from June 2020. It shows that credit cards have better acceptance and non-cash financial payments due to the Covid-19 pandemic. Therefore, a survey was initiated to investigate the opinions of the people of Dhaka city towards credit cards to find out the prospects and challenges faced by the credit card users and to identify the reasons for not using among its non-users. The Non-probability Purposive Sampling technique was applied, and 400 responses were finalized and analyzed as reliable data. Secondary information was used for the research validity. The findings highlighted moderate penetration of credit card usage in Dhaka city due to high-interest rates, security issues, hidden terms and conditions, lower credit limits, and other reasons. Though existing users are moderately satisfied, non-users are mostly demotivated to use them by perceiving that credit cards increase their expenses, and hidden terms and conditions play a significant role in this attitude. A substantial proportion of ex-users have stopped using their credit card and have less intention to re-use credit cards soon. Extended services of debit cards and 'Mobile Financial Services' nowadays are considered the preferred option in making transactions. Credit card providers should make substantial efforts to minimize the communication and service gap for future sustainability. In the future, researchers can initiate further studies to compare credit cards services with other non-cash payment options. |
| Sustainable Development Goal(s) (SDG) |
| Goal 9: Industry, Innovation and Infrastructure |