



A STUDY ON AWARENESS AND SATISFACTION LEVEL OF AXIS BANK CREDIT CARD USERS IN KOLLAM, KERALA

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Introduction

Money serves as an indispensable tool in contemporary society, facilitating all economic transactions. The traditional paradigm of financial prudence, often encapsulated by the adage 'a penny saved is a penny earned,' has undergone a significant transformation. Previously, individuals consistently saved to secure an enhanced lifestyle in the future. However, modern marketing philosophies extend beyond merely 'providing goods and services' to actively 'delighting the customer', often by offering more than anticipated. For instance, a cellular phone now integrates communication with music, games, and photography, representing added services that necessitate considerable financial resources for the consumer.

Contemporary marketing concepts increasingly focus on fulfilling the psychological needs of consumers, for which they are willing to pay a price. This involves creating a 'want' and positioning it as a 'need' that demands fulfilment. Aggressive advertising expands this demand, leading to a psychological satisfaction derived from perceiving an improved standard of living and achieving a sense of social status among peers. This drive to meet consumer needs fosters product innovations and developments in marketing methods, encouraging the purchase of the latest gadgets and luxury items, which contributes to conspicuous consumption. To finance such consumption, an individual seemingly requires an unending supply of money. When faced with the imperative to fulfil these wants, borrowing often becomes the only viable alternative to unacceptable actions like begging or stealing.

Historically, Indians have been pragmatic and averse to unnecessary borrowing, except in cases of dire need. In earlier times, loans were typically sourced from traditional moneylenders (sahukars) for agricultural purposes or from banks for business activities, while loans for consumer goods or conspicuous spending were largely avoided. However, a global shift has seen people increasingly utilize credit to acquire consumer goods and objects of desire, thereby enhancing their social status. Consequently, consumer credit has become an integral aspect of marketing and is crucial for the expansion of economic activities.

The concept of marketing credit for indulgence was significantly advanced by foreign banks introduced in India during the late 1970s. Bankers worldwide recognized the potential of credit cards as a unique innovation capable of revolutionizing payment systems and fostering consumption. Indian bankers, observing Western trends, identified a ready market of self-employed individuals and young professionals who could be encouraged to use credit cards to attain a higher standard of living. This necessitated a shift in the traditional Indian mindset from 'save and then buy, sacrifice today to enjoy tomorrow buying now and paying later, enjoying today and pay when able'. With this objective, banks introduced the concept of credit cards in India. Credit cards were first introduced in India in 1980 by two banks, the Central Bank of India and Vijaya Bank. Initially, these credit cards were offered primarily to the affluent and well-known, their exclusivity making them desirable symbols of respectability within elite social circles. Possessing multiple credit cards often signified even greater status.



Evolution of Credit Cards

Credit cards actually have their roots in the first bank card named “Charg-It” issued in 1946 by John Biggins a banker in Brooklyn bank (Gerson E.S. & Woolsey B., 2012). The modern credit card made of cardboard which was mainly used for convenience – mainly used for travel and entertainment purposes – was the Diners Club Card introduced in 1949 by Frank McNamara and his partner Ralph Schneider, when they wanted an alternative to cash. However it was in September 1958 that a small plastic card called the BankAmericard was mass mailed by the Bank of America, California to their account holders. (later became VISA cards) And eight years later, in 1966, the banks comprising the Western. State Bank Card Association issued the Master Charge Card. (later became MasterCard) With the introduction of the magnetic strip in 1970, The VISA and the MasterCard became a part of the information age and dominate the market of credit cards of today. Plastic money was conceptualized in 1940’s, basically in the form of credit cards in America. Gradually debit cards, ATM (Any Time Money) cards, smart cards, etc joined the bandwagon and all came under the umbrella term of ‘Plastic money’. A study of credit cards would be incomplete without studying the origin, types, details and the working of the credit cards. This chapter tries to investigate into all these with a view to have a better understanding of the Credit cards.

“As with most product innovations, the credit card concept had been brought into this world and nurtured to the present full grown status, primarily by United States of America. Since then the audacious idea had been sold and it had fathered a revolution in life styles and science of economics” (Gorimar J., 1981). “It wasn’t until about half a century ago that plastic payments as we know them today became a way of life”... The first wide – use charge account “dates back to 1949 and is attributed to New York businessman named Frank McNamara. When he went to pay the bill after entertaining a client at Major’s Cabin Grill, he realized that he had left his wallet behind. He began to consider why a businessman could not freely spend what he could afford instead of just the cash in his wallet. McNamara discussed this with his lawyer, Frank Schneider, and came up with a simple idea – a club of diners who would be able to sign for their meals at certain restaurants and then settle the bill at a later date. And his idea became a reality when they paid at Major’s with a small, cardboard card, coined the Diners Club Card which was used mainly for travel and entertainment purposes. It claims the title of the first credit card in widespread use. The credit card industry recognizes the importance of this meal even though the Diners Club card was not technically a credit card, it was a charge card as Diner’s Club members were expected to settle their bills each month... By 1951, there were 20,000 Diners Club cardholders. By 1952, franchises has been set up in Canada, France, and Cuba, and in 1955, Western Airlines became the first air carrier to take payment by the Diners Club card. And a decade later, the card was replaced with plastic” (Gerson E.S. & Woolsey B., 2009).

Credit Cards in India

In 1961 plastic money came to India in the form of ‘Diners Club Card’, it was launched mainly for the purpose of entertainment and travel and its use was restricted mainly to the rich. It was “in 1980 that the Credit card was first introduced in India by two banks viz. Central Bank of India and Vijaya Bank” (First Bank to offer Credit cards in India’, n.d.) The Central Bank of India launched its ‘Central Card’ only for its own accountholders. Right from the time it was launched Central Card had a tie-up with MasterCard for greater acceptability. In 1981 Bank of India launched its ‘Indiacard’ mainly for cheque encashment facility at any of the bank’s branches to the existing account holders. In the same year Andhra Bank launched ‘Andhra Bancard’ and ‘Andhra Visa Card’ (in collaboration with VISA International) which were issued to non-account holders too. In 1985 Bank of Baroda launched its



'Bobcard', (in collaboration with VISA international). Later on Allahabad bank collaborated with Bank of Baroda and now issues credit card under the name of Bobcard.

It was in 1987 that credit cards became popular when State Bank of India launched its 'State Bank Card' and Canara bank launched its 'Cancard'. With special permission from the Reserve Bank of India the first international credit card was issued in 1987 by Andhra Bank (tie up with VISA) to a restricted number mainly consisting of its elite customers.

In 1994 with globalization and liberalization, financial institutions such as ICICI and HDFC were given permission to start banking operations. Soon ICICI Bank and HDFC Bank launched their own credit cards. Soon Standard Chartered Bank, Citibank, HSBC Bank and ABN AMRO Bank joined the bandwagon and issued their own credit cards.

Review of Literature

Mehta et al. (2024) This research analyzes the relationship between credit card awareness and customer satisfaction in metropolitan cities. The study finds that informed customers exhibit higher satisfaction levels due to better financial planning and effective utilization of credit card benefits.

Mohan (2023) In his study published in the International Journal of Humanities and Social Science Invention, Mohan examines the evolving role of credit cards as part of financial systems in developing economies. The research emphasizes the growing reliance on digital financial tools and the role of credit cards in facilitating cashless transactions. However, the study also notes challenges such as financial literacy gaps and hidden costs, which can lead to financial strain among users. The author advocates for increased consumer education to maximize the benefits of credit card usage while mitigating risks.

Nair & Thomas (2021) their study evaluates the satisfaction levels of credit card users in Kerala, focusing on Axis Bank customers. Results show that transparency in charges and timely communication about offers significantly enhances user satisfaction.

Krishna et al. (2020) This research analyzes the adoption of credit cards in semi-urban areas. It identifies that low penetration is linked to limited awareness and accessibility, despite the increasing popularity of online transactions.

Research conducted by **Berg C. et al. (2019)**, have found that "among college students, high-risk health behaviours including smoking, drinking, and a low level of exercise. Greater number of poor mental health days was associated with those students having high levels of credit card debt (i.e., \$1,000 or more) that led to violent behaviour and low self-esteem." They suggested further investigation to determine psychosocial factors that best predict high-risk behaviours among college students and for developing interventions for addressing these behaviours so as to promote more adaptive functioning and improve the quality of life of college students in the long term.

Singh and Jain (2019) highlight that promotional offers and discounts serve as critical tools for financial institutions to differentiate their credit card products in a competitive market. The study emphasizes that targeted and personalized promotions can significantly improve user engagement by addressing specific customer needs and preferences. Moreover, the findings suggest that consistent and transparent promotional strategies not only increase the likelihood of customer retention but also enhance long-term brand equity and trust among credit card users.



In his book 'How You Can Profit from Credit Cards: Using Credit to Improve Your Financial Life and Bottom Line', **Curtis E. A., (2018)** states that, "Credit card companies seem convinced that most consumers are spendthrifts who will quickly sink into debt if given the chance. The Author explain show knowledgeable consumers can use the card issuer's money for little or no interest, get cash back on their purchases, earn airline miles and even get the companies to contribute to their children's college funds. All this comes from a person who has experienced the devastating effects of credit card debt as by the time he had finished his graduate studies from the University of Texas his credit card debt had reached \$45,000. The stress he underwent and the reason for writing the book and founding an award-winning website called CardRatings.com.

Raghunathan & Nair (2018) in his research paper focuses on customer satisfaction with Axis Bank's credit card services. The findings indicate that personalized services and effective customer support significantly improve satisfaction, while delays in resolving disputes lead to dissatisfaction.

Dash & Jani (2015) his studies explores the factors influencing customer satisfaction with credit cards in India. Key findings highlight that convenience, rewards, and service quality play significant roles in determining satisfaction levels. However, hidden charges and lack of transparency negatively impact perceptions.

Nirmala. R. Sonu (2015): In her research on Analysis of the Use of Plastic Money emphasizes the advantage of instant transactions as a significant factor driving the preference for plastic money over physical currency today". According to the study, plastic money's convenience and ease of doing business are the primary psychological reasons behind its adoption. Furthermore, there search highlights the time-saving benefits and portability of plastic money during payments and shopping. However, security concerns emerge as a major issue among users of plastic money. Overall, the study concludes that due to its high levels of convenience and ease of use, the population is increasing ly inclined to adopt plastic money on a broader scale.

Rationale of the Study

The credit card users are spread though out the length and breadth of the country though mainly concentrated in the urban areas. 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 the credit cards users encounter in its 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. Awareness is to be created amongst the credit card users about the frauds that take place and the precautions and safety measures to be adopted. To encompass all these conditions which are related to the development of the economy and vary from one nation to another, the researcher has decided upon the title a study on consumer awareness and satisfaction towards using AXIS credit card.

Scope of the Study

Credit cards have changed the way people look at money. Gone are the days when only the rich sported them at limited counters in select cities. Today, they are a way of life for the middle class too, even in smaller locations across the country. Credit card business has registered a 30 per cent growth rate during the current year reflecting the growing acceptance of the people and adaptability to the new age currency system. The plastic cards with attractive features like deferred payment facility, cashless



transaction facility and the like have caught the eye of many a lower- and middle-class people. 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 in India, the scope of this study has been limited to a representative sample of 100 respondents drawn from Kollam, Kerala . Credit card users across all demographic parameters have been covered to get a true representation of the entire population of credit card holder. The geographical area covered under the study is Kollam, Kerala.

Objectives of the Study

1. To measure the awareness and satisfaction level of AXIS credit card users in Kollam, Kerala.
2. To identify the need and preferences of the people for possessing credit card.
3. To study the problems and difficulties faced by the users of credit cards.

Research Methodology

Research Design: The study adopts a Descriptive and Analytical approach, focusing on understanding the behaviour and experiences of credit card users in the Indian context, specifically within Kollam, Kerala. The research is indicative in nature, aiming to collate user perceptions and trends related to credit card usage.

Sampling Method And Sample Size

Sampling Technique: Purposive Sampling was employed to select respondents who are Axis Bank credit card users in Kollam. Convenience Sampling was also used to facilitate ease of data collection while minimizing BIAS.

Sample Size: 100 respondents (including both male and female users) were surveyed to ensure gender-balanced representation.

Chi-Square Test

Comparison between Gender and Level of Satisfaction toward Axis Bank Credit Card Services

Null Hypothesis (H₀): There is no significant relationship between gender and satisfaction level towards Axis Bank credit card services.

Alternative Hypothesis (H₁): There is a significant relationship between gender and satisfaction level towards Axis Bank credit card services.

Observed Frequency Table

Gender	Highly Satisfied	Satisfied	Neutral	Dissatisfied	Highly Dissatisfied	Total
Male	10	25	15	8	2	60
Female	5	20	5	7	3	40
Total	15	45	20	15	5	100

Expected Frequency Table

Gender	Highly Satisfied	Satisfied	Neutral	Dissatisfied	Highly Dissatisfied	Total
Male	9.0	27.0	12.0	9.0	3.0	60
Female	6.0	18.0	8.0	6.0	2.0	40
Total	15	45	20	15	5	100



Chi-Square Calculation

O (Observed)	E (Expected)	O-E	(O-E) ²	(O-E) ² / E
10	9.0	1.0	1.0	0.111
25	27.0	-2.0	4.0	0.148
15	12.0	3.0	9.0	0.750
8	9.0	-1.0	1.0	0.111
2	3.0	-1.0	1.0	0.333
5	6.0	-1.0	1.0	0.166
20	18.0	2.0	4.0	0.222
5	8.0	-3.0	9.0	1.125
7	6.0	1.0	1.0	0.166
3	2.0	1.0	1.0	0.500
				Σ = 3.662

Degrees of Freedom

$$df=(R-1)\times(C-1)=(2-1)\times(5-1)=1\times 4=4$$

Chi-square Value

1. **Calculated value** = 3.662.
2. **Table value** at 5% significance level = 9.488.
3. **Inference:** Calculated value < Table value.

Interpretation

As the calculated value (3.662) is less than the table value (9.488) at a 5% significance level, we accept the null hypothesis.

Hence, there is no significant relationship between gender and satisfaction level of credit card users. This suggests that satisfaction is not influenced by gender in this study.

Weighted Average Ranking Method

To identify the most influential factors behind the usage of Axis Bank credit cards, the Weighted Average Ranking Method was applied. Respondents were asked to rank five major influencing factors, and weights were assigned based on the order of preference.

Table Showing Ranking Of Factors Influencing Axis Bank Credit Card Users

Factors	1st Rank (5)	2nd Rank (4)	3rd Rank (3)	4th Rank (2)	5th Rank (1)	Total Score	Rank
Cashback & Rewards	35	30	20	10	5	350	I
Easy EMI Options	25	30	25	10	10	325	II
Mobile App / Net Banking	15	25	25	20	15	275	III
Customer Service	15	20	30	25	10	275	III
Security Features	10	15	20	30	25	240	IV

$$\text{Weighted Score} = (\text{No. of 1st Rank} \times 5) + (2\text{nd} \times 4) + (3\text{rd} \times 3) + (4\text{th} \times 2) + (5\text{th} \times 1)$$



Interpretation

From the above table, it is clear that “Cash back & Rewards” holds the first rank with the highest total weighted score of 350. This indicates that users are primarily motivated by the direct monetary benefits received from credit card usage.

It is followed by “Easy EMI Options” with a score of 325, showing the preference for flexible repayment options. “Mobile App/Net Banking” and “Customer Service” are tied for the third rank, both receiving equal preference due to their convenience and support value.

Lastly, “Security Features”, while important, ranked lowest, suggesting that users assume baseline security as standard and may not prioritize it when comparing cards.

Findings

Percentage Analysis

1. Gender Composition: 60% of respondents were male and 40% were female.
2. Age Distribution: The largest segment (40%) falls within the 26–35 age groups, indicating that most credit card users are young professionals.
3. Credit Card Usage Frequency: 30% use their credit card weekly, 40% monthly, and 15% daily.
4. Purpose of Card Usage: 50% use the card for shopping, 20% for dining, 15% for fuel, and 10% for travel-related expenses.
5. Satisfaction Levels: 38% of users were satisfied and 22% were highly satisfied with their Axis Bank credit card services.
6. Information Source: 45% of users got to know about the card through digital platforms, while 30% were informed by bank executives.
7. Preferred Benefits: Cashback and reward points were identified as top benefits by more than 65% of respondents.
8. Customer Service: 60% agreed or strongly agreed that Axis Bank provides good post-sale support.
9. Billing Clarity: 65% of respondents reported satisfaction with billing accuracy and transparency.
10. Digital Tools: Around 70% of users rely on mobile apps or internet banking for making payments.

Chi-Square Test Findings

A Chi-square test was conducted to determine if there is any significant association between gender and satisfaction level.

1. Null Hypothesis (H_0): There is no significant relationship between gender and satisfaction level.
2. Calculated Value: 3.662.
3. Table Value at 5% significance: 9.488.
4. Degrees of Freedom (df): 4.

Inference

Since the calculated value is less than the table value, we accept the null hypothesis. Hence, there is no significant relationship between gender and satisfaction level among respondents. This implies that satisfaction does not vary significantly by gender in this study.



Weighted Average Ranking Method

1. By calculating the weighted average ranking method, it is found that “cash back & Rewards” is the main factor influencing users to prefer Axis Bank credit cards.
2. The second most preferred factor is “Easy EMI Options”, which reflects users’ need for flexible repayment.
3. “Mobile App / Net Banking” and “Customer Service” are equally ranked third, indicating the importance of digital access and customer support.

The least influencing factor was found to be “Security Features”, showing that users consider it less while choosing their credit card.

Recommendations: Based on the analysis and feedback gathered from Axis Bank credit card users, the following **recommendations** are suggested to improve service quality and enhance customer satisfaction.

Product Improvement

1. Expand Cashback Offers: Introduce dynamic reward systems and category-based cashback tailored to user spending habits (e.g., groceries, fuel, online shopping).
2. Simplify EMI Conversion: Provide auto-EMI options at the time of purchase and clearly communicate the interest rate and tenure to customers.
3. Introduce Tiered Cards: Launch variants of the credit card with benefits suited to specific user groups (e.g., travelers, students, business professionals).

Service Enhancement

1. Upgrade Mobile App Interface: Enhance user experience by integrating intuitive features like spending categorization, due date alerts, and predictive bill amounts.
2. Strengthen Customer Support: Reduce resolution time, provide 24x7 chat support, and ensure multilingual access to cater to regional customers.
3. Transparency in Charges: Give customers advance notice about upcoming fees and offer billing breakdowns within the app for better clarity.

Awareness & Education

1. Promote Financial Literacy: Use newsletters, mobile app tips, and SMS campaigns to educate users on credit score management, interest charges, and payment cycles.
2. Encourage Smart Usage: Reward users who pay on time and maintain low credit utilization by increasing credit limits or offering loyalty bonuses.

Strengthen Digital On boarding: Make the card application and KYC process fully digital with real-time status updates and auto-approvals where possible.

Conclusion

The satisfaction and awareness of customers are two key pillars for the success of any banking product, especially in the highly competitive credit card segment. In today’s fast-evolving financial landscape, retaining credit card users depends greatly on how well they understand and experience the services provided. Satisfaction is one of the major issues addressed by every financial institution. Based on this perspective, the present research was conducted on the topic:

“Awareness And Satisfaction Level Of Axis Credit Card Users In Kollam, Kerala.”



Findings of the project indicated that most Axis Bank credit card users in Kollam are aware of the core features and benefits offered by the bank. Users expressed high levels of satisfaction with services such as cash back and reward programs, EMI options, mobile banking convenience, and billing clarity. These features have directly contributed to improving overall satisfaction and card usage patterns.

Customers are valuable assets for any organization and must be treated as partners in service improvement. The more satisfaction and awareness an organization can generate, the greater its chances of success in a competitive environment. This enhanced customer experience helps the organization to strengthen loyalty and compete effectively with other banks.

Thus, creating greater awareness, maintaining transparency, and continuing to provide customer-friendly services are key strategies for Axis Bank to ensure continued satisfaction and growth in the credit card segment.

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