

## **The Impost of the Utilization of Plastic Denomination: A Comfort or a Melancholy**

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### **Abstract**

*Remembering the changing innovation supplanting the customary idea of paying not through money but rather by plastic denomination (credit and platinum cards), this exploration was embraced to consider the mindfulness and utilization of plastic coinage among the buyers. The subject that was thus decided for this examination is "The Impost of the Utilization of plastic denomination: A comfort or a melancholy". The example was chosen by the Stratified Random Sampling Method and comprised of purchasers including understudies, working experts, government authorities, house producers and senior nationals. The specimen size chose was 200. It was found that shoppers favor plastic coinage over paper coinage and the real advantage that the card gives to the clients is the accommodation and openness. The significant issue as indicated by them is the expanded value-based expenses and superfluous conventions to secure the cards from the budgetary foundations. They felt that the fate of plastic coinage is brilliant and as indicated by them, the following thing to come through innovation would be the utilization of advanced marks.*

**Keywords:** Charge card, Master card, Plastic coinage, Paper coinage, exchanges, Budgetary establishments

### **Introduction**

Plastic coinage is an exceptionally late connection supplanting the conventional idea of paying however money. Plastic coinage is a term instituted keeping in perspective the expanding number of exchanges occurring with respect to shopper for paying for exchanges caused by them to buy merchandise and benefits physically and for all intents and purposes. It incorporates charge cards, platinum cards, prepaid equalization cards, savvy cards and so forth. In our study, we are regularly focusing just on charge cards and check cards keeping in mind the end goal to discover the adequacy of such cards, all things considered, and shoppers see them. Likewise we would attempt to discover the particular territories that buyers like to spend more through

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these cards and which out of the two do they incline toward for installment.

### Literature Review

Subhani in 2011 directed a study on 'Plastic Money/Credit Cards Charisma for the present and afterward'. The study was based to discover the mystique of plastic coinage, its convenience and reasonableness and its effect on its inclination to utilize. The examination found that the inclination to utilization of plastic coinage/MasterCard has its advantages and disadvantages with its ease of use and moderateness. By buyer conduct, plastic coinage is a type of molding and goes about as a boost which qualifies a customer to spend. The study demonstrates that the inclination to go for plastic coinage has a constructive relationship with the simple utilization of plastic coinage in light of the fact that the statute of charge card ease of use is connected with a mental wonders that individuals are prone to go through less with MasterCard and go through additional with the same measure of trade close by out the same spending plan and this statute likewise connected with the shopper self-accommodation, i.e. accommodation and simple use which digs into spending.

Loewenstein and Hafalir in 2012 directed a study on "The Impact of Credit Cards on Spending". The study concentrated on two sorts of clients, pistols (who convey obligation) and accommodation clients (who don't convey obligation), and measured the effect of installment with charge card as contrasted and money by an insurance agency representatives spending on lunch in a cafeteria. It was found that there was change in the coffee shop's installment medium from money to a Visa when a motivating force to pay with a charge card was given. It was then discovered that charge cards don't increment spending. In any case, the utilization of charge cards differentially affects spending for guns and comfort clients. Guns spend less when actuated to go through with a charge card, though comfort clients show the inverse example.

### Objectives

- i). To ponder the mindfulness and utilization of plastic coinage among the buyers
- ii). To study shoppers' purposes behind inclination of plastic coinage over hard money.

### Hypothesis

$H_{01}$ : People don't know about the idea of Plastic coinage by any stretch of the imagination

$H_{11}$ : People know about Plastic coinage and have minimum one such card.

H<sub>02</sub>: People like to utilize money all the more regularly for all their everyday buys (attire, footwear, electronic things and so forth)

H<sub>12</sub>: People incline toward plastic coinage over paper coinage for their day by day exchanges (clothing, footwear, electronic things and so forth)

### Research Methodology

The study test that was chosen comprised of purchasers of the neighborhood showcases and shopping centers of the city of Islamabad. The example was chosen by the Stratified Random Sampling Method in a manner that it comprised of purchasers including understudies, working experts, government authorities, house producers and senior natives. The example size chose was 200. A draft survey was arranged and directed to 20 individuals as the piece of pilot study. In any case, few changes were made in the poll and last survey was readied which comprised of 17 inquiries. Two arrangements of theory were additionally made, each comprising of an invalid speculation and a substitute theory. Other than the essential information, optional information was gathered from books, diaries and web to accumulate work done by different specialists before the study. Fitting measurable instruments have then connected to set up relationship among the variables and for theory testing.

### Analysis

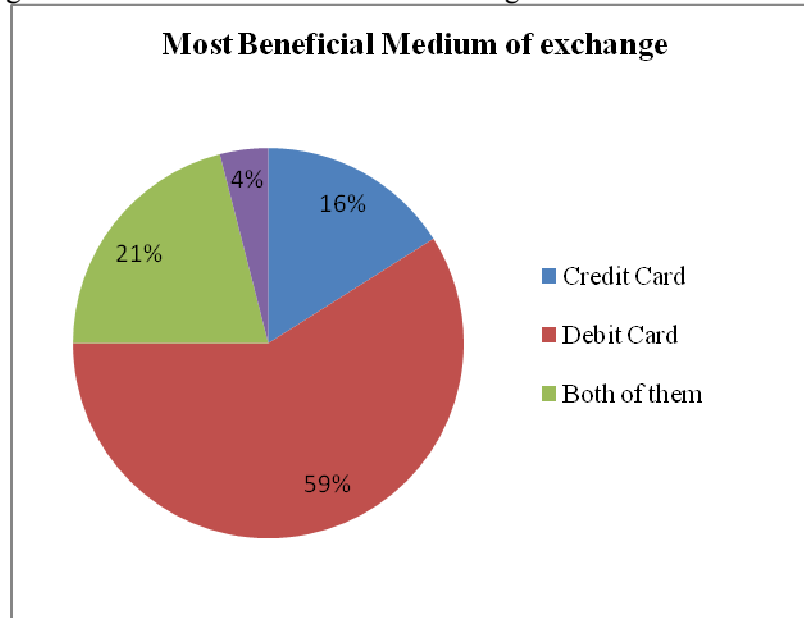
Table 1: Type of card possessed by respondents

S No.	Parameters	Percentage
1	Debit Card	59%
2	Credit Card	16%
3	Both	21%
4	None	4%

From table 1, it can be seen that dominant part of respondents uses plastic coinage as Debit card. In any case, some utilization both debit and credit. The inclination of the predefined card makes an extraordinary measure of effect on the spending examples of different buyers. The inclination of check cards over Visa denote a solid feeling of preference among the respondents of Pakistan, which is far various when contrasted with other western nations where Credit card is an essential method of installment.

*Most Beneficial medium of cash exchange as per Respondents*

Figure 1: Most beneficial medium of exchange



As per Figure 1, lion's share of respondents incline toward utilizing Debit card over Credit card as they feel that the utilization of Debit card is more advantageous than Credit card as far as money back arrangement, control over spending and security. However some of are the sentiment that both Debit and Credit cards have their own particular advantages. One must see that the parameter of advantageous differs from individual to individual. However greater part discovers the component of money back office compelling, and as the pattern proceeds with the monetary establishments would get an adjusted end of the year equalization sheet as their indebted individuals would be lesser than their loan bosses. The Debit cards give a sentiment security amongst the utilizations as they don't prompt improvement of any obligation for the clients at a later date.

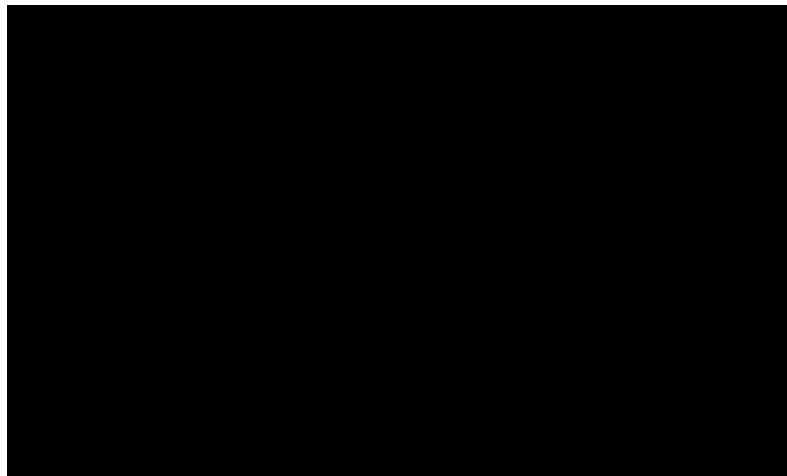
Table 2: Advantages of the Debit/Credit cards as indicated by respondents (Figures in percentages)

S.No	Parameters	Strongly agree	Agree	Satisfactory	Disagree	Strongly Disagree
1	Convenience	50	15	25	3	7
2	Security	16	4	20	46	14
3	No transaction cost	5	8	10	24	53
4	Accessibility	35	28	16	10	11
5	Portability	50	28	4	13	5

From table 2, it can be seen that greater part of respondents firmly consents to the way that plastic cash is advantageous, effortlessly open and exceptionally versatile. However around a percentage of the respondents totally differ to the protected and no exchange cost nature of the Debit/Credit cards. The significant inclination of charge card is principally because of the accommodation and simple versatility. However the high exchange or charges of utilizing the plastic cash prompts a greater amount of money installments. A few banks have an expense as high as upto 10%. Such high rates when charged with the exchange sum spend prompts a major opening in the pockets of buyers along these lines their inclination of plastic is advocated totally.

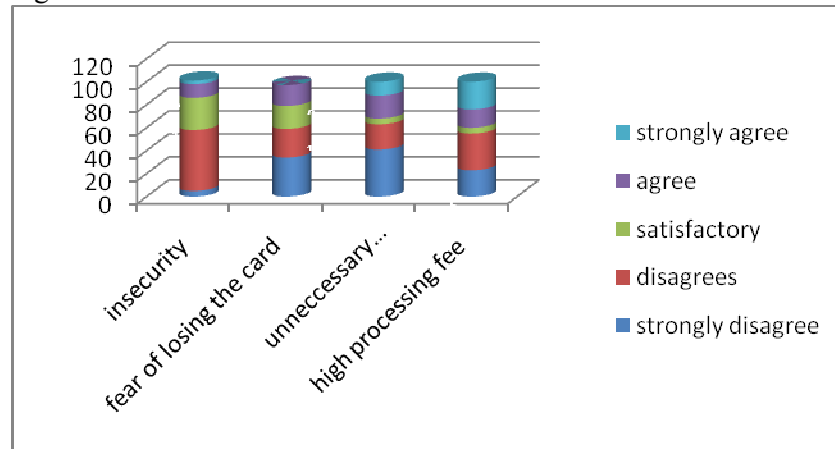
*Motivation behind use of card as per respondents*

Figure 2: Reason for usage of card



From figure 2, it can be seen that greater part of respondents incline toward utilizing plastic cash for purchasing clothes, paying power charges/telephone bills and for online exchanges. These are throughout the everyday exchanges that require more than the normal money installments. Utilization of Debit cards is helpful as they can be swiped anyplace effortlessly and the derivation from individual financial balance happens quickly not at all like the charge cards where a swipe creates a future obligation of installment for the client. The simple access to web and webpage like Jabong, Myntra and Amazon has prompted the ascent in attire internet shopping of the card clients. Be that as it may, they don't utilize plastic cash much for speculation purposes which incorporates exchanging of securities on stock trades, buy of securities/debentures, buy of gems and so forth. The reasons might be differing yet the conduct is regular among most extreme respondents.

Figure 3



However, there are sure issues confronted by the respondents while utilizing their separate cards. It can be seen from the assume that lion's share of respondents unequivocally consent to the way that the essential issue including plastic cash is apprehension among shoppers of losing card and High pointless customs. On examination it was found that the respondents locate these pointless customs utilized by banks as a part of request to issue a card a major demotivating variable. The absence of numerous efforts to establish safety to guarantee security of respondent's financial balance additionally goes about as a jolt to the demotivation. Also the high handling expense prompts the issue of overabundance weight for the clients since they need to pay a cost to owe a card and pay enthusiasm on utilizing it as well.

### Conclusion

The first goal of the study was to know the familiarity with plastic cash among the clients. The discoveries uncover that greater part of respondents use plastic cash in some structure and out of them; they have been utilizing it for more than 3 years. Along these lines, clients are very much aware of plastic cash and its use, and have been utilizing plastic cash for quite a while.

The second goal was to study client's inclination of plastic cash over money. The discoveries uncover that lion's share of respondents favor utilizing plastic cash as a part of some structure, over money. It was likewise uncovered that larger part of the respondents utilizing plastic cash as method of installment is fulfilled by their Debit/Credit cards and the administrations gave by the organization. In this way, the study demonstrates that client's for the most part like to utilize plastic cash over money for their exchanges and is fulfilled utilizing it.

The first Speculation of the study was that individuals don't know about the idea of plastic cash by any stretch of the imagination. The discoveries uncover that individuals know about the idea of plastic cash and its utilization. A large portion of the respondents use plastic cash for their exchanges and have no less than one such card. In this way, the finding of the study rejects the invalid theory which expresses that "Individuals don't know about the idea of Plastic cash by any stretch of the imagination" and acknowledges the substitute speculation i.e. "Individuals know about Plastic cash and have no less than one such card" is acknowledged. The second speculation of the study was that individuals like to utilize money all the more regularly for all their day by day buys. The discoveries uncover that greater part of respondents incline toward utilizing plastic cash for purchasing clothes, paying power charges/telephone bills and for online exchanges and every one of them feel that it is an experimental method of exchange. Subsequently, the finding of the study rejects the invalid speculation which expresses that "individuals like to utilize money all the more frequently for all their day by day buys" and acknowledges the substitute theory i.e. "Individuals incline toward plastic cash over paper cash for their every day exchanges" is acknowledged.

The examination demonstrated that greater part of purchasers utilized and wanted to utilize plastic cash in one structure or the other over paper cash. The greater part of the shoppers favored utilizing Debit card over Credit card and they utilize it for purchasing attire, paying power charges/telephone bills and online exchanges. A large portion of them feel that the utilization of Debit card is more helpful than Credit card on account of their money back strategy, control over spending and security. Also respondents are fulfilled by the administrations gave by the organization and henceforth have been in control of the card for more than 3 years. Lion's share of them use it for online exchanges as they feel secure executing online yet totally stay away from it when they need to participate in venture exercises. Purchasers likewise unequivocally consent to the way that the essential issues including plastic cash is the apprehension among customers of losing card and high pointless conventions. As a wellbeing measure numerous customers prescribe the utilization of Security Pin and computerized marks to lessen the abuse of plastic cash. Consequently in totality it is found that utilization of Debit card is the most helpful to the customers and the fate of plastic cash is brilliant.

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