

**IMPACT OF CREDIT CARD USAGE ON CONSUMER
PURCHASING BEHAVIOUR IN SRI LANKA**

*This dissertation is submitted as a partial fulfillment of the degree of Bachelor of
Business Management in Entrepreneurship and Management*

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Year 2013

ABSTRACT

According to the present context, credit cards play a major role in consumers' life. It is affecting negatively most of the time for the economic conditions of the consumer by various aspects such as increasing credit level of people, impulsive and unplanned buying behaviors. As well as from the bankers' perspective, increasing bad debtors etc. and it will affect to the country's economic condition. Then it is important to achieve above objectives in order to minimize these negative consequences.

The main objective of this study was to identify the relationship between credit cards usage on consumer purchasing behavior. Further it was aimed to identify the impact of credit usage on purchasing behavior, consequences of using credit cards and analyze the trends in credit card market.

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This research based on both primary and secondary data. The primary data were collected from the sample survey that was carried out by using structured questioners for 180 customers who visited to super market in Colombo and Gampaha districts by using convenient sampling method. Simultaneously small unstructured discussion with respondents also made to get some ideas about credit card from customers. Especially, a case study also conducted as a qualitative analysis.

The research revealed that there is Strong positive relationship between credit period and purchasing behavior and Moderate negative relationship between Interest rate and purchasing behavior. Further, Credit period has significant positive impact with Consumer purchasing behavior. The consumers as well as the marketers related

to the industry are need to pay their attention to the above factors and then will be able to perform in their roles successfully.