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Investigating the Determinants Influencing Credit Card Utilization: A Comprehensive Analysis

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Abstract

Objective:

The purpose of this study is to determine and examine the main factors that affect consumers' use of credit cards, with an emphasis on perceived convenience, ease of use, security, and special benefits.

Methodology:

We used a quantitative exploratory design and gave structured questionnaires to a stratified sample of 348 credit card users. We used a five-point Likert scale to measure the answers. Regression and structural equation modeling (SEM) were used to look at the relationships between the variables in the data analysis. The fit indices and factor analysis showed that the conceptual model was valid.

Findings and Implications:

The findings show that increased credit card use is substantially correlated with unique benefits and a strong sense of security. Convenience has a positive impact on user preference, while perceived ease of use is a crucial mediator between perceived usefulness and actual use. These results underline how crucial it is to create credit card services with an emphasis on security, rewards, and ease of use. By concentrating on these elements, financial institutions can increase user engagement and trust, which will ultimately promote more frequent and responsible usage.

Keywords: Credit card usage, special benefits, sense of security, Perceived Ease of Use, Perceived Convenience.

I. Introduction

Nowadays, most people pay using their credit cards. Financial institutions often provide credit cards as a kind of unsecured, low-interest loans that do not require the holder to put up any physical collateral. For smaller, more temporary debts, many people turn to interest-laden credit cards. Interest charges are subject to predefined constraints determined by the individual's credit score and start charging 20 to 30 days following any transactions (Mohamed et al., 2016). The credit card was first introduced to the Malaysian population in the mid-1970s. Credit card expenditure by international tourists increased from RM4.3 billion in 2006 to RM7.9 billion in2013, indicating an 83% growth over a span of 7 years. For the year 2013, the amount of fraudlosses was negligible, representing less than 0.03% of the total debit and credit card transactions. Indeed, it illustrates that credit cards are the predominant payment mechanism used by customers. Credit cards have been portrayed as a modern trend in consumer culture, reflecting an improvement in quality of life. India is the most rapidly expanding economy in Asia. Nevertheless, the available credit card choices are limited. In the current business landscape, credit cards provide as a means to make a multitude of regulated purchases and other transactions that would otherwise be considered undesirable.

Currently, credit cards are the most frequently used method of payment among consumers. It has been designated as the second most prevalent non-cash instrument in the United States (Idress et al., 2021).Credit cards have emerged as the primary providers of unsecured open-end revolving credit, replacing the instalment purchase plans that were crucial for sales at many retail stores in the past decades. Credit cards have already evolved into a convenience tool for enhancingpurchasing power.

Credit cards, introduced in 1951 by Franklin National Bank, have become a popular payment and personal consumption method worldwide. In response to the exponential increase in customer demand, many global credits card companies such as American Express, Diners Club, Japan credit bureau, Visa, MasterCard, and Chinese Union Pay have been established. Primary research on consumer behaviour on credit cards centers on individual demographic variables, credit card features, and personal perspective (Trinh et al., 2020). Certain individuals contend that demographic disparities, including age, gender, employment, and financial standing, impact the inclination to use credit cards, however others maintain that they are adopted owing to their superiority over other payment mechanisms. Social circles, including family, friends, and coworkers, canhave a substantial influence on consumers' inclination to use credit cards. The perceived danger of e-services and credit cards is a significant obstacle to their intended usage, yet the results have proved inconclusive.

The nation has an estimated 2200,000 credit cards, out of whom 900,000 are now active customers. Credit card use has a range of benefits and drawbacks depending upon customer behaviour. Users appreciated the convenience of these products, making banking

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transactions easier. However, there is a need to consider the impact of credit cards on purchasing behaviour variables. Multiple adjustment models exist to elucidate the acceptance of re-instalment advantages facilitated by credit or debit cards (Ahmar Uddin, 2020). Psychographic variables, including performance and effort expectation, social influence, and perceived risk and behaviour intentions, have an impact on how individuals adopt and engage in behaviours. This research employs psychographic variables to enhance the correlation between the components of the UTAUT model, including performance and effort expectation, social impact, and perceived risk and behaviour intentions.

Compared to cash, credit cards provide perks such as protection, comfort, short-term financing, and reward points. Merchants gain from increasing credit card spending. However, using credit cards may result in excessive and growing debt, which can lead to financial troubles or bankruptcy. This has prompted worries among policymakers and governments, since increased spending may lead to slower monetary growth (Surekha et al., 2022). Credit card companies may exploit customers by imposing too high interest rates and other charges. Financial literacy, which encompasses knowledge, experience, ability, attitude, and conduct, is critical for making soundfinancial decisions and fostering overall financial health. Less financial awareness may lead toincreased debt and riskier conduct. Despite evidence that financial literacy promotes better informed financial conduct, earlier research has shown contradictory results. The credit card count has increased twofold from 24.4 million in 2015-16 to 48.9 million in 2018-19, along with an almost threefold surge in transaction volume from Rs. 2.4 trillion in 2015-16 to Rs. 6.07 trillion in 2018-19. Furthermore, the volume of transactions has increased twofold, rising from 0.8 billion in the fiscal year 2015-16 to 1.7 billion in the fiscal year 2018-19.

Credit cards had become an essential payment tool in contemporary society, with 70.2% of consumers possess at least one card, while 14% possess at least ten. In the financial sector, the significance of credit card accounts was illustrated by their 2.5% year-over-year increase. The financial sector has seen an increase in consumer participation as a result of economic prosperity, which has granted consumers greater control over their wealth (Chen et al., 2023). Nevertheless, the insights gained from the worldwide financial crisis have heightened the awareness of investors, researchers, and lawmakers among financial stakeholders about the imperative need of financial literacy. The association between consumer financial awareness and credit card usage patterns, with the goal of assisting customers in developing appropriate consumption behaviors and avoiding excessive or impulsive purchasing. Financial knowledge includes comprehending financial principles, successfully managing money, and dealing with financial challenges.

(An et al., 2024) used non-probability sampling to evaluate the variables that influence customers' perceptions of credit card use. It employed the SERVQUAL model as its foundation and collected 200 samples from Melaka, Malaysia. The model examined the impact of perceived advantages, service quality, bank policies, and consumer attitudes on the perception of credit card use. Multiple linear regression analysis was implemented. Data analysis revealed that customer attitudes, perceived advantages, bank policies, and service quality all exert substantialpositive impacts on the perception of credit card usage. (Biradar, 2024) India's banking industry is developing new financial innovations and expanding the usage of debit and credit cards. Education level, urban use, financial asset value, and wealth quintile all had a beneficial effecton card popularity. However, older individuals and females had a negative association with card use. The report suggested that banks and financial institutions promote card use in rural areas, make them more user-friendly, and implement legislative efforts in the eastern and western regions. Furthermore, banks should boost knowledge about card advantages, enhance ATM availability, and lower yearly costs for issuing these cards, particularly in distant and rural regions. (Trivedi & Sanchiher, 2023) Mobile payments in India provided convenience, security, and flexibility for goods and services, but they faced challenges such as low digital literacy, infrastructure issues,poor internet quality, language barriers, online fraud, cybercrime, fear of tax liabilities, and a lack of stringent dispute resolution laws. Despite these hurdles, India had achieved great technical advances in digital payments, but the future is dependent on perfecting a safe and secure user experience. The government supported digital payments, and more companies areaccepting them. As individuals become more aware of their advantages and infrastructure improved, digital payments are anticipated to gain popularity in India.

RQ1: What is the impact of credit card usage patterns on the aggregate utilization of credit cards?

RQ2: To what extent do financial literacy levels impact the correlation between credit card advantages and rates of utilization?

RQ3: What is the impact of demographic factors (e.g., age, income) on the relationship between credit card rewards and utilization?

This research investigated the determinants of credit card abuse among Generation Y in Malaysia, specifically focusing on the Klang Valley and Ipoh regions. An investigation revealed that there is a negative correlation between credit card knowledge and self-efficacy and credit card usage. Nevertheless, there were seen clear correlations between views towards credit cards, consumerism, and social standards. The study's limitations included data collection in these two urban areas. Practical implications include understanding Gen Y's indebtedness behaviour and recommending policies to reduce it. Cooperation between financial service providers and authorities may effectively reduce credit card abuse, therefore preventing the occurrence of excessive bad debt and bankruptcy (Zainudin et al., 2019) . Research employed machine learning approaches to forecast loan defaulters based on consumer credit card data. Loan defaulters provided a huge danger to financial institutions, resulting in large losses. Study's goal is to distinguish between good and poor clients using two machine learning tools: WEKA (Waikato Environment for Knowledge Analysis) and KNIME (Konstanz InformationMiner). The findings may assist financial organizations detect and manage credit risk, lowering the amount of problematic loans (Torvekar & Game, 2019). Study's goal was to create an integrated model for

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understanding client intents to utilize certain M-wallets for payment. Out of the 600 surveyssent, 482 responses were considered reliable. In order to validate the model and assess assumptions, structural equation modelling was used. Significant effect on behavioural intentions was exerted by perceived value, trust, compatibility, and social influence. Trust andcompatibility have a greater impact. Understanding these qualities might help M-walletproviders build user confidence and improve adoption (Hasan et al., 2024).

(Nambiar & Bolar, 2023) Research of 521 Indian bank clients, users prefer cardless cash over standard cards owingto its utility, convenience of use, customer confidence, and security. A cross-sectional survey as well as predictive analytics were used to examine the data. The research helped to the banking industry's attempted to decrease ATM interaction by highlighting the key elements affecting consumer choice for cardless cash technology, hence assisting banks in spreading thenewest financial instrument, cash. (Parvathy & Durairaj, 2022) Utilising a technical acceptability model to analyse theadoption of mobile payment among visually impaired users in Tamil Nadu. The study, which included snowball sampling and telephone interviews, identified five key elements: perceived usefulness, user-friendliness, perceived reliability, intention to use mobile payment, and rate of mobile payment adoption. A study conducted in 18 districts in Tamil Nadu revealed that the key factor influencing the adoption of mobile payment among visually impaired users wasthe ease of use. (Ashoer et al., 2024) Investigated the factors that impact mobile financial technology applications and digital financial inclusion among consumers in Indonesia's Bottom of the Pyramid (BOP) segment. The Mobile Technology Acceptance Model was used to evaluate parameters such as mobile usefulness, ease of use, digital financial literacy, projected financialcost, user behaviour, and digital financial inclusion. The survey discovered that males have a larger role in increasing mobile fintech adoption and digital financial inclusion.

(Gorshkov, 2022) Cashless payment development is accelerated in developing nations, with Russia showinga J-curve exponential rise. This expansion is impacted by both internal and external forces, with the latter having a greater effect. Russia's national payment system, coordinated by the Bank of Russia, seeked to automate the financial industry and propel the digital economy. Thereport underlines Russia's distinguishing characteristics in promoting cashless payment. (Adhikary et al., 2021) Research found that unorganized shops in emerging markets (EMs) may improved their economic performance by using digital payment methods, notably in terms of revenue. This isaccomplished by prioritizing technology investments and limiting financing facilities. The integration of card-based and app-based technologies enhances the performance of online retail(UR), resulting in a synergistic impact (R et al., 2021) Banking business depended extensively on technical artifacts and intelligent systems to achieve operational and marketing goals. However, there exists a knowledge gap between technical interfaces and management acceptance. Study reviewed prior research on intelligent decision support models for banking from 1970 to 2020,with a focused-on quadrant results, technology, workers, customers, and organizations. It alsocovered managers' impressions of technology at work and highlighted innovations such as bigdata, IoT, and VR.

Study on credit cards exposed different shortcomings that require further investigation. Even though there had been substantial study on how service quality, perceived benefits, and user attitudes affected credit card usage, further exploration is needed on the subtle effects of financial literacy and technical competence on user behavior. The influence of demographic factors like age and gender on acceptance of credit cards and digital payments is not well known, particularly in diverse cultural contexts. Additionally, while recent research had emphasized the technical aspects and benefits of digital credit card payments, it is necessary to conduct more long-term studies on how advancements in technology and changes in infrastructure impact user acceptance and behaviour over time. Additionally, more studies are necessary to explore how psychological factors like perception of risk impact the use of credit cards and financial choices. Exploring these domains could offer valuable insights for boosting the adoption of financial technology and enhancing consumer financial behaviour.

II. Theoretical background and research model

Theory of Planned Behaviour (TPB)

An individual's intention to engage in an activity at a specific time and location is predicted by the Theory of Planned Activity (TPB), which was originally known as the Theory of Reasoned Action in 1980. The hypothesis was intended to encompass all actions that humans have the capacity to exert self-control over. Behavioural intent is the fundamental element of this paradigm. It is determined by the subjective evaluation of the risks and benefits of the anticipated outcome, as well as the attitude toward the probability that the activity will result in that outcome.

Attitudes towards Credit Cards: This component consists of the person's universal evaluation of using credit score cards. Favourable perspectives on the blessings of credit cards, like convenience and rewards, can also result in multiplied usage. On the alternative hand, detrimental evaluations, like issues approximately debt or excessive interest prices, may want to discourage use.

Subjective Norms: These are the social pressures which can be believed to push individuals to both use or not use credit cards. If humans assume that their loved ones (inclusive of own family and buddies) want them to apply credit score cards, they are greater willing to achieve this. On the alternative hand, bad comments or expectancies from social circles can decrease utilization.

Perceived Behavioural Control: This includes how someone sees their very own functionality to utilize credit playing cards efficaciously. Ease of get admission to, safety concerns, and individual money control competencies all come into play. Feeling an

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excessive degree of manipulate leads to the user feeling confident and in a position in handling credit score card transactions, in the end growing usage.

Technology adoption Model (TAM)

The Technology Adoption Model (TAM) is a extensively used studies technique for assessing the adoption of novel e-technologies or e-offerings by users. It is a massive contribution to Ajzen and Fishbein's concept of reasoned movement (TRA). There is a good sized correlation among purchasers' attitudes and intentions to make use of a technology and their evaluations concerning its utility, as proven by way of the version. The perceived utility of a era is found to be more in sync with usage than other elements. As a end result, the researcher elected to include PU and PEOU in their new study model.

Perceived Usefulness (PU): This pertains to the extent to which an individual believes that utilizing credit cards will enhance their capacity to regulate their finances or make purchases more proficiently. Increased perceived usefulness typically results in greater acceptance and usage of credit cards as users recognize tangible advantages.

Perceived Ease of Use (PEOU): This refers to how convenient credit card use is thought to be. Users are more inclined to acquire and utilize credit cards that are straightforward to operate and maintain. Credit card use may be hampered due to complications or constraints.

Hypothesis

H1: There is a positive relationship between the perception of special benefits and credit card usage.

H2: A higher sense of security is positively associated with customer trust in credit card usage.

H3: Perceived convenience has a significant positive effect on the preference for credit card usage.

H4: Perceived ease of use significantly influences the relationship between perceived usefulness and credit card usage, with increased usefulness leading to increased usage.

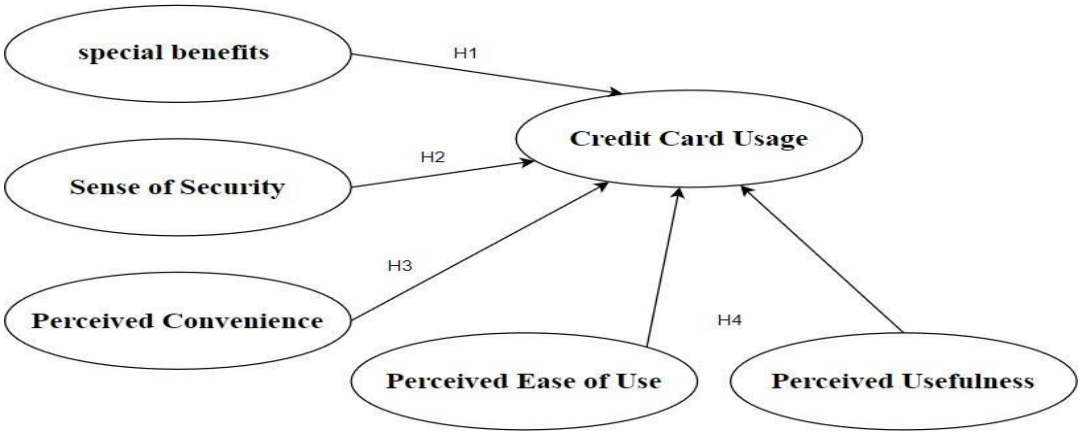

Figure 1. conceptual framework

III. Research Methodology

In this study, a quantitative exploratory approach was utilized to investigate the factors impacting consumer credit card usage. The study focused primarily on key characteristics such as specific benefits, Specific benefits, perceived simplicity of use, perceived expediency, and a sense of security. Structured questionnaires will be given to a representative sample of credit card users to collect information on their views, behaviours, and experiences with credit cards.

Data was gathered using standardized surveys that incorporated a five-point Likert scale to evaluate the variables. A regression analysis was conducted to identify patterns and relationships among the variables. Thematic analysis will be utilized to examine the qualitative feedback provided by participants in open-ended survey questions. Through this approach, financial institutions were able to gather a thorough understanding of the factors that influence the usage of credit cards, helping them develop tactics to promote responsible utilization and customer interaction with credit offerings. The cause of the look at was to provide information to assist credit score card organizations enhance their services, boom client self-assurance related to credit card use.

Objectives:

- To evaluate the impact of special benefits on credit card usage.
- To examine the role of security in building customer trust in credit card usage.

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- To analyse the effect of perceived convenience on preference for using credit cards.
- To determine the mediating role of perceived ease of use in the relationship between perceived usefulness and credit card usage.

Data analysis

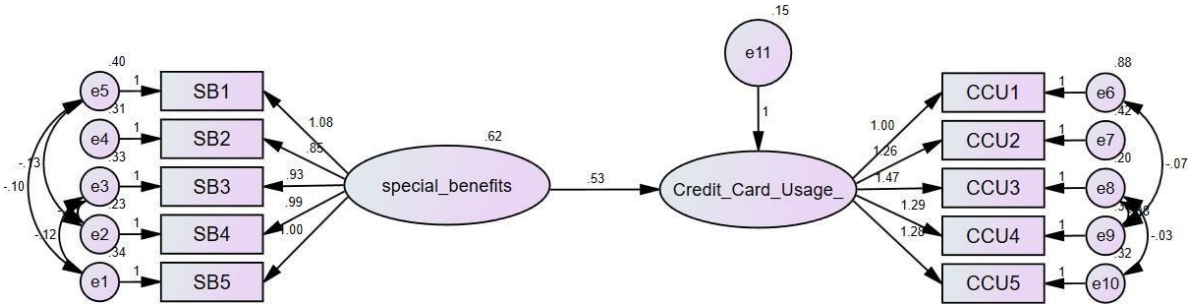
In order to research the elements influencing credit score card usage, the have a look at will rent a stratified random sampling approach. The study will involve surveying 348 people who keep credit score playing cards via Simple Random Sampling. The study will make use of a quantitative approach, using based surveys and Likert scale inquiries to analyse key variables. This provides a complete comprehension of the variables that affect the usage of credit playing cards.

The statistics accrued was analysed the usage of the Statistical Package for the Social Sciences (SPSS) to present descriptive records, inclusive of the mean, trendy deviation, and frequency distributions, to demonstrate the demographic traits and credit card usage behaviors of the contributors. Structural Equation Modelling (SEM) is hired to research difficult relationships amongst variables the usage of the Analysis of Moment Structures (AMOS) software. SEM allows the simultaneous examination of each direct and oblique relationships among seen and hid variables, presenting a comprehensive information of the way elements together with perceived comfort, protection, and credit score card utilization is prompted.

Factor evaluation assist monitor underlying elements that appreciably impact credit score card utilization, while a couple of regression evaluation will measure the energy of the connection between every component and credit card usage. Fit indices like CFI, TLI, and RMSEA will examine the alignment among the proposed theoretical model and the gathered statistics. This technique affords a shape for analysing tendencies in credit score card utilization, specializing in key elements like safety and comfort, as well as obstacles like perception of danger. The inquiry will offer precious records concerning patron behaviours and choices in terms of the use of credit score cards, that may help in developing techniques to enhance usage.

Hypothesis Testing

H1: There is a positive relationship between the perception of special benefits and credit card usage.



Path			S.E.	Standardized estimates	C.R.	P
Credit_Card_Usage_	<---	special_benefits	.060	.732	8.816	***
SB5	<---	special_benefits		.802		
SB4	<---	special_benefits	.058	.854	17.135	***
SB3	<---	special_benefits	.066	.788	14.147	***
SB2	<---	special_benefits	.053	.767	16.025	***
SB1	<---	special_benefits	.072	.802	15.089	***
CCU1	<---	Credit_Card_Usage_		.519		
CCU2	<---	Credit_Card_Usage_	.128	.742	9.816	***
CCU3	<---	Credit_Card_Usage_	.145	.882	10.127	***
CCU4	<---	Credit_Card_Usage_	.137	.773	9.392	***
CCU5	<---	Credit_Card_Usage_	.130	.788	9.804	***

Special benefits and Credit Card Usage are two factors that are shown to be interdependent in a hypothetical structural equation model. Here, Special benefits is the independent variable and Credit Card Usage is the dependent variable in the model. The studies prove a favorable and statistically significant relationship between credit card use and special perks (β=.732, P<0.05).

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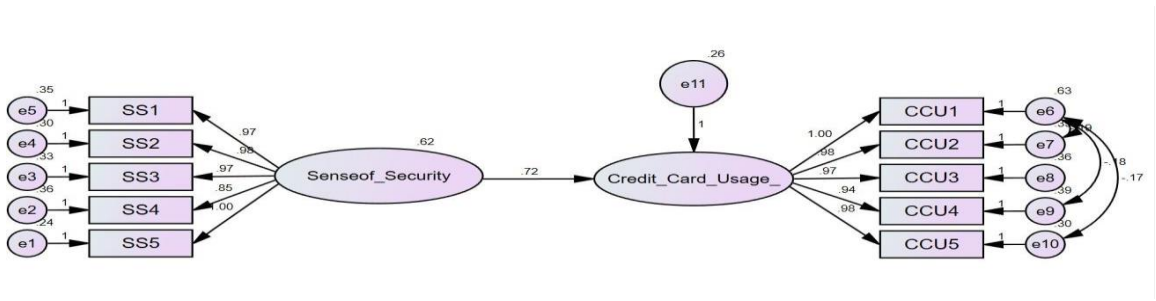
The path linking Special benefits and Credit Card Usage shows a positive connection with a standard coefficient of 0.732. The statistical significance of the correlations is suggested by a high correlation coefficient (C.R. value). The fit indices indicate that the model is well-fitting, as all of the components are statistically significant (p-values > 0.05). Therefore, seven distinct fit indices were implemented to evaluate the overall model fit. The findings indicated that Special benefits were statistically significantly correlated with Credit Card Usage.

Variable	Value
Chi-square value(χ^2)	87.135
Degrees of freedom (df)	27
CMIN/DF	3.227
P value	0.000
GFI	0.959
RFI	0.931
NFI	0.959
IFI	0.971
CFI	0.971
RMR	0.041
RMSEA	0.076

The values of the quality of fit metrics, which include $\chi 2 = 87.135$, NFI = 0.959, IFI = 0.971, GFI = 0.959, RFI = 0.931, and CFI = 0.971, all above the threshold of 0.90, indicate that the sample data was well represented. The critical value is 0.080, and both the Root Mean Square Residuals (RMR) = 0.041 and the Root Mean Square Error of Approximation (RMSEA) = 0.076 are below it. A number of metrics, such as RMSEA (0.076), RMR (0.043), GFI (0.959), and CFI (.971), pointed to a satisfactory match with the proposed model.

H2: A higher sense of security is positively associated with customer trust in credit card usage.



Path			S.E.	Standardized estimates	C.R.	P
Credit_Card_Usage_	<---	Senseof_Security	.063	.745	11.468	***
SS5	<---	Senseof_Security		.847		
SS4	<---	Senseof_Security	.051	.743	16.602	***
SS3	<---	Senseof_Security	.053	.798	18.420	***
SS2	<---	Senseof_Security	.052	.813	18.936	***
SS1	<---	Senseof_Security	.054	.786	18.027	***
CCU1	<---	Credit_Card_Usage_		.689		

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CCU2	<---	Credit_Card_Usage_	.089	.766	10.901	***
CCU3	<---	Credit_Card_Usage_	.082	.773	11.739	***
CCU4	<---	Credit_Card_Usage_	.087	.749	10.737	***
CCU5	<---	Credit_Card_Usage_	.086	.805	11.346	***

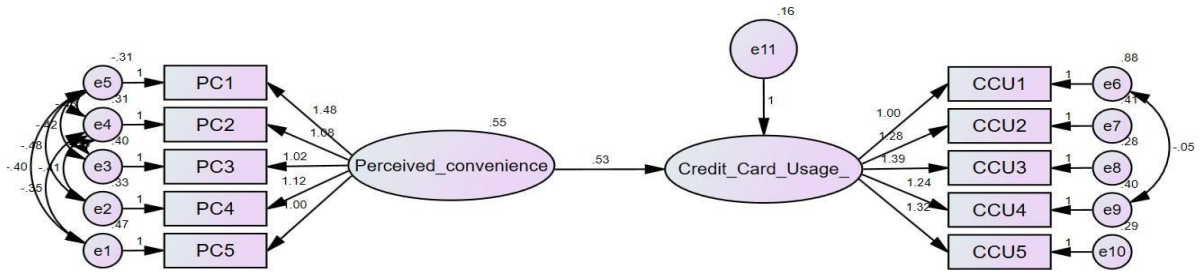
Sense of Security and Credit Card Usage are two factors that are shown to be interdependent in a hypothetical structural equation model. Here, Sense of Security is the independent variable and Credit Card Usage is the dependent variable in the model. The research confirms a favorable and statistically significant correlation between Credit Card Usage and Sense of Security (β=.745, P<0.05).

The path linking Sense of Security and Credit Card Usage shows a positive connection with a standard coefficient of 0.745. A high magnitude of the correlation coefficient (C.R. value) indicates that the correlations found are statistically significant. Since all of the components are statistically significant (p-values > 0.05), the fit indices suggest that the model is well- fitting. So, seven separate fit indices were used to assess the overall model fit, and the results showed that Sense of Security was positively associated with Credit Card Usage, which was statistically significant.

Variable	Value
Chi-square value(χ^2)	88.681
Degrees of freedom (df)	31
CMIN/DF	2.861
P value	0.000
GFI	0.956
RFI	0.941
NFI	0.960
IFI	0.973
CFI	0.973
RMR	0.042
RMSEA	0.070

The values of the quality of fit metrics, which include $\chi 2$ = 88.681, NFI = 0.960, IFI = 0.973, GFI = 0.953, RFI = 0.941, and CFI = 0.973, all above the threshold of 0.90, indicate that the sample data was well represented. The critical value is 0.080, and both the Root Mean Square Residuals (RMR) = 0.042 and the Root Mean Square Error of Approximation (RMSEA) = 0.070 are below it. A number of metrics, such as RMSEA (0.070), RMR (0.042), GFI (0.956), and CFI (.973), pointed to a satisfactory match with the proposed model.

H3: Perceived convenience has a significant positive effect on the preference for credit card usage.



Path			S.E.	Standardized estimates	C.R.	P
Credit_Card_Usage_	<---	Perceived_convenience	.065	.697	8.158	***
Path			**S.E.**	**Standardized**	**C.R.**	**P**

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				estimates		
PC5	<---	Perceived_convenience		.733		
PC4	<---	Perceived_convenience	.079	.822	14.053	***
PC3	<---	Perceived_convenience	.076	.768	13.487	***
PC2	<---	Perceived_convenience	.127	.822	8.480	***
PC1	<---	Perceived_convenience	.134	1.159	11.033	***
CCU1	<---	Credit_Card_Usage_		.516		
CCU2	<---	Credit_Card_Usage_	.130	.749	9.816	***
CCU3	<---	Credit_Card_Usage_	.135	.830	10.291	***
CCU4	<---	Credit_Card_Usage_	.131	.743	9.501	***
CCU5	<---	Credit_Card_Usage_	.130	.811	10.189	***

Perceived convenience and Credit Card Usage are two factors that are shown to be interdependent in a hypothetical structural equation model. Here, perceived convenience is the independent variable and Credit Card Usage is the dependent variable in the model. The research confirms a favourable and statistically significant correlation between Credit Card Usage and Perceived convenience (β=.697, P<0.05).

The path linking Perceived convenience and Credit Card Usage shows a positive connection with a standard coefficient of 0.697. A high magnitude of the correlation coefficient (C.R. value) indicates that the correlations found are statistically significant. Since all of the components are statistically significant (p-values > 0.05), the fit indices suggest that the model is well-fitting. So, seven separate fit indices were used to assess the overall model fit, and the results showed that Perceived convenience was positively associated with Credit Card Usage, which was statistically significant.

Variable	Value
Chi-square value(χ^2)	61.769
Degrees of freedom (df)	26
CMIN/DF	1.222
P value	0.000
GFI	0.984
RFI	0.960
NFI	0.977
IFI	0.996
CFI	0.996
RMR	0.031
RMSEA	0.065

The values of the quality of fit metrics, which include $\chi 2$ = 61.769, NFI = 0.977, IFI = 0.996, GFI = 0.984, RFI = 0.960, and CFI = 0.996, all above the threshold of 0.90, indicate that the sample data was well represented. The critical value is 0.080, and both the Root Mean Square Residuals (RMR) = 0.031 and the Root Mean Square Error of Approximation (RMSEA) =

0.065 are below it. A number of metrics, such as RMSEA (0.065), RMR (0.031), GFI (0.984), and CFI (.996), pointed to a satisfactory match with the proposed model.

H4: Perceived ease of use significantly influences the relationship between perceived usefulness and credit card usage, with increased usefulness leading to increased usage.

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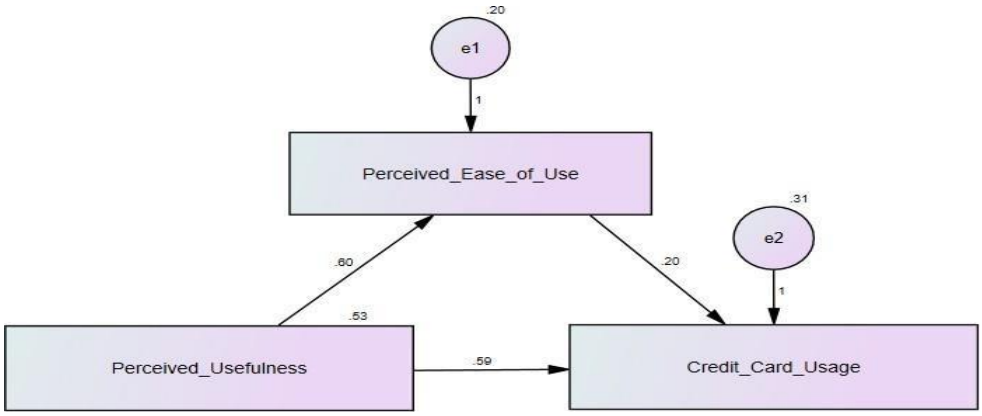

Path			S.E.	Standardized estimates	C.R.	P
Perceived_Ease_of_Use	<---	Perceived_Usefulness	.031	.701	19.244	***
Credit_Card_Usage	<---	Perceived_Ease_of_Use	.064	.162	3.107	.002
Credit_Card_Usage	<---	Perceived_Usefulness	.055	.561	10.737	***

The findings of a structural equation modeling (SEM) study examining the connections between credit card use, perceived usefulness, and perceived ease of use are shown in the table. There is a critical ratio (C.R.), a standardized estimate of 19.244, a standardized estimate of 0.031, and a standard error (S.E.) of 0.701 for the route from perceived usefulness to perceived ease of use. These findings indicate a statistically significant correlation between perceived utility and perceived ease of use. Specifically, greater perceived usefulness is associated with higher reported ease of use ($p < 0.001$). The estimated coefficient for the linear relationship between perceived ease of use and credit card use is 0.064, accompanied by a standard error of

0.162. The coefficient of determination for this relationship is 3.107, and the p-value is 0.002. These findings suggest that the usage of credit cards is greatly influenced in a favourable manner by the perceived ease of use. In other words, those who regard credit cards as easy to use are more inclined to use them. Moreover, the coefficient estimate, standard error, coefficient of determination (C.R.), and p-value for the direct relationship between perceived usefulness and credit card usage are 0.055, 0.561, and 10.737, respectively. The statistical study reveals a significant and strong correlation ($p < 0.001$) between the frequency of credit card use and the assessed usefulness of credit cards among users. These findings indicate that credit card use is significantly impacted by the perceived utility and perceived ease of use, with perceived usefulness having a notably significant direct impact.

	Perceived_Usefulness	Perceived_Ease_of_Use
Perceived_Ease_of_Use	.000	.000
Credit_Card_Usage	.114	.000

The p-values for the institutions between credit card use, perceived utility, and perceived ease of use are shown within the table. The p-value of 0.000 suggests a sturdy direct hyperlink among perceived utility and perceived ease of use, implying that the usefulness of credit score cards is fairly inspired through ease of use. Likewise, the impact of perceived ease of use on credit score card use has a 0.000 p-value, indicating its noteworthy effect in figuring out credit card usage styles. Furthermore, a p-value of 0.114 indicates that there can be a hyperlink among perceived utility and credit card use, even though it isn't always statistically full-size. These consequences reveal that, even though perceived utility has a less direct effect on credit card use, perceived ease of use is a sizeable factor impacting each perceived usefulness and credit score card utilization.

IV. Discussion

The results of the research display that people who consider their credit cards offer particular benefits, like discounts and rewards, are extra inclined to utilize their credit cards. This is an illustration of how vital it is to prioritize these blessings. Additionally, there

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is a robust connection between an increased sense of protection and an extra level of consider amongst consumers whilst using credit cards. This suggests that multiplied consider in fraud safety effects in higher card utilization. Convenience is also a chief have an impact on, as individuals who find it clean to use credit playing cards for transactions are extra inclined to pick the use of them. Moreover, the convenience of use plays an essential role inside the connection between the perceived usefulness and the utilization of credit score playing cards. With credit score playing cards turning into greater available, human beings are the use of them extra because of the benefits they provide. When searching on the information as an entire, it will become clean that the significance of perceived blessings, protection, ease, and consumer- friendliness performs a substantial role in using credit cards.

Limitations:

The study has a number of limitations, but it also offers insightful information about how people use credit cards. Its first limitation is that it uses cross-sectional data, which makes it difficult to track changes in user behavior over time or pinpoint causes. Second, while perceived benefits, ease of use, convenience, and security are the main focus of the research, other important factors like financial literacy, digital competence, and psychological aspects like risk perception and impulsive spending are not thoroughly explored. Furthermore, there is little demographic diversity, which can limit the findings' applicability in different socioeconomic and cultural contexts. Finally, response bias could be introduced by using self-reported survey data.

Future Research:

Future studies should examine the long-term impacts of technological familiarity and financial literacy on credit card use, particularly across a range of demographic and cultural groups. It is also necessary to look into how new digital payment technologies, like virtual credit cards or AI- powered financial tools, affect user behavior over time. Furthermore, more research is needed to fully understand how psychological factors like perceived risk, impulsivity, and trust mediate the adoption of credit cards. Using qualitative techniques and broadening the geographic focus may provide deeper understanding of customer motivations. Lastly, combining behavioral finance theories could help clarify the differences between responsible and excessive credit card use.

V. Conclusion

The study shows that perceiving special benefits drastically increases the use of credit cards, as supported by the strong fit statistics ($\chi^2 = 87.135$, RMSEA = 0.076, CFI = 0.971), indicating a solid model fit. This indicates that individuals who experience real benefits from their credit cards are more inclined to make use of them. Moreover, enhanced feelings of safety are linked with consumer confidence in using credit cards, supported by the fit indices ($\chi^2 = 88.681$, RMSEA = 0.070, CFI = 0.973), showing that trust and utilization increase with trust in security features. The substantial fit measures ($\chi^2 = 61.769$, RMSEA = 0.065, CFI = 0.996) indicate that ease of use has a significant impact on credit card usage preferences. An important factor in the use of credit cards is how easy they are perceived to be used, as evidenced by a strong correlation ($p < 0.001$) and a direct impact (coefficient = 0.064, $p = 0.002$). Credit card users

are more inclined to use their cards if they find them easy to use, and perceived usefulness has a significant impact on this behaviour (coefficient = 0.055, $p < 0.001$). The results show that perceived ease of use is a significant predictor of perceived usefulness and credit card usage, while the direct impact of perceived usefulness on usage is less clear but still meaningful. In general, this data highlights the importance of perceived benefits, safety, ease of use, and convenience in encouraging the use of credit cards. It emphasizes that these factors combine to enhance user participation and usage frequency.

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