ABSTRACT

Communication and information technology has transformed the functioning of business, the world over. It has bridged the gaps in terms of the reach and the coverage of systems and enabled better decision-making based on latest and accurate information reduced costs and overall improvement in efficiency. The development of information technology and the emerging of a number of new innovations are taking place in the area of retail payments known as electronic money or plastic money. These innovations have the potential to challenge the predominant role of cash for making small-value payments and could make retail transactions easier and cheaper for consumers and merchants.

Perception of cardholders and member establishments towards plastic money in India is a study that examines the perspective of users as well as member establishments has towards the use of plastic money. It focuses on some vital aspects like challenges experienced by customers and bankers, value attribution to plastic-money adaptation and some factors attracting them to adopt and use plastic money. It also analyses the current status and trends of plastic money in India.

The review of literature indicated that, most of the research work in the field undertaken till now has been done in the development countries like United States, Europe and fast developing countries. But research is still lacking in case of developing countries like India. So, there is need to conduct such type of research in India. Further, the existing studies have concentrated their attention mainly on the usage of either debit cards or credit cards but mostly neglected the joint effect and innovative cards. It was also revealed that, hardly any comprehensive study has been conducted in India to examine the perception of cardholders as well as member establishments towards plastic money.

The fact remains that every comprehensive research must have well defined objectives. Hence, this study had six objectives on which it was based. The first objective was to study the origin and development of plastic money. Second, to
study the procedural aspect in the operation of plastic money, third, to analyse the risk factors involved in the usage of plastic money and legal protection available to cardholders, fourth, to judge the comparative spending pattern of active and inactive cardholders, fifth, to study the role of member establishment in the progress to plastic money in India and last objective to examine the present position and future prospects of plastic money in India.

The objectives of the study required the study of both users and member establishments to know their perceptions. In the present study, database of both primary and secondary sources have been used. The data and information regarding the growth and indicators of plastic money in India was collected from secondary source which included periodicals, published annual reports of central banks and other reports. The data for users and member establishments perception towards plastic money was collected using well structured and pre-tested questionnaires from India. The sample size for users was 292 respondents and 269 respondents for member establishments. The analysis was done using statistical techniques like weighted average score, chi-square, cross-tabulation and percentages.

The findings of the study are presented chapter wise, policy recommendations, scope for further research are given in the thesis.

Dated ............... (Signature of the Researcher)