KEY FACTORS FOR CREDIT CARD
# SELECTION IN BANGKOK

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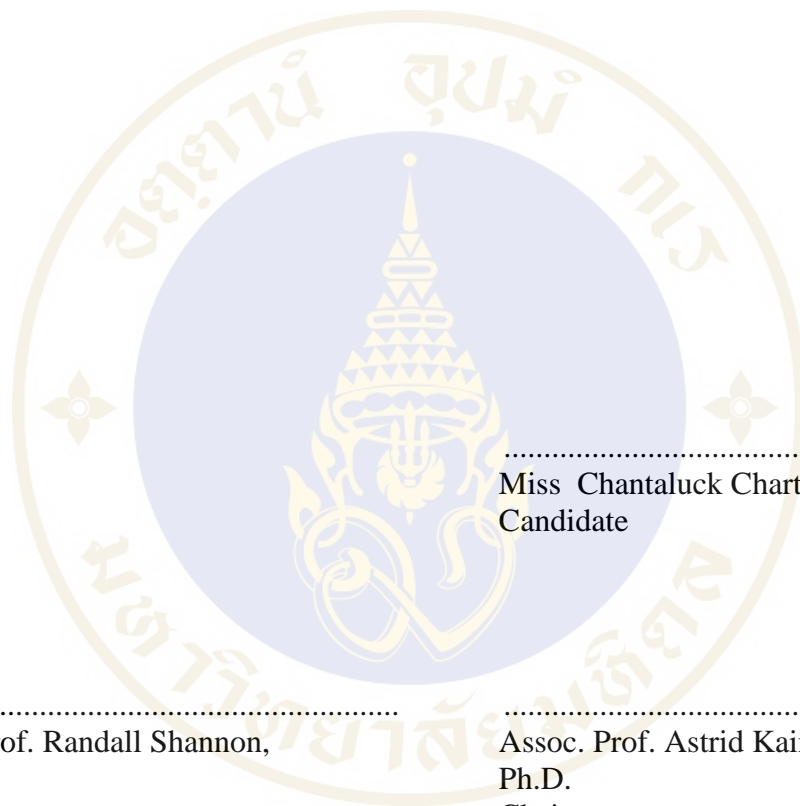
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KEY FACTORS FOR CREDIT CARD SELECTION IN BANGKOK

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ABSTRACT

The number of credit card consumption in Thailand has declined during the past few years. The credit card issuers have faced a challenge in this intense competition. Each company's marketing team has to develop an understanding of consumers' behavior for implementing the desirable outcomes.

The purpose of this study is aimed to find key factors that indicate Bangkok people to choose a personal credit card. The main elements that generate customer adoption in terms of credit card selection process; Service Quality, Word of Mouth, Lifestyle, and Privileges. To generate the result, the questionnaire was developed and conducted via an online survey form.

Thus, the findings are for marketing to focus on the most influencing factors. The company could analyze and create the right marketing strategies for the target group.

KEY WORDS: Credit card/ Service Quality/ Lifestyle and Values/ Word of mouth/
                          Privileges and Rewards

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CHAPTER I
INTRODUCTION

The number of Thailand's credit card users has declined over the past few years, where most of the credit card issuers have to find a way to survive in this competitive market. Thus, the credit card is quite different from other goods in the market. The credit card industry is particularly different from other types of products or services as they need to rely on both credibility and customer expectations. Apart from the product's quality, the banks also have to monitor the customer's satisfaction that relates to improving the service's quality (Garcia-Murillo and Annabi, 2002). The most valuable assets are customer word of mouth on credit card selection and perception toward company offering that can create satisfying experiences to the current customers and allow potential customers to explore and sense the good experience. One of the strategies that becoming popular among many credit card companies in the past decade is to offer "Privilege" to attract customers. The credit card company should start from understanding customers to enhance a relationship between an organization and its consumers. And the way to bond with customers is through analyzing customer insight to gain in-depth knowledge of customer expectations and plan to exceed their expectations with detail in the service offering. Therefore, effective analysis and powerful insight will equip the company with more competitive advantages, purchasing intention and perhaps generate positive word of mouth.

1.1 Objectives

The study aims to gain an understanding of what are the key factors that influence credit card selection according to demographic information. The research would make credit card issuers be able to focus on the real points and contexts that customers are expecting while selecting a personal credit card. The result should lead to

further development in terms of maximizing customer satisfaction which can lead to sustainable progress in consumption.

1.2 Potential Output

The result would reflect the key drivers that commercial banks should focus to increase customer satisfaction to both accelerate new customer base as well as retain the customer base, in a highly competitive environment. Furthermore, purchasing intention is now will be related to experiences rather than just a product.
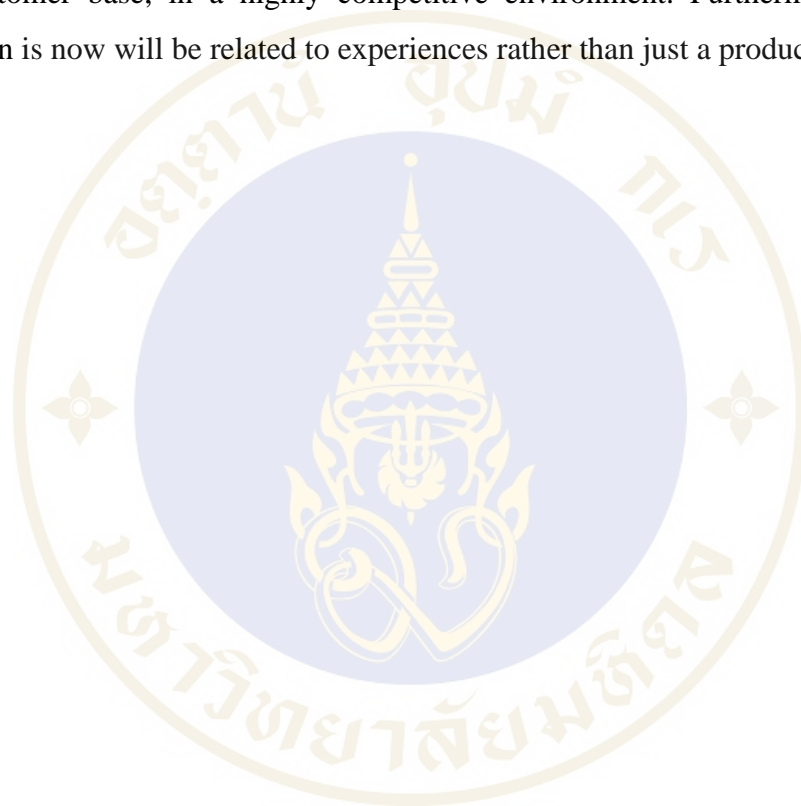
CHAPTER II
LITERATURE REVIEWS

A credit card is defined as a source of money that the bank or issuers provide advancement funds to its customers (SMC, 2018). The card is represented in the form of "a thin rectangular slab of plastic" shape (Investopedia, 2019). The cardholders can enjoy the spending on products and services within the limited amount allowed, before making a payment back (Mitchell and Nickel, 1999). While the world is moving toward 'cashless society', the introduction of credit card has offered a more convenient way of money transfer as people has not to have to carry a huge amount of cash anymore (Phau and Woo, 2008). Thus, the concept of credit card is like borrowing money from a financial institution with certain conditions such as interest rates and additional added on charges (Brito and Hartley, 1995). The credit card companies also offer marketing campaigns or benefits to complement according to consumers' behavior and lifestyle as well.

2.1 Literature Review

According to, Bank of Thailand (2018) states that Thailand's credit card transactions are slightly decreased from 57,636,000 transactions in December 2018 down to 56,468,000 transactions in January 2019 (-2%). Thai consumer behaviors have changed to be more cashless. The top 3 leading credit card companies who accounted for half of credit card consumption in the Thai market are; K Bank, BAY and KTC. Since companies have reached the point where they cannot differentiate with service quality to drive simple purchasing transactions anymore. They have to win the customer over other disruption with outstanding customer's experiences through; understanding customer's insight on their lifestyle and value; offering good service quality, and privilege, and acquiring word of mouth and relationship.

The upper-middle class is the main target for credit card services as it represents lifestyle and living standards (The Times of India, 2010). While the main idea of having a credit card is for convenience attribute and emergency funds (Kaynak et al., 1995). On the other hand, the recent study also suggests the importance of benefits offering that creates purchasing intention, regarding customer's perception. Customers want extra from credit card consumption such as; miles, reward point and promotions (Akin et al., 2010). Therefore, by understanding customer's insight will gain companies targeting ability. Not to mention, people are more materialistic on products and services (Gupta, 2011). The card owners are now seeking for higher lifestyle than before. Thus, owning a credit card will give a sense of excessive living standard.

2.1.1 Service Quality

Service quality is one of the most important aspects of this highly competitive market era. Excellent service is part of the customer expectation toward the credibility of the service providers. And similar to other service business, credit card company has to focused on raising customer satisfaction level and keep monitoring the serviceability (Sharabi and Davidow, 2010). The factors that indicate the service quality's measurement are; tangibles, reliability, responsiveness, assurance, and empathy (Parasuraman et al., 1988). Moreover, service quality is the combination of customer's perceptions and expectations means that increasing service quality will result from a brand's relationship development.

The company has to analyze its marketing strategies internally and externally to keep the standard of performance in terms of service quality (Kaj S. et al., 1994). Service quality has significantly related to a brand relationship with customers which affects customer retention in the long run (Saravanan and Rao, 2007). Therefore, keeping up with the quality of services will enhance customer's satisfaction of the brand and effective service evaluation will also increase competitive advantage capability. Ultimately, as every company knows, customer satisfaction drives profitability (Grönroos, 1990).

2.1.2 Lifestyle and Values

Lifestyle relates to people's interest or activity that they spend their time and resources on which includes how are the views in other people's perspectives towards them (Kucukemiroglu, 1999). According to, Sjȯberg and Engelberg (2005) describes 'lifestyle' in three different meanings as;

(1) a value that one expresses self in aspects like freedom, preference, equality, etc.

(2) an individual's point of view, interests, judgments, and actions.

(3) a clear pattern on the usage of certain products an services.

Hence, lifestyle differs from personality. Lifestyle gives psychological's insight into why people prefer a certain brand (Sjȯberg and Engelberg, 2005).

Values refer to the belief that drives motivation towards a preferable goal. Values are an individual's act upon self selections or evaluations based on specific objectives (Smith and Schwartz, 1997). And it reflects attributes of personal emotions like fun, secure, belonging and excite (Kahle et al., 1986). The concept of value is abstract, as it means attitudes towards beliefs and items (McCarty and Shrum, 2000). Values make people have own systematic ways to organize matters in life, also give the ability to adjust themselves in the social environment (Rokeach, 1973). Personal values are directly influenced by consumption (Koo et al., 2008) because it is an individual standard guideline of actions (Rokeach, 1973).

Credit cardholders have their preferences according to lifestyle and value that indicate the decision making. They are first thinking about economic factors, which usually refers to 'time consciousness' (Zafar et al., 2010). The benefit of a credit card to the consumer beyond convenience that allows them to make the purchase fast and effortless, it can also use to identify the social image of the cardholder. Nowadays consumers tend to go for the card that suits their lifestyle, not only their credit limit. The perception of lifestyle and values becomes one of the criteria for a consumer on the credit card selection process.

2.1.3 Word of mouth

Word of mouth (WOM) defines as the way to communicate thoughts, ideas and comments between one or many consumers which generate a new way of marketing

in terms of real users' communication (Bone, 1992; Mowen and Minor, 1998). WOM is impacting as the information received in a face-to-face manner is more accessible than information presented in a less vivid manner" (Herr et al., 1991). In the past studies, it shows that the word-of-mouth is a very powerful marketing force (e.g. Brown and Reingen, 1987; Furse et al., 1984; Price and Feick, 1984; Richins, 1983). Referrals can generate three times purchases than traditional advertising in 60 different products (Morin, 1983).

People now rely on a review of the real users before making decisions. The maintenance for positive word-of-mouth is one of the factors that credit card issuers should monitor. WOM is generally reliable and credible especially at the stage of post-purchase and evaluation (Martilla, 1971; Richins, 1983). One positive reference can result in a preferable perception of the brand (Herr et al., 1991). On the other hand, one single negative can also destroy the whole company. At this point, continuing good-post service plays a crucial role to ensure the customer's experience toward all the offerings that the company has offered to the customer. WOM will be a powerful tool to build a competitive advantage to recruit new customers and also to retain the customer base.

2.1.4 Privileges and Rewards

To become outstanding in the market, firms need to offer additional value to serve consumers and gain a brand's competitive advantages (Matthew, 2009). The idea of offering something extra will attract customers to choose the products or services over others. A credit card core product is providing an advance fund to its customers. The way that credit card companies will differentiate themselves is through offers programs like benefits, privilege and redemption points.

Thailand's credit card market is now offering more benefits to its customers with more variety of -marketing tactics like; points, cashback, and promotion. Those tactics also come with many segmentation – such as extra point for a specific type of stores, or double mileage for a specific zone of traveling. Not to mention, benefits like lounge, free parking space and exclusive services that aim to address consumer's lifestyles. All that mentioned, they are the marketing strategies that drive sales and increase customer satisfaction as well as relationship bond between brands and customers.

CHAPTER III
RESEARCH METHODOLOGY

In the literature review, shows many factors that indicate the credit card selection. These points can identify further marketing strategies for credit card companies. Hence, past studies have not identified the specific influence factor in Bangkok's market. The result may differ in terms of Thai demographics, behavior, and culture. Thus, this research will clarify these purposes and enhance competitive advantage to credit card issuers in the future.

3.1 Research Methodology

The research aims to collect and analyze demographic data for credit card users in Bangkok. The survey will be focused on what will be the main factor for Bangkok to choose their credit card. Based on variables main 4 ideas; service quality, lifestyle and values, word of mouth and privileges. Though, the result will gain more understanding of the credit card companies, on where they should put their point of attention toward. The methodology for this research will be a quantitative method and collecting through an online questionnaire.

3.2 Sample size

This is quantitative research, for gathering an effective result the sample size will be approximately 120 credit card users who live in Bangkok.

3.3 Questionnaire Designs

Questions in the survey are developed from the past studies, in the 4 factors that drive the credit card selection process. The questionnaire designed to study the most important factor which motivates consumer's decision on credit card choice.

The questionnaire constructs with 4 sections, and contains 28 questions;

Part 1: Screening questions, screening out irrelevant respondents such as non-users.

(nominal scale 2 questions)

Part 2: General questions, gathering some information about the credit card such as which is their most use credit card? (ordinal scale 3 questions)

Part 3: Specific questions, understanding the motivation factors for credit card selection. (interval scale 20 questions, using scale 1-4)

Part 4: Demographic questions, knowing the respondents. (nominal scale 3 questions)
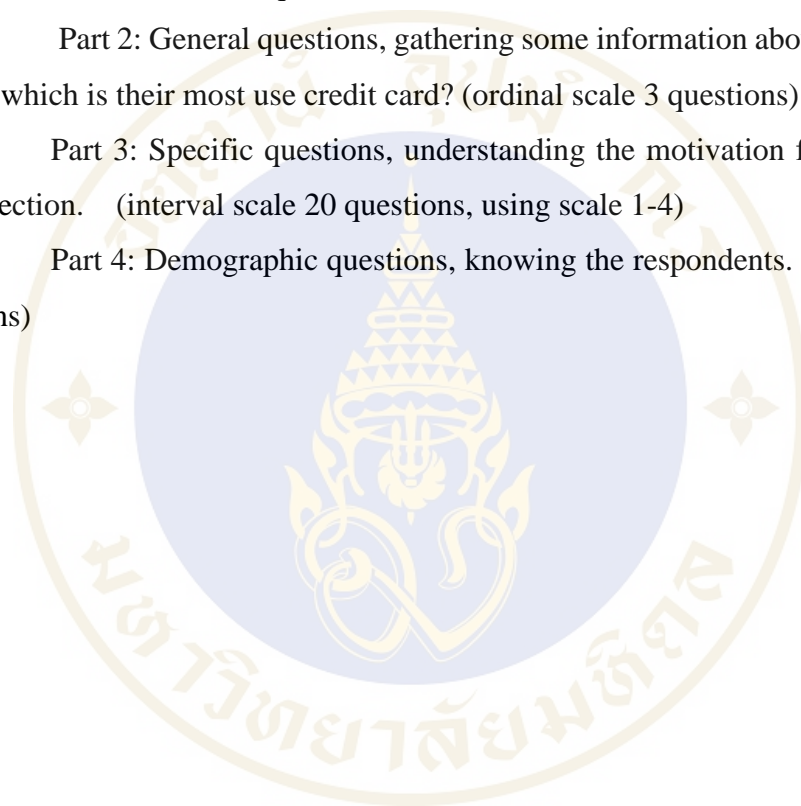
CHAPTER IV
RESEARCH FINDINGS

The survey was sent out via Google forms, and it is aimed to collect 120 credit card users in Bangkok. The total number of people who received the survey was 146 responds; while screening questions have reduced the useable observation numbers to 122 respondents who own a credit card and currently activated credit card users.

The majority of Respondents are female (60%), at the age of around 26-35 (72%), with THB 30,000 income per month. Based on respondents, the consumer tends to carry more than 1 credit card (50% have 3 & more credit card) and Visa has acquired 81% market share, followed by Master card (17%).

Credit card usage No.1 ranking is a restaurant. Regular spending as clothing and grocery is the next rank, while traveling also follows closely. Online and electronic purchases have a lower contribution but it could indicate different usage of a credit card.

Respondents have considered service quality, privilege, and word of mouth to decide on credit card selection. Service quality is focusing on credit card issuer service if they could provide service with error-free, high security, and responsiveness. While privilege will be added on service or extra offerings such as gift, exclusive services for a superior experience, cashback benefit, or point collection. Word of mouth has also come across customer's consideration, especially from friends or family, where now social media can also reference source from all the review & rating.

Considering statistic figures from both gender, age range, and income range perspective, Service quality has not significantly stood out. It becomes a hygienic factor for the customer that expects from all credit card providers. From gender and age range perspective, Cashback privilege is tempting, while for income range, point for mileage has been coming out. Seemingly that privilege could be the differentiation that customers in each segment or tribe are looking for. Credit card providers could differentiate their offer to win over other competitors in their targeted customers. Lastly, forage perspective, friend influencer has been relevant for the customer, especially those with a younger age.

4.1 Demographic Information

The results of demographic information based on gender, age and income were summarized from 122 number of respondents. According to, demographic information in table 4.1 to 4.3 about gender, age, and income from 122 samples that have been collected:

Table 4.1 Gender

Gender	Amount (Person)	Percentage
Female	73	60%
Male	49	40%
Total	122	100%

Table 4.1 Gender shows that they are 60% female and 40% male who have taken the survey.

Table 4.2 Age

Age range	Amount (Person)	Percentage
20 - 25	6	5%
26 - 35	88	72%
36 - 45	21	17%
Above 45	7	6%
Total	122	100%

Table 4.2 Age shows that the majority of people who took the survey are people at age 26 - 35 accounts for 72% of all the respondents, followed by age group 36 - 45 at 17%, people above 45 at 6% and the last group is people age 20 - 25 at 5%.

Table 4.3 Income per month

Income (THB)	Amount (Person)	Percentage
Less than 30,000	18	15%
30,001 - 60,000	56	46%
60,001 - 100,000	32	26%
More than 100,000	16	13%
Total	122	100%

Table 4.3 The biggest demographic for income information is respondents with around 30,001 - 60,000 THB at 46%, following by people who have income around 60,001 - 100,000 THB at 26%, less than 30,000 THB at 15% and the smallest group is people who earn more than 100,000 THB at 13%.

4.2 General Information
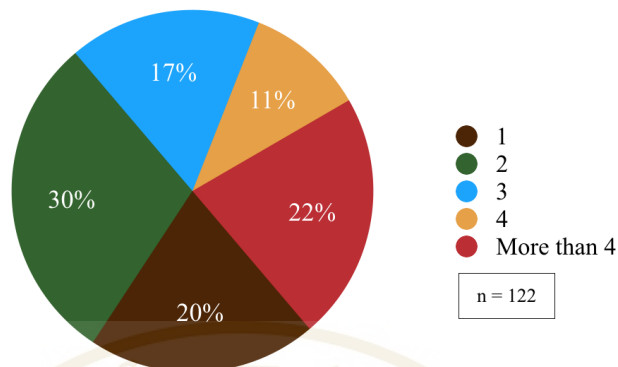
Figure 4.1 Number of Credit Card

    Figure 4.1 shows the numbers of credit cards own by respondents. People who carried at least two credit cards accounted for 30% of the total survey, while people who have more than four credit cards at 22%, one credit card at 20%, three credit cards at 17% and four credit cards at 11%.
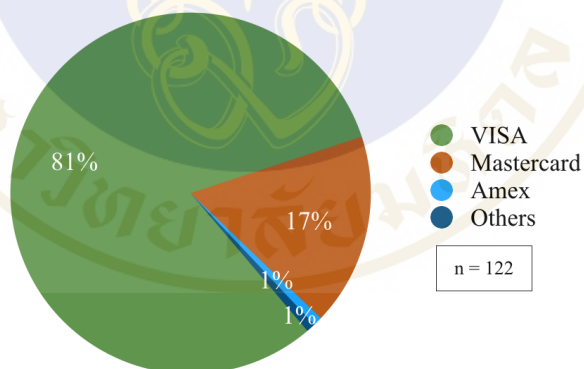
Figure 4.2 Type of credit card

    Figure 4.2 shows the type of credit card that frequently used by respondents. The most common one is VISA card which results in 81%, following by MasterCard with 17% of people who took the survey has used. While AMEX and other cards are at the same percentage of 1%.
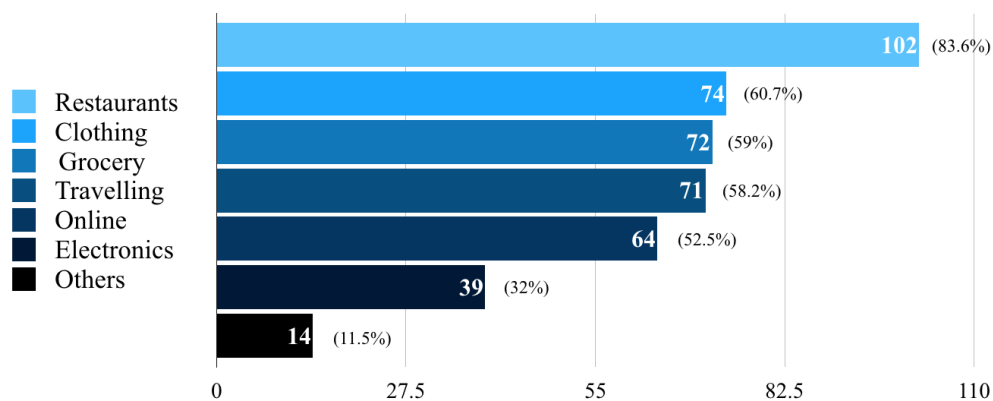
Figure 4.3 Credit Card Usage

Figure 4.6 shows that the majority of the respondents are mostly using the credit card for spending at the restaurants. The second most used are at clothing stores, following by grocery stores, traveling, online stores, Electronics stores and others accordingly.

4.3 Factor Analysis

Factor Analysis is the method used for data reduction and summarization. It will generate the most important features related to the final result and cutting out irrelevant factors. The survey was starting with 4 components and 20 factors that indicate the credit card selection in Bangkok. Nonetheless, the factor analysis will screen out the value that less than 0.4 and manually monitored the cross-loading factors.

Table 4.4 Component Matrix

	Component				
	1	2	3	4	5
I prefer using credit card that has error-free.	0.881				
I prefer using credit card that can handle my requests promptly.	0.807				
I prefer using credit card that has high security systems.	0.784				
I prefer using credit card that makes my life more convenience.	0.584				
I prefer using credit card that the issuers has up-to-date equipment and technology.	0.534				
I prefer using credit card that I feel satisfy with its service.	0.524				
I prefer using credit card that provides free gift.		0.771			
I prefer using credit card that provides exclusive experiences (such as lounge, parking spot,limousine).		0.743			
I prefer using credit card that provides discount promotion.		0.641		0.470	
I prefer using credit card that provides cash back.		0.636			
I prefer using credit card that provides redemption point /mileage.		0.550			
I prefer using credit card that has reference from my friends.			0.828		
I prefer using credit card that has reference from my family.			0.823		
I prefer using credit card that has a good review online.			0.618	0.551	
I prefer using credit card help me build my social image.			0.601		
I prefer using credit card that matches my lifestyle (eg. shopping, traveling).				0.695	
I prefer using credit card that has good marketing campaign.				0.677	
I prefer using credit card that give me benefits for purchases, such as points or cash back on your purchase.		0.549		0.610	
I prefer using credit card that has positive word of mouth.			0.441		-0.623
I prefer using credit card that are handy/practical to pay bills online or to make online purchase.	0.419				0.609

Table 4.5 Final Rotated Component Matrix

	Component		
	1	2	3
I prefer using a credit card that has error-free.	0.890		
I prefer using a credit card that has high-security systems.	0.861		
I prefer using a credit card that can handle my requests promptly.	0.827		
I prefer using a credit card that provides a gift.		0.804	
I prefer using a credit card that provides exclusive experiences (such as lounge, parking spot, limousine).		0.736	
I prefer using a credit card that provides cashback.		0.731	
I prefer using a credit card that provides redemption point /mileage.		0.606	
I prefer using a credit card that has a reference from my friends.			0.865
I prefer using a credit card that has a reference from my family.			0.828
I prefer using a credit card that has a good review online.			0.686

After the data reduction process, the significant factors have down to 10 (from 20) and can be identified into 3 groups; service quality, privilege& rewards, and word-of-mouth. These are key components that generate credit card selection in Bangkok.

4.4 Descriptive Statistics (Gender, Age, Income)

This research uses a One-way ANOVA method, to find relevant factors according to the demographic group of respondents. The significant value is >0.05.

Table 4.6 One-way ANOVA of All Factors between Gender

		N	Mean	Sig.			N	Mean	Sig.
I prefer using credit card that I feel satisfy with its service.	Female	73	3.51	0.514	I prefer using credit card that has reference from my family.	Female	73	2.42	0.242
	Male	49	3.43			Male	49	2.65	
	Total	122	3.48			Total	122	2.52	
I prefer using credit card that the issuers has up-to-date equipment and technology.	Female	73	3.29	0.871	I prefer using credit card that has reference from my friends.	Female	73	2.48	0.779
	Male	49	3.27			Male	49	2.53	
	Total	122	3.28			Total	122	2.50	
I prefer using credit card that can handle my requests promptly.	Female	73	3.66	0.335	I prefer using credit card that has a good review online.	Female	73	2.81	0.460
	Male	49	3.55			Male	49	2.67	
	Total	122	3.61			Total	122	2.75	
I prefer using credit card that has error-free.	Female	73	3.70	0.672	I prefer using credit card that has good marketing campaign.	Female	73	3.41	0.069
	Male	49	3.65			Male	49	3.12	
	Total	122	3.68			Total	122	3.30	
I prefer using credit card that has high security systems.	Female	73	3.77	0.699	I prefer using credit card that has positive word of mouth.	Female	73	3.23	0.472
	Male	49	3.73			Male	49	3.12	
	Total	122	3.75			Total	122	3.19	
I prefer using credit card that matches my lifestyle (eg. shopping, traveling).	Female	73	3.56	0.813	I prefer using credit card that provides discount promotion.	Female	73	3.63	0.382
	Male	49	3.53			Male	49	3.53	
	Total	122	3.55			Total	122	3.59	
I prefer using credit card help me build my social image.	Female	73	2.68	0.952	I prefer using credit card that provides redemption point /mileage.	Female	73	3.56	0.069
	Male	49	2.67			Male	49	3.31	
	Total	122	2.68			Total	122	3.46	
I prefer using credit card that makes my life more convenience.	Female	73	3.77	0.532	I prefer using credit card that provides cash back.	Female	73	3.45	0.168
	Male	49	3.71			Male	49	3.22	
	Total	122	3.75			Total	122	3.36	
I prefer using credit card that give me benefits for purchases, such as points or cash back on your purchase.	Female	73	3.70	0.041	I prefer using credit card that provides exclusive experiences (such as lounge, parking spot,limousine).	Female	73	3.08	0.651
	Male	49	3.45			Male	49	3.00	
	Total	122	3.60			Total	122	3.05	
I prefer using credit card that are handy/practical to pay bills online or to make online purchase.	Female	73	3.51	0.792	I prefer using credit card that provides free gift.	Female	73	2.82	0.708
	Male	49	3.47			Male	49	2.76	
	Total	122	3.49			Total	122	2.80	

In *Table 4.6*, It shows a significant factor between female and male, the most significant factor for credit card selection is *"I prefer using a credit card that gives me benefits for purchases, such as points or cashback on your purchase."<sig. = .041>,* the highest mean is the female group at 3.7. On the other hand, the mean for the male group is 3.45. Therefore, Female prefer using a credit card that give benefits for purchases, such as discount promotion more than male.

Table 4.7 One-way ANOVA of All Factors between Age

		N	Mean	Sig.				N	Mean	Sig.
I prefer using credit card that I feel satisfy with its service.	20-25	6	3.33	0.42	I prefer using credit card that has reference from my family.	20-25	6	3.50		0.084
	26-35	88	3.45			26-35	88	2.45		
	36-45	21	3.48			36-45	21	2.38		
	Above 45	7	3.86			Above 45	7	2.86		
	Total	122	3.48			Total	122	2.52		
I prefer using credit card that the issuers has up-to-date equipment and technology.	20-25	6	4.00	0.052	I prefer using credit card that has reference from my friends.	20-25	6	3.67		0.026
	26-35	88	3.20			26-35	88	2.44		
	36-45	21	3.29			36-45	21	2.38		
	Above 45	7	3.57			Above 45	7	2.57		
	Total	122	3.28			Total	122	2.50		
I prefer using credit card that can handle my requests promptly.	20-25	6	4.00	0.085	I prefer using credit card that has a good review online.	20-25	6	3.50		0.203
	26-35	88	3.53			26-35	88	2.67		
	36-45	21	3.76			36-45	21	2.90		
	Above 45	7	3.86			Above 45	7	2.71		
	Total	122	3.61			Total	122	2.75		
I prefer using credit card that has error-free.	20-25	6	4.00	0.184	I prefer using credit card that has good marketing campaign.	20-25	6	3.83		0.219
	26-35	88	3.63			26-35	88	3.20		
	36-45	21	3.71			36-45	21	3.48		
	Above 45	7	4.00			Above 45	7	3.43		
	Total	122	3.68			Total	122	3.30		
I prefer using credit card that has high security systems.	20-25	6	4.00	0.155	I prefer using credit card that has positive word of mouth.	20-25	6	3.83		0.111
	26-35	88	3.70			26-35	88	3.15		
	36-45	21	3.81			36-45	21	3.05		
	Above 45	7	4.00			Above 45	7	3.57		
	Total	122	3.75			Total	122	3.19		
I prefer using credit card that matches my lifestyle (eg. shopping, traveling).	20-25	6	3.83	0.685	I prefer using credit card that provides discount promotion.	20-25	6	3.83		0.146
	26-35	88	3.52			26-35	88	3.51		
	36-45	21	3.52			36-45	21	3.76		
	Above 45	7	3.71			Above 45	7	3.86		
	Total	122	3.55			Total	122	3.59		
I prefer using credit card help me build my social image.	20-25	6	3.33	0.248	I prefer using credit card that provides redemption point /mileage.	20-25	6	3.67		0.279
	26-35	88	2.58			26-35	88	3.38		
	36-45	21	2.86			36-45	21	3.67		
	Above 45	7	2.86			Above 45	7	3.71		
	Total	122	2.68			Total	122	3.46		
I prefer using credit card that makes my life more convenience.	20-25	6	4.00	0.335	I prefer using credit card that provides cash back.	20-25	6	3.83		0.032
	26-35	88	3.70			26-35	88	3.22		
	36-45	21	3.81			36-45	21	3.76		
	Above 45	7	3.86			Above 45	7	3.57		
	Total	122	3.75			Total	122	3.36		
I prefer using credit card that give me benefits for purchases, such as points or cash back on your purchase.	20-25	6	3.83	0.239	I prefer using credit card that provides exclusive experiences (such as lounge, parking spot,limousine).	20-25	6	3.33		0.261
	26-35	88	3.52			26-35	88	2.94		
	36-45	21	3.81			36-45	21	3.38		
	Above 45	7	3.71			Above 45	7	3.14		
	Total	122	3.60			Total	122	3.05		
I prefer using credit card that are handy/practical to pay bills online or to make online purchase.	20-25	6	4.00	0.136	I prefer using credit card that provides free gift.	20-25	6	3.33		0.084
	26-35	88	3.41			26-35	88	2.66		
	36-45	21	3.71			36-45	21	3.10		
	Above 45	7	3.43			Above 45	7	3.14		
	Total	122	3.49			Total	122	2.80		

From table 4.7, the significant differences between age group are variables; word-of-mouth and privilege. They prefer using a credit card that has a reference from friends <Sig. = .026>, as from the mean for people age between 20-25 are more likely to use credit card that has reference from their friends compared to others age group. Thus, privilege like cash back <Sig. = .032> also triggered the credit card consumption among people age 20-25 as well (Mean = 3.83).

Table 4.8 One-way ANOVA of All Factors between Income

		N	Mean	Sig.			N	Mean	Sig.
I prefer using credit card that I feel satisfy with its service.	<30,000	18	3.28	0.518	I prefer using credit card that has reference from my family.	<30,000	18	2.78	0.413
	30,001-60,000	56	3.48			30,001-60,000	56	2.46	
	60,001-100,000	32	3.56			60,001-100,000	32	2.34	
	>100,000	16	3.50			>100,000	16	2.75	
	Total	122	3.48			Total	122	2.52	
I prefer using credit card that the issuers has up-to-date equipment and technology.	<30,000	18	3.00	0.096	I prefer using credit card that has reference from my friends.	<30,000	18	2.78	0.378
	30,001-60,000	56	3.45			30,001-60,000	56	2.52	
	60,001-100,000	32	3.22			60,001-100,000	32	2.28	
	>100,000	16	3.13			>100,000	16	2.56	
	Total	122	3.28			Total	122	2.50	
I prefer using credit card that can handle my requests promptly.	<30,000	18	3.33	0.114	I prefer using credit card that has a good review online.	<30,000	18	2.83	0.528
	30,001-60,000	56	3.64			30,001-60,000	56	2.84	
	60,001-100,000	32	3.75			60,001-100,000	32	2.72	
	>100,000	16	3.56			>100,000	16	2.44	
	Total	122	3.61			Total	122	2.75	
I prefer using credit card that has error-free.	<30,000	18	3.39	0.098	I prefer using credit card that has good marketing campaign.	<30,000	18	3.22	0.167
	30,001-60,000	56	3.75			30,001-60,000	56	3.41	
	60,001-100,000	32	3.66			60,001-100,000	32	3.34	
	>100,000	16	3.81			>100,000	16	2.88	
	Total	122	3.68			Total	122	3.30	
I prefer using credit card that has high security systems.	<30,000	18	3.61	0.404	I prefer using credit card that has positive word of mouth.	<30,000	18	3.28	0.782
	30,001-60,000	56	3.80			30,001-60,000	56	3.21	
	60,001-100,000	32	3.72			60,001-100,000	32	3.19	
	>100,000	16	3.81			>100,000	16	3.00	
	Total	122	3.75			Total	122	3.19	
I prefer using credit card that matches my lifestyle (eg. shopping, traveling).	<30,000	18	3.39	0.248	I prefer using credit card that provides discount promotion.	<30,000	18	3.28	0.073
	30,001-60,000	56	3.66			30,001-60,000	56	3.61	
	60,001-100,000	32	3.56			60,001-100,000	32	3.63	
	>100,000	16	3.31			>100,000	16	3.81	
	Total	122	3.55			Total	122	3.59	
I prefer using credit card help me build my social image.	<30,000	18	2.67	0.733	I prefer using credit card that provides redemption point / mileage.	<30,000	18	3.00	0.044
	30,001-60,000	56	2.61			30,001-60,000	56	3.50	
	60,001-100,000	32	2.69			60,001-100,000	32	3.59	
	>100,000	16	2.94			>100,000	16	3.56	
	Total	122	2.68			Total	122	3.46	
I prefer using credit card that makes my life more convenience.	<30,000	18	3.67	0.774	I prefer using credit card that provides cash back.	<30,000	18	3.17	0.727
	30,001-60,000	56	3.73			30,001-60,000	56	3.36	
	60,001-100,000	32	3.78			60,001-100,000	32	3.41	
	>100,000	16	3.81			>100,000	16	3.50	
	Total	122	3.75			Total	122	3.36	
I prefer using credit card that give me benefits for purchases, such as points or cash back on your purchase.	<30,000	18	3.56	0.857	I prefer using credit card that provides exclusive experiences (such as lounge, parking spot,limousine).	<30,000	18	3.06	0.243
	30,001-60,000	56	3.63			30,001-60,000	56	2.88	
	60,001-100,000	32	3.53			60,001-100,000	32	3.19	
	>100,000	16	3.69			>100,000	16	3.38	
	Total	122	3.60			Total	122	3.05	
I prefer using credit card that are handy/ practical to pay bills online or to make online purchase.	<30,000	18	3.39	0.841	I prefer using credit card that provides free gift.	<30,000	18	2.83	0.818
	30,001-60,000	56	3.50			30,001-60,000	56	2.75	
	60,001-100,000	32	3.47			60,001-100,000	32	2.75	
	>100,000	16	3.63			>100,000	16	3.00	
	Total	122	3.49			Total	122	2.80	

Table 4.8 indicates a significant factor among income information relating to a variable like a privilege as stated that they prefer using a credit card that provides redemption point /mileage <Sig. = .044>. The highest mean score is among people who have income between 60,001 - 100,000 THB.

According to the finding of One-way ANOVA analysis on gender, age and income, the result shows two most relevant factors that indicate the credit card selection process among Bangkokian; **Privilege** and **Word-of-Mouth.** People in Bangkok is looking for privileges in terms of discount promotion, cash back and mileage. In other hands, a positive recommendation from friends is also the key factor for target market's decision as well.
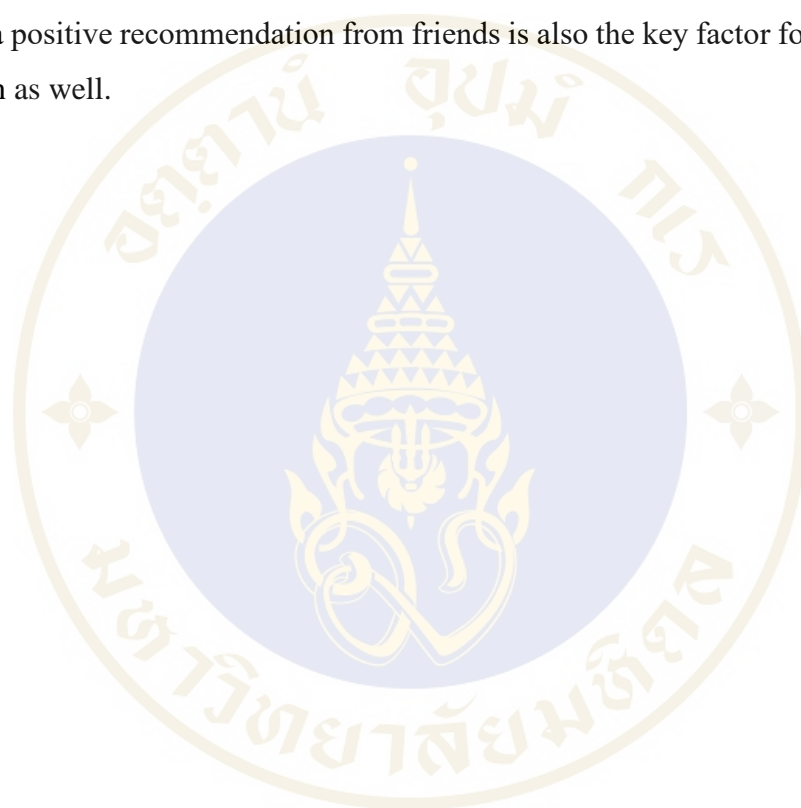
CHAPTER V
CONCLUSION

5.1 Conclusion

The objective of the study is to find the key factors that indicate the credit card selection in Bangkok. The result is based on demographic information to analyze the target group that credit card issuers should focus on to increase their marketing strategies.

The final result was shown that the factors that people in Bangkok are looking for from credit cards are privileges or benefits such as points, gifts, mileage, points, and cashback. Thus, factors like positive word of mouth from friends, family members or online reviews are also very powerful in terms of their credit card selection. Not to mention, service quality is also important during the credit card selection process; related to service or system experiences such as error-free, security and request handling. Therefore, credit card issuers should give more attention to these main factors to further their competitive advantage.

5.2 Limitation

The sample size of this research is relatively low due to the time constraint, it also reflects on the unequal size of each demographic attributes. In addition, Thailand's credit card regulation states that to own a credit card is to age over 20 years old. This study has shown various consumption behaviors. So the main demographics are people within their working age and have minimum income for credit card requirements.

5.3 Recommendation

Credit card provider needs to ensure service quality as their hygienic factors in all customer touchpoint - especially errors-free in all of their processing, security on

both transaction and customer data privacy, and responsiveness to all customer inquiries on services.

To differentiate ourselves among all competitors, privilege offering takes part, but it also needs to be relevant offering to targeted customer needs. Each customer segment would value privilege differently upon their preference and/or lifestyle.

Way to communicate or influence customers is word of mouth - especially through their friends in the young generation. On the other hand, good feedback on word of mouth could be reassured point to decide on a trusted credit card or even to continue using it.

5.4 Opportunities for Future Research

From a macro perspective, since people tended to decrease their number of credit cards, there might be some disruption to consumer behavior and mindset that credit card provider needs to understand further to response as bigger move.

To create an effective credit card marketing strategy; first, the company has to identify clear segments for their targeted groups. Those target groups should have a scale and potential to grow in terms of trends. Then, create an interview for each desired group to find further insights, especially unmet needs or hidden pain points of the customer. While qualitative research may raise some interesting points or issues for further development in terms of sales and marketing strategies.

In the current market situation, mass marketing or mass offering may not well accept as consumers are more sophisticated and expect more of personalization to suit their particular needs.

For further study, I recommended to dig down into their usage intention to understand their behavior. The credit card company should keep updating its survey and questionnaire as customers change rapidly in the digital and dynamic market.

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APPENDICES

Appendix A: Research Questionnaire

Research Questionnaire

This questionnaire is conducted by CMMU Master Degree students, to study and gain an understanding of what are the key factors that influence credit card selection in Bangkok. The survey will take about 10 minutes to complete.

Credit card is defined as a source of money that bank or issuers provide advancement funds to its customers. The card is represented in the form of "a thin rectangular slab of plastic" shape. The cardholders can enjoy the spending on products and services within the limited amount allowed, before making a payment back.

1. Do you own a credit card?

Yes	No

2. Are you an actively/regularly use credit card in the last 6 months for purchase?

Yes	No

3. How many credit card(s) do you have?

1
2
3
4
More than 4

4. What type of credit card do you prefer to use?

VISA
Mastercard
AMEX
Others

5. Which place you regularly use your credit card for?

Restaurants
Traveling
Gas stations
Grocery stores
Clothing stores
Electronics stores (IT gadgets)
Online stores
Others

	Strongly Disagree	Disagree	Agree	Strongly Agree
6. I prefer using a credit card that I feel satisfy with its service.	1	2	3	4
7. I prefer using a credit card that the issuers have up-to-date equipment and technology.	1	2	3	4
8. I prefer using a credit card that can handle my requests promptly (eg. fast and effective).	1	2	3	4
9. I prefer using a credit card that has error-free.	1	2	3	4
10. I prefer using a credit card that has high security systems.	1	2	3	4
11. I prefer using a credit card that suits my lifestyle.	1	2	3	4
12. I prefer using a credit card help me build my social image.	1	2	3	4
13. I prefer using a credit card that makes my life more convenience.	1	2	3	4
14. I prefer using a credit card that give me benefits for purchases, such as points or cash back on your purchase.	1	2	3	4
15. I prefer using a credit card that are handy/practical to pay bills online or to make online purchase.	1	2	3	4
16. I prefer using a credit card that has reference from my family.	1	2	3	4
17. I prefer using a credit card that has reference from my friends.	1	2	3	4

	Strongly Disagree	Disagree	Agree	Strongly Agree
18. I prefer using a credit card that has a good review online.	1	2	3	4
19. I prefer using a credit card that has good marketing campaign.	1	2	3	4
20. I prefer using a credit card that has positive word of mouth.	1	2	3	4
21. I prefer using a credit card that provides discount promotion.	1	2	3	4
22. I prefer using a credit card that provides redemption point /mileage (redeem for products/services).	1	2	3	4
23. I prefer using a credit card that provides cash back.	1	2	3	4
24. I prefer using a credit card that provides exclusive experiences (such as lounge, parking spot, limousine).	1	2	3	4
25. I prefer using a credit card that provides free gift (welcome set/rewards).	1	2	3	4

26. Gender

Female	Male

27. Age

20-25
26-35
36-45
Above 45

28. Income per month (THB)

<30,000
30,001 - 60,000
60,001 - 100,000
>100,000