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DETERMINANTS OF CUSTOMERS' ATTITUDE TOWARDS CREDIT CARD USAGE IN KENYA

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ABSTRACT

This study examines the factors that influence the attitude of customers toward utilization of credit cards among academics at the University Of Nairobi, Kenya. 236 questionnaires were distributed through Google forms among academics in the school of business and 94 respondents have replied the questionnaire back. Sample of the study was selected based on purposive sampling method.

The factors, which are included in this study, are availability of information, perceived usefulness, and characteristics of card issuers, general satisfaction and card use intension. Multiple regression analysis is used to determine the most contributory factor that best predict the attitude toward using credit cards. According to the results of the study, the most influential variable on attitude towards credit card usage is card use intention followed by perceived usefulness and availability of information. The most influential variable is explained 47.4% of the variation in the attitude towards usage of credit cards and the adjusted R^2 also indicates that the model has good fit: 52.5% variation in attitude towards credit card usage is explained by estimated regression equation.

INTRODUCTION:

The wider distribution of credit cards, what some have called the Democratization of Credit has a host of benefits. The new card holders get a convenient form of payment and a line of credit, while the banks earn fees and interest. However, the same Democratization may have a downside due to the potential risk of loan defaulting. A credit card system is a type of retail transaction settlement and credit system named after the small plastic card issued to the user of the system. A credit card is therefore, simply a plastic card issued by a commercial bank or any other institution that allows the holder to purchase goods and services on credit up to an agreed limit set at specific place where these cards are accepted. A credit card is a financial instrument that allows the cardholder to obtain funds at interest from a financial institution at his/her own discretion, up to some limit (Edward Paul and Robert, 1997) In modern business transactions, credit cards are increasingly becoming an essential tool. A credit card offers a cardholder convenience safety, higher purchasing power and a host of fringe benefits as most cards come with a number of privileges. This is over and above the basic benefits of serving in place or cash. However, screening out credit risky customers is a crucial step in card application acceptance process (Mbijiwe J.M.2005). If repaid within a certain period usually within a month, the loan interest is free. If not, the loan may be carried for an indefinite period, always accruing new interest charges, by paying a minimum amount each month. A credit card is distinguished from other financial instruments by the entitlement. It gives borrowers to determine the size of the loan and the pace at which it is repaid and as flexible and readily available source of funds for consumption, may be used as a shield against the hardships of income loss (Asubu, 1991). 2 Credit card plays a role in the strategic plans of many banks (comptroller's handbook, October, 1996). A bank can be a card issuer, merchant acquirer or agent bank when it comes to credit card business. Issuing banks bear the risk because they hold or sell credit card loans. A merchant bank enters into agreement with the merchant to accept deposits generated by credit card transactions. It is possible that a merchant bank is exposed to some transaction risk arising from customers' change of banks. An agent bank agrees to participate in another bank's credit card program. This requires that the agent bank turn over its applications for credit card to the bank administering the program.(comptroller's handbook, October, 1998). In Kenya today commercial banks and petroleum, companies are the main issuers of different forms of plastic money. Commercial banks – ATM cards, visa electron debit card, the total voyage fueling cards and the Barclay card are some form of plastic money that exist in the Kenyan market. (The Daily Nation, 30th March, 2004). The paper has investigated the relationships of default on credit card debt by users of credit cards in Kenya. It focuses on the relationship between default and outcome of financial choice consumers make within the constraints of the contract terms set by credit card issuer and looks into factors therefore will play part in determining default. The project has attempted to obtain information on behavioral aspects of the credit card users in Kenya. 1.1.1 History and Evolution of Plastic Money in Kenya Electronic payments technology can substitute not only for checks, but also for cash, in the form of electronic money (e-money)-money that exists only in electronic form. The first form of e-money was the debit card. Debit card which look like credit cards, enable consumers to purchase goods and services

by electronically transferring funds directly from their bank accounts to merchants' account. (Mishkin F.S and Eakins S.G. 2010) 3 According to Timberlake (1987), the lack of adequate denominations of cash in the USA currency as well as the importance of coal mining and lumbering in the 1885, stimulated the private production of money, which was known as scrip money. He considered the scrip to be an underdeveloped form of plastic money as it took the dimensions of a fuel and pre-paid card of entertainment cards, because it was honored at local general stores (fuel prepaid cards) and entertainment cards are honored only at establishments that have issued these cards. Scrip money took the form of printed cards, which were replaced by metallic money. He states that scrip money was developed to serve as a medium of exchange due to the fact that regions around the coal mines were hilly and with marginal agriculture and commercial development. The mining companies set up to establish infrastructure, residence, churches, schools, water works and company stores or commissionaires. All those developments led to the birth of first modern credit card issued by diners club in 1950 that was developed by two Americans namely; Frank Mcnamara and Ralph Schneider. Interestingly, in the year before that, Mcnamara had dined in restaurant in New York, after the meal he realized that he had forgotten his wallet, and his wife had to pay for him to get him put of the embarrassing situation. This incident made him determined to come up with a payment system that requires a card to pay for all the purchases (Dinors club website July, 2007). Amid significant strides in the development of cash-less societies especially in Developed economies, emerging markets remain behind. The Kenyan payment system is still dominated by paper based instruments such as cash, checks and in some parts commodity money. This remains to be the key yardsticks of settling indebtedness in Kenya. In 1984, the Southern Credit Banking Corporation issued a credit card called the Senator; in 1990 Barclays Bank introduced the Barclaycard, in 1995 Kenya Commercial Bank issued its first credit Card and in 1996 Commercial Bank of Africa issued its Credit Card and many more Credit Cards. These include; Cooperative Bank, NIC Bank, Fidelity Commercial Bank, Prime bank, National Bank, CFC Bank, Imperial Bank, Post bank and I & M Bank (Mucheru S. 2008) 4 Kenya is Visa's fastest growing market in Africa outside South Africa, with $452 million processed through the vis Credit and Electron debit cards in 2003.that was 43 percent growth over the previous year, increasing the number of visa cards in the market to over 557,000 with acceptance in over 500,000 outlets. Based on the phenomenal growth over the past 18 months, we anticipate over 2 million cards will be in use in Kenya within the next three years, 'said Mr. Winter (Visa International).

LITERATURE REVIEW

Credit cards have become a major instrument for carrying out and financing purchases among consumers. Furthermore, credit card debt has risen faster than household disposable income, and raising concern among policy-makers. Increased borrowing on credit cards to recover consumption spending is usually seen as a stimulating factor for the economy.

With the introduction of credit and debit cards has encourage the consumers' ability to maximize consumption decisions by providing them secure and quick

access to all of their funds on deposit or a line of credit. Sellers also benefit by moving of less cash and cheque handling in the system as they have access to a large pool of customers with guaranteed payment. Cards also play vital role in e-commerce, with its inherent efficiencies. It is clear that credit cards play an important role in an economy. This process is explained by Moody's

Report in 2016. They introduce economic cycle which explains the process of continued economic growth that is supported by credit cards. This shows that increased consumption due to increase in usage of credit cards lead to increased output and finally it facilitates to decline of unemployment in the economy. However, economists argue that high levels of debt may curtail spending in the future and hence ultimately results in slow economic growth (Moody's Analytics, 2016).

In recent past credit card transactions in the world have been steadily raising, and with increased transactions comes increased debt. It has become a fact of life for most consumers and is a part of the consumer culture. As of 2011, seventy-seven percent of US adults owned at least one credit card, with a total of 1.4 billion cards in circulation. The average cardholder owned 7.7 cards and uses a credit card 119 times a year charging an average of $88 per transaction or $10,500 annually. By the end of 2011, with the unfolding of America's economic crisis, the average household credit card debt reached $16,420 (Federal Reserve G.19 March, 2012).

Much of the previous research on the use of credit cards has focused on the difference between credit cards and other forms of payments on consumer spending. A common finding from this research is that when the decision to purchase has been made, the use of a credit card leads to more spending than cash or cheques (Abbas et al., 2020; Feinberg, 1986; Hirschman, 1979; Inmanetal, 2009; Prelec & Loewenstein, 1998; Rick et al., 2008). Brito & Hartley (1995) show that credit cards provide liquidity service to the holders by avoiding opportunity cost of holding money. Further they reveal that credit cards become more attractive source of financing than the bank loan because of low transaction cost. The time and effort involved with taking loan from a financial institution is also high. This convenience allows many card holders to pay high interest on outstanding credit card balances. Canner & Luckett (1992) indicate that this leads to a substantial growing of consumer's debt.

Zuroni & Lim (2012) show that relationship between consumer's gender, education level and monthly income towards credit card practices. This study concludes that gender, monthly income, personal financial knowledge and attitude influencing the credit card practices among working adults in Malaysia. Meanwhile, they indicate that education level is the most significant factor among working adults.

Demographics factors such as age, income level play a vital role in making a choice and the use of credit cards as a convenience user. Studies suggest that there is a correlation between demographic factors and use of credit card. Kinsey (1981) indicates that the probability of having credit cards and the number was correlated highly with age and occupation. However, the study shows that there is a strong relationship between the place of residence, use of checking and

savings accounts, and attitude towards credit. Number of studies indicates that a person is more likely to have more than one credit card and have a significant amount of debt with a positive attitude towards credit card use (Abbasi et al., 2020; Chen & Devaney, 2001; Davies & Lea, 1995; Hayhoe et al., 2000). Bowers (1979) conducted longitudinal study and shows that low income users of credit cards tend to use the cards for the installment feature rather than for service features such as convenience, safety, or identification. Further researchers identified that the
installment feature of credit is important for low income consumer to permit purchases such as automobiles, furnishings, and other consumer durables.

Ahmed et al. (2009) examined the shift of Pakistani consumers towards the use of plastic money, with emphasis on credit cards. The study employed demographics variable and descriptive variables for analysis of general attitude about the use of credit cards and the factors contributing towards the selection of one particular credit card over the other. They found thata positive relationship between the income level of a person and his/her possession of the credit card. The profession of the person seems to play a very interesting role with their behavior towards credit cards. Moreover, the study shows that the convenience and security element that credit cards offer is most important for women.

Ismail et al. (2014) examined the factors influencing the attitude of bank customers in the context of the Malaysian banking system. The study employed the variable like knowledge, media awareness, perceptions, family influence and religious factors on attitudes towards credit card usage. The study shows that knowledge, media awareness, perceptions and family influence are instrumental in determining consumer attitudes toward credit card usage. In more detail, perceptions are ranked highest, followed by family influence and knowledge. Ismail et al. (2011) and Godwin (1998) indicated that there is a positive relationship between the general attitudes of consumers toward credit usage.

Dewri et al. (2016) investigated behavioral usage patterns of credit card users in the emerging economics and how the external factors are influencing the credit card users to use credit cards in their day-to-day life. The study found that there is a significant relationship among – earnings and usage of credit limit; different age group has diverse tendency to use credit card and repayment attitudes; profession and usage behavior of credit card; e-repayment attitudes to pay bill by different age groups.

Norvilitis et al. (2006) examined factors that can causes and effects of credit-card debt in college students. The study was revealed that lack of financial knowledge, age, number of credit cards, delay of gratification, and attitudes toward credit-card use were related to debt. They also found that student attitude toward debt scale; gender and grade point average were not unique predictors of debt.

Hilgert & Hogarth (2003) found that family influence and personal experience are the key means of learning to use credit effectively and the main sources of financial knowledge. Mansfield et al. (2003) show that parents, schools, peers and the media are all part of a young person's learning and socialization from birth to adulthood. All of these factors affect a young person's credit awareness

as well as the advantages and problems involved with credit cards. Parents, schools, peers and media also play a major role in influencing the young adult's consumer behavior. Furthermore, Ismail et al. (2011) showed that parents have the greatest influence on a young person's credit card behavior.

The behavior and the attitude of the consumer towards the use and acceptability of credit cards differ for psychographic reasons. College students have favorable attitude toward credit cards. Female students who live in campus and working less than 20 hours have more favorable attitude regarding the credit cards (Ahmad et al., 2018; Balakrishnan et al., 2019; Xiao et al., 1995).

Atthaphol (2010) examined relationships between both Bangkok debt and credit card holder attitudes towards the intention to use credit cards. Results show that credit card attitudes to be directly related to the likelihood of credit card use. Further, study revealed those individuals who did not pay monthly balances in full, as well as those who had multiple cards, were shown to have more positive attitudes towards credit cards. Moreover, education level and the length of working experience are the most important variables that associate with the intention to use credit cards.

Maya & Rofi (2011) showed that there was a positive attitude towards the use of credit cards among overall respondent, while the perceived usefulness had the highest contribution toward positive attitude to use of credit cards. Further the study pointed out that there was a strong intention to continue used credit cards, where the highest intention was the desire to finance routine expenses with credit cards. Additionally, researchers found that since respondents have been using credit cards wisely, the use of credit cards would provide supports and will not cause to financial problems in the future.

Ucal et al. (2011) examined effects of gender on credit card usage among university students in Turkey. They employed both parametric and nonparametric measures to measure the effects of gender on credit card usage. The study revealed that men tend to possess more credit cards than women. Nearly 60% of the women held only one credit card compared to 46% of the men. 36% of men versus 29% of the women had two cards. Further, they found that gender does affect credit card usage among Turkish university students although the effect is not consistent. At the same time the study showed that women tended to own fewer cards and spend less than their male counterparts. The most interesting result was revealed from this study was that more women than men felt it was prestigious to use credit cards.

Since credit card debts have caused several socioeconomic problems in many countries, the problem has received more attention of media, public policy makers and academics in recent years (e.g., Erdem, 2008). Shu & Cheng (2012) examined the way to improve consumer attitudes toward using credit cards for online purchases. By manipulating message proximity and message source, they showed that authority-plus-contrast-plus-scarcity was the most persuasive combination.

Devlin, Worthington, & Gerrard (2007) showed that credit card issuers must offer discount for promotion. In addition Durkin (1970-2000) indicated that issuers are essential to make available all relevant information regarding credit card at the time of issuing credit card. Gan, Maysami, & Koh (2008) reported that people's lack of understanding or minimal information of industry is one of the major dilemmas in the credit card market. This lack of information affects adoption and usage of credit cards all time. Another group of researchers pointed outthat informational barrier impede the ability of credit card customers to obtain a competitive interest rate through search (Al-Kumaim et al., 2021; Arshad et al., 2020; Calem, Gordy, & Mester, 2005).

Lee & Kwon (2002) reported that credit cardholders have different motives in owning a credit card and so they differ in their payment practice. The authors categorized the

cardholders into two types based on the mode of payment that they practice: the convenience users and the revolvers. Convenience users tend to use credit cards as an easy mode of payment and pay their balance typically in full on or before the due date stated in the account statement. They indicated that credit cards consider as a mode of financing as well as an open-ended, easily available credit source.

Substantial number of research studies has been done to identify the credit card usage among different customer groups. Using data from a structured survey, researches find that female Saudis are more likely than males to own the cards and attitude toward debt is a significant determinant of card ownership but not for usage behavior. Further they reveal that evaluation of card attributes is fairly positive among cardholders (Abdul-Muhminand Umar, 2007; Khan et al., 2019).

Kaynak & Harcar (2001) examine consumer attitudes and intentions towards credit card ownership and usage in an advanced developing country. Variables use in the study are knowledge structures, beliefs, likes and dislikes, attitudes of credit card owners in the possession and use of credit cards.

Many research studies have been undertaken to examine the attitude towards credit card usage among employees, college students, adults and graduate students in different countries and universities in general (Abdul-Muhmin & Umar, 2007; Ashraf et al., 2020; Blankson et al., 2012; Godfrey & Clara, 2012; Jabarullah et al., 2019; Norvilitis et al., 2006). There has not been research on positive or negative credit card usage pattern and attitudes toward credit card usage among university academics.

Though there is an increasing trend in number of credit cards users in Kenya, there is a lack of recent research in Kenya literature on this regard. Thus, the purpose of this study is to full fill this gap by identifying the factors that affect credit card usage among Kenya consumers especially in University academics.

The present study focused on availability of information, perceived usefulness, characteristics of card issuers, general satisfaction and card use intention in predicting attitude towards credit card usage. To be more specific, this study examined the factors that affect attitudes towards credit card usage in university

community by applying Theory of Planned Behavior model. It is based on the assumption that human beings are rational and can use information. Further it shows that intention to behave is the closest antecedent of a behavior. The stronger the person's intention to show a certain behavior, the more successful he/she is expected to do so. Thus the present study explores the relationship between selected variables and attitudes towards credit card usage among academics. Academics are an interesting group to study in the context of attitudes towards credit cards for a number of reasons:

Academics are relatively homogeneous with regard to their income and to their necessary expenditures.

Academics are unique from the other professions.

Usage pattern of credit card among academics is different from general public.

Finally, lecturers who used credit cards actually if they want and are also involved directly with the process of payment on time; therefore, reliable and adequate data can be obtained for the purification of measurement scales and hypotheses testing.

Research Model and the Hypotheses of the Study

The dependent variable for this research is the customers' attitude toward utilization of credit cards. The independent variables are the factors that the researchers perceived as important in influencing attitude toward utilization of credit cards. Thus this study includes five independent variables which are availability of information, perceived usefulness, characteristics of card issuers, card use intension and general satisfaction. Major variables for this study were identified through reviewing the literature available on attitude towards credit card.

Independent Variables   Dependent Variable

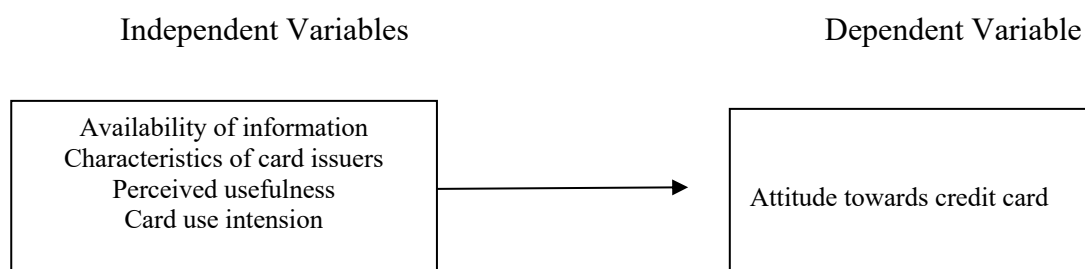| Availability of information
Characteristics of card issuers
Perceived usefulness
Card use intension | → | Attitude towards credit card |

Figure 1. Research model of the study

Based on the literature reviewed and the researcher's prior insights the following hypotheses are postulated for this study.

H1. Customers' availability of information positively influence on their attitude toward the usage of credit cards.

H2. Customers' perceived usefulness positively affects their attitude toward the usage of credit cards.

H3. Customers' card use intention a positively influence on their attitude toward the usage of credit cards

H4. There is a significant relationship between issuers' characteristics and the customers'
attitude toward the usage of credit cards.

H5. Customers' general satisfaction on credit cards has a significant influence   on   their   attitude   toward   the   usage   of   the   cards.

SAMPLE, METHODOLOGY AND RESULTS

The survey was conducted among university academics in Kenya; University of Nairobi. It has risen to be the largest public University of Nairobi in terms of the student population. In this study, we have employed the purposive sampling method to select the university, faculty and also respondent. The population of this study is the lecturers of the School of business. The School of business is the largest faculty in the university system in Kenya and was founded in the 1960s and has a proud history and heritage as the Pioneering Faculty for business in Kenya. As the largest School of business, it currently enrolls about 5,000 internal undergraduate students and 200 permanent lecturers. Based on this information, we decided to select respondent from the Kenyatta University for the study.

The survey mechanism was a structured questionnaire which included questions concerning credit card usage, demographic characteristics, and personal consumption attitudes and behaviors. A total of 200 questionnaires were distributed through Google form to the academics that belongs to the School business, in which only
94 were returned valid and completed. Likert scale question was created to capture their attitudes towards the usage of credit cards. Each of these questions was responded to on a five-point scale comprised of Strongly Agree, Agree, Neutral, Disagree, and Strongly Disagree.

We employed Cronbach's alpha (reliability coefficient) which is a measure of internal consistency and content validity of the questionnaire. In other words, how closely related a set of items are as a group. In social sciences, Cronbach's alpha 0.60 coefficients are acceptable. The reliability coefficient on average showed 0.763 (Table 2), and indicating that the items in this study have a relatively high internal consistency. In order to determine the relative contribution of availability of information, perceived usefulness, characteristics of card issuers, general satisfaction and card use intention in predicting attitude towards credit card usage, we employed multiple regression analyses with the above independent variables and attitude towards credit card usage as the dependent variable. Multiple regression analyses allow for a determination of which independent variable, and in what order, are important in explaining variance in the dependent variable. The beta weight associated with each independent variable provides a measure of its relative contribution. Reliability of total Items is 0.763 in Table 2 which shows its significance.

Table 2. Reliability statistics

Cronbach's Alpha	N of Items
0.763	6

As presented in Table 3, 51% of the respondents were male, while 49% of the respondents were female. Out of 94 respondents, majority of the respondents belong to above 37 years. Most of respondents often use Visa credit cards (89.9%) for their transactions. Normally card holders pay their credit card bill in full amount (62.8%), while they use credit card twice in a week for the purchases (30.7%). More than 50% of the respondents possessed one credit card. At the same time less than 5% of the academics have four or five credit cards because of the cost of carrying multiple credit cards is high.

In the present study about 49% of the respondents reported owning one credit card whilst
24% owned at least two cards (Table 3). According to these results it is clear that the majority of the respondents own one card. This result was also consistent with the study conducted in Botswana by Pebe et al. (2012) where 41.5 % of the respondents reported owning just one card whilst 6.5 % and 1% owned two and three cards respectively. These findings are similar to findings of other developing middle-income countries. Turkey (Nasir, 2006) found that a large number of the respondents (31.9%) owned only two cards. According to Gan et al. (2008) found that 65 % of the respondents owned one to two cards in Singapore whilst in Saudi Arabia majority owned a maximum of two cards (Abdul-Muhmin & Umar, 2007). The ownership of credit card in developing countries contrasts sharply with that of developed countries like the USA. For example, in a study conducted in USA by Robb (2011) found that the average number of credit cards owned exceeds four.

Credit card usage was identified based on how frequently the card is used in a month and how the outstanding balance is paid—whether in full, in partial or in minimum. As shown in Table 3, a total of 64 (68%) respondents used their cards less frequently while 23 (24%) used them more frequently. Furthermore, majority of the respondents (69%) pay their outstanding balance on credit card in full whereas 23 (24%) pay in partial. This result similar with the findings in Saudi Arabia (Abdul-Muhmin & Umar, 2007) they found that the majority (68.3%) of the respondents paid their monthly balances in full whilst 31.7% made partial payment.

Table 3. Demographic profile and credit card information of respondents

Variable	Frequency	Percentage
Gender		
Male	48	51.06%
Female	46	48.94%
Age Group		
22-26	3	03.20%
27-36	31	33.00%
37-46	34	36.20%
47-56	25	26.60%

Above 57	1	01.10%
Marital Status		
Married	75	79.80%
Single	19	20.20%

No. of Children		
None	32	34.04%
One	27	28.73%
Two	26	27.66%
Three	9	09.57%
Working Experience (Years)		
1-5	25	26.90%
6-10	16	17.20%
11-15	24	25.80%
16-20	15	16.10%
21-25	10	10.80%
26-30	1	01.10%
30-35	1	01.10%
above 36	2	01.10%
Highest Level of Education		
Bachelor Degree	13	13.80%
Postgraduate Diploma	1	01.10%
Master Degree	42	44.70%
Doctoral Degree	38	40.40%
Monthly income (Gross-Rs)		
Less than 50,000	11	11.70%
51,000-80,000	14	14.90%
81,000-110,000	24	25.50%
111000-130,000	26	27.70%
Above 130,000	19	20.20%
No. of Credit Cards owned		
One	49	52.13%
Two	24	25.53%
Three	18	19.15%
Four	1	01.10%
Five	2	02.10%
Monthly bill paying practices		
Full payment	65	69.15%
Partial payment	23	24.47%
Minimum payment	6	06.38%
Credit card usage (monthly)		
1-2 times	64	68.08%
3-4 times	7	07.45%
5-6 times	23	24.47%

Source: Author   compiled   based   on   survey   data.

Table 4. Purposes of using credit cards

Rank / Variable	Number of Respondent as a percentage of total respondents						
	1	2	3	4	5	6	7
Food	36	15	12	10	9	6	12
Clothing	25	22	18	8	10	9	8
Travel-local	24	22	18	8	10	9	9
Travel-Foreign	33	7	14	6	9	7	24
Fuel	31	18	15	6	7	12	12
Medical	30	20	14	9	6	13	9
Beauty Products	17	8	3	13	3	19	38
Furniture	12	22	13	9	10	16	19
Utilities	23	17	12	6	11	9	22
Education-Local	20	14	5	6	8	17	30
Education-Foreign	27	14	5	8	11	13	22
Cash Advances	16	4	10	7	2	16	44
Insurance	21	16	10	8	5	10	32
Entertainment	14	12	15	14	9	9	27
Books-Local	17	23	19	3	9	11	19
Books-Foreign	23	20	17	5	3	15	18
1 = most and 7 = Least for credit card expenditures							

Source: Author compiled based on survey data.

We asked from respondents to rank their preferences (1-7) according to their purposes of using credit cards. Table 4 presents the types of commodities and services purchased by using credit cards. The most frequent spending made with credit cards was on food. Out of 78 total respondent, 28 (36%) ranked food as first rank. In addition, clothing, foreign travel, fuel and medical are among the top commodities and services purchased using credit cards. Beauty product and entertainment are among the least commodities purchased using credit cards. Majority of the respondents do not use credit cards to get cash advance due to high interest rate. Foods and clothing are very popular among respondent because of discounts and special rate for those items with paying credit cards.

Table 5. Respondents view regarding credit card usage

Do you advice another person to use a credit card?

| Yes | 74 | 78.70% |
| No | 20 | 21.30% |

Academics appeared to be generally satisfied with the use of their credit cards even though they have different views regarding credit card practices. Certain practices by the credit card issuer companies are negatively viewed by the respondents. On the whole, credit card users appeared to believe that credit cards are useful, and that consumers are better off with credit cards than without them.

Further the evidence from the study revealed that majority of the respondents did not suggest negative views if credit cards arose from adverse personal experiences. In fact respondents' opinions about their own relationship with their current card issuers are much more agreeable than their opinions about the relations of consumers in general. 73% respondent of credit card holders conveyed their general satisfaction for dealings with their card companies, that their card companies treat them fairly, and that it is easy to get another card if they are not treated fairly. 61% trust that their own card companies would keep their personal information confidential.

Table 6. Model summary

Model	R	R Square	Adjusted R Square	Durbin-Watson
1	0.767^a	0.544	0.525	1.759

The result from model (1) in Table 6 presented above shows that the model is well behaved. The level of explanation of attitude towards credit card usage by availability of information, perceived usefulness, characteristics of card issuers, general satisfaction and card use intention is high as represented by the high value of coefficient of determination (R^2). The adjusted R^2 also indicates that the model has good fit: 52.5% variation in attitude towards credit card usage is explained by estimated regression equation.

Table 7. Regression results

Model	Unstandardized Coefficients		Standardized Coefficients	T statistic	Significant Level
	B	Std. Error	Beta		
Constant	4.184	4.652		0.899	0.372
Availability of	0.179	0.096	0.177	1.870	0.066

Perceived Usefulness	0.178	0.073	0.241	2.445	0.017
Characteristics of card	0.012	0.133	0.009	0.091	0.928
General Satisfaction	0.172	0.132	0.136	1.301	0.197
Card use Intention	0.599	0.127	0.474	4.726	0.000

Analysis of model (1) in Table 7 indicates that linear relation consisting of positive relationship between attitude towards credit card usage and its explanatory variables. The favorable card features (like lower interest rates and annual fee) operationally act as an important sign to encourage card usage and influence attitude toward credit card. Availability of information, perceived usefulness, and card use intention are statistically significant, characteristics of card issuers and general satisfaction are statistically insignificant even at 10 %.

Specifically, the predictive power of the independent variable is explained by the relevant beta value of the predictive variables. The most influential variable on attitude towards credit card usage is card used intention. This indicates that 47.4% of the variation in the attitude towards usage credit cards is explained by card use intention. Majority of the respondent agreed that credit cards facilitated for foreign purchases and it is safe and easy payment method than other methods. Not only the easy payment method it provides an opportunity to purchase even though they do not have enough cash. Because of these reasons, this study was found that the most significant and unique variable as card use intention on attitude towards credit card usage.

The other factors in the order of their importance are; perceived usefulness with the standardized coefficient of beta (0.241) and availability of information with standardized coefficient of beta (0.177). Furthermore, the standardized coefficient of beta in between characteristics of issuers and attitude toward usage of credit card is 0.009 (p=0.928). This shows that characteristics of issuers do not have a significant influence on their attitude toward usage of credit cards. Similarly, general satisfaction and attitude toward usage of credit cards as presents in the Table 7 is 0.136 (p = 0.197). This result indicates that general satisfaction does not significantly affect their attitude toward usage of credit cards. Thus, these two hypotheses are failed to reject since the p-value is more than 0.05 while the other hypotheses are rejected at 5% level of significant.

Table 8. Summary
of the results

Hypotheses	Rejected / Accepted
H1 Customers' availability of information positively influence on their attitude toward the	Accepted

H2 Customers' perceived usefulness s positively affects their attitude toward the usage of	Accepted
H3 Customers' card use intention a positively influence on their attitude toward the usage	Accepted
H4 There is a significant relationship between issuers' characteristics and the customers'	Rejected
H5 Customers' general satisfaction on credit cards has a significant influence on their	Rejected

CONCLUSION

This study examines the relationship and the influence of availability of information,
perceived usefulness, characteristics of card issuers, general satisfaction and card use intension on attitude toward using credit card. The study was limited only to University of Nairobi, Kenya. It is further limited to the academics of the School of business. This therefore, makes it difficult to generalize the findings even though the respondents come from different education levels and income levels. According to the results of the study the most influential variable on attitude towards credit card usage is card used intention followed by perceived usefulness and availability of information. This is consistent with studies by Yahaya & Haji-Othman (2014) and Maya & Rofi (2011) that perceived ease of use and perceived usefulness of a credit card influences attitude towards usage of credit cards.

This study provides important implications toward practitioners and potential credit card users. First, card use intension is an important factor that should be considered by banks offering credit cards. Respondent mostly use credit cards to purchase day to day necessities and foreign purchases and they prefer these cards mostly for online purchases (Maya & Rofi, 2011). Further, the results of this study suggest that perceived usefulness and availability of information regarding credit card have important influence on attitude towards credit card usage. This result is consistent with the findings of Durkin (1970-2000) and Calem, Gordy, & Mester (2005). A number of methods can be utilized to increase the available information concerning credit cards. For instance, banks can provide more precise data with more transparency about interest rates charge by banks on late payment, registration fees, annual renewal fees, etc. And also banks can publish the latest information about credit cards, which should help to take decision regarding the credit card holders to in which manner they have to use their credit cards. The study revealed that majority of the respondents are been using credit cards intelligently (majority pay full payment-69%); therefore, the use of credit card will not lead to serious financial problems or heavy debt burden (Maya & Rofi, 2011).

MANAGERIAL IMPLICATION

From a managerial perspective, the results of this study provide useful insights into the credit card market in Kenya. When we consider academics, they have common characteristics, like income, level of education, pattern of purchases from credit cards. Further, academics are relatively homogeneous with regard to their necessary expenditures. Using pattern of credit card among academics is different from public. According to the revealed information on attitude towards credit card usage, academics appeared to be generally satisfied with the use of their credit cards even though they have different views regarding credit card practices. The respondents negatively view certain practices by the credit card issuer companies. On the whole, credit card users appeared to believe that credit cards are useful, and that consumers are better off with credit cards than without them. Various credit terms, such as interest rates, annual membership fee, late payment charges and other finance charges were considered to be main focus of respondents for the required disclosures. It also indicated these terms as important for applying new credit card. Overall, respondents have been using credit cards wisely, therefore, in long term, the use of credit cards would provide benefits and will not cause financial problem for them.

Knowing consumers' level of interest in using credit cards is important in shaping, and perhaps changing a bank's product portfolio. Therefore, it is recommended that product development should be based on the information taken from the customers. The study shows that the convenience and security element that credit cards offer is most important for respondent. For boost of credit card business, a very important role is played by the customer support service. Developing a competent and helpful customer support department can create a positive image of the bank. Arthur & Dimitris (1994) found that security is an important feature in the selection criteria of credit cards. Security is in two senses, as protection against credit cards fraud or in the case of card lost/stolen.

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