CHAPTER V

CONCLUSIONS

1. Introduction

This chapter concludes the overall study in the light of findings and analyzed results. Then, some recommendations are presented based on this conclusion. Next, the limitations in this research are discussed, and finally, some areas for further study are suggested.

2. Conclusions

This research was conducted for assessing expectations in using Credit cards from different categories of Sri Lankan managers using lifestyle based approach.

Through the survey of literature, the researcher identified eleven factors that affect the individual's expectation on Credit cards. The expectation levels and the eleven factors are considered based on the lifestyle groups which are identified using the VALS topology and questions provided to each individual. Two hypotheses were developed based on the assumed causal relationship between these variables.

The field survey was carried out with eighty Sri Lankan managers in different sector organizations including banking, telecommunication, insurance, IT firms and government organizations. Data was collected about lifestyles and level of expectation on Credit cards of these managers distributing questionnaires among them.

After analyzing data, the researcher has found that the argument developed at the beginning of the study where one's expectation on credit cards is different from that of another in the same group, is not valid. These are the main conclusion of the study and the paragraph below indicates is that more groups than one has similar expectations.

Category	Security	Emergency
Thinkers (Category 1)	2	1
Achievers (Category 2)	2	1
Experiencers (Category 3)	2	1
Believers (Category 4)	2	1
Strivers (Category 5)		1
Makers (Category 6)	1	

It is shown from Table 16, the lifestyle categories 1 and 2, Thinkers and Achievers respectively, have similar expectations of using Credit cards. It is also shown that 'Prestige' is expected by Thinkers, Achievers, Experiencers, Strivers and Makers lifestyle categories, but it is not valid for Believers as same, because their expectations don't include Prestige.

Although above conclusions can be made, in general, the research gives mixed results. The most important finding is the relationship between the lifestyle and the level of expectation of using credit cards. It is interesting to notice that there is a high degree of preference and association to the level of prestige in using credit cards in all lifestyle categories. Each lifestyle category has its own expectation levels and each member shows similar kind of behavior within the lifestyle group.

Also the results have shown that for lifestyles of Thinkers and Achievers (category 1 and 2) have similar expectations of Credit cards. These expectations are Prestige, Foreign Visits and Security. Therefore the researcher can conclude by introducing one common lifestyle category with combining Thinkers and Achievers, and named it as 'Thinker-Achiever', a one lifestyle category for Sri Lanka. And the researcher simplifies the above model used in this research as Thinker-Achiever (category 1), Experiencers (category 2), Believers (category 3), Strivers (category 4) and Makers (category 5) for future Sri Lankan based researches.

Also the highest preference within a lifestyle groups for 1 (Thinkers), 2 (Achievers), 3 (Experiencers), 4 (Believers), and 5 (Strivers) is Emergency and for 6 (Makers), it is Security and hence each member in the same group has a similar kind of expectations within a lifestyle group. And 'Thinker-Achiever', Experiencers, Strivers lifestyles have the highest preference for expecting Credit cards in an emergency and then expecting security as secondly always, when the researcher compares within lifestyles.

3. Recommendations

This research provides that it is important to identify the lifestyle category of the consumer when the bank issues a credit card to him. The bank can personalize the card and its features according to the lifestyle of the consumer.

The finding of this study is shown that the different lifestyle groups have different expectations of using credit cards by managers in Sri Lanka. There is a high degree of preference for expecting the level of prestige by each lifestyle group. Secondly the more concern is due to security in using cash. This can be get concerned by the institutions who issue the credit card product to the consumers and they can think these factors in general and overall aspects. These institutions can identify each individual's lifestyle pattern and issue the card which specifically matches to him or her by customizing the card. It will then result in consumer satisfaction and then increasing the customer base. This increases the profits of the organization. The customer does not fed up of using credit card; it is well suited to his lifestyle pattern (income level and so on). In general consumer always thinks to have a unique product that is specifically customized and designed to him or her.

The findings have shown that the high preference within a lifestyle group, each member has a similar kind of expectations. This values the credit card issuing institutions in order to customize the card according the consumer's lifestyle and add, remove or modify the specific features of the card with out effecting to the other lifestyle categories. It is recommended to have a method of identifying the consumer lifestyle by given a questionnaire or interviewing him and put him a lifestyle group, which actually ease to select the credit card which mostly suits him. This happens to reduce the related card problems for each side.

The findings of the research have shown that some of the lifestyle categories used in this research have common expectations of using Credit cards, and a simplified model is introduced, by combining Category 1 and 2, named it as 'Thinker-Achiever' category. This can be used in future lifestyle based researchers in Sri Lankan context.

Also this research finding will help to provide recommendations to the banking and other credit card issuing organizations in promoting their credit card usage, in other words in policy making in banking industry.

4. Limitations

If the survey had been conducted among a larger sample than this, a more general conclusion about the population would have been arrived.

On the other hand, the researcher was unable to identify the two lifestyle groups which remain the top and bottom of the lifestyle diagram, as the data received is very less compared to others.

Some difficulties arose when measuring the lifestyle and level of expectation because this research relates the individual's psychological behavior.

The questionnaire method has been used as the method of data collection of this study and it has some limitations which are common to questionnaire methods. (Ranasinghe and Fonseka, 1998:69)

The researcher had identified eleven variables which affect the level of expectation in the conceptual model. The study has been carried out by considering eleven variables which are mostly to the managers concerned. But, there may be a number of other variables which change their level of expectation on credit cards.

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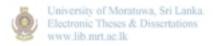
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APPENDIX I – LIST OF ORGANIZATIONS

Aitken Spence Limited

Mobitel (Pvt.) Limited

DFCC Bank

Denshun Industries

Virtusa, Sri Lanka

HSBC

Sri Lanka Telecom

Millennium Information Technologies

IBM World Trade Corporation, Sri Lanka

Sri Lanka Ports Authority

Hayleys Limited, Sri Lanka

Dialog GSM Sri Lanka

Celltel Lanka Limited

Toroid International (Pvt.) Limited.

Sri Lankan Airlines

Ceylon Petrolium Corporation

Convergs Sri Lanka

Union Assurance Limited

Enterprise Technologies (Pvt.) Limited

Ericsson, Sri Lanka

Transcargo (Pvt.) Limited

DMS Software (Pvt.) Limited

Sri Lanka Clipsal Lanka (Pvt.) Limited (Orange)

Sri Logic (Pvt.) Limited.

Keels Business Systems Limited

Shadowline Private Limited

Suntel Limited

Standard Chartered Bank, Sri Lanka

Appendix II – A Questionnaire to Collect Information about Individual's Lifestyle and Expectations on Credit Cards

Target Group: Managers in Sri Lankan Organizations

This questionnaire has been prepared to find out individual's lifestyle category and their expectations in using credit cards. You are kindly requested to answer all the relevant questions. The questions are of general nature and may not entail confidential information. However, you have the choice of not responding to any question which you may consider involve confidential information. This survey is carried out for an academic purpose. Therefore, your cooperation is solicited to make the survey a success.

J H P U K Jayalath, MBA, IT Student, University of Moratuwa.

Name of the Company: ....

Q	Question	Please mark number, relevant to you.
1	What was your total household income before taxes for the past year (Jan through Dec.)? (Please include income from all sources, including salaries, pensions, interest, dividends, bonus, capital gains, profits and other), in SLR 1. Less than 100,000 2. 100,000 – 149,999 3. 150,000 – 199,999 4. 200,000 – 249,999 5. 250,000 – 299,999 6. 300,000 – 399,999 7. 400,000 – 499,999 8. 500,000 – 749,999 9. 750,000 – 999,999 10. 1,000,000 or More	
2	Age: 1. 18–24 2. 25-29 3. 30-34 4. 35-44 5. 45-54 6. 55-64 7. 65 or Over	
3	What is the highest level of education you have completed? 1. O/L 2. A/L 3. Degree or Equivalent 4. Master 5. Professional *(BCS, CIMA and etc.)*	
4	Sex: 1. Male 2. Female	

5	I like the challenge of doing something I have never done before. 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
6	I have more ability than most people 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
7	I see myself as having a job rather than a career 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
8	I consider myself an intellectual 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
9	I like doing things that are new and different 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
10	I like to lead others 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
11	I like a lot of excitement in my life 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
12	I often like to have a deep commitment to my family and career 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
13	I like to learn about things even if they may never be of any use to me 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
14	I would like to understand more about how the universe works 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
15	I follow the latest trends and fashions 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	

16	I like to look through hardware or automobile stores 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
17	I like to learn about art, culture, and history 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
18	I am often interested in theories 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
19	I dress more fashionably than most people 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
20	I like a lot of variety in my life 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
21	I would like to spend a year or more in a foreign country 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
22	I must admit that my interests are somewhat narrow and limited 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
23	I like my life to be pretty much the same from week to week 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
24	Credit card is secure than carrying and keeping money 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
25	I use credit card because I would like to tryout new things 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
26	I use credit card for paying hospital bills 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	

27	I would like to be a member of credit card society 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
28	I use credit card because I would like to comply with the important in technology 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
29	I often do purchasing on the internet using credit card 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
30	I often use one credit card for money transferring to my second card within the tax free period 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
31	Credit card is easy to handle than money 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
32	I often use credit card for buying in supermarkets 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
33	I prefer discounts given for my credit card 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
34	I use credit card as it is a fashion today 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
35	I often keep the credit card and less cash in my hand for foreign visits 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
36	I like the concept of paying merchant using a credit card 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
37	I get more information on credit card advertising 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	

38	I like the overall appearance of credit card (size, thickness, color and etc.) 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
39	I like the overall service provided by the credit card and issuer 1. Mostly agree 2. Somewhat agree 3. Somewhat disagree 4. Mostly disagree	
40	Which of FOUR practices of following you <u>often</u> use with credit cards. I use credit card, because 1. Credit card is secure than carrying and keeping money 2. I would like to tryout new things 3. I can pay in an emergency 4. I would like to be a member of credit card society 5. I would like to comply with the important in technology 6. I often do purchasing on the internet 7. I often use one credit card for money transferring to my second card within the tax free period 8. Credit card is easy to handle than money 9. I often use them for buying in supermarkets 10. I prefer discounts given for my credit card 11. Credit card is a fashion today 12. I often use them for foreign visit	

Appendix III: RAW DATA FOR LIFESTYLE GROUPS

Appendix III-A. For Category 1 (Thinkers)

Manager	Weights for each Lifestyle Category					
	Cat. 1	Cat. 2	Cat. 3	Cat. 4	Cat. 5	Cat. 6
1	19	15	17	10	8	7
2	18	15	17	10	6	9
3	20	19	18	8	7	9
4	16	16	16	14	9	10
5	17	15	15	10	10	9
6	14	13	12	12	7	6
7	18	10	14	8	5	10
8	18	13	14	11	10	10
9	18	10	14	8	5	10
10	20	16	18	10	8	7
11	20	19	18	8	7	9
12	16	15	16	12	11	13
13	18	10	14	8	5	10
14	20	19	18	8	7	9
15	16	15	16	12	10	13

Appendix III-B. For Category 2 (Achievers)

Manager	Weights for each Lifestyle Category					
	Cat. 1	Cat. 2	Cat. 3	Cat. 4	Cat. 5	Cat. 6
1	14	16	14	11	9	8
2	15	16	15	10	8	8
3	12	16	15	12	10	6
4	16	16	16	14	9	10
5	12	13	13	11	6	11
6	12	13	13	11	8	8
7	12	16	15	9	8	6
8	15	16	15	10	8	8
9	12	16	15	13	9	7
10	12	13	13	5	10	11
11	12	16	15	5	8	6

Appendix III-C. For Category 3 (Experiencers)

Manager	Weights for each Lifestyle Category					
	Cat. 1	Cat. 2	Cat. 3	Cat. 4	Cat. 5	Cat. 6
1	17	15	19	8	4	8
2	15	16	17	11	9	8
3	16	16	16	14	9	10
4	12	13	13	11	6	11
5	15	15	17	13	9	10
6	11	12	14	11	8	9
7	14	18	19	10	10	7
8	15	15	16	10	7	8
9	10	12	13	12	9	9
10	12	13	16	8	3	9
11	12	13	13	11	8	8
12	17	15	19	8	4	8
13	14	14	16	11	9	8
14	16	17	18	10	8	7
15	17	15	18	10	6	9
16	17	13	18	15	8	11
17	13	14	15	9	5	7
18	12	13	14	9	7	7
19	13	13	15	10	7	10
20	12	13	13	5	10	11

Appendix III-D. For Category 4 (Believers)

Manager	Weights for each Lifestyle Category					
	Cat. 1	Cat. 2	Cat. 3	Cat. 4	Cat. 5	Cat. 6
1	17	13	18	19	8	11
2	12	13	14	16	10	11
3	10	12	12	16	7	6
4	8	19	18	20	7	9
5	14	14	14	16	9	10
6	15	10	15	17	10	9
7	10	12	12	14	7	6
8	8	10	14	18	5	10
9	11	13	14	18	10	10
10	10	10	14	18	5	10
11	15	16	18	20	8	7
12	8	19	18	20	7	9
13	13	13	10	15	7	10
14	12	13	5	13	10	11

Appendix III-E. For Category 5 (Strivers)

Manager	Weights for each Lifestyle Category					
	Cat. 1	Cat. 2	Cat. 3	Cat. 4	Cat. 5	Cat. 6
1	8	19	18	7	20	9
2	14	14	14	9	16	10
3	15	10	15	10	17	9
4	10	12	12	7	14	6
5	8	10	14	5	18	10
6	11	13	14	10	18	10
7	14	14	9	11	16	8
8	16	17	6	10	18	7
9	17	15	8	10	18	9
10	17	13	8	15	18	11

Appendix III-F. For Category 6 (Makers)

Manager	Weights for each Lifestyle Category					
	Cat. 1	Cat. 2	Cat. 3	Cat. 4	Cat. 5	Cat. 6
1	10	12	12	6	7	16
2	8	19	18	9	7	20
3	14	14	14	10	9	16
4	15	10	15	9	10	17
5	10	12	12	6	7	14
6	17	13	18	11	8	19
7	12	13	14	11	10	16
8	8	10	14	10	5	18
9	11	13	14	10	10	18
10	10	10	14	10	5	18