

**“DETERMINATION OF THE CREDIT
CARD ACCEPTANCE AND USAGE
AMONG THE WORKING PEOPLE IN
URBAN AREA OF KOTA BHARU,
KELANTAN”**

LETTER OF SUBMISSION

Norasyikin binti Mohamad@Ghazali
Bachelor of Business Administration (Hons) Finance
Universiti Teknologi MARA
18500 Machang
Kelantan

29 October 2006

The Head of Program
Bachelor of Business Administration (Hons) Finance
Faculty of Business Management
Universiti Teknologi MARA
18500 Machang
Kelantan

Dear Sir

SUBMISSION OF PROJECT PAPER (FIN 660)

Attached is the project paper entitled "DETERMINATION OF THE CREDIT CARD ACCEPTANCE AND USAGE AMONG THE WORKING PEOPLE IN URBAN AREA OF KOTA BHARU, KELANTAN" to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you

Yours Faithfully



NORASYIKIN BINTI MOHAMAD@GHAZALI
2003477424
Bachelor of Business Administration (Hons) (Finance)

TABLE OF CONTENT

CONTENTS	PAGE
Declaration of Original Work	i
Letter of Transmittal	ii
Acknowledgment	iii
Table of contents	v
List of table	viii
List of figures	x
Abstract	xi

CHAPTER 1

1.0 INTRODUCTION

1.1	Historical Overview of Credit Card	1
1.1.1	Overview of Credit cards in Malaysia	2
1.2	Research Question	3
1.3	Problem Statement	3
1.4	Objective of the Study	4
1.5	Significance of the study	5
1.6	Scope of the study	5
1.7	Limitation of the study	6

ABSTRACT

This study is aim mainly to focus on the factors of credit card acceptance and usage among working people in urban area of Kota Bharu, Kelantan. The purpose of this study is to investigate whether the demographic and attitude of the cardholders in Kota Bharu, Kelantan is the factor to them to accept and use credit cards. There are 120 questionnaires was distributed to the working people in Kota Bharu whether they are credit card users or non-users. The frequency distribution and cross tabulation was used in order to analyze the data and to found out the relationship of credit card acceptance and usage with demographics and attitude. Thus, the finding from this study shows that all the variables has a significant relationship with credit card acceptance and usage among working people in urban area of Kota Bharu, Kelantan.

CHAPTER 1
INTRODUCTION

Paraphrasing

1.1 Historical Overview of Credit Card

A credit card is a payment instrument that enables you to make purchases of goods and payment for services instead of using cash. We can use the credit card at any merchant, locally or internationally, which displays the same credit card brand as that on your credit card.

The first recorded use of credit cards in the United States occurred in the early 1900s, when individual department stores, communication companies, hotels and other travel companies, oil companies, and various other businesses began issuing small metal cards to their preferred customers. These cards, sometimes called "metal money", offered customers an interest-free, deferred payment option. Unlike today's cards, customers could only use their "metal money" with the company or business that issued the card.

In 1950, Diners Club and American Express launched their charges cards in the USA, the first "plastic money". In 1951, Diners Club issued the first credit card to 200 customers who could use it at 27 restaurants in New York. American Express released their major universal card in 1958.

The bank credit card system started with Bank American now Visa and MasterChange now MasterCard. These cards came after the T&E card programs of Diners Club and American Express. Bank of America introduced the first "revolving-credit" card, called BankAmericard in California in the late 1950's. The revolving-credit plan gave customers the option to pay their credit card debt all at once or pay a monthly minimum with interest over a longer period of time.