



**FACULTY OF ADMINISTRATIVE SCIENCE  
& POLICY STUDIES  
UNIVERSITI TEKNOLOGI MARA**

**BACHELOR OF ADMINISTRATIVE SCIENCE**

**FACTOR INFLUENCING CREDIT CARD SPENDING BEHAVIOR  
AMONG RESIDENTS AT BANDAR LAGUNA MERBOK**

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**JULY 2014**

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## DECLARATION

We hereby declare that the work contained in this project paper is original and our own except for quotation and summaries which have been duly acknowledgement. If we are later found to have committed plagiarism or acts academic dishonesty, action can be taken in accordance with UiTM's rules and academic regulations.

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# **CHAPTER I**

## **INTRODUCTION**

### **1.0 Introduction**

This chapter focuses the background of the study which is on factor influencing credit card spending behaviour. It also emphasize on spending behaviour of credit card among resident in Bandar Laguna Merbok. Section 1.1 discusses the background of the study, section 1.2 explains the problem statement and section 1.3 states the research questions. Section 1.4 on the other hand, states the research objectives and section 1.5 is on the information regarding the scope of the study. In addition, section 1.6 explains the significant of the study and lastly section 1.7 is all about the definition of terms and concepts.

### **1.1 Background of the study**

Credit card are a popular medium of payment for consumer today that has been identified as the second most popular non-cash instrument (Chakravorti, 2003). The use of credit cards has already become a convenient way to expand purchasing power (Braunsberger, 2004). Other than that, in modern commerce, credit cards serve as a payment device in lieu of cash or checks for millions of routine purchases as well as for many transactions that would otherwise be inconvenient or perhaps impossible (Durkin, 2000). It is clearly specify that the spending behaviour of credit card holders will be affected by the factor influencing credit card spending behaviour. It shows, the use of credit card will relates to customer attitude. This study consider Malaysia as its setting in view of the interesting developments that have since take place as compare to other countries in term of legal, structural, cultural, geographical, and socio-economic differences between countries.