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Usage of Credit Cards: Debt-Trap or Convenience? Role of Religiosity

Maria Waki* Imtiaz Arif † Lubna Khan ‡ Faiza Khan §

Abstract: *The present study fills the gap by investigating the post-adoption behavior of credit card users and it also explains the role of religiosity in the use of credit cards. A quantitative research approach was used. By using non-random sampling, a total of 385 data was gathered from the credit card holders worldwide. PLS-SEM techniques was used to estimate the model. Results show that secure transactions and rewards are two important determinants that increase the use of credit cards. Whereas, social influence is not a significant factor that influence credit card users. In addition, it is revealed that credit card is perceived as a convenient not a debt-trap. Moreover, it is also found that religiosity does not influence credit card holders. Thus, these findings have drawn policy implications for the banks regulating around the world. It is suggested to design some prudential policies to ensure secure transactions of credit card holders. This study contributes to the extended literature by adding the post-adoption response in the existing stimulus-organism-response theory.*

Keywords: Credit cards use, religiosity, debt-trap, convenience, SOR model, post-adoption response.

Introduction

Credit card has emerged as one of the essential means of payment around the world. The use of credit card has become much popular among individuals, because it serves as an important source of short-term borrowing. Since few years, the subject of credit card has gained much attention among researchers of personal finance. It might be due to the surge of credit card holders across the world. According to the survey conducted in United States (2018), 83% Americans own credit cards. In addition, Forex Function (2017) survey revealed that per capita credit cards were 2.1 in Canada, 0.8 in United Kingdom, 0.6 in Japan, and lowest 0.3 in China. Additionally, a remarkable surge in credit card usage has also been noticed in developing countries, such as; Pakistan. As per the statistics, 3.6 million credit cards have been issued by the commercial banks of Pakistan, which is quite a huge number (State Bank of Pakistan, 2018).

In the modern economy, credit cards serve as an important payment device in place of cheques and cash. Mostly, individuals and businesses rely on credit cards for routine purchases and other transactions. Because it provides several benefits that are not provided

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by any other financial instruments. It increases purchasing power, safer than cash, build more credit, emergency use, and ultimately, the credit card spending increases economic growth. Alongside, there are also certain barriers in adopting the digital transformation. It includes inadequate collaboration between the IT and other departments, inability to adopt technological change, risk-aversion culture, insufficient budget, cybersecurity, etc. (Harvard Business Review Analytic Services Report, 2018). Given the importance, several past studies have been conducted that examined the individual behavior towards credit card usage, determinants of credit card, intention to use credit card, among others. However, there is a lack of research done on the post-adoption behavior of credit card holders. As the use of credit cards is perceived as both convenience as well as debt-trap. Convenience, because it provides accessibility to money at any time. Simultaneously, because of the overdue payments, it causes financial burden and push card holders into a debt-trap. According to the recent statistics, the average credit card debt is soaring and reached to its highest level around $6,270 (Survey of Consumer Finances , 2019). Thus, it is important to study the post-adoption behavior of credit card holders, which will further recommend banks to improve their services particularly in terms of credit cards. Moreover, this study also attempts to check the role of religiosity in the use of credit cards. As religion plays an important role in shaping the behavior of an individual, therefore we have taken religion as a moderating factor to see whether it influences the relation between factors and the usage of credit cards. In this study, we have not specified any one religion because the data has been collected from the respondents across the world. Because the decisions and behaviors of every individual influence by their social and religious values.

Past literature suggests several factors that influence the use of credit cards. But, in this study, we have identified three important factors, such as; social influence, rewards and secure transactions (Trinh, Tran, & Vuong, 2020; Ooi & Tan, 2016). These are some basic factors that an individual sees while using credit card. Mostly individuals use financial instruments, which are safe, associated with some discounted offers and socially influenced. Against the given background, the present study attempts to address three main research questions, whether social influence, rewards and secure transactions influence the use of credit card among individuals? Do religiosity play any role in between the factors and the usage of credits? Finally, what are the post-adoption response of the credit cards holders? Whether a debt-trap or convenience? In this study, we extend the stimulus-organism-response theory and included post-adoption response in the existing model.

Literature Review

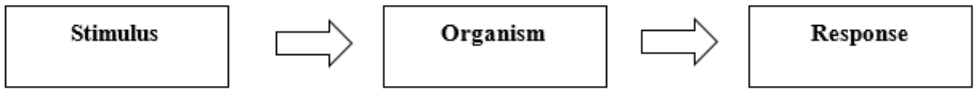
Theoretical Framework

The current study builds on SOR (Stimulus-Organism-Response) framework, which was initially proposed by Mehrabian and Russell (1974). This framework basically interprets the emotional and cognitive states of an individual, which subsequently determines the action (response). SOR framework has often been used in the field of psychology, con-

sumer behavior and other interdisciplinary research. In this paper, we aim to extend the SOR framework in order to understand the use of credit cards among individuals and its consequences.

The concept of SOR includes three main aspects, stimulus (S), organism (O), and response (R). First is 'Stimulus', that refers to the factors that trigger the behavior of an individual. In the present study, three external factors (such as; secure transactions, rewards and social influence) are used as stimuli. According to several past studies, these are some crucial factors that influence the individual's behaviour to hold and use the credit cards (Trinh et al., 2020; Ooi & Tan, 2016). 'Organism' is another aspect that refers to the cognitive and emotional states of individual. According to the study of Loureiro and Ribeiro (2012), Organism is one of the components of SOR framework that intervenes between stimuli and response. In this case, organism is the consumer, those who use credit cards. 'Response is defined as the behavioral reactions of individuals. In this study, response is the behaviour of an individual that leads to the usage of credit cards.

Figure 1
Conceptual framework of SOR theory



The SOR framework aims to integrate individual responses to explain people's perceptions and emotions regarding external stimuli, and the positive or negative behaviors that are generated subsequently. Adopting the S-O-R model in studying consumer behaviors helps differentiate environmental stimuli and consumers' internal and external behaviors. There is always a stimulus that drives the need to perform an action. SOR theory explains the psychological concept which states that "a subject is presented with a stimulus and then responds to that stimulus". For this study, stimuli are the factors that influence use of credit card, and so the response to the stimuli is the usage of credit cards.

Table 1
Variable Descriptions

	Definition
Social Influence	It defines as the way individuals change the behaviour and attitude in order to meet the social requirements.
Reward	It involves extra money in terms of discount offers and others given to the individuals using credit cards.
Secure Transactions	It involves any financial transactions that an individual considers safe.
Religiosity	The way in which people express their religious beliefs and practices and the importance ascribed to them.
Convenience	It involves financial ease and convenience enjoying by the credit card holders.
Debt-trap	It defines as the financial burden bear by the credit card holders.

However, SOR framework does not explain about the users' post-adoption experience (consequential). In the real world, there is always a post-adoption experience of

consumers based upon which further behaviors and actions regarding the subject can be evaluated. Therefore, in this study, we try to incorporate the post-adoption experience of credit card users in the SOR model. It is perceived that credit card users also have post-adoption experiences in terms of convenience or debt-trap.

Empirical Evidences and Hypotheses Development

Credit card is an attractive financial instrument that has grown remarkably since its inception. Over the past few decades, it has increasingly become an important source of short-term borrowing. Credit card is an accepted form of plastic money that gives numerous leverages to its users. An empirical literature review on the subject of credit card shows that there are multiple features and attributes consumer considers, while opting credit cards, they are; security issues, benefits and risks (Sriyalatha, 2016).

Secure Transaction and Usage of Credit Cards

Due to high level of street crimes in the major urban cities, carrying or using cash is a security threat (Willis & Worthington, 2006). Electronic payments offer the same freedom as bank notes, but without the associated risks of holding cash for transacting. For those people who fear being robbed of their cash while walking to the supermarket, credit cards offer a risk-free solution (Butt, Rehman, Saif, & Safwan, 2010). According to Meidan and Davo (1994) also, security is an essential feature of credit cards. Security can be considered in two senses, as safeguard against credit cards fraud or in the case if card is stolen/ lost. Often it is difficult to track down how much cash has been spent. However, this is not an issue if credit cards are used as the credit card bill has all the details of spending so it can be said that credit card provides as a means to track the money spent. Therefore, the following hypothesis is developed:

H_1: Secure transaction has a significant effect on the usage of credit cards.

Social Influence and Usage of Credit Cards

Past literature suggests that social influence is the key element that play a crucial role in the decision-making process of an individual. Family and peer influence are an important source through which an individual can gain financial knowledge, that further influences the use of credit cards (Hilgert, Hogarth, & Beverly, 2003). In addition, parents are the greatest influence for the young credit card holders. Mansfield, Pinto, and Parente (2003) argued that not only parents and peers but media is also one of the factors that influence one's behavior. These factors affect individuals in shaping the behavior by providing awareness. In particular, these behaviors also affect the financial behavior. Based on the above-mentioned discussion, we hypothesized that;

H_2: Social influence has a significant effect on usage of credit cards.

Rewards and Usage of Credit Cards

Rewards are an attractive way to convince consumers to use a specific products or services. In case of credit cards, it attracts users to use a particular credit card to fulfill their borrowing and purchasing needs. Companies offer extra bonuses and related rewards to create value and attract customers. As Caldwell (2009) suggested that rewards associated with credit cards are one of the ways through which companies convince their customers. Devlin, Worthington, and Gerrard (2007) revealed that more than 85 per cent of the individuals prefer credit cards which have some promotions and discounts. In contrast, it is also revealed that some individuals do not avail promotions and discounts offers (Ahmed, Amanullah, & Hamid, 2009; Liu, 2009). Based on the discussion, following hypothesis is developed;

H_3: Reward has a significant effect on the usage of credit card.

Use of Credit Cards Perceives as Convenience or Debt-trap

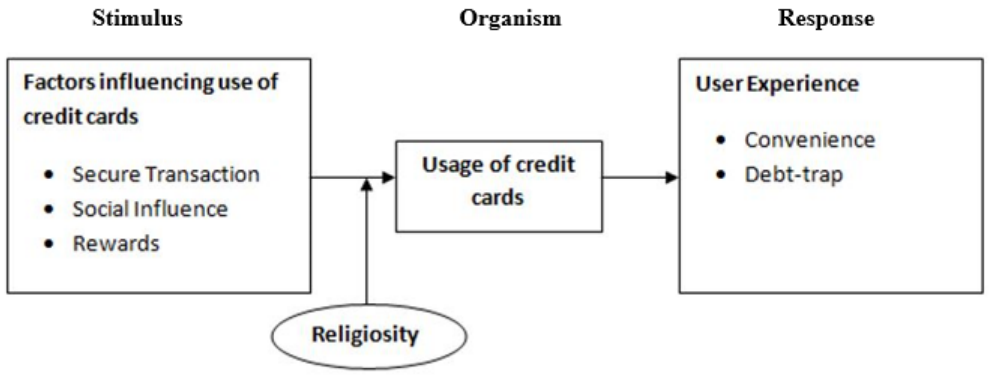
People generally have different motives for holding credit cards. For instance, credit cards are used to make purchases when there is no cash in hand, to reduce the cost of expensive debt by getting a lower interest rate, and to earn rewards, discounts and cashback when purchases are made; be it in any shopping mall or restaurant. To sum up, credit cards provide financial ease or convenience to the customers (Ahmed et al., 2009; Butt et al., 2010).

If credit cards are mismanaged or misused, it can result in severe financial consequences. Excessive credit card debt and late payments can damage user's credit ratings and make it more difficult for them to obtain credit down the road. It can place some users at greater financial risk for having large, and perhaps unmanageable, debts burdens and eventually pull them in to financial stress. A study by Palmer, Pinto, and Parente (2001) revealed that if college students are not financially supported by their parents, then use of credit card becomes a financial burden on them as they are unable to control their debt load. Some researchers have found that a person having more than one credit card is more likely to have a significant amount of debt. Credit card users generally perceive the use of credit card as a financial burden rather a facilitating tool for their financial needs because of high fees (Bukhari, Hashim, & Amran, 2020). While a research by Adams et al. (2022) found that there is no significant relation between the attitude towards credit card and credit card debt. Therefore, the following hypotheses are developed:

H_4: Use of credit card significantly provides convenience.

H_5: Use of credit card indulges into debt-trap.

Figure 2
Conceptual framework



Methodology

Data and Methods

In this study, the deductive approach was used. The data was gathered through adapted questionnaire developed on 5-point Likert scale (the details of instrumentation is illustrated in table 2). Since the study was focused on the use of credit cards, therefore, the questionnaire was particularly circulated among the credit card holders of all around the world. For that purpose, we have also used LinkedIn platform to target the respondents, those who have used or using credit cards. A total of 400 questionnaires were circulated among the respondents using non-probability purposive sampling technique, out of which 385 were returned and used for data analysis. Google forms were used to distribute the questionnaire among the respondents. In this study, the data of the respondents have been taken before the COVID-19 period.

A structural equation model using partial least squares (PLS-SEM) method was used to estimate the model. As in the current study, we tried to modify the existing SOR model. According to Hair, Ringle, and Sarstedt (2011), PLS-SEM technique is appropriate when the aim is to predict or modify the theory. Before the hypothesis, the outer and inner measurement model has been tested. There is no Multicollinearity issue found in the model. Since the research is cross-sectional, there are some biases associated with it. It includes representation of the sample, adequacy of the response rate, etc. In order to deal with the biases, we selected representative population, like we gathered data only from those who have investment experience. In addition, this study also has adequate response rate around 96%, which likely reduces the systematic difference of non-respondents and respondents.

Table 2
Research Instrument Source

Variables	Items	Sources
Secure Transactions	Credit cards are opted mostly for security reasons. I know exactly how much I spent through credit card every month. Credit cards provide international presence. It is safer to use credit cards payment compared to cash payment. Protection is available when the card is lost/stolen.	Kundan et al. (2017) & Butt et al. (2010)
Social Influence	The reason why most people adopt the credit card is that it makes them feel cool and fashionable. Paying by credit card makes people feel important and wealthy. The pressure from friends and family is likely influence the usage rate of credit cards. I would use credit card if it helped me fit in with my social group better. I have seen that credit card attract people's attention.	Khare et al. (2011) & Ting et al. (2011)
Rewards	I spend using credit card to earn points and exchange for gifts. Buying airlines/railways tickets by using credit card at special counter saves times. Incentives offered on credit card are not much satisfying. Credit card discount promotions influence the acceptance of credit cards. I was attracted by the cash rebate system; thus, I always spend using credit card.	Kundan et al. (2017)
Usage of Credit Cards	I prefer to use a credit card regularly. I use my credit card in emergency. I rarely like to use a credit card and prefer to make payment through cash. I am thinking of applying for a new credit card. I will cancel my credit card.	Khare et al. (2011)
Religiosity	I consider myself a good follower of my religious teaching. My religious beliefs lie behind my whole approach to life. Religious beliefs influence all my dealings in life. Sometimes I have to ignore my religious beliefs because of what people might think of me. My religious beliefs influence which credit card issuer I use. My religious beliefs influence what I buy. I always keep myself away from earning through prohibited means such as interest from conventional banking.	Delener (1994) & Taylor, Halstead, & Haynes (2010)
Convenience	There are more advantages with credit card payments, than with cash. It is more convenient to use credit card payment, rather than cash. Using a credit card means that you do not have to worry about taking too much cash with you. It is necessary to have a credit card with you when you travel overseas. Credit cards are more convenient to use in comparison to other mode of payments.	Khare et al. (2011)
Debt-Trap	I am uncomfortable with the amount of debt I am in after using credit cards. I worry about repaying my credit cards. I think a lot about the debt I am in due to credit card usage. Many people do not apply for credit card for fear of debt. Since I got a credit card, I spend more than I earn.	Norvilitis et al. (2003)

Source: Author's construction

Assessment of Common Method Bias (CMB)

Since the present study used single source to measure the multiple constructs, there is a possibility that the findings may suffer from common method bias (CMB). To address this issue, the Harman's Single-Factor test is applied (Harman, 1976; Podsakoff, MacKenzie, & Podsakoff, 2012). This test explained 16.50 per cent of the variance, this result indicates that common method bias is not a serious problem in the current study.

Summary Statistics

Table 3 shows the summary statistics of the respondents. It is noted that majority of the sample (76%) are drawn from Pakistan, 10% are from Middle East and South Asia, 9% are from USA and Canada and 10% are from other parts of the world. In our sample, 64% respondents are employed, 15% are students and 12% respondents have their own businesses. Majority of the respondents hold single credit cards (i.e. 69%), whereas, 31% respondents hold multiple credit cards. It is also observed from the statistics that 29% people from the sample has more than 100,000 monthly incomes, 10% has monthly income within 80,000 to 100,000, and 13% people monthly incomes under 40,000 to 80,000.

Table 3
Profile of the Respondents

Characteristics	Percentage (%)	Characteristics	Percentage (%)
Gender		**No. of Credit Card Hold**	
Male	44%	Single	69%
Female	56%	Multiple	31%
Age (years)		**Usage Frequency**	
18–30	40%	Daily	12%
31–40	35%	Weekly	25%
41–50	13%	Monthly	27%
51–60	7%	Less Frequently	28%
Above 60	5%	Never	7%
Income Group		**Billing paying practices**	
<20,000	18%	Full Payment	71%
20,000-40,000	17%	Partial Payment	17%
40,000-60,000	13%	Minimum Payment	12%
60,000-80,000	13%	Credit cardholder Type	
80,000-100,000	10%	Principle	80%
>100,000	29%	Supplementary	20%
Occupation		**Country**	
Business	12%	Pakistan	76%
Employed	64%	USA & Canada	9%
Student	15%	Middle East & South Asia	10%
Unemployed	9%	Other	10%

Data Analysis

The data analysis on the proposed model has been done using PLS-SEM through Smart-PLS. According to Hair et al. (2011), the data can be analyzed by first evaluating the outer measurement model and then the inner measurement model.

Outer Measurement Model

In the outer measurement model, we assess the construct validity of the variables and reliability of the research instrument. The construct validity involves convergent validity and discriminant validity, whereas, the reliability measures the internal consistency of the research instrument.

Table 4 reports the results of reliability test. As Newman (2007) stated that reliability tests the internal consistency of the research tool. In this case, we have used two measures of reliability, i.e. Cronbach alpha and Composite Reliability. Hair et al. (2011) suggests that the research instrument is considered reliable, when both the measures of reliability (CR and Cronbach Alpha) have values greater 0.7. On the other hand, the value of Cronbach alpha ranging from 0.6 to 0.8 is also acceptable. In this study, both the measures of reliability satisfying the minimum suggested criteria, hence indicate that the instrument is reliable.

The results of convergent validity is also reported in table 4. It refers as the degree of correlation between the measures of the construct (Newman, 2007). Convergent validity can be measured by average variance extracted (AVE) and factor loadings, the former measure should be greater or equal to 0.5 and the latter should be ranging from 0.5 to 0.9. It concludes from the findings that convergent validity has been established as it meets the suggested criteria.

Table 4
Construct Reliability and Validity

Construct	Items	Loadings	Cronbach Alpha	CR	AVE
Secure Transactions	SR1	0.668	0.687	0.810	0.516
	SR3	0.693			
	SR4	0.790			
	SR5	0.717			
Social Influence	SI1	0.677	0.809	0.849	0.534
	SI2	0.752			
	SI3	0.65			
	SI4	0.897			
	SI5	0.648			
Rewards	REW1	0.652	0.714	0.815	0.527
	REW3	0.740			
	REW4	0.680			
	REW5	0.820			
Usage	U1	0.831	0.717	0.825	0.542
	U3	0.705			
	U4	0.700			
	U5	0.702			
Religiosity	REL4	0.919	0.663	0.768	0.536
	REL5	0.678			
	REL6	0.550			
Convenience	C1	0.799	0.850	0.892	0.624
	C2	0.792			
	C3	0.761			
	C4	0.767			
	C5	0.829			
Debt-Trap	D1	0.661	0.745	0.795	0.501
	D3	0.618			
	D4	0.592			
	D5	0.914			

In addition to this, the discriminant validity of the variables has been assessed. The findings are illustrated in tables 5, 6 and 7. It refers to the extent that how one construct is different from another construct (Hair Jr, Sarstedt, Hopkins, & Kuppelwieser, 2014). It is important to establish discriminant validity of the variables in order to obtain unbiased results (Henseler, Ringle, & Sarstedt, 2015). Past studies suggest three statistical criterions through which discriminant validity of a construct can be determined, they are, Fornell & Larcker criteria, cross loadings and HTMT ratios. The Fornell and Larcker (1981) criterion suggests that a particular construct has higher variance with its own construct rather than with other constructs.

Table 5
Fornell & Larcker (1981)

Variables	Convenience	Debt-trap	Religiosity	Rewards	Secure Transaction	Social Influence	Usage
Convenience	**0.790**						
Debt-trap	0.112	**0.708**					
Religiosity	0.093	0.323	**0.732**				
Rewards	0.277	0.201	0.241	**0.726**			
Secure Transaction	0.467	0.193	0.168	0.351	**0.718**		
Social Influence	0.057	0.385	0.240	0.178	0.194	**0.731**	
Usage	0.491	0.150	0.156	0.336	0.480	0.150	**0.737**

Table 6
Cross Loadings

Variables	Convenience	Debt-trap	Religiosity	Rewards	Secure Transaction	Social Influence	Usage
C1	0.799	0.086	0.094	0.281	0.352	0.116	0.408
C2	0.792	0.100	0.106	0.263	0.368	0.037	0.393
C3	0.761	0.15	0.091	0.248	0.403	0.026	0.350
C4	0.767	0.039	-0.022	0.164	0.328	0.035	0.345
C5	0.829	0.070	0.087	0.142	0.393	0.010	0.435
D1	0.150	0.661	0.210	0.118	0.111	0.228	0.075
D3	0.010	0.618	0.294	0.117	0.035	0.264	-0.001
D4	0.181	0.592	0.179	0.197	0.238	0.202	0.055
D5	0.026	0.914	0.302	0.164	0.140	0.373	0.159
REL4	0.050	0.288	0.919	0.189	0.113	0.184	0.171
REL5	0.106	0.285	0.678	0.192	0.194	0.231	0.058
REL6	0.126	0.128	0.550	0.212	0.146	0.178	0.049
REW1	0.183	0.120	0.184	0.652	0.257	0.213	0.156
REW3	0.205	0.126	0.183	0.740	0.197	0.044	0.267
REW4	0.239	0.169	0.160	0.680	0.317	0.120	0.163
REW5	0.200	0.173	0.182	0.820	0.287	0.172	0.324
SI1	0.065	0.251	0.076	0.092	0.101	0.677	0.074
SI2	0.055	0.292	0.199	0.086	0.107	0.752	0.053
SI3	-0.088	0.277	0.241	0.048	0.147	0.650	0.045
SI4	0.058	0.329	0.214	0.188	0.200	0.897	0.187
SI5	0.073	0.304	0.196	0.166	0.096	0.648	0.048
SR1	0.271	0.230	0.148	0.327	0.668	0.213	0.300
SR3	0.438	0.106	0.030	0.226	0.693	0.027	0.330
SR4	0.307	0.191	0.208	0.285	0.790	0.208	0.390
SR5	0.329	0.035	0.089	0.180	0.717	0.108	0.353
U1	0.425	0.118	0.101	0.263	0.391	0.091	0.831
U3	0.322	-0.025	-0.035	0.245	0.315	0.033	0.705
U4	0.266	0.282	0.397	0.277	0.358	0.317	0.700
U5	0.425	0.043	-0.026	0.206	0.344	-0.010	0.702

By checking the cross loadings of items is another approach through which discrim-

inant validity can be measured. Each item of a construct should have greater loadings than the items of other construct (Hair et al., 2011). Table 6 reports the cross loadings of each construct, confirm that discriminant validity has been established.

In addition to the above, Henseler et al. (2015) suggested a new way of checking discriminant validity through Heterotrait-Monotrait ratios (HTMT). According to them, discriminant validity has been established if the HTMT ratios of correlations are less than 0.9. Table 7 shows the result of HTMT ratios and it depicts that discriminant validity has been established as all the values are within the suggested limit.

Table 7
Heterotrait-Monotrait

Variables	Convenience	Debt-trap	Religiosity	Rewards	Secure Transaction	Social Influence	Usage
Convenience							
Debt-trap	0.171						
Religiosity	0.173	0.457					
Rewards	0.363	0.270	0.381				
Secure Transaction	0.614	0.267	0.287	0.518			
Social Influence	0.119	0.471	0.359	0.237	0.248		
Usage	0.623	0.222	0.296	0.434	0.679	0.206	

Inner Measurement Model

In the inner measurement model, the predictive relevancy and accuracy of the model have been assessed. To measure the fitness of the model, R^2 (coefficient of determination) and Q^2 (cross-validating redundancy) were used. By assessing the coefficient of determination (R^2) ranges from 0 to 1, the accuracy of the model can be tested (Hair Jr et al., 2014). Moreover, the second method of testing accuracy and relevancy of the model is Q^2, it can be calculated through blindfolding method in SmartPLS. According to Stone (1974), the model's accuracy can be predicted if the value of Q^2 is greater than zero. In our case, both the values are meeting the above criteria and hence concluded that the studied model is fit (Results are reported in table 8).

Table 8
Predictive Relevance of the Model

	R Square	R Square Adj.	Q^2 (=1-SSE/SSO)
Convenience	0.241	0.240	0.136
Debt trap	0.022	0.020	0.005
Usage	0.286	0.273	0.136

Hypothesis Testing

After ensuring the reliability and validity of the measurement model, the hypothesis testing is conducted using partial least squares structural equation modelling (PLS-SEM). The results are shown in table 9, it is shown that secure transaction (β=0.390, P $<$ 0.05) and rewards (β=0.158, P $<$ 0.05) have a positive and significant impact on usage of credit cards. Whereas, Social influence (β=0.053, P $>$ 0.05) has a positive but insignificant impact on the usage of credit cards. In addition, it is found that usage of credit cards (β=0.491, P

< 0.05) has a significant impact on the convenience, whereas, insignificant impact on the debt-trap. Thus, it is inferred that credit cards usage is considered convenience for its users rather than a debt trap.

Table 9
Path Coefficients

Hypothesis	Relationship	Beta	p-value	Decision
H1	Secure transaction –>Usage	0.390	0.000	Supported
H2	Social Influence –>Usage	0.053	0.356	Not Supported
H3	Rewards –>Usage	0.158	0.001	Supported
H4	Usage –>Convenience	0.491	0.005	Supported
H5	Usage –>Debt trap	0.150	0.243	Not Supported

On the other hand, we tested the role of religiosity between the relationship of factors influencing credit card use and the usage of credit cards. The results of moderation are illustrated in Table 10, which shows that there is no moderation effect of religiosity between the factors and usage of credit cards. It means that religiosity does not play any role in the usage of credit cards.

Table 10
Moderating Effect

Hypothesis	Relationship	Beta	p-value	Decision
H6	Religiosity * Secure transaction–>Usage	0.106	0.096	Not Supported
H7	Religiosity * Social Influence –>Usage	0.037	0.543	Not Supported
H8	Religiosity * Rewards–>Usage	0.002	0.972	Not Supported

Discussion

The present study attempts to explore three main objectives. First, to examine the factors that affect credit card use. Second, to determine the perceptions whether its usage is convenient or a debt-trap and third, to investigate the role of religiosity between factors and credit card use. According to the results, secure transactions and reward are the two essential factors that increase the usage of credit cards. These findings can possibly be justified because people mostly prefer those financial products which are safe and have some rewards (discount offers) associated. In addition, results also revealed that users perceive credit card as convenient not a debt-trap. Finally, the results of moderating found that religious values play no such role in the use of credit cards.

Conclusion and Implications

The present study addressed three main research questions that are related to the factors affecting credit card, post-adoption experience (i.e. convenience or debt-trap), and, finally, assessed the role of religiosity. After reviewing the extended literature, it is found that these areas are relatively under-researched. Secure transaction, reward and social influence were identified as possible factors that can influence credit card usage among

individuals. By using non-random sampling technique, the data of 385 credit card holders were collected across the world.

The results revealed that secure transactions and reward are the two essential factors that attract credit card users. Whereas, people perceive that credit card use is convenient not a debt-trap. It is also found that religiosity does not play any role between the factors and credit card usage. These findings suggest that banks should introduce prudential policies that ensure security in transactions that will help users to build trust and subsequently, increase the usage. In addition, banks should strengthen their marketing policies by adding substantial benefits or promotion on credit cards, so that it will attract people to use credit cards.

Limitation and Future Scope

Although the present research fulfills the objective of the study and provides practical and theoretical contribution to the field. However, there are still some limitations that can open up the new avenues for future researchers. First, the current paper has not studied the financial attitude of the individuals during the COVID-19. Therefore, it is highly recommended to the future researchers to study different financial aspects of individuals as drastic changes have seen in the attitude and behaviour of investors, notably during COVID-19 period. Moreover, future researchers can test the current model to compare and contrast the financial behavior of individuals in terms of Islamic and Conventional banking products. In future, researchers can modify the current model by adding more variables to it, such as; bank image, social values, demographic factors, etc.

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