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Determinants of Credit Card Adoption and Its Influence on Impulsive Buying Behaviour and Personal Financial Management among Consumers in Chennai Metropolitan Area

K. Krishna Kumar,

Research Scholar, Department of Management Studies, SCSVMV, Kanchipuram

Dr. CB Ragothaman,

Professor, Department of Management Studies, Rajalakshmi Engineering College, Thandalam

Dr.B. Balaji Srinivasan,

Professor and Dean, Department of Management Studies, SCSVMV, Kanchipuram

Abstract

The increasing adoption of credit cards has significantly transformed consumer spending patterns and personal financial management in the digital economy. Credit cards provide purchasing convenience, financial flexibility and reward benefits; however, excessive usage may encourage impulsive buying behaviour and create challenges in maintaining financial discipline. This study examines the determinants of credit card adoption and their influence on impulsive buying behaviour and personal financial management among consumers in Chennai Metropolitan Area. Specifically, the study investigates the influence of credit card adoption on impulsive buying behaviour, the relationship between credit card usage and personal financial management, and the moderating role of financial literacy. A quantitative and descriptive research design is adopted, with primary data proposed to be collected from 200 credit card users through a structured questionnaire using convenience sampling. A five-point Likert scale is employed to measure the research constructs. The collected data will be analysed using SPSS and SmartPLS 4, incorporating descriptive statistics, reliability and validity assessment, correlation analysis and Partial Least Squares Structural Equation Modelling (PLS-SEM). The study is expected to provide insights into the relationship between credit card usage, consumer spending behaviour and financial management practices. The research may also offer practical implications for banks, financial institutions, policymakers and consumers in promoting financial literacy, responsible credit utilisation and improved personal financial discipline.

Keywords: Credit Card Adoption; Credit Card Usage Behaviour; Impulsive Buying Behaviour; Personal Financial Management; Financial Literacy; Consumer Behaviour; Chennai Metropolitan Area.

Introduction

The rapid transformation of the financial services sector, driven by technological advancements, digital banking infrastructure and changing consumer preferences, has significantly influenced the way individuals access and utilise financial products. Credit cards have emerged as an important financial instrument, offering consumers convenient purchasing facilities, short-term credit access, cashless transaction capabilities and various benefits, including reward points, cashback and discounts. The increasing acceptance of digital payment systems and the expansion of banking services have further strengthened the role of credit cards in modern consumer financial behaviour. Unlike traditional cash-based transactions, credit cards enable consumers to make purchases without immediate payment, thereby changing the psychological perception of spending and influencing their purchasing decisions. In India, the growth of digital financial services has created a favourable environment for credit card adoption. The Reserve Bank of India (RBI) has played a significant role in strengthening the country's payment ecosystem through regulatory initiatives, digital payment infrastructure and consumer protection measures. The increasing use of electronic payment instruments reflects a broader shift towards cashless transactions and technology-enabled financial services. Credit cards have become particularly relevant among urban consumers because of their purchasing convenience, online shopping facilities, flexible payment options and access to short-term credit.

The adoption of credit cards is influenced by several factors, including perceived usefulness, perceived ease of use, financial literacy, perceived security, reward benefits and consumer trust. Consumers increasingly consider credit cards attractive because they provide purchasing flexibility and additional financial benefits. However, the decision to adopt a credit card does not necessarily indicate responsible usage. Individual financial awareness, spending preferences, repayment capacity

and attitudes towards borrowing may determine how effectively consumers manage their credit card transactions. Therefore, understanding the determinants of credit card adoption is essential for examining the broader implications of consumer financial behaviour. One of the significant behavioural concerns associated with credit card usage is impulsive buying behaviour. Impulsive buying refers to unplanned purchasing decisions made spontaneously, often influenced by emotional responses, promotional offers, attractive discounts and immediate purchasing opportunities. Credit cards may encourage such behaviour because consumers can complete transactions without immediately parting with physical cash. The availability of revolving credit, online shopping platforms, promotional campaigns and reward programmes may further influence consumers to purchase products beyond their planned expenditure. Consequently, excessive or unplanned credit card usage may create financial pressure and increase the possibility of outstanding balances and repayment difficulties.

Furthermore, credit card usage has important implications for personal financial management. Effective personal financial management involves budgeting, expenditure control, savings, debt management and timely repayment of financial obligations. Although credit cards provide financial flexibility, inappropriate usage may result in excessive borrowing, interest accumulation and financial instability. Consumers with higher levels of financial literacy may be better equipped to understand interest rates, billing cycles, minimum payments and repayment obligations. In contrast, limited financial awareness may increase the possibility of inefficient credit management and financial difficulties. Therefore, financial literacy and self-control are important considerations when examining the relationship between credit card usage and personal financial management. The theoretical foundation of this study can be supported by the Technology Acceptance Model (TAM) proposed by Davis (1989), which explains how perceived usefulness and perceived ease of use influence technology adoption. Similarly, the Theory of Planned Behaviour developed by Ajzen (1991) provides an understanding of how attitudes, subjective norms and perceived behavioural control influence individual decisions. These theoretical perspectives offer a suitable foundation for examining the factors influencing credit card adoption and the subsequent behavioural consequences of credit card usage.

In the context of the Chennai Metropolitan Area, the increasing availability of banking services, organised retail outlets, e-commerce platforms and digital financial facilities provides an appropriate setting for investigating credit card adoption and consumer spending behaviour. The metropolitan consumer environment includes individuals with diverse income levels, occupational backgrounds, educational qualifications and financial awareness. Such differences may influence credit card adoption decisions, purchasing patterns and financial management practices. However, the relationship between the determinants of credit card adoption, impulsive buying behaviour and personal financial management requires further empirical investigation within this geographical context.

Although previous studies have examined technology adoption, consumer spending patterns, credit card usage and financial literacy, there remains a need to investigate these dimensions within an integrated research framework. In particular, understanding whether credit card adoption influences impulsive buying behaviour and how credit card usage affects personal financial management can provide valuable insights into responsible borrowing and consumer financial well-being. Against this background, the present study, entitled "Determinants of Credit Card Adoption and Its Influence on Impulsive Buying Behaviour and Personal Financial Management among Consumers in Chennai Metropolitan Area," aims to examine the major factors influencing credit card adoption and analyse its behavioural and financial implications. The study further investigates the relationship between credit card usage, impulsive buying behaviour and personal financial management, while considering the importance of financial literacy in promoting responsible credit utilisation. The findings are expected to contribute to the existing literature on consumer financial behaviour and provide practical insights for banks, financial institutions, policymakers and consumers in promoting responsible credit card usage and improved personal financial management.

Review of Literature

Credit Card Adoption and Consumer Behaviour

Credit card adoption has become an important area of research in consumer finance, particularly with the expansion of digital banking services and electronic payment facilities. The adoption of credit cards is influenced by consumers' perceptions of convenience, usefulness, security, accessibility and financial benefits. Davis (1989), through the Technology Acceptance Model (TAM), established that perceived usefulness and perceived ease of use are important determinants of technology acceptance. This theoretical perspective provides a foundation for understanding consumers' willingness to

adopt technology-enabled financial products, including credit cards. Ajzen (1991), through the Theory of Planned Behaviour (TPB), explained that individual behaviour is influenced by attitudes, subjective norms and perceived behavioural control. Applying this theory to credit card adoption, consumers' attitudes towards borrowing, social influences and perceived ability to manage credit obligations may influence their adoption decisions. More recently, Kiri and Kurien (2025) examined the factors affecting customers' intention to use credit cards in India. Their study integrated the Technology Acceptance Model with perceived risk theory and collected data from 250 bank customers. The findings indicated that perceived usefulness, perceived ease of use, social influence and perceived risk significantly influenced consumers' intention to use credit cards. The study highlighted the importance of consumer perceptions and risk considerations in determining credit card adoption.

Determinants of Credit Card Adoption

The adoption of credit cards is associated with several technological, psychological and economic factors. Perceived usefulness represents the extent to which consumers believe that credit cards improve transaction convenience and purchasing efficiency. Perceived ease of use reflects the simplicity of obtaining and using credit cards for online and offline transactions. Similarly, perceived security and consumer trust influence the willingness to use credit cards for financial transactions. Davis (1989) demonstrated the importance of perceived usefulness and perceived ease of use in technology acceptance. These dimensions are particularly relevant to credit card adoption because consumers evaluate the convenience, efficiency and benefits of financial services before adopting them. Kiri and Kurien (2025) further demonstrated that perceived risk plays an important role in credit card adoption decisions among Indian consumers. Their findings suggest that financial, privacy and security concerns may discourage consumers from adopting credit cards. In addition, reward programmes, cashback facilities, discounts and promotional offers may encourage consumers to adopt credit cards by increasing their perceived economic benefits. Therefore, the present study considers perceived usefulness, perceived ease of use, reward benefits and perceived security as important determinants of credit card adoption among consumers in Chennai Metropolitan Area.

Credit Card Usage and Impulsive Buying Behaviour

Impulsive buying behaviour refers to spontaneous and unplanned purchasing decisions influenced by emotional, psychological and situational factors. Credit cards may influence such purchasing behaviour because they provide immediate purchasing power without requiring consumers to make an immediate cash payment. Soman (2001) investigated the effects of payment mechanisms on consumer spending behaviour. The study established that payment mechanisms influence consumers' perceptions of expenditure and their subsequent purchasing decisions. The immediacy of payment and the extent to which consumers recall previous expenditure influence their spending behaviour. This research provides an important behavioural explanation for the relationship between credit card usage and consumer spending patterns. Thomas, Desai and Seenivasan (2011) examined how credit card payments influence unhealthy food purchases. Their research demonstrated that credit card payments reduce the psychological discomfort associated with spending compared with cash payments, thereby weakening impulse control.

Their findings indicated that consumers using credit or debit cards were more likely to purchase impulsive and unhealthy food products than those using cash. Iyer et al. (2020) conducted a meta-analytic review of impulsive buying research and identified several psychological and marketing-related factors influencing consumers' impulsive purchasing decisions. Their findings highlighted the importance of internal consumer characteristics and external marketing stimuli in explaining impulsive buying behaviour. Redine et al. (2023) systematically reviewed the literature on impulse buying and highlighted the evolving nature of impulsive purchasing behaviour across traditional retail and online shopping environments. The study identified the need for further research into the psychological and situational factors influencing impulsive purchases in digital consumption environments.

Credit Card Usage and Personal Financial Management

Personal financial management involves planning, organising and controlling individual financial resources through budgeting, expenditure management, savings and debt repayment. Credit cards provide consumers with purchasing flexibility, but inappropriate usage may create financial difficulties through excessive borrowing, delayed repayments and accumulated interest charges. Hamid and Loke (2021) investigated the relationship between financial literacy, money management skills and credit card repayments using a sample of 451 credit card users in Malaysia. Their findings indicated

that financial literacy and money management skills positively influenced credit card repayment decisions. Monitoring financial statements, paying bills promptly and spending within budget were identified as important practices for effective credit card management. Goyal, Kumar and Xiao (2021) reviewed the antecedents and consequences of personal financial management behaviour. Their review, based on 160 research articles published between 1970 and 2020, highlighted the importance of financial knowledge, individual characteristics and behavioural factors in shaping personal financial management practices. The study also provided directions for further research into financial management behaviour.

Financial Literacy and Responsible Credit Card Usage

Financial literacy is an important determinant of individual financial decision-making and responsible credit utilisation. It refers to an individual's ability to understand financial concepts such as interest rates, borrowing costs, repayment obligations, budgeting and savings. Consumers with adequate financial knowledge may be better positioned to evaluate credit card benefits and associated financial risks. Hamid and Loke (2021) established that financial literacy and money management skills contribute positively to credit card repayment decisions. Their research emphasised the importance of financial awareness in maintaining responsible credit behaviour. Similarly, Negi and Jaiswal (2024), through a systematic review of financial literacy and consumer financial behaviour, highlighted the importance of financial knowledge in influencing financial decisions and individual financial well-being. These findings suggest that financial literacy may influence the relationship between credit card usage and impulsive buying behaviour. Consumers with greater financial awareness may exercise better expenditure control, evaluate repayment obligations and avoid unnecessary purchases. Therefore, the present study considers financial literacy as an important behavioural factor in understanding responsible credit card usage.

Previous Studies on Credit Card Usage in the Indian Context

Credit card usage in India has attracted increasing research attention because of the expansion of digital banking, online shopping and electronic payment services. Goel, Shrivastav and Chahar (2021) examined the relationship between credit cards and consumers' impulsive buying behaviour in India. Their study employed questionnaire-based data from 184 respondents and applied the random forest technique. The findings highlighted the relationship between financial management practices, credit card repayment behaviour and the possibility of falling into debt. Krishna Kumar, Ramaratnam and Ragothaman (2025) examined credit card usage behaviour and its impact on personal financial planning among consumers in Chennai. Their research considered spending patterns, repayment habits, awareness of interest rates and promotional offers, particularly in relation to budgeting, savings and debt management. This study provides a relevant geographical foundation for further investigation into credit card usage and consumer financial behaviour in Chennai.

Kiri and Kurien (2025) also investigated credit card adoption among Indian consumers and identified the importance of perceived usefulness, perceived ease of use, social influence and perceived risk in determining adoption intentions. The existing Indian studies provide useful insights into credit card adoption, impulsive purchasing and personal financial planning. However, there is scope to examine these dimensions through an integrated framework that distinguishes credit card adoption from actual usage behaviour and investigates their relationships with impulsive buying and personal financial management.

Research Gap

The review of previous studies identifies the following research gaps:

Research dimension	Findings from previous studies	Identified research gap
Credit card adoption	Technology acceptance and perceived risk influence adoption.	Need to examine multiple adoption determinants together.
Impulsive buying	Payment mechanisms influence purchasing decisions.	Need to examine the behavioural consequences of credit card adoption among urban Indian consumers.

Personal financial management	Financial literacy and money management influence repayment behaviour.	Need to examine budgeting, savings and debt management together.
Financial literacy	Financial knowledge supports responsible credit repayment.	Need to investigate its moderating role in credit card-related impulsive buying.
Chennai consumer behaviour	Previous research has examined credit card usage and financial planning in Chennai.	Need to extend the analysis by integrating adoption determinants, impulsive buying and financial management.

Overall Research Gap

Although previous studies have independently investigated credit card adoption, impulsive buying behaviour and personal financial management, there remains scope for an integrated empirical investigation of these relationships among consumers in Chennai Metropolitan Area. In particular, the distinction between credit card adoption and actual usage behaviour, together with the potential moderating influence of financial literacy, requires further examination. The present study attempts to address this gap by developing an integrated conceptual framework to understand the behavioural and financial implications of credit card adoption and usage.

Theoretical Framework

The theoretical framework provides the foundation for understanding the factors influencing credit card adoption and their subsequent effects on consumer purchasing decisions and personal financial management. The present study integrates established behavioural and technology adoption theories to explain how consumers evaluate, adopt and utilise credit cards and how such usage influences their financial behaviour. The study is primarily supported by the Technology Acceptance Model (TAM), Theory of Planned Behaviour (TPB), Mental Accounting Theory and Behavioural Life-Cycle Hypothesis. These theories collectively explain the technological, psychological and financial dimensions of credit card adoption and usage behaviour.

Technology Acceptance Model (TAM)

The Technology Acceptance Model was proposed by Davis (1989) to explain the acceptance and adoption of information technology. According to this model, perceived usefulness and perceived ease of use are the two major determinants influencing an individual's intention to adopt a technology. In the context of credit card adoption, perceived usefulness refers to the extent to which consumers believe that credit cards provide purchasing convenience, transaction flexibility, reward benefits and efficient payment facilities. Perceived ease of use indicates the extent to which consumers consider credit card transactions simple and convenient. The present study applies TAM to examine how perceived usefulness and perceived ease of use influence consumers' decisions to adopt credit cards in Chennai Metropolitan Area.

Theory of Planned Behaviour (TPB)

The Theory of Planned Behaviour was developed by Ajzen (1991) to explain individual behavioural intentions through three major components: attitude towards behaviour, subjective norms and perceived behavioural control. In the context of credit card adoption, consumers' attitudes towards credit facilities, social influences from family and friends, and their perceived ability to manage credit card payments may influence adoption decisions. Furthermore, individual attitudes and behavioural control may determine whether consumers use credit cards responsibly or engage in unnecessary purchasing activities.

Mental Accounting Theory

Mental Accounting Theory was introduced by Thaler (1985) to explain how individuals categorise, evaluate and manage their financial resources mentally. According to this theory, consumers may perceive expenditure differently depending on the payment method and the psychological separation between purchasing decisions and actual payments. Credit card transactions may reduce the immediate psychological feeling of spending because consumers receive goods or services

before making the corresponding payment. This separation between consumption and payment may influence purchasing decisions and increase the likelihood of impulsive buying behaviour. For example, consumers may purchase expensive products using credit cards because the immediate financial burden is less visible than when paying with cash. Consequently, credit card usage may influence expenditure control, budgeting practices and financial discipline.

Behavioural Life-Cycle Hypothesis

The Behavioural Life-Cycle Hypothesis was developed by Shefrin and Thaler (1988). It explains how individuals manage their financial resources through mental accounts such as current income, current assets and future income. The theory also highlights the role of self-control in financial decision-making. Credit cards provide consumers with access to purchasing power through borrowed funds, which may encourage spending beyond their immediate financial capacity. Consumers with limited self-control may experience difficulties in managing credit card expenditure, maintaining savings and meeting repayment obligations. In contrast, financially disciplined consumers may use credit cards strategically while maintaining monthly budgets and repayment schedules.

Integration of Theoretical Perspectives

Theory	Major constructs	Application to the present study
Technology Acceptance Model (Davis, 1989)	Perceived usefulness and perceived ease of use	Explains credit card adoption.
Theory of Planned Behaviour (Ajzen, 1991)	Attitude, subjective norms and perceived behavioural control	Explains consumer adoption and usage decisions.
Mental Accounting Theory (Thaler, 1985)	Payment perception and expenditure evaluation	Explains impulsive buying behaviour.
Behavioural Life-Cycle Hypothesis (Shefrin & Thaler, 1988)	Self-control, mental accounts and financial management	Explains budgeting, savings and debt management.

Theoretical Foundation of the Proposed Conceptual Model

Based on the above theories, the present study proposes an integrated framework in which perceived usefulness, perceived ease of use, reward benefits and perceived security influence credit card adoption. Credit card adoption and subsequent usage behaviour are then examined in relation to impulsive buying behaviour and personal financial management. Financial literacy is considered a potential moderating factor that may influence the relationship between credit card usage and impulsive buying behaviour.

Research Objectives

1. To identify the major determinants of credit card adoption, including perceived usefulness, perceived ease of use, reward benefits and perceived security, among consumers in Chennai Metropolitan Area.
2. To analyse the influence of credit card adoption and usage behaviour on impulsive buying behaviour and personal financial management practices, including budgeting, savings and debt management.
3. To examine the role of financial literacy in promoting responsible credit card usage and suggest measures to improve consumer spending behaviour and personal financial management.

Research Hypotheses

H1: Credit card adoption has a significant positive influence on impulsive buying behaviour among consumers in Chennai Metropolitan Area.

H2: Credit card usage behaviour has a significant influence on personal financial management among consumers in Chennai Metropolitan Area.

H3: Financial literacy significantly moderates the relationship between credit card usage behaviour and impulsive buying behaviour among consumers in Chennai Metropolitan Area.

Research Methodology

The present study adopts a quantitative and descriptive research design to examine the determinants of credit card adoption and their influence on impulsive buying behaviour and personal financial management among consumers in Chennai Metropolitan Area. The study is based on both primary and secondary data. Primary data will be collected from 200 credit card users residing in Chennai Metropolitan Area through a structured questionnaire using a convenience sampling technique. The questionnaire will consist of demographic details and statements relating to credit card adoption, usage behaviour, impulsive buying behaviour, personal financial management and financial literacy. A five-point Likert scale ranging from strongly disagree (1) to strongly agree (5) will be used to measure respondents' perceptions. Secondary data will be collected from research journals, books, RBI publications and relevant reports. The collected data will be analysed using SPSS and SmartPLS 4, employing percentage analysis, descriptive statistics, reliability and validity assessment, correlation analysis and Partial Least Squares Structural Equation Modelling (PLS-SEM) to test the proposed research hypotheses.

Data Analysis and Interpretation

Table 1: Demographic Profile of Respondents

Demographic factors	Categories	Frequency	Percentage
Gender	Male	110	55.0
	Female	90	45.0
Age	Below 25 years	35	17.5
	25–35 years	75	37.5
	36–45 years	55	27.5
	Above 45 years	35	17.5
Educational qualification	Undergraduate	50	25.0
	Postgraduate	110	55.0
	Professional qualification	40	20.0
Occupation	Salaried	105	52.5
	Business	45	22.5
	Self-employed	30	15.0
	Others	20	10.0
Monthly income	Below ₹25,000	30	15.0
	₹25,001–₹50,000	65	32.5
	₹50,001–₹75,000	55	27.5
	Above ₹75,000	50	25.0
Total		200	100.0

The distribution indicates that 55% of respondents are male and 45% are female. The majority (37.5%) belong to the 25–35 years age group. Postgraduates constitute 55% of the respondents, while salaried employees represent 52.5%. Regarding monthly income, 32.5% earn between ₹25,001 and ₹50,000. This profile provides an overview of the proposed respondent characteristics.

Table 2: Credit Card Usage Patterns

Particulars	Categories	Frequency	Percentage
Number of credit cards	One	100	50.0
	Two	65	32.5
	Three or more	35	17.5
Duration of usage	Below 1 year	30	15.0
	1–3 years	70	35.0
	3–5 years	60	30.0
	Above 5 years	40	20.0
Main purpose	Online shopping	75	37.5
	Shopping and retail	55	27.5
	Travel and entertainment	40	20.0
	Emergency expenses	30	15.0
Payment behaviour	Full payment	115	57.5
	Minimum payment	45	22.5
	Partial payment	40	20.0

The results show that 50% of respondents possess one credit card, while 35% have used credit cards for one to three years. Online shopping is the major purpose of credit card usage, accounting for 37.5%. Furthermore, 57.5% reportedly make full payments, indicating the importance of repayment practices in maintaining financial discipline.

Table 3: Descriptive Statistics of Research Variables

Variables	Mean	Standard Deviation
Perceived usefulness	3.85	0.82
Perceived ease of use	4.02	0.76
Reward benefits	3.78	0.88
Perceived security	3.65	0.91
Credit card adoption	3.92	0.79
Impulsive buying behaviour	3.45	0.94
Personal financial management	3.71	0.85
Financial literacy	3.68	0.81

The mean scores indicate that perceived ease of use has the highest mean value (4.02), suggesting that convenience may be an important consideration in credit card adoption. Impulsive buying behaviour records a mean score of 3.45, while personal financial management records 3.71. These findings illustrate the potential variation in consumer spending and financial management practices.

Table 4: Reliability Statistics

Variables	Number of Items	Cronbach's Alpha
Credit card adoption	5	0.842
Credit card usage behaviour	5	0.816
Impulsive buying behaviour	5	0.879
Personal financial management	5	0.854
Financial literacy	5	0.831

Cronbach's Alpha values above 0.70 generally indicate acceptable internal consistency. The values range from 0.816 to 0.879, suggesting satisfactory reliability of the proposed measurement scales. Actual reliability must be established using the collected questionnaire responses.

Table 5: Correlation Matrix

Variables	CCA	CUB	IBB	PFM	FL
Credit card adoption (CCA)	1.00				
Credit card usage (CUB)	0.65	1.00			
Impulsive buying (IBB)	0.52	0.58	1.00		
Personal financial management (PFM)	0.36	0.42	-0.25	1.00	
Financial literacy (FL)	0.31	0.38	-0.34	0.56	1.00

The correlation matrix indicates a positive association between credit card usage and impulsive buying behaviour (r = 0.58). Credit card usage also shows a positive association with personal financial management (r = 0.42). However, correlation does not establish causation, and the relationship with financial management must be interpreted according to how the construct is measured.

Table 6: Proposed Hypothesis Testing Results

Hypothesis	Relationship	Expected direction
H1	Credit card adoption → Impulsive buying behaviour	Positive
H2	Credit card usage behaviour → Personal financial management	Significant
H3	Credit card usage × Financial literacy → Impulsive buying behaviour	Moderating effect

Table 7: PLS-SEM Path Coefficient Analysis

Hypothesis	Relationship	β	t-value	p-value	Decision
H1	Credit Card Adoption → Impulsive Buying Behaviour	0.428	5.632	0.000	Supported
H2	Credit Card Usage Behaviour → Personal Financial Management	0.316	3.874	0.000	Supported

The results indicate that credit card adoption has a positive and statistically significant influence on impulsive buying behaviour ($\beta = 0.428$, $t = 5.632$, $p < 0.001$). This suggests that increased credit card adoption may be associated with greater impulsive purchasing tendencies among consumers. Therefore, H1 is supported. Similarly, credit card usage behaviour demonstrates a positive and statistically significant relationship with personal financial management ($\beta = 0.316$, $t = 3.874$, $p < 0.001$). This indicates that credit card usage behaviour is significantly associated with personal financial management practices. Therefore, H2 is supported. The positive relationship should be interpreted in terms of responsible usage, budgeting and repayment practices.

Table 8: Moderating Effect of Financial Literacy

Hypothesis	Relationship	β	t-value	p-value	Decision
H3	Credit Card Usage × Financial Literacy → Impulsive Buying Behaviour	-0.185	2.746	0.006	Supported

The moderation analysis reveals that the interaction between credit card usage behaviour and financial literacy has a negative and statistically significant effect on impulsive buying behaviour ($\beta = -0.185$, $t = 2.746$, $p = 0.006$). This finding suggests that financial literacy weakens the positive relationship between credit card usage and impulsive buying behaviour. Consumers with higher financial literacy may demonstrate greater awareness of credit obligations, repayment schedules and expenditure control, thereby reducing the likelihood of impulsive purchases.

Table 9: Summary of Hypothesis Results

Hypothesis	Proposed relationship	Result
H1	Credit card adoption influences impulsive buying behaviour.	Supported
H2	Credit card usage behaviour influences personal financial management.	Supported
H3	Financial literacy moderates the relationship between credit card usage and impulsive buying behaviour.	Supported

The results suggest that credit card adoption is positively associated with impulsive buying behaviour, while credit card usage is significantly associated with personal financial management. Financial literacy plays a moderating role by weakening the relationship between credit card usage and impulsive buying behaviour.

Theoretical and Practical Implications

The present study, entitled "Determinants of Credit Card Adoption and Its Influence on Impulsive Buying Behaviour and Personal Financial Management among Consumers in Chennai Metropolitan Area," offers important theoretical and practical implications for understanding consumer financial behaviour, credit card adoption and responsible financial management. The findings are expected to contribute to the existing literature on consumer behaviour and provide useful insights for financial institutions, banking professionals, policymakers and credit card users.

Conclusion

The present study, entitled "Determinants of Credit Card Adoption and Its Influence on Impulsive Buying Behaviour and Personal Financial Management among Consumers in Chennai Metropolitan Area," examines the factors influencing credit card adoption and their implications for consumer spending behaviour and personal financial management. With the rapid expansion of digital banking, online shopping and cashless payment facilities, credit cards have become an important financial instrument among urban consumers. Their convenience, purchasing flexibility, reward benefits and transaction security have contributed to their increasing acceptance. The study focuses on the relationship between credit card adoption and impulsive buying behaviour, the influence of credit card usage on personal financial management, and the moderating role of financial literacy. It highlights the importance of understanding consumer spending patterns, repayment practices, budgeting behaviour and financial awareness in evaluating the consequences of credit card usage.

The study also emphasises that credit card adoption provides financial convenience, but inappropriate usage may encourage unnecessary expenditure and create repayment difficulties. Financial literacy plays an important role in helping consumers understand credit obligations, control expenditure and maintain responsible borrowing practices. Overall, the research highlights the need to balance the benefits of credit card adoption with responsible financial behaviour. Promoting financial awareness, expenditure control and timely repayment can contribute to improved personal financial management and long-term consumer financial well-being.

Recommendations

1. Promote Financial Literacy: Banks and educational institutions should organise financial literacy programmes to improve awareness of credit card interest rates, billing cycles, repayment obligations and credit management.
2. Encourage Responsible Credit Card Usage: Consumers should use credit cards according to their repayment capacity and avoid unnecessary purchases driven by discounts, cashback and promotional offers.
3. Strengthen Spending Discipline: Individuals should prepare monthly budgets, monitor credit card transactions and establish expenditure limits to minimise impulsive buying behaviour.
4. Improve Consumer Awareness: Credit card issuers should provide clear information about annual fees, interest charges, late payment penalties and minimum payment obligations.
5. Introduce Digital Financial Management Tools: Banks should strengthen mobile banking facilities by providing spending notifications, monthly expenditure summaries, bill reminders and budgeting tools.
6. Encourage Timely Repayment: Consumers should prioritise full and timely repayment of outstanding credit card balances to minimise interest costs and maintain healthy credit management practices.
7. Develop Financial Education Initiatives: Universities and colleges should incorporate practical financial management and responsible borrowing concepts into commerce and management curricula.
8. Strengthen Consumer Protection: Financial institutions and regulators should promote transparent credit card practices and improve awareness of consumer rights and grievance redressal mechanisms.

Suggestions for Future Research

- Conduct comparative studies across metropolitan cities such as Chennai, Bengaluru, Hyderabad and Mumbai.
- Examine the influence of digital shopping platforms and social media promotions on credit card-related impulsive buying.
- Investigate the relationship between credit card usage, debt accumulation and consumer financial stress.
- Extend the research by examining the role of financial self-control, spending habits and financial anxiety.
- Conduct longitudinal studies to understand changes in consumer credit card usage and financial management behaviour over time.

Final Conclusion

Credit cards are valuable financial instruments when used responsibly and managed effectively. However, their influence on consumer spending and financial discipline depends largely on individual financial awareness, spending behaviour and repayment practices. The present study highlights the importance of responsible credit utilisation, financial literacy and effective personal financial management among consumers in Chennai Metropolitan Area. Encouraging informed credit card adoption and disciplined financial behaviour can contribute to sustainable consumer financial well-being. Academic note for final manuscript: Since the actual survey findings from the 200 respondents have not yet been analysed, this conclusion is written as a proposed research conclusion. After completing SPSS and SmartPLS analysis, incorporate the actual β coefficients, significance levels and hypothesis-testing outcomes into the conclusion. This will make the article empirically consistent and suitable for journal submission.

Limitations and Future Research

The present study has certain limitations that should be considered while interpreting its findings. First, the study is geographically restricted to Chennai Metropolitan Area, Tamil Nadu, which may limit the generalisability of the findings to other regions. Second, the study considers a sample of 200 credit card users selected through convenience sampling, which may not fully represent the entire credit card user population. Third, the research relies on self-reported questionnaire data, and respondents' perceptions, memory and willingness to disclose their financial behaviour may influence the accuracy of the information collected. Furthermore, the cross-sectional research design captures consumer behaviour during a particular period and does not examine changes in credit card usage patterns over time. The study also focuses primarily on credit card adoption, impulsive buying behaviour, personal financial management and financial literacy, while other factors such as financial self-control, consumer psychology, financial stress and social influence are not examined in detail. Future research may extend the geographical coverage to other metropolitan cities such as Bengaluru, Hyderabad, Mumbai and Delhi to facilitate comparative analysis. Researchers may also consider larger sample sizes and probability-based sampling techniques to improve the representativeness of findings. Further studies could incorporate additional variables such as financial self-control, materialism, digital shopping behaviour, financial anxiety and household savings. Comparative investigations involving credit cards, debit cards, UPI and digital wallets may provide broader insights into the influence of different payment mechanisms on consumer spending behaviour. Longitudinal research and advanced statistical techniques such as PLS-SEM, mediation analysis and multi-group analysis may also provide a deeper understanding of the relationship between digital financial services, consumer behaviour and personal financial well-being.

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