SUMMARY

BUNGA AYU LESTARI. Analysis of Credit Card Ownership Intentions (Case Study Bogor). Supervised by BUDI SUHARJO and ISTIQLALIYAH MUFLIKHATI.

Indonesia’s 2014 growth in credit card business does not match the targeted projections by Bank Indonesia (BI). This condition will certainly hamper the government’s efforts in shaping Less Cash Society (LCS) in Indonesia. Credit cards, as an indicator of the LCS growth, are secure and practical non-cash transactions instruments.

The objectives of this research are: 1. to determine the society’s intention to own credit cards. 2. To analyze the factors that affect society’s intention to own credit cards. 3. To provide alternative strategy recommendations that can be used to increase society’s intention of credit card ownership.

Questionnaires were conducted to 86 respondents who are able to own credit cards but do not own it. Non probability sampling technique is used as the sampling method. Analysis were done based on Theory Of Planned Behavior (TPB) using Structural Equation Model (SEM) to identify the factors that affect the society’s intention of credit card ownership. The intention is influenced by attitude toward behavior, subjective norms and perceived behavioral control.

Intention of respondents to own credit cards ownership shows very low yield. Research showed that only 17% of respondents expressed intention to own credit cards. 48% of respondents expressed no intention in owning credit cards. Then, 35% of respondent are states hesitant.

Latent variable of this research consist of behavioral belief (KP), evaluation of the consequence (EK), normative belief (KN), motivation to comply (MM), control belief (KK) and power of control factor (KFK) and intention of credit card’s ownership. The latent variables are measured through indicators based on the scores on each object of research. From the research, it appears that the influence of: attitude toward behavior (ATB) which is formed from KP and EK, subjective norm (SN) which is formed from KN and MM, perceived behavioral control (PBC) which is formed from KK and KFK, are significant and yield positive impact on society’s intention in credit card ownership. Perceived behavioral control by indicators “least people who use credit cards in the consumer environment”, become the determinant factors which may affect the intention of credit card ownership.

This study implies that: 1. Banks and government can conduct positive campaigns about controlled use of credit cards in accordance with its function to avoid misuse. In this case, related institutions should actively participate in educating users on credit cards. 2. Banks should establish low interest rates and affordable cost of using a credit card. Fees charged must be tailored to the needs of consumers so as not to feel burdened. 3. Banks should be able to increase surveillance in the security of credit card usage to minimize credit card fraud case that occurred and the consumer can feel comfortable transacting using the card.

Keywords: credit cards, intention, subjective norms, theory planned behavior (TPB).