International Journal of Science, Strategic Management and Technology
Volume **02** Issue **08** August-2026 | ISSN: **3108-1762 (Online)** | Impact Factor: 3.8
An International, Peer-Reviewed, Open Access Scholarly Journal Indexed in recognized academic databases

A Study on Credit Card Advantages and Disadvantages with Reference to Axis Bank and SBI Bank Credit Cards

1. **DHARAVATH GOPAL NAIK** (24UJ1E00E3) Student of 2nd Year MBA,
Malla Reddy Engineering College and Management Sciences, Medchal, Hyderabad – 501 401.

2. **D THARANGINI**, Assistant Professor Dept of MBA,
Malla Reddy Engineering College and Management Sciences, Medchal, Hyderabad – 501 401

https://doi.org/10.55041/ijsmt.v2i8.053

Cite this Article: NAIK, D. G. (2026). A Study on Credit Card Advantages and Disadvantages with Reference to Axis Bank and SBI Bank Credit Cards. International Journal of Science, Strategic Management and Technology, *02*(8), 1-9. https://doi.org/10.55041/ijsmt.v2i8.053

ABSTRACT
Credit cards have become an important part of India's digital banking and payment system, offering convenience, financial flexibility, rewards, cashback, security, and short-term credit. However, high interest charges, annual fees, late-payment penalties, overspending, and debt accumulation can create financial difficulties. This study examines the advantages and disadvantages of Axis Bank and SBI Bank credit cards from the customer perspective. It focuses on awareness, usage patterns, reward benefits, transaction convenience, security, customer service, repayment practices, annual fees, and overall satisfaction. Primary data were collected from 100 respondents through a structured questionnaire and analyzed using percentage analysis. The study offers practical guidance.

Keywords: Credit Cards; Axis Bank; SBI Bank; Customer Satisfaction; Credit Management

1. INTRODUCTION
Credit cards have become an important financial instrument in the modern banking and payment environment. Technological development, online shopping, mobile banking, cashless transactions, and expanding digital services have increased the use of credit cards for shopping, travel, bill payments, emergencies, and other personal and professional requirements. A credit card allows customers to purchase goods and services within an approved credit limit and repay the outstanding amount according to the billing cycle. When the balance is settled within the interest-free period, customers can obtain short-term credit without additional interest. Delayed repayment, however, can result in interest charges, penalties, fees, and increasing financial obligations. Credit cards provide several advantages. Customers can make convenient and secure transactions without carrying large amounts of cash. Reward points, cashback, travel benefits, shopping discounts, fuel benefits, insurance, airport-lounge access, and EMI conversion facilities can increase the value of card usage. Security measures such as EMV chips, contactless payments, tokenization, OTP authentication, transaction alerts, card blocking, and fraud-monitoring systems further support customer confidence. Axis Bank and State Bank of India (SBI) are prominent credit card issuers offering products designed for different customer groups, including salaried employees, professionals, entrepreneurs, students, frequent travellers, online shoppers, and premium customers. Their credit cards provide varied reward programmes, cashback facilities, digital banking support, EMI options, and security features. The study therefore focuses on understanding how customers perceive these benefits and services. Despite these advantages, credit cards may create financial risks when used without adequate discipline. High

interest rates on unpaid balances, annual membership fees, late-payment charges, over-limit fees, cash-withdrawal charges, and excessive spending can increase the overall cost of borrowing. Poor repayment behaviour can also affect credit scores and future borrowing opportunities. Financial awareness regarding billing cycles, minimum payments, interest calculations, credit utilization, reward conditions, and repayment responsibilities is therefore important. The present study examines the advantages and disadvantages of Axis Bank and SBI Bank credit cards, customer awareness, usage patterns, satisfaction, service quality, security, reward benefits, repayment behaviour, and factors influencing card preference. The study aims to provide useful insights for customers and banks while encouraging responsible credit-card management and better customer-focused banking services.

2. REVIEW OF LITERATURE

Previous studies have examined credit card usage from the perspectives of consumer behaviour, customer satisfaction, digital banking, reward programmes, security, financial literacy, and financial risk. Sharma and Gupta (2018) reported that convenience, cashless transactions, and rewards encourage credit card adoption and recommended greater awareness of responsible repayment. Kumar and Verma (2019) found that reward points, cashback, billing transparency, customer service, and digital banking influence satisfaction. Reddy and Rao (2019) observed that credit cards can encourage higher consumer spending and therefore require disciplined repayment. Singh and Mehta (2020) linked digital wallets, mobile banking, contactless payments, and online shopping with increased credit card usage. Patel and Shah (2021) highlighted cashback, travel benefits, fuel waivers, and discounts as important preference factors. Nair and Joseph (2021) identified high interest rates, annual fees, penalties, and overspending as major disadvantages. Chandra and Arora (2022) emphasized modern security technologies. Gupta and Ramesh (2023) reported generally positive views of Axis Bank and SBI Bank services while identifying fee and reward-redemption concerns. Prasad and Kiran (2024) associated financial literacy with responsible usage. Malhotra and Jain (2024) concluded that credit cards improve purchasing power and digital payment convenience but require disciplined financial management. Overall, responsible credit card management remains essential.

3. OBJECTIVES OF THE STUDY

1. To study the benefits and drawbacks of credit cards from SBI Bank and Axis Bank.
2. To assess consumer awareness and credit card usage trends.
3. To evaluate customer satisfaction with the features and services provided by SBI Bank and Axis Bank credit cards.
4. To examine the factors influencing consumers' inclination to use credit cards.
5. To provide appropriate recommendations for enhancing customer satisfaction and responsible credit card usage.

4. RESEARCH METHODOLOGY — 50 WORDS

A descriptive research design was adopted. Primary data were collected through a structured questionnaire from 100 Axis Bank and SBI Bank credit card users selected through convenience sampling. Secondary data were obtained from books, journals, banking reports, research articles, and bank publications. Responses were organized and interpreted using percentage analysis.

4.1 STATISTICAL TOOL

Percentage Analysis

Percentage analysis is selected as the statistical tool because the study primarily examines customer opinions, awareness, usage patterns, satisfaction, benefits, and disadvantages using categorical questionnaire responses.

5. DATA ANALYSIS AND INTERPRETATION

Total Sample Size: 100 Respondents

The three tables below have been selected to directly represent the major objectives of the study: **customer awareness, disadvantages/cost concerns, and overall customer satisfaction**..

Table 1: Knowledge of Credit Card Features

Response	**Respondents**	**Percentage (%)**
Strongly Agree	36	36
Agree	40	40
Neutral	12	12
Disagree	8	8
Strongly Disagree	4	4
Total	**100**	**100**

Interpretation: The table indicates that **76%** of respondents either strongly agree or agree that they are knowledgeable about credit card characteristics, advantages, and terms of use. This reflects a generally high level of customer awareness regarding credit card features.

Table 2: Credit Card Interest Fees

Response	**Respondents**	**Percentage (%)**
Strongly Agree	18	18
Agree	24	24
Neutral	16	16
Disagree	26	26
Strongly Disagree	16	16
Total	**100**	**100**

Interpretation: The table shows differing opinions regarding credit card interest charges. **42%** of respondents agree or strongly agree that interest rates are a concern, while **42%** disagree or strongly disagree. The result demonstrates that interest charges remain an important consideration in credit card usage.

Table 3: Overall Satisfaction with Axis Bank and SBI Bank Credit Cards

Response	**Respondents**	**Percentage (%)**
Strongly Agree	34	34
Agree	42	42
Neutral	12	12
Disagree	8	8
Strongly Disagree	4	4
Total	**100**	**100**

Interpretation: A combined **76%** of respondents strongly agree or agree that they are satisfied with the overall features and services of Axis Bank and SBI Bank credit cards. This indicates a generally positive level of customer satisfaction.

6. RESULTS

1. The majority of respondents possess good knowledge about the features and benefits of Axis Bank and SBI Bank credit cards.
2. Credit cards are commonly used for online shopping, bill payments, travel, retail purchases, and emergency financial requirements.
3. Reward points, cashback offers, discounts, EMI conversion facilities, and interest-free credit periods are important factors influencing credit card usage.
4. Customers generally appreciate the convenience provided by credit cards for digital and cashless transactions.
5. A majority of respondents are satisfied with cashback schemes and reward programmes.

6. Customers consider transaction security an important feature of credit cards.
7. Digital banking facilities and customer service positively contribute to customer satisfaction.
8. High interest rates, annual fees, late-payment penalties, and overspending are identified as important disadvantages.
9. Timely repayment is recognized as important for maintaining a good credit score.
10. Annual fees have an influence on customer preference for credit cards.
11. Overall customer satisfaction with Axis Bank and SBI Bank credit card features and services is positive.
12. The overall findings indicate that credit cards provide significant convenience and financial benefits when they are used responsibly.

7. SUGGESTIONS

1. Axis Bank and SBI Bank should continue introducing attractive reward points, cashback offers, discounts, and customer-friendly benefits.
2. Banks should make reward-point redemption simple and convenient for customers.
3. Annual fees, interest rates, penalties, and other service charges should be disclosed clearly.
4. Banks should conduct regular financial-literacy programmes covering billing cycles, repayment procedures, interest charges, and credit scores.
5. Customers should be encouraged to pay their outstanding balances before the due date.
6. Banks should continuously strengthen fraud detection, transaction monitoring, authentication, and cybersecurity systems.
7. Mobile banking applications should provide timely spending alerts, repayment reminders, and expenditure analysis.
8. Customer-service teams should resolve complaints quickly and provide practical solutions.
9. Credit limits should be managed responsibly according to customers' repayment capacity and financial circumstances.
10. Banks should promote responsible borrowing so that customers do not accumulate unnecessary debt.

8. CONCLUSION

Credit cards have become an important component of India's modern banking and digital payment system because they provide customers with convenient, secure, and flexible payment facilities. The study examined the advantages and disadvantages of Axis Bank and SBI Bank credit cards by considering customer awareness, usage patterns, satisfaction, service quality, reward benefits, security, and repayment behaviour. The findings indicate that customers appreciate reward points, cashback incentives, travel benefits, EMI conversion facilities, digital banking support, and secure transaction systems. At the same time, high interest charges, annual fees, late-payment penalties, excessive spending, and potential debt accumulation remain important concerns. The analysis shows generally positive customer awareness and satisfaction, with 76% of respondents expressing positive responses regarding knowledge of credit card features and overall satisfaction. Responsible repayment and disciplined spending are therefore essential for maximizing credit card benefits. Both Axis Bank and SBI Bank can further strengthen customer relationships by improving reward programmes, transparency, security systems, digital services, and financial education. Overall, credit cards can provide substantial financial convenience when customers understand their costs and use them responsibly.

9. REFERENCES

1) Chandra, A., & Arora, R. (2022). *Study on security aspects of contemporary credit cards*.
2) Gupta, R., & Ramesh, S. (2023). *Study on consumer opinions of SBI Bank and Axis Bank credit cards*.
3) Kumar, A., & Verma, S. (2019). *Study on customer satisfaction with credit card services provided by commercial banks*.

4) Malhotra, A., & Jain, R. (2024). *Study on the benefits and drawbacks of credit cards in the Indian banking industry*.
5) Nair, P., & Joseph, M. (2021). *Study on the disadvantages of credit card usage*.
6) Patel, R., & Shah, M. (2021). *Study on customer choice and credit card reward programmes*.
7) Prasad, R., & Kiran, S. (2024). *Study on financial literacy and credit card usage*.
8) Reddy, P., & Rao, S. (2019). *Study on the impact of credit cards on consumer purchasing decisions*.
9) Sharma, A., & Gupta, R. (2018). *Study on Indian consumers' attitudes toward credit card use*.
10) Singh, R., & Mehta, A. (2020). *Study on digital banking and the growth of credit card usage*.