JAAFR INTERNATIONAL RESEARCH JOURNAL
JOURNAL OF ADVANCE AND FUTURE RESEARCH
JAAFR.ORG | ISSN : 2984-889X
An International Open Access, Peer-reviewed, Refereed Journal

COMPARATIVE STUDY ON CREDIT CARD SERVICES OF HDFC BANK AND ICICI BANK

D.Sruthi ,II MBA Student, Department Of MBA , St.Peter's Engineering College(AUTONOMOUS) Maisammaguda, Secunderabad , devollasruthi9@Gmail.Com

K. Yamini Bhargavi Assistant professor Department Of MBA,St.Peter's Engineering College(AUTONOMOUS) Maisammaguda, Secunderabad, yaminibhargavi@stpetershyd.com

ABSTRACT

The banking sector in India has undergone significant transformation due to technological advancements and the growth of digital payment systems. Credit cards have become one of the most popular financial instruments because they provide convenience, flexibility, and access to short-term credit. This study compares the credit card services offered by HDFC Bank and ICICI Bank, two leading private-sector banks in India. The study focuses on customer satisfaction, reward programs, security measures, digital banking facilities, charges, and service quality.

Primary data was collected through a structured questionnaire from 100 respondents, while secondary data was gathered from journals, websites, RBI reports, and banking publications. The findings reveal that HDFC Bank performs better in customer satisfaction, reward benefits, and customer support, whereas ICICI Bank excels in digital banking and technological innovation. The study concludes that both banks provide effective credit card services; however, customer preference varies depending on rewards, service quality, security, and digital convenience.

Keywords: Credit Cards, Customer Satisfaction, Digital Banking, HDFC Bank, ICICI Bank, Reward Programs.

1. INTRODUCTION

The banking industry plays a crucial role in economic development by providing financial services to individuals and businesses. With increasing digitalization, the use of credit cards has grown rapidly in India. Credit cards allow customers to make purchases and payments without immediate cash outflow while enjoying various benefits such as cashback, reward points, travel benefits, and EMI facilities.

The growth of e-commerce, online banking, and cashless transactions has further increased the popularity of credit cards. HDFC Bank and ICICI Bank are among the leading issuers of credit cards in India. Both banks offer a wide range of products designed to meet different customer needs. Due to intense competition, these banks continuously improve their services and introduce innovative features.

This study aims to compare the credit card services of HDFC Bank and ICICI Bank and evaluate customer preferences and satisfaction levels.

2. NEED FOR THE STUDY

The increasing usage of credit cards and digital payments has made it important to understand customer expectations and satisfaction levels. Customers have multiple options while selecting credit cards, and each bank offers different benefits and services. Therefore, a comparative analysis helps identify the strengths and weaknesses of both banks and provides useful insights for customers and banking institutions.

3. OBJECTIVES OF THE STUDY

Primary Objective

- To compare the credit card services offered by HDFC Bank and ICICI Bank. Secondary Objectives
- To study customer satisfaction regarding credit card services.
- To analyze customer preferences between HDFC and ICICI credit cards.
- To examine reward programs, security features, and digital banking facilities.
- To identify problems faced by credit card users.
- To suggest measures for improving credit card services.

4. REVIEW OF LITERATURE

Several studies have examined customer behavior and credit card usage. Agarwal and Zhang (2015) found that reward points, interest rates, and repayment flexibility significantly influence customer decisions. Uddin (2020) highlighted the importance of customer awareness regarding hidden charges and interest rates.

Monis and Pai (2023) observed that credit cards have become an important financial instrument due to increasing digital transactions. Studies on fraud detection emphasized the need for advanced security measures and artificial intelligence-based protection systems. Recent research on customer satisfaction indicates that service quality, trust, convenience, and digital banking facilities are major determinants of customer preference.

Existing studies mainly focus on profitability or digital payments. Limited research directly compares the credit card services of HDFC Bank and ICICI Bank, creating a research gap that this study attempts to address.

5. RESEARCH METHODOLOGY

The study adopts a descriptive and comparative research design.

Sources of Data

Primary Data

- Structured questionnaire
- Direct interaction with respondents

Secondary Data

- RBI reports
- Banking journals
- Research articles
- Financial websites

Sample Size

- Total Respondents: 100
- HDFC Credit Card Users: 58
- ICICI Credit Card Users: 42

Sampling Technique

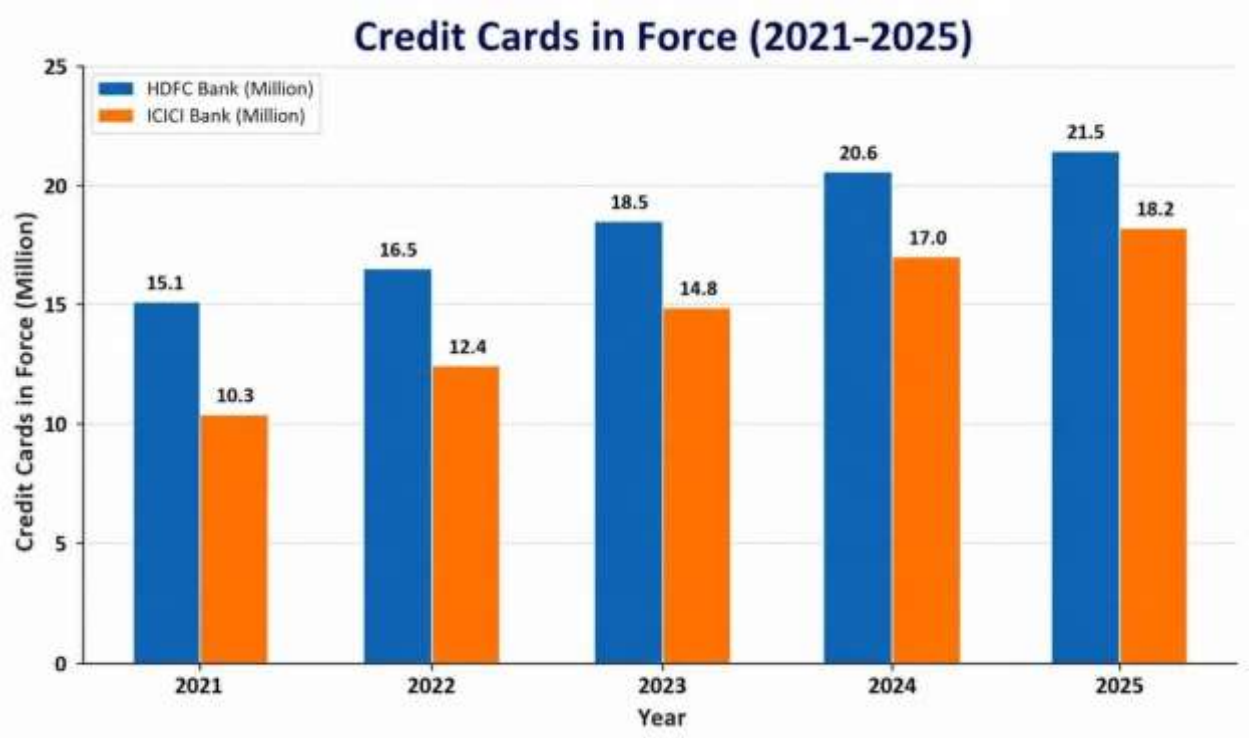
Convenience sampling method was used for selecting respondents.

Tools Used

- Percentage Analysis
- Comparative Analysis
- Tables and Charts

6. DATA ANALYSIS AND INTERPRETATION

Year	HDFC Bank (Million)	ICICI Bank (Million)
2021	15.1	10.3
2022	16.5	12.4
2023	18.5	14.8
2024	20.6	17.0
2025	21.5	18.2

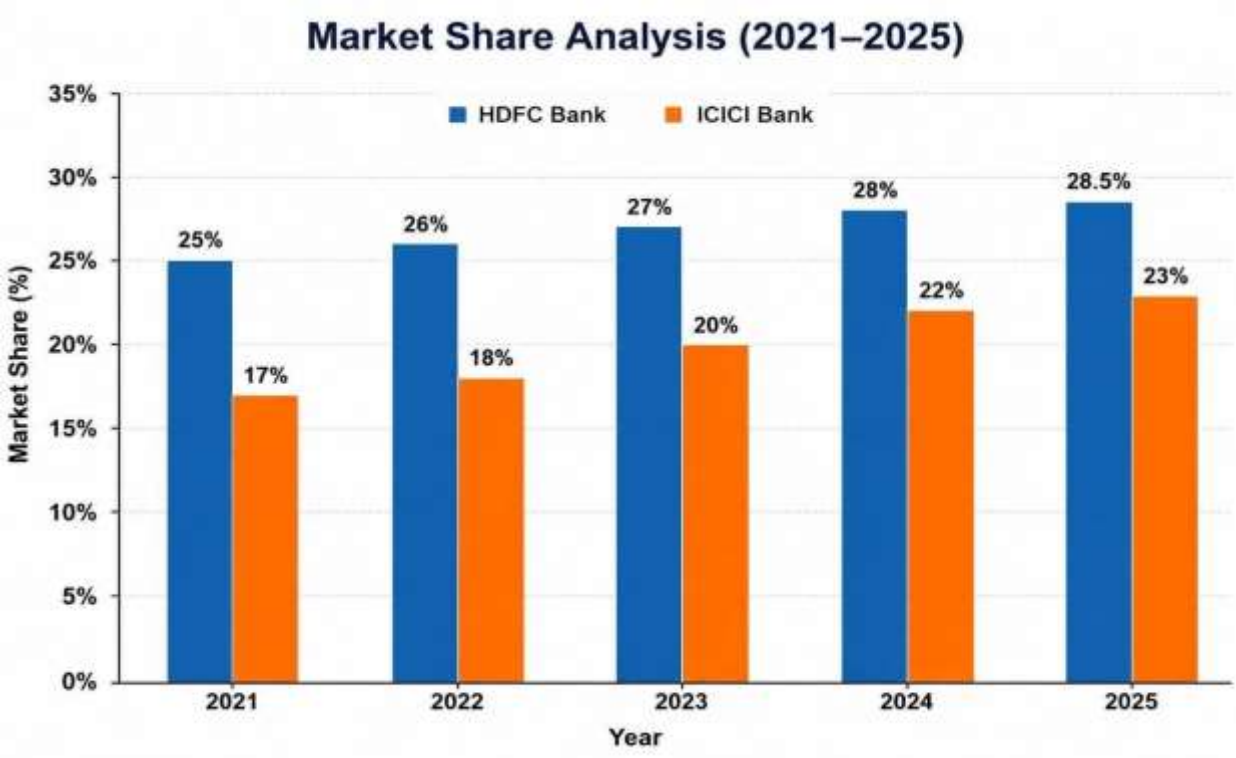


6.1 Credit Cards in Force (2021–2025)

The data shows steady growth in credit card issuance by both banks. HDFC Bank maintained market leadership, while ICICI Bank demonstrated strong growth and gradually reduced the gap.

Year	HDFC Bank	ICICI Bank
2021	25%	17%
2022	26%	18%
2023	27%	20%
2024	28%	22%
2025	28.5%	23%

6.2 Market Share Analysis



HDFC Bank consistently held a larger market share. However, ICICI Bank improved its position significantly due to digital innovation and customer acquisition strategies.

7. FINDINGS OF THE STUDY

1. HDFC Bank credit cards are preferred by a majority of customers.
2. Online shopping is the major reason for credit card usage.
3. Young adults aged 25–35 years are the primary users.
4. Reward points and cashback offers strongly influence customer preference.
5. HDFC Bank received higher customer satisfaction ratings.
6. ICICI Bank performs better in digital banking technology.
7. Security remains a major concern among credit card users.
8. Hidden charges and high interest rates negatively affect customer satisfaction.
9. EMI facilities are highly valued by customers.
10. Both banks contribute significantly to the growth of cashless transactions in India.

8. SUGGESTIONS

1. Increase transparency regarding charges and fees.
2. Strengthen fraud protection and cybersecurity systems.
3. Conduct customer awareness programs on credit card usage.
4. Improve customer support and grievance redressal mechanisms.
5. Enhance reward and loyalty programs.
6. Simplify the credit card application process.
7. Provide flexible EMI options and lower interest rates for regular customers.
8. Upgrade mobile banking applications regularly.
9. Promote responsible credit card usage.
10. Conduct periodic customer satisfaction surveys.

9. CONCLUSION

The study concludes that both HDFC Bank and ICICI Bank provide efficient credit card services and play a significant role in promoting digital payments and cashless transactions in India. HDFC Bank has a competitive advantage in customer satisfaction, reward benefits, and service quality, whereas ICICI Bank excels in digital banking technology and innovative payment solutions.

Customer preference is mainly influenced by reward programs, service quality, security features, digital convenience, and transparency in charges. As competition in the banking industry continues to increase, both banks must focus on customer-centric innovations, stronger security measures, and improved service quality to maintain long-term customer satisfaction and loyalty.

BIBLIOGRAPHY

Books

- Kothari, C. R. (2019). Research Methodology: Methods and Techniques (3rd Edition). New Age International Publishers, New Delhi.
- Gupta, S. P. (2021). Statistical Methods. Sultan Chand & Sons, New Delhi.
- Khan, M. Y., & Jain, P. K. (2022). Financial Management. McGraw Hill Education, New Delhi.

- Gordon, E., & Natarajan, K. (2021). Banking Theory, Law and Practice. Himalaya Publishing House, Mumbai.
- Mishkin, F. S. (2021). The Economics of Money, Banking and Financial Markets. Pearson Education.

Journals and Research Articles

- Agarwal, S., & Zhang, J. (2015). "Consumer Behaviour in Credit Card Usage." Journal of Consumer Finance, Vol. 12, No. 3, pp. 45–58.
- Uddin, M. A. (2020). "Credit Card Literacy and Usage Behaviour among Consumers." International Journal of Banking Studies, Vol. 8, No. 2, pp. 22–35.
- Abdulkareem, R. (2020). "Profitability Analysis of HDFC Bank and ICICI Bank." Indian Journal of Finance and Banking, Vol. 14, No. 4, pp. 67–79.
- Monis, H., & Pai, R. (2023). "Credit Cards: A Sectoral Analysis." Journal of Banking and Financial Services, Vol. 18, No. 1, pp. 55–70.
- Btoush, M., et al. (2023). "Identifying Credit Card Fraud Using Artificial Intelligence and Machine Learning Techniques." International Journal of Financial Technology, Vol. 10, No. 2, pp. 89–102.
- Vikashini, S., & Infant Emiliya, P. (2024). "Customer Satisfaction towards HDFC Credit Card Services." International Journal of Management Research, Vol. 15, No. 3, pp. 120–132.
- Kusmalinda, R. (2025). "Consumer Behaviour in Digital Payment Systems." Journal of Digital Banking and Finance, Vol. 11, No. 1, pp. 35–48.