

Atcharaporn Tomuen 2009: The Impact of Commercial Bank's Credit Card Expenditure on Private Consumption. Master of Economics, Major Field: Economics, Department of Economics.

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The private consumption sector is crucial to the economics system. Currently, the payment has tremendously developed from paying by cash to using credit cards instead, resulting in a dramatic increase of both number of credit cards and usage volume. The private consumption sector is now accountable for 50% of Gross Domestic Product. It is interesting to study the impact of commercial bank's credit card expenditure on private consumption and credit card usage behavior deemed appropriate to analytical studies. This study used time series data for quantitative analysis from 1986-2008 and used econometrics models with the multiple linear regression analysis and estimated equation by using the ordinary least squares method. To study the commercial bank's credit card expenditure behavior the primary data were collected by questionnaire from a sample and analyzed by statistic with descriptive method.

The results of study from equation of relationship between credit card expenditure on private consumption found that credit card expenditure was significantly related to private consumption. Furthermore, the results from the collective data of credit card expenditure behavior also found that the factors which had impact on the usage of credit cards consisted of convenience, safety as people don't have to hold cash, joining fee and annual fee, the number of shops who accept credit cards, credit limit, grace period and interest. Thus, Bank of Thailand should measure to control the competition among the issuers of credit cards as well as control the number of credit cards and the appropriate credit limits to be in line with the debt serviceability of credit card holders to prevent non-performing loan problems that may occur in the near future and move to attempt to increase the value of credit cards by increasing the number of shops who accept them and include increasing methods for payment that can help customer comfort.

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Thesis Advisor's signature