

Credit Card Use and Debt in On-line Shopping by Undergraduate Students in Melbourne, Australia

Huong Ha
Dean
TMC Business School
TMC Academy
Singapore

Abstract

In Australia, very little research has been conducted on attitudes pertaining to using credit card for on-line purchases among undergraduate students although the number of young people who become e-consumers has significantly increased in Victoria and in Australia. In addition, only a small percentage of young e-consumers showed concerns about on-line security and privacy incidents which may lead to credit card fraud. There has also been insufficient research on how young e-consumers deal with problems relating to on-line credit card fraud and on-line risk.

The main objectives of this research project are to (i) examine the patterns of credit card use and debt by undergraduates in Melbourne, and (ii) study the attitudes of undergraduate students towards current and potential on-line risks, such as credit card fraud, as well as how they deal with such incidents.

A survey was conducted at eight universities in Melbourne, Australia in 2008. A total of 802 valid responses were received from the.

The findings show that credit card debt due to on-line shopping is not a problem to undergraduate students in Melbourne at the moment. However, the majority of the respondents did not engage in necessary activities to protect themselves from on-line risks. Finally, insufficient effort has been done to assist undergraduate students regarding financial manage, and thus consumer financial education is necessary to help undergraduate students protect themselves in both off-line and on-line markets.

Given the limited information about credit use and debt in relation to on-line purchases by young people and their awareness of the current and potential on-line risks as well as the current measures to protect them from on-line vulnerability, data collected from this research project would be valuable for further research on credit card use and debt in relation to young people in Melbourne, Australia and in other countries.

Key words: Credit card use, credit card debt, credit card fraud, e-consumer, Melbourne/Australia, e-shopping, on-line purchase, on-line risk, on-line security, undergraduates

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