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From Awareness to Loyalty: Determinants of Credit Card Reward Utilisation among Young Professionals In India

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Abstract
The growth of digital payments and credit use has turned credit cards into products offering cashback, reward points, discounts, travel benefits, and incentives. However, benefits don't always lead to effective use. This study explores factors influencing reward utilisation among young Indian professionals and its link to satisfaction and loyalty. It proposes a framework with awareness, financial literacy, promotion, perceived value, and ease of redemption as key factors, with satisfaction and loyalty as outcomes. Awareness is also examined as a mediator between promotion and utilisation.
This study employs a quantitative, cross-sectional approach, utilising primary data from a structured questionnaire. It analyses 530 valid responses through descriptive statistics, Cronbach's alpha, Pearson correlation, multiple regression, and mediation analysis. Results show that ease of redemption is the primary predictor of reward use, followed by awareness, perceived value, and promotional communication. Reward use positively impacts customer satisfaction, which in turn boosts customer loyalty. The mediation analysis reveals that awareness enhances the influence of promotional communication on reward utilisation. Overall, the research enriches understanding of consumer behaviour, financial services, and relationship marketing by illustrating how credit card rewards can guide consumers from awareness to use, and ultimately to satisfaction and loyalty. These insights offer practical guidance for banks and credit card issuers aiming to improve reward communication, increase perceived value, and streamline redemption processes.

Keywords: Credit cards; reward points; promotional offers; consumer awareness; reward utilisation; financial literacy; perceived value; ease of redemption; customer satisfaction; customer loyalty; young professionals; India.

1. Introduction

India's swift digital payments shift credit cards into broader financial tools with cashback, rewards, discounts, travel perks, and incentives. As competition grows, reward programmes are key for attracting, engaging, and keeping customers.
However, simply having rewards does not guarantee their effective use. Consumers might be unaware of the benefits, see rewards as insignificant, encounter redemption difficulties, or receive insufficient promotional communication. Financial literacy also plays a role in how well consumers understand credit

card perks and make informed choices. These challenges are especially important for young professionals, a key group within India's increasingly digital credit card market.

Research largely focuses on credit card adoption, satisfaction, and loyalty, but less on how young professionals in India move from awareness to reward use. This study examines how financial literacy, promotional communication, perceived value, and redemption ease affect awareness and use, and whether use influences satisfaction and loyalty.

The study proposes an integrated framework based on the Theory of Planned Behaviour, Consumer Involvement Theory, and Relationship Marketing Theory to explain credit card reward utilisation and its outcomes. It aims to offer empirical and managerial insights for financial institutions to improve reward-programme effectiveness and strengthen long-term customer relationships.

2. Literature Review

Credit card reward programmes are considered vital for shaping consumer behaviour, engagement, and loyalty. O'Brien and Jones (1995) noted that their effectiveness hinges on factors like economic value, redemption options, relevance, and convenience. Their framework offers a key foundation for understanding why simply offering rewards might not be enough to boost customer engagement.

Liu et al. (2009) focused on credit card reward redemption behaviour, revealing that awareness of reward programmes and how to redeem points significantly influences redemption habits. Their findings are especially relevant here because they show that consumers might have reward points but do not redeem them if they lack sufficient awareness and understanding of the programme.

In the Indian context, Liu et al. (2012) explored credit card loyalty by examining involvement in reward programmes. They found that consumer involvement was relatively low and emphasised the significance of redemption behaviour and how programs are structured. This study offers direct evidence for the importance of reward utilisation among Indian credit card users.

The perceived value of rewards plays a crucial role in driving programme engagement. Yi and Jeon (2003) showed that features of loyalty programmes affect how value is perceived, as well as programme and brand loyalty. More recent research by Xie and Chen (2023) confirms that perceived value positively impacts engagement with loyalty programmes, which in turn fosters both programme loyalty and brand loyalty.

Redemption convenience is crucial because consumers might skip using rewards if the process is too complex or if obstacles are present. Smith and Sparks (2009) discovered that factors such as scheme design, consumer understanding, reward attainment, and perceived barriers can affect redemption behaviour. This underscores the importance of including ease of redemption as a key factor in reward utilisation in this study.

Meyer-Waarden et al. (2023) highlight communication as vital for reward-programme effectiveness. Yang et al. (2021) show that well-framed loyalty-programme communication boosts reward pursuit. Krishen et al. (2017) find that communication quality impacts satisfaction and loyalty.

Financial literacy offers a consumer explanation. Hamid and Loke (2021) discovered connections between financial literacy, money-management skills, and credit-card repayment. Recent research indicates that financial knowledge is linked to better credit-card behaviours. As a result, consumers with more knowledge understand credit-card advantages more clearly and are capable of making informed choices.

The literature indicates reward utilisation depends on factors beyond incentives, including awareness, perceived value, redemption ease, communication, and financial knowledge, which influence engagement and later satisfaction and loyalty. Few studies combine these within a framework for young professionals in India. This study explores the pathway from financial literacy and communication to awareness, utilisation, satisfaction, and loyalty.

3. Research Gap

Previous research on credit card reward programmes shows gaps: Liu (2009) found awareness and redemption procedures influence redemption, Liu et al. (2012) emphasised consumer involvement, but these don't fully integrate financial literacy, promotional communication, perceived value, and ease of redemption. Research mainly focuses on credit management and repayment, not reward use. Hamid and Loke (2021) linked financial literacy to credit decisions, Huston (2012) to borrowing costs. Little evidence exists on how financial literacy and promotional communication create awareness, lead to reward use, and impact satisfaction and loyalty, especially among young Indians. This study develops a framework linking financial literacy and promotional communication to awareness, reward use, satisfaction, and loyalty, including perceived value and ease of redemption.

4. Theoretical Foundation

This study examines three perspectives: The theory of Planned Behaviour (TPB), Consumer Involvement Theory, and Relationship Marketing Theory.

4.1 Theory of Planned Behaviour

Ajzen (1991) states that behavioural intentions are influenced by attitudes, subjective norms, and perceived behavioural control, which in turn impact actual behaviour. In this context, perceived value indicates how consumers assess rewards, while ease of redemption reflects perceived control. These factors likely influence credit card usage and reward point redemption.

4.2 Consumer Involvement Perspective

Consumer involvement gauges how much consumers engage with products they consider relevant. Research indicates involvement affects responses to reward schemes and perceived value. Yi and Jeon (2003) found that involvement impacts the connection between rewards, value, and loyalty. Recognising awareness and perceived value is essential to understanding engagement with credit card rewards.

4.3 Relationship Marketing Theory

This theory views rewards as tools to foster ongoing customer relationships. Studies suggest reward programmes enhance engagement and loyalty. Henderson et al. (2011) emphasised the relational nature, and recent research links engagement to brand loyalty.

The study considers awareness and reward use as behavioural mechanisms, with satisfaction and loyalty serving as outcomes. Integrating these theories supports the overall research framework.

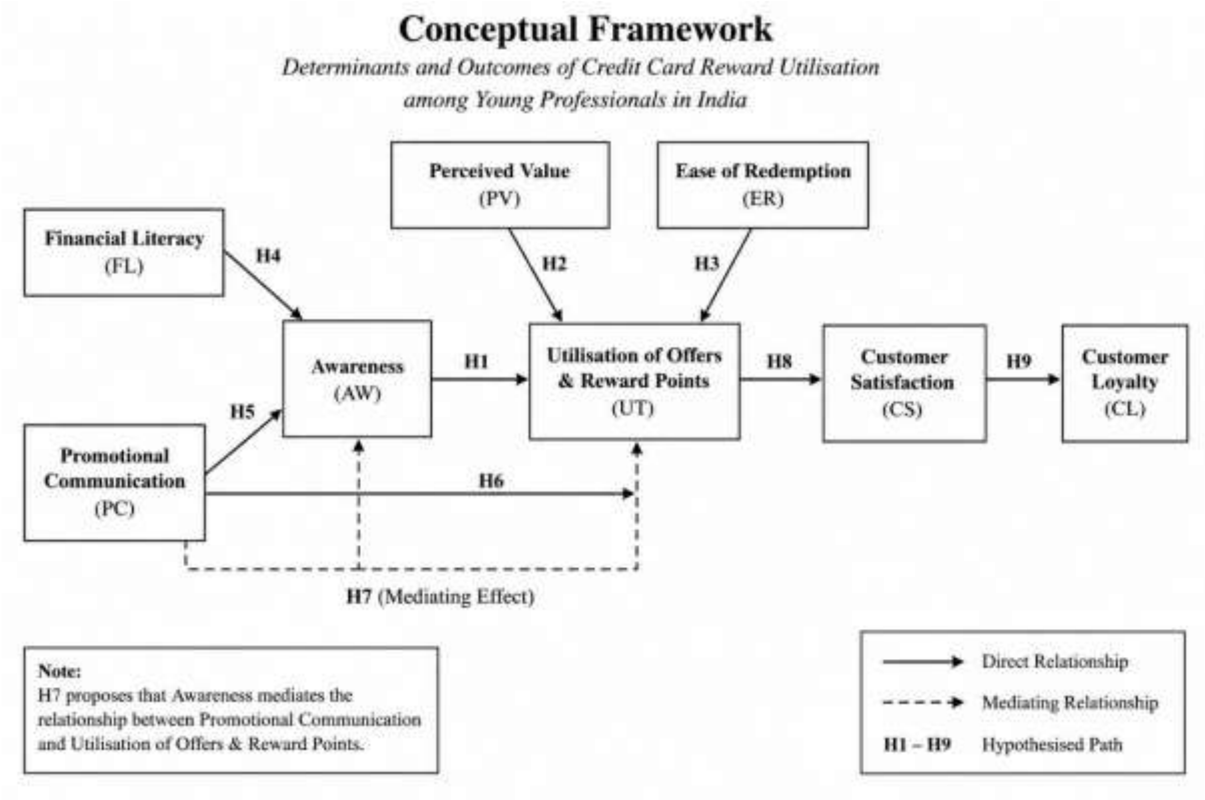
5. Conceptual Framework and Hypotheses Development

Building on previous research, this study suggests that consumer traits and reward program features influence credit card reward usage. Data shows that awareness impacts reward redemption, while the attractiveness and perceived value of rewards drive user engagement and loyalty. In India, involvement and program design are also key factors for credit card users.

The framework positions **Awareness** as a primary behavioural driver, with **Financial Literacy and Promotional Communication** serving as its antecedents. **Perceived Value and Ease of Redemption, along with Awareness and Promotional Communication**, are anticipated to increase **Reward**

Utilisation. Greater Reward Utilisation is expected to improve Customer Satisfaction, which ultimately fosters **Customer Loyalty.**

Figure 1: Conceptual Framework



Source: Authors creation

Financial Literacy → Awareness → Utilisation → Customer Satisfaction → Customer Loyalty

Additionally:

- Promotional Communication leads to Awareness
- Promotional Communication also influences Utilisation
- Perceived Value affects Utilisation
- Ease of Redemption contributes to Utilisation
- Awareness acts as a mediator between Promotional Communication and Utilisation

This framework is consistent with evidence showing that effective communication enhances awareness and redemption, while reward value and programme features shape customer reactions.

Hypotheses

H1: Awareness positively influences utilisation of credit card offers and reward points.
H2: Perceived value positively influences utilisation.
H3: Ease of redemption positively influences utilisation.
H4: Financial literacy positively influences awareness.
H5: Promotional communication positively influences awareness.
H6: Promotional communication positively influences utilisation.
H7: Awareness mediates the relationship between promotional communication and utilisation.
H8: Utilisation positively influences customer satisfaction.

H9: Customer satisfaction positively influences customer loyalty.
These relationships form the foundation for the empirical analysis, which utilises survey data gathered from young professionals in India.

6. Research Methodology

6.1 Research Design

The study uses a quantitative, cross-sectional approach to analyse factors affecting credit card offer and reward-point usage among young professionals in India. Data were collected at one point in time using a structured questionnaire. This design allows for exploring the relationships between awareness, financial literacy, promotional communication, perceived value, ease of redemption, utilisation, customer satisfaction, and loyalty.

6.2 Population and Sample

The target population comprises young professionals in India who frequently use credit cards and are familiar with credit card promotions and rewards programmes. Due to the lack of a comprehensive sampling frame, the study employed **purposive sampling combined with snowball sampling**. Purposive sampling selects participants based on specific criteria, while snowball sampling expands the sample through existing contacts. Participants were selected based on age, employment status, credit card ownership and usage, and awareness of offers or rewards. A total of **530 valid responses** were collected, providing sufficient data for multivariate analysis. The study focused specifically on young professional credit card users.

6.3 Research Instrument

A structured questionnaire was used to collect data in two sections: demographics and credit-card usage, and study constructs measured on a five-point Likert scale, ranging from 1 = Strongly Disagree to 5 = Strongly Agree.
The study comprised eight constructs and **48 measurement items**.

Construct	No. of Items
Awareness	7
Financial Literacy	5
Promotional Communication	6
Perceived Value	6
Ease of Redemption	6
Utilisation	8
Customer Satisfaction	5
Customer Loyalty	5
Total	**48**

Source: Questionnaire

6.4 Data Analysis

The collected data were analysed using **IBM SPSS**. The analysis was deliberately kept straightforward and focused on testing the proposed relationships. **Descriptive statistics** were used to summarise the respondents' characteristics and the overall responses to the study constructs. **Cronbach's alpha** was used to assess the internal consistency of the measurement scales.
Pearson correlation analysis was then conducted to examine the direction and strength of relationships among the study variables. **Multiple linear regression** was used to examine the factors influencing reward

utilisation, while simple regression analyses assessed the relationships between utilisation and customer satisfaction, and between customer satisfaction and customer loyalty. Finally, **mediation analysis** was employed to examine whether awareness mediates the relationship between promotional communication and reward utilisation.

The analytical procedure therefore followed:

Descriptive Statistics → Reliability Analysis → Correlation Analysis → Regression Analysis → Mediation Analysis → Hypothesis Testing

This simplified methodology aligns directly with the study's conceptual framework and avoids unnecessary analytical complexity.

7. Data Analysis and Results

7.1 Descriptive Profile of Respondents

The study is based on **530 valid responses** collected from young professionals in India. Descriptive statistics were used to summarise respondents' demographic characteristics.

Table 2. Descriptive Profile of Respondents

Variable	Category	Frequency	Percentage
Gender	Male	303	57.2%
	Female	227	42.8%
Age	21–25 years	215	40.6%
	26–30 years	206	38.9%
	31–35 years	109	20.6%
Qualification	Undergraduate	169	31.9%
	Postgraduate	288	54.3%
	Professional	44	8.3%
	Other	29	5.5%

The sample represents the intended young-professional segment, with **79.5% of respondents aged between 21 and 30 years**. Postgraduates constitute the largest educational group (54.3%), while males account for 57.2% of the sample. These characteristics provide an appropriate respondent base for examining awareness and utilisation of credit card offers and reward points.

7.2 Reliability Analysis

Cronbach's alpha was used to assess the internal consistency of the measurement items. All eight constructs recorded alpha values above the commonly accepted threshold of 0.70, indicating satisfactory to excellent reliability.

Table 2. Reliability Analysis

Construct	Items	Cronbach's Alpha	Interpretation
Awareness	7	0.902	Excellent
Financial Literacy	5	0.874	Good
Promotional Communication	6	0.875	Good
Perceived Value	6	0.905	Excellent

Ease of Redemption	6	0.882	Good
Utilisation	8	0.921	Excellent
Customer Satisfaction	5	0.882	Good
Customer Loyalty	5	0.864	Good

The results demonstrate strong internal consistency across all constructs. **Utilisation** recorded the highest reliability ($\alpha = 0.921$), followed by **Perceived Value** ($\alpha = 0.905$) and **Awareness** ($\alpha = 0.902$). As all alpha values exceed 0.70, the measurement scales demonstrate adequate reliability for further statistical analysis.

7.3 Descriptive Statistics of Study Constructs

Descriptive statistics were calculated to examine the overall responses to the eight study constructs. The mean and standard deviation indicate respondents' general perceptions and the variation in their responses.

Construct	Mean	Standard Deviation
Awareness	3.088	0.958
Financial Literacy	3.082	0.994
Promotional Communication	3.057	0.946
Perceived Value	3.081	1.021
Ease of Redemption	3.086	0.968
Utilisation	3.074	0.998
Customer Satisfaction	3.169	1.022
Customer Loyalty	3.067	0.976

The mean scores range from **3.057 to 3.169**, indicating a moderate-to-positive overall perception across the constructs. Customer Satisfaction recorded the highest mean (3.169), while Promotional Communication recorded the lowest (3.057). The standard deviations indicate reasonable variation in respondents' perceptions.

7.4 Correlation Analysis

Pearson's correlation analysis was conducted to examine the relationships among the eight study constructs. The results show positive associations among all major variables.

Table 4. Pearson Correlation Matrix

Construct	AW	FL	PC	PV	ER	UT	CS	CL
Awareness (AW)	1.000	.902**	.367**	.425**	.339**	.367**	.332**	.273**
Financial Literacy (FL)	.902**	1.000	.364**	.441**	.346**	.340**	.321**	.266**
Promotional Communication (PC)	.367**	.364**	1.000	.596**	.568**	.477**	.477**	.410**
Perceived Value (PV)	.425**	.441**	.596**	1.000	.595**	.527**	.584**	.480**
Ease of Redemption (ER)	.339**	.346**	.568**	.595**	1.000	.594**	.638**	.539**
Utilisation (UT)	.367**	.340**	.477**	.527**	.594**	1.000	.562**	.516**
Customer Satisfaction (CS)	.332**	.321**	.477**	.584**	.638**	.562**	1.000	.637**
Customer Loyalty (CL)	.273**	.266**	.410**	.480**	.539**	.516**	.637**	1.000

Note: $p < .01$ (two-tailed). N = 530. AW = Awareness; FL = Financial Literacy; PC = Promotional Communication; PV = Perceived Value; ER = Ease of Redemption; UT = Utilisation; CS = Customer Satisfaction; CL = Customer Loyalty.

The results indicate that all eight constructs are **positively and significantly correlated**. The strongest relationship is between **Awareness and Financial Literacy (r = .902, p < .01)**. Among the relationships involving utilisation, **Ease of Redemption shows the strongest correlation with Utilisation (r = .594)**, followed by Perceived Value (r = .527) and Promotional Communication (r = .477). Customer Satisfaction is also strongly associated with Customer Loyalty (r = .637).

Overall, the correlation results provide preliminary support for the proposed relationships and justify proceeding with regression analysis.

7.5 Multiple Regression Analysis

Multiple regression analysis was conducted to identify the factors influencing **credit card offer and reward-point utilisation**. Awareness, Financial Literacy, Promotional Communication, Perceived Value and Ease of Redemption were considered as predictors.

The regression model is expressed as:

Table 5. Multiple Regression Results for Utilisation

Predictor	β	t	p	Decision
Awareness	0.225	2.783	.006	Supported
Financial Literacy	−0.111	−1.420	.156	Not Supported
Promotional Communication	0.110	2.365	.018	Supported
Perceived Value	0.188	4.150	<.001	Supported
Ease of Redemption	0.397	8.777	<.001	Supported

Model summary: R^2 = **0.422**; Adjusted R^2 = **0.416**; F = **76.49**, $p < .001$.

The regression model is statistically significant and explains **42.2% of the variance in utilisation**. Ease of Redemption is the strongest predictor of utilisation (β = 0.397), followed by Awareness (β = 0.225), Perceived Value (β = 0.188) and Promotional Communication (β = 0.110). Financial Literacy does not have a statistically significant direct effect on utilisation (p = .156).

Thus, the findings indicate that **convenient redemption, consumer awareness and perceived reward value are more important determinants of actual reward utilisation than financial literacy alone**. The results provide support for H1, H2, H3 and H6. Financial literacy was not a significant direct predictor of utilisation; however, its significant effect on awareness supports H4. H5 is also supported, as promotional communication significantly influences awareness.

7.6 Regression Analysis: Financial Literacy and Promotional Communication → Awareness

Multiple linear regression was conducted with **Awareness** as the dependent variable and **Financial Literacy** and **Promotional Communication** as independent variables. The analysis was based on all **530 valid responses**.

Table 6. Regression Results for Awareness

Predictor	Standardised β	t	p-value	Decision
Financial Literacy	**0.886**	**44.180**	**< .001**	Supported
Promotional Communication	**0.045**	**2.247**	**.025**	Supported

Model summary: R^2 = **0.816**; Adjusted R^2 = **0.815**; F (2, 527) = **1169.47**, $p < .001$.
The regression model is statistically significant and explains **81.6% of the variance in consumer awareness**. Financial literacy has a strong positive and statistically significant influence on awareness ($\beta = 0.886$, $p < .001$). Promotional communication also has a positive and statistically significant influence on awareness, although its effect is considerably smaller ($\beta = 0.045$, $p = .025$).
Therefore, **H4 and H5 are both supported**.

Interpretation

The findings show that financial literacy mainly predicts awareness, meaning consumers with more financial knowledge are better at understanding credit card rewards, benefits, and conditions. Promotional communication also plays a role in increasing awareness, but its impact is somewhat smaller.
This result is particularly useful for the paper because it establishes the first stage of your proposed model:
Financial Literacy + Promotional Communication → Awareness → Utilisation
This now aligns properly with your hypotheses. The dataset confirms a very strong relationship between Awareness and Financial Literacy (r = .902) and a weaker but significant relationship between Promotional Communication and Awareness (**r = .367**).

7.7 Regression Analysis: Utilisation and Customer Satisfaction

A simple linear regression analysis was conducted to examine whether **credit card reward utilisation influences customer satisfaction**.

Table 7. Regression Results: Utilisation → Customer Satisfaction

Predictor	β	R²	p-value	Decision
Utilisation	0.575	0.315	< .001	Supported

The results indicate a **positive and statistically significant relationship** between reward utilisation and customer satisfaction. The model explains **31.5% of the variation in customer satisfaction**. Thus, respondents who utilise credit card offers and reward points more frequently tend to report higher satisfaction.
Accordingly, **H8 is supported**: utilisation of credit card offers and reward points positively influences customer satisfaction.

7.8 Regression Analysis: Customer Satisfaction and Customer Loyalty

A simple linear regression analysis was conducted to examine whether **customer satisfaction influences customer loyalty** towards the credit card issuer.

Table 8. Regression Results: Customer Satisfaction → Customer Loyalty

Predictor	β	R²	p-value	Decision
Customer Satisfaction	0.608	0.405	< .001	Supported

The results indicate a **positive and statistically significant relationship** between customer satisfaction and customer loyalty. Customer satisfaction explains **40.5% of the variance in customer loyalty**. Thus, respondents who report greater satisfaction with their credit card benefits and reward experience are more likely to demonstrate stronger loyalty towards the credit card issuer.
Accordingly, **H9 is supported**.

7.9 Mediation Analysis

The study further examines whether **Awareness mediates the relationship between Promotional Communication and Reward Utilisation**. The proposed mediation pathway is:

Promotional Communication → Awareness → Utilisation

A bootstrapping approach was used to assess the indirect effect. The results indicate a positive indirect effect of **0.010**, with a 95% bootstrap confidence interval ranging from **0.001 to 0.024**. Since the confidence interval does not include zero, the indirect effect is statistically significant.

Table 9. Mediation Results

Relationship	Indirect Effect	BootLLCI	BootULCI	Decision
Promotional Communication → Awareness → Utilisation	0.010	0.001	0.024	Supported

The finding indicates that **promotional communication contributes to reward utilisation partly by increasing consumers' awareness of available credit card offers and rewards**. Therefore, awareness acts as an important behavioural link between communication and utilisation.

Accordingly, **H7 is supported**.

7.10 Hypothesis Testing Summary

The results of the regression and mediation analyses are summarised below.

Table 10. Summary of Hypothesis Testing

Hypothesis	Relationship	Result	Decision
H1	Awareness → Utilisation	$\beta = 0.225$, $p = .006$	Supported
H2	Perceived Value → Utilisation	$\beta = 0.188$, $p < .001$	Supported
H3	Ease of Redemption → Utilisation	$\beta = 0.397$, $p < .001$	Supported
H4	Financial Literacy → Awareness	$\beta = 0.886$, $p < .001$	Supported
H5	Promotional Communication → Awareness	$\beta = 0.045$, $p = .025$	Supported
H6	Promotional Communication → Utilisation	$\beta = 0.110$, $p = .018$	Supported
H7	Promotional Communication → Awareness → Utilisation	Indirect effect = 0.010, CI [0.001, 0.024]	Supported
H8	Utilisation → Satisfaction	$\beta = 0.575$, $p < .001$	Supported
H9	Satisfaction → Loyalty	$\beta = 0.608$, $p < .001$	Supported

Overall, the results indicate that **awareness, perceived value, promotional communication and ease of redemption are important determinants of reward utilisation**, with ease of redemption showing the strongest effect. Reward utilisation subsequently contributes to customer satisfaction, while satisfaction is positively associated with customer loyalty.

8. Discussion

The findings indicate that **reward utilisation is primarily driven by practical and programme-related factors**. Ease of redemption emerged as the strongest predictor of utilisation ($\beta = 0.397$), followed by awareness (β = 0.225), perceived value (β = 0.188) and promotional communication (β = 0.110). This suggests that young professionals are more likely to use credit card rewards when benefits are easy to understand, valuable and convenient to redeem.

The significant effect of **awareness on utilisation** indicates that knowing about available rewards is an important step towards actual usage. Similarly, the positive effect of perceived value suggests that consumers are more likely to utilise rewards when they consider the benefits worthwhile.

The strong influence of **ease of redemption** is an important finding. It suggests that complicated redemption procedures may discourage consumers even when attractive rewards are available. Therefore, reward programmes should focus not only on the value of incentives but also on making them simple and convenient to access.

The mediation analysis further shows that **promotional communication influences utilisation through awareness**. This indicates that promotional messages are more effective when they clearly inform consumers about available benefits and how to redeem them.

Finally, reward utilisation is positively related to customer satisfaction ($R^2 = 0.315$), and satisfaction positively influences **customer loyalty ($R^2 = 0.405$)**. This supports the broader argument that effective reward utilisation can strengthen customer relationships.

Overall, the findings suggest a simple behavioural pathway:

Awareness → Reward Utilisation → Satisfaction → Loyalty

with **promotional communication, perceived value and ease of redemption** strengthening the utilisation stage.

9. Theoretical Implications

The study provides three main theoretical implications.

First, the findings support the **Theory of Planned Behaviour** by showing that perceived value and ease of redemption are important factors associated with consumers' reward utilisation.

Second, the study extends the **Consumer Involvement perspective** by demonstrating the importance of awareness in converting promotional communication into actual reward utilisation. This suggests that consumers need to recognise and understand available benefits before communication can effectively influence behaviour.

Third, the findings support the **Relationship Marketing perspective** by linking reward utilisation with customer satisfaction and loyalty. The results indicate that when consumers successfully utilise credit card benefits, their satisfaction can increase, which may subsequently strengthen their relationship with the card issuer.

Overall, the study contributes a simple behavioural sequence:

Promotional Communication → Awareness → Reward Utilisation → Customer Satisfaction → Customer Loyalty

This framework provides an integrated explanation of how credit card reward programmes can move consumers from **awareness to actual utilisation and ultimately towards loyalty**.

10. Managerial Implications

The findings provide several practical implications for banks and credit card issuers.

First, **ease of redemption should be prioritised**, as it emerged as the strongest predictor of reward utilisation. Banks should simplify redemption procedures and minimise unnecessary conditions.

Second, issuers should improve **promotional communication and customer awareness** by clearly communicating available rewards, eligibility conditions, validity periods and redemption procedures.
Third, reward programmes should provide **meaningful and relevant value** to customers. Rewards that match customers' spending patterns are more likely to encourage utilisation.
Finally, banks should view reward programmes as **relationship-building tools rather than only promotional incentives**. The positive relationship between utilisation, satisfaction and loyalty indicates that effective reward utilisation can contribute to stronger and longer-term customer relationships.

11. Limitations and Future Research

11.1 Limitations

The study has several limitations. First, its **cross-sectional design** captures respondents' perceptions at a single point in time and therefore limits the ability to establish causal relationships. Second, the study focuses specifically on **young professionals in India**, which may limit the generalisability of the findings to other age groups and consumer segments. Third, the study relies on **self-reported questionnaire responses**, which may be subject to response bias.
Finally, the strong relationship observed between **financial literacy and awareness** suggests that future studies should examine these constructs more carefully and explore whether additional variables influence reward utilisation.

11.2 Future Research

Future studies can extend this research by examining other consumer groups, geographical regions and credit-card categories. Longitudinal studies could also examine how reward utilisation and customer loyalty develop over time.
Future researchers may incorporate additional factors such as **trust, perceived risk, digital engagement, personalisation of offers and reward-point expiry**. Comparative studies across banks and credit card networks could also provide further insights into differences in reward-programme effectiveness.

12. Conclusion

The study explored what influences young professionals in India to use credit card rewards and how this relates to their satisfaction and loyalty. Results show that awareness, perceived value, promotional communication, and ease of redemption are key factors in promoting reward use, with ease of redemption being the most significant predictor.
The study further demonstrates that effective utilisation of credit card offers and reward points is positively associated with **customer satisfaction**, while satisfaction is positively associated with **customer loyalty**. The mediation analysis also indicates that awareness provides an important link between promotional communication and utilisation.
Overall, the study establishes a simple behavioural pathway:
Promotional Communication → Awareness → Reward Utilisation → Customer Satisfaction → Customer Loyalty
The findings suggest that credit card issuers should focus not only on offering attractive rewards but also on **creating awareness, communicating benefits effectively and making redemption simple and convenient**. Such an approach can enhance customers' experience with reward programmes and potentially strengthen long-term relationships with credit card issuers.

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