

Is use of debit cards better during pandemic?

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CONSUMER payments are dynamic today due to the propagation of the pandemic resulting in the brand-new learning of behaviour and attitude for renewed sustainability and well-being.

Folks are endowed with two primary behaviours sourced from the restricted movement - pliable and natural when a new circumstance leads the way. These include lead behaviour for endurance and copy behaviour for sustainability.

Lead behaviour occurs when one believes inaugurating course of certain behaviour provides a stimulus to others to make a follow. You may judge one has no access to knowledge of debit card used to make purchases at any outlets of interest, but the antagonistic of environment and the improved learning curve have led to improved trials to make any payment transactions to improve his convenience.

Copy behaviour occurs when one is aimed at mimicking others, when the analysed behaviour by the latter is found to be superior, explaining the benefits earned are greater at the expense of the limited benefits. Generally speaking, if one finds the practice of debit cards is better than others, he inclines it and the sharing is extendable to others.

Typically, a debit card is best described "buy now - pay now" whilst credit card is best described "buy now - pay later". Of these, the merits belong to these considered technology-enabled financial services may differ from one to another. Everyone decides the best.

Two questions are answered. Q#1 - What are the benefits for the use of debit cards during the pandemic? Q#2 - Are there any issues sprung from the use of debit cards?

At one point, one may define debit card is better because the money embedded belongs to the client and not that of the bank. Whilst, a credit card is money sourced from a debt approved by banks to assist clients to make payments.

Led by well-being, a debit card is often better than the latter due to the considered "fungible assets" owned by the clients of the bank and not "fungible liabilities".

Before the pandemic, one uses debit cards extensively to withdraw money, which then used to make purchases, utility bill payments, monthly instalment and charitable donations completed at different intervals of times and spaces. The function of debit cards is viewed confined as if no other rooms to prevail.

Today, however, one should update his knowledge and skill in that a debit card - be it Islamic or conventional have learnt to have extended functions. In other words, debit cards today have at least three functions.

Firstly, one can use it for the purpose to make money withdrawals whereby the withdrawn money can be used for multiple purposes - human and banking payments.

Secondly, one can use it for the purpose to make electronic payments when the purchasing is occurring at any stores, shops or malls for effective and quick transactions.

Thirdly, one can use it for the purpose to settle financing or ar-rahn financing, for instance without bringing a huge amount of money just to complete the outstanding amount lent from a bank.

At least five (5) benefits drawn from the use of debit cards during the pandemic, which provides advances in managing our financial payments as well as curbing the

infection of COVID-19.

Firstly, the most evident benefit of debit cards is by far the added convenience found in the system. This convenience arises from the flexibility that it can offer to individuals during the pandemic.

One is endowed with added peace of mind when the payment is done "just-in-time" without worrying money withdrawal to make the payment.

Secondly, debit cards allow the payment to be made in some cases 24 hours a day, 7 days a week both online and offline based transactions. Of course, the confidence to make payment transactions is relatively refined and greater when the availability and the approachability are improved without worrying the enigma of the ATM's out of service.

Thirdly, debit cards can be used to make multiple payments. Today, debit cards can facilitate the payments at any premises for different motives for improved peace of mind and for that the fearing part of losing cash can be minimal.

Fourthly, debit cards allow reduced transaction costs. These include services charges when the fourth withdrawal takes place, transportation cost reaching the ATM for money withdrawal and times used to make the money withdrawal. Jointly, these can be eliminated when one is trained to acknowledge the extended function of debit cards.

Fifthly, the effective use of one's financial resource is improved accordingly when debit cards are employed. This occurs when the exact number for the cost associated with the bought item is dedicated as is without any change is withdrawn and for that, the saving is inculcated economically.

Typically, one

price of the good and the change is returned to him. To a certain extent, however, the change is considered trivial and immaterial but the economies of scale are explaining the mirror that may define it can change one's financial course of accumulated financial resource - leading to wastages if the bad attitude leads the way.

Unlike credit cards, the use of debit cards are confined to the amount belongs to you which may explain that it is more difficult to overspend when one has limited cash amount available in his savings account. In reality, however, debit cards promote the acculturation of spending according to one's capacity and not that of a bank's capacity.

Remember also that some shops like in Labuan only allow the use of debit cards when the amount of the buying is RM30 and above, which may difficult to some needy and poor folks to facilitate the buying. For this purpose, arranging the buying in a pearl of wise wisdom is possible to address this confined thought accordingly.

Though debit cards are useful, one should acknowledge the merits of the cards through improved learning and new knowledge acquisition to secure his position in using the cards effectively at the expense of transaction risk and the reproduction of fraud, at least.

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