

ABSTRACT

The introduction of credit payment system is able to change people's perceptive that using a credit card for payment is not less prestigious than paying cash. From various credit payment systems, credit card is very interesting system for people who wish for more practical and saver means of payment. Generally, costumers are willing to utilize the product (credit card) if it fulfill their expectation. Thus, this research observed the process of core costumer value and *peripheral* costumer value on the efforts of the increasing decision to use credit card.

The issue of this research is based on the data of credit card applicants in Semarang. There were a decreasing numbers of credit card applicants in Semarang, and also 40% credit card segment was dominated by Citibank. The issue underlying this research is to find out the process of improvement of the use of credit card through core costumer value and *peripheral* costumer value. On this research, a theoretical model with five hypotheses – tested by Structural Equation Model (SEM) using AMOS 16 – is developed. The number of respondents is 110, age minimum 21 years old, lived in Semarang, and used credit card not less than 6 months.

Results from SEM data processing for the full model meets the *Goodness of fit* as follows, the value of *chi-square* = 117,811; *probability* = 0,108; GFI = 0,892; AGFI = 0,853; CMIN/DF = 1,178; RMSEA = 0,040. In other word, this model is fit to be used. The result of this research showed the process of improvement of the decision of using credit card through core costumers value and *peripheral* costumers value.

Keywords : core customer value, *peripheral* costumer value, usage intention, and usage decision