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DEPARTMENT OF COMMERCE

MASTER OF BANKING AND FINANCE PROGRAMME

SPENDING BEHAVIOR OF CREDIT CARDHOLDERS IN UNITED AMARA BANK LIMITED

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ABSTRACT

This study focused on Spending Behavior of Credit Cardholders in United Amara Bank Limited (UAB). The objectives of the study are to identify the UAB bank's credit card policies and to explore factors influencing on credit card spending behavior to satisfy basic needs. Food, clothes, shelter, education and healthcare were defined as basic need of human in this study. To achieve those two objectives, both primary data and secondary data were applied in analysis. Structured questionnaires were used to collect as primary data. The analysis based on sample size of 200 Credit Cardholders who are residing in Central Business District (downtown 6 townships, Yangon). Descriptive research method was applied on the study and regression analysis were used in this study. According to the analysis result, food, clothing and Healthcare are the most favorable spending category for Credit Card holders of UAB Bank. Credit Card application Policy, Minimum Qualification Policy, Repayment Policy under bank policy variable and Awareness about total debt own under Psychological factors are strongest influencing factor on spending behavior of Credit Cardholders Therefore, UAB bank should review Bank Credit Card policy and plan the strategy to maintain eco-system for Credit card spending behavior. UAB bank should focus on creating the program how to improve Credit Cardholder's Awareness about total debt own and also should plan to review the Credit Card application Policy, Minimum Qualification Policy, Repayment Policy and modified in order to support Cardholder spending behavior positively.

ACKNOWLEDGEMENTS

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CHAPTER I
INTRODUCTION

For the last 50 years, Credit and Debit payment cards have predicted a vision of the future (Kim, 2019) . A future in which households, businesses and government agencies for faster, and more efficient electronic payments. It evolved dramatically over the years, around the world. Credit Cards became essential payment option for consumer today. In the Europe, it becomes the most essential non cash payment option (Chakravorti, 2003)**.** The Credit Card could increase the spending power of public (Braunsberger, 2004), (Foscht, Maloles III, & Swoboda, 2010). (A. Durkin, 1970-2000) proved that in modern society, Credit Card become major payment channel instead of cash or check for million transaction. (Chakravorti, 2003) confirmed that Credit Card provides special benefit to not only consumer but also merchant that cannot provided by other payment channels. The first Credit Card was issued in 1950 but the users and values of cards were growth dynamically. (A. Durkin, 1970-2000)**,** conducted the research on the use of Card and Cardholder attitude to Issuer Organization. (Yen Teoh , Choy Chong, & Yong, 1994)**,** conducted the analysis on consumer behaviors, and the sickness of Bank policies. (Bamforth, 2017)**,** made analysis on attitude toward Issuers organization and Credit Card usage between college students. However, these studies focused on Europe country. Such kind of study should conduct at one Bank in Myanmar. Due to the different of Political, Economic, Sociology, Technological, Environment, legal environment and influences on living was different between countries, consumer behaviors between Credit Cardholder of European countries and Myanmar was different.

1.1 Rationale of the study

The study focuses on Myanmar as it was an Economic Revolutionary and Developing country. According to World Bank report (Bank T. W., 2018), GDP was increase to 69.32 USD in 2017 from 63.2251 USD Billion in 2016. GDP per capita also raised to 1484.20USD in 2017. It was reflecting that socio and economic development of Myanmar.

The Credit Card usage in Myanmar was significantly higher by higher in recent year and Credit Card was not a new product for Myanmar people any more. People using the Credit Card from

small retail spending to high volume spending as daily basic with conveniences and easy manners. In last 3 years, Credit Card acceptance was still quite challenge for Consumer direct business in Myanmar, but now installing POS machine become culture for them. Most of Myanmar young adult and Teenager started enjoy in cashless society not only at Port of sales terminal but also at E-commerce website. Myanmar young adult society was significantly enjoying in Credit Card Culture on 2017 (TIMES, 2017).

Currently total 6 domestic banks in Myanmar issuing Credit cards in Myanmar. They were AGD (Asia Green Development Bank), AYA (Ayeyarwady Bank Ltd), CB Bank (Co-operative Bank Ltd), KBZ Bank (Kanbawza Bank), MAB (Myanmar Apex Bank) and UAB (United Amara Bank).

CB Bank has already issued over 5000 Credit cards while AYA bank has issued over 4000 Credit cards (Feb 2018 Report). (Aung, 2018) UAB Bank issued over 5000 Credit Card. (Digital Dept, 2018). But there was no future study for Myanmar Bank concerning with attitude toward money, consumer spending behaviors, and the sickness of Bank Policies.

This study intended to suggest to bank to improve bank policy on Credit cards to support UAB Cardholder behavior to satisfy basic needs. Food, clothes, shelter, education and healthcare were defined as basic need of human in this study. Due to the time and budget concern, this study selected active Credit Cardholder of United Amara bank who residing in down town 6 townships in Central Business District of Yangon Region for analysis.

United Amara bank was one of the fastest growing banks of Myanmar for Credit Card Issuing Business in Myanmar. UAB Bank started the Credit Card business in 2016 and it reached to maximum growth of active 5000 customer within 2 and half year. It became one of the leading Credit cards issuing banks of Myanmar.

Commercial Region of Myanmar, Yangon was selected for sampling area because Yangon is Myanmar's largest city with a population of between 4 and 5 million, triple the size of the country's second largest city, Mandalay. Yangon has been Myanmar's commercial capital since colonial times and was its political capital until 2005, when the government moved the capital to Nay Pyi Taw, a new city built for that purpose in the center of the country. Yangon become Myanmar's commercial and financial capital despite the move of the national government offices to the new city of NayPyiTaw. 6 Central Business District townships (LanMaDaw, Latha,

PanbeDan, KyaukTaDa, BaTataung, PaZunDaung) out of total 33 townships in Yangon Region were the major business township of Yangon (JICA, 2014) (Department of Population, 2014). This study was focus on finding from consumer behavior of major business townships could cover the future business feasibility of Digital Banking Product in Myanmar. (PWC, 2017). This study seeks to find out the Factors affecting spending behavior of United Amara Bank Credit Cardholders in Myanmar.

1.2 Objective of the study

There were two objectives in this study. They are

1. To identify the UAB bank's Credit Card policies and procedures.
2. To explore factors affecting spending behavior of Credit Cardholders in UAB.

1.3 Method and scope of the study

The study focused on the factors influencing on UAB Bank Credit Cardholders spending behavior to satisfy the basic need of human need. The collective data was analyzed by descriptive statistics. In the academic history, the factors influencing consumer spending behavior on Credit Card were analyzed by different method and several ways of approach in different region.

Emailing and telephone interview were used as communication way with selected Credit Cardholders who residing in selected cities, Yangon Region. Advantage of emailing and telephone interview in research was ease of clarify the questionnaire from Cardholders and results could be completed within short period. Interviewer could reach to the whole sample area of targeted with effective demographic. These interview methods were cost effective to get complete and clean result at the limited budget and time situation.

Both primary data and secondary data were employed. This study was scope to 20% of Active UAB Credit Cardholder of CBD (Central Business District) township of Yangon Region (JICA, 2014). CBD Townships were the business hub of Yangon Region (JICA, 2014) and The Descriptive Method through the use of a structured questionnaire was administered on 200 UAB Credit Cardholders based on the area sampling techniques. The data were coded and run for multiple regression analysis. References document from Credit Management Department (CMD), Credit Card Underwriting Committees (CCUC) & Card Operation Department (UAB) and

Relevant Text Books, Previous Research Papers, Theses and Internet website were used as secondary data for this study.

1.4 Organization of the Study

This paper was composed of 5 chapters. Chapter 1, the Introduction consists of Rationale of the study, Objective of the study, Method and Scope of the study. Chapter 2 presented detail Theoretical Framework of the study. Summary profile of the Organization was presented in Chapter 3. Chapter 4 focused on analysis of factors influencing on Credit Card Spending Behavior to satisfy basic needs of respondents. Chapter 5 discusses for finding and recommendation of study.

CHAPTER II
THEORETICAL BACKGROUND OF THE STUDY

Banks were proving the various services and product for the customer's in order to retain and satisfy them (Khadka & Maharjan, 2017), based on that the actual perception of the customer. Perception of the customer has to be found by the banks to make their services and product better. The behavior of the customers may vary form respective Bank Policies or Cardholder attitude toward money (Ahmed, Amanullah, & Hamid, 2009). Credit Card product helps the customer to make all the daily activities of the customer to easily done with in a fraction, at the same time the banks have to be dynamic in their policy and performance to satisfy the customers. International scholars and researchers done a lot of previous study to identify the spending behavior of customer by various approach and different methods, this chapter explored the previous literature and theoretical background concerning with this study.

2.1 Cardholder Spending Behaviors

According to (A. Durkin, 1970-2000), spending behaviors called define as "good and service purchased by households, in the satisfaction of their needs and wants". Additionally, spending could be defined as "the act of expending' and behaviors could be defined as "response of individual to an environment, action, or person." While Kotler (2000) stated that spending behaviors study "how individuals, groups and organizations select, buy, use and dispose of goods, services, ideas or experiences to satisfy their needs and desires."

Maslow explored that the main theory on motivation of human needs in to hierarchy of pre-potency, (Maslow, 1943) Maslow proposed human needs in five level of hierarchy. Start from basic need as following

1. Physiological needs, such as food, clothes, shelter,
2. Safety needs – such as healthcare, education
3. Social needs –relationships and community.
4. Esteem needs – finding reputation in the community.
5. Self-actualization needs – unleashing the creative power inside.

The first 2 levels of need as (Maslow, 1943) described could be called basic needs, he explored that these were basic of human beings, but they were no longer motivational needs factors when they were being satisfied.

The highest fifth level was differed from lowers levels, because it could be never satisfied. (Maslow, 1943) Maslow discussed that human being were driving by the self-actualization needs to be real innovation and satisfaction. This study was focused to analysis the spending behaviors to fulfill the basic needs of human being in this paper.

According to (Maslow, 1943), physiological needs and safety needs were the level 1 basic needs of Human and Social needs, Esteem needs, Self-actualization were level 2 needs which cannot be never satisfied. The analysis of this study was based on basic need and define food, shelter and clothing as Physiological Basic needs. Education, health care was being defined as Safety Basic needs in analysis. (Maslow, 1943) defined that that basic needs could motivated the human to find the job and to earn money to survive then once human achieve these basic needs, they go to second level of needs which could never be satisfied.

2.2 Influencing Factors on Spending Behavior

(Colin & Sano Wilson, 2005), explored that spending behaviors was strongly influencing by four factors, social factor, personal factors and psychological factor and economic factor. These 4 factors could help to understand consumer needs and wants, and help to increase business. This study identified the spending behavior of Credit Cardholder based on these influencers; psychological factor and economic factor.

2.2.1 Economic Factor

The objective to understand how UAB bank set the Credit Card application policy, Cardholders benefit policies, Cardholder minimum qualification policies and Repayment policies to align with economic status of targeted customers. (Du & Kamakura, 2008) studied how consumers manage their income to meet different needs and how the resultant consumption pattern was affected in response to changes in prices and budgets. They studied how rising gas price affects consumers' spending on different consumption products. (Kamakura & Du, 2012). had studied on CEX family by the National Bureau of Economic Research (NBER) for the 1982-2003 period. The different samples were collected in CEX by each year and 66,368 households were being studied

in this research. Additionally, (Kamakura & Du, 2012) had showed two policies to test consumers'
behaviors. Those three policies were 1) reactions to shift in energy costs, 3) reaction to a tax rebate.
The result for the first policy showed that consumers reduce their purchasing when the energy
costs increase. For the second policy, the result showed that tax refund would positively impact
consumers' spending. Indeed, economic condition would affect consumers' spending behavior.

2.2.2 Psychological Factor

Yen Teoh , Choy Chong, & Yong (Yen Teoh , Choy Chong, & Yong, 1994) defined that
consumer spending behavior was strongly influenced by the environment and traditional
perspective on consumer attitude. They clarified that customer occasionally purchase the product
on the spot where they choose the products at the moment of awareness rather than thinking on
selecting an affordable product to purchase. This resulted in troubling the consumers' spending
behavior. It showed that the roles of attitude toward money of customer.

Bargh (Bargh, 2002) defined the consumer spending behavior were items of the cognitive
psychology. (Petty, Schumann, & Cacioppo, 1983) described that, before people spending (or
choose or decide) and less initiative to collect the information. Customer attitude level on financial
management and awareness about loan could result the spending behavior on cognitive
psychology.

(Stilley, Inman, & Wakefield, 2010) directed the research on investigate the effects of
promotional saving on both planned and unplanned spending, and how does it vary according to
income level. (Stilley, Inman, & Wakefield, 2010) interviewed 400 customers of two grocery
stores located in U.S. city. Respondents were asked what items they planned to purchase and how
much were they planned to spend in total. Then, Respondents were indicating their household
income before they exit the grocery shops. For the purpose of increase the response to such
sensitive question, respondents were given 5 choices of range rather than gave a specific figure of
household income, financial literacy, Awareness about loan. Customers who were Lower
awareness on debt and financial literacy spend more than they expected before they enter the store.
The results of the research showed that the attitude toward money was strongly influences on
Customer spending behaviors.

Heijden (Heijden, 2004) , developed the variable for hedonic motivation, Credit cards used, unplanned purchase, peer influence, TV viewing and shopping frequency. The results showed the positive correlation of Credit Card use and unplanned purchasing with compulsive buying propensity.

(Shoham & Brenčič, 2003) stated that people go to shopping as therapy and they expect that shopping moment could reduce their stress. Credit Card was encouraging compulsive buying because Credit Card eliminates immediate need for money to buy thing. That was encouraging spending behaviors However, Retail interest of Credit Card was the most important considerable factors for Cardholders. Repayment allocation, willingness to pay interest, and awareness about total debt owed were important to examine to define cardholders' attitude toward money (Ahmed, Amanullah, & Hamid, 2009). (Pudaruth, Juwaheer, & Madoo, 2013) argued that Card users may make more frequent and smaller withdrawals to control their spending behavior. A cashless transaction like POS and E commerce may reduce pain of handling paper cash and it may encourage consumers to spend more. (Shoham & Brenčič, 2003) made a several statement on the factors of unconscious spending behavior of the consumers: The choice of spending on the product was influencing by auto response or individual attitude and the behaviors of person spending was not guided only by attitude because their other influence factors like characteristic and favorable environment.

2.3 Previous Studies

Wendy Ming-Yen Teoh, Siong-Choy Chong and Shi Mid Yong have done research article on "Exploring the factors influencing Credit Card spending behavior among Malaysians" in International Journal of Bank Marketing: (Teoh, Chong, & Mid , 2013) . Their study was based on analysis upon only 150 Credit Cardholders, they explored some evidence to approve for the relationship between bank's policies and Credit Cardholder's spending behavior. They presented that Cardholders benefits policy and payment policies have strong influence on Credit Cardholder's spending behavior. They also approved in their study that repayment policies have also been significantly influence on Credit Card spending behavior. The interest free period provided to the holders in making their Credit Card payments in full allow Cardholders to enjoy the interest-free scheme. They explored that Cardholders were able to settle their payments within the grace period. In terms of the relationship between attitude toward money and Credit

Cardholder's spending behavior, their study only found partial support for this proposition. Specifically, willingness to pay and awareness of the total debt owed were significant determinants of Credit Cardholder's spending behavior.

2.4 Conceptual Framework

Conceptual framework of this study was adopted from the work of: (Teoh, Chong, & Mid , 2013). Economic factor and psychological factor were two independent variables of study. Dependent variable was composed of item which were examine the spending behavior of Credit Cardholders.

Figure (2.1) Conceptual Framework
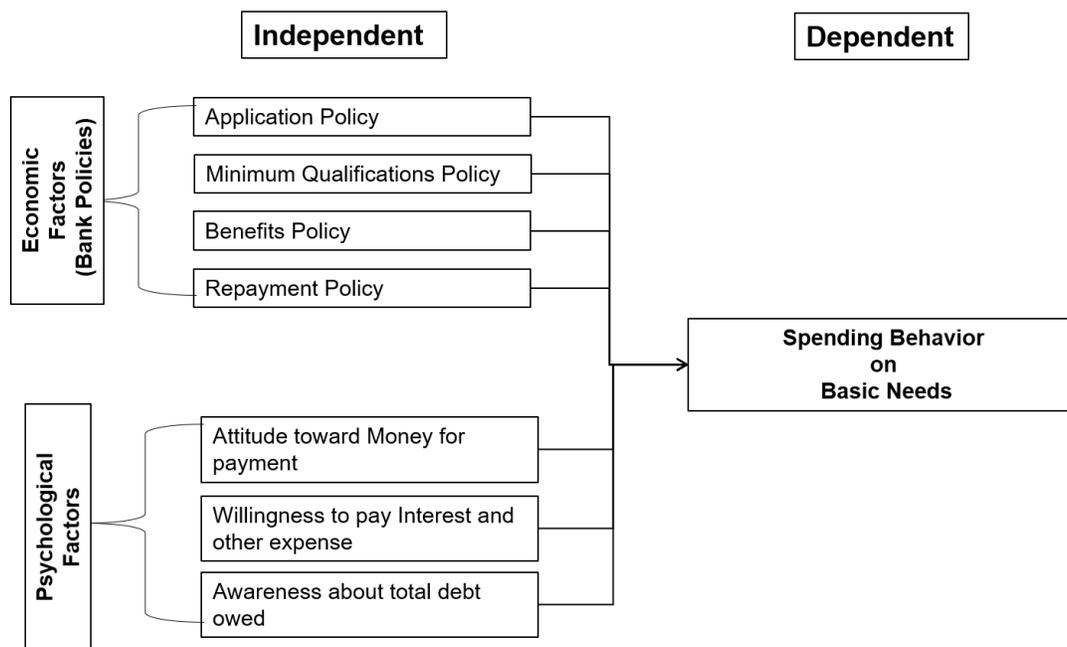
Sources: (Teoh, Chong, & Mid , 2013)

Economic Factor was defined as bank policies and it was composed of 4 policies as items for study. They were Credit Card Application Policy, Benefits Policy, Minimum Qualifications Policy and Repayment Policy. Psychological factor was defined as Attitude toward money and it was composed of Attitude toward money for repayment, Willingness to pay interest and expense and Awareness about total debt owed. Dependent variable was composed of item which were examine the spending behavior of Credit Cardholders to satisfy basic needs of human.

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CHAPTER III

PROFILE AND CREDIT CARD SPENDING BEHAVIOR OF THE UAB BANK

This chapter defined profile of the UAB bank which was the focus organization and also explored Credit Card product policies of UAB Bank, the information was collected from Head of Credit Management Department and Head of Card Operation from UAB.

Figure (3.1) Organization Structure of UAB Credit Card Management
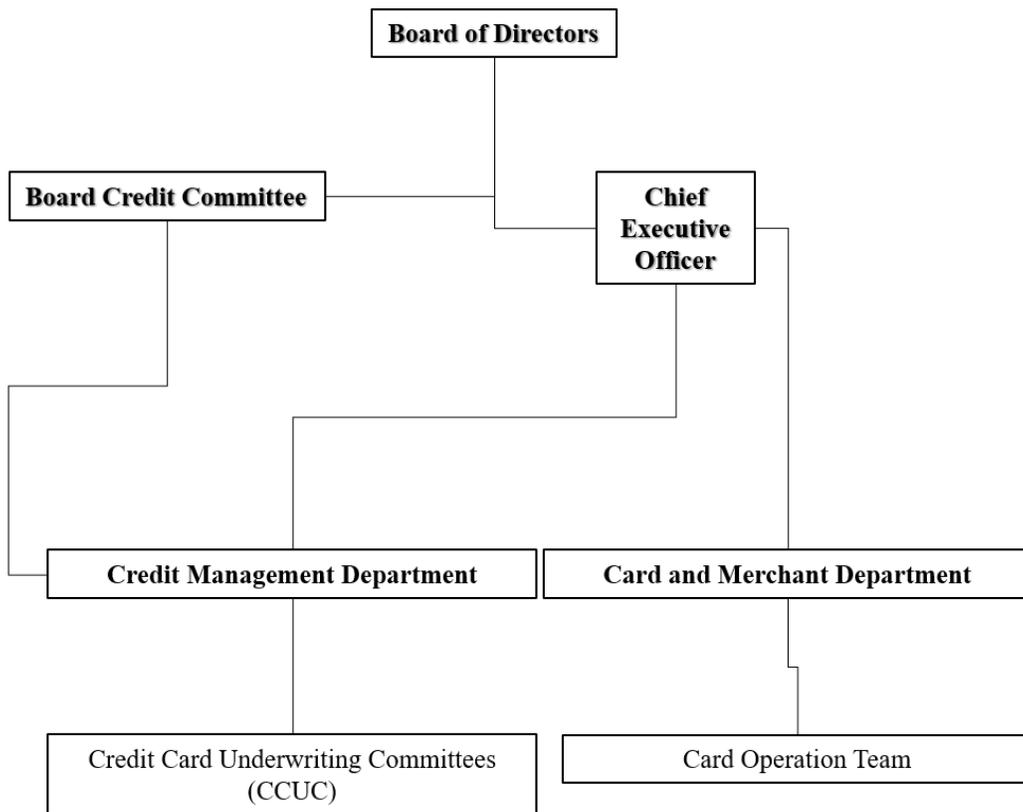
Source: UAB Organization Chart 2018

United Amara Banks was established in 2010 as a Domestic Private Banks at Nay Pyi Taw. First Branches opened at Nay Pyi Daw and currently it expended to 85 branches in nationwide and provide variety of trade finance and corporate service in Myanmar. In 2011, United Amara Bank got the Authorized dealer licenses and Foreign Banking license from Central Bank Myanmar.

(Bank U. A., 2010). In 2012, United Amara Bank operates all Trade finance and Corporate Banking service which was permitted by Central Bank Myanmar. (Limited, 2010). United Amara Bank has won The Best Trade Finance Bank Award, The Fastest Growing Private Bank Award and The Fastest Growing Private Bank Award from International finance publications Ltd in 2014 (Ltd, 2015). UAB launched its first international brand Credit Card in Myanmar on 2016 with the collaboration of International Card payment organization. UAB already issued over 6000 Credit cards and maintain active 4000 Credit Card in the Myanmar market. There were 2 main departments in UAB Bank who are managing International Credit Card product, they were Credit Card Underwriting Committees and Card Operation. UAB organized Credit Card Underwriting Committees (CCUC) under the supervision of Board Credit Committee and direct report to Credit Management Department.

Credit Card Underwriting Committees set the Credit appraisal policy for Credit Card application. This department manage and perform below tasks as shown in below.

1. Setting Credit limit appraisal policy.
2. Accept application from customer.
3. Review and analysis the application according to Credit limit appraisal policy.
4. Approving Credit limit to applicants.
5. To review and modify the Credit appraisal policy according to Market feedback and Compliance perspective.

Card Operation Team was organized under the management to Card and Merchant Department and both sections report to CEO through the relevant Head of Department.

Card operation team under take the

1. Product development & Training on product
2. Credit Card rule and regulation
3. Card spending & usage cycle,
4. Repayment Cycle,
5. Merchant Discount Model,
6. Cardholder Awareness Program
7. Interest set up and calculation process,
8. Card issuing process,
9. Settlement and clearance with International organization,

10. Processing Collection Procedures on day pass due Cardholder and perform other Credit Card operation process.

Head of Credit Card Underwriting Committees and Head of Card operation were interviewed to collect information about of UAB Bank policies on Credit cards product in this study.

3.1 Credit Card Policy and Procedure of UAB Bank

UAB has defined the credit card as a payment mechanism that facilitates consumer and business transactions, including purchases and cash advances. A credit card generally works as a substitute for cash or a check and most often provides an unsecured revolving line of credit. The borrower was required to pay at least a portion of the card's outstanding balance on each billing cycle, subject to the conditions set out in the cardholder's agreement. As debt decreases, available credit increases for accounts in good standing. These complex financial arrangements have constantly changing conditions and prices. A credit card was traditionally a thin rectangular plastic card. The front of the card contains a series of numbers representative of various elements such as the applicable network, bank and account. These numbers were generally known collectively as the account number or the card number. A magnetic stripe, often called a magnetic stripe, crosses the back of the card and contains some of the account information electronically. Instead of the magnetic strip, install a microprocessor or a chip in the card. The back of the card also contains a signature box for the card holder.

UAB Bank was the major issuer of credit card systems and networks. Participation could include direct issuance of card accounts and holding of receivables, direct issuance of card accounts and securitization of receivables by purchasing receivables and / or credit card relationships, leasing their rights to offer credit card products under the logos of associations to a third party in return for a fee, the management of credit card portfolios, including collections and customer service, clearing and settlement of transactions cardholders, the function of acquiring bank and that of banking agent.

UAB has defined the credit card as a payment mechanism that facilitates consumer and business transactions, including purchases and cash advances. A credit card generally works as a substitute for cash or a check and most often provides an unsecured revolving line of credit. The borrower was required to pay at least a portion of the card's outstanding balance on each billing cycle, subject to the conditions set out in the cardholder's agreement. As debt decreases, available credit increases for accounts in good standing. These complex financial arrangements have constantly changing conditions and prices. A credit card was

traditionally a thin rectangular plastic card. The front of the card contains a series of numbers representative of various elements such as the network, the bank and the applicable account. These numbers were generally referred to globally as the account number or card number. A magnetic stripe, often called magnetic stripe, run across the back of the card and contains certain account information electronically. Instead of the magnetic strip, install a microprocessor or a chip in the card. The back of the card also contains a signature box for the card holder.

UAB Bank was the major issuer of credit card systems and networks. Participation could include direct issuance of card accounts and holding of receivables, direct issuance of card accounts and securitization of receivables by buyer of receivables and / or credit card relationships, location of their rights offers credit card products under the logos of associations to a third party in return for fees, management of credit card portfolios, including collections and customer service, clearing and settlement of cardholder transactions card, the function of acquiring bank and that of banking agent.

(a) Risk assessment of UAB Banks on Credit Card issuing

UAB Bank's credit card underwriting committees were responsible for carrying out a comprehensive and effective risk assessment consistent with the size and nature of the planned credit card activities before engaging in these credit card activities . It should be ensured that all parties involved have properly recognized and resolved critical business risk issues and that the risk assessment process was well documented, goes beyond credit risk to appropriately incorporate others applicable risks and takes into account external and internal factors. Common external factors that influence risk include, but are not limited to: technological change, competition, economic conditions and forecasts, political and regulatory conditions, and accounting guidelines. Common internal factors that influence risk include, but are not limited to: staffing, funding, information systems, growth and risk appetite.

Experience has shown that the quality of banks' credit card portfolios reflects the economic environment in which they operate, and there is a strong correlation between an economic downturn and a deterioration in the quality of these portfolios. The deterioration could become even more serious if banks relaxed their credit underwriting and risk management standards due to intense competition in the market. It was therefore important for banks to maintain prudent policies and practices to manage the risks of their credit card activities that were relevant to the market environment in which they operate. There were 3 types of credit cards to offer customers

a) Classic cards

b) Gold cards

c) Platinum Cards

The design and functionality of the products have been attached in ANNEX-2.

3.2 Underwriting and Loan approval Process by Credit Card Underwriting Committees

Credit Card Underwriting Committees (CCUC) set up the requirement for Credit Card application as mentioned in appendix – 3; Application Requirement. UAB defined that Underwriting was the process by which the lender decides whether an applicant was Creditworthy and should receive a loan. An effective underwriting and loan approval process was a key predecessor to favorable portfolio quality, and a main task of the function was to avoid as many undue risks as possible. When Credit Card loans were underwritten with sensible, well-defined Credit principals, sound Credit quality was much more likely to prevail. CCUC also consider consideration of the borrower's aggregate Credit relationship with the bank. In Myanmar, as payment history was unknown in most of the cases, Bank should use verification procedures as the major source of credibility check. Up on getting completed application for Credit Cards at underwriting department, applications should be given to verification team for cross verification of following details

1) **Employment status** – Verify the applicant's employment details given were correct by making visit to the organization and ensuring that the applicant was working there and designation given were correct

2) **Address Proof** - Verify permanent address given by the applicant was correct by making visit to the premises.

3) **Self-employed Applicants**: Verify business premises of the applicant and make sure that the details given were correct and appearance of the business premises correlates with the gross income statement submitted by the applicant.

CHAPTER IV

ANALYSIS ON SPENDING BEHAVIOR OF CREDIT CARDHOLDERS IN UAB BANK

This chapter focused on analysis of UAB Credit Cardholder's spending behavior to satisfy basic need of human and factors influencing on it. This section was composed of Research Design, Demographic of Profile of Respondents, Analysis on Credit Cards Spending behavior and Analysis on Cardholder Attitudes toward Money.

4.1 Research Design

The Descriptive Method through the use of a structured questionnaire was administered on 200 UAB Credit Cardholders based on the area sampling techniques. Both primary data and secondary data were employed. This study was scope to 20% of Active UAB Credit Cardholder of CBD (Central Business District) township of Yangon Region (JICA, 2014). The data were coded and run for regression analysis. References document from Credit Management Department (CMD), Credit Card Underwriting Committees (CCUC) & Card Operation Department (UAB) and Relevant Text Books, Previous Research Papers, Theses and Internet website were used as secondary data for this study. Questionnaire was structured by 5 Likert scale scoring model. They were given as 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree. Mean values were calculated depending on the results of the respondents' perceptions. The following statistics data (mean value) was interpreted by Koobgrabe (Haider Raja Abbas & Chokaew Koobgrabe, 2008).

Table (4.1) Interpretation of Likert Scale

Sr. No.	The MEAN score between	Interpretation
1	1.00 – 1.80	Lowest
2	1.81 – 2.60	Low
3	2.61 – 3.40	Moderate / Neutral

4	3.41 – 4.20	High
5	4.21 – 5.00	Highest

Source: (Haider Raja Abbas & Chokaew Koobgrabe, 2008).

This study was share survey questioned 300 UAB Credit Cardholders who were residing in of CBD (Central Business District) township of Yangon Region (JICA, 2014). This study was received 200 completed questionnaire from target sample group and response rate was 67% of target sample group.

The Descriptive Method through the use of a structured questionnaire was administered on 200 Credit Cardholders.

4.2 Demographic profile of the respondents
(a) Gender of respondents

Gender were divided into two groups as Male and Female in survey questionnaires. According to survey result, 91 people (46%) of respondents were male and 109 people (55%) of respondents were female.

Table (4.2) Gender of respondents

Gender	No. of respondent	Percentage
Male	91	46%
Female	109	55%

Source: Survey Data (Nov, 2019)

(b) Age Group of respondents

Age were divided into 5 groups; 21-30, 31-40, 41-50, 51-60, 61 and above. According to survey result, 15% of respondent were age group between 21-30, 27% of respondents were age group between 31-40, 33% of respondents were age group between 41-50 and 21% of respondents were age group between 61 and above. Majority of Target sample group were in age group of 41-50 and Age Group 61 and above were lowest no in respondent group.

Table (4.3) Age Group of respondents

Age	No. of respondent	Percentage
21-30	30	15%
31-40	53	27%
41-50	66	33%
51-60	42	21%
61 and above	9	5%

Source: Survey Data (Nov, 2019)

(c) Education of respondents

Education level of respondents were settled into 5 different level; Less than high school diploma, High School diploma or equal, High School diploma or equal, Master Degree or equal and Master Degree or equal. According to analysis on education level of respondents, it could see 2% were less than high school diploma, 15% were High School Diploma holder, 54% were Bachelor Degree Holders and 17% were Doctorate Degree Holders, It could see 33 Pax of 200 respondents were Doctorate Degree holder but This study was found out that some medical doctors who were using UAB Credit Card a were residing in targeted area. It made the result as 17% of doctorate degree holders were part of target group in analysis.

Table (4.4) Education of respondents

Education	No. of respondent	Percentage
Less than high school diploma	4	2%
High School diploma or equal	30	15%
Bachelor Degree or equal	108	54%
Master Degree or equal	25	13%
Doctorate Degree or Equal	33	17%

Source: Survey Data (Nov, 2019)

(d) Marital Status of respondents

Marital status was divided into 3 groups in survey. Single, Married and other. According to analysis on marital status of respondents, it could see 50% of respondents were single and nearly 50% of respondents were Married status. Only lest than 1% were expressed as other status.

Table (4.5) Marital Status of respondents

Marital status	No. of respondent	Percentage
Single	100	50%
Married	99	50%
Other	1	1%

Source: Survey Data (Nov, 2019)

(e) Monthly income of respondents

Monthly income levels were divided into 5 and start from 300,000 MMK because minimum income limit of Credit Card application was started from 300,000 MMK. This questionnaire was divided into 5 groups for respondents. According to analysis on monthly income of respondents, it could see 19% of respondents were at income group of 300,000 to 500,000, 18% were at group of 500,001 to 1,000,000 and Group of 1,500,001 to 2,000,000 and 2,000,001 and above were 19% and 16% respectively. Income group of 1,000,001 to 1,500,000 were significantly bigger than other age group with the 30% of total respondents, CBD region was one of the high range business region in Yangon, average annual Income were quite higher than other average income per capita of Myanmar ((AFP), 2018).

Table (4.6) Monthly income of respondents

Monthly income (MMK)	No. of respondent	Percentage
300,000 to 500,000	37	19%
500,001 to 1,000,000	35	18%
1,000,001 to 1,500,000	59	30%
1,500,001 to 2,000,000	38	19%
2,000,001 and above	31	16%

Source: Survey Data (Nov, 2019)

4.3 Analysis on Credit Card Spending Behavior

This section discussed about Mean value of Credit Cardholder Spending Behavior on Basic need. According to (Maslow, 1943) Maslow, the main theory on motivation of human needs in to hierarchy of pre-potency, (Maslow, 1943) , basic need was identified into 5 different group. They were food, shelter (households), Clothing, education and healthcare.   This study was structured the questionnaires to identify spending behavior of respondent on those 5 basic need group.

(a) Spending Behavior on Food

      This section explored the cardholder's spending behavior on foods, there were total 5 questions for foods and those questions were focused to understand how Credit Card were being spend for foods item.

Table (4.7) Spending Behavior on Food

Sr. No.	Food (include Water)	Mean	Standard Deviation
1	I spend Credit Card more in buying foods than other basic needs	4.03	.782
2	I spend Credit Card more in fine dining restaurant.	3.74	0.785
3	I spend Credit Card more in buying higher price food items	3.86	0.845
4	I spend under most of monthly my Credit limit of my Credit Card for foods	4.11	0.853
5	I am happy to spend my Credit Card for foods	3.77	0.976
Overall Mean Score		3.90	

Source: Survey Result (Nov, 2019)

      According to Table (4.7), overall result of spending behavior on food was 3.901. This mean value represent that Cardholders were positively agreed on food questionnaires according to Koobgrabe table. Table (4.7) presented 4.11 Mean Value on spending limit on food. It could see that most of respondents willing to use most of their Credit limit on food category but Mean value were also high in spending at Fine dining restaurant and second lowest at spending for high prices food items even they were lowest in Table (4.2). Overall Mean values represented that Credit Card spending for food was major behavior for Cardholders.

(b) Spending Behavior on Shelters (Household items)

This section explored the cardholder's spending behavior for shelters, total 5 questions were examined and those questions were focused to understand how Credit Card were being spend for household item.

Table (4.8) Spending Behavior on Shelters (Household Items)

Sr. No.	Shelters (Household items)	Mean	Standard Deviation
1	I spend Credit Card more in buying households items than other basic needs	3.02	0.751
2	I spend Credit Card more in branded household items.	2.86	0.898
3	I spend Credit Card more in buying higher prices household items	2.97	0.911
4	I spend under most of my monthly Credit limit to buy households items	2.89	0.869
5	I am happy to spend my Credit Card for Household Items	2.89	0. 872
Overall Mean Score		2.92	

Source: Survey Result (Nov, 2019)

According to table (4.8), respondents were not willing to spend Credit Card for shelters. Overall Mean result of Spending Behavior on shelter (household items) was 2.923. According to Koograbe table interpretation, it was present negative value on spending behavior on shelter (Household items). 3.02 was highest mean values in Shelter category and lowest was 2.86. Table (4.8) could interpreted that respondent were not favorable to spend Credit Card on shelter.

(c) Spending Behavior on Clothing

This section explored the cardholder's spending behavior for shelters, total 5 questions were examined and those questions were focused to understand how Credit Card were being spend for clothing.

Table (4.9) Spending Behavior on Clothing

Sr. No.	Clothing	Mean	Standard Deviation
1	I spend Credit Card more in buying clothes than other basic needs	4.21	.739
2	I spend Credit Card more in branded clothes	4.23	.755
3	I spend Credit Card more in buying higher prices clothes	3.88	.854
4	I spend under most of my monthly Credit limit to buy clothing items	4.01	.956
5	I am happy to spend my Credit Card for clothing	4.24	.689
	Overall Mean Score	4.11	

Source: Survey Result (Nov 2019)

According to table (4.9), Clothing Items were strongest mean values above all items, overall mean value was 4.113 and it could see that respondent were willing to spend Credit Card for clothing. Second highest mean value was in spending for brand clothes (4.23) and respondents were also happy to use Credit Card for clothing with highest mean value (4.24) in category. According to Koograbe table, respondents were high positive to spending behavior on clothing.

(d) Spending Behavior on Education

This section explored the cardholder's spending behavior on education, there were total 5 questions for foods and those questions were focused to understand how Credit Card were being spend for education sector.

Table (4.10) Spending Behavior on Education.

Sr. No.	Education	Mean	Standard Deviation
1	I spend Credit Card more in paying schools fees than other basic needs	2.81	0.513
2	I spend Credit Card more in paying schools fees for Bachelor and above level course	2.79	0.822
3	I spend Credit Card more in paying higher price academic course	2.98	0.201
4	I spend under most of my monthly Credit limit to buy clothing items	2.98	0.422
5	I am happy to spend my Credit Card for education	2.97	0.972
Overall Mean Score		2.90	

Source: Survey Result (Nov 2019)

According to table (4.10), overall mean value on education was 2.903 and it could see that respondent were very close to neutral (neither agree nor disagree) on questionnaire of spending behavior on education. The lowest mean value for education category was 2.79 and respondent were close to neutral for all questionnaire of spending behavior on education. According to analysis on education level of respondents Table (4.3), it could see 2% of respondents were less than high school diploma, 15% were High School Diploma holder, 54% were Bachelor Degree Holders and 17% were Doctorate Degree Holders. 71% of respondents were Bachelor degree and above, that could be another considerable factor why spending behavior of respondent on education were quite neutral in result. The Spending behavior on education may be different resulted in education status of majority respondent was lower than Bachelor degree.

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(e) Spending Behavior on HealthCare

This section explored the cardholder's spending behavior on healthcare, there were total 5 questions for foods and those questions were focused to understand how Credit Card were being spend for education sector.

Table (4.11) Spending Behavior on Healthcare

Sr. No.	Health Care	Mean	Standard Deviation
1	I spend Credit Card more in health care than other basic needs	4.09	0.976
2	I spend Credit Card more in buying branded health care items	3.99	0.726
3	I spend Credit Card more in buying higher price health care items	3.96	0.778
4	I spend most of my monthly Credit limit for health care items	3.98	0.853
5	I am happy to spend my Credit Card for health care.	3.88	0.832
Overall Mean Score		3.97	

Source: Survey Result (Nov 2019)

According to table (4.11), spending Credit Card for healthcare item was favorable by respondents. Over all mean value was 3.976 and it could represent that Healthcare was one of the most important for respondent and Credit Card spending on health care matter was more favor than some others basic need for respondents. Other considerable factor on Credit Card spending was change of life style of urban people. As Credit cards spending were quite popular in oversea countries, Myanmar people willing to use Credit cards when they go oversea for medical checkup or treatment. That could be one of the influencing factors which make respondent to be favorable to spending behavior on healthcare category.

4.4 Analysis on Cardholder perception on Bank policies

This section discussed on respondent's perception on existing UAB Bank policies. The questionnaire for this section was set up into 4 different groups; Credit Card application policy, Credit Card benefit policy, minimum qualification policy and repayment policy. Each question was structured as 5 Likert scale scoring model question and interpreted by Koobgrabe Table to explore the respondent's perception.

(a) Credit Card Application Policy

This section explored the cardholder perception on Credit Card application policy, this section was composed of 5 questions to examine the cardholder perception.

Table (4.12) Credit Card Application Policy

Sr. No.	Credit Card Application Policy	Mean	Standard Deviation
1	I believe that Uab bank ask only minimum requirement from me for underwriting/ Credit Rating process	3.86	.750
2	Uab Bank's requirement for Card application were easy to prepare.	3.66	.928
3	I am convenience to provide one guarantor for Credit Card application	3.89	.863
4	I am convenience to accept Uab bank Site Visit for Credit Card application	3.87	.939
5	I satisfy the Credit limit set by Uab Bank	3.45	.949
Overall Mean Score		3.74	

Source: Survey Result (Nov 2019)

According to table (4.12), overall mean value of perception on application policy was 3.742 and respondent's perception on application policy questions was positive. But ease of preparation for application requirement was lowest with (3.66) mean value in category. Respondent was feeling ease on UAB bank site visit to home for Credit Card application with highest mean value in category (3.89).

(b) Benefit Policy

This section explored the cardholder perception on benefit policy, this section was composed of 5 questions to examine the cardholder perception.

Table (4.13) Benefit Policy

Sr. No.	Benefits Policy	Mean	Standard Deviation
1	Cardholders benefit program were easy to know.	3.78	.840
2	I satisfy the discount benefit at merchants support by Uab bank for Credit Cardholders	4.20	.895
3	I think Uab Bank items for annual fees waiving is fair for Cardholders	3.83	.773
4	I use the Card because I like to enjoy Discount benefit offered by Uab Bank	3.84	.907
5	I use the Card because I like Airport lounge access benefit offered by Bank	3.99	.770
Overall Mean Score		3.92	

Source: Survey Result (Nov 2019)

According to table (4.13), Respondent's satisfaction on discount benefit of Credit Card was significantly high with mean value (4.20). but accessibility about Cardholder benefit program was lowest in category with (3.78) mean value. Privilege program like Airport lounge access were still attractive to respondents by mean value (3.99) according to Table (4.13). Overall mean result on

benefit policy was 3.925 and it could see respondent's perception was still high on benefit policy of uab bank Credit card.

(c) Minimum Qualifications Policy

This section explored the cardholder perception on minimum qualification policy, this section was composed of 5 questions to examine the cardholder perception.

Table (4.14) Minimum Qualifications Policy

Sr. No.	Minimum Qualifications Policy	Mean	Standard Deviation
1	I believe minimum Credit Cardholder age limit (21 years old) is fair.	3.85	.837
2	I believe minimum Cardholder income limitation (300,000 MMK) is fair.	3.89	.837
3	I convenience with the qualification policy to present my bank statement (must be 6-month-old at least)	3.96	.776
4	I convenience with the qualification policy to present one guarantor in Card application.	4.29	.848
5	I convenience with the qualification policy to present Ward Confirmation in Card application.	3.86	.848
Overall Mean Score		3.96	

Source: Survey Result (Nov 2019)

According to table (4.14), respondent least satisfy on Credit Cardholder age limit as mean value was lowest (3.85) but guarantor policy was conveniences to respondent with highest mean value in category (4.29). Over all mean value on minimum qualification policy was (3.969) and it could interpret that Minimum qualification policy was still ease to customer for Credit Card application.

(d) Repayment Policy

        This section explored the cardholder perception on repayment policy, this section was composed of 5 questions to examine the cardholder perception.

Table (4.15) Repayment Policy

Sr. No.	Repayment Policy	Mean	Standard Deviation
1	I do satisfy on minimum monthly payment policy of the bank (40,000 MMK or 10% which ever higher)	3.82	0.815
2	I do satisfy the 45 days_Interest Free Period policy.	3.88	0.818
3	I do satisfy the monthly repayment due date (15th of every month)	3.73	0.808
4	I do satisfy the interest calculation method in repayment policy	3.90	0.865
5	I do agree that interest calculation method for Credit Card is easily to understand	3.96	0.810
Overall Mean Score		3.85	

Source: Survey Result (Nov 2019)

        According to Koobgrabe Table, Table (4.15) presented that respondent were positive on Repayment policy of UAB Bank, lowest mean vale in Category was (3.73) and highest mean value in category was (3.90). Overall Mean value in on Repayment Policy was very close to highest mean value in category with (3.854). Mean value on respondent satisfaction on monthly repayment rate was lowest in category but respondent still positive on the monthly repayment due date as it was mean value (3.73).

4.5 Analysis on Cardholder Attitudes Toward Money.

This section discussed on respondent's attitude toward money. The questionnaire for this section was set up into 3 different groups; Attitude toward money for repayment, willingness to pay interest and other expense and awareness about total debt own. Each question was structured as 5 Likert scale scoring model question and interpreted by Koobgrabe Table to explore the respondent's attitude toward money.

(a) Attitude toward Money for Repayment

This section examined the psychological factor of Credit Cardholder by the structured questionnaire on attitude toward money. Total 5 questions were examined.

Table (4.16) Attitude toward Money for Repayment

Sr. No.	Attitude toward Money for Repayment	Mean	Standard Deviation
1	I always pay my Credit Card bills monthly	4.17	.845
2	I always make excess payment than the amount required	3.40	.896
3	I will call the bank if I did not receive the monthly statement before the payment due date	3.55	.807
4	I will make sure I did make payment of Credit Card bills every month	3.55	.885
5	I will make sure I reserve my money to pay for the Credit Card bills	3.67	.810
Overall Mean Score		3.66	

Source: Survey Result (Nov 2019)

According to Table (4.16), respondents were willing to pay Credit Card bill monthly as highest mean of (4.17). But they do not have practice to call bank if they do not get monthly statement email till payment due date as mean value was (3.55). Respondents were not willing to

do repayment more the outstanding amount as it was mean value was (3.40) with lowest in Attitude toward repayment question category. However overall mean value was (3.660) and it could see respondent attitude toward repayment was still positive with high according to Koobgrabe table.

(b) Willingness to pay Interest and other expense

This section examined the psychological factor of Credit Cardholder by the structured questionnaire on Willingness to pay Interest and other expense. Total 5 questions were examined.

Table (4.17) Willingness to pay Interest and other expense

Sr. No.	Willingness to pay Interest and other expense	Mean	Standard Deviation
1	I know exactly how much I spend using Credit Card every month	3.33	1.660
2	I know exactly the remaining debt that I owed from previous transactions	3.69	0.829
3	I will check on my bills to ensure all the transactions were made by me and the amount is correct	4.07	0.874
4	I could easily find out if there is any transaction stated in the statement which was not made by me	3.75	0.770
5	I know exactly how much I still owing after I have made the monthly payment	3.47	0.862
Overall Mean Score		3.66	

Source: Survey Result (Nov 2019)

According to Table (4.17), mean value (3.660) on over all willingness to pay interest and other expense was very close to neutral when interpreted by Koobgrabe Table. Mean value on awareness about outstanding amount on Credit Card was also neutral result in table (4.17) but respondents used to check the monthly bill to know outstanding amount was correct or not when they received the monthly statement as mean value was highest in category with (4.07).

(c) Awareness about total debt owed

        This section examined the psychological factor of Credit Cardholder by the structured questionnaire on Awareness about total debt owed. Total 5 questions were examined.

Table (4.18) Awareness about total debt owed

Sr. No.	Awareness about total debt owed	Mean	Standard Deviation
1	My income is always not enough for me to spend	3.77	.820
2	I always use Credit Card to pay in order to preserve more cash in hand	3.85	831
3	I seldom make payment by using cash	3.68	.976
4	I will use Credit Card to pay when I have insufficient salary to spend	3.70	.885
5	I have the daily or monthly record of Card Usage and Spending	3.97	.814
Overall Mean Score		3.79	

Source: Survey Result (Nov 2019)

        According to Table (4.18), mean value on overall on awareness about total debt owed was (3.793). It was high status by Koobgrabe Table interpretation, it could result that respondents were quite agreed on questions of awareness about total debt owed. But respondents were dong repayment by cash in repayment process than mobile banking or online banking in repayment process as respondent's mean value on "I seldom make payment by using cash" was (3.68). Base on overall Mean value in each question, respondent's Awareness about total debt owed was quite positive and it was interpreted that respondent spending Credit Card when they have insufficient salary to spend.

4.6. Multiple regression analysis on influencing factors to Spending behavior.

Multiple regression analysis was applied to identify the level of relationship between independent variable; bank policy and Attitude Toward Money and dependent variable; Spending Behavior. The outcome of regression analysis was shown below.

Table (4.19) Multiple Regression analysis.

Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t-Value	Sig.
	B	Std. Error	Beta		
1 (Constant)	.042	.249		.168	.866
MeanBP_CAP	.193***	.073	.173	2.634	.009
MeanBP_BP	.037	.070	.039	.531	.596
MeanBP_MQP	.188***	.071	.183	2.643	.009
MeanBP_RP	.202***	.062	.212	3.228	.001
MeanPF_ATMR	.099	.069	.112	1.424	.156
MeanPF_WTPI	.053	.071	.059	.747	.456
MeanPF_ATDO	.189***	.056	.205	3.387	.001
R^2	.522				
Adjust R^2	.504				
F-Value	29.89				

a. P < 0.01, P < 0.05, P < 0.1: Dependent Variable: MeanSB

According to F result from ANOVA Test (Appendix-4), the result has a significant result. The value of F was 29.895, which was significance with p-value of .0 .00 which was less than the .05 alpha level). This means there was a statistically significant difference between the means of the different levels of the variables. According to Table (4.20), four items from independent variable; Credit Card application Policy, Minimum Qualification Policy, Repayment Policy and Awareness about total debt owed were significant at, 1% significant level. This analysis presented about 50.4% variance of the independent and dependent variable.

CHAPTER V
CONCLUSION

This chapter was presented the summary of finding on analysis for spending behavior of Credit Cardholders, and also discussed about cardholder's perception on bank policy and Cardholders attitude toward money. Then identified the significant relationship between spending behavior, cardholder's perception on bank policy and Cardholders attitude toward money. Additionally, it was discussed for suggestion and recommendation based on Finding. The third section was for recommendation of need for further research.

5.1 Finding and Discussion

According to survey result, Majority of respondents were in age group of 41-50 and Age Group 61 and above were lowest no in respondent group. According to CCUC policy, Credit Card applicants must be present income sources or salary slip to UAB bank in Card application process. That make majority of Cardholder were age group between 41-50. When Education level of participant were analysis, It could see 33 respondents were Doctorate Degree holder but the result showed that some medical doctors who were using UAB Credit Card were residing in survey area. The result showed most of the respondents are single. Income group size of respondents was significantly bigger in (1,000,001 to 1,500,000). It was 30% of total number of respondents.

Regarding Spending Behavior of Cardholders to satisfy basic need of human, It could see that most of respondents willing to use most of their Credit Card limit on food category, happy to spending at Fine dining restaurant and high price foods Overall Mean values represented that Credit Card spending for food was major spending behavior for Credit Cardholders. According to survey finding, Cardholders were not used to spend Credit Card for Shelters (Household Item & Household Matters). Finding on survey proved that Credit Card Spending on shelter was low mean values. Finding could interpreted that respondent were not favorable to spend Credit Card on shelter.

According to survey finding, respondent answered very positive on Credit Card spending for clothing. It was represented that respondents were also happy to use Credit Card for clothing.

Individual mean values presented that cardholder were happy to use Credit Card for clothing. And Cardholder used to spending most of their Credit limit for clothing.

But survey finding presented that Cardholders were not favorable to use their Credit limit much on Education sectors. According to analysis on education level of respondents, The Spending behavior on education may be different resulted in education status of majority respondent were lower than Bachelor degree.

This study found that Healthcare sector was one of the most important sectors for respondent. Respondent's Credit Card spending practice on health care matter was more favorable than spending on some others basic need. Other considerable factor on Credit Card spending was change of life style of urban people. As Credit cards spending were quite popular in oversea countries, Myanmar people willing to take Credit cards when they go oversea for medical checkup or treatment. That could be one of the influencing factors which make respondent to be favorable on healthcare category.

This study proved that respondent's perception on application policy questions was positive but ease of preparation for application requirement was low. Respondent was feeling ease on UAB bank site visit to home for Credit Card application in survey finding. Privilege programs and benefit program were still attractive to respondents to spend Credit Card more.

According to survey findings, respondents were least satisfying on Credit Cardholder age limit as but one guarantor policy was conveniences to respondent. The result presented that respondent were highly positive on Repayment policy of UAB Bank, and also willing to pay Credit Card bill monthly but they did not have practice to call bank if they do not get monthly statement email till payment due date. According to survey finding, respondents were not willing to do repayment more the outstanding amount. The result proved that awareness about outstanding amount on Credit Card was very neutral result but respondents used to check the monthly bill to know outstanding amount was correct or not when they received the monthly statement. Respondents were quite agreed on questions of awareness about total debt owed and they do repayment by cash in repayment process than mobile banking or online banking in repayment process.

This study has explored the spending behaviors of Credit Cardholders in first section and discussed what was the spending behavior and what were the cardholder's perception on Economic

Factor (Bank policies) and Psychological factor (Attitude toward Money. The analysis also done multiple regression analysis on survey finding to identify the relationship and significant factor of relation between Spending behavior of Credit Cardholders, Bank policies and Attitude toward Money. Items were divided into 7 items for analysis.

Analysis proved that the Credit Card application Policy, Minimum Qualification Policy, Repayment Policy under bank policy variable under Economic factors and Awareness about total debt own under Psychological factors have strong and positive relationship with spending behavior of Credit Cardholders but result does not proved the significant on with spending behavior and other three items; Benefit policy, Attitude toward money for repayment and Willingness to pay Interest and other expense.

5.2 Suggestion and recommendation

According to survey finding, UAB bank should focused on fulfilling and monitoring Cardholder spending behavior to maintain Credit Card eco system. Spending Behavior was highly favorable on food and clothing items. But Education and Shelters items were least favorable in spending behavior and Credit Cardholders were not likely to spend Credit Card for Education and Shelters. UAB bank shall plan to implement special acquiring program for Construction and Household materials selling merchant. And recruit more merchants for Education Category. UAB shall plan knowledge sharing program for Credit Cardholders to balance spending behavior of Credit cardholders. UAB should create strategy to acquiring partner merchants from Food, Clothing and Healthcare category merchants then create better discount and privilege program to satisfy the cardholder spending behavior.

UAB should review the Credit Card application requirement. Existing requirements were structed on 2016. UAB shall review and revised the list of requirements to ease the Credit Card applicant's spending process. According to information from CCUC, minimum age limit was set up by Central Bank Myanmar. But Card Applicant do not satisfy the Minimum age limit (Minimum 21 years old). UAB should create substitute Card product plan for customer who were over 18 years old but under 21 years old.

UAB should set up awareness program for Cardholder for timely communication with bank concerning with statement, balance or complain management. Credit Cardholder was obligated to

check the monthly statement and inform to bank if any unaware transaction was found on monthly statement. That why, Cardholders were also obligated to inform to Bank if they do not receive monthly statement on statement delivery date. That term was purposed to prevent fraud and dispute happening on Cardholder.

This study approved that both bank policy and psychological factor (Cardholder Attitude toward Money) have relationship with spending behaviors of Credit Cardholders. However, UAB also should consider on the items, which has no significant relationship with cardholder's spending behaviors. This result, finding and recommendation was intended to contribute the enrichment of spending behavior of UAB Credit Cardholders. This study was intended to expose that the UAB must focus on timely enhancement and development of its Credit Card policy and also routine analysis on psychological factors of its customer because all of these items were directly and indirectly influencing on the enrichment of spending behavior of UAB Credit Cardholders.

5.3 Limitation and Need for Further Research

As spending behavior could defined as How individuals, groups and organizations select, buy, use and dispose of goods, services, ideas or experiences to satisfy their needs and desires, spending behavior survey should also focus to identify location, amount, reason and limitation of spending behavior but this study was focusing only on spending behavior of UAB Credit cardholders in order to satisfy basic need item; food, clothing, Shelter, Education and Healthcare. Survey data was collected from UAB Credit cardholders who residing in selected region. Because of the time, budget and other limitations, the sample population size was only 200 Credit cardholders. If study could focus on lager sample size or regional level or national level, the survey result and finding may be changed.

For further research, other further study should focus on other industries and how cardholder's response in what, where, and why of spending behavior questions and also how each basic needs were impacted to spending behavior in detail measurement like no of spending time and spending amount within specific period. This study approached factor influencing on Spending Behavior with four factors theory of spending behavior. Further studies should approach with other theories of factor influencing on spending behavior like customer satisfaction theory or marketing theory to approach to identify. With limitations which were discussed above, there were a lot of space to improve in this study by future research.

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APPENDIX-1

QUESTIONNARE

You are being asked to participate in a survey to provide the information that will help to improve your experiences with UAB Credit Card. Participation in this survey is voluntary and confidentially is assured. No individual data will be reported. Please do not put your name on this questionnaire.

Section (1)
Demographic profile of the respondents
Please (√) the correct box.

| 1 | **Gender** | Male | |
| | | Female | |

2	**Age**	21-30	
		31-40	
		41-50	
		51-60	
		61 and above	

3	**Education**	Less than high school diploma	
		High School diploma or equal	
		Bachelor Degree or equal	
		Master Degree or equal	
		Doctorate Degree or Equal	

| 4 | **Marital status** | Single | |
| | | Married | |

5	**Monthly income (MMK)**	300,000 to 500,000	
		500,001 to 1,000,000	
		1,000,001 to 1,500,000	
		1,500,001 to 2,000,000	
		2,000,001 and above	

	Section (2) **Information related to credit card Spending Behavior on Basic Needs** **Please (√) the correct box.** **1 = Strongly disagree, 2 =Disagree, 3 =Neither Agree or nor disagree, 4= Agree, 5=Strongly agree**					
	Food (include Water)	**1**	**2**	**3**	**4**	**5**
6	I spend credit card more in buying foods than other basic needs					
7	I spend credit card more in fine dining restaurant.					
8	I spend credit card more in buying higher price food items					
9	I spend under most of monthly my credit limit of my credit card for foods					
10	I am happy to spend my credit card for foods					
	Shelters (Household items)	**1**	**2**	**3**	**4**	**5**
11	I spend credit card more in buying households items than other basic needs					
12	I spend credit card more in branded household items.					
13	I spend credit card more in buying higher prices household items					
14	I spend under most of my monthly credit limit to buy householdes items					
15	I am happy to spend my credit card for Household Items					
	Clothing	**1**	**2**	**3**	**4**	**5**
16	I spend credit card more in buying clothes than other basic needs					
17	I spend credit card more in branded clothes					
18	I spend credit card more in buying higher prices clothes					
19	I spend under most of my monthly credit limit to buy clothing items					
20	I am happy to spend my credit card for clothing					
	Education	**1**	**2**	**3**	**4**	**5**
21	I spend credit card more in paying schools fees than other basic needs					
22	I spend credit card more in paying schools fees for Bachelor and above level course					
23	I spend credit card more in paying higher price academic course					
24	I spend under most of my monthly credit limit to buy clothing items					
25	I am happy to spend my credit card for education					
	Health Care	**1**	**2**	**3**	**4**	**5**
26	I spend credit card more in Health Care than other basic needs					
27	I spend credit card more in buying branded healthcare items					
28	I spend credit card more in buying higher price health Card items					
29	I spend most of my monthly credit limit for health care items					
30	I am happy to spend my credit card for health care.					

	Section (3) Bank policies Please (√) the correct box. Strongly disagree-1, Disagree-2, Neither agree nor disagree-3, Agree-4, Strongly agree-5					
	Credit Card Application Policy	**1**	**2**	**3**	**4**	**5**
31	I believe that UAB bank ask only minimum requirement from me for underwriting/ Credit Rating process					
32	UAB Bank's requirement for Card application are easy to prepare.					
33	I am convenience to provide one guarantor for Credit Card application					
34	I am convenience to accept UAB bank Site Visit for Credit Card application					
35	I satisfy the credit limit set by UAB Bank					
	Benefits Policy	**1**	**2**	**3**	**4**	**5**
36	Card Holders benefit program are easy to know.					
37	I satisfy the discount benefit at merchants support by UAB bank for credit card holders					
38	I think UAB Bank criteria for annual fees waiving is fair for card holders					
39	I use the card because I like to enjoy Discount benefit offered by UAB Bank					
40	I use the Card because I like Airport lounge access benefit offered by Bank					
	Minimum Qualifications Policy	**1**	**2**	**3**	**4**	**5**
41	I believe minimum Credit Cardholder age limit (21 years old) is fair.					
42	I believe minimum Card Holder income limitation (300,000 MMK) is fair.					
43	I convenience with the qualification policy to present my bank statement (must be 6-month-old at least)					
44	I convenience with the qualification policy to present one guarantor in card application.					
45	I convenience with the qualification policy to present Ward Confirmation in card application.					
	Repayment Policy	**1**	**2**	**3**	**4**	**5**
46	I do satisfy on minimum monthly payment policy of the bank (40,000 MMK or 10% which ever higher)					
47	I do satisfy the 45 days_Interest Free Period policy.					
48	I do satisfy the monthly repayment due date (15th of every month)					
49	I do satisfy the interest calculation method in repayment policy					
50	I do agree that interest calculation method for Credit card is easily to understand					

	Section (4) **Card holder attitudes toward money** **Please (√) the correct box.** **Strongly disagree-1, Disagree-2, Neither agree nor disagree-3, Agree-4, Strongly agree-5**					
	Attitude toward Money for Repayment	**1**	**2**	**3**	**4**	**5**
51	I always pay my credit card bills monthly					
52	I always make excess payment than the amount required					
53	I will call the bank if I did not receive the monthly statement before the payment due date					
54	I will make sure I did make payment of credit card bills every month					
55	I will make sure I reserve my money to pay for the credit card bills					
	Willingness to pay Interest and other expense	**1**	**2**	**3**	**4**	**5**
56	I know exactly how much I spend using credit card every month					
57	I know exactly the remaining debt that I owed from previous transactions					
58	I will check on my bills to ensure all the transactions are made by me and the amount is correct					
59	I can easily find out if there is any transaction stated in the statement which was not made by me					
60	I know exactly how much I still owing after I have made the monthly payment					
	Awareness about total debt owed	**1**	**2**	**3**	**4**	**5**
61	My income is always not enough for me to spend					
62	I always use credit card to pay in order to preserve more cash in hand					
63	I seldom make payment by using cash					
64	I will use credit card to pay when I have insufficient salary to spend					
65	I have the daily or monthly record of Card Usage and Spending					

Table: Feature of UAB Credit Cards

	Features/ Charges and Fees	Classic	Gold	Platinum
1	Interest rate (Finance charges) %	20% per annum	20% per annum	20% per annum
2	Interest Free days	15 to 45	15 to 45	15 to 45
5	Late Fee	Minimum Fee 10,000 MMK Maximum Fee 20,000 MMK	Minimum Fee 10,000 MMK Maximum Fee 20,000 MMK	Minimum Fee 10,000 MMK Maximum Fee 20,000 MMK
6	Lost /Stolen Card replacement fee	10,000 MMK	10,000 MMK	10,000 MMK
7	PIN Replacement Fee	3,000 MMK	3,000 MMK	3,000 MMK
8	Joining Fee	10,000 MMK	15,000 MMK	50,000 MMK
9	Annual Card Fee – Main Card	30,000 MMK	60,000 MMK	120,000 MMK
10	Annual Card Fee – Supplementary Card	30,000 MMK	60,000 MMK	120,000 MMK
11	Card Up gradation Fee	N/A	15,000 MMK	50,000 MMK
12	Card Blocking Fee	0 MMK	0 MMK	0 MMK
13	Credit Limit – Main Card (Max)	1,000,000 MMk	3,000,000 MMK	5,000,000 MMK
14	Credit Limit – Supplementary Card	Share Principal's Limit	Share Principal's Limit	Share Principal's Limit
15	Cash Advance Limit	80% of Credit Limit	80% of Credit Limit	80% of Credit Limit
16	Cash advance – Transaction Fee (UAB/ Other Domestic ATM)	Minimum 3,000MMK (or)	Minimum 3,000MMK (or)	Minimum 3,000MMK (or)

		1% of Withdraw amount	1% of Withdraw amount	1% of Withdraw amount
17	Interest on cash advances from UAB ATM/ UAB ATM/ Another Domestic ATM	39 % p/a	39 % p/a	39 % p/a
18	Cash advance – Transaction Fee (International ATM)	6,000 MMK	6,000 MMK	6,000 MMK
19	Interest on cash advances from International ATM)	39 % p/a	39 % p/a	39 % p/a
20	Charge slip Retrieval Fee	10,000 per chargeslipe	10,000 perchargeslipe	10,000 perchargeslipe
21	Emergency Card replacement Fee when customer is abroad	100 USD	100 USD	100 USD
22	Foreign Currency Transaction: Conversion Markup .. %	3%	3%	3%
23	Cheque return charges	N/A	N/A	N/A
24	Duplicate statement fee	2,000 MMK	2,000 MMK	2,000 MMK
25	Reward Points	N/A	N/A	N/A
26	Reward Redemption fee	N/A	N/A	N/A
27	Complimentary Insurance	N/A	N/A	N/A
28	Frontline access for selected concerts /films /events	N/A	N/A	N/A
29	Travel services / Access to airport Lounge	N/A	N/A	2 Time Per Year
30	Others………….	N/A	N/A	N/A
31	Concierge Service	N/A	N/A	N/A

Sources: UAB Credit Card application Policy

APPENDIX – 3

Document Requirement for Credit Card Application

Credit Card Underwriting Committees (CCUC) set up the requirement for Credit Card application. Following documents are required for considering Credit Card applications by CCUC.

1) All cases

   a) Completed & Signed Application form along with terms and conditions (as per annexure-2)

   b) Pass port size photo

   c) Township recommendation letter

   d) Police clearance letter

   e) Copy of NRC Card or Passport of applicant and guarantors

   f) House hold member list

   g) Credit Bureau report or Credit Score (As and when Credit Bureau starts providing)

2) Plus, following documents as per category of applicants.

   a) Employees: Salary certificate, letter of employment, Bank account statement,

   b) Self-employed/Business men

   Income tax return copy, audited balance sheet, Business license, Bank account statement,

c) Retirees: Pension book copy, Bank account statements

APPENDIX – 4

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics						Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change		
1	.722[a]	.522	.504	.38584	.522	29.895	7	192	.000		1.498

a. Predictors: (Constant), MeanPF1, MeanPF2, MeanPF3 MeanBP1, MeanBP2, MeanBP3, MeanBP4,

b. Dependent Variable: MeanSB

ANOVAa

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	31.154	7	4.451	29.895	.000[b]
	Residual	28.583	192	.149		
	Total	59.737	199			

a. Dependent Variable: MeanS

b. Predictors: (Constant), MeanPF_ATDO, MeanPF_ATMR, MeanBPc, MeanBPm, MeanBPr, MeanBPb, MeanPFwpi