

YANGON UNIVERSITY OF ECONOMICS
DEPARTMENT OF COMMERCE
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FACTORS INFLUENCING THE USAGE OF
CREDIT CARD HOLDERS OF AGDBANK

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YANGON UNIVERSITY OF ECONOMICS
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CREDIT CARD HOLDERS OF AGDBANK

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ACCEPTANCE

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ABSTRACT

This study aimed to analyze the factors influencing usage of credit card holders of AGD Bank. A case study was conducted where data was obtained from 120 staff from AGD bank credit card holders. In this study, data collection method used descriptive statistic research method. Data collection was facilitated through a questionnaire and the respondents were made up of most of the holders are male who are 31-35 years are the largest portion. The study found out that can apply credit card at any AGD branches. It was also found out that most of customers are wisely use credit card with purchase of goods and service but many of the merchant linking with the bank can be used credit card but this merchant shop is expensive for classic card users. It found that some of the credit card holders used it wisely, most of them struggled to pay the minimum balance every month. Therefore, the aggressive promotion by commercial banks should be controlled and the continuous education on the impact of credit card debt to card holders should be done regularly. It is found that only credit related knowledge is significant and has positive influence to the credit card debts. In conclusion, commercial banks must play their role in advising the credit card holders on the advantages and the disadvantages of using the credit cards.

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LIST OF ABBREBIATIONS

AGD	-	Aisa Green Development Bank
CB	-	Cooperative Bank
KBZ	-	Kanbawza Bank
MOB	-	Myanmar Oriental Bank
POS	-	Post of Sale
CIF	-	Customer Information
MPU	-	Myanmar Payment Union
U.S	-	United State

CHAPTER ONE

INTRODUCTION

A credit card is part of a system of payments named after the small plastic card issued to users of the system. It allows the cardholder to obtain funds at an interest from a credit institution, at her/his own discretion, up to some limit. The funds usually can be used only to make purchases, but sometimes they can be obtained as cash. If repaid within a certain period, usually about a month, the loan is interest-free. If not, the loan may be carried for an indefinite period, always accruing new interest charges, by paying a minimum amount each month. In essence, a credit card is a preapproved loan with flexible repayment options; it is distinguished from other financial instruments by the freedom it gives borrowers to determine the size of the loan and the pace at which it is repaid. As a flexible and readily available source of funds for consumption, individuals may use credit cards as a shield against the hardships of income loss, much as they might use precautionary savings or the welfare system. The issuer of the card grants a line of credit to the consumer (or the user) from which the user can borrow money for payment to a merchant or as cash advance to the user. Credit cards allow the consumers to 'revolve' their balance, at the cost of having interest charged. Most credit cards are issued by local banks (Sheffrin, 2003).

The roles and importance of credit cards nowadays are clearly significant. The credit card users can spend future's money today. It allows the users to be flexible and increases ability to spend for shoppers. In addition, installment plan gives more times for paying back the amounts used in later periods. There are no barriers for the users to spend in any currency since shops and stores only concern whether the cards are visa or master cards, usable worldwide. The liquidity service of credit cards saves consumers the opportunity cost of holding money for payment and therefore it is rational for consumers to hold positive credit card balances even in the face of the high interest rates, (Brito and Hartley, 1995).

Credit cards have been around since the year 1951 and today it is more useful than ever before. It all started with the customers of Franklin National Bank in New York

City. During these times, the loan customers of the bank were given a card to determine that their loan application has already been approved. There was not even a single credit card association but merchants were already optimistic with the potential of the card. After the customers were given cards, they used it to buy goods in retail shops. Seven years later, American Express created a similar system but this time, the company gave plastic cards to business travelers. The card was immediately recognized by many major airline companies, hotels and restaurants. One year later, the Bank of America issued its own credit card called Bank Americard. But this was only serviced within the State of California.

In Myanmar the first card was a credit card issued in 2000 by Asia Wealth Bank, followed by Yoma Bank, Myanmar Oriental Bank and Kanbawza Bank. In 2003, Myanmar private banking sector crisis begins. After that credit card publish terminated by Central Bank of Myanmar. The first debit card was issued in 2012 by Myanmar Payment Union. MPU was founded on 15 September 2011 with total of 16 members from both state and privately owned banks, and expanded to 23 members as of 19 Jan 2017. When it first started, its purpose was to provide the ATM and POS (Point of Sale) switching services among the banks. MPU cards have been issued since 14 September 2012. To date we have round about 0.1 million credit cards and 1.8 million debit cards. The growth of credit cards in Myanmar has been hindered partly by lack of a well developed Credit Reference Bureau. Central Bank of Myanmar intends to make it mandatory to share information. Banks are too risk averse and consumers fear to get into debts. Credit cards offer consumers more protection by withholding payment if unsatisfied with the quality of purchase.

Although the first credit card was issued in 2015 in CB Bank, consumers in Myanmar largely continue to use cash as a mode of payment for their day today transactions as well as financial obligations. Other than cash, the other modes of payment that have been used are cheques to a lesser extent. This has largely been attributed to the Myanmar culture as well as our negative perception towards paperless transactions. However, with globalization, liberalization and innovations in the information technology world, more people are embracing electronic modes of payment albeit with caution. This

has been attributed to perceptions of electronic modes of payment including the risks of fraudsters and many people are not willing to take the risk.

1.1 Rationale of the Study

Bank credit card is one of today's most ubiquitous financial instruments (Wolters, 2002).For bank management perspectives, identifying the appropriate market for the credit card, interpreting consumers' needs for the product and developing business strategies are crucial to cope with fierce competition in the credit card market. In addition, Bernthal, Crockett, and Rose (2005) indicated that credit cards came with important technology to help facilitate several financial transactions for consumers, but the cards have capacity to support consumers in their everyday life activities without much concerning about cash in hands. Brito and Hartley (1995) observed that another important service on credit card was about borrowing on credit cards. However, such borrowing came with high interest rates which might appear irrational, but low transactions costs can make credit cards attractive relative to bank loans. In addition, credit cards offer liquidity services by helping consumers to avoid some of the opportunity costs of holding money. Goyal (2004) stated that service products, such as credit cards, being intangible and experiential in nature are different to evaluate prior to purchase and consumption. Information regarding supplementary senders can help consumers make pre-purchase evaluation of credit cards.

Among many factors influencing the usage of credit card user includes; high credit limit, quality customer service, fair fees, and a fair interest rate are the factors that count at the point of sale. In addition, lower interest rates, cash advance checks with low rates, and sweepstakes are some of the marketing promotions used by banks. Lee and Kwon (2002) found that consumers' usage of store credit cards is related to a number of variables, including the use of bank cards, credit history, and attitude toward credit, income, education, and ethnicity. It is important for banks to develop marketing strategies to attract and win competition in the industry. It is against the foregoing background of many factors influencing the usage the study seeks to establish the factors Influencing the usage of credit card holders in AGD bank. This guiding research question is: what are the factors Influencing the usage of credit card holders?

1.2 Objectives of the study

The objectives of the studies are as follows

- To identify the credit card operation activities in AGD Bank.
- To analyze the factors influencing the usage of credit card holders of AGD Bank.

1.3 Scope and Method of the Study

This study focuses on credit card holders (employee) in AGD bank. Samples of credit cards holders include the AGD Bank's credit card holders who receive payments of credit cards and who settle their payments with credit cards. For the study 120 respondents were considered across the employee (Other Company) and AGD staff of HO and Branches in Yangon. Data collection method is descriptive method. Primary data was collected by using well-structured questionnaires. The primary data collection is made during the period from March 2018 to March 2019 to cover the whole courses. The secondary data are collected from internet, books, journals, research articles newspapers; bank websites etc. This study used both the primary data and secondary data. Survey question are prepared by using five-point Liker scale to measure the factor influencing usage of credit card holders of AGD Bank.

1.4 Organization of the Study

This thesis consists of five chapters. Chapter (1) is concerned with introductory part of the study this includes rationale of the study, objectives of the study, scope and method of the study. Chapter (2) is involved with theoretical and conceptual framework of the study. Chapter (3) describes the profile of the AGD Bank and operation activities in AGD bank. Chapter (4) presents analysis of the factors influencing usage of credit cards holders of AGD Bank. Chapter (5) is conclusion and gives a summary of the main findings in relation to the original aims of the study.

CHAPTER 2

THEORETICAL BACKGROUND OF THE STUDY

This chapter outlines the literature that informs the conceptual framework that underpins the study. A credit card is a flexible and convenient way to borrow money and pay it back over time. It provides benefits to consumers and merchants which are not provided by other payment instruments. As what stated, the steady rise in household debt in Canada could also be a generational shift in attitudes as credit becomes easier to access. Debt also is used for many productive purposes such as education, starting a business or buying a house.

2.1 Global History of Credit Card

Credit card originated in the United States during the 1920s when service stations, department stores and hotel chains began offering them to automobile-loving consumers who didn't want to trek back to their hometown. Ralph Schneider and Frank McNamara, founders of Diners Club, to consolidate multiple cards, expanded the concept of customers paying different merchants using the same card in 1950. The Diners Club, which was created partially through a merger with Dine and Sign, produced the first "general purpose" charge card and required the entire bill to be paid with each statement. That was followed by Carte Blanche and in 1958 by American Express, which created a worldwide credit card network (although these were initially charge cards that later acquired credit card features). Before applying for a new credit card, consider learning about the different types of credit cards that are available to meet user needs. Each credit card type provides specific benefits to fit users' lifestyles.

The different categories also vary in how they can serve users' financial goals and current financial situation. A credit card is a payment card issued to users as a system of payment. The first bankcard was named "Charge-It" in 1946. The Bank of America introduced the BankAmericard during the late 1950s. Visa Card was introduced in the mid-1970s. Rival banks of the Bank of America created an association that came to be known as MasterCard. The American Express Company, also known as Amex, is an

American multinational financial services corporation headquartered in Three World Financial Center in New York City. The company was founded in 1850, and is one of the 30 components of the Dow Jones Industrial Average (Dow Jones, 2013). The company is best known for its credit card, charge card, and travelers' cheque businesses. In 2016, credit cards using the American Express network accounted for 22.9% of the total dollar volume of credit card transactions in the US (Comoreanu, Alina, 2017). As of December 31, 2016, the company had 109.9 million cards in force, including 47.5 million cards in force in the United States, each with an average annual spending of \$17,216 (American Express Company, 2016).

In 2016, Interbank ranked American Express as the 25th most valuable brand in the world, estimating the brand to be worth US\$18.358 billion (Interbred 2016 Rankings- American Express as the 17th most admired company worldwide (Fortune Most Admired Companies #17). Credit cards are available from four systems-two associations of banks and two proprietary companies (David S. Evans and Richard L. Schmalensee, 2003). The bank associations are Visa and Master banks of these associations issue cards under those brand names. Discover Financial Services is a proprietary company that issues the Discover and Private Issue credit cards (Lisa Fickenscher & Dean Witter, 1998). American Express is a proprietary company that issues the Optima and Blue credit cards. In addition to personal credit cards, American Express, Master Card and Visa have developed credit card products that are targeted towards small businesses. Paying with Plastic, the digital revolution has created in buying and borrowing (MIT Press, 1999) for more details on credit cards and their role in the economy. Travelers from the U.S had encountered problems abroad because many countries have introduced smart cards, but the U.S. had not. As of 2010, the U.S. Banking system had not updated the cards and associated readers in the U.S., stating that the cost were prohibitive.

2.2 The Reason of Credit Card Holders why are using credit card

According to the Money smart debt clock, the average Australian card holder is paying over \$700 interest on their credit card annually so there is good reason, if you didn't already have a credit card to avoid one. But, there are a number of reasons why

having a credit card makes a lot of sense and if you are savvy about when you use it, where you use it, and when to stop using it, a credit card can be an extremely useful financial tool. Here are our top 5 reasons to have a credit card.

2.2.1 Rewards

With a rewards credit card for every dollar you spend you'll earn points which you can redeem for a range of things from cash back, flights or shopping rewards. The number one rule for anyone considering a rewards credit card is pay your balance off in full each month. If you don't, you'll end up paying more in interest than you'll earn in rewards value.

2.2.2 Purchase protection

Accidentally leave your brand new Ray Bans on the train or dropped your iPhone 6s and shattered the screen? No problem. Many credit cards come with complimentary purchase protection which means that if you use your credit card to purchase the goods and then they are lost or damaged (usually within 90 days from purchase) you'll be able to claim them on your cards insurance.

2.2.3 Grace Period

When you make a debit card purchase, your money is gone right away. When you make a credit card purchase, your money remains in your checking account until you pay your credit card bill. Hanging on to your funds for this extra time can be helpful in two ways. First, the time value of money, however infinitesimal, will add to wealth. Postponing payment makes your purchase that much cheaper. Beyond that, your cash will spend more time in your bank account, and if you pay your credit card from a high-interest checking account and earn on your money during the grace period, the extra will eventually add up to a meaningful amount.

2.2.4 Cash Back

The cash back credit card was first popularized in the United States by Discover, and the idea was simple: Use the card and get 1% of your balance refunded regardless of what you bought or where you bought it. Today, the concept has grown and matured. Now, some cards now offer 2%, 3% or even as much as 6% back on selected purchases.

2.2.5 Worldwide shopping

A credit card opens up the shopping malls of America and the boutiques of Paris to you. Visa, Master card and American Express cards all have worldwide access and can be used whether you are at the shop in person or at the other end of a computer screen.

2.3 Influencing factors of credit card usage

The objective of this study is to investigate the relationship between the five independent variables namely easy access to credit card, aggressive promotion by the credit card provider, low minimum payment requirements, attitude towards credit card and credit card related knowledge of credit card usage among AGD credit card users.

2.3.1 Easy Access to Credit Card and Credit Card Usage

In view of its increasing importance as a mode of payment in the modern society, the usage of a credit card has an influential impact on consumers' well-being. Several empirical studies have been conducted on various aspects of credit card usage. The study by supports that easy access to credit, particularly through credit card, results in consumers to be over-spending and being in debts that they could not handle. By letting consumers buy things with unparalleled convenience and speed, they tend to spend more; often more than their income and what they have in the bank. This condition related well with that credit card directly fueled an explosion in consumer debt. The geographical location between the north and south is one of the important factors for having and used the credit card in Italy, whereby the easier location for the card to be used is the more preferable compared to the uneasy location.

2.3.2 Aggressive Promotions by Credit Card Provider and Credit Card Usage

Many of the financial institutions and companies are targeting the young and career people as a customer. Mass promotions conducted to draw the attention of young people to use a credit card as a shopping means. Various strategies used by salespeople to promote credit cards to the targeted group. The mismanagement and usage of credit cards have become one of the reasons for the increased of credit card debt coupled with the rapid expansion in the bankcard industry. Consumers across Malaysia are becoming more brand-conscious and are seeking these products that give them products suiting their lifestyle and thereby satisfaction. The latest study done by showed an interesting finding, whereby the discount offers or other card facilities in the result of aggressive promotions also drive and encourage credit card holders to use their credit cards frequently.

2.3.3 Low Minimum Payment Requirement and Credit Card Usage

Since there much competition in the credit card industry, the industry began its promotion by lowering payments to attract customers. Since 1990s credit card companies are competing with each other to have more customers. By lower the requirements payment which will attract regardless age groups, especially young or college students. Studies show that the main competitive strategy is the reduction in the minimum payment requirement from 5% to between 2 to 3% of the balance.

2.3.4 Attitude towards Credit and Credit Card Usage

The widespread use of credit cards reflects consumer preference regarding prearranged lines of credit, and technological developments have made it much easier for creditors to offer revolving credit. Furthermore, studies show that belief is more influential than the knowledge about credit card practices. They are positive that attributes flow from beliefs. One study found that younger consumers have more positive attitudes towards credit card use than the older consumers, because younger consumers believe that the potential to earn more money in the near future, thus they are willing to adjourn their payment. The younger generation has more lenient attitude towards debts whereby their behavior was not significantly associated with attitude. There was no

significant impact of attitude on credit card debts. A possible explanation for this is that consistent with other findings, credit cards across Malaysia as a convenience product has led to compulsive shopping behavior causing addiction to shopping and heavy debt. One of the studies done by found that although the credit card holder selected credit card based on cost and benefits, but behave differently in their payment behavior.

2.3.5 Credit Card Related Knowledge and Credit Card Usage

According to focuses on the knowledge, awareness and behavior relating to credit card usage among consumers. To improve consumers' attitudes about credit card usage, it is necessary to understand how the gap can be narrowed between consumers' attitudes and the factors that are influencing it. However, awareness and understanding are two different things. Companies' listings credit card interest rate increase attentiveness of the price of credit, but this does not guarantee improvement in consumer understanding. Moreover, personal financial knowledge is an important component in consumer decision making. The knowledge relating to credit card use, for example, might be useful when promoting personal finance education among high school and college students .The education, religious education level, gender and religious level also influence the selection and the usage of the credit cards .

2.4 Empirical studies

Credit card fraud is a growing menace worldwide, it is therefore wise to make a credit card more secure in order to gain widespread acceptance. Although no data exists on the menace, with banks keeping cases involving their customers a guarded secret for various reasons, counterfeit cards and manipulation of lost cards remain the two most common ways in which credit and debit card fraud is perpetrated. Even on the Internet, Visa technologists say, transactions are quite secure. "Research has shown that 90 percent of the disputed transactions via the web are genuine, (Bayliss and Parsons, 2004).Much of the early work on consumer debt focused on traditional loans, which are unlike credit card loans in several key respects. Whereas traditional loans involve predetermined loan amounts and fixed payment schedules, with credit card loans, the actual borrowing decision is at the consumer's discretion after receiving a fixed line of credit. Debt

repayment on credit cards is flexible, with the minimum monthly repayment being a fixed percentage of the total balance. Finally, unlike many traditional loans, credit card borrowing does not require consumers to post collateral which may place a greater risk on the lender.

Credit information is a set of data used by creditors to verify the financial status and payments record of borrowers. Limited research on this subject suggests that there is a strong positive correlation between the availability and cost of credit and the level of development of credit information (Miller and James, 2003). Thus, according to Japelli and Pagano (2006), the exchange of information on borrowers between financial service providers decreases default rates and average interest rates.

Electronic payments offer the same freedom as bank notes, but without the associated risks of holding cash for transacting. For those people who fear being robbed of their cash while walking to the supermarket, cards offer a risk-free solution. Moreover, they provide you with a means to track the money you spend. Unlike cash, which just slips through your fingers, a debit or credit card statement provides a clear record of expenditure, which can be particularly useful for accounting purposes (Katz, 2005).

Credit information systems can develop only if an adequate regulatory and institutional framework encouraging financial reporting and data disclosure is in place. That should give rise to well-developed public records, including public and court registers, availability of data from independent sources, and a readiness on the part of enterprises and financial service providers to share and pool credit information.' Maintaining and even refining these conditions are equally important for launching and developing their modern variant e-credit information. With time, successful ratings are becoming powerful tools to help the credit bureaus attract more enterprises seeking access to trade finance and e-finance (Muhlbracher et al, 1999). Consumers tend to have strong uncertainty avoidance and hence the lack of regulation is inhibiting the adoption of online banking. Also as consumers tend to be culturally more resistant to change, they might prefer and keep on using the familiar branch banking services.

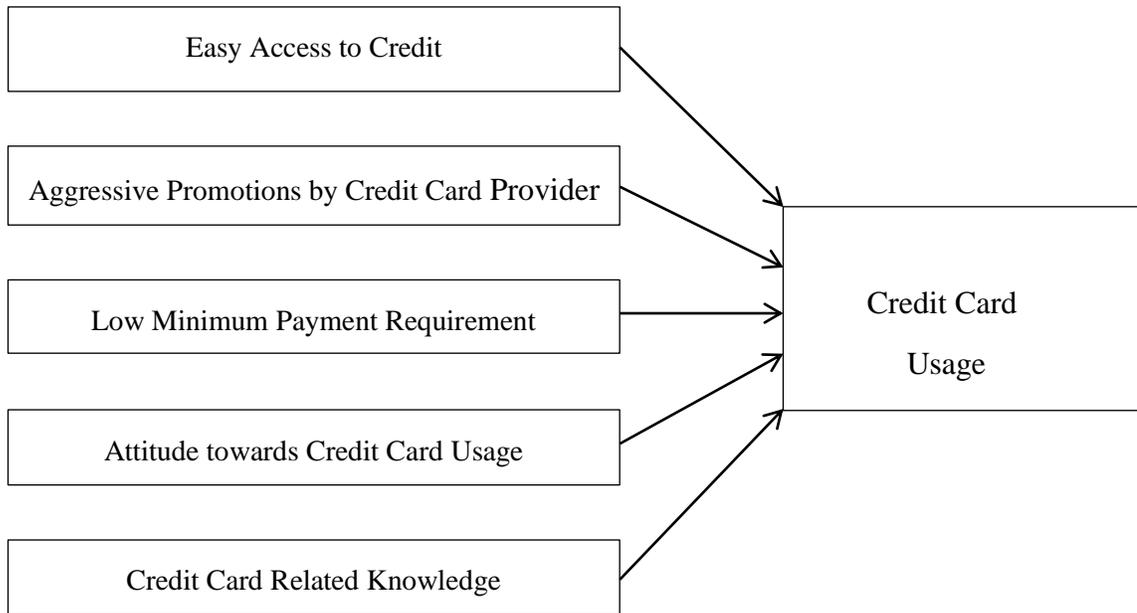
To be sure, credit cards can be abused, and their proliferation may lead some people getting buried in debt. To solve this problem, banks have typically given credit

cards only to a select few. Many cardholders treat cards as a source of income and aren't disciplined about paying off their balance (Ernest and Young 2006). Credit cards got a reputation for bringing financial ruin to their owners. One local Kenyan bank now acknowledges Kenyans' "card-o-phobia" in its ads - and aims to help them get over it through awareness drives (Munaita, 2003). The conceptual framework of the study for this study can be seen in Figure 2.5. This study tried to look at the possibility of the significant correlation between dependent and independent variables.

2.5: Conceptual Framework of the Study

Americans have created billions of dollars' worth of debt over the past 45 years and credit card debt has contributed the bigger portion of that amount. In a modern business, credit cards serve as a payment device instead of cash or cheques for millions of repetitive purchases along with many other transactions that would be inconvenient or impossible. A credit card is a flexible and convenient way to borrow money and pay it back over time. It provides benefits to consumers and merchants which are not provided by other payment instruments. As what stated, the steady rise in household debt in Canada could also be a generational shift in attitudes as credit becomes easier to access. Debt also is used for many productive purposes such as education, starting a business. (Mohamed et al., 2016).

Figure 2.5: Conceptual Framework of the Study



Adopted from: Mohamed et al., 2016

Based on the conceptual framework mention above, the following analysis to find out influencing factors on the usage of credit card holders in AGD bank.

CHAPTER 3

PROFILE OF ASIA GREEN DEVELOPMENT BANK

This chapter includes the background profile of Asia Green Development Bank, corporate objectives, mission, vision and values, the organization structure, financial services provided by the bank, banking services of AGD Bank and core banking practices of AGD Bank. It also presents how operations department of AGD Bank makes their operations. All the data about the bank which appear in this chapter are based on information and materials from the operation department of the bank as well as it is based on the bank's annual report and web pages.

3.1 Profile of Asia Green Development Bank

This chapter consists of discussion on general situation of Myanmar Banking Industry which is followed by the profile of the AGD Bank. The profile of the AGD Bank includes the backgrounds of the bank, extension of the bank branches, vision, mission, corporate value and corporate objectives of the bank, financial services provided by the bank, the progress of the bank and the community involvement of the bank.

AGD Bank has now entered into the 10th year with a significant level of accomplishment in the Banking business in Myanmar. Looking back to the journey the bank has been through, the bank has witnessed a lot of struggles and changes as well. The bank started their banking business on August 6, 2010, the Bank's Head Office and first branch was successfully opened on August 6, 2010 in Nay Pyi Taw, as a private company with an authorized share capital of Kyats 30 billion and paid-up share capital of Kyats 10 billion.

At present (77) branches have been opened all over Myanmar to cover major cities or business areas in the country and are providing banking services to the general public. And also extended relationship with foreign banks, 58 correspondence banks have been established so far. Foreign exchange remittance, inward as well as outward, has been expanded through AGD Bank and with the result that their partners from various countries resulting easy access for Myanmar nationals here and abroad.

During a short period, the AGD has acquired Authorized Dealer and Money Changer Licenses, has established an International Banking Department and opened (52) foreign exchange counters. The Bank, with over 2640 staff is enhancing its services with momentum across Myanmar. In addition to young, energetic and skilled banking technicians, experienced senior banking personnel, mechanical and computer programmers, computer networking and communication experts, management experts, financial experts, marketing experts, human resource development experts are working together to construct the smooth pavement of the Bank's future development.

3.2 Corporate Objective, Vision, Mission, Value, Future Plan of AGD Bank

AGD Bank has clearly defined its corporate objectives which are to be executed and understood by the organization to achieve its vision, missions, value and future plan.

Vision

Our Vision is to provide the vitally important banking infrastructure that will make a lasting and sustainable impact on this future, building the economic foundations of a progressive Myanmar.

Mission

To deliver banking excellence through inspired and outstanding customer service, while offering innovative products and services that meet our clients' requirements.

Values

Innovation: We are determined to lead the field in every product and service we offer to our customers. We will provide innovative solutions not only offering them what is available today but anticipating their needs for the future.

People: We treat our customers, our staff and our community with the utmost respect both as individuals and for the ideas and future they represent. We see employee development as a necessity and recognize and reward outstanding performance.

Integrity: We believe in working strictly within the rules, those set by our regulators and by our own high standards. We always act transparently in all our dealings and relationships, internally and externally.

Listening: We always listen to our customers, and our colleagues, seeking to understand the meaning beyond the words.

Commitment: We are committed to performance, teamwork and ensure accountability by ensuring that AGD is the trusted source of efficiency, strength and security.

Future Plan

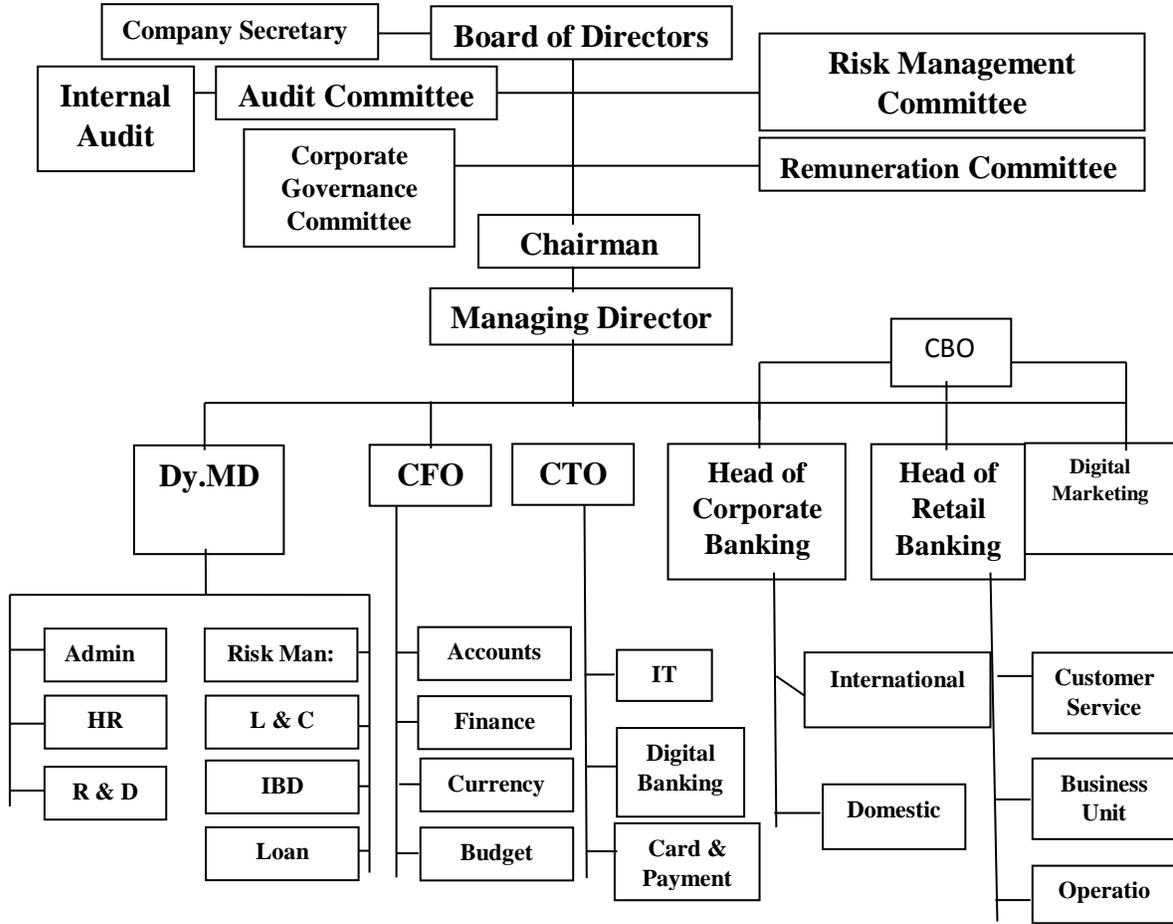
In order to improve the bank's operations and achieve sustainable growth of the Bank, the following plans will be implemented in the near future:

- (a) To open more bank branches in towns and townships where there is economic and trading prospects;
- (b) To promote banking services, in line with advanced technology, for prompt dependable and modernized operations;
- (c) To upgrade the capacity of banking staffs for the Bank;

3.3 The Organization Structure of AGD Bank

Asia Green Development Bank has a proper organization structure which is started below. The Board of Directors sits on the very top of the organization chart which directly goes down to Managing Director (MD). The Bank's Management Board consists of (23) members. They are Chairman, (1) Non Executive Director, Managing Director, (1) Deputy Managing Director, (1) Chief Financial Officer, (1) Consultants, (2) Executive Directors, (2) Deputy Executive Directors, (1) Senior General Manager and (12) Heads of Departments. The Bank's Organization Structure is shown in Figure (3.1).

Figure (3.1) Organization Structure of Asia Green Development Bank Limited



Source: Asia Green Development Bank’s Orgnization Chart, 2019.

At the Bank Head Office there are 15 departments and 2457 staffs at the end of October 2019. These are Admin Department, Human Resources, Currency, International Banking, Customer Service, Digital Banking Department, Account,Credit, Risk Management, Legal & Compliance, Share Management, ICT, Budget, Research & Development Department. But, management level of AGD Bank is clearly described by their positions. The Bank’s Management and employee positions are shown in Table (3.1).

Senior Management Level includes Chairman, Managing Director, Deputy Managing Director, Chief Business Officer, Chief Financial Officer, Chief Technology

Officer, Executive Director, Deputy Executive Director and Senior General Manager. In middle level, General Manager, Deputy General Manager, Assistant General Manager, Senior Manager, Manager, Deputy Manager, Assistant Manager are included. In the front-line staff level includes Supervisor, Assistant Supervisor, Senior Operating Staff and Junior Operating Staff, IT technician and Office Assistant. In other rank level, driver, security, helper and cleaner are included.

3.4 Credit Card Operations Activities in AGD Bank

AGD Bank successfully launched the AGD Visa Credit Card at the Pullman Yangon Centre point in Yangon on 1st August 2018. AGD Bank introduced three types of AGD Visa Credit Card - Visa Classic, Visa Gold and Visa Platinum, for public use. As AGD Bank is being recognized as a leading bank in Myanmar in term of using digital technology, this is a financial service, useful for AGD Bank's valued customers in their daily lives.

AGD Visa Credit Card is: 1) in use of technology to manage by making an immediate lock from mobile phone for high security of the card; 2) made in an Innovative Card Design; 3) offering special exclusive benefits for AGD Card users; and offering Visa's special promotion deals and other special exclusive benefits. (By using at over 45 million merchants worldwide, websites and mobile applications).

The technology for high security of the card means that if the card is lost, in protection from other people using, it can be locked through AGD Pay from mobile phone as the highest security system. In case of losing the card, it can protect from other people using the card for shopping, cash withdrawing and online-shopping by making an immediate lock on AGD Pay from mobile phone.

The card's layout, 'Visa Quick Read Design' helps customers convenient in using the card. It makes easier in online shopping because important information (card number, expired date and security number) are mentioned on the same side of the card. This is an international payment service in order to provide our customers a better and convenient

service. In Myanmar which is moving forward on the track of development, we can now make cashless payments for our spending.

“It is announced in full of pride that AGD Visa Credit Card which is in appearance of an innovative design with high security system and offers exclusive benefits, is introduced to Myanmar citizens in partnership of AGD Bank and Visa Worldwide Co. Ltd. The objective of AGD Bank is to provide innovative product and services in line with the needs of users and to offer the greatest banking services for customers.

It is honored that AGD Bank is able to provide an integrated high-tech Visa Credit Card. AGD Visa Credit Card is made not only in an innovative card design but also with an integrated high-tech security system. Besides, users of AGD Visa Credit Card may enjoy special benefits like other visa card users in the world. By using AGD Visa Credit Card, Myanmar people can easily and safely make electronic payments. Moreover, it is believed that this will escalate a transition from cash-based economy to digitalized economy.

Customer can do online payment transfer with these credit cards. For application of AGD Visa Credit Card, anyone aged 21 or above with necessary documents can visit any AGD Bank Branch. . These three cards are divided by customer's salary basic income. Every customer has minimum salary 300,000 kyats can apply credit card. Bank limited the customer loan amount up to 2 times of customer's salary. Customer can get a lot of benefit by using bank credit card. Customer can enjoy 45 days maximum interest free of grace period., low interest rate and customer can go shopping around the world and get awesome deals and discounts with credit card. End of the month customer received the bank statement through with customer's email and customer can pay all credit amount or 10% of credit amount. About the transactions customers are more interesting to use the bank credit cards.

3.4.1 Sourcing & Acquisition

Credit Card customers are primarily sourced from respective Branches, Business Units, and through cross sell activities. The bank can appoint Direct Sales Agents or hire interns to market the product to our prospective customers.

3.4.2 Branch Operation

Credit card customer Fill in Visa Credit Card Application form. Explain thoroughly about credit card (Rates, Fees, etc.)Branches need to get sign from customer in Terms & Conditions paper and give copy to Customer and then stitch the original with Application Form. Inform customer about of Issuing fees and Annuals fees will be start effective from card received date and customers are obligate to pay it after receiving card. Inform Customers to fill in the phone number that he/she actually use. (PIN will be sent directly to customer's phone. Check and verify customer's ID. (Customer's ID cannot be changed or altered once it's being set in system).Check and verify customer's email. Inform customer to fill in the email address that he/she actually use. (Statement will be sent to customer's email, monthly).Checking the Customer information, If customer is the existing customer, gets CIF (Customer Information) no with NRC NO. If customer is new customer, Open new account and get Customer Information No. In Customer Information No. opening process, bank shall.

3.4.3 Credit Card Operation Team Process

Daily applicant list must be signed by the branch in-charge. Branches have to collect the original application, term & condition and keep in vault. Verify credit card applications, check completeness of applications. If not data are not complete, Request relevant branches or sales team for additional documents. Allot to Field staff, if on-site verification is required. Complete on-site verification process within 3 days then submit report to relevant data entry operator. If verification report result is inapplicable sent application to manager for rejection. Check and verify application forms from branches, and input data entry with maker user. If report is acceptable, completes data entry in the following order and submit to Supervisor for verification and approval (such as (1) Data entry (2) Hot list enquiry (3) Negative information search (4) Check duplication (5)

Attach documents. Verify application, documents, data entry and approve the scoring and card type eligible.

If rejected as per credit score, assess the application manually. If found eligible, submit to Manager with recommendation. Check and verify customer's data and approve with checker user. For rejected application as per credit score, manager can prepare overwriting recommendations by manual processing. For rejected application as per credit score, manager can prepare overwriting recommendations by manual processing. Authorized person can recommend special limits or temporary limits to VIP cards. Request final approval from authorized person (management) for special limits for VIP card. Card generate team receive peso cards by sing card receive book from Peso vendor and make card packaging. Deliver to branch by delivery system Branch has been received card when sing in form and resent card to card pin mailer team. Pin mailer team must be sent card pin to cardholder phone. Branches must check the number of card and name in receipt register book then sign in receiving the delivery package. Branches must contact to customer by phone for card collection.

CHAPTER 4

ANALYSIS ON FACTOR INFLUENCING USAGE OF CREDIT CARD HOLDERS OF AGD BANK

In this chapter, it states the results from the analysis on the factor influencing usage of credit card holders of AGD bank in Yangon. The primary data were collected through consumer surveys administered among credit card cardholders in AGD bank. The survey contain profile of respondents, easy access to credit card, and aggressive promotion by the credit card provider, low minimum payment requirements, attitude towards credit card and related knowledge and the credit card usage.

4.1 Research Method

This study was conducted with AGD bank's credit card holder and AGD staffs before the actual survey took place. A total of 150 questionnaires were distributed to the credit card user, but only 120 questionnaires were able to be analyzed for this study. Only credit card holders with the usage of debts were chosen as the respondents to meet the objective of this stud. The survey was conducted from 1st to 15th November 2019. The questionnaire has two different; the first part includes the questions on the demographic section which focuses on items such as gender, age, marital status, educational level, and position. The second part includes the five variables namely easy access to credit card, aggressive promotion by the credit card provider, low minimum payment requirements, attitude towards credit card and related knowledge and the credit card usage. The questionnaire in section B was instructed in five point Likert-scale format, where 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree and 5 = strongly agree.

The data collected were analyzed using the Statistical Packages for Social Science (SPSS) version 2.2. The study used both descriptive and inferential statistics. The descriptive statistics include the mean and standard deviation.

4.2 Demographic Characteristics of Respondents

This section presents the profiles of selected 120 customers of the credit card user of AGD Bank in Yangon. The profiles of respondents cover the gender, age, marital status, educational level, position are as follows,

4.2.1 Gender of Respondents

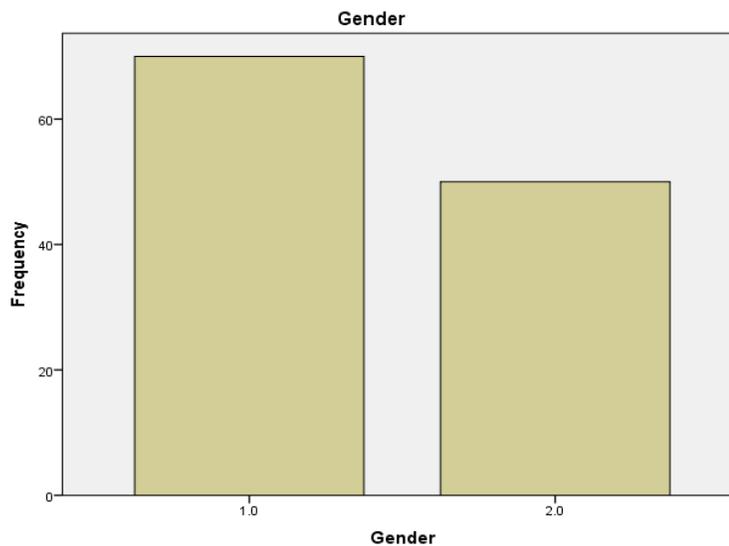
Table (4.1) provide the gender of respondents in this study.

Table (4.1) Gender

	Frequency	Percent
Male	70	58.3
Female	50	41.7
Total	120	100.0

Source: Survey Data (2019)

Figure (4.1) Gender



Source: Survey Data (2019)

As show in Table (4.1) and Figure (4.1) the sample consists of 70 males and 50 females. In terms of the percentage, female respondents are 41.7% of the sample while male respondents are 58.3% of the sample. Therefore, male respondents give feedback more than female.

4.2.2 Age of Respondents

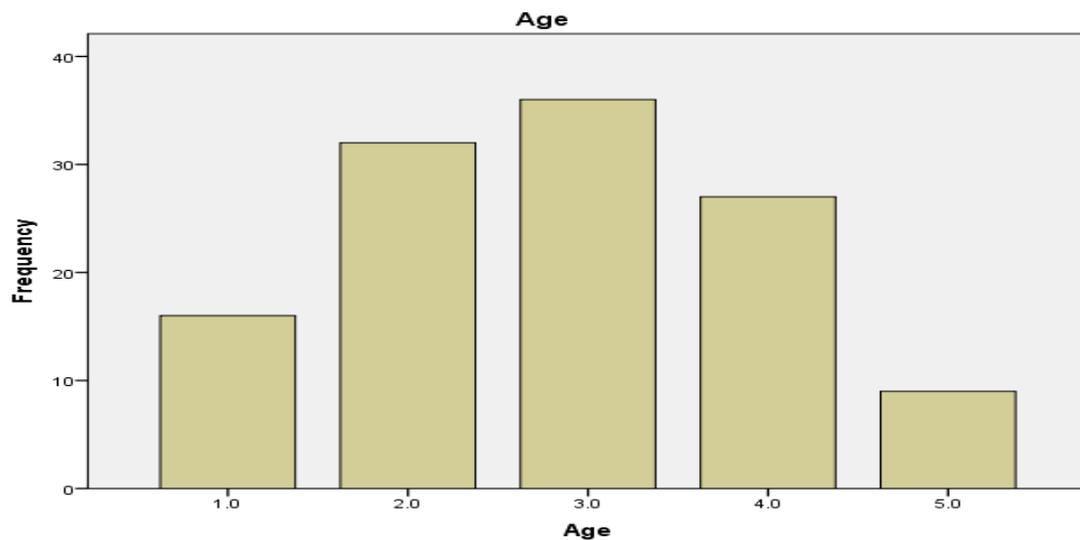
Table (4.2) provide the age of respondents in this study.

Table (4.2) Age

Age	Frequency	Percent
Below 25 years	16	13.3
26 - 30 years	32	26.7
31 - 35 years	36	30.0
36 - 40 years	27	22.5
Above 40 years	9	7.5
Total	120	100.0

Source: Survey Data (2019)

Figure (4.2.2) Age



Source: Survey Data (2019)

As show in Table (4.2) and Figure(4.2) The age of the result show 36 respondents who are 31 - 35 years are the largest portion with 30% and the 16 respondents who are below 25 years, between 26 - 30 years are 26.7% and 36 - 40 years are 11.5% and Above 40 years are 7.5% respectively .As per result, the largest portion 84% represents the

young people who are more spending to use with credit card and pay by installment because they have fixed income per month and regular debt can be paid.

4.2.3 Marital Status of Respondents

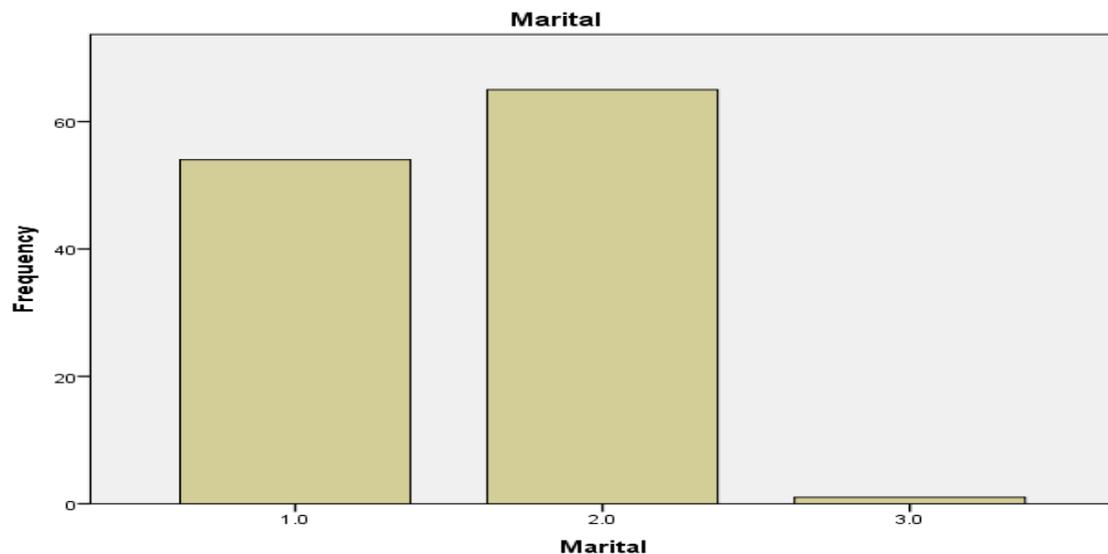
Table (4.3) provide the marital status of respondents in this study.

Table (4.3) Marital Status

	Frequency	Percent
Single	55	45.8
Married	65	54.2
Total	120	100.0

Source: Survey Data (2019)

Figure (4.3) Marital Status



Source: Survey Data (2019)

As show in Table (4.3) and Figure (4.3) the number of respondents 65 are under married and 55 are single. In terms of percentage, married is 54 percent and single is 13 percent respectively.

4.2.4 Education Background of the Respondents

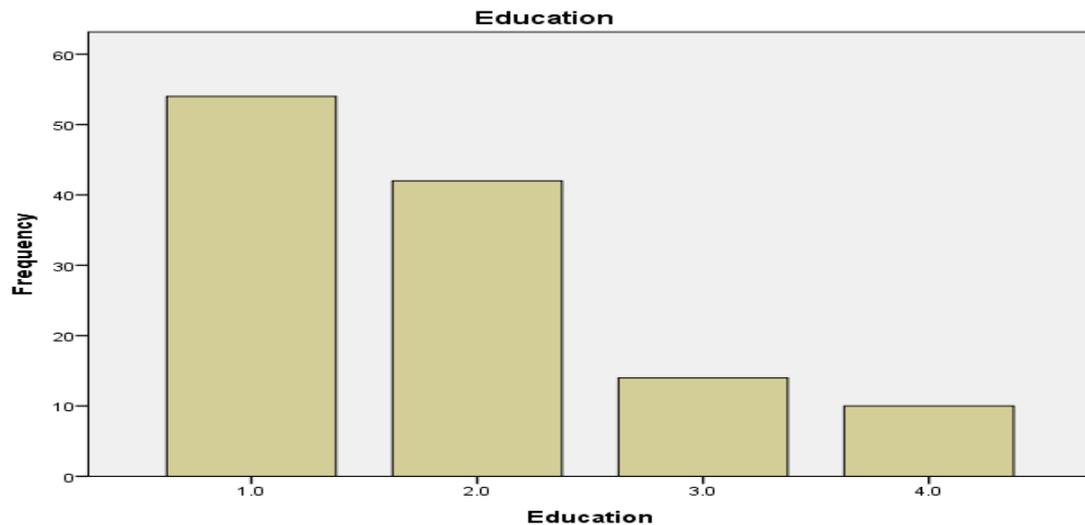
Table (4.4) provide the education background of respondents in this study.

Table (4.4) Education Background

	Frequency	Percent
Graduated from university	54	45.0
Post graduated diploma	42	35.0
Master	14	11.7
Other	10	8.3
Total	120	100.0

Source: Survey Data (2019)

Figure (4.2.4) Education



Source: Survey Data (2019)

As show in Table (4.4) and Figure (4.4), the most respondents for education level is Graduate 54 with 45 percent, Post Graduate from diploma is 42 with 35 percent, master level is 14 with 11.7 percent, and other is 10 with 8.3percent respectively.

4.2.5 Position of the Respondents

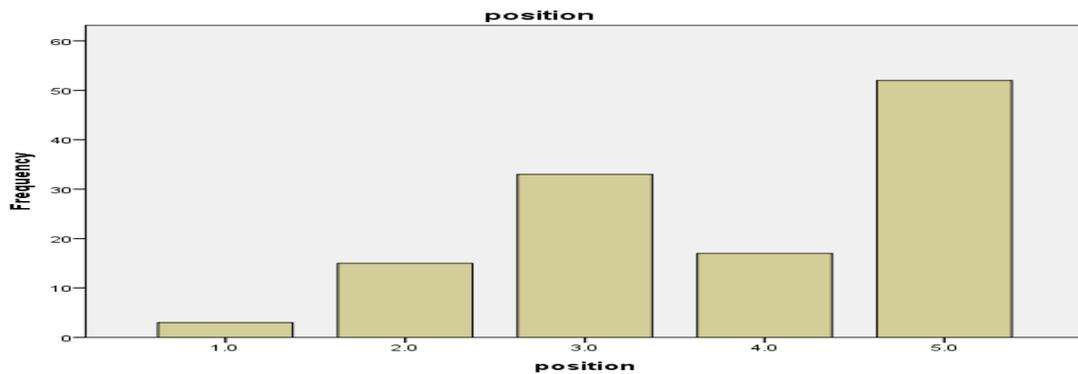
Table (4.5) provide the position of respondents in this study.

Table (4.5) Position

	Frequency	Percent
IT Technician	3	2.51
Junior/Senior Assistance	15	12.53
Assistance Supervisor	33	27.53
Supervisor	17	14.21
Assistant Manager	52	43.32
Total	120	100.0

Source: Survey Data (2019)

Figure (4.5) Position



Source: Survey Data (2019)

As show in Table (4.5) and Figure(4.5), according to Occupation 2.5 % of respondents are IT Technician, 12.5% of respondents are junior/senior assistance , 27.5% of respondents are Assistance Supervisor and 14.2%of respondents areSupervisor,43.3% of respondents are Assistant Manager are in this thesis.

4.2.6 Year of Experience of the Respondents

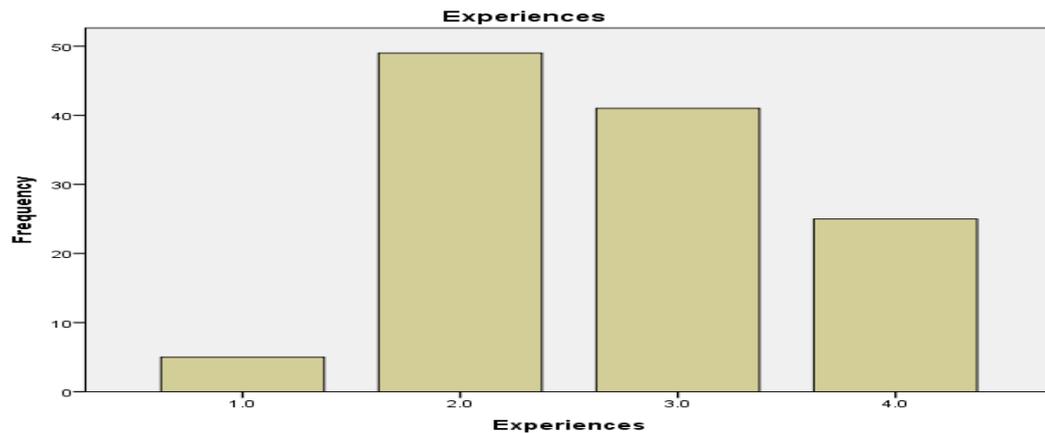
Table (4.6) provide the year of experience of respondents in this study.

Table (4.6) Years of Experience

Variable	Frequency	Percent
Less than 2 years	5	4.2
3 - 6 years	49	40.8
7 - 10 years	41	34.2
11 – 14 years	25	20.8
Above 14 years		
	120	100.0

Source: Survey Data (2019)

Figure (4.6) Years of Experience



Source: Survey Data (2019)

As show in Table (4.6) and Figure (4.6), According to experience less than 2 years is 4.2%, experience 3-6 years is 40.8%, experience 7-10 years is 34.2 %, experience 11 – 14 years is 20.8%, and experience above 14 years is 0% respectively.

4.3 Usage of Credit Card

Issue of credit card from AGD bank 2018-2019 total number of credit card is (3,742) and total limit is Myanmar Kyat (15,503,023,000) and usage amount is Myanmar Kyat(3,535,481,826.87). AGD bank allowed all customers are apply with requirement

documents. AGD bank issue life of credit card is nearly 2years and monthly usage of customers are frequently purchase with credit card for their consumption. They are presented by following table (4.7).

Table (4.7) Usage of Credit Card

Variable	Type	Frequency	Percent
Monthly usage	Between 0 to 5 times	35	29.2
	Between 6 to 10 times	65	54.2
	Between 11 to 20 times	18	15.0
	20 times and above	2	1.6
	Total	120	100
Life of Card	Under 6 months	27	22.5
	Over 6 months to 1 year	78	65.0
	1 year above	15	12.5
	Total	120	100
Type of Card	Platinum	12	10.0
	Gold	40	33.3
	Classic	68	56.7
	Total	120	100

Source: Survey Data (2019)

As show in Table (4.7), Most of user used classic card because of classic card of annual fee and joining fees is lower than the gold and platinum card types. Over 6 months to 1 year of credit card life is 65% of the holders. Monthly usage of credit card is 54% of users use the credit card between 6 to 10 times. Second one is 29.2% of holders use the credit card between 0 to 5 times. Third one is 15% of user use the credit card between 11 to 20 times.

4.4 Factors influencing usage of credit card holders of AGD Bank

This study focused on the five variables namely easy access to credit card, aggressive promotion by the credit card provider, low minimum payment requirements, attitude towards credit card and related knowledge and the credit card usage. The questionnaire in this study was instructed in five point Likert-scale format, where 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree and 5 = strongly agree.

Table (4.8) Easy Access to Credit Card

Sr	Statement	Mean Value	Std Deviation
1	Using credit card easy for me	4.24	1.04
2	Is it easy to apply for an AGD bank credit card	3.83	0.49
3	The requirement documents are fair.	3.35	0.60
4	The credit card joining fees is lower than that of competitors	4.40	0.77
5	You can apply at any AGD bank branch	4.45	0.67
6	The credit card annual fees is lower than that of competitors	3.37	0.72
7	Late Payment fees is lower than that competitor	3.56	0.76
8	The credit card interest rate is more affordable compared to common loan interest rates	3.33	0.50
9	The credit card interest rate is competitive compared to other offerings in the market	3.40	0.67
10	The organization considers leveraging information a customer's most recent location	3.34	0.64
	Overall mean value	3.73	

Source: Survey Data (2019)

According to Table (4.8), the maximum mean value are 4.45 and 4.40 and it can be said that it can apply credit card at any AGD bank branches and the credit card joining fees is lower than that of competitors. The minimum mean value is 3.32 which credit card interest rate is more affordable compared to common loan interest rates. This is because of credit card facilities are unsecured financing for holders.

Table (4.9) Aggressive Promotion by Credit Card Provide

Sr	Statement	Mean Value	Std Deviation
1	Most of Young and career as a credit card customer	3.98	1.06
2	Mostly use in purchasing goods (Gag, Closing , Retail shop,	4.25	0.88
3	Mostly use in Hotel , Bar ,Restaurant	4.34	0.76
4	Mostly use in Ecommerce transaction	4.07	0.85
5	Mostly use in Investment fund	2.53	0.50
6	Mostly use in travelling agency	3.67	0.67
7	Purpose of usage in worldwide	4.00	0.97
8	The organization has aggressively advertised about credit card information through electronic media	3.58	0.54
9	The organization usually provided enough information to enable the customers use credit card wisely.	3.50	0.69
10	Reward (cash back)	3.78	0.74
11	Reward (Point)	3.72	0.65
12	I have spent less than the credit limit amount.	4.06	0.73
13	I have spent same as the credit limit amount.	2.40	0.49
	Overall mean value	3.69	

Source: Survey Data (2019)

According to Table (4.9), the maximum mean value is 4.34 it can be said that they can mostly use in Hotel, Bar, Restaurant and second one mean value (4.25) is mostly use in purchasing goods (Bag, Closing , Retail shop) and used in worldwide by most of young and carrier. The minimum mean value is 2.40 which they have spent same as the credit limit amount. This is a good sign and we will be free from further over credit limit fees if you run out of credit limit. Researchers also found that users are the most likely to lose credit limit.

Table (4.10) Low Minimum Payment Requirement

Sr	Statement	Mean Value	Std Deviation
1	I spend grace period 30 days with credit card	3.92	0.63
2	I spend grace period 45 days with credit card	3.75	0.64
3	I spend grace period 60 days with credit card	3.91	0.70
4	Minimum payment amount is 5% on outstanding balance	2.54	0.55
5	Minimum payment amount is 10% on outstanding balance	3.37	0.58
6	Minimum payment amount is 20% on outstanding balance	2.69	0.51
	Overall mean value	3.37	

Source: Survey Data (2019)

According to Table (4.10), maximum mean value are 3.92 and 3.37 it can be mentioned that the credit card user spend grace period 30 days with credit card. This is because of terms of credit card is maximum 30 days from the date of purchase and must be paid within the period, no paid interest for their usage. That is benefit of users but beyond this period, higher of additional interest on overdue amount and penalties. The minimum repayment of monthly payments, at a minimum of 10% of the budget, helps consumers avoid the burden. However, a minimum 10% payment is not allowed for the interest free period and interest is charged. Researchers also found that a minimum of 10% on outstanding amount is suitable for all credit card users. The minimum mean is 2.54 and this is because of the employee do not like minimum payment amount is 5% on outstanding balance.

Table (4.11) Attitude towards Credit Usage

Sr	Statement	Mean Value	Std Deviation
1	The organization usually provided enough information to enable the customers use credit card wisely.	3.94	0.89
2	Younger consumers have more positive attitudes towards credit card use than the older customer.	3.45	0.69
3	Credit card holder selected credit card based on cost , benefit and payment behavior	3.67	0.76
4	Credit card users in using credit cards for the purpose of regular use.	3.79	0.60
5	Credit card users in using credit cards for the purpose of Emergency use.	4.01	0.33
	Overall mean value	3.78	

Source: Survey Data (2019)

According to Table (4.11), the maximum mean value is 4.01, most of credit card users used for emergency use based on cost, benefit and payment behavior. The minimum mean value is 3.45 and this is because of they have not enough income and experience. Most of credit card users are 31 - 35 years consumers have more positive attitudes towards credit card use than the young customer.

Table (4.12) Credit Card Related Knowledge

Sr	Statement	Mean Value	Std Deviation
1	Phone services in AGD bank	4.30	0.66
2	Effectiveness of card marketing	3.83	0.62
3	Local technical support	4.16	0.70
4	The survival of banking business is dependent on customer service	4.10	0.85
5	The organization sends credit card information through Facebook	4.07	0.54
6	AGD staff 's education level also influence the selection and the usage of credit card	4.18	0.50
7	Personal financial knowledge is an important component.	3.97	0.42
8	Information channels to educate the credit card customer	3.96	0.72
	Overall mean value	4.07	

Source: Survey Data (2019)

According to Table (4.12) the maximum mean value is 4.30 and most of users like AGD bank's phone services and customer service. Second one is 4.18 and that is because of AGD staff's education level also influence the selection and the usage of credit card. The minimum mean is 3.96 and that is because of lack of information to credit card user. In future, AGD bank can provide information with best communication channel such as email, phone message and Facebook to educate the credit card users more.

4.5 Summary of Factors Influencing on credit card usage.

Table (4.13)

Sr	Statement	Mean Value
1	Easy Access to Credit Card and Credit Card Usage	3.73
2	Aggressive Promotion by Credit Card Provide	3.68
3	Low Minimum Payment Requirement	3.36
4	Attitude towards Credit Usage	3.77
5	Credit Card Related Knowledge and Credit Card Usage	4.07
	Overall score	3.73

Source: Survey Data (2019)

According to Table 4.13, it found that only credit card related knowledge shows the highest mean with 4.07. It indicates that credit card related knowledge has high correlation and established a significant relationship with credit card usage among credit cardholders in AGD bank. Therefore, only the fifth hypotheses formulated for this study; there is a significant relationship between credit card related knowledge and credit card usage accepted for this study. Based on the findings, it can be concluded that credit card related knowledge is the only variable found to be the significant and the main predictor for credit card usage. Hence, the credit card provider should provide more information and educate their credit card holders as much as possible. Another finding was that the Low Minimum Payment Requirement Factor was mean value 3.36 and was the least significant. This also confirms that credit card users do not have an effective influence.

In summary from results obtained from the survey, it is seen that factor influencing the usage of credit card. This chapter presented the key finding based on the primary data collected by the researcher during the course of study. The finding for the qualitative data based on the questionnaire. However the next chapter would reflect how this analysis has helped achieve the objectives of the study and also provided recommendations based on these finding.

CHAPTER 5

CONCLUSION

The study intended to investigate the relationship between the five independent variables namely easy access to credit card, aggressive promotion by the credit card provider, low minimum payment requirements, attitude towards credit card and credit card related knowledge of credit card usage among AGD bank credit card holders.

5.1 Findings

In this study, the main purpose was to identify factors influencing usage of credit card holders of AGD bank. Most of the users are male who are 31-35 years are the largest portion.

Most of card used by respondent are classic, followed by gold card and platinum card that are mentioned income level of customer. Expectation of customer is wisely use credit card with purchase of goods and services but many of the merchant linking with bank can be used credit card but this merchant shop is expensive for classic holders.

Credit card is easy to use and better customer's services provided by bank. Many of customers are easy to apply AGD credit card. It can apply credit card at any AGD bank (77) branches.(Yangon, Mandalay and Other Regions)and the credit card joining fees is lower than that of competitors. Cost of credit card effect on customer satisfaction of banks. It was possible to conclude that credit card interest rate was competitive compared to other offerings in the market, penalties are not high. It was concluded that the only credit card interest rate (not include penalties fees on overdue amount and late fees) was affordable compared to bank interest rate because interest rate is fee for 30 days on spending amount.

Most of customers are wisely use credit card with purchase of goods and service but many of the merchant linking with the bank can be used credit card but this merchant shop is expensive for classic card users. The organization usually provides enough information to enable the customers use credit card wisely, customers should take credit card with sufficient information on the credit terms, customers should have attitudes towards credit card, the proliferation of credit cards and their ease of access had

given customer increased opportunities for making credit purchases. Customer should be carefully listen and respond to operation staff if not understand term and conditions of the credit card but many of the customers do not interested consequences of using credit card after purchasing of goods and services and cash withdraw with credit card. Sometimes, operation staff will explain about credit card with technical jargon to customer and finally customer doesn't know anything about credit card but will accept this. That is major problem between customer and bank in the nearly future. It was concluded that the organization should aggressively advertise on credit card information through electronic media and should have formed consumer groups to sensitive customers on credit card issues. The results of finding imply that the factor has signification influence on holders.

Results also led to the conclusion that the penalties were very high if customer not pay minimum amount. Customer do not paid minimum amount on time, the bank will charged 2.1% for interest rate, 2% for late fees on overdue fees at the start of the purchase date. Customer will pay minimum amount on due date, the bank will charge only interest rate and penalties for remaining balance (total cost of credit card is 2.08% per month).

Most of credit card holders used for emergency use based on cost, benefit and payment behavior. Most of credit card holders are 31 -35 years consumers, in that study found that younger consumers have more positive attitudes towards credit card use than the older consumers, because younger consumers believe that the potential to earn more money in the near future, thus they are willing to adjourn their payment. The younger generation has more lenient attitude towards debts whereby their behavior was not significantly associated with attitude. There was no significant impact of attitude on credit card debts.

Every service organization must offer excellent service to their customers. The bank has quality service thus encouraging individuals to repeated purchases, customers should inform to bank the chance to correct a service failure, the credit customer service operative are honest. Credit card is easy to use and better customer's services provided by bank. Actually, some of the problem between credit card customer's and bank' operation staff, there are monthly payment, code not receive to my phone when transaction is

activated within five minutes so payment is expire, each balance enquiry by customer will charge kyats 1500, wrong credit card statement to customers.

This study examined the factors that influence the credit card usage among AGD credit card holders using the five independent variables namely easy access to credit card, aggressive promotion by the credit card provider, low minimum payment requirements, attitude towards credit card and credit card related knowledge of credit card usage using the variables adapted and adopted by various related studies. Based on the findings, the only independent variable (credit card related knowledge) has a positive relationship with the dependent variable (credit card usage) among AGD bank credit card holders. The findings of this study have discovered that four variables; easy access to credit card, aggressive promotion by the credit card provider, low minimum payment requirements and attitude towards credit card have no significant relationship with the credit card usage.

5.2 Suggestions

As a concluding remark, the analytical results of this case study may differ from the previous study made by other researchers except the fifth variables which were credit card knowledge. The findings from the data analysis showed a different result due to the fact that this study is done as a case study and using a convenience sampling. Several suggestions may be taken into considerations if the same study will be carried out in the future. The contingency factors such as economic conditions, competitions and rises of prices of consumer goods or fuel hike might have the incoherent effect on credit card usage and can be explored in the future research. Malaysia government should tighten the rules of approving credit card. Central bank should ask the commercial bank to take concern about the consumer's income and commitment in order to approve credit limit. The credit limit shall set which do not exceed 2 months of the salary of the credit card applicant. Last but not least, the government should control the promotion by commercial banks should be controlled and the continuous education on the impact of credit card debt to Myanmar citizen should be done regularly.

5.3 Need for Further Studies

In this study mainly focused on the factor Influencing usage of credit card holders of AGD bank. And this study is only focused on AGD bank credit card holders. Future studies are needed to make other bank credit card use where different repayment plan, annual fees, interest rate and rewards. The study identified challenges (lack of legal support, frauds) faced by using credit card systems in the sales of credit card in Myanmar. Therefore there is need for a study to analyses and make recommendations on the current credit card systems in place at the AGD bank as well as the entire banking industry. A similar study should be carried out on the factors influencing the use of other banks credit cards by external customers and the results be compared with the internal customers findings.

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APPENDIX 1

**FACTOR INFLUENCING USAGE OF CREDIT CARD HOLDERS OF AGDBANK
(QUESTIONNAIRES)**

Dear Valuable Customer,

This questionnaire is for a survey to study the customer satisfaction in writing a thesis for the degree of Master of Banking and Finance (MBF) Programme. Results are until for partial fulfillment of Master Degree Programme. This is not related to any other business purpose. Please kindly answer the following question.

Thank you for your participation

Thu Zar Lin

MBF 5th BATCH

YANGON UNIVERSITY OF ECONOMIC

SECTION I : Demographic Information

1. Gender

- Male
- Female

2. Age

- Below 25 years
- 26 - 30 years
- 31 - 35 years
- 36 – 40 years
- Above 40 years

3. Marital Status

- Single
- Married

4. Education Background

- Graduated from university
- Post graduated diploma
- Master
- Other

5. Position

- IT Technician
- Junior/Senior Assistance
- Assistance Supervisor
- Supervisor
- Assistant Manager

6. Years of Experience

- Less than 2 years
- 3-6 years
- 7-10 years
- 11-14 years
- Above 14 years

SECTION II :Usage of Credit Card

7. Using Credit Card Easy For Me.
 - Yes
 - No

8. How many time use of credit card monthly?
 - Between 0 to 5 times
 - Between 6 to 10 times
 - Between 11 to 20 times
 - 20 times and above

9. How long have you been using Credit Cards?
 - Under 6 months
 - Over 6 months to 1 year
 - 1 year above

10. Which card type have you been using credit card?
 - Platinum
 - Gold
 - Classic

**SECTION III : FACTOR INFLURANCING USAGE OF CREDIT CARD HOLDERS OF
AGDBANK**

Please Tick on one answer.

1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree.

Sr	11.Easy Access to Credit Card and Credit Card Usage	1	2	3	4	5
1	Using credit card easy for me					
2	Is it easy to apply for an AGD bank credit card					
3	The requirement documents are fair.					
4	The credit card joining fees is lower than that of competitors					
5	You can apply at any AGD bank branch					
6	The credit card annual fees is lower than that of competitors					
7	Late Payment fees is lower than that competitor					
8	The credit card interest rate is more affordable compared to common loan interest rates					
9	The credit card interest rate is competitive compared to other offerings in the market					
10	The organization considers leveraging information a customer's most recent location					

Sr	12. Aggressive Promotion by Credit Card Provide	1	2	3	4	5
1	Most of Young and career as a credit card customer					

2	Mostly use in purchasing goods (Gag, Closing , Retail shop,					
3	Mostly use in Hotel , Bar ,Restaurant					
4	Mostly use in Ecommerce transaction					
5	Mostly use in Investment fund					
6	Mostly use in travelling agency					
7	Purpose of usage in worldwide					
8	The organization has aggressively advertised about credit card information through electronic media					
9	The organization usually provided enough information to enable the customers use credit card wisely.					
10	Reward (cash back)					
11	Reward (Point)					
12	I have spent less than the credit limit amount .					
13	I have spent same as the credit limit amount .					

Sr	13. Low Minimum Payment Requirement	1	2	3	4	5
1	I spend grace period 30 days with credit card					
2	I spend grace period 45 days with credit card					
3	I spend grace period 60 days with credit card					

4	Minimum payment amount is 5% on outstanding balance					
5	Minimum payment amount is 10% on outstanding balance					
6	Minimum payment amount is 20% on outstanding balance					

Sr	14. Attitude towards Credit and Credit Card Usage	1	2	3	4	5
1	The organization usually provided enough information to enable the customers use credit card wisely.					
2	Younger consumers have more positive attitudes towards credit card use than the older customer.					
3	Credit card holder selected credit card based on cost , benefit and payment behavior					
4	Credit card users in using credit cards for the purpose of regular use.					
5	Credit card users in using credit cards for the purpose of Emergency use.					

Sr	15. Credit Card Related Knowledge and Credit Card Usage	1	2	3	4	5
1	Phone services in AGD bank					
2	Effectiveness of card marketing					
3	Local technical support					
4	The survival of banking business is dependent on customer service					

5	The organization sends credit card information through Facebook					
6	AGD staff 's education level also influence the selection and the usage of credit card					
7	Personal financial knowledge is an important component.					
8	Information channels to educate the credit card customer					