

YANGON UNIVERSITY OF ECONOMICS
DEPARTMENT OF MANAGEMENT STUDIES
MBA PROGRAMME

CONSUMER USAGE BEHAVIOR AND BRAND LOYALTY
OF OOREDOO MYANMAR M-PITESAN

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EMBA II – 4

EMBA 16THBATCH

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ACADEMIC YEAR (2017-2019)

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A Thesis submitted to the Board of Examiners in partial fulfillment of the requirements for the degree of Master of Business Administration (MBA)

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ACCEPTANCE

This is to certify that this thesis entitled “**Consumer Usage Behavior and Brand Loyalty of Ooredoo Myanmar M-Pitesan**” has been accepted by the Examination Board for awarding Master of Business Administration (MBA) degree.

Board of Examiners

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ABSTRACT

This study aims to investigate M-Pitesan usage behavior based on the influencing factors and analyze the relationship between usage behavior and brand loyalty of consumers. Along with technology development, the role of cash payment is gradually replaced by many forms of e-payment and mobile money is one of them. Simple random sampling method is applied to select three stores from Yangon and two stores from Mandalay out of 20 stores. Then systematic random sampling method is applied to collect the data from respondents at these selected stores. Structured questionnaires are used to collect the primary data from 384 respondents. The findings of this study point out five factors influencing on the M-Pitesan usage behavior. These five factors are ease of use, compatibility, knowledge, perceived trust and perceived risk. Moreover, the result shows that usage behavior is affecting to the loyalty of the consumers. In this study, most of the respondents have positive feedback on influencing factors and also show positive usage behavior. Thus they are willing to recommend M-Pitesan to others and continue using this as loyal consumers.

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LIST OF ABBREVIATION

FinTech	Financial Technology
MFSP	Mobile Financial Service Provider
MNO	Mobile Network Operator
OTC	Over The Counter
P2P	Point to Point
Q3	Quarter 3
TAM	Technology Acceptance Model

CHAPTER 1

INTRODUCTION

Due to wide spread diffusion of mobile phones, a profitable business proposition is created for the banking, telecom, FinTech, and other sub-sectors of the economy in developing countries. Initially, mobile phones were used for communication purpose like making voice calls and messaging services. As technology is evolving from day to day, there are many things can be done using the mobile phones. Technological advancements in the area of telecommunications and information technology have continued to revolutionize the financial services. However, there are people today who have cell phones but lack of bank accounts are left with only informal networks to transfer and store money.

The majority of the population is either unbanked or under-banked, and many unfortunately are ‘un-bankable’ by traditional methods. Mobile money fills this need by providing a variety of services, from money transfers, phone bill top up or deposits to other and more services. Mobile money is a tool that allows customers to make financial transactions anytime and anywhere using mobile technology. Moreover, it is supported by an agent network, this mobile-based payment channel has broadened access to financial and payment services to remote location and previously unbanked segments of the population in the world’s developing and emerging markets. Unlike traditional delivery channels, such as bank branches and ATMs, an agent in the mobile money service channel provides banking and payment-related services to consumers on behalf of the banking institute or mobile network operator.

Agents are designated and contracted by financial services companies or non-banking actors such as telecom and FinTech firms. Mobile money refers to the exchange of electronic money value stored in a mobile wallet registered by Mobile network operators. The mobile money service user is able to load electronic money on the phone, which may be used in making payment for bills, transfer money, merchant payment and etc. Mobile money aims to provide the under privileged consumer segment with access to formal banking and payment products and services. The large growth in mobile phone use especially in developing countries makes mobile money deployments popular.

Mobile money services are a way of conducting low-cost financial transactions and operate at the intersection of Finance, Telecom and involve a diverse set of stakeholders.

Myanmar government opens telecommunication market in 2014 and since then mobile phones have been widely used in Myanmar. Subsequently mobile money starts booming in 2017. The main reasons for rapid mobile money adoption are affordability, usability and convenience. Myanmar has two licensing procedures for mobile money. One enables companies to partner with licensed banks and those that want to go it alone can apply for a mobile financial services license as well.

In Myanmar, there are popular mobile money service providers such as Wave Money, OK dollar, True Money and M-Pitesan. M-Pitesan was launched at the end of 2017 Q3, its aim was to accelerate financial inclusion in Myanmar, a country with less than 20% banking penetration. M-Pitesan had established a partnership with the country's second largest bank – CB Bank – which had 206 bank branches across Myanmar. As there are large and niche competitors loomed, it is not easy to increase the market share and retain the consumer loyalty for M-Pitesan. Constant monitoring the consumer behaviors and improve the services based on the behaviors are needed to gain the consumer loyalty. As mobile money is one of the FinTech, technologies, readiness of individual is vital for the success of M-Pitesan. Thus, Technology Acceptance Model is the suitable model for pursuing this study. TAM can explain the general determinants of the acceptance that lead to explaining users' behavior.

The study mainly focuses on the M-Pitesan consumers and how independent variables: knowledge, compatibility, ease of use, perceived trust and perceived risk impact on their usage behaviors.

1.1 Rationale of the Study

In the current era of highly competitive world, organizations need to provide the innovative solutions to solve the pain points of the consumers and mobile money is one of the solutions to solve the pain points of the consumers who have lack of bank accounts. Mobile money service providers put efforts to bring financial services to people by using mobile technology. The basic aim of mobile money service providers is to provide financial remittance services to the millions poor people all over the world who previously had no or inadequate access to financial services. In Myanmar, there are highly competitive mobile money service providers who are eagerly finding additional competitive edge and

differentiating functions to persuade consumers to select their services instead of a competitor's service. M-Pitesan is one of them trying to gain the larger market share.

Though M-Pitesan is launched two years back, service is yet to reach the targeted mass market level. Mobile money is relatively new in Myanmar and thus, it is important for the service providers to examine the usefulness factors affecting customers' usage behavior and to take the necessary steps to show a gap of knowledge in usage behavior and brand loyalty. There are important independent variables; ease of use, knowledge, perceived risk, perceived trust and compatibility which highly influence on consumers. By studying those factors, M-Pitesan can predict the usage behaviors of the consumers and necessary adjustments would be done to improve the services. This is critical for M-Pitesan to give the best services to the consumers which would result in highly satisfied consumers. Satisfied consumers is more likely to continue using the services which fulfill their needs. Then, they might become the loyal consumers of M-Pitesan. Studying of factors affecting the usage behavior benefits M-Pitesan to gain better understanding on the consumers. A better understanding of these factors would enable M-Pitesan to develop awareness programs and marketing strategies in order to ensure continued usage of the services.

1.2 Objectives of the Study

There are two objectives for this study as follows:

- To investigate the factors influencing the usage behavior of Ooredoo Myanmar M-Pitesan
- To analyze the relationship between usage behavior and brand loyalty of consumer

1.3 Scope and Method of the Study

This study only focuses on factors affecting the consumer usage behavior and brand loyalty of M-Pitesan. Due to limited time, this study mainly focuses on only 384 M-Pitesan consumers reside in Yangon and Mandalay. Mobile money services are FinTech in nature and therefore, many areas of their adoption are likely to be supported by technological theories.

This study adopts the descriptive method to reveal and measure the influencing factors of consumer behaviors of M-Pitesan. Both primary and secondary data sources are used for the study. Close-ended structured questionnaire are given out to the consumers to have an understanding of the usage behaviors. Independent variables were selected based on the extensive literature surveys. The questionnaire included scaled items that were adapted to reflect attitudes towards and usage behavior of M-Pitesan. Each variable measured five questions to tailor the impact on usage behavior. Aside to demographic questions, total of 33 questions were constructed and captured to get the usage behavior and brand loyalty. The questionnaire was administered using hard copy printed form and an online survey platform, Google survey allowed a link to be generated and circulated via social media channels, including email and viber, Secondary data are collected from the relevant textbooks, international research papers, internet websites and other related information resources.

Two methods are used to obtain the required data in this study. First, own stores are selected based on simple random sampling method. Second, M-Pitesan consumers are selected based on systematic sampling method from the selected own stores. In this study, 3 Yangon own stores and 2 Mandalay own stores are selected. Then 384 consumers are selected from these stores. Data collection duration is from May 2019 to June 2019. The data collected from the questionnaires are analyzed using regression analysis. To meet the objectives of the study and to determine the direction and extent of the influence of independent variables on dependent variables, descriptive statistics such as mean and standard deviation, and linear regression analysis are employed.

1.4 Organization of the Study

There are five chapters in this study. Chapter 1 includes the introduction, rationale of the study, objectives of the study, scope and method of the study and organization of the study. Chapter 2 describes the theoretical background of the study in which applicable theory and conceptual framework are explained. Chapter 3 presents the usage behavior of Ooredoo Myanmar M-Pitesan. Chapter 4 analyzes on the M-Pitesan usage behavior towards brand loyalty. Chapter 5 is concluded with the findings and discussions, suggestions and recommendations, and the needs for further study.

CHAPTER 2

THEORETICAL BACKGROUND

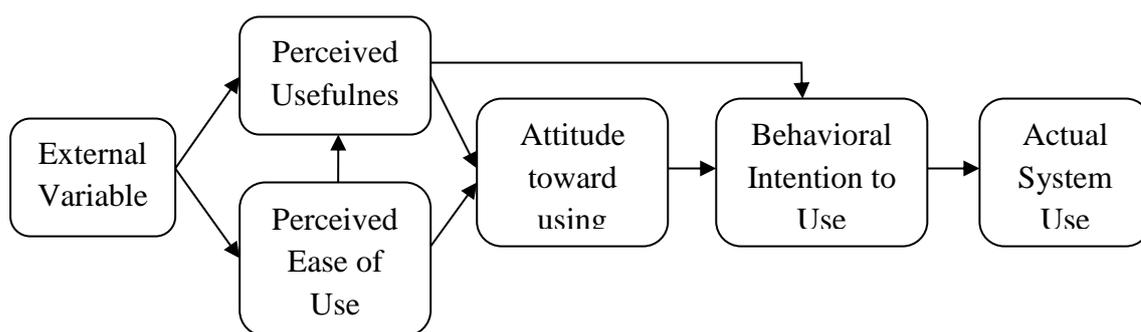
This chapter focuses on the theories and empirical studies associated with the M-Pitesan usage behavior and loyalty of the consumers. As mobile money is FinTech service, the adoption is mostly supported by technology theories. Theory of the study discussed in this section is Technology Acceptance Model (TAM) that led to high acceptance and usage of M-Pitesan. In digital age, technology is the key to make the business success. Today's technologies enable people to collect, send and receive information wherever they are.

2.1 Technology Acceptance Model

Technology acceptance model developed by Davis (1989), describes the consumer's willingness to accept the technology. It is designed to predict user's acceptance of information technology and usage in an organizational context. It also focuses on the attitude of intention to use a specific technology or service. TAM has been widely used model to help understand and explain user behavior in an information system. The model is based on five pillars, which are perceived ease of use, perceived usefulness, attitude toward use, intention to use and actual use. Perceived ease of use elaborates the extent to which a user feels that the utilization of certain service would be free of effort while perceived usefulness signifies the extent to which an individual feels that the utilization of certain system would lead to improved performance of the life or job. The attitude to use is the user's evaluation of the desirability of using an application. Intention to use is the likelihood of a person using the application. (Davis, F. D., Bagozzi, R. P., & Warshaw, P. R., 1989)

There is an assumption that an intention to use the technology results in the actual usage of the technology. TAM is used to elaborate the users' behavior based on the general determinants of computer acceptance. Readiness of a user to use or not to use a new information system is determined by his or her attitude, and this attitude is influenced by other factors. Different factors affect the behavior intention to use a certain technology. In TAM, the usage of the M-Pitesan behavior is influenced by other factors like ease of use, compatibility, perceived risk, perceived trust and knowledge.

Figure (2.1): Technology Acceptance Model



Source: Davis, Bagozzi & Warshaw (1989)

As shown in Figure (2.1), TAM was used to explain usage behavior and the determinants of acceptance that lead to explaining users' behavior. From there, continuous usage of the system can be predicted from the behavior. TAM has become a widely applied model for user acceptance and usage. The easier to use a technology, the greater the expected benefits from the technology with regard to performance enhancement.

2.2 Influencing Factors on Usage Behavior

There are five main independent variables which mainly influence on the usage of M-Pitesan.

2.2.1 Knowledge

Knowledge helps the users to use the services easily and effectively. By having high level understanding, the users can be able to avoid the risks from misused, gain the benefits from the innovation and adopt new products and services more intensively. The required knowledge to operate M-Pitesan results in a higher chance of attempting to use the service. User's knowledge can help them what M-Pitesan can do for them, what services are useful to them. No matter how good the product or service is, if the user does not have the required knowledge, it won't give the full benefit to the user. In this study, knowledge is evaluated by five variables: easy and effective usage, goods and services, financial transactions, service familiarity and bank linkage. As those are the basic thing the user needs to have in order to have an effective usage and this impacts on a positive effect on usage of M-Pitesan.

2.2.2 Compatibility

Compatibility can be defined in many ways. Compatibility refers to a service which is perceived as consistent with users' existing values, beliefs, habits and experiences. (Chen, L ., Gillenson, M ., & Sherrell, D ., 2004) Compatibility is a vital feature of innovation as conformance with user's lifestyle can propel a rapid rate of adoption. In this study, firstly, compatibility can be referred to as the interoperability of M-Pitesan with the user's devices, If M-Pitesan app doesn't support for some devices, it is a major barrier for the users to use M-Pitesan. Secondly, Compatibility is defined as the consistency of adopted technology with users' traditions, culture, beliefs, values, norms, needs & wants, and experiences. In this study, compatibility is evaluated by five variables: current technology, other mobile services, daily routine, preferred financial transactions management and mobile devices. It is vital to align with current technology and support the mobile devices to be compatible with M-Pitesan app for acceptance of M-Pitesan. The compatibility of M-Pitesan with user needs and lifestyles have a positive effect towards its adoption.

2.2.3 Perceived Risk

Risk is subjective expectations from the users about some uncertainty or loss of personal information while conducting any kind of online transaction. Risk perception by customers usually arises due to the doubt related to the degree of inconsistency between customers' judgment and real behavior, and technology failing to deliver its anticipated outcome and its consequent loss. Risk is the unpredictability situation for unfavorable outcomes of M-Pitesan services. As M-Pitesan is an app for financial transactions, users have risk concern in their mind. The risk level depends on an individual who expects possible negative results when transaction is processed. Moreover, personal information like bank account number, mobile number and personal information are stored in the system, security risk can be considered as quite high. If the users think that using M-Pitesan has a high risk, the usage behavior might be impacted. Risk can be classified as performance risk: refers to losses incurred by deficiencies or malfunctions of services, security/privacy risk: is defined as a potential loss due to fraud or a hacker compromising the security of a user, time/convenience risk: refers to a loss of time and any inconvenience incurred due to the delays of receiving payments or the difficulty of navigation, social risk: refers to the possibility that using M-Pitesan may result in disapproval by one's friends/family/work group, financial risk: is defined as the potential for monetary loss due

to transaction errors or misuse (Kabir, 2013). In this study, perceived risk is evaluated by transactions revealed, potential loss of money, risky choice, loss of pin code and other risks. Once security is breached, it is hard for the customers to rebuild the trust in M-Pitesan and thus, the perceived security risk is quite important to retain the customers.

2.2.4 Perceived Trust

Trust is defined as two ways: the willingness of the user to rely on the ability of the brand to perform its stated functions with a sense of comfort, safety, and risk acceptance and trust in the ability of technology that can reduce transaction risk (Chaudhuri, 2001). Brand image and loyalty are two key components that define the users trust on the service. Trust is vital in digital transactions which are more vulnerable and uncertain than the traditional payment transaction. In M-pitesan, trust plays an important role when financial transaction is being done. Customers that have a high confidence level for M-pitesan services feel the honesty and reliability of it and it makes customers increase the intent to use service. While making a transaction, customers expect their personal information must be guaranteed not to share with any inappropriate parties. Higher the confidence, higher usage behavior because it may increase the honesty and reliability of the service provider. In this study, perceived trust is evaluated by five variables: accuracy, safe and reliable of financial services, privacy protection and meets customer expectations. Data security, account safety, transparency and clear communication are the key components of M-Pitesan's success and in terms of building trust and stimulating user adoption. Perceived trust on the brand is important as the market matures, emotive benefits come into play and consumers start making switching decisions post adoption.

2.2.5 Ease of Use

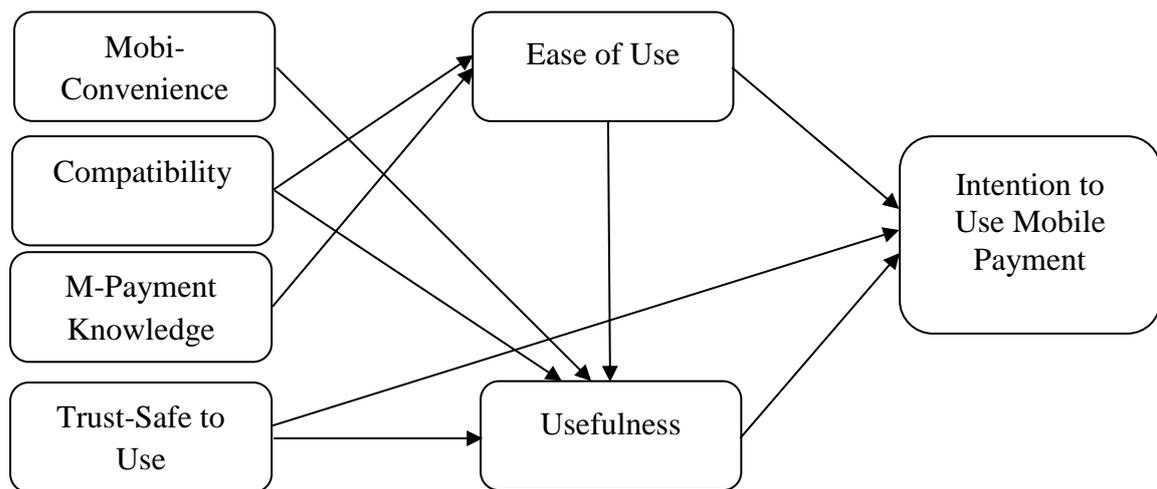
Ease of Use refers to the degree to which the user expects the target system to be effortless (Davis, 1989). In this case, ease of use is the extent to which a person believes that using M-Pitesan is straight forward, simple, easy and free of effort. Customers are likely to adopt M-Pitesan if they find that the service is easy to use and understandable. In this case, ease of use is measured by five variables: understandability, accessibility, no extra effort needed, easy to become skillful user and no technical skill needed. Ease of use has strong impact on technology adoption. Users hesitate to use M-Pitesan if they find it requires more mental effort, time-consuming or frustrating. If M-Pitesan is easy to use, it

is less threatening and complex to individual customers. It also enables users to adopt hassle-free technology and services in everyday use. M-Pitesan should be self-understandable in terms of language and services offered and also accessible from any device and no technical skill or effort should be required. There is a positive affect by ease of use of the technology on the behavioral intention to use M-Pitesan.

2.3 Empirical Study

The conceptual framework of this study is referred to the previous study, “A Study of Factors Affecting the Intention to Use Mobile Payment Services in Vietnam” by “Gia-Shie Liu, Pham Tan Tai” published in Economics World.

Figure (2.2): Factors Affecting the Intention to Use Mobile Payment Services in Vietnam



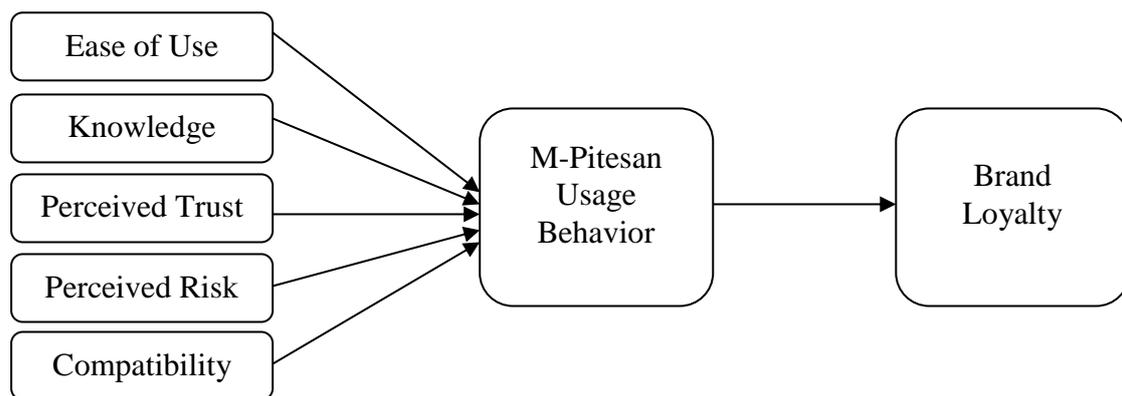
Source: Liu & Tai (2016)

As per Figure (2.2), this study analyzed the factors that influence the application of M-payment service. There were four external variables: convenience of mobility, compatibility, mobile payment knowledge, and trust of safe to us; two belief variables: ease of use and usefulness and one dependent variable: intention to use M-payment service. As per the findings, compatibility has the most significant impact on ease of use and usefulness among the four external variables. Moreover, mobility along with the convenience of mobile payment services promote awareness of the ease of use and usefulness of the system. In addition, both of ease of use and perceived usefulness have significant impact on the intention to use M-payment.

2.4 Conceptual Framework

A conceptual framework is used to find through the study, including how the variables might relate to each other. The framework makes it easier to easily specify and define the concepts within the problem of the study. The start of constructing a conceptual framework is a cause-effect relationship where variables are the characteristics in the cause-effect relationship. There are usually two types of variables involved: independent and dependent. Independent variable is the variable that is stable and unaffected by the other variables which are going to be measured. As an experiment, the investigator manipulates the independent variable systematically. It is the presumed cause. Dependent variable is the variable that depends on other factors that are measured. The changes of these variables depend on an experimental manipulation of the independent variable or variables. It is the presumed effect. Below is the conceptual framework of this study:

Figure (2.3): Conceptual Framework of the Study



Source: Own Compilation (2019)

The above diagram shows the interrelationship among the key independent and dependent variables. From the previous study, compatibility, knowledge, trust and ease of use are taken as independent variables due to the relevant nature of mobile money. In this study, perceived risk is additionally added because awareness of the risk is also important for digital service like M-Pitesan. As this study targets to the existing customers, the relevant dependent variables are usage behavior and brand loyalty.

CHAPTER 3

CONSUMER USAGE BEHAVIOR OF OOREDOO MYANMAR

M-PITESAN

This chapter is composed of mobile money industry in Myanmar and general overview of M-Pitesan. It explains about the regulatory requirements of mobile financial services in Myanmar, services offered by M-Pitesan and consumer usage behavior of M-Pitesan. Moreover, there is a brief information about agents who are also the key in mobile money industry.

3.1 Mobile Money Industry in Myanmar

A few decades back, Myanmar was known as the unbanked country because of its poor infrastructure, weak internet connectivity, low levels of financial literacy, and few branch network, and to overcome this, governments, regulators, and the banking industry tried to increase financial inclusion, such as by providing financial services to unbanked and rural clients. Also 80 per cent of the population remains unserved by Myanmar's banking system and also there is lack of bank branches in rural areas, mobile money service providers emerged to fill this gap. In addition, mobile devices are becoming integral parts of the communication methods for most of the rural and urban population, and due to that, mobile wallet or digital payment processing methods are there to fill in the gaps for the vast majority of the unbanked. Mobile money systems have been generally accepted as an easy means to make emergency payments and for electronic money transfers to settle domestic financial matters.

Moreover, with a large portion of the working population living away from their families, and often wanting to send money back home, mobile money filled up this gap as well. In 2016, government officially approved mobile money services in Myanmar and gradually mobile money usage has been increasing throughout the country. The first mobile money provider, Wave Money, launched mobile money service in 2016, M-Pitesan and OK dollar launched their services in 2017. There are other service providers like True Money, MyTel's mobile money service, KBZ Pay and so on. For decades, people had sent cash through the trust-based hundi system, which also used agents to transfer money. In

2016, hundi still accounted for 6 percent of money transfers in Myanmar but by March 2019, hundi accounted for only 1 percent of transfers. Similar declines in other remittance channels like sending through a bus company and delivering it in person. As trusted mobile money providers emerging, informal channels of remittance starts declining.

According to the Financial Institutions Law, in 2016 the Central Bank of Myanmar hereby issues the following Regulations in order to create an enabling regulatory environment for efficient and safe mobile financial services in Myanmar.

Only a company set up solely for the purposes of carrying out mobile financial services (applicant), may apply to the Central Bank for a registration certificate to provide mobile financial services. Commercial bank shall not be applied from this provision. In order to avoid the market monopolization, the Central Bank may from time to time, if necessary, prescribe the range of fees and charges that can be imposed by a MFSP. The MFSP shall provide the Central Bank the information about a person (natural or legal) appointed as agent within two weeks of appointment.

In respect of mobile financial services, every MFSP must ensure that the following minimum systems and internal controls are in place: Sound and prudent management, administrative and accounting procedures and adequate internal control systems; Internal policies, procedures and accountability structures pertaining to Anti-Money Laundering Law and Counter Terrorism Law; Adequate business continuity and disaster recovery plan; and Effective audit function to conduct periodic review of the security control environment and critical systems.

Every MFSP shall keep 100 percent of the float in a trust account at the bank including liquid assets and it shall remain unencumbered and not be mixed with any others funds of the MFSP. Every MFSP shall reconcile the balance in the trust account against the float by no later than 4.00 pm each day. Permitted mobile financial services transactions are opening and maintaining MFS accounts, Cash-in/Cash-out transactions to/from MFS accounts, money transfer between MFS accounts, domestic payments between individuals, domestic payments between government and individuals, domestic payments between businesses and individuals, domestic payments between businesses and any other transaction that CBM authorizes from time to time. (Maung, 2016)

Table (3.1) Differences between Myanmar MFS Players and Global Players

		Myanmar MFS Players	Global Players
Tech channel	Mobile application	✓	✓
	USSD-based services	✓	
Distribution	High agent needs	✓	
Bank relationship(s)	Exclusive	✓	(✓)
	Several	(✓)	✓
Credit card relationship(s)	Exclusive		(✓)
	Several		✓
	Mobile top-up	✓	✓
	P2P money transfer	✓	✓
	OTC money transfer	✓	(✓)
	Bulk Payment	✓	✓
	Bill Payment	✓	✓
	Merchant Payment	✓	✓
	e/m-commerce		✓
	Micro lending		✓
	Micro insurance		✓
	Investments		✓
Interoperability			✓

(✓): Possible in some cases or for some providers, but not a key trait

Source: Bhat (2018)

As per Table (3.1), services offered by the global mobile payment services are not common from MFS players in Myanmar. However, initial similarities existed in which the focus on mobile applications as a key channel, offering a wallet to enable a host of financial transactions. While global players heavily target on more advanced transactions such as merchant payments, e-commerce payments, m-commerce payments, micro-lending/insurance and increasingly investments, Myanmar's MFS players are more focused on onboarding customers to basic use cases such as top-ups, money transfers, and bill payments. Merchant payment transactions are considered as a short to medium term

objective, while more advanced transactions are considered as a medium to long term objective.

3.2 M-Pitesan

M-Pitesan was launched in Q3 2017 under the wings of Ooredoo Myanmar. The aim was to accelerate financial inclusion in Myanmar, a country with less than 20% banking penetration. As per government policy to be bank-led mobile money provider, M-Pitesan had established a partnership with the country’s second largest bank, CB Bank which had 206 bank branches across Myanmar. CB bank also had a progressive reputation as an early digital adopter and a trusted bank of choice for foreign players. To get M-Pitesan service, users must use the Ooredoo SIM card; sign up with “M-Pitesan” and create own Mobile Wallet or go to any mobile shops which provide “M-Pitesan” service and available services can be done with own mobile phone. There are over 300,000 users and 21,058 agents all over the country.

Table (3.2) Number of Agents

Region	Number	Percentage
Yagon	4,576	21.7
Mandalay	3,490	16.6
Shan	2,835	13.5
Sagaing	2,337	11.1
Magway	1,777	8.4
Ayeyarwady	1,756	8.3
Bago	1,416	6.7
Mon	932	4.4
Kachin	568	2.7
Nay Pyi Taw	561	2.7
Tanintharyi	349	1.7
Kayin	204	1.0
Rakhine	178	0.8
Chin	79	0.4
Total	21,058	100

Source: Ooredoo Myanmar Website (2019)

Agent network is important for M-Pitesan because it can help to build brand awareness, educate customers, and meet demands. As agents are dealing with the customers face to face daily, their ways of providing the services to customers are critical to M-Pitesan. Thus constant training and closely monitoring on agent performance is conducted

regularly. The wider the agent network is, the better coverage for M-Pitesan. To become an M-Pitesan agent, the person needs to submit NIRC, the registered shop information and 200,000 kyats as float money. Approval is given based on the accuracy of the information. There was around 2000 agents in 2017 but gradually the agent network expands to over 10,000 agents in 2018 and 21,058 in 2019 accordingly.

M-Pitesan offers the following account types for Mobile Money customers with applicable balance limits and transaction limits which in accordance with Mobile Money regulations governed by Central Bank of Myanmar.

Table (3.3) Eligible Transactions Amount Per Customer Account

Account Type	Daily Cumulative Transaction Limit (Ks)	Monthly Cumulative Transaction Limit (Ks)	Maximum Balance Limit (Ks)
Level 1 Customer Account	50,000	1.25 million	200,000
Level 2 Customer Account	500,000	12.5 million	1 million
Business Level Account	1 million	25 million	10 million

Source: Ooredoo Myanmar Website (2019)

For M-Pitesan registered customers, there is no service fees for account opening, cash deposit, receive money, balance enquiry, transactions history, pin change and airtime topup. However there are service fees as below for sending money even though among registered customers.

Table (3.4) Send Money Transaction Fees

Transaction Amount (Ks)	Fees
500 – 100,000	200
100,001 – 300,000	300
300,001 – 500,000	500

Source: Ooredoo Myanmar Website (2019)

As per the above Table (3.4), transaction fees depend on the transaction amount. In addition, transaction fees is changed according to the applied business model.

3.3 M-Pitesan Services

Initially M-Pitesan offered the services like send money, withdraw money, airtime top up, OTC services and manage account. Gradually it offers buy goods and pay bills as per the market demand. Detailed information can be seen as below:

(a) M-Pitesan Wallet

M-Pitesan wallet is the digital version of the wallet. A registered customer can deposit to M-Pitesan wallet through any of M-Pitesan authorized agents across the country.

(b) Send Money

Another popular use of mobile money is send money (P2P transfers) by both registered and nonregistered users. The transaction fees is calculated differently for registered and nonregistered users of mobile money. The maximum transaction amount also varies on customer level.

(c) Withdraw Money

A customer can withdraw money from his wallet at any M-Pitesan registered shop by presenting valid NRC card and mobile number. For the security purpose, pin is sent to the given mobile number and agent can only proceed once pin is provided.

(d) Bank Account

Bank account is an optional in M-Pitesan. A registered customer can transfer the money from bank to wallet or wallet to bank by registering the bank account in M-Pitesan. If the wallet balance is low, the customer can easily transfer money from the registered bank account to the mobile wallet. Vice versa, the customer can transfer back the wallet money to bank account.

(e) Airtime Top Up

The most common usage of mobile money is to buy airtime. A registered customer can top up the phone balance either for themselves or others by entering a destination number. Then the top up amount is deducted from their mobile money balance.

(f) Manage Account

A registered customer can manage his account using mobile phone. The customer can check wallet balance, transactions history, change language, send transaction history to email and change pin.

(g) OTC Services

Transactions can be done over the counter without using M-Pitesan app. At registered agent shop, anyone with mobile phone can send or receive money without having an M-Pitesan account.

(h) Buy Goods

A registered customer can make the payment for purchasing goods and services at any shop where M-Pitesan merchant payment is accepted. The customer needs to have an account balance in the wallet and when payment is made, either QR code or customer's mobile number can be used.

(i) Pay Bills

M-Pitesan services offer customers the opportunity to pay a variety of bills including electricity bills, and cable television bills. Customers can choose the biller category and provide the payment code to make the payment. The service enables subscribers to avoid disconnections that are caused due to delayed payment reconciliations.

(j) Find Agents

When a customer needs an agent’s involvement, he can easily look for nearby M-Pitesan agents using “Find Agents” feature. The nearest agents’ information is displayed based on the customer’s current location.

3.4 Consumer Usage Behavior

In a competitive business world, a business must know about consumer behavior and without knowing the consumer behavior, it is hard to get success and fail to achieve its goals. Consumer behavior can be defined as the decisions and actions that influence the usage behavior of M-Pitesan consumer. Also consumer behavior involves the study of how people acquire, use, experience, discard, and make decisions about M-Pitesan. Moreover, it is the sum of human attitude, preferences and buying intensions. It is important to know about the consumer behavior by conducting different searches such as the recognition of human needs and wants through assessment. After knowing the need, type of service is created to satisfy the consumer. Evaluation is also important to know about buying decisions of consumers.

Consumer behavior is a change over a period of time depending on the services provided by M-Pitesan. Technology is known to influence behaviors and lifestyles of its users. Normally consumers tend to use the service if it meets their expectations. Different consumers have different consumers’ behavior styles. The differences in consumer behavior might be different perception of M-Pitesan services and individual needs. For example, some people might want to use M-Pitesan for topping up the phone bill and some people might want to use it for transferring the money to other accounts, etc. In this study, consumer behavior is evaluated by available functions like top up, transfer money and bill payment. Based on the survey feedback from 384 respondents, the following behavior is detected.

Table (3.5) Length of M-Pitesan Service Usage

	Respondents	Percentage
Less than 6 months	93	24
Less than 1 year	85	22
Over 1 year	206	54
Total	384	100

Source: Survey data (2019)

As per Table (3.5), most of the respondents have more than 1 year of experiences, which means that they are quite familiar with the services and the feedback given by them is quite reliable.

Table (3.6) Most Frequent Use of M-Pitesan Service

Description	Respondents	Percentage
Airtime Top Up	268	70
Send Money	105	27
Buy Goods	3	1
Bill Payment	8	2
Total	384	100

Source: Survey data (2019)

As per Table (3.6), 70% of the respondents mainly use airtime top up and this is the area that can't be go wrong. Second most frequent use is send money and it is just 27% of the respondents. One of the main reasons of introducing M-Pitesan is to help unbank people who stay in rural areas for transferring money and thus this is the area to be improved to attract more customers. Buy goods and bill payment only have 1% and 2% accordingly and long term plan is needed to promote these two services.

Table (3.7) Other Mobile Money Operators Usage

Description	Respondents	Percentage
Other mobile money operators' users	261	68
Only M-Pitesan users	123	32
Total	384	100

Source: Survey data (2019)

As per Table (3.7), 68% of the respondents are using other mobile money service operators and thus the competitive is quite strong. Therefore in order to retain the customers, the continuous service improvement is a must.

CHAPTER 4

ANALYSIS ON INFLUENCING FACTORS OF M-PITESAN USAGE BEHAVIOR AND BRAND LOYALTY

This chapter illustrates the descriptive and analytical research. In the descriptive part, standard deviation and mean scores are presented based on the findings. In the analytical part, analysis is based on the M-Pitesan usage behavior and brand loyalty.

4.1 Profile of Respondents

Respondents play the critical role for collecting the survey. If the respondent is not suitable for the survey, the result would be deviating from the purpose of the survey. In this study, 384 customers from Yangon and Mandalay regions were selected.

Table (4.1) shows the demographic factors of the respondents.

Table (4.1) Profile of Survey Respondents

No.	Demographic Factors	No.of Respondents	Percentage
1	Gender		
	Male	186	48.5
	Female	198	51.5
2	Age (Years)		
	18 - 25	37	9.7
	26 - 35	265	68.9
	36 - 45	78	20.4
	Over 45	4	1.0
3	Education		
	Undergraduate	11	2.9
	Graduate	231	60.2
	Post Graduate	142	36.9
4	Occupation		
	Student	11	2.9
	Self-Employed	22	5.8
	Employee	347	90.3
	Unemployed	4	1.0
5	Length of M-Pitesan service usage		
	Less than 6 months	104	27.2
	Less than 1 year	64	16.5
	Over 1 year	216	56.3
6	Most frequent use of M-Pitesan service		
	Airtime Top Up	235	61.2
	Send Money	119	31.1
	Buy Goods	8	1.9
	Bill Payment	22	5.8
7	Other mobile money services usage aside to M-Pitesan		
	Yes	153	39.8
	No	231	60.2
	Total	384	100

Source: Survey data (2019)

As per the above demographic factors, the gender ratio of the participants is fairly distributed. Majority of the respondents are graduate employees who are age between 26 to 45 years old. Moreover, most of the respondents have experiences more than 1 year of M-Pitesan services. More than half of respondents use air time top up service as the primary service and they are also the users of other mobile money service providers. Based on the respondents' profiles, the survey feedback is quite useful for analyzing the influencing factors of usage behavior and brand loyalty.

4.2 Analysis on Influencing Factors of M-Pitesan Usage Behavior

In this survey, five variables (knowledge, compatibility, perceived risk, perceived trust and ease of use) with 25 survey questions are used to explore the effects on usage behavior. Structured questions with four values likert-type scale (1 = strongly disagree, 2 = disagree, 3 = agree and 4 = strongly agree) was used to find out the importance of factors influencing on usage behavior.

4.2.1 Knowledge

Knowledge is the important factor while dealing with mobile money service. Table (4.2) shows the mean and standard deviation of M-Pitesan knowledge.

Table (4.2) Knowledge

No.	Description	Mean	Standard Deviation
1	Knowledge for easy and effective usage.	3.49	0.719
2	Knowledge for purchasing goods and services.	3.01	0.818
3	Knowledge for having confidence in financial transactions.	3.45	0.724
4	Knowledge for service familiarity.	3.52	0.697
5	Knowledge for having CB bank linkage.	3.35	0.848
	Overall Mean	3.36	

Source: Survey Data (2019)

According to Table (4.2), the respondents have some extent knowledge of M-Pitesan. However, some of the respondents have merely knowledge about goods and services which are offered by M-Pitesan. They are familiar with the services offered but the overall mean is just 3.36 and the respondents have slightly over average knowledge about M-Pitesan.

4.2.2 Compatibility

If the mobile app is not compatible with the user's device or the user's daily routine, there is no point for users using the app. Thus, compatibility is another important factor to decide usage behavior. Table (4.3) shows the mean and standard deviation of M-Pitesan compatibility.

Table (4.3) Compatibility

No.	Description	Mean	Standard Deviation
1	Compatibility with current technology.	3.33	0.68
2	Compatibility with other provided mobile services.	3.35	0.714
3	Compatibility with daily routine.	3.22	0.776
4	Compatibility with the way the respondents like to manage financial transactions.	3.11	0.753
5	Compatibility with mobile devices.	3.48	0.704
	Overall Mean	3.29	

Source: Survey Data (2019)

According to Table (4.3), most of the respondents have higher expectations than current M-Pitesan available financial transactions. Around one third of the respondents answered M-Pitesan does not help for their daily routine transactions. Around two-third of the respondents answered M-Pitesan is compatible with mobile devices. The overall mean is 3.29 and the respondents perceive the compatibility level is just the average.

4.2.3 Ease of Use

Nowadays, service providers try to make the user's life easier. In a competitive business, ease of use is also one of the factors influencing the usage behavior. Table (4.4) shows the mean and standard deviation of M-Pitesan ease of use.

Table (4.4) Ease of Use

No.	Description	Mean	Standard Deviation
1	Clear and understandable	3.42	0.689
2	No mental effort required	3.34	0.685
3	Easy to get	3.33	0.656
4	Easy to become skillful user	3.40	0.686
5	No technical skill needed for usage	3.33	0.629
	Overall Mean	3.36	

Source: Survey Data (2019)

According to Table (4.4), all the ease of use questions have similar answers. It seems that M-Pitesan is quite easy to understand and easy to use for the respondents. The

overall mean is 3.36 and slightly more than average respondents think M-Pitesan is self-explained tool with no additional mental effort needed and easy to use.

4.2.4 Perceived Risk

Continuous usage behavior also depends on the perceived risk of the services. Table (4.5) shows the mean and standard deviation of M-Pitesan's perceived risk.

Table (4.5) Perceived Risk

No.	Description	Mean	Standard Deviation
1	Revealed online transactions to others	3.45	0.698
2	Potential Loss	3.28	0.662
3	Significant risk	3.32	0.673
4	Risky choice	3.38	0.678
5	Loss of pin code and end up in wrong hands	3.40	0.682
	Overall Mean	3.36	

Source: Survey Data (2019)

According to Table (4.5), more than half of the respondents are aware of the perceived risk. Mean values for all the questions are similar. The overall mean is 3.36 and more than average respondents are aware of the risk. If the customers aware of the potential risk, they have higher chances of avoiding the risk.

4.2.5 Perceived Trust

Trust is the most important factor for financial transactions. Table (4.6) shows the mean and standard deviation of M-Pitesan's perceived trust.

Table (4.6) Perceived Trust

No.	Description	Mean	Standard Deviation
1	Accurate Financial Services	3.23	0.676
2	Reliable Financial Services	3.20	0.660
3	Safe Financial Services	3.30	0.710
4	Privacy protection	3.39	0.740
5	Meets customer expectations	3.25	0.766
	Overall Mean	3.27	

Source: Survey Data (2019)

According to Table (4.6), more than half of the respondents are trusted in M-Pitesan. They perceive that M-Pitesan would take any action to protect their privacy and financial services. The overall mean is 3.27 and more than average respondents are trusted

in M-Pitesan which is a good sign for the company. The more the customers trust on the service provider, the higher chances of continue using the services.

4.2.6 Usage Behavior

Usage behavior is the indicator of the customers being loyal to M-Pitesan. Table (4.7) shows the mean and standard deviation of M-Pitesan's usage behavior.

Table (4.7) Usage Behavior

No.	Description	Mean	Standard Deviation
1	Beneficial to customers in terms of behavior	3.31	0.700
2	Top up behavior	3.48	0.704
3	Bill payments behavior	3.21	0.730
4	Transfer money behavior	3.28	0.738
	Overall Mean	3.32	

Source: Survey Data (2019)

According to Table (4.7), more than half of the respondents gave the positive feedback on behaviors. The more they like the service behavior, the more chances they stick to the product. The overall mean is 3.32 and more than average respondents are likely to be the loyal customers.

In this study, linear regression model is used to identify influencing factors on usage behaviors. Table (4.8) shows the effect of influencing factors on usage behavior.

Table (4.8) Effect of Influencing Factors on Usage Behavior

Variable	Unstandardized Coefficients		Beta	t	Sig	VIF
	B	Std Error				
(Constant)	.176				.026	
Knowledge	.026	.078	.028	2.241	.657	9.182
Compatibility	.354***	.059	.365	.444	.000	7.800
Ease Of Use	.003	.056	.003	6.275	.938	4.078
Perceived Risk	.089**	.044	.090	.078	.019	3.352
Perceived Trust	.482***	.038	.501	2.361	.000	3.602
R Square	.836					
Adjusted R Square	.834					
Durbin-Watson	1.822					
F Value	385.888***					

Source: Survey Data (2019)

*** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

According to the result shown in Table (4.8), independent variables have a positive relationship with dependent variable, usage behavior. As R square value is 0.836, the value indicates that 83.6% of the variance in usage behavior is predicted from the five independent variables. Also adjusted R^2 stated 0.834, indicating that 83.4% of the changes in the usage behavior of M-Pitesan is explained by the changes in the five independent variables. For every unit increase in Knowledge, a 0.026 unit increase in usage behavior is predicted. The same thing for compatibility, ease of use, perceived risk and perceived trust where every unit increase in those variables, the respective values 0.354, 0.003, 0.089 and 0.482 unit increase in usage behavior. As all are the positive values, it means that the increase in each independent variable leads to more usage behavior of M-Pitesan.

Among the independent variables, three variables have the significant values. Perceived trust has the largest value (0.501) with 1% significant level which means that it has the greatest contribution to increase the usage behavior of M-Pitesan. The second largest factor is compatibility, which has 0.365 and significant at 1% level as well. Perceived risk is the third largest contribution factor and it has 5% significant level. Durbin Watson value is 1.822 and thus, the sample is enough and not auto correlated. Moreover, F-value is significant at 1 percent level showing the fitness of the regression model and the independent variables reliably predict the dependent variable. All VIFs are less than 10 which is below the cut-off value of 10 recommended by Neter, Wasserman and Kutner (1985) and it means that there is no multi-collinearly problems encountered among independent variables.

In summary, using theory of acceptance model, the study found that perceived trust, compatibility and perceived risk influence the user's satisfaction towards M-Pitesan. These factors have significant positive impact on both usage behavior and brand loyalty of M-Pitesan. As per findings, trust has the greatest contribution to the usage behavior and it is an important element in money-related transactions. More than half of the respondents perceive that M-Pitesan provides accurate, reliable and safe financial services and privacy is well protected as well. The performance of M-Pitesan is met with customer expectations and thus, findings of this study indicates the need to develop trustworthy systems for the successful adoption.

More than half of the respondents also think that M-Pitesan is compatible with current technology, other provided mobile services, their daily routines, own mobile devices and it meets their expectations of the way they want to manage the financial transactions. The interoperability of M-Pitesan makes the customers to use M-Pitesan

frequently which leads to become the loyal customers. The more the customers aware about the risk, the higher chances of having precautions on it. Based on the feedback, most of the respondents are aware of the risk and they are willing to use M-Pitesan as well.

4.3 Analysis on the Effect of Usage Behavior on Brand Loyalty

Brand loyalty is important to retain the customers for long term. Table (4.9) shows the mean and standard deviation of M-Pitesan's brand loyalty.

Table (4.9) Brand Loyalty

No.	Description	Mean	Standard Deviation
1	Regular usage in terms of brand loyalty	3.39	0.832
2	Recommend to others in terms of brand loyalty	3.46	0.790
3	Increase usage frequency in terms of brand loyalty	3.36	0.793
4	Deserve brand loyalty	3.41	0.783
Overall Mean		3.405	

Source: Survey Data (2019)

According to Table (4.9), many respondents answered favorably towards brand loyalty. Overall mean is 3.40 and many respondents like to use M-Pitesan regularly, recommend to others to use and even tend to increase usage frequency and they would even loyal to the brand.

This section describes the relationship between usage behavior and brand loyalty of M-Pitesan.

Table (4.10) Effect of Usage Behavior on Brand Loyalty

Variable	Unstandardized Coefficients		Beta	t	Sig	VIF
	B	Std Error				
Usage Behavior	.994***	.038	.800	26.048	.000	1.000
R Square	0.640					
Adjusted R Square	0.639					
Durbin-Watson	1.781					
F Value	678.523***					

Source: Survey Data (2019)

*** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

According to the result shown in Table (4.10), this model can explain well about the variation on the brand loyalty with usage behavior since R Square value is 64%.

Adjusted R^2 stated 0.639, indicating that 63.9% of the changes in the brand loyalty is explained by the changes in the usage behavior of M-Pitesan. As B value is 0.994 at 1% significant level, for every unit increase in usage behavior, a 0.994 unit increase in brand loyalty is predicted. As there is the positive relationship, the increase in usage behavior leads to increase in brand loyalty of M-Pitesan. Durbin-Watson value is 1.781 and thus, the sample is enough and not auto correlated. Moreover, the value of F test, the overall significance of the model, is highly significant at 1 % level.

In summary, as per the survey result, most of the customers perceive that M-Pitesan is beneficial to them and they are going to continue using the services. The repetitive buying behaviors over a period of time indicate the brand loyalty. Moreover the satisfied customers gave the higher score on behaviors and brand loyalty. Hence, usage behavior is used to reliably predict brand loyalty.

CHAPTER 5

CONCLUSION

This chapter concludes the findings from the analysis on the influencing factors of M-Pitesan usage behavior and brand loyalty. There are three parts involved: first part is the findings and discussions based on the linear regressions result in previous chapter, second part is the suggestions and recommendations based on the analysis of the survey results and needs for further research.

5.1 Findings and Discussions

This study is thoroughly done by collecting the structured questionnaires from 384 customers. The study reveals how the independent factors influencing on usage behavior and how it impacts on brand loyalty. Moreover, it also gives the understanding of different reasons, causes and effects. According to the demographic profile of the respondents, the majority of the respondents is the female whose age are between 26 and 35 years.

In this study, there is a strong association between knowledge, compatibility, ease of use, perceived risk, perceived trust and usage behavior. Among them, perceived trust is the strongest connection with usage behavior. Trust is the most important factor while dealing with financial transactions. Trust plays a main role in motivating users to use M-Pitesan. Customers' main concern on the organization is whether the organization is reliable, safe, providing accurate financial services and protecting the confidential information. Even there is a mistake in financial transaction, if the organization is reliable; customers have confidence to continue using it.

Compatibility is found to be the second strongest connection with usage behavior. In this study, compatibility is defined in terms of current technology, provided mobile services, daily routine, the way how financial transaction is managed and current mobile device. No matter how the service is good, if the service is not compatible with the customer's device, it has no value to the customer. Thus, most of the service providers make sure that the service provided are compatible with the current technology and support most of the devices.

Perceived risk got the third most attention from the respondents. Customers have the confidence in the organization which protects the potential loss of transactions, pin code, and etc. Knowledge is also important to use the service. Customers know how to use the service to fulfill their needs. If customer knows his regular shop's payment can be paid by M-Pitesan, it is convenient for him to pay the fees by saving time and effort not to pay extra visit to withdraw the money from the bank.

There are many ways to define ease of use but here the analysis is based on clear and understandable, no extra effort needed, easy to become skillful user and no technical skill needed to use M-Pitesan. In a competitive business, the service providers are trying to simplify the products/services to retain the customers. No matter how good the service is, if it is not user friendly, the customers tend to switch to another service easily. Moreover, most of the customers are non-tech people and they do not have the confidence to use the service if technical skill is needed. Extra effort like too many steps involved to do the transactions and complicated password required made the customers discourage to use the service.

To conclude the findings, the respondents gave the positive feedback on the usage behaviors and this positively influence on brand loyalty of M-Pitesan. Happy customers tend to use the services quite often and gradually they become the loyal customers of the brand. Success is just a matter of time if the organization keeps improving the influencing factors.

5.2 Suggestions and Recommendations

Based on the findings, some relevant recommendations and suggestions can be made for the improvement of M-Pitesan. M-Pitesan should be aware of customers' expectations, pain points and usage behaviors and made the necessary improvement on the services. For example, if the customers suffer for paying electricity bills, M-Pitesan should offer not only for the specific townships but also for all the townships for the electricity bill payment. Moreover, immediate resolutions should be done for any mistake happening to the financial transactions. By doing this, customers may gain the trust on M-Pitesan and which may lead to be the loyal customers of M-Pitesan. M-Pitesan should tighten the security to protect the customers' confidential information and eliminate fraud transactions by leveling up the technology and promote the security awareness to the customers.

Brand awareness should be conducted not only for the new customers but also for the existing customers to be familiar with the services offered. The more the customers know, the more usage M-Pitesan receives. Network coverage and stability is very important for increasing the usage behavior as well. Thus, improving the network connections helps to reduce the transactions errors which in turn gain the customers trust. Currently there is lack of interoperability among mobile money service providers and if this service can be conducted, this is ease not only for M-Pitesan customers but also for other mobile money customers.

To increase the usage behavior, another factor to consider is to discourage the hard cash transactions which are already available in M-Pitesan. For example, instead of topping up the phone bill by using top up card, customers should be encouraged to use M-Pitesan to top up the phone bill. Additionally, to generate the brand loyalty, the level of service received by customers is the key. Differentiation is one of the important factors to retain the customers. Innovation is needed to stand out among the competitors. Having a good reputation is another kind of retaining the customers and attracting the new customers. Strategize ways could be used to promote the influencing factors to increase the chances of customers being loyal to M-Pitesan.

5.3 Needs for Further Research

This study only focuses on five factors influencing on M-Pitesan usage behaviors. However, there are additional factors which can impact on usage behavior. Further research is required to identify and evaluate other factors which can impact on M-Pitesan usage behavior such as resistance to use e-money, culture influences, fees, accessibility etc. Moreover, further studies should focus on pain points of the customers on the existing services. Due to the limited time period, this study only covers a few own store shops in Yangon and Mandalay. Further research should be conducted in other areas which have the most usage rate aside to Yangon. Moreover, further research should extend to the agent network who deals with the customers on daily basic. It is insightful to get the complete end to end flow. In addition, M-Pitesan should focus on communication which emphasizes the benefits and usefulness of M-Pitesan compared to other service providers and cash. Additionally, further study should focus on M-Pitesan rejecters and the factors that make them from adopting M-Pitesan would provide further insights and a study on potential

switching behavior barriers and incentives. It would be beneficial to compare consumer's confidence level and the usage behavior.

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APPENDIXES

Appendix I: Questionnaire

CONSUMER USAGE BEHAVIOR AND BRAND LOYALTY OF OOREDOO MYANMAR M-PITESAN

Survey Questionnaire

I am an Executive MBA student from Yangon University of Economics and currently I am doing my thesis which is about the consumer behavior and brand loyalty of M-Pitesan. Thank you for your precious time to participate in this survey.

SECTION A

Demographic

1. Gender *

- Male
- Female

2. Age Range *

- 18-25
- 26-35
- 36-45
- Over 45

3. Education *

- Under Graduate
- Graduate
- Post Graduate

4. Occupation *

- Student
- Self-Employed
- Employee
- Unemployed
- Retired

5. Length of M-Pitesan service usage *

- Less than 6 months
- Less than 1 year
- Over 1 year

6. Most frequent use of M-Pitesan service *

- Airtime Top Up
- Send Money
- Buy Goods
- Bill Payment

7. Do you use other mobile money service aside to M-Pitesan? *

- Yes
- No

SECTION B

Please indicate your level of agreement for the following research items based on the following scales.

Strongly Disagree	Disagree	Agree	Strongly Agree
1	2	3	4

Ease of use	1	2	3	4
Interaction with M-Pitesan is clear and understandable				
Interaction with M-Pitesans does not require mental effort				
I think it is easy to get M-Pitesan app to do what I want to do for mobile money services				
It was easy for me to become skillful at using M-Pitesan				
I don't need technical skills to use M-Pitesan				

Knowledge	1	2	3	4
I can use M-Pitesan easily and effectively				
I mainly use M-Pitesan to purchase goods or services through the mobile phone				
I am confident to use M-Pitesan for financial transactions				
I am familiar with the services provided by M-Pitesan				
I can use M-Pitesan to link with CB Bank				
Perceived Trust	1	2	3	4
M-Pitesan always provides accurate financial services				
M-Pitesan always provides reliable financial services				

M-Pitesan always provides safe financial services				
M-Pitesan always protects my privacy				
M-Pitesan always performs the activity in accordance with customer's expectations				

Perceived Risk	1	2	3	4
Other people may know about my online transactions if I use my M-Pitesan				
There is a great potential to lose money if I buy goods on the Internet/social networking using M-Pitesan				
There is significant risk in Internet shopping/social network using M-Pitesan				
I think dealing with M-Pitesan is a risky choice				
I fear that the PIN codes get lost & end up in wrong hands				

Compatibility	1	2	3	4
I believe M-Pitesan is compatible with current technology				
I believe M-Pitesan is compatible with other provided mobile services				
I believe M-Pitesan is compatible with my daily routine activity				
I believe M-Pitesan is compatible with the way I like to manage my financial transactions				
I believe M-Pitesan app is compatible with my mobile device				

Behavior	1	2	3	4
M-Pitesan is advantageous and beneficial to me.				
I use M-Pitesan to do phone bill top up				
I use M-Pitesan to do bill payments whenever M-Pitesan is eligible to do so				
I use M-Pitesan to transfer money to others				

Brand Loyalty	1	2	3	4
I will continue using M-Pitesan on a regular basis				
I will recommend M-Pitesan to family and friends				
I will increase M-Pitesan usage frequency in the near future				
I believe M-Pitesan deserves my loyalty				

Additional feedback on M-Pitesan

Appendix II: Regression

REGRESSION

```
/DESCRIPTIVES MEAN STDDEV CORR SIG N  
/MISSING PAIRWISE  
/STATISTICS COEFF OUTS CI R ANOVA COLLIN TOL CHANGE ZPP  
/CRITERIA=PIN(.05) POUT(.10)  
/NOORIGIN  
/DEPENDENT B_Mean  
/METHOD=ENTER K_Mean C_Mean E_Mean PR_Mean PT_Mean  
/SCATTERPLOT=(*ZRESID ,*ZPRED)  
/RESIDUALS DURBIN  
/CASEWISE PLOT(ZRESID) OUTLIERS(3)  
/SAVE PRED ZPRED ADJPRED RESID ZRESID.
```

Descriptive Statistics

	Mean	Std. Deviation	N
Behavioural Mean	3.3197	.62414	384
Knowledge Mean	3.3625	.66846	384
Compatibility Mean	3.2995	.64391	384
EaseOfUse Mean	3.3646	.59659	384
Perceived Risk Mean	3.3646	.63096	384
Perceived Trust Mean	3.2760	.64880	384

Correlations

		Behavioural Mean	Knowledge Mean	Compatibility Mean
Pearson Correlation	Behavioural Mean	1.000	.843	.839
	Knowledge Mean	.843	1.000	.923
	Compatibility Mean	.839	.923	1.000
	EaseOfUse Mean	.760	.806	.799
	Perceived Risk Mean	.728	.738	.652
	Perceived Trust Mean	.876	.816	.773
	Sig. (1-tailed)	Behavioural Mean	.	.000
	Knowledge Mean	.000	.	.000
	Compatibility Mean	.000	.000	.
	EaseOfUse Mean	.000	.000	.000
	Perceived Risk Mean	.000	.000	.000
	Perceived Trust Mean	.000	.000	.000
N	Behavioural Mean	384	384	384
	Knowledge Mean	384	384	384
	Compatibility Mean	384	384	384
	EaseOfUse Mean	384	384	384
	Perceived Risk Mean	384	384	384
	Perceived Trust Mean	384	384	384
		Mean	384	384

Correlations

		EaseOfUse Mean	Perceived Risk Mean	Perceived Trust Mean
Pearson Correlation	Behavioural Mean	.760	.728	.876
	Knowledge Mean	.806	.738	.816
	Compatibility Mean	.799	.652	.773
	EaseOfUse Mean	1.000	.779	.744
	Perceived Risk Mean	.779	1.000	.753
	Perceived Trust Mean	.744	.753	1.000
	Sig. (1-tailed)	Behavioural Mean	.000	.000
	Knowledge Mean	.000	.000	.000
	Compatibility Mean	.000	.000	.000
	EaseOfUse Mean	.	.000	.000
	Perceived Risk Mean	.000	.	.000
	Perceived Trust Mean	.000	.000	.
N	Behavioural Mean	384	384	384
	Knowledge Mean	384	384	384
	Compatibility Mean	384	384	384
	EaseOfUse Mean	384	384	384
	Perceived Risk Mean	384	384	384
	Perceived Trust Mean	384	384	384

Variables Entered/Removed^b

Model	Variables Entered	Variables Removed	Method
1	Perceived Trust Mean, EaseOfUse Mean, Perceived Risk Mean, Compatibility Mean, Knowledge Mean ^a		Enter

a. All requested variables entered.

b. Dependent Variable: Behavioural Mean

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics	
					R Square Change	F Change
1	.914 ^a	.836	.834	.25428	.836	385.888

Model Summary^b

Model	Change Statistics			Durbin-Watson
	df1	df2	Sig. F Change	
1	5	378	.000	1.822

a. Predictors: (Constant), Perceived Trust Mean, EaseOfUse Mean, Perceived Risk Mean, Compatibility Mean, Knowledge Mean

b. Dependent Variable: Behavioural Mean

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	124.758	5	24.952	385.888	.000 ^a
	Residual	24.441	378	.065		
	Total	149.199	383			

a. Predictors: (Constant), Perceived Trust Mean, EaseOfUse Mean, Perceived Risk Mean, Compatibility Mean, Knowledge Mean

b. Dependent Variable: Behavioural Mean

Coefficients^a

Model		Unstandardized Coefficients	
		B	Std. Error
1	(Constant)	.176	.078
	Knowledge Mean	.026	.059
	Compatibility Mean	.354	.056
	EaseOfUse Mean	.003	.044
	Perceived Risk Mean	.089	.038
	Perceived Trust Mean	.482	.038

Coefficients^a

Model		Standardized Coefficients	t	Sig.	95% Confidence Interval for B		Beta
		Beta			Lower Bound	Upper Bound	
1	(Constant)		2.241	.026	.022	.330	
	Knowledge Mean	.028	.444	.657	-.090	.142	
	Compatibility Mean	.365	6.275	.000	.243	.464	
	EaseOfUse Mean	.003	.078	.938	-.083	.090	
	Perceived Risk Mean	.090	2.361	.019	.015	.163	
	Perceived Trust Mean	.501	12.672	.000	.407	.556	

Coefficients^a

Model		Correlations			Collinearity Statistics						
		Zero-order	Partial	Partial	Tolerance	VIF	Zero-order	Partial	Partial	Tolerance	VIF
1	(Constant)										
	Knowledge Mean	.843	.023	.009	.109	9.182					
	Compatibility Mean	.839	.307	.131	.128	7.800					
	EaseOfUse Mean	.760	.004	.002	.245	4.078					
	Perceived Risk Mean	.728	.121	.049	.298	3.352					
	Perceived Trust Mean	.876	.546	.264	.278	3.602					

a. Dependent Variable: Behavioural Mean

Collinearity Diagnostics^a

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions		
				(Constant)	Knowledge Mean	Compatibility Mean
1	1	5.944	1.000	.00	.00	.00
	2	.025	15.301	.84	.02	.01
	3	.013	20.989	.09	.03	.10
	4	.009	25.744	.04	.00	.01
	5	.006	32.715	.02	.12	.01
	6	.002	49.685	.02	.84	.86

Collinearity Diagnostics^a

Model	Dimension	Variance Proportions		
		EaseOfUse Mean	Perceived Risk Mean	Perceived Trust Mean
1	1	.00	.00	.00
	2	.00	.00	.02
	3	.01	.41	.03
	4	.24	.05	.75
	5	.69	.37	.20
	6	.07	.17	.00

a. Dependent Variable: Behavioural Mean

Residuals Statistics^a

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.1297	3.9915	3.3197	.57073	384
Std. Predicted Value	-3.837	1.177	.000	1.000	384
Standard Error of Predicted Value	.016	.079	.030	.011	384
Adjusted Predicted Value	1.1363	3.9915	3.3200	.57226	384
Residual	-.67259	1.51388	.00000	.25262	384
Std. Residual	-2.645	5.954	.000	.993	384
Stud. Residual	-2.695	6.229	-.001	1.008	384
Deleted Residual	-.69843	1.65719	-.00033	.26025	384
Stud. Deleted Residual	-2.718	6.567	.000	1.017	384
Mahal. Distance	.441	36.142	4.987	5.060	384
Cook's Distance	.000	.612	.005	.033	384
Centered Leverage Value	.001	.094	.013	.013	384

a. Dependent Variable: Behavioural Mean

REGRESSION

```

/DESCRIPTIVES MEAN STDDEV CORR SIG N
/MISSING PAIRWISE
/STATISTICS COEFF OUTS CI R ANOVA COLLIN TOL CHANGE ZPP
/CRITERIA=PIN(.05) POUT(.10)
/NOORIGIN
/DEPENDENT BL_Mean
/METHOD=ENTER B_Mean
/SCATTERPLOT=(*ZRESID ,*ZPRED)
/RESIDUALS DURBIN
/CASEWISE PLOT(ZRESID) OUTLIERS(3)
/SAVE PRED ZPRED ADJPRED RESID ZRESID.
    
```

Descriptive Statistics

	Mean	Std. Deviation	N
Brand Loyalty Mean	3.4023	.77592	384
Behavioural Mean	3.3197	.62414	384

Correlations

		Brand Loyalty Mean	Behavioural Mean
Pearson Correlation	Brand Loyalty Mean	1.000	.800
	Behavioural Mean	.800	1.000
Sig. (1-tailed)	Brand Loyalty Mean	.	.000
	Behavioural Mean	.000	.
N	Brand Loyalty Mean	384	384
	Behavioural Mean	384	384

Variables Entered/Removed^b

Model	Variables Entered	Variables Removed	Method
1	Behavioural Mean ^a	.	Enter

- a. All requested variables entered.
- b. Dependent Variable: Brand Loyalty Mean

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics	
					R Square Change	F Change
1	.800 ^a	.640	.639	.46629	.640	678.523

Model Summary^b

Model	Change Statistics			Durbin-Watson
	df1	df2	Sig. F Change	
1	1	382	.000	1.781

a. Predictors: (Constant), Behavioural Mean

b. Dependent Variable: Brand Loyalty Mean

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	147.530	1	147.530	678.523	.000 ^a
	Residual	83.058	382	.217		
	Total	230.588	383			

a. Predictors: (Constant), Behavioural Mean

b. Dependent Variable: Brand Loyalty Mean

Coefficients^a

Model		Unstandardized Coefficients	
		B	Std. Error
1	(Constant)	.101	.129
	Behavioural Mean	.994	.038

Coefficients^a

Model		Standardized Coefficients	t	Sig.	95% Confidence Interval for B		
					Beta	Lower Bound	Upper Bound
1	(Constant)		.786	.433	-.152	.355	
	Behavioural Mean	.800	26.048	.000	.919	1.069	

Coefficients^a

Model		Correlations			Collinearity Statistics		Zero-order	Partial	Part	Tolerance	VIF
		Zero-order	Partial	Part	Tolerance	VIF					
1	(Constant)										
	Behavioural Mean	.800	.800	.800	1.000	1.000					

a. Dependent Variable: Brand Loyalty Mean

Collinearity Diagnostics^a

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions	
				(Constant)	Behavioural Mean
1	1	1.983	1.000	.01	.01
	2	.017	10.744	.99	.99

a. Dependent Variable: Brand Loyalty Mean

Residuals Statistics^a

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.0957	4.0789	3.4023	.62064	384
Std. Predicted Value	-3.717	1.090	.000	1.000	384
Standard Error of Predicted Value	.024	.092	.032	.010	384
Adjusted Predicted Value	1.0694	4.0793	3.4026	.62039	384
Residual	-2.08448	1.41272	.00000	.46568	384
Std. Residual	-4.470	3.030	.000	.999	384
Stud. Residual	-4.478	3.041	.000	1.001	384
Deleted Residual	-2.09135	1.42283	-.00025	.46770	384
Stud. Deleted Residual	-4.594	3.074	-.001	1.006	384
Mahal. Distance	.012	13.813	.997	1.859	384
Cook's Distance	.000	.043	.002	.005	384
Centered Leverage Value	.000	.036	.003	.005	384

a. Dependent Variable: Brand Loyalty Mean