

**YANGON UNIVERSITY OF ECONOMICS**  
**DEPARTMENT OF COMMERCE**  
**MASTER OF BANKING AND FINANCE PROGRAMME**

**CORPORATE CUSTOMER ATTITUDE ON**  
**INTERNATIONAL TRADE PAYMENT SYSTEM OF**  
**MYANMA FOREIGN TRADE BANK**

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**EMBF – 5<sup>th</sup> BATCH**

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**CORPORATE CUSTOMER ATTITUDE ON  
INTERNATIONAL TRADE PAYMENT SYSTEM OF MYANMA  
FOREIGN TRADE BANK**

A thesis submitted as a partial fulfillment towards the requirements for the degree  
of Master of Banking and Finance.

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## **ABSTRACT**

The objectives of the study are to identify the international trade payment services provided by MFTB and to examine the corporate customer attitude on international banking services of the MFTB, by using tri-component attitude model. The respondents of this study consist of 100 corporate customers among 11326 customers of the bank is drawn as the primary data from survey questioner. In this study, the respondents were selected on working days of during October 2019 to November 2019 by using survey questionnaires collection. The facts and information are collected from 2013-2014 to 2017-2018 financial year. According to the survey result 2019, among the corporate customer attitude on international trade payment system belief component, feeling component, behavior component, feeling component result is best, because of services charges and accountability and transparency by service. In assessment of the reliability of the scale, indicates a favorable internal consistency because MFTB provide to customer trade finance service as bank's new product with reasonable interest rate. Beside, MFTB has a good reputation and 43 years banking experience. The results of survey, indicates that both exporters and importers to use the secure and smooth of payment, MFTB need to provide trade finance facilities to the bank's customer with suitable the payment systems. As a state-owned of MFTB, We will object to promote the staff's capacity building, to make the banking service procedures to the customers transparent. And then, MFTB Bank is carrying to serve the banking services and to contribute to the implementation of the policies set up in order to get our people's trust, to reinforce the development of the nation and people interest from the banking sector point of view.

## List of Contents

<b>Title</b>	<b>Page</b>
Acknowledgements	i
Abstract	ii
List of Contents	iii
List of Tables	v
List of Figures	vi
<b>Chapter I INTRODUCTION</b>	<b>1</b>
1.1 Rationale of the Study	2
1.2 Objectives of the Study	3
1.3 Method of the study	3
1.4 Organization of the Study	3
<b>Chapter II THEORETICAL BACKGROUND</b>	<b>4</b>
2.1 International Trade Payment Systems	4
2.2 Methods of Payment in International Trade	4
2.3 Risk Involved in Different Payment Systems	14
2.4 Customer's Attitude	14
2.5 Tri Components of Attitude Model	16
<b>Chapter III ORGANIZATIONAL BACKGROUND AND INTERNATIONAL TRADE PAYMENT FACILITIES OF MFTB</b>	<b>18</b>
3.1 Brief History of MFTB	18
3.2 Organization Structures of MFTB	19
3.3 Foreign Banking Services of MFTB Bank	20
	v

3.4	International Trade Payment Facilities	20
3.5	Domestic Banking Facilities	27
<b>Chapter IV</b>	<b>ANALYSIS ON CORPORATE CUSTOMER ATTITUDE ON INTERNATIONAL TRADE PAYMENT SYSTEMS OF MFTB BANK</b>	28
4.1	Research Design	28
4.2	Demographic Profile of the Respondents	28
4.3	International Trade Payment Services used by Respondents	31
4.4	Corporate Customer Attitude on International Trade Payment System of MFTB	33
4.5	Overall Analysis of Customer Attitude on MFTB International trade system	36
4.6	Assessment of the Reliability of the Scale	36
4.7	Correlation between Tri Component Model of Belief Component, Feeling Component and Behavior Component	37
<b>Chapter V</b>	<b>CONCLUSION</b>	39
5.1	Finding and Discussion	39
5.2	Recommendation and Suggestion	40
5.3	Needs for Further Study	41
<b>References</b>		vii
<b>List of Abbreviations</b>		viii
<b>Appendix A</b>		ix
<b>Appendix B</b>		x
<b>Appendix C</b>		xi

## **List of Tables**

4.1	Number of Respondents by Gender	31
4.2	Number of Respondents by Age Distribution	31
4.3	Number of Respondents by Education	32
4.4	Number of Respondents by Occupation	32
4.5	Number of Respondents by Monthly Income	33
4.6	Number of Respondents by Ethnicity	33
4.7	Number of Respondents by Type of Business	34
4.8	Times to deal with International Trade Payment Systems	34
4.9	Country that Company Make for International Payment Transaction	35
4.10	International Payment Systems	35
4.11	International Payment of Banking Standard and Practices	36
4.12	Foreign Currencies	36
4.13	Customer Attitude on Beliefs Components	38
4.14	Customer Attitude on Feeling Components	40
4.15	Customer Attitude on Behavior Components	42
4.16	Overall Analysis of Customer Attitude on MFTB International Trade Payment System	43
4.17	Results of Cronbach's Alpha Value	44
4.18	Correlations Analysis on Customer Belief Component, Feeling Component and Behavior Component	45

## **List of Figures**

2.1	The Process of Open Account Payment System	6
2.2	The Process of Documentary Collection System	8
2.3	Document against Acceptance (D/A) and Document against Payment (D/P)	9
2.4	The Process of Letter of Credit System	11
2.5	Advance Payment made by Telegraphic Transfer/ Remittance	12
2.6	Attitude Components (Tri-component Model)	16
3.1	Trade Organization Structure	19
3.2	Single Customer Transfer with Director Payment	22
3.3	Single Customer Transfer with Ordering and Account with Institutions	23
3.4	Export Payment Flows under Documentary Credit (MT 700)	24
3.5	SWIFT MT 202 Flows under the Document against Payment	26
3.6	SWIFT MT 299 Payment Advice Flows	27



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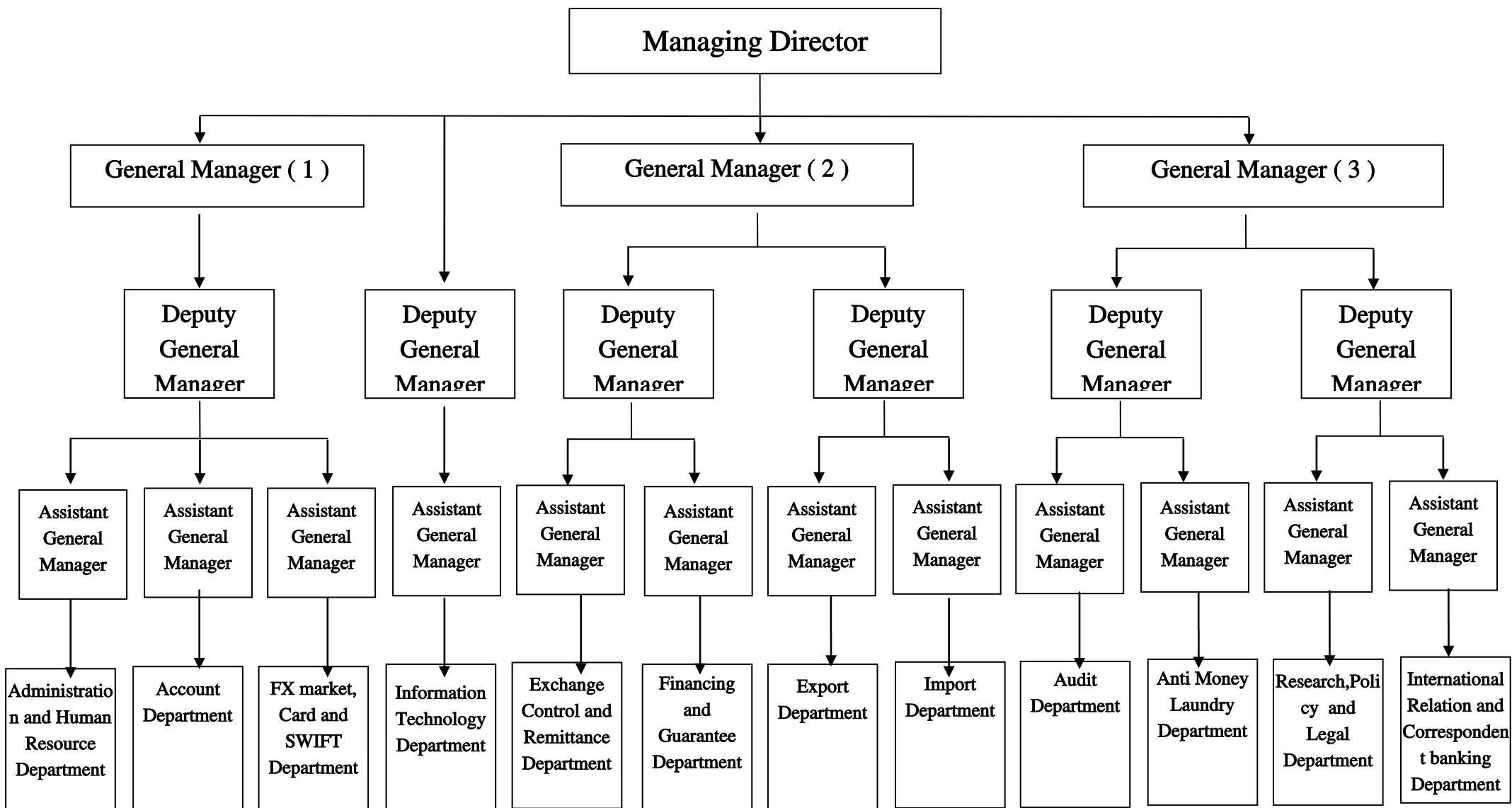
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## LIST OF ABBREVIATIONS

ADB	-	Asian Development Bank
CBM	-	Central Bank of Myanmar
CBM Law	-	Central Bank of Myanmar Law
COV	-	Cover Message
D/A	-	Document against Acceptance
D/C	-	Documentary Credit
EURO	-	Euro Currency
FIM Law	-	Financial Institutions of Myanmar Law
FX	-	Foreign Exchange
FY	-	Financial Year
GIZ	-	German Development Cooperation (GIZ-Deutsche Gesellschaft Für Internationale Zusammenarbeit)
ICC	-	International Chamber of Commerce
ICT	-	Information, Communication and Technology
IFC	-	International Finance Corporation
IMF	-	International Monetary Fund
INCOTERMS	-	International Commercial Terms
JPY	-	Japanese Yen
L/C	-	Letter of Credit
MAS	-	Monetary Authority of Singapore
MASF	-	Multi-currency Specific Advance Facility
MICB	-	Myanma Investment and Commercial Bank
MEB	-	Myanma Economic Bank
MFTB	-	Myanma Foreign Trade Bank
MT	-	Message Type
SGD	-	Singapore Dollar
SBLC	-	Standby Letter of Credit
SWIFT	-	Society for Worldwide Interbank Financial Telecommunication
T/T	-	Telegraph Transfer
UCP	-	Uniform Customs and Practice for Documentary Credits

UK	-	United Kingdom
URC	-	Uniform Rules of Collection
URDG	-	Uniform Rules for Demand Guarantee
USD	-	United States Dollars

## MYANMA FOREIGN TRADE BANK FLOW CHART



Source: HR Department from MFTB

**Tariff of Charges to Internal Customers of MFTB****Bank Charges for Export Transactions**

- Charges for inward T.T transaction - equivalent USD of K 10,000 per Transaction
- D/C Advising Commission - USD 30
- D/C Amendment Advising Commission - USD 25
- D/C Cancellation - USD 25
- Export Bill Handling Commission - 0.25% of Bill Amount ( Minimum USD 50 Maximum USD 1,000)

**Bank Charges for Import Transactions**

- D/C Issuing Commission - 0.25% of Bill Amount (Minimum USD 50 Maximum USD 1,000)
- D/C Amendment Commission - 0.25% per (3) month or part there of (Minimum USD40 )
- D/C Cancellation - USD 30
- Bill Handling Commission - USD 50
- Bill Under Documentary Collection - 0.5% on Bill Amount ( Minimum USD 50)

**Bank Charges for Bank Guarantee Services**

- Guarantee Issuing Commission - 0.25% per (3) month or part there of (Minimum USD 50)
- Guarantee Amendment Commission - 0.25% per (3) month or part there of (Minimum USD 40)
- Guarantee Advising Commission - USD 20
- Guarantee Amendment Advising Commission - USD 15

**Bank Charges for Outward Remittance**

Account Transfer Within Bank

- 0.125% ( Minimum USD )
- USD 2(or) EUR 2(or) SGD 2

Account Transfer to other Local Bank

- USD 3(or) EUR 3(or) SGD 3

Cash Deposit to the Current Account

- 0.3% on Deposit Amount

Cash Withdrawal

- Equivalent K10,000

**Survey questionnaire of corporate Customer Attitude on International Trade  
payment systems of Myanmar Foreign Trade Bank.**

**FUNCTION (A) ANALYSIS ON SOCIO-DEMOGRAPHIC FACTORS OF RESPONDENTS**

Give Tick “ ✓ ” in the box that best describes you.

1. Gender
  - Male (      )
  - Female (      )
2. Age
  - Under 20 (      )
  - 20-30 (      )
  - 30-40 (      )
  - 40-50 (      )
  - Above 50 (      )
3. Education Background
  - Under Graduate (      )
  - Graduated (      )
  - Master Degree (      )
  - Ph.D (      )
4. Occupation
  - Business Owner (      )
  - Company Staff (      )
  - Management (      )
  - Agent (      )
5. Monthly Income Level of respondents
  - Under 10 Lakhs (      )
  - Above 10 Lakhs to 20 Lakhs (      )
  - Above 20 Lakhs to 30 Lakhs (      )
  - Above 30 Lakhs to 40 Lakhs (      )
  - Above 40 Lakhs (      )
6. Ethnicity (Race)
  - Burma (      )
  - Burma-Chinese (      )
  - Burma-Islam (      )
  - Burma-Indian (      )

- Myanmar Race ( )
  - Others ( )
7. Type of Business
- Agricultural Products ( )
  - Marine Products ( )
  - Forestry Products ( )
  - Diesel & Mogas ( )
  - CMP ( )
  - RBD Palm Oil ( )
  - Machinery and Industry ( )
  - Others usage of products .....

**FUNCTION (B) INTERNATIONAL TRADE PAYMENT SERVICES BY CUSTOMER RESPONDENT**

Give Tick “ ✓ “ in the box that best describes you.

8. How many times do you deal with international trade payment systems of MFTB per month?
- 1-5 ( )
  - 6-10 ( )
  - 11-15 ( )
  - 16 and above ( )
9. Which country did your company make for international payment transactions?
- Asia Countries ( )
  - Europe Countries ( )
  - North/ South America Countries ( )
  - Other Countries ( Please specify) .....
10. Which methods of international payment systems did you use?
- Advance Payment (Cash-in-Advance) ( )
  - Documentary Collections ( )
  - Letter of Credits/ Documentary Credits ( )
  - Open Account (Telegraphic Transfer) ( )
11. I choose and apply the international payment systems of MFTB when I required relation to my knowledge in order to comply with international banking standards and practices. Which reason?
- Import Services ( )
  - Export Services ( )

- Remittances Services ( )
- Guarantee Services ( )
- Other Services ( )

12. Do you use the international payment systems of MFTB and also use the other bank's payment services?

Other Banks	Types of services ( LC/TT)
▪ KBZ	.....
▪ UAB	.....
▪ AGD	.....
▪ MICB	.....
▪ MEB	.....
▪ CB	.....
▪ AYA	.....
▪ Other. (Please Specify)	.....

13. Mostly Used type(s) of Foreign Currencies

- USD ( )
- EUR ( )
- SGD ( )
- CNY ( )
- JPY ( )
- THB ( )

14. Please indicate your perceptions for services of MFTB?

.....



**FUNCTION(C)CORPORATE CUSTOMER ATTITUD ON INTERNATIONAL TRADE PAYMENT SYSTEMS OF MYANMA FOREIGN TRADE BANK.**

Give Tick ““ ~~on~~ one answer.

(1) Strongly Disagree (2) Disagree (3) Neutral (4) Agree (5) Strongly Agree

Sr. No	BELIEFS COMPONENT	1	2	3	4	5
1	MFTB’s international payment services are more effective than other bank’s services with convenience, trustworthy, and safely.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	MFTB established the correspondent banking relationship in worldwide and can do easily in promotion banking activities for overseas investment and trade integration deeply.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	MFTB’s staffs have more understanding of international commercial practices to explain what you required and well focusing on rules & regulations of other countries too.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	The staff can provide you banking services of international payment transactions as promised which has more experience in international banking services than other banks.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	MFTB has a good reputation in long time experience of 43 years banking services between our correspondent banks and our clients.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	The staffs provide the customers accurate information regarding their business smoothing.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	It is secure to use import trade financing services from MFTB bank.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	It is secure to use export trade financing services from MFTB bank.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	MFTB’s Exchange Rate is appropriated for customers than other banks’ Exchange Rate.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	MFTB’s International Trade Payment Method (including bank guarantee) are strongly effecting to my export/import business.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<b>Sr. No</b>	<b>FEELINGS COMPONENT</b>	<b>1 2 3 4 5</b>
1	MFTB's staffs can manage the banking operations with quality and efficiency of their banking performance when customer faces the problems/ loss of their business transactions.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
2	MFTB's staffs are providing banking services to customers carefully and they were treated fairly.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
3	MFTB's banking services charges are reasonable price to compare with other local banks' charges.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
4	The staff provide quality customer services and transfers payments within a short period of time.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
5	MFTB's international payment systems are accountability and transparency to everyone who deals with the bank's services.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
6	I feel the MFTB's banking experience of getting my problem resolved was very quickly and satisfactory.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
7	The staffs give the services to customers as being patient, enthusiastic and responsive.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
8	MFTB Bank's Trade financing interest rates is more reasonable and consistent than other banks.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
9	MFTB's international payment services is more secure than other banks as a state-owned bank.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
10	Among the international payment services, MFTB's export/import service and Telegraphic Transfer(TT) service are convinced to use than other banks' services.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

Sr. No	BEHAVIOURS COMPONENT	1 2 3 4 5
1	MFTB's staffs are helping eagerly to customer's business transactions for smoothing their financial activities.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
2	MFTB's pay attention their banking services to customers actively.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
3	MFTB's are providing diversify banking products and services to customers as per the bank's announcements.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
4	MFTB's staffs are well knowledge and fully understanding in international banking services policies and practices.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
5	MFTB's provides the necessary banking advices and suggestions to customers for update information related with commercial payments, foreign exchange, interest rate, and offshore financial market.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
6	MFTB's staffs were polite and helpful for providing banking services to clients.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
7	The waiting time for having the customer's necessary question answered was satisfactory.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
8	Using MFTB's international payment services have no risks because of the banking background.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
9	MFTB's international trade payment information can be easily obtained from its website.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
10	Customers decide to use MFTB's international payment services and trade financing among the other banks due to bank's reputation.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

Thank you for your feedback, I sincerely appreciate your honest opinion -----