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**ATTITUDE TOWARDS THE USE OF MOBILE WALLET
AND MOBILE PAYMENT SERVICES IN MYANMAR**

**EI EI PHYU
(MBF- 4th BATCH)**

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“Attitude Towards the Use of Mobile Wallet and Mobile Payment Services in Myanmar”

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Supervised by

Dr. Daw Soe Thu
Programme Director
Master of Banking and Finance Programme
Yangon University of Economics

Submitted by

Ei Ei Phyu
Roll No - 50
MBF 4th Batch

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ABSTRACT

This study is an attempt to evaluate the performance of First Private Bank (FPB) with the regulatory framework of CAMEL. It focuses mainly on a Bank's Capital, Asset quality, Management, Bank's earning and Liquidity. This study uses mainly in secondary data and descriptive analysis of financial data. To gather data which is used in the present study, financial information were obtained from audited financial statements, annual reports, articles, previous studies on related topic, published statement of disclosure of FPB. Five years (2014 to 2018) audited financial statements of First Private Bank have been collected and analyzed to evaluate the quality of management and performance quality by CAMEL measures to meet the purpose of objective. Each three types of financial ratios analysis has made for 6 periods in 5 topics. Then, composite ratings are used for identifying of quality level of First Private Bank. The finding is Capital, Asset quality and Liquidities are very fine but Management and Earnings have some issues. These findings from this analysis found that First Private Bank stands outstanding level for study period. The issues with management and earnings are profit before tax ratios are not in positive trends. Although the loan are rising, PBIT is still keep lowing. Total asset to liabilities ratios are raising but PBIT are declining. When total assets are getting high then the earning asset should be raised and net income should be also raised. ROA and ROE have fluctuations amongst financial years. The Pre-projected business plan should be drawn up before a new financial year start and monthly, quarterly and bi-annually detail monitoring and comparisons should make. For those discrepancies arise from the projection are to be adjusted with plan of proper action to achieve the Bank's targets. The more positive trends with the bottom line of the Business, the better Bank future and more attractive at YSX stock market.

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Roll No -63

MBF 4th Batch

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ABSTRACT

This study intends to identify the mobile wallet services provided by selected mobile financial services (MFS) License Company in Myanmar and to explore the attitude on using mobile wallet and mobile payment services. This study focus on the active customers of the selected sample sized organizations which are OK\$ and Wave Money. In order to fulfill the research objects, both primary and secondary data are used in this study. For this study, the primary has got from the survey, questionnaires and interviews from the targeted respondents by using the quota sampling method from the selected organizations. For the secondary part, the study is focused on the changing from the traditional banking sector to cashless payment system from the related public sources. In the finding section, the study is mainly based on the objectives and the data about the attitude of customers on using mobile wallet services. Because of the ease of use and convenient, the attitudes of the users are changed and they started feel that the services are intention to use.

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LIST OF ABBREVIATIONS

ATM	Automatic Teller Machine
APAC	Asia Pacific
AML	Anti-Money Laundering
CBM	Central Bank of Myanmar
CDD	Customer Due Diligence
CFT	Combating Money Laundering
CDMA	Code-Division Multiple Access
DTH	Direct To Home
GSMA	Global System for Mobile Communication
KYC	Key Your Customer
MFS	Mobile Financial Services
MPT	Myanmar Posts and Telecommunications
NFC	Near Field Communication
NRC	National Registration Card
OTT	One Time Ticket
P2P	Person to Person
POS	Point of Sales
QRC	Quick Response Code
SE	Secure Element
SME	Small and Medium Enterprises
TAM	Technology Acceptance Model
UTAUT	Unified Theory of Acceptance and Use of Technology
3G	Third Generation of Wireless Mobile

CHAPTER 1

INTRODUCTION

Mobile Payment is about the combination of financial services and information technology. Banks and other financial institutions can be delivered customer services and other core services such as remittances and funds transferring through the internet rather than by physically investing the bank premises (Cheung & Lee, 2006). Increasing knowledge of internet technology has been compelling consumers to use fast and efficient ways of banking rather than traditional fixed services. (Chang & Hamid, 2010) defined mobile wallet as the process that customers can complete banking transaction without going to the banks physically.

Smart phones are started as the important one in the daily lifestyle because of their developing technology and advance. Originally, mobile phones were intended only to make voice calls and send text message. Today, mobile phones have many functions so far that they can provide a wide range of services such as email, social media interface. Moreover, mobile users can make payment for goods and services by using a personal mobile device as the transaction terminal and it can manage their financial from mobile wallet.

Recently, different models of mobile wallet have emerged all around the world and increased of mobile payments. Currently, they try to take advantage of the repaid development of mobile phones functionalities, of the large diffusion of this kind of terminals in all countries and generations of consumers, and of their easy use- at every hour of the day – inside and outside the areas of Internet access. Two contrasting uses of mobile payments command attention: cashless payments and mobile transfer payments. For the cashless payments, the mobile phone is far more efficient than electronic purse: it saves transaction costs for users and investment costs in specific terminals for shopkeepers. For mobile transfer payments, mobile wallet offers services without any need of ATM, banking branch.

In 2013, Myanmar has experienced a dramatic shift in mobile network coverage and affordability. By the end of 2016, 3G mobile coverage was available to 90 percent of the population out of 51 million mobile connections. The three current Myanmar MNOs are Myanmar Post and Telecom (Joint Operations with Japanese firms), Telenor from Norway, and Ooredoo from Qatar. A fourth Operator, Mytel, a joint venture between

Viettel of Vietnam and Myanmar firms, was licensed in January 2017. The Central Bank of Myanmar gave permission to apply technology in mobile financial services not only the banking sector but also the other sectors like telecommunications and organizations related with financial services.

In March 2016, the Central Bank of Myanmar issued Mobile Financial Service License (MFS) to non-bank entities. Now, mobile payment providers can digitally connect the un-banked in Myanmar and the CBM boosts the financial culture of Myanmar by changing shift from cash-based to digital economies in the country.

In this thesis, the business network theory applied to study how interaction takes place within the current development of Mobile Wallets, which are becoming the base of the mobile payments industry.

1.1 Rationale of the Study

In Asia, mobile payments are growing rapidly, fueled by increasing smartphone ownership and improving access to the internet. There have six strong countries in using mobile payments in Asia, they are China, Japan, India, Singapore, Indonesia and Malaysia.

Myanmar financial sectors is normally influenced by the cash economy and most of the traditional bank services users face several issues like long queue and huge crowd in the banking hall for cash withdraw and deposit. Myanmar's financial service sector is the last developed in Southeast Asia and apart from 20 percent of the population, Myanmar is more preferably on using cash based economy (Frontier, 2016).

The residents have the fear to change from cash based economy to online based financial services so the licensed organizations introduce easy features in the application they operated. Main aim of using mobile wallet system for the users to perform financial activities at home via internet individually.

Mobile financial services license organization that got licenses from Central Bank of Myanmar are also trying to upgrade and fulfill customers' requirements to solve daily financial management via mobiles. Such activities include the Utility bill payment, phone bill top-up, P2P payments and Agent banking, etc. Mobile wallet is the solution for creating convenience financial services directly to customer. The aims of the thesis are to

provide knowledge about mobile financial services for both urban and rural, to manage both transfers and payments not only in nations but also in internationals and the last is to reduce inflation by using mobile wallets.

1.2 Objectives of The Study

The objectives of the Study are as follows:

1. To identify the users' changes in using mobile wallet and services by applying modernized tools
2. To study the functions and procedures of mobile wallet and mobile payment services

1.3 Scope and Methods of the Study

To identify and analyze the attitude changes in Myanmar, this study is focusing on the customers' changes of using from traditional ways to using online based wallet services. Scope of the study is collected from the 120 customers who are now the active customers of the selected Mobile Financial Services license organizations which are OK\$ and Wave Money in Myanmar. Descriptive method used in this research. Quantitative and Qualitative analysis applied in this research.

The study employs primary data as well as secondary data. Secondary data was collected from different published sources; reports, research papers, articles and news from Internet, Information from Central Bank of Myanmar and Mobile Financial Services license organization. Primary data was collected by structured survey. The survey was created and sent to the respondents who are users of OK\$ and Wave Money using quota sampling. The respondents, who were approached email and by hand, were 120.

1.4 Organization of The Study

The research is compromised with the five chapters. Chapter 1 introduced the research background and the rationale for research. The objectives and aim are also being included in the Chapter1 by providing an overview of the academic and managerial contributions of the study. Chapter 2 provides review the literature relevant to Mobile Wallet and customers' perception. Chapter 3 identifies the services of mobile banking

provided by selected licensed organizations. Chapter 4 describes the analysis of perception of mobile banking based on the results of the questionnaire. Chapter 5 is the concluding chapter in which summary of finding are first presented and then conclusion drawn, relevant suggestions and need for further research are finally made.

CHAPTER 2

THEORETICAL BACKGROUND

In this chapter, the study is described in the following about the role of mobile wallet, its history and mobile payment services provided for user behavior intention to use, trust and security of mobile payment service and customer adoption process of theoretical background. These things are influencing factors on using mobile wallet.

2.1 Definition of Mobile Wallet

Mobile wallet is developed from a concept called “Digital Wallet”. It dated back in 1996 when the founder of Digital Wallet, Sam Pitroda, who filed the patent in the United States (Sam Pitroda Patents). He “professed that digital wallet would consist of a liquid crystal display no much bigger than a regular plastic card, which preferably a touch-sensitive screen and simple user interface that lets the user flip through the digital wallet in the same manner he/she flips through a leather wallet”. (Pitroda S., Desai M., 2010). So far, there has not been yet a proper definition for the world “Mobile Wallet” written by specific scholars. The mobile wallet was defined as “a software application on a mobile handset that function as a digital container for payment cards, tickets, loyalty cards, receipts, vouchers and other items that might be found in a conventional wallet (GSMA, 2012). The mobile wallet enables the user to manage a broad portfolio of mobile NFC [Near Field Communication] services from many different companies” (GSMA, 2012). In other words, mobile wallet is “formed when your smartphone functions as a leather wallet; it can have digital coupons, digital money (transaction), digital cards, and digital receipts, etc. all in your smartphone.

Mobile wallet is a virtual wallet that store payment card information on a mobile device. Mobile wallets are a convenient way for a user to make in-store payments and can be used at merchants listed with the mobile wallet service provider. The business-consumer relationship is swiftly becoming digital. Mobile wallet services changed from e-commerce, businesses are transforming the way they operate to meet the ever-changing needs of their clients and increasing use of mobile phones and devices. Companies in the financial sector are emerging that offer digital platforms and solutions and recognized as members of the Fintech sector. These emerging companies create disruptive tools and services that are easily accessible at a low cost. One area of the financial industry that is

rife with innovations is the payments sector. Using mobile technology such as smartphones, tablets, companies and users are adapting to online and offline transactions using devices such as mobile wallet.

2.2 History of Mobile Wallet in International

Mobile payment adoption has been varied across markets owing to the differences in their economies, regulations and banking infrastructure. Geographically, Asia Pacific (APAC) was the first one to adopt mobile payment, due to the existence of a large, unbanked, economy, followed by Europe and North America. Though the early mobile transactions are recorded in the late 1990, the first patent that defined “mobile payment system” was filed in 2000. In 1997, Coca Cola introduce a few vending machines in Helsinki that allowed customer to buy their drink through text message. Although small, this innovative use case is still regarded as the first example of mobile wallet and introduced the idea of using mobile devices for transactions. In 1999, PayPal was launched as a money transfer service and it followed by the emergence of mobile wallet that were used to buy movie tickets, arrange travel, pizza, etc (Prime Index,).

In 2007, the M-PESA launched mobile payments system and microfinancing service has widespread use in Kenya and Tanzania in Africa. M-Pesa had been grown so quickly and it became the most successful mobile based financial service in 2010. Paytm mobile wallet services launched in Indian for e-commerce payment system in 2010. After that, the two biggest mobile wallet services companies are emerging in Chinese business. The First giant Alipay get licensing regulations in 2010 for third-party payment provider and officially founded in 2014. The second giant WeChat began as “Weixin” Wallet name in 2011. By 2012, the number of users reached 100 million, Weixin was re-branded “WeChat” for international market.

The major player in mobile wallets is Google and Apple. Google launched the mobile wallet in 2011 and it is the first major company to provide a mobile wallet to market. In 2012, Apple introduce the Apple’s Passbook, an application that targeted boarding passes, tickets and coupons instead of actual mobile payments. After launched Apple’s Passbook, Apple announced their new product namely Apple Pay in 2014 (Angela, Nov.2016). It was soon followed by a flood of such mobile wallet performs

and the prominent ones among those were Microsoft Wallet, Android Pay and Samsung Pay as well as payment services like PayPal and Venmo.

Growing percentage of using mobile payment is much faster in emerging economies than in developing economies because the emerging economies have a large unbanked population and their banking services are not sure either available or unaffordable. This exists against the backdrop of fast and widespread penetration of smartphones across income categories, especially in fast-growing emerging economies such as India and China. Together, they have driven the growth of the mobile payment market in these economies. Emerging economies also have a significant number of migrant workers, and need to transfer funds home has boosted mobile payments, including cross-border transactions.

According to the Statista report (2018) that about of mobile payments users in region wide, Asia/Pacific has the largest number of mobile payment users, followed by Africa and North America. In 2016, Asia/Pacific had 163.6 million users, while there were 101.3 million users in Africa and 90.7 million in North America. North America registered the largest growth during 2009-2016 (CAGR of 62.13%), followed by Europe (35.90%) and Africa (25.37%). (Statista.com,2018)

Mobile wallet service is newly thing for everyone and it is the very first experience for the residents who are very used to with traditional banking sector. Mobile wallet service launched in Myanmar in 2016 and most of the user are trying to use like a physical wallet. Most of the mobile financial service license companies are Bank Organizations, Mobile Network Organizations in Myanmar. These organizations help the customers to use the money in anywhere and anytime by providing the wallet application in the mobile phones. Like buying things from websites and social media platform, transferring payments, booking tickets, reservation hotels and others are also done with the wallet from mobile payment. So, mobile payment is the interaction between customers and business. In Future, mobile wallet is empowered the commerce field an advantage of mobile payment is that customer won't pay via cash in Myanmar.

2.3 Services of Mobile Wallet

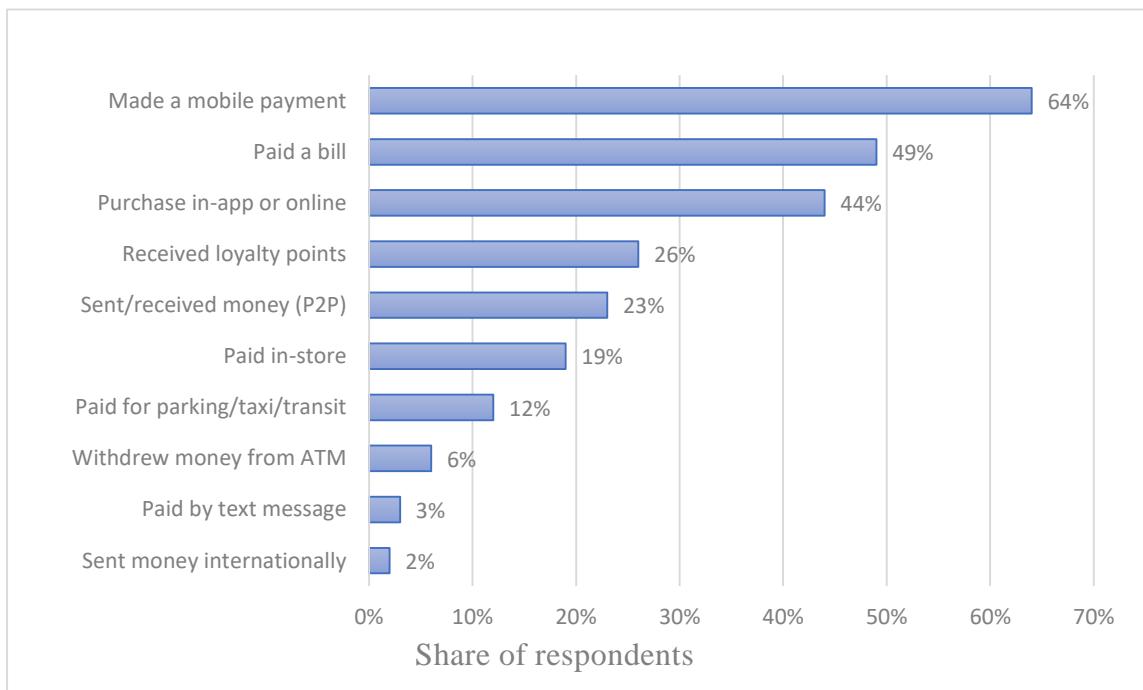
In developing countries, mobile payment service has been deployed as a mean of extending financial services to the community known as the “unbanked” or “underbanked”, which is estimated to be as much as 50% of the world’s adult persons, according to Financial Access’ 2009 Report “Half the World is Unbanked”. The mobile payment has attracted to bank user to get their desire data, taking loans, fund transfers, through a financial institution conducted over any device connected to the mobile network.

Mobile wallet is defined as a transaction method which money is transferred from one person to another through a mobile device without intermediate. The most common way to conduct transactions by mobile phone service is to send messages with predefined structure to the object to be traded (Menke& de Lussanet, 2006). Payments for goods and services are then charged to the customer’s mobile phone bill or deducted from prepaid phone bill of prepay subscribers.

Mobile wallet is a digital form of debit card, credit card, or prepaid card information on mobile devices used for sending or receiving payment and to do online money transaction. Mobile wallet can provide an alternative method for physical plastic card to make quick purchase through mobile apps. They are extremely convenient for regular payments such as utility bill payments, groceries etc., and has gained wide popularity in various sectors such as retail, utilities, telecom, and transportation, among others. Many customers and expect believe that mobile wallet is secure, time saving and convenience for user.

Mobile wallet is very similar to bank accounts wherein customers can hold the money in any currency, that can be used later various purpose, such as payments, local or oversea money transfers, paying utility bills, prepaid cards and so on. Customer can easily convert the money from one currency in any currency to their intended beneficiaries, both locally and world-wide mobile wallet services for user are check cash balance and transaction history, deposit and withdrawal cash, payments for Utility bill, refill phone bill, online payments for goods and services, Taxi fares payments, Other services (transportation, loans, charity etc.).

Figure 2.1 Types of mobile payments made using from mobile wallet in 2017



Source: consumer usage of mobile payment, Statista 2018

Mobile payments use varies by type of activity and with age. In the United State, 64% of the adult person are made the mobile payment transactions, 49% paid a bill and 44% purchase in application or online. A few persons made received loyalty points, P2P transfer (sent/ received money), paid in-store, paid for parking, taxi and transit, withdraw money from ATM, paid by text message and transfer money globally. Most of the mobile wallet user believe that mobile payment to be secure, forgery or loss of data doesn't occur from keeping information during electronic payment and can possible to track information of transaction list.

Mobile wallet is enabling Myanmar people that helps to carry out transaction at any times and anywhere. Transactions through mobile wallet are compromised with the account balances and lists of latest transactions, bill payment and fund transfer between customer's or another's accounts. Due to the above facts and bored to use the cash-based system, the customers would like to use mobile payments so merchants are trying to adopt in the mobile wallet market. In terms of security, the data of the customers from mobile device to store at Myanmar financial service security because customers' trust is an important issue in the mobile service system. So, MFS license companies are used biometric mechanism for minimizing the risk.

2.4 Mobile Wallet Technology

Mobile wallets are composed of both mobile device and mobile wallet systems. There is dedicated mobile wallet device which is called the biometric wallet. (David, 2013). All the major mobile platform developer, such as Apple, Google, Microsoft, and BlackBerry have supported Bluetooth for the last several (Andrew, 2016). Presently there have further explorations for smartphones with NFC digital wallet capabilities, such as Samsung series and Google Nexus smart phone utilizing Google's Android operating system and Apple's device utilizing Apple Pay.

Nowadays, the technologies of Mobile Wallets are used One Time Ticket (OTT), Quick Response Code (QRC), Near Field Communication (NFC) and Secure Element (SE). One Time Ticket is an open one-time code sent to the receiver, where only the client or receiver is required to authenticate a transaction (Accumulate AB, 2004). Quick Response Code (QRC)- A two-dimensional bar code that downloads a web page to into the consumer's smartphone when photographed with a mobile tagging app in the phone (Swedbank AB, 2012). Near Field Communication (NFC) controller and antenna – it is a wireless technology that enables mobile devices to securely send the consumer's account information at the POS terminal at the merchant. The tags associated with consumer products which are kept at the billing counter are read through contactless technology (First Data, 2012). Secure elements (SE)- A secure smart card chip which stores and enable account information handling and it is completely different with the phone memory card. The information present in the secure element is protected by layers of security (First Data, 2012). Mobile application provides the users interface for the consumer to manage accounts and initiate payments from the wallet app in the mobile device (First Data, 2012).

Apple Pay, Android Pay, Samsung Pay and Capital One Financial institution wallet are used Near Field Communication (NFC). WeChat Wallet, Starbucks mobile payment, Chase Pay and Walmart Pay are used Quick Response Code (QRC). Alipay, Paytm, PayPal, Pay with Amazon and ICIC Pockets are used Digital only and these online payments are drawn payments from the wallets at merchants. M-Pesa, MTN Mobile Money, Tigo, Orange Money are used Text based. SMS based payment platform with mobile phone function both as sending device and POS terminal.

In Myanmar emerging market, mobile money products (typically SMS-based) and QRC based mobile wallets have demonstrated the greatest traction. For consumer payments at the point of sale (POS), QRC are one of the quickest and most cost-effective ways for merchants to accept electronic payments. Merchants only need to print the code on a piece of paper. But as the merchant's business grows, he or she may consider adding more functionality—perhaps an POS dongle that attaches to his or her phone or, eventually, a standalone terminal. By enabling QRC mobile payment acceptance, payments companies can create opportunities to bring merchants into the card system.

Mobile wallet service is the most suitable one for the mobile lifestyle, offers a convenient payment transaction method to human's life. The ability to allow customer to have more control over the financial situation is one attraction of mobile financial services (Laukkanen&Lauronen, 2005), as the consumer prefers to act for himself/herself when dealing with his/her own monetary transactions through the mobile device. Luakkanen (2005) found that the flexibility of being able to use the service wherever and whenever the users want enables immediate completion of banking tasks (transferring money or paying a bill). This would save time and be perceived as convenient and efficient. Therefore, the characteristics of the service as perceived by the user and provided by the bank institution and service provider are important factors influencing the usage of mobile wallet.

2.5 Technology Acceptance Model (TAM Model)

Innovation and adoption of new technologies have attracted so much attention in various literatures, and this has generated models and theories which are believed to affect the adoption of an innovation. The model which illustrates acceptance and adoption of new technology is the Technology Acceptance Model (TAM).

TAM was developed by Davis (1989) to study the acceptance of technology by different individuals. The TAM is compromised with easy to use and the usefulness of technology and their attitude is to adopt the new technology because of their perceived ease of application. The attitude toward adoption determined the individuals' future decision concerning adoption of new technology. When individuals come across new technology, a number of factors determine their decisions about how and when they used it. Those factors can be age, gender, experience, and voluntariness of use

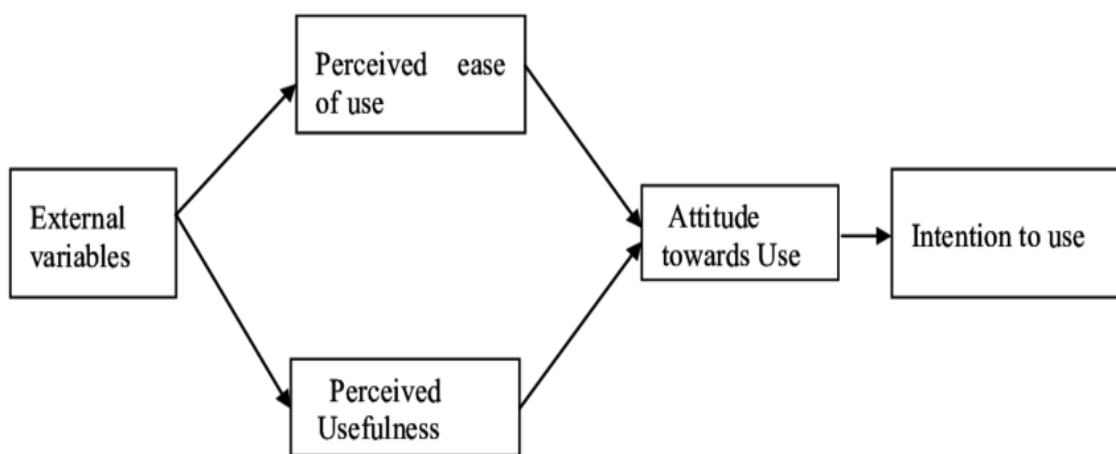
among individuals (Davis, 1989). The model provides the provision to add external variables as the determinants of perceived usefulness and perceived ease of use.

TAM is tailored and designed to explain how external variables likely to influence an individual's decision to use the new technology. The aim of this study is to access factors influencing mobile financial services in mobile wallet users. Mobile wallet is the new technology especially in this context of developing countries, TAM is illustrating about the users developed perception of the usefulness and easy to use of various technologies which lead to the actual usage of the technology. Hence, the model is useful in giving the insight on adoption of new technology.

Despite a number of criticisms on TAM, TAM still provides an important theoretical contribution toward understanding factors hindering the actual use of the system. TAM describes the relationship between the independent variables (perceived usefulness and perceived ease of use) and dependent variables (attitude, intention and actual use). Some of the criticism and extensions of TAM include Extended TAM known as TAM2 (Venkatesh & Davis, 2000), UTAUT (Venkatesh & Zhang, 2010) and others.

TAM was developed by Davis (1989) to study the acceptance of technology by different individuals. It addresses both the perceived ease of use and usefulness of technology. The model Perceived usefulness as elaborated by Davis (1989) is the extent to which an individual perceives the usage of particular application leads to achievement of certain objectives.

Figure 2.2 Framework of the Technology Acceptance Model (TAM)



Source: Technology Acceptance Model by David 1989

For this research, Technology Acceptance Model by David1989 is directly apply for the analysis. The literature findings have demonstrated that influencing factor on mobile wallet and focus on the issue of perceived Usefulness, perceived ease of use and attitude towards use.

Perceived Ease of Use

Extensive research over the past decade provides confirmation of the significant effect that ease of use has on perceived usefulness (Agarwal & Prasad, 1999; Davis et al., 1989; Hu, Chau, Sheng & Tam, 1999; Venkatesh, 1999,2000; Venkatesh& Davis, 1996, 2000; Venkatesh& Morris, 2000). Mobile banking systems must be both easy to learn and easy to use in order to prevent the using of mobile wallet system. In this study, it is argued that the mobile wallet ease of use is one of the motivating factors of perceived usefulness of mobile wallet.

Perceived Usefulness

According to the TAM, perceived usefulness is the degree to which a person believes that using a particular system would enhance his or her job performance (Davis, 1989). Perceived usefulness is defined as the extent to which an individual believes that he or she would benefit from using mobile wallet. The importance of perceived usefulness has been widely recognized in the field of mobile wallet services (Bhatti, 2007; Guriting&Ndubisi, 2006; Kim, Chan & Gupta, 2007; Laforet& Li, 2005; Liao & Cheung, 2002; Polatoglu&Ekin, 2001). Previous research has consistently argued that there is a positive relationship between perceived usefulness of mobile wallet, intention and attitude toward mobile wallet and mobile wallet usage (Bhatti, 2007; Davis et al., 1989; Kim et al., 2007; Pavlou, 2003; Venkatesh, 2000; Venkatesh& Davis, 1996, Venkatesh& Morris, 2000). For example, Chau and Lai's (2003) examined the contributing factors towards the consumer's adoption of internet banking and determined that perceived usefulness was found as an important factor in fostering a positive attitude towards accepting the mobile wallet services. Also, within mobile wallet literature, a significant positive relationship between perceived usefulness of mobile wallet and the usage of mobile wallet is found (e.g., Davis, 1989; Davis et al., 1989; Gefen, Karahanna& Straub, 2003; Venkatesh& Morris, 2000). People evaluate the consequences of their attitude in terms of perceived usefulness and their attitude are based on the attractiveness of the perceived usefulness.

Attitude towards the use of Mobile Wallet

Attitude towards the use of mobile wallet has received considerable attention within the consumer behavior literature. It has been found that attitudes and intention towards the use of mobile wallet were both influenced by customer's perceived usefulness. The concept of attitude towards behavior seems to play an important role in predicting and understanding consumer intention and behavior (usage of mobile banking) (Ajzen, 1991, 2002, 2005; Alsamydai, Yousif, & Al-Qirem, 2013; Bansal & Taylor, 1999; Smith et al., 2008; Pavlou, 2003). Indeed, consumer attitudes towards mobile wallet are an important indicator of customer intention and usage of mobile wallet services. Therefore, in this study we propose that customer's attitude towards mobile wallet significantly affects their intention towards mobile banking and the usage of this service.

CHAPTER 3

BACKGROUND OF MYANMAR MOBILE FINANCIAL SERVICES INDUSTRY AND SELECTED LICENSED-ORGANIZATIONS

In this chapter, the study is described about the mobile financial services provided by MFS licensed-organizations. Before presenting about the nature of MFSlicensed-organizations, this study focusesmobile financial services and the organization structure of OK\$ Co., Ltd as well as Wave Money Co.,Ltd which is the licensed-organization from CBM for doing financial services.

3.1 Backgroundof Myanmar Mobile Financial Services

The Central Bank of Myanmar issued a Mobile Banking Directive in December 2013 that established a bank-led model for the provision of mobile banking services.In March 2016, the CBM released the regulation for Mobile Financial Services and the regulation is about the expanding of Myanmar financial services sector to give permission to do these services to non-bank entities such as MNOs and third parties. MFS regulations requires the MNOs or any non-bank entities to first set up a dedicated entity as an MFS provider. MFS regulations support a tiered “know your customer” (KYC) policy which makes it far easier for anyone to open an account.

In January 2017, the Central Bank of Myanmar cancelled all restrictions on doing financial services and then the CBM is welcoming all international payment companies in the market for restraining from controlling the market by local firms. With the aim of dramatically changing from cash-based to digital economies within the country, CBM gave the opportunities for all international payment providers can connect the un-banked in Myanmar.

In 2018, the four non-bank organizationsespecially Mobile Network Organization (MNO) and eight bank organizations are createdmobile wallet and mobile payment service players in Myanmar. Wave Money, M Pite San, MPT Pay and OK\$ are provided by non-bank organization and My Kyats, Easy Mobile, CB Pay, 663, MAB, AGD Pay, K Pay and On Go mobile wallets are provided by Bank organizations.

Mobile Financial Service License companies are needed to follow the CBM rules and regulation, especially transaction limits and Know Your Customer and Customer Due

Diligence (KYC/CDD). For the purpose of AML/CFT requirements, MFS accounts are categorized into three levels- Level 1 and Level 2 for individuals and Level 3 for registration. KYC/CDD requirements are required and proper record keeping is necessary for all account opening. The cumulative transaction limits and maximum balance limits can vary from time to time by the Central Bank.

Figure 3.1 Financial Transaction Limit by Central Bank of Myanmar

Rank	KYC(Require Document)	One Day Transaction	One Month Transaction	Maximum Balance Limit
Level -1 For Personal	NRC (first Priority) or Driving license (Second Priority) or Passport	50,000	1,250,000	200,000
Level -2 For Personal	Sim Card Registration (or) NRC (first Priority) or Driving license (Second Priority) or Passport	500,000	1,250,000	1,000,000
Level -3 For Personal	Business Registration No., Account No., Other Documents	1,000,000	25,000,000	10,000,000

Source: CBM Instruction for Mobile Wallet dated on 30th November 2017

Mobile Financial Service License companies are implemented mobile financial services that are able to provide interoperable services with other MFS License companies at various level of interoperability. This is the suitable to make demands including at agents, customer or mobile platform level. Some commercial banks were applied MFS service to Central Bank and they followed the provision of these regulations as they do not conflict with the Financial Institutions Law. Non-compliance of these regulations shall constitute an offence under the Financial Institutions Law, 2016.

3.2 Development of Myanmar Mobile Financial Services

In Myanmar financial system remains largely dominated by bank., the non-bank and fin-tech sector is on route to growth and likely be playing a key role in the country's modernization push.

The key players of mobile financial services are Banks, MNOs, Regulators, Payment Service Providers and Agents/Retail Networks. Banks offer banking services and hold float or account in customers' names.Banks provide the services such as full banking relationships and promote the usage of new banking channels with new clients. (SME, corporate clients). MNOs provide infrastructure and communications services and acquire clients, super agents. Agents provide cash-in, cash-out and account opening functions and support customer services, sales and marketing. Payment service provider (PSPs) provide payment infrastructure and IT platforms. Regulators provide enabling environment and protect stability of financial system. Regulators are encouraged and protect behavior change.

Mobile Wallets allow the customer to perform the Utility bill payment, Wages disbursement, B2B supply chain payments, Mobile commerce, Retailer and Agent banking. Mobile Wallet can conduct banking transaction from the home 24 hours comfortably. Because of this factor, mobile wallets' customers can better manage their financing and Corporate (or) SME customer enable specific growth opportunities with corporate and SME clients, generating with banks to get involved and boosting overall penetration and volume.Customer can register easily for Mobile Wallet from mobile with NRC, License or Passport.

According to the Fintech. Singapore report, 2018, only 5 % of the Myanmar population has a formal bank account and 2% has bank card, but Myanmar's 95% mobile penetration makes it fertile ground for the mobile penetration makes the fertile ground for the mobile revaluation. The arrival of the mobile financial services and fintechs in the past years has opened up new opportunities in the Southeast Asian Market (Fintech.sg, 2018).

3.3 Profile and Functions of Selected Mobile Financial Service Companies

This section provides the profile information of OK\$ Internet Wallet Myanmar and Wave Money that are now operating and they got trust from customers.

(1) Profile of OK\$ Internet Wallet Myanmar Company

OK\$ Internet Wallet Myanmar Limited is based in Myanmar Country and developed OK\$ 2016 for fast-growing Myanmar Market. It becomes fastest growing Mobile Payment enterprise in Myanmar. OK\$ is mobile payment and mobile wallet that run fast, secure and safe and it is very easy to use as digital money. And then, OK\$ can be used 24 hours and 7 days of the whole week and OK\$ has accounting function for your expenditures. OK\$ is new mobile payment application Generation Era for paying money and receiving money better than handling cash. Technology is from the United States of America as Fintech Technology, OK\$ Fintech is a leading provider in application of outsourcing services for the banking and financial services industry. Global financial institutions have collaborated with OK\$ Fintech to create the innovative banking technology needed to compete in today's global market. OK\$ Fintech team of financial technology professionals, combined with our global delivery model, ensures that our banking and investment software products are of the highest quality, with the lowest possible cost and risk. (OK\$, 2017)(OK\$ Fintech, 2017)

OK\$Internet Wallet Myanmar Limited was founded in January 2017 which was developed by OK\$ Mobile Payment, on the other hands, Mobile Wallet to Myanmar People as a Service.(Opencorporates, 2017). OK\$ Internet Wallet Myanmar Limited is one of the Group of companies of Consumers Good Myanmar Limited which inaugurated in Myanmar as a company with multi-subsidiaries that manufacture and sell through our own distribution centers to all over Myanmar reaching mass consumers base. They have various kinds of Consumer Products such Coffee Mix, Rice, Sugar etc. Internet Wallet Myanmar Limited has distribution branch offices in all 14 States and Regions of the Republic of Union Of Myanmar to serve OK\$ to Myanmar people as best service.(CGM, 2017)

In 2018, OK\$ has around 1,000,000 mobile wallet users including 200,000 merchant users and 6,000 agent users in all over the Myanmar within 3 years. OK\$ wallet user can make cash in and cash out transaction from their CGM Office (Main Office), One Stop Mart, OK\$ agent shops, Post offices and some banks.

During this year, OK\$ Internet Wallet Myanmar create OK TAXI service and Go Auto ticket mobile applications. OK TAXI services provide transportations for people

and Go Auto ticket service provide the bus ticket, train ticket and movie ticket, etc. OK TAXI and GO Auto ticket wallet user can pay the charges from OK\$ wallet.

Functions of OK\$ Mobile Wallet Services

OK\$ mobile wallet services aim to unique convenience when customer use. And the main function of OK\$ is secure and convenient money transaction, payment gateway (direct pay) and other additional services like phone top up, billing, Bus Ticket, Air Ticket and Digital Gift Card, movie tickets, share bill with friend, buy commodities, shop online and do much more.

OK\$ offers the customers with lower service price and provide value added services. In the first year of using their app to do financial services, OK\$ won't be charged the fees of transferring. After one year of using, they charge about 50% like other mobile banking charges based on the customers' using services from the OK\$ mobile app. And then, OK\$ create agent network in the most populated cities and states in the whole Myanmar. OK\$ always seek to give the best offers to the customers and to meet the customers' satisfactions.

OK\$ arranges to include multi functions in their mobile wallet and prepare to use more conveniently for the customers. However, most of the users prefer to use mobile top-up and meter bill because OK\$ always give discount for mobile top-up and free of Charge for meter bill payment. They maintain and attract their consumers by promoting discount program and promotion program to pursue for using mobile wallet with the aim of growing financial knowledge in Myanmar.

The following features are general internet banking services provided by OK\$ wallet.

1. Account Register
2. Cashless Payment
3. Balance Inquiry
4. Bus Ticket Fees Payment
5. Cash In/ Cash Out from Bank Account
6. Gift Card
7. Cash In/ Cash Our at Agent
8. Bill Payment
9. Merchant Payment

10. Phone bill top-up
11. Request Money
12. Promotion
13. Agent Location

Eligible individuals can do self-registration via online. There is no registration fees for mobile wallet account creation process. The cashless payments features can allow the fast and easy payment cash using QR code scan at merchant and agents shop. Balance inquiry which can check account balance, transaction history and account details. Bus Ticket payment feature allows customer to pay for Entrance Parking, Fuel, Restaurant, Hotel, Shop, Supermarket, Ferry, Train, Bus, Intercity Bus, Flight etc. Customer can choose the respective merchant and make a simple payment. OK\$ mobile wallet user can make use of cash in/ cash out feature that allows to deposit or withdrawal from bank account through OK\$ mobile wallet. Customer can choose the respective bank name, bank address, branch, bank account number and transferred to the bank account. Gift Card features allows customers enabling to purchase the dedicated e-pin from US Google Play Store Credits, US iTunes Store Credits, US Steam Credits, Viber Out Credits and Easy Points Credits. Meter bill payment feature allows customer to pay Electricity Bill or Telephone or DTH bill online. Cash In/Cash Out from Agents feature allows customer send or receive money at their nearest agent shop. Customer no need to queue and can pay easily from their mobile. Phone bill top-up features allows to customer to top-up for Ooredoo, MPT, Telenor, Mectel, Mytel both GSM and CDMA. OK\$ mobile wallet user can use request money option when they need to make a very urgent payment. Customer can request money from OK\$ mobile user friend easily. Customer simply click Promotion option and get promotions from a list of merchants who have promotions. OK\$ mobile wallet user can know any promotions information. Agent Location feature can allow customer to know nearest agent shop in region.

(2) Profile of Wave Money Company Information

Wave Money was the first company in Myanmar to receive MFS license from the Central Bank and has been in operation since 2016. Wave Money is a joint venture between Telenor and Yoma Bank to provide accessible, safe and convenient mobile financial services via a nationwide agent network or via a wave account on phone. Telenor Group is one of the world's major mobile operators with 192 million mobile

subscriptions across 13 countries. Yoma Bank is an innovative and leading private bank, operating since 1993, with more than 3,000 employees and 63 branches across Myanmar.

Wave Money has Vision that empower Myanmar people with the freedom to manage their money the way they most prefer. Wave Money has Mission that provide reliable, simple, affordable, and trustworthy financial services which can be conveniently accessed via mobile phones and our extensive agent network. Wave Money promises to customers that Wave Money allows customer to transfer money quickly, safely and conveniently throughout Myanmar, freeing you from the hassles and worries of traditional methods.

In 2018, Wave Money has around 1,300,000 mobile wallet users and operate with over 24,000 wave shops cross in all over the Myanmar. Wave Money provides easy, fast and reliable mobile financial services through a nationwide agent network. Wave Money introduce a unique way of transferring money, bringing millions of people in Myanmar access to formal financial services. Thousands of people can transfer money via Wave Money mobile wallet and the agents anywhere at any times. The Wave Money arranges the 24/7 call center which the customers can call and can complain the errors all day long. (wave Money, 2018).

Functions of Wave Money Mobile Wallet Services

Wave Money wallet is an innovative way to transfer money. Wave Money wallet user can transfer money anywhere anytime. Wave Money wallet user can transfer money safely through their mobile phone or from one neighborhood Wave Shop agents. Wave Money offers customer instant, safe and convenient way of sending and receiving money, bringing financial inclusion to all.

The following features are general internet banking services provided by Wave Money.

1. Account Registration
2. Pay
3. History
4. Cash In
5. Wave Account Balance
6. Mobile Top-up
7. Bill
8. Donation

9. Bus Ticket Payment

Everyone can available registration by themselves via online. There are no fees for account registration. Pay function allows customer to send money from Wave Account to Wave account and non-account holder (NRC, phone number) using phone anywhere, anytime. All transactions are secured by secret pin number. History feature allows to customer check their account balance. Wave wallet user can visit any of the thousands of Wave Money shops to Cash-in into Wave Account with Wave account number or receiver's mobile phone number. Confirmation message sent one transaction is completed. And then, cash in feature allows customer to transfer money from some mobile wallet by banks (Yoma, CB, KBZ). Mobile top-up function allows to customer top-up their phone easily. Donation feature allows to customer make donate some charity firm on mobile wallet. Bus ticket payment feature allow to customer pay for bus ticket that no need to go bus station.

3.4 Different Services of OK\$ and Wave Money

OK\$ mobile wallet is digital money-transfer operator, which is owned by the marketing arm of a conglomerate rather than by bank or telecom. OK\$ mobile wallet service is unique and it in high technology export from Myanmar which is based on the technology of USA. OK\$ customer can make every payment only through smart phone such as mobile top up, intercity bus payment, ticket, transfer to bank account, bill payment, government taxes and it is available in the whole country via application without going anywhere. And it can do 24 hours and it is fast, safe, convenient and secure for users. OK\$ approach with promotion for top-up users, billing users, as extra bonus or cash back. OK\$ aims to attract the consumers by offering whenever consumers using mobile top-up by OK\$ then can get extra bonus or cash back.

Wave Money, a money transfer operator in Myanmar with a nationwide retail reach, is extending its business into billing payments and other services for business. Wave Money launched as an over-the-counter service in which people could visit agent, usually at a Telenor outlet, and send money quickly and cheaply to anyone else in the country, with the cash being able to be collected via another agent. Mobile money transfers followed, with Telenor customers first to gain access to the service. Wave Money is trying to get basis KYC information from other telco operators' customers and

expand user network in Myanmar. Wave Money generate revenue through small fees for taking cash out of the network, as well as by reselling phone top-up for Telenor. Wave Money wants to become a broader financial services company (DIGFIN, 2017)

OK\$ and Wave Money are the pioneers for money transfer in Myanmar and is now settled as a top-of-mind brand in the country. They create their mobile wallet is easy to use and stylish. The verification process via SMS goes on automatically and you can quickly navigate through the app. They help to people change from cash base to card and banking base to mobile payment system base that is secure, safe a convincing payment.

CHAPTER 4

ANALYSIS OF ADOPTION ON MOBILE WALLET AND MOBILE PAYMENT SERVICES IN MYANMAR

This Chapter analyses the attitude changes of customers in using Mobile Wallet and Mobile Payment services provided by selected Mobile Financial Services licensed organization based on their response to questionnaires which designed to explore their adoption. The study is chosen 120 respondents who are users of selected local mobile financial services organization (OK\$ and Wave Money) are interviewed by using the structured questionnaires attached in Appendix.

4.1 Research Design

This study analyzed the customer adoption on mobile wallet and mobile payment services and identifies the factor affecting the usage of mobile wallet services in Myanmar. Moreover, the study is also focusing on the changes of customer attitudes in using mobile wallet services despite of the traditional ways. To know the detail reasons and procedures, the study is collected information by using quota sampling method.

To support this study, the required information was collected via survey. As a survey instrument, a structured questionnaire was used. The questionnaires instrument includes three sections. First section is compromised with the respondents' demographic characteristics such as gender, age, marital status, occupation, income and education level and average monthly income. The second section included the customer thoughts and using attitudes about mobile wallet. In the last section is concerned with the main effective factors of mobile wallets such as perceived ease of use, perceived usefulness and attitude to use of mobile wallets.

As a sampling method, the quota sampling was employed in this study which used in this research paper to approach the respondents and collect the data on time and also to avoid low response rate. In the process of sampling, the 120 questionnaires are distributed by hand and email to customer and enough time given to respondents to fill the questionnaire to reduce the error.

After receiving the raw data from 120 respondents, the study evaluated the investigated information based on the data got from respondents. Statistical Package for

Social Science (SPSS) version 22 is used to analyze the data through statistical instrument for this research particularly, descriptive analysis. Finally, these analyses are discussed in term of customer attitude towards the use of mobile wallet in Myanmar.

4.2 Demographic Characteristics of the Respondents

This is important to study the demographic characteristic such as gender, education background, age, Occupation, monthly income and types of bank account of the bank customers. This section is provided data of demographic information from the questionnaires which is interpreted and summarized in frequency distribution and percentage distribution. The analysis of respondents' demographic data is illustrated in pie chart for graphical display.

(a) Number of Respondents by Gender

The respondents are not only males, but also females. Table (4.1) show the gender of respondents.

Table 4.1 Number of Respondents by Gender

Gender	Number of Respondents	Percentages
Male	58	48.3
Female	62	51.7
Total	120	100.0

Source: Survey Data, 2018

As shown in Table (4.1), the sample consists of 58(48.3%) males and 62(51.7%) females. At the time of survey, female users are slightly higher in using mobile wallets than male users. According to the survey, both genders show female are more use mobile wallet services than male.

(b) Number of Respondent by Age Group

Age distributions of the respondents have effect on influencing factor to use mobile wallet services. Age of respondent are divided by four categories. They are

between 18 and 25 years, between 26 to 35 years, between 36 to 50 years and above 50 years. Table (4.2) respectively show the frequency distribution of age in year.

Table 4.2 Number of Respondents by Age Group

Age (in year)	Number of Respondents	Percentage
18-25	12	10.0
26-35	83	69.2
36-50	23	19.2
Above 50	2	1.7
Total	120	100.0

Source: Survey Data, 2018

According to the observation, 83 respondents fall in the age group between 26 and 35 years, followed by 23 respondents fall between 36 and 50 years, 12 respondents fall between 18 and 25 years, 2 respondents fall 50 years and above, respectively. In terms of percentage share the age group between 26 and 33 years has highest percentage share with 69.2% and the age group 50 years and above has lowest percentage share with 1.7%. Most of the respondents for the question is between 26-35 years old so it means that most employee have more interest in using in mobile wallets than other ages. Therefore, about 69% respondent prefer to use mobile wallet service that is the highest percentage who has age limit between 26 and 35 years are more aware to use mobile wallet.

(c) Number of Respondents by Educational Status

The study compromised with three main sections for this questionnaire. There are three categories for educational status in questionnaire: Undergraduate, Graduate, Master/PhD. These are expressed in Table (4.3).

Table 4.3 Number of Respondents by Education

Education Status	Number of Respondents	Percentage
Undergraduate	3	2.5
Graduate	76	63.3
Master/PhD	41	34.2
Total	120	100.0

Source: Survey Data, 2018

According to Table (4.3), Since the study conducted with 120 respondents, between them 63% of the respondents are graduated persons, 34% of the respondents got master degree and PhD holders and remaining 2.5% of the respondent are bachelor students in university. From all respondent's maximum number of respondents (63%) are graduated persons.

(d) Number of Respondents by Occupational Status

Basically, the occupational statuses are classified by four types which are student, government staff, company staff and self-employed person. In this study, the occupational statuses of sample customers are found in Table (4.4).

Table (4.4) Number of Respondents by Occupation

Occupation	Number of Respondents	Percentage
Student	6	5.0
Government Staff	17	14.2
Company Staff	81	67.5
Self employed	16	13.3
Total	120	100.0

Source: Survey Data, 2018

From Table (4.4), 67.5 percent of the sampled customers are company staffs who prefer to use mobile wallet service that is the highest percentage of using mobile wallet and follow 14 percent are government staff, 13.3 percent are self-employed and remaining 5 percent are student. The majority of customer is company staffs.

(e) Number of Respondentby Income Level

Income is one of the important and sensitive demographic variables. This group is classified by five categories, according to survey on the basic Income level and found the most of mobile wallet's customer are having income amount between MMK 300,001- 500,000 and MMK 500,001- 1000,000 per month and which is contributed to about 32% of the total. In other words, if can also that most of customers are between MMK 300,001- 500,000 and MMK 500,001- 1000,000 income status.

Table 4.5 Number of Respondent by Income Level

Income Level (MMK)	Number of respondents	Percentage
Below 100,000	1	0.8
100,001-300,000	14	11.7
300,001-500,000	39	32.5
500,001-1000,000	38	31.7
Above 1000,000	28	23.3
Total	120	100.0

Source: Survey Data, 2018

(f) Number of Respondent by Types of Bank Account

There are three types of bank account of respondents mostly used banking services in Myanmar. The mobile wallet customers are used Saving account, Current account and Card account. Table (4.6) show the respondent most commonly use bank account on the survey result.

Table 4.6 Number of Respondent by Types of Bank Account

Types of Bank Account	Number of Respondent	Percentage
Saving Account	66	55.0
Current Account	12	10.0
Card Account	42	35.0
Total	120	100.0

Source: Survey Data, 2018

According to Table (4.6), it can be found that 66 customers out of sample 120 use the saving account with 55% of the total sample. The 42 customers out of sample 120 use the card account with 35% and the 12 customers out of sample 120 use the current of the total sample. Therefore, 55% respondents mostly use saving account.

(g) Number of Respondent by Banking Services Channel Usage

There are four channels of respondents mostly used banking services in Myanmar. They are branch, ATM/POS, mobile Banking/internet banking, E-commerce. Table (4.7) show the respondent mostly use banking channel based on survey results.

Table 4.7Number of Respondent by Banking Services Channel Usage

Channel	Number of Respondents	Percentage
Branch	47	39.2
ATM/POS	27	22.5
Mobile Banking/Internet Banking	43	35.8
E-commerce	3	2.5
Total	120	100.0

Source: Survey Data, 2018

According to Table (4.7), the 47 customers out of sample 120 use the branch banking channel with 39.2% of the total sample. The 43 customers out of sample 120 use the mobile banking channel with 35.8%, 27 customers out of sample 120 use the ATM/POS channel with 22.5% and 3 customers out of sample 120 use the e-commerce channel with 2.5%. Therefore, it can be seen that 47 respondents mostly use the branch banking.

4.3 Analysis on the Mobile Wallet Service Usage

In this section, the study is investigated mobile wallet users' thoughts and habits using mobile wallet service. This section presents the most commonly use of mobile wallet between OK\$ and Wave Money, the most commonly used mobile wallet services,duration of usage of mobile wallet, frequency of the usage of mobile wallet, reasons using to mobile wallet in OK\$ and Wave Money.

(a) Mostly Used Mobile Wallet by Customers

When asked to respondents about the mobile wallet service they are processing at agent shop. Respondents could choose only one mobile wallet which they really used

most of the mobile wallet services for this question. The two mobile wallets namely OK\$ and Wave Money are selected in this study. Results are shown in the following Table (4.8).

Table 4.8 Mostly Used Mobile Wallet by Customer

Name of Mobile Wallet	Number of Respondents	Percentage
OK\$	58	48.3
Wave Money	62	51.7
Total	120	100.0

Source: Survey Data, 2018

According to results, 48% of the respondents of total sample size are used OK\$ and 52% of the respondents of total sample size are used Wave Money. As a result, respondents are equally used OK\$ and Wave Money wallet.

(b) Most commonly Used Feature of Mobile Wallet

There are many services of mobile wallet. In this study, according to respondents answer, these services are divided by six categories. There are shown in the following Table (4.9).

Table 4.9 Most Commonly Used Feature of Mobile Wallet

Feature	Number of Respondents	Percentage
Money Transfer	44	36.7
Bill Payment	10	8.3
Phone bill top-up	41	34.2
Cash In/Out	11	9.2
Cashless Payment	10	8.3
M-Commerce	4	3.3
Total	120	100.0

Source: Survey Data, 2018

Table (4.9) show that the most frequently used transactions at the mobile wallet by the customers. As a result, 44 respondents out of 120 sample size preferred the internet banking in order to transfer money from one person to another person. And then, 41 respondents are using mobile wallet for phone bill top-up. The lowest amount of choosing M-commerce (online shopping via wallet) was only 4 respondents out of 120 sample size. Based on the figure, the study is assumed that most the respondents are more prefer of using two main functions: transferring money from account to account and phone bill top-up.

(c) Duration of the Usage the Mobile Wallet

The duration of the usage the mobile wallet is divided by three categories in the questionnaire: less than 1 year, between 1 to 3 years and 3 years above. The respondent's duration of the usage the mobile wallet is shown in the following Table (4.10).

Table 4.10 Duration of the Usage the Mobile Wallet

Duration	Number of Respondents	Percentage
Less than 1 year	82	68.3
1 to 3 years	32	26.7
Above 3 years	6	5.0
Total	120	100.0

Source: Survey Data, 2018

According to the Table (4.10), 68 % of the respondents had been used the wallet under 1 year, 27% of the respondents use between 1 to 3years and only 5% of the respondents are used the wallet 3 years and above. So, the majority of the respondents had been used the mobile wallet within 1 year.

(d) Frequency of the Usage of Mobile Wallet

Respondent's frequencies of the usage of mobile wallet are considered in four categories: Several time a day, about once a day, about once a week, about once a month and no transaction within 6 months. When the selected respondents are asked about the frequency of the usage of mobile wallet results are shown in the following Table (4.11).

Table 4.11 Frequency of the Usage of Mobile Wallet

Frequent	Number of Respondents	Percent
Several time a day	11	9.2
about once a day	5	4.2
about once a week	46	38.3
about once a month	58	48.3
Total	120	100.0

Source: Survey Data, 2018

According to the Table (4.11), 48% of respondents use the mobile wallet monthly, 39% of respondents use the mobile wallet weekly, 9% of the respondents use the mobile wallet several time a day and the last transaction 4% of the respondents use the mobile wallet once a time a day. Most of the respondent are use the mobile wallet monthly.

(e) Reason of the Use of Mobile Wallet

Table (4.12) are show that 120 respondents are using the mobile wallet and they answered reason to use. Respondents were allowed to choose only one option for this question.

Table 4.12 Reason of the Use of Mobile Wallet

Reason	Frequency	Percent
Ease of use	38	31.7
Time Saving	45	37.5
24hrs availability	35	29.2
Security	2	1.7
Total	120	100.0

Source: Survey Data, 2018

According to the results, their reasons for using the mobile wallet services respectively; 37% time saving, 32% ease of use, 29% make transaction 24hrs availability and 2% be security. The main reason to use the mobile wallet services are firstly time saving and secondly 24hrs services and ease of use.

4.4 Analysis of attitude towards the use of mobile wallet and mobile payment services in Myanmar

The respondents were asked to express their degree of agreement against each question. This question is separated three parts, which is including for Perceived Ease of Use, Perceived Usefulness and Attitude. The results are shown in following Table (4.13).

(a) Perceived Ease of Use

Table 4.13 Perceived Ease of Use

No.	Statement	Mean	Standard Deviation
1.	Mobile Wallet transaction procedures are simple and straightforward.	3.55	1.044
2.	Mobile Wallet can manage the financial functions more smoothly.	3.45	1.068
3.	Mobile Wallet service is the modernized one which can handle the payments easier.	3.64	1.114
4.	It is convenient because it eliminates the risk of carrying cash.	3.69	1.143
5.	Less cost and saving time of Mobile Wallet is more comfortable for users.	3.63	1.145
	Overall Mean	3.59	1.10

Source: Survey Data, 2018

The Table (4.13) reflects the descriptive statistic result of Perceived Ease of Use. The average level of agreement of Perceived Ease of Use mean is 3.59 and standard deviation is 1.10. Among five usefulness, the acceptance range of Mobile Wallet can manage the financial functions more smoothly is just the 3.45 percent mean and 1.068 percent standard deviation and it is the lowest percentage within five usefulness. The second lowest is about 3.55 mean and 1.044 standard deviation about the acceptance of the procedures of mobile wallet are simple and straightforward. The sentences from the above table, Mobile wallet service is the modernized one which can handle the payments easier, It is convenient because it eliminates the risk of carrying cash and Less cost and saving time of Mobile Wallet is more comfortable for users are ranged within 3.63 to 3.69

mean and standard deviation is within 1.114 to 1.145 so the users are prefer to use and can accept these are modernized, ease and reduced time consuming.

(b) Perceived Usefulness

Table 4.14 Perceived Usefulness

No.	Statement	Mean	Standard Deviation
1.	The usefulness of Mobile Wallet can be improved the financial knowledge of human beings.	3.39	1.087
2.	Using Mobile Wallet is as safe as other channels of banking.	3.22	1.014
3.	Mobile Wallet service is the useful mode of payment	3.53	1.084
4.	Using Mobile Wallets can save the transaction handling fees in performing banking transaction. (Bank, ATM)	3.48	1.137
5.	Using mobile wallet can reduce the time consuming to go bank	3.78	1.271
6.	Mobile Wallet services can support the Financial industrial growth and efficiency of cash management	3.53	1.042
	Overall Mean	3.50	1.11

Source: Survey Data, 2018

According to the Table (4.14), the average level of agreement of Usefulness mean is 3.50 and 1.11. The mean value of all variable range between 3.22 to 3.78 and standard deviation range from 1.014 to 1.271 respectively. Among six perceived usefulness, the fifth fact, using mobile wallet can reduce the time consuming to go bank got 3.78 mean and the standard deviation is 1.271. Because of this fact, the users agreed their times can reduce because of the online-based services. Mobile Wallet service is the useful mode of payment and Mobile Wallet services can support the Financial industrial growth and efficiency of cash management have same mean which is 3.53 and the standard deviation is 1.042 so the users are moderately accepted for the facts because they aren't certain that the mobile wallet services are so useful for them or not. The rest are the lowest acceptance range according to the table because their mean is under 3.5 and the standard

deviation is under 1.137 so the little amount of the users agreed about the improvement of financial knowledge, safer than other channels of banking. Therefore, it can consider that all variables in Usefulness are at agree level.

(c) Attitude of using Mobile Wallet

Table 4.15 Attitude of using Mobile Wallet

No.	Statement	Mean	Standard Deviation
1.	Using Mobile Wallet services is interesting.	3.55	1.151
2.	The convenience of using Mobile Wallet service is clearer and more understandable.	3.54	1.092
3.	Learning to use Mobile Wallet won't be difficult for me.	3.37	1.214
4.	Some users aren't afraid of making mistake in the Mobile Wallet services.	3.65	1.221
5.	The functions in the Mobile Wallet are easy to learn and understand for users.	3.53	1.053
6.	As a user, Mobile Wallet is aimed to use also in the future because of their easy and comfortable functions.	3.68	1.224
	Overall Mean	3.61	1.16

Source: Survey Data, 2018

The Table (4.15) reflects the descriptive statistic result of Perceive Ease of Use. The average level of agreement of Attitude mean is 3.61 and 1.16. The mean value of all variable range between 3.37 to 3.68 and standard deviation range from 1.053 to 1.221 respectively. Among the above six usefulness, the sentences: some users aren't afraid of making mistake in the Mobile Wallet services and as a user, Mobile Wallet is aimed to use also in the future because of their easy and comfortable functions are ranged above 3.6 so the users are accepted that they have the willing to use the mobile wallet services and they feel ease and safe by using the services. Some facts got moderately acceptance from the users and the mean is within 3.53 to 3.55 and the standard deviation is between

1.151 to 1.053 so the users' attitudes on the mobile wallets are interested, feels it is easy to understand and the functions are clear. The lowest mean of the sentence: Learning to use Mobile Wallet won't be difficult for me has about 3.37 and the standard deviation is 1.214 so that most of the users tried to absorb quickly about the procedures of mobile wallets and they took time about learning how to use mobile wallets. Therefore, it can consider that all variables in Attitude to use mobile wallet are at agree level.

CHAPTER5

CONCLUSION

In this chapter of research, the study compromised with three main sections: findings, suggestions and need for further research. In the first part, this study finds and make the research from other papers, analysis and then, customers' opinions on the internet banking. In the second part, it includes the recommendations that are from the results of the research findings. In the last part, the study summarizes about the facts from the last two part and further research.

5.1 Findings of The Study

The research is mainly focusing on the customers' attitude on the using of mobile wallets by local unbanked organizations in Myanmar. Firstly, the study analyzed about the processes and procedures of mobile wallet services and the study is analyzed which things are useful in changing process from traditional financial services to digital financial system as the second one.

To reach the main objectives of the research and to avoid bias of analyzing, the study is made the required data through sample survey by collecting. The total of 120 respondents who are already being customers of OK\$ and Wave Money were surveyed to represent the customers 'perception. Age level, gender level, education level, types of company, income level are assumed as the demographic factors.

The mobile wallet which is the integrated and updated one and it can manage the human beings' daily financial management in their everyday life. First of all, the research is mainly focused on the changing the culture and influencing factor which are so used to in Myanmar's people. As the study previously described, the traditional way of managing financial services via banks are time consuming and waiting of long queue makes the higher dissatisfaction of the customers. According to the analysis, Myanmar people is now more prefer to use the cashless payment system than the traditional way of using cash payment.

By reviewing on survey data regards with the customers' attitude, the customers' attitude level is above score 3 because of their ease of using and the mobile wallets are more useful for everybody who is started to use or interest to use. The customers can use mobile wallets not only for the banking functions but also for the managing daily personal

operations. Based on the analysis, middle age and young people are interested in using mobile wallets and they think that the functions inside the wallet are attractive and easy to use. Last 2 years ago, the customers are started interesting in using mobile wallet because their features are like banks including account to account transfer, phone bill, buying tickets online and etc. in Myanmar. Mobile wallet users are mostly interesting to use money transfer and mobile top-up function.

By summarizing in each stage, the using percentage of mobile wallet is growing year by year although Myanmar is the last developed in the Asian countries. And now, three MNOs are already launched and all are trying to give better services than the others. As the conclusion of the research, the study learned the culture of Myanmar people and the influencing factors of using mobile wallets by the customers.

5.2 Suggestions

The critical point of using mobile wallet service is that how to attract the customers by offering attractive promotions for the users. It is the most important part of improving mobile wallet service in Myanmar. People in the country is needed to try familiar with the cashless payment system which can be used in buying things, meter bills, transferring money and etc. Mobile wallets have better features than the banking sectors so the study is wanted to suggest that people who can use the modernized mobile phones should try to use the mobile wallets in their daily life style.

Due to findings, the following suggestions has been proposed to the mobile financial sector for improving the mobile wallet services in alignment with the attitudes of respondents: the mobile wallet developers need to arrange the knowledge sharing section of using mobile wallets, the features including in an application is also easy to use, the advantages of using mobile wallets and etc. It is better when the study searches more information from other people' literature reviews and researchers. In the surveying process, there should be prepared more comprehensive surveying questions with more participants and more wide area focus not only the Yangon but also including other cities which the users are staying. The research is aimed to improve the respondents' attitudes on using mobile wallets and to grow up the platform of improving the mobile wallets which is the one of cashless payment systems in Myanmar than previous.

5.3 Limitation and Need for Further Research

The current research is only focusing on the two of the mobile wallets which are developed in Myanmar and this study could not make analysis and surveys in depth because of short time frame. The research is only selected 120 respondents from OK\$ and Wave Money which are the active users located in Myanmar. If this study is getting enough time framework, the study can make more analysis like the condition of using traditional banking sector, current condition of Myanmar financial services and using mobile wallets.

Therefore, the research was analyzed and only focused on the attitude towards the use of mobile wallets and also the survey is based on the attitude factors. So, the next paper should be more focus on the life cycle of changing traditional methods of using cash to cashless payment system in the further research.

Survey on Mobile Wallet Services

Personal Information

1.Gender

- Male
- Female

2.Age

- 18-25
- 26-35
- 36-50
- Above 50

3.Education Status

- Undergraduate
- Graduate
- Master/ PhD

4.Profession

- Student
- Government Staff
- Company Staff
- Self employed

5.Monthly Income

- Below MMK 100,000
- MMK 100,000 – 300,0000
- MMK 300,001 – 500,000
- MMK 500,001 – 1,000,000
- Above MMK -1,000,000

6.Which type of bank account are you currently used?

- Saving Account
- Current/ Cheques Account
- Card Account (Debit / Credit)

7.Which banking channel are you using now?

- Bank
- ATM (Cash withdrawl at ATM machine)
- Mobile Banking/ Internet Banking
- E-commerce

Part-B

8. Which Mobile Wallet do you prefer most of the time?

- OK\$
- Wave Money

9.What are your purpose of using Mobile Wallet?

- Money Transfer (Person to Person)
- Bill Payment (Utility/ Entertainment Bill)
- Phone bill Top-up
- Cash In/Out (at Agent Counter)
- Cash less Payment (at Shop, Restaurant)
- M-Commerce (Online Shopping from wallet)

10.How many years have you been using for the Mobile Wallet?

- Less than 1 year
- 1-3 years
- More than 3 years

11.On average, how frequently have you used Mobile Wallet over the past 6 months?

- Several time a day
- About once a day
- About one a month
- No transaction

12.Which one in the following is encouraged you to use the Mobile Wallet service?

- Ease of use
- Time Saving
- 24hrs availability
- Security

Part C

The following set of statements indicate the Mobile Wallet Payment in terms of usefulness, ease of use, and attitude. Please indicate your agreement or disagreement with the statements reflecting your own perceptions about the payments through mobile wallet on the following scale (1 = Strongly Disagree, 2 = Disagree, 3 = Neutral,

4 = Agree, 5 = Strongly Agree)

13. The usefulness of Mobile Wallet can be improved the financial knowledge of human beings.

5 4 3 2 1

14. Using Mobile Wallet services is interested.

5 4 3 2 1

15. The convenience of using Mobile Wallet service is clearer and more understandable.

5 4 3 2 1

16. Mobile Wallet transaction procedures are simple and straightforward.

5 4 3 2 1

17. Learning to use Mobile Wallet won't be difficult for me.

5 4 3 2 1

18. Mobile Wallet can manage the financial functions more smoothly.

5 4 3 2 1

19. Using Mobile Wallet is as safe as other channels of banking.

5 4 3 2 1

20. Mobile Wallet service is the useful mode of payment.

5 4 3 2 1

21. Mobile Wallet service is the modernized one which can handle the payments easier.

5

4

3

2

1

22. Using Mobile Wallets can save the transaction handling fees in performing banking transaction. (Bank, ATM).

5

4

3

2

1

23. It is convenient because it eliminates the risk of carrying cash.

5

4

3

2

1

24. Using mobile wallet can reduce the time consuming to go banks.

5

4

3

2

1

25. Some users aren't afraid of making mistake in the Mobile Wallet services.

5

4

3

2

1

26. The functions in the Mobile Wallet are easy to learn and understand for users.

5

4

3

2

1

27. Less cost and saving time of Mobile Wallet is more comfortable for users.

5

4

3

2

1

28. It can support the Financial industrial growth and efficiency of cash management.

5

4

3

2

1

29. As a user, Mobile Wallet is aimed to use also in the future because of their easy and comfortable functions.

5

4

3

2

1